

Second Unitarian Church of Omaha Gifts & Donations

Second Unitarian Church receives a variety of gifts and donations beyond annual pledges and the Sunday morning offering. This policy document acknowledges requirements and guidelines for each type of gift or donation: In-Kind Donations, Memorial Gifts, Stock Gifts, Non-Offering Monetary Gifts, and Plaque Policy-Benefactors.

Policies Owner: Finance Coordinating Council

Document Approved: June 20, 2018

In-Kind Donations Policy

An in-kind donation is the monetary value of donated services, goods, or property. Donors are asked to discuss any in-kind donation with the Finance Coordinating Council Chair before making the donation. Any donation must be approved in advance by the Finance Coordinating Council. Second Unitarian Church reserves the right to decline any in-kind donation.

“In-kind” donations to Second Unitarian Church in lieu of monetary donations are not encouraged because:

- The annual Operating Budget should accurately reflect monetary income and expenses during the year.
- Record keeping must be transparent for all financial transactions.
- Records must be auditable.
- Accuracy in spending and income is necessary for strategic planning.
- The church should not estimate or place a value on non-monetary donations for an individual’s federal income tax reporting

For a donor to request an in-kind donation the following conditions must be met:

- The requester must be a Member of Second Unitarian, unless approved by the Board of Trustees.
- The request must be in written form to the Finance Coordinating Council. The request shall include:
 - Church budget expense line associated with the donation, if known.
 - Date of when the donation will be delivered to the church.
 - Consent that the church will not estimate value.
- The donation will not be recorded as a pledge or applied toward the church annual pledge goal or donor’s individual pledge.
- The donation should be received by the indicated date.
- All donations become property of Second Unitarian Church of Omaha.

Following receipt of the in-kind donation, a letter will be sent to the donor containing a description (but not value) of the in-kind contribution. The donor is responsible for estimating the value of non-cash contributions when they are reported to the IRS on a donor's tax return. The letter should also state that “No goods or services were received by the donor for this donation.” When requested by the treasurer, the Office Administrator will generate a thank you letter from a standard template to the donor.

Memorial Gifts Policy

All funds donated to the church in memoriam which are undesignated by the family will be deposited in the Endowment Fund.

- When memorial gifts are received, the Office Administrator will record in a log book, the donor's name and address, the name of the person for whom the memorial is given and the amount of the gift. The list of donors to a memorial fund and those being memorialized will be published in a prominent place in the Annual Report of the church. Amounts and addresses will not be published.
- The Office Administrator will inform the Treasurer of all memorial gifts received with contributor name, contact info and amount documented. The memorial funds will remain segregated until the family communicates their desire for the use of the funds. The Board President or Treasurer will contact the family if no directions have been received. If contact with the family is unsuccessful, the Board President will direct the Treasurer to move the memorial funds into the Endowment Fund.
- When requested by the Treasurer, the Office Administrator will generate thank you letters from a standard template for each donor not shown in PowerChurch as a member or pledging affiliate. The thank you letter will include the amount given and the Board President will sign the letter. A copy of the letter will be given to the Minister and one will be filed for church records/board president. Recognition of Member and pledging affiliate donations will be recorded on the Church Contribution Statements.
- The Office Administrator will send a list of donors and an accounting of the total amount donated to the next of kin or other representative of the family of the deceased.
- If the family makes a request to use the memorial funds for a specific purpose or wishes to give a non-monetary gift, the Board of Trustees will determine if the request or gift is appropriate based on the principles and mission of the church. If it is not appropriate, the Board will notify the Minister. The Minister will contact the next of kin/family representative to discuss the request. If the family is steadfast and will not modify their request, the Board of Trustees will vote whether to accept the gift.

Stock Gift Policy

Purpose: To provide guidelines for how gifts of stock, bonds, and other financial instruments to the church should be handled, and processes to follow to protect the donor and our church. General Policy:

- The church can accept gifts of stock from church members. The Church will not accept stock of companies that are excluded from the Unitarian Universalist Common Endowment Fund. For example, UUCEF bans tobacco and weapons manufacturers. See <http://www.uua.org/finance/investment/sri/index.shtml>. The investor services firm of *Edward Jones*¹ has been authorized to handle such transactions for the church.

