



TOMOKA

CHRISTIAN CHURCH

GIFT ACCEPTANCE POLICY

INTRODUCTION

To protect the interests of Tomoka Christian Church, Inc. (hereinafter referred to as the “Organization”) 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 Organization shall execute no planned giving agreement without the advice of legal counsel. Prospective donors shall be strongly encouraged to seek their own legal and/or tax counsel in matters relating to their charitable gifts, taxes, and estate plans.

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

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

I. Gifts of:

A. Cash

1. The Organization 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 Tomoka Christian Church, Inc. and donors shall never make checks payable to an employee, director, agent, or volunteer for the credit of the Organization.

B. Publicly Traded Securities

The Organization shall accept publicly traded securities. The donor may anticipate that the Organization may immediately sell such securities.

C. Closely-Held Securities

The Organization may only accept closely-held securities upon written approval by the Board of Elders. The Board of Elders will review these securities using the following criteria:

- a) There is a readily available market for their disposition.
- b) Accepting such securities will not create any potential liability to the Organization.
- c) The closely held entity engages in no activities that would be inconsistent with Organization objectives.
- d) The Organization has identified whether the security will generate unrelated business income taxes (“UBIT”).

D. Real Property

The Board of Elders must approve in writing all gifts of real estate in advance of accepting the gift.

1. The Organization 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.
2. The Organization cannot accept any gift of real estate until the Board determines that no environmental waste contaminates the property. The Organization may require a Level I Environmental Survey. All costs related to the survey will be borne by the donor.
3. In general, residential real estate located within the State of Florida will be accepted, unless the Board of Elders shall determine for some reason 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 the Organization, as well as payments, taxes and insurance that may burden the Organization’s finances.
5. The Board of Elders may choose to accept royalty interests in oil, gas, or other minerals. Before accepting such interests, the Organization shall engage legal counsel and other professional advice, where appropriate, to evaluate whether accepting the gift exposes the Organization to environmental or other liabilities. The Organization shall not accept working interests.

E. Tangible Personal Property

1. Vehicles and other personal property shall not be accepted unless the employee, agent or volunteer working on behalf of the Organization shall have reason to believe the property can quickly be resold. Such property can only be accepted on behalf of the Organization by the Board of Elders or such other person or persons authorized to do so by the Board of Elders.
2. No personal property shall be accepted by the Organization unless there is reason to believe the property can be quickly sold. No personal property shall be accepted that obligates the Organization 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 Board of Elders.

3. Notwithstanding the forgoing, if there is reason to believe personal property can be reasonably resold quickly, it may only be accepted after receipt and review by the Board of Elders or those empowered to act on its behalf.

F. Other Property

Other property of any description including mortgages, notes, copyrights, royalties, easements, whether real or personal, shall only be accepted by further action of the Board of Elders or persons duly acting on its behalf.

G. Social Responsibility

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

II. **Deferred Gifts**

A. Bequests

1. The Organization 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 the Organization shall be made in accordance with this Gift Acceptance Policy only.
3. The Organization 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 the Organization to accept the gift.
4. When the Organization is the recipient of a gift from a will or trust, the Board of Elders shall review the restrictions upon the gift and determine if it is in the best interests of the Organization to accept the gift.
5. The Organization will not accept a gift that might result in conflict within the Organization or confusion as to the utilization of the gift or that might create an undue financial burden upon the Organization.
6. When the Organization receives an unrestricted estate gift, the Board of Elders, in consultation with the Trustees, shall determine its highest and best use at the time.
7. If the Organization has created an Endowment Fund and the unrestricted funds are not needed for the ordinary and everyday expenses of the Organization, priority for unrestricted gifts may be as an addition to the Organization's Endowment Fund.

B. Life Estate Gifts

1. Donors shall generally not be encouraged to make gifts 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 need to sell the home in the future and find that the value of the life estate is a small portion of the value of the property. Such gifts may be accepted by the Board of Elders when

the asset involved appears to be a minor portion of the donor's wealth, and the Board of Elders are satisfied that there has been full disclosure to the donor of the possible future ramifications of the transaction.

C. Gifts of Life Insurance

1. The Organization will encourage donors to name the Organization as a beneficiary of all or a portion of a person's life insurance policies.
2. The Organization will not, however, as a matter of course 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 after researching relevant state laws to assure the Organization has an insurable interest under applicable state law.
3. No insurance products may be endorsed for use in funding gifts to the Organization. In no event shall lists of the Organization's donors be furnished to anyone for the purpose of marketing life insurance for the benefit of donors or the Organization. This policy is based on the fact that this practice represents a potential conflict of interest, may cause donor relations problems, and may subject the Organization to state insurance regulation should the activity be construed as involvement in the marketing of life insurance.

D. Retirement Plan Beneficiary Designations. The Organization 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. The Organization 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, the Organization will not serve as a trustee of any trust and instead encourage donors to use a professional fiduciary.

F. Charitable Gift Annuities. The Organization does not offer charitable gift annuities.

III. **Designated Gifts and Designated Accounts**

A. Establishing Designated Funds.

1. The Board of Elders, with input from the Organization's Trustees, will determine what designated accounts may be established.
2. Any donor to the Organization may request in writing to the Board of Elders the establishment of a designated account. Once an account is established, the Organization may accept funds into that account.
3. The Board of Elders will determine the length of time the account shall exist. When that time has passed, the Board of Elders may either extend the time period for expiration of the account or transfer any remaining funds to the general fund.

B. Disbursing Designated Funds

1. Designated funds may only be spent for the purpose for which they are designated.

2. If, at any time, the Organization accepts custody of designated accounts which have not been approved and established by the Board of Elders, and the Organization does not intend to use the designated funds for the purpose designated, the Organization will return the monies to the donor or contact the donor for permission to transfer the funds to another fund or another charity chosen by the donor.

C. Notice to Donors. The Organization shall include in fund raising, solicitation materials and donor receipts the following statement:

“All donations are subject to the Gift Acceptance Policy. Contributions are solicited with the understanding the Organization has complete discretion and control over the use of all donated funds. The Organization will attempt to honor gifts preference to support particular ministries, but the final decision on the use of all funds rests with the organization.

IV. Miscellaneous

A. Organization 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 the Organization.

C. The Organization may seek the advice of legal counsel when considering certain gifts. The donor may be asked to share the costs of such advice, at the discretion of the Organization’s Elder Board. Generally, legal counsel will be sought in connection with gifts involving:

- a) Closely-held stock, and particularly when the stock is subject to restrictions or buy-sell agreements;
- b) Gifts involving contracts that bind the Organization, such as bargain sales or real property with a mortgage attached;
- c) Gifts of patents, intangibles, and intellectual property;
- d) Transactions with potential conflicts of interest; and
- e) Other instances at the discretion of the Board of Elders or the Trustees, except that the Organization shall always seek the advice of legal counsel when accepting a gift outside the parameters of these Gift Acceptance Policies.

D. It is the responsibility of the donor to secure an appraisal of a gift to the Organization, when an appraisal is necessary.

E. The Organization is qualified under Sec. 501 (c)(3) to receive tax deductible contributions under Sec. 170.