



Union Presbyterian Seminary

Gift Acceptance Policy

Our Mission

Union Presbyterian Seminary equips Christian leaders for ministry in the world – a sacred vocation that requires deep learning, commitment to service, and an ability to read culture and circumstance in the light of the rich resources of scripture and theological tradition.

Purpose

The Seminary's core mission is to participate in the mission of the church by forming and equipping leaders for the work of ministry, for building up the body of Christ (*Eph 4:12*).

Core Values

- We confess the Lordship of Jesus Christ.
- We weave together distinctive approaches to theological education for pastoral and educational ministries.
- We educate, inspire, and empower leaders for congregational life, theological scholarship, and bold Christian service to the world.
- We serve as a theological resource for church and society.
- We are a catalyst for the transformation of the church, and through the church, the world.

Theology of Vision

As a seminary, a teaching institution of the church, Union Presbyterian seeks to bear witness to the ministry of Jesus Christ in the present. The Seminary's task is to testify to Christ's presence among us and to heed his call to participate in the Reign of God through the power of his Spirit. God's future is already at work among us. It calls us to equip those whom God has called to look for the future disclosed in Jesus Christ, cultivating in them gifts of discernment and study, proclamation and teaching, so that they can live and proclaim the Reign of God and call others to joyful participation in this rule. The Seminary's mission, then, will be oriented around and focused on bearing witness to the Reign of God, made known in Jesus Christ in the here and now, through our curricular actions, our stewardship of personnel (board,

faculty, students, staff, alumni/ae) and our infrastructure (land, buildings, classrooms, technology, endowment, etc.).

Purpose of Gift Acceptance Policy

To encourage gifts consistent with the values and objectives of Union Presbyterian Seminary and to identify, manage, and minimize problems and issues with complex gifts. Union Presbyterian Seminary is qualified to receive tax-deductible contributions under the current IRS code [Section 170(b)(1)(A)].

Principal Values

1. Union Presbyterian welcomes all gifts from donors interested in enhancing its mission and vision; Union Presbyterian cannot accept gifts that require deviation from the mission and vision.
2. Union Presbyterian recognizes that donors have a legitimate interest in the use by the Seminary of their gifts and will work to reach gift agreements that are in the best interest of both donor and the Seminary.
3. Union Presbyterian will work to educate donors and potential donors about the greatest institutional needs of the Seminary to ensure best gifts.
4. Union Presbyterian will abide by all federal and state regulations when cultivating, soliciting, and accepting gifts.

Gift Acceptance Committee

A committee comprising the following or his/her designee will have ultimate authority to accept or decline gifts upon behalf of the President and Board of Trustees:

The Vice President, Advancement and
The Vice President for Finance and Administration.

Staff Responsibility

Union Presbyterian staff members are responsible for informing, guiding, and assisting donors to fulfill their philanthropic wishes for the Seminary and never to improperly influence donors' decisions. Union Presbyterian encourages donors to consult with their professional tax advisors when contemplating charitable gifts.

Use of Professional Advisors

Union Presbyterian will seek the advice of legal, tax, or other counsel as appropriate for the protection of the Seminary. Such circumstances could be, but are not limited to, the following:

Review of certain gifts with restrictions, e.g. closely-held or restricted stock or transactions governed by contracts or other legal documents,
Review of all gift transactions with potential conflicts of interest,
Other transactions deemed appropriate by the Gift Acceptance Committee.

Donors will be reminded to consult their own professional tax and legal advisors when making significant charitable gifts. Members of the Union Presbyterian staff will not recommend any specific advisor to prospective donors, but may make available a list of qualified advisors for donor review.

Payment of Fees Related to Gifts

Professional Fees

Union Presbyterian will pay reasonable fees for professional services rendered in connection with the completion of a gift to the Seminary. Such fees will be paid only with prior approval of the Gift Acceptance Committee and following discussion with and approval by the donor.

Fees shall be reasonable and directly related to the completion of a gift. They shall be limited to:

- appraisal fees by persons who are competent and qualified to appraise the property proposed and who have no conflict of interest,
- legal fees for the preparation of documents,
- fees related to providing preliminary opinions related to environmental issues, and
- accounting fees incidental to a transaction.

