

**Champion Forest Baptist Church**  
**GIFT ACCEPTANCE POLICY**

INTRODUCTION

To protect the interests of Champion Forest Baptist Church (hereinafter referred to as “CFBC”) 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.

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

To facilitate the receipts of gifts and bequests, CFBC must be capable of responding quickly and in the affirmative where possible to all gifts offered by prospective donors. Unless stated otherwise, The Budget & Finance Committee intends that these policies apply to all gifts.

**I. Gifts of:**

A. Cash

1. CFBC 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 Champion Forest Baptist Church or CFBC and donors shall never make checks payable to an employee, director, agent, or volunteer for the credit of CFBC.

B. Publicly Traded Securities

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

C. Closely-Held Securities

CFBC may only accept closely-held securities upon written approval by the Budget & Finance Committee. The Budget & Finance Committee 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 CFBC.
- c) The closely held entity engages in no activities that would be inconsistent with CFBC objectives.

- d) CFBC has identified whether the security will generate unrelated business income taxes (“UBIT”).

D. Real Property

The Budget & Finance Committee or their designee must approve in writing all gifts of real estate in advance of accepting the gift.

1. CFBC 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. CFBC cannot accept any gift of real estate until it is determined that no environmental waste contaminates the property. CFBC may require a Phase I Site Assessment. All costs related to the assessment will be borne by the donor.
3. In general, residential real estate located within the state of Texas will be accepted, unless The Budget & Finance Committee 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 CFBC, as well as payments, taxes and insurance that may burden CFBC’s finances.
5. The Budget & Finance Committee may choose to accept royalty interests in oil, gas, or other minerals. Before accepting such interests, CFBC shall engage legal counsel and other professional advice, where appropriate, to evaluate whether accepting the gift exposes CFBC to environmental or other liabilities. All cost related to legal counsel and other professional advice shall be borne by the donor. CFBC shall not accept working interests.

E. Tangible Personal Property

1. Jewelry, artwork, collections, and other personal property shall not be accepted unless the employee, agent or volunteer working on behalf of CFBC shall have reason to believe the property has a value in excess of \$1,000. Such property can only be accepted on behalf of CFBC by The Budget & Finance Committee or such other person or persons authorized to do so by the Senior Pastor.
2. No personal property shall be accepted by CFBC unless there is reason to believe the property can be quickly sold. No personal property shall be accepted that obligates CFBC 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 Budget & Finance Committee.
3. Notwithstanding the forgoing, 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 Budget & Finance Committee or those empowered to act on its behalf, 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.

F. Other Property

Other property of any description including mortgages, notes, copyrights, royalties, and easements, whether real or personal, shall only be accepted by further action of The Budget & Finance Committee or persons duly acting on its behalf.

G. Social Responsibility

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

**II. Deferred Gifts**

A. Bequests

1. CFBC 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 CFBC shall be made in accordance with this Gift Acceptance Policy only.

3. CFBC 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 CFBC to accept the gift.

4. When CFBC is the recipient of a gift from a will or trust, The Budget & Finance Committee shall review the restrictions upon the gift and determine if it is in the best interests of CFBC to accept the gift.

5. CFBC will not accept a gift that might result in conflict within CFBC or confusion as to the utilization of the gift or that might create an undue financial burden upon CFBC.

6. When CFBC receives an unrestricted estate gift, the Budget & Finance Committee, in consultation with CFBC's President, shall determine its highest and best use at the time.

7. If CFBC has created an Endowment Fund and the unrestricted funds are not needed for the ordinary and everyday expenses of CFBC, priority for unrestricted gifts may be as an addition to CFBC'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 Budget & Finance Committee when the asset involved appears to be a minor portion of the donor's wealth, and The Budget & Finance Committee 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. CFBC will encourage donors to name CFBC as a beneficiary of all or a portion of a person's life insurance policies.
2. CFBC 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 CFBC has an insurable interest under applicable state law.
3. No insurance products may be endorsed for use in funding gifts to CFBC. In no event shall lists of CFBC's donors be furnished to anyone for the purpose of marketing life insurance for the benefit of donors or CFBC. This policy is based on the fact that this practice represents a potential conflict of interest, may cause donor relations problems, and may subject CFBC to state insurance regulation should the activity be construed as involvement in the marketing of life insurance.

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

F. Charitable Gift Annuities. CFBC does not offer charitable gift annuities.

**III. Designated Gifts and Designated Accounts**

A. Establishing Designated Funds.

1. The Budget & Finance Committee, with input from CFBC's President, will determine what designated accounts may be established.
2. Any donor to CFBC may request in writing to The Budget & Finance Committee the establishment of a designated account. Once an account is established, CFBC may accept funds into that account.
3. The Budget & Finance Committee will determine the length of time the account shall exist. When that time has passed, The Budget & Finance Committee 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, CFBC accepts custody of designated accounts which have not been approved and established by the Budget & Finance Committee, and CFBC

does not intend to use the designated funds for the purpose designated, CFBC will return the monies to the donor or contact the donor for permission to transfer the funds to another fund.

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

“All donations are subject to the Gift Acceptance Policy. Champion Forest Baptist Church will treat the donor’s designations as suggestions unless The Budget & Finance Committee has approved of the designations before receiving the gift. Copies of the Gift Acceptance Policy are available in the Business Office and online at [www.championforest.org](http://www.championforest.org).”

#### IV. Miscellaneous

A. CFBC 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 CFBC.

C. CFBC 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 CFBC’s President. 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 CFBC, 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 Budget & Finance Committee or the President, except that CFBC 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 CFBC, when an appraisal is necessary.

This policy was adopted by a resolution of the members on the 17<sup>th</sup> day of January, 2018.



[Signature of Treasurer of CFBC]

1/18/18

[Date]