

Providence United Methodist Church

Gift Acceptance Policy

Providence UMC encourages its friends and members to support the ministries of the church, including with bequests and gifts given in honor or memory of others. Remembering those we love in this way is an expression of our love for God and our commitment to further the ministry of the church. The purpose of this policy is to provide guidance for these gifts, and for all gifts given to the church, to maintain and preserve the integrity of the Church and minimize the acceptance of gifts that will not assist the Church in fulfilling its mission.

Receipt

In general, Providence UMC encourages the principle that gifts to the church should be unrestricted and without conditions, as unrestricted gifts allow the church to use the funds where they are most needed.

Unrestricted cash gifts and marketable securities will be accepted and acknowledged through the normal accounting procedures of Providence United Methodist Church.

Receipt of non-cash or non-marketable securities gifts will be the responsibility of the Board of Trustees and must have the prior approval of the Trustees before being accepted. Such gifts will then be liquidated by the Finance Committee. The gifts must be unencumbered and given outright to the church. The Board reserves the right to refuse, or return, any gift determined to be unacceptable because of value, marketability, or any other reason deemed problematic to Providence UMC.

All gifts of real estate must be given with an appropriate title search, environmental evaluation, survey and appraisal. All costs of transferring will be borne by the donor. Gifts of real estate must generally be unencumbered with liens, litigation, or any other potential liability for Providence UMC. Before title is accepted by Providence UMC, the Board of Trustees in consultation with the Finance Committee, reserves the right to accept or not accept the gift. Real Estate gifts may be liquidated following the procedures set out in the Book of Discipline.

Designated Gifts

All gifts given to Providence UMC shall become the property of Providence UMC. The donor may request a specific designated purpose for the gift at the time the gift is made, or request at the time the gift is given, that he/she be given 365 days to designate. If a donor requests an extension of 365 days and a designation is not given within that time, the gift shall be considered unrestricted. If a donor does not request an extension of 365 days at the time the gift is given, the donor has 90 days to designate the gift; otherwise the gift shall be considered unrestricted.

If a donor wishes to impose a designation on the gift that is not a current ministry or fund of Providence, the Senior Pastor or his/her staff designee, with direction from the appropriate committee, should determine whether to accept the donor's designation. If the designation fits within the church's tax exempt purposes, its mission and vision, and fulfills the needs of the church deemed appropriate for use, it may be accepted. If the gift does not, the Senior Pastor or his/her staff designee will work with the donor to determine a more appropriate designation for the gift.

Suggestions for the use of gifts should be made by the donor before the gift is made, where possible, and must be approved by the Senior Pastor or his/her staff designee.

Memorial Gifts

Unrestricted Memorial Gifts: Ninety-five percent of unrestricted memorial gifts shall be used to fund an operational reserve, which will then be invested. The Senior Pastor or his/her designee, with guidance from the Finance Committee, shall have the authority to direct expenditures of unrestricted memorial funds to various church ministries. Five percent of unrestricted memorial funds shall be transferred to the Providence Endowment Fund.

Suggestions for the use of memorial gifts may be made by the donor within 90 days of receipt of the funds by Providence UMC, and must be approved by the Senior Pastor or his/her staff designee and Finance Committee.

Bequests and Memorial gifts will be acknowledged with thanks from Providence UMC to the contributor and with notice of the gift to the family of the person memorialized.

Disbursement of Gifts

All gifts, including unrestricted, designated, and memorial gifts, must be both accepted and disbursed in accordance to all federal and state laws.

To ensure good stewardship of our Church resources, designated gifts should be used first, before budgeted funds, to fulfill their designated area of our current budget. However, the Church does not want to unintentionally reject a specific gift, if a donor requests that their gift be designated to use in addition to our budgeted funds. In those specific cases, the Senior Pastor or his/her staff designee will be certain that the donor understands our current budget and financial plans. We will accept this additional designated gift which will be used once the available budgeted funds are used for this ministry. In the event the budgeted amount for the designated ministry is not achieved, the designated funds may be used to supplement the budget to achieve the purpose of the ministry. However, they will be used last, after all available budgeted funds have been used.

When funds are accepted subject to the donor's designation of the use of funds, the church is under a legal and moral obligation to preserve those funds and use them only for the designated purpose. Actual money shall be preserved, not merely a paper accounting.

Because designated funds are segmented from the general operating budget, they can become stranded for long periods of time. When this happens, we are not being good stewards of God's resources, nor are we using the resources in the most effective manner. In exceptional circumstances where the designated purposes are no longer feasible, or has been completed, or for other good cause, or where there has been no activity (donations or expenses) in the funds over a 2 year time period, the Finance Committee may redirect such gifts to other appropriate ministries or projects, retaining the basic original purposes of the designation.



Chair, Church Council

11/15/17

Date Approved