In the case of legal, accounting and other professional fees, an attempt shall be made to ascertain the reasonableness of fees prior to payment. An hourly breakdown of time should be requested.

In cases where Union Presbyterian is asked to pay fees to persons initially employed by the donor, the donor shall be notified that the payment of such fees may result in taxable income to the donor in the amount of the fees paid.

Finder's Fees or Commissions

In general, Union Presbyterian will pay no fee to any person in consideration of directing a gift to the Seminary. Such fees may or may not be legal and, in the case of irrevocable deferred gifts that involve management of assets, the payment of such fees may subject Union Presbyterian and its management and Board of Trustees to federal and state security regulation.

No commission or finder's fee of any type will be paid to any party in connection with the completion of a gift to Union Presbyterian.

Conflict of Interest

Donors are encouraged to seek independent professional counsel prior to making gifts. Union Presbyterian upholds the commitments in the following professional advancement/development organizations' statements:

- Model Standards of Practice for the Charitable Gift Planner (PPP)
- Code of Ethical Principles and Standards (AFP)
- Statement of Ethics (CASE)

Assets Accepted as Gifts

Unrestricted gifts listed below are accepted by the Seminary under the guidelines described. All checks or transfer documents should be made out to Union Presbyterian Seminary and never to an employee, agent, or volunteer.

Cash and cash equivalents

Gifts of cash, checks, money orders, credit card charges, electronic bank transfers, wire transfers, and payroll deduction gifts are gratefully welcomed by the Seminary.

Marketable securities

Marketable securities are accepted in the form of electronic transfer to Union Presbyterian's broker (preferred), delivery of non-negotiated paper stock certificate with completed stock power form - either delivered by hand or via mail. Union Presbyterian will sell all marketable securities immediately upon receipt.

Real estate

Gifts of real estate may often be beneficial to both donor and the Seminary. However, marketability and environmental risk must be assessed prior to the Seminary's acceptance of such gifts. Procedures described in Union Presbyterian Seminary Gift Acceptance Procedures will be followed to determine whether or not a proffered gift will be reviewed by the Gift Acceptance Committee.

Proposed gifts of real estate encumbered by a mortgage generally will be discouraged, as the ownership of such property may generate unrelated business income and disqualification of certain split interest gifts unless handled in a proper manner.

Oil, gas, and mineral interests

Union Presbyterian generally does not accept gifts of oil, gas, or mineral interests, including surface rights to such minerals but may choose to do so via the Gift Acceptance Committee as long as income does not subject the Seminary to UBTI.

Closely held securities

Gifts of closely held securities will be reviewed by the Gift Acceptance Committee to determine acceptance.

Bargain sales

A bargain sale of real or tangible property will be reviewed by the Gift Acceptance Committee to determine acceptance.

Tangible Personal Property

Friends who inquire about giving an item to the Seminary should first be informed of the policies regarding donations and tax exemptions. The VP Advancement should contact the potential donor to explain the policies and learn about the item. If the gift is of interest, this can include a visit to the donor's home to look at the item.

Gifts of tangible personal property (such as jewelry, artwork, and certain collectibles) will generally be accepted by Union Presbyterian if they qualify as "related use" items within the IRS Code or are readily marketable by the Seminary. Related use will be determined by the Gift Acceptance Committee in consultation with the appropriate department heads, deans, or others who may use the property.

Responsibility of appraisal and claiming value of gifts-in-kind and tangible personal property donated to the Seminary remains with the donor. This means that donors must secure an independent appraisal as described by IRS code to claim an income tax charitable deduction. Proposed gifts of tangible personal property should be accompanied by a statement of provenance and a full description of the property. Donors of art objects are required to complete a Deed of Gift—Art Objects form (Appendix I). If possible the provenance of an item will be acknowledged on the donation.

In addition to written thanks, the staff will determine appropriate public acknowledgement of the gift in consultation with the donor.

Legal title and all rights of ownership shall pass to Union Presbyterian. The Seminary has the right to decide on sale, retention, or display of objects. If retained, art objects will not necessarily be on permanent display. If items are to be sold, the Seminary will so notify the donor of its intent and will provide the donor with a copy of IRS form 8282 for his/her tax purposes. The Office of Gift Planning will also remind the donor to file IRS form 8283, under guidance of his/her professional tax advisor, for a charitable income tax deduction.

