

# Augustana Lutheran Church

## GIFT ACCEPTANCE POLICY

Purpose: Augustana Lutheran Church ("the Church") encourages the invitation and acceptance of gifts for purposes that will help it fulfill its mission. The following policies and guidelines govern acceptance of gifts made to the Church for the benefit of any of the current or future priorities, programs, or perpetual funds.

The Church has adopted the tenets of The Donor Bill of Rights as promulgated by the Association of Fundraising Professionals. Donors seeking additional information may access it at: [Donor Bill of Rights](#).

The Church's Gift Acceptance Policy rests on several assumptions and principles:

- Gifts for specific programs and purposes may be accepted, provided they are consistent with the Church's mission, purposes, and priorities. The Church will not accept a gift unless it believes it can administer the terms of the gift in accordance with the donor's documented wishes and restrictions.
- The solicitation and administration of charitable gifts is a process involving spiritual, philanthropic, personal, financial, legal and tax considerations. The Church intends the process to achieve a fair and proper balance between the interests of the donor and the purposes of the Church.
- Donors are encouraged to discuss and plan gifts with their professional advisors. The Church does not provide legal or tax advice.
- No irrevocable gift, whether outright or life-income in character, will be accepted if the Church has reason to believe that, under any reasonable set of circumstances, the gift will jeopardize the donor's financial security.
- Non-cash gifts will generally be converted to cash as quickly as possible following receipt.
- The Church will seek its own legal counsel in matters relating to gift acceptance when appropriate.

*Types of Gifts Accepted.* The types of gifts the Church deems acceptable and appropriate include, but are not limited to:

- outright contributions of cash.
- pledges payable in single or multiple installments.
- marketable securities.
- life insurance policies and proceeds.
- bequests and beneficiary designations.

*Gifts Accepted by a Third Party.* Some types of gifts for the benefit of the Church require the engagement of a third-party administrative partner. These gifts include:

- charitable gift annuities.
- charitable trusts, both remainder and lead.
- donor advised funds.

*Gifts Requiring Review.* Some gifts carry their own challenges, including marketability, and are subject to due diligence review by the Congregation Council prior to acceptance. These include:

- real estate and personal property (arts, coin collections, etc.).
- retained life estates or bargain sales.
- closely held stock, stock options, and pre-IPO stock.
- intellectual property or mineral reserves.

*Disclosure.* The Church will disclose to a prospective donor information known to the organization that could reasonably be expected to influence the donor's decision to make a gift. The donor should be advised of a gift's revocability or irrevocability. Items subject to variability (e.g. market value, investment return, income payments) should be discussed fully.

*Restrictions.* The Church encourages unrestricted gifts, providing the greatest flexibility to meet its immediate and future needs. The church relies on a level of unrestricted gifts to fund its operations. Gifts for specific programs and purposes may be accepted, provided they are consistent with the Church's mission, purposes and priorities.

All unrestricted special gifts and bequests will be distributed as follows (unless a donor specifies otherwise):

- On an annual basis, the first \$100,000 of unrestricted gifts will be retained by the church for general operating purposes.
- After that amount is received, and for the duration of the Welcome 150 Campaign to renew Augustana's facilities and ministries, 10% of any unrestricted gift will go to the general operating funds of the church, not to exceed \$100,000, and the remainder to the Welcome 150 campaign. Once the campaign goals are achieved, the 90% portion will fund a Building Maintenance Fund for ongoing support of the building and grounds.

*Appraisals and Legal Fees.* It will be the responsibility of the donor to secure and pay for the costs of any appraisals (where needed) or the advice and service of their independent counsel.

*Refusal.* The Church reserves the right to refuse any gift if:

- it believes it is not in the best interest of the donor.
- it is likely that it will place other assets of the church at risk, cause undue burden on the organization, or if the gift cannot be readily converted into assets that fall within the organization's investment guidelines.
- it is aware that the donor, a member of the donor's family or any donor advisor will receive any material benefit, directly or indirectly from the gift, or if accepting such a gift would constitute a conflict of interest for the Church.
- the donor's specified intent is illegal, immoral, impractical or impossible to meet, or which is contrary to the mission, beliefs and values of the Church.

*Confidentiality.* All agreements and information concerning gifts shall be held in strict confidence by the Church, subject to legally authorized and enforceable requests.

*Acknowledgements.* The Church will send acknowledgements for gifts to all donors or their personal representatives in a timely manner. While not necessarily confirming whether all or part of the gift complies with IRS deduction requirements, these acknowledgements may state:

- The cash or appraised value of the gift and who determined it.
- Any restrictions for use, or designated expenditure requested by the donor; and, if appropriate,
- Whether or not the gift or any part of the gift is revocable.

*Naming Rights.* The Church strives to make every donor and prospective donor feel valued, involved in, and inspired by its mission and ministries. Unless a donor requests otherwise, all Church donors are respectfully recognized and celebrated. Naming opportunities may be created for special projects with approval of the Congregational Council.

Adopted by the Congregational Council of Augustana Lutheran Church at its regularly called meeting on Tuesday, January 21, 2025.