



Gift Acceptance Policy

INTRODUCTION

To protect the interests of St. John Lutheran Church of Boerne, Texas (SJLC) and the persons and entities who support its causes, these policies are designed to assure that all gifts to, or for the use of, charitable causes are structured to provide maximum benefit to all parties involved.

The goal of this policy is to encourage giving to SJLC without encumbering SJLC with gifts that cost more than the benefit to SJLC. The goal is also to avoid gifts that the donor restricts in a manner inconsistent with the goals of SJLC.

To facilitate the receipts of gifts and bequests, SJLC must be capable of responding quickly and in the affirmative where possible to all gifts offered by prospective donors. Unless stated otherwise, the Congregation Council intends that these policies apply to all gifts.

1. Gifts of:

a. Cash

- i. SJLC will accept gifts in the form of cash, check, and on-line giving.
- ii. Donors shall make all checks payable to St. John Lutheran Church or SJLC.

b. Publicly Traded Securities

- i. SJLC shall accept publicly traded securities. The donor may anticipate that SJLC may immediately sell such securities.

c. Closely-Held Securities

- i. SJLC's Congregation Council may only accept closely held securities upon written approval. The Executive Committee or designated committee or person will review these securities using the following criteria:
 1. There is a readily available market for their disposition.
 2. Accepting such securities will not create any potential liability to SJLC.
 3. The closely held entity engages in no activities that would be inconsistent with SJLC's mission and ministry.

d. Real Property

- i. According to the SJLC Constitution the Congregation must approve all gifts of real estate in advance of accepting the gift.



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- ii. SJLC may require that a licensed appraiser issue an appraisal of the real estate before acceptance. The licensed appraiser shall not have any business or other relationship with the donor. The costs of the appraisal shall be borne by the donor.
- iii. The Congregation Council cannot bring any gift of real estate to the Congregation for a vote until they determine that no environmental waste contaminates the property. SJLC may require a Level I Environmental Survey. All costs related to the survey will be borne by the donor.
- iv. In general, residential real estate located within the state of Texas will be brought to the Congregation for a vote, unless the Congregation Council shall determine for some reason that the property is not suitable for acceptance.
- v. Special deliberation 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 SJLC, as well as payments, taxes and insurance that may burden SJLC's finances.

e. Tangible Personal Property

- i. Jewelry, artwork, collections, and other personal property only can be accepted on behalf of SJLC by the Congregation Council, or other such persons authorized to do so by the Congregation Council.
- ii. No personal property shall be accepted by SJLC unless there is reason to believe that property can be quickly sold. No personal property shall be accepted that obligates SJLC to retain it in perpetuity. No perishable property or property which will require special facilities or security to properly safeguard it will be accepted without prior written approval of the Congregation Council.
- iii. Notwithstanding the forgoing, if there is reason to believe personal property has a value of \$1,000 or more, it may only be accepted after receipt and review by the Congregation Council or those empowered to act on its behalf, after an appraisal qualified under the terms of the Internal Revenue Code governing gifts of personal property.

f. Other Property

- i. Other property of any description including mortgages, notes, copyrights, royalties, easements, whether real or personal, shall only be accepted by further action of the Council or those empowered to act on its behalf or by the Congregation according to the Constitution and Bylaws of SJLC.



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2. Deferred Gifts

a. Bequests

- i. SJLC shall actively encourage gifts through Wills and Living Trusts.
- ii. In the event of inquiry by a prospective donor, representations as to the acceptability of a bequest to SJLC shall be made in accordance with this Gift Acceptance Policy.
- iii. SJLC shall at all times retain the right to refuse a gift from an individual or from an estate when it is not in the best interest of SJLC to accept the gift.
- iv. When SJLC is the recipient of a gift from a will or trust, the Congregation Council shall review the restrictions upon the gift and determine if it is in the best interests of SJLC to accept the gift.
- v. SJLC will not accept a gift that might result in conflict within SJLC or confusion as to the utilization of the gift or that might create an undue financial burden upon SJLC.
- vi. When SJLC receives an unrestricted or undesignated estate gift, the Congregation Council shall determine its highest and best use at the time.

b. Life Estate Gifts

- i. Donors shall generally not be encouraged to make gifts of a remainder interest in real property in which the donor retains a life estate.
- ii. This policy is based upon the possibility that the donor may need to sell the home in the future and find the value of the life estate is a small portion of the value of the property. Such gifts may be accepted by the Congregation Council when the asset involved appears to be a minor portion of the donor's wealth, and the Council is satisfied that there has been full disclosure to the donor of the possible future ramifications of the transaction.

c. Gifts of Life Insurance

- i. SJLC will encourage donors to name SJLC as a beneficiary of all or a portion of a person's life insurance policies.
- ii. SJLC will not accept gifts from donors for the purpose of purchasing life insurance on the donor's life. Exceptions to this policy will be made after researching relevant state laws to assure SJLC has an insurable interest under applicable state law.
- iii. No insurance products may be endorsed for use in funding gifts to SJLC. In no event shall lists of SJLC's donors be furnished to anyone for the purpose of marketing life insurance for the benefit of donors or SJLC.

3. Finder's Fees and Commissions

- a. No finder's fees or commission shall be paid to anyone as consideration for directing a gift to SJLC.