¹ Edward Jones contact: Steve Kucirek, 1072 N 204th Ave., Omaha, NE 68022 (402) 289-9474
steve.kucirek@edwardjones.com

Stock Gift Policy (con't)

- If the funds from the stock donation are intended as an unrestricted gift to the church, donation to the Endowment Fund, or payment towards the donor's operating or capital campaign pledge, then the Treasurer is authorized to accept the donation without Board approval. All stock donations with donor-specified special restrictions other than those listed in the previous sentence require Board approval
- The church will communicate this arrangement to the members and other potential donors, and will encourage this method of giving appreciated stock as a means of avoiding the high capital gains on appreciated stock, while at the same time providing a larger gift to the church.
- The church will give acknowledgement to the donor for the number and description of shares of stock received, but not the dollar value. *Edward Jones* will provide the date the gift stock transfer is registered, so that the church can communicate this information to the donor.
- The donor will be responsible for maintaining records of the dollar value of the stock price at the day of transfer.

Procedure:

1. Whenever a church member or affiliate desires to transfer a portion of their personal stock holdings to the church as a way of fulfilling a pledge commitment or making a special donation, they should contact the Treasurer who will give them information regarding *Edward Jones* to handle the stock transfer including the forms required.
2. The donor needs to let the Treasurer know about this potential transfer. The donor needs to indicate the name of the stock, the number of shares, and the use of the money when received from *Edward Jones*, e.g., unrestricted gift to the church, donation to the Endowment Fund, or payment towards the donor's pledge. If the donor specifies that the funds from the donated stock only be used for a specific purpose other than those listed in the previous sentence, the Treasurer will submit the donation request to the Board for approval.
3. Unless otherwise directed by the Finance Coordinating Council, once the transfer of the stock to the church's *Edward Jones* account has been completed, the Treasurer will within 10 days submit the necessary paperwork to *Edward Jones* to sell the gift stock and send the proceeds from the sale to the church.
4. The Treasurer will be responsible for generating a letter of acknowledgement and appreciation to the donor. The acknowledgement letter will indicate the name, amount of shares being transacted, and the date of the transaction in a letter to the donor with copies to the Minister and Board Chair.
5. The Office Administrator will be responsible for recording the receipt of the check from *Edward Jones* in the donor's record of giving and will provide the check for deposit.
6. Once the proceeds from the sale are deposited in the church checking account, the Treasurer will apply the funds as directed by the donor, e.g. to Pledge Income or Endowment.

Non-Offering Monetary Gift Policy

Purpose: To provide guidelines for how non-offering monetary gifts to the church should be handled, and what processes to follow to protect the donor and our church. Notice that existing gift policies are already in place and should be followed, such as the Memorial Gifts Policy, Stock Gift Policy, and In-Kind Donation Policy. This is for non-offering monetary gifts not already covered by another policy.

General Policy:

- The church may accept non-offering monetary gifts from anyone.
- The church encourages the donors to not place any conditions on the gift.
- Gifts without conditions shall go into the current budget to be treated as income.
- The church may accept conditions that the donor has placed on the gift subject to approval by the Board.
- If the donation is in honor of someone, notification shall be sent to the honoree.

Procedure:

1. The money shall be given to the Treasurer or Office Administrator (OA) to deposit. It will be recorded on a Weekly Deposit Form. The OA should inform the Treasurer of the gift if they don't already know about it.
2. When requested by the Treasurer, the Office Administrator will generate a thank you letter from a standard template for each donor. Acknowledgement shall be on Church Letterhead and it shall include the tax-deductible amount.

Plaque Policy, Benefactors'

A Benefactors' Plaque was initially created to acknowledge significant gifts that were used to establish the Endowment Fund. As new fundraising strategies are implemented to increase donations to the Endowment Fund, putting each person's name on a plaque is not feasible. Donations to the Endowment Fund, whether from direct appeal or in memorium (name of the person honored), will be recognized in the Annual Report.

All Will bequests will be recognized on the Benefactor plaque. Name plates honoring Will bequests and special gifts will display the donor's name.