



UNITED CITY CHURCH

GIFT ACCEPTANCE POLICY



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INTRODUCTION

United City Church (“UC”) welcomes donors’ charitable gifts to support UC’s mission and charitable causes. This Gift Acceptance Policy (the “Policy”) seeks to encourage such giving to UC without encumbering UC with gifts that cost more than their benefit to UC. This Policy instructs that UC declines gifts that a donor restricts in a manner inconsistent with UC’s mission. This Policy intends to provide assurance that all gifts are structured to provide maximum benefit to all parties involved. Prospective donors are strongly encouraged to seek their own legal and/or tax counsel in matters relating to their charitable gifts, taxes, and estate plans.

To facilitate the receipts of gifts and bequests, UC shall respond quickly and in the affirmative where possible to all gifts offered by prospective donors. Unless stated otherwise, the Leadership Team and Stewardship Committee (the “Committee”) intends that these policies apply to all gifts of any amount or nature. Guidelines for the acceptance of specific categories of gifts are as follows:

I. Gifts of:

A. Cash

1. UC will accept gifts in the form of cash and checks regardless of amount, unless:
 - a. A question exists as to whether the donor has legal title to the asset; or
 - b. A question exists as to the legal capacity of the donor to transfer funds.
2. Donors shall make all checks payable to United City Church or UC. UC shall not accept checks payable to an employee, director, agent, or volunteer.

B. Publicly traded securities

UC may accept publicly traded securities. The donor may anticipate that UC may immediately sell such securities. UC shall be under no obligation to further invest or seek to earn investment income on any gifted securities.

C. Closely-held securities

UC may only accept closely-held securities upon written approval by the Committee. The Committee 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 UC.
3. The closely-held entity engages in no activities that would be inconsistent with UC’s objectives and mission or that may cause harm to UC’s reputation and ability to advance its mission.
4. UC has identified whether the security will generate unrelated business income taxes (“UBIT”).



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D. Real property

The Committee or its designees must approve in writing all gifts of real estate prior to accepting the gift. Approval may be granted upon the following conditions:

1. UC may require that a licensed appraiser issue an appraisal of the real estate before acceptance. The licensed appraiser must be an independent professional and not have any personal or professional relationship with the donor. The costs of the appraisal shall be borne by the donor, unless waived by UC.
2. UC cannot accept any gift of real estate until it is determined that no environmental waste contaminates the property. UC may require a Phase I Site Assessment. All costs related to the assessment shall be borne by the donor, unless waived by UC.
3. In general, residential real estate located within the state of Texas will be accepted, unless the Committee determines, in its sole discretion, that the property is not suitable for acceptance.
4. Special deliberation shall be given to the receipt of real estate encumbered by a mortgage, as the administration of such property may give rise to unrelated business income for UC, as well as payments, taxes, and insurance that may burden UC's finances.
5. The Committee may choose to accept royalty interests in oil, gas, or other minerals. Before accepting such interests, UC shall engage legal counsel and other professional advice, where appropriate, to evaluate whether accepting the gift exposes UC to environmental or other liabilities. All costs related to legal counsel and other professional advice shall be borne by the donor, unless waived by UC. UC shall not accept working interests.

E. Tangible personal property

1. Jewelry, artwork, collections, and other personal property may only be eligible for acceptance by UC if the donor represents that the property has a value in excess of \$1,000.
2. No personal property shall be accepted by UC unless there is reason to believe the property can be sold quickly. UC shall not accept personal property if the donor obligates UC to retain such property in perpetuity. No perishable property or property that will require special facilities or security to properly safeguard it will be accepted without prior written approval of the Committee.
3. Notwithstanding the foregoing, 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 Committee or its designees, after an appraisal qualified under the terms of the Internal Revenue Code governing gifts of personal property. All appraisal costs shall be borne by the donor, unless waived by UC. The Committee, in its sole discretion, or such other personnel authorized by the Lead Pastor, may then accept or reject the gift.



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F. Other property

Other property of any description, including mortgages, notes, copyrights, cryptocurrencies, royalties, and easements, whether real or personal, shall only be accepted upon action of the Committee or its designees.

G. Social responsibility

In keeping with UC's mission and goals, UC may refuse the donation of assets that are not compatible with UC's social responsibilities or that conflict with UC's mission.

II. Deferred gifts

A. Bequests

1. UC shall actively encourage gifts through wills and living trusts.
2. In the event of inquiry by a prospective donor, representations as to the acceptability of a bequest to UC shall be made in accordance with this Gift Acceptance Policy only.
3. UC shall at all times retain the right to disclaim a gift, in whole or in part, from an individual or from an estate when it is not in the best interest of UC, as determined in UC's sole discretion, to accept the gift.
4. When UC is the recipient of a gift from a will or trust, the Committee shall review the restrictions upon the gift and determine if it is in UC's best interests to accept the gift.
5. Any gift that might result in conflict within UC or confusion as to the utilization of the gift, or that might create an undue financial burden upon UC, may be refused by the Committee.
6. When UC receives an unrestricted estate gift, the Committee, in consultation with UC's Treasurer, shall use reasonable means to determine its highest and best use.

