

Guidelines for Accepting Gifts

This document is intended to provide guidance for prospective donors, and guidance for the governing body at St. Philips that is responsible for accepting gifts.

In order to protect the interests of the Church and the persons and other entities who support its programs, these guidelines are intended to provide maximum benefit to both parties.

The Church should respond quickly, and in the affirmative where possible, to all gifts offered by prospective donors.

Outright Gifts

Cash – Undesignated gifts in the form of cash or checks should be accepted regardless of amount. All checks must be made payable to the Church and shall in no event be made payable to an employee, agent, or volunteer to, or for, the credit of the Church.

Publicly Traded Securities – Publicly traded securities should be accepted by the Church. Once donated, the Church can hold or sell such securities, at its discretion.

Closely Held Securities – Non-publicly traded securities may only be accepted upon a vote of the Finance and Facilities Board (F&F). Once donated, the Church can hold or sell such securities, at its discretion.

Real Property – No gift of real estate shall be accepted without prior approval of the F&F Board. No gift of real estate should be accepted without first ascertaining the approximate value of said property. Should the F&F Board recommend a formal appraisal, the appraisal is to be made by a party chosen by the F&F Board and the party chosen shall have no business or other relationship to the donor or the Church. In all cases involving real estate a review as to the possible impact of environmental issues shall be made. If such a review indicates the need for further study, a favorable inspection and report shall be obtained before deciding on acceptance of the property.

In general, residential real estate with a value of at least \$5,000.00 or greater should be accepted, unless the F&F Board determines for some reason that the property is not suitable for acceptance as a gift.

Special attention shall be given to the receipt of real estate encumbered by a mortgage, as the ownership of such property may give rise to unrelated business income for the Church potentially jeopardizing the Church's tax status as a non-profit entity.

Tangible Personal Property – Jewelry, artwork, collections, and other personal property may be accepted if the property has a measurable and tangible value, and there is reason to believe it can be readily disposed of. Such property can only be accepted by agreement of the F&F Board.

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No personal property should be accepted that obligates the Church to ownership of the property in perpetuity. No perishable property or property which will require special facilities or security to properly safeguard will be accepted without prior approval of the F&F Board.

Other Property – Other property of any description including mortgages, notes, copyrights, royalties, and easements, whether real or personal, shall only be accepted by approval of the F&F Board.

Material Items to be Used in Ministry at St. Philips- Acceptance of all items offered to be used in ministry is subject to the approval of the Church as outlined below. If accepted, the donor acknowledges that the Church will determine the appropriate use of the donated items.

Process:

1. A Warden will be notified of all potential donations of material items to be used in ministry. Examples include: a piano, a nativity set, flower vases, liturgical items, etc.
2. A Warden will discuss the potential donation with the appropriate Ministry Board.
3. The Ministry, through the Ministry Board will determine the appropriateness, need and acceptability of the potential donation/gift and notify a Warden of its decision.
4. The Warden, after consultation and agreement from the Finance and Facilities Board, will notify the Donor of the decision.

Payment of Fees Related to Gifts to the Church

Finder's Fee or Commissions – The Church should not pay a fee to any person as consideration for directing a gift to the Church.

Professional Fees – The Church will pay reasonable fees for professional services rendered in connection with the completion of a gift to the Church. Such fees will be paid only with prior written approval of the F&F Board, and after discussion with, and the approval of, the donor. Any fees will be paid out of the proceeds of the gift.

Fees should be deemed by the F&F Board or its designee to be reasonable, and directly related to the completion of the gift. For example, appraisal fees may be paid to persons who are competent and qualified to appraise the property involved and who have no conflict of interest. Legal fees for the preparation of documents, accounting fees incident to the transaction, and fees of “fee for service” financial planners would also be examples of acceptable fees. In the case of financial planners, such persons must state in writing that they are compensated only through fees for service rendered and that they are not compensated for the sale of products to clients.

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In the case of legal, accounting and other professional fees, an attempt shall be made by the F&F Board or its designee to ascertain the reasonableness of these fees and the likelihood of completion of the donation prior to approval/disapproval of any payment.

In cases where the persons receiving fees were initially employed by the donor and the Church is asked to pay the fees involved, the donor shall be notified that the payment of such fees may result in taxable income to the donor in the amount of the fees paid.