No personal property shall be accepted requiring ownership in perpetuity without express approval of the Gift Acceptance Committee. No perishable property or property that will require special facilities or security will be accepted without prior approval of the Gift Acceptance Committee.

Gift annuities

Union Presbyterian welcomes gifts in the form of charitable gift annuities as governed by the standard Union Presbyterian CGA contract. (Appendix) Gifts of property other than marketable securities or cash will be reviewed by the Gift Acceptance Committee prior to acceptance. Rates paid on CGAs will follow those set by the American Council on Gift Annuities.

Potential donors of gift annuities will receive the Union Presbyterian disclaimer prior to completing the gift. (Appendix)

Deferred gift annuities

Deferred gift annuities are also accepted by the Seminary subject to the same principals stated above. Donors are strongly urged to discuss designation of such deferred gifts with a member of the development staff to ensure donors intentions can be carried out.

Pooled income fund

Union Presbyterian no longer operates a pooled income fund but reserves the right to establish one if fiscal circumstances are once again beneficial to doing so.

Donor advised funds

Union Presbyterian will not establish or maintain donor advised funds although gifts from such funds held by others are gratefully received when in accord with Seminary policies and procedures.

Charitable remainder trusts

The Seminary welcomes donor establishment of charitable remainder (uni- or annuity) trusts where Union Presbyterian is the sole or partial beneficiary. The VP, Advancement offers expertise in designing such instruments, especially in the area of designation language, but does not serve as trustee for these trusts. Gift planning staff members also may suggest options for attorneys experienced in drafting CRTs and persons experienced in trusteeship. (See “Use of Professional Advisors,” above.)

Charitable lead trusts

The Vice President, Advancement will work with potential donors of gifts from charitable lead trusts to assist them in determining ideal scenarios of trust establishment and design, experienced attorneys for drafting CLTs, and experienced trustees. Union Presbyterian does not serve as trustee of these trusts. (See “Use of Professional Advisors,” above.)

Remainder interests in property

Union Presbyterian accepts remainder interests in property and prefers to know about the donors’ intentions as soon as the gift is established to ensure that gift designation, environmental, and management concerns are handled in both the donors’ and Seminary’s best interests.

Life insurance

Union Presbyterian encourages gifts of fully-funded life insurance policies if no longer needed by the donor. Gifts of policies requiring continued premium payments are highly discouraged as excessive staff time is required for their maintenance. Exceptions to this policy must be approved by the Gift Acceptance Committee.

Bequests

Gifts made through bequests are welcomed by the Seminary. The Vice President for Advancement or the Advancement calling officer are available to assist with specific wording of bequests that result in proper designations for the gift as well as transferring of the property to the Seminary with minimal activity required. Union Presbyterian reserves the right to disclaim bequests that are not in accordance with its mission and vision.

If undesignated bequests are received in the amount of \$10,000 or less, the funds will be directed to the Seminary’s Annual Fund for that year. 90% of bequest gifts greater than \$10,000 will be added to the Seminary’s endowment with the remaining 10% directed to the Annual Fund.

Retirement Plan beneficiary designations

The Seminary is pleased to be named as a beneficiary of retirement plans. Donors are encouraged to consult a member of the Advancement staff to ensure proper language for the gift's designation and its intended purpose.

Other unique gifts

Union Presbyterian occasionally is offered unique items as gifts such as livestock, equipment, partnership interests, patents, et cetera. These special gifts will be reviewed by the Gift Acceptance Committee to determine related use, marketability, and risk to the Seminary. See Union Presbyterian's Gift Acceptance Procedures (Appendix) for details of giving specific assets.

Restricted gifts

Restricted gifts will be reviewed as appropriate to determine acceptability, but generally gifts designated to programs and departments of Union Presbyterian within its mission and vision will be accepted if the head or the program or department deems the gift useful. Restricted gifts unlikely to be accepted include those requiring substantial staff time for administration, unmarketable property gifts, or gifts that may potentially put the Seminary at risk in any way.

Recognition of Gifts and Donors