B. Life estate gifts

1. The Committee shall exercise thoughtful consideration of any donor gift of a remainder interest in real property in which the donor retains a life estate.
2. This policy is based upon the possibility that the donor may desire to sell the real property in the future and find that the value of the life estate is a small portion of the value of the real property. Such gifts may be accepted by the Committee when the asset involved appears to be a minor portion of the donor's wealth, and the Committee is satisfied that there has been full disclosure to the donor of the possible future ramifications of the transaction.



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C. Life insurance gifts

1. UC welcomes the opportunity to be named as a beneficiary of all or a portion of a donor's life insurance policies.
2. UC will not, however, generally agree to accept gifts from donors for the purpose of purchasing life insurance on the donor's life. Exceptions to this policy will be made on a case-by-case basis after researching relevant state laws or seeking the advice of legal counsel to assure UC has an insurable interest under applicable state law.
3. No insurance products may be endorsed for use in funding gifts to UC. UC shall not furnish donor lists to anyone for the purpose of marketing life insurance for the benefit of donors or UC, as this practice may represent a potential conflict of interest, may cause donor-relations problems, and/or may subject UC to state insurance regulation should the activity be construed as involvement in the marketing of life insurance.

D. Retirement plan beneficiary designations

UC welcomes the opportunity to be named as a beneficiary of a donor's retirement plan. Such designation shall be considered a revocable gift and not recorded as revenue until the designation becomes irrevocable, typically at the death of the donor.

E. Trusts

UC welcomes the opportunity to be named as a beneficiary of donors' trusts, such as charitable remainder trusts (CRTs), charitable lead trusts (CLTs), and revocable trust arrangements. However, UC will not serve as a trustee of any trust and instead encourages donors to use a professional fiduciary.

F. Charitable gift annuities

UC does not offer charitable gift annuities.

III. Restricted gifts

A. Establishing restricted funds

1. The Committee, with input from UC's Treasurer, will determine what restricted funds may be established.
2. Any donor to UC may submit a written request for the establishment of a restricted fund to the Committee. Once a fund is established, UC may accept gifts into that fund.
3. The Committee, in its sole discretion, will determine the length of time the restricted fund shall exist. When that time has passed, the Committee may either extend the time period for fund's expiration or transfer any remaining monies to the operating fund.

B. Disbursing restricted funds

1. UC endeavors to utilize restricted funds for the purpose for which they are designated.
2. If, at any time, UC accepts custody of restricted gifts that have not been approved and established by the Committee, and UC does not intend to use the restricted funds for the purpose designated, UC will return the monies to the donor or contact the donor for permission to transfer the monies to another fund.



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C. Notice to donors

UC shall include in fundraising, solicitation materials, and donor receipts the following statement:

“The donation categories on our website, digital, and printed materials are representative of our established funds used to accomplish our mission of crossing every divide to live united in Christ. While we make every effort to direct your donation to the fund you choose, United City Church leadership, with the full oversight of our Leadership Team and Stewardship Committee, and outside independent third-party auditors, hereby reserve the right to use your donation “where needed most,” as needs and opportunities arise both locally and globally. Donors expressly give United City Church this authority regarding donors’ contributions. United City Church welcomes gifts of any nature, but may refuse any gifts, in whole or in part, for any reason, including when such gifts may be inconsistent with furthering the church’s mission. Thank you for your generous support of United City Church’s work and for understanding our intention to structure charitable gifts to provide maximum benefit to all parties involved. All donations are subject to United City Church’s Gift Acceptance Policy, copies of which are available in the Business Office and online at unitedcity.church/give.”

IV. Miscellaneous

- A. UC employees and volunteers shall not provide legal, accounting, tax, or financial advice to donors or prospective donors.
- B. No finder’s fee or commission shall be paid to anyone as consideration for directing a gift to UC.
- C. UC may seek the advice of legal counsel when considering acceptance or refusal of gifts. The donor may be asked to share the costs of such advice, at the discretion of UC’s Treasurer. Generally, legal counsel will be sought in connection with gifts involving:
 - 1. Closely-held stock, and particularly when the stock is subject to restrictions or buy-sell agreements;
 - 2. Gifts involving contracts that bind UC, such as bargain sales or real property with a mortgage attached;
 - 3. Gifts of patents, intangibles, and intellectual property;
 - 4. Transactions with potential conflicts of interest; and
 - 5. Other instances at the discretion of the Committee or the Treasurer, except that UC shall always seek the advice of legal counsel when accepting a gift outside the parameters of this Gift Acceptance Policy.
- D. It is the responsibility of the donor to secure an appraisal of a gift to UC, when an appraisal is necessary.

This policy was adopted by a resolution of members on the ___ day of _____, _____.

Treasurer’s signature: _____ Date: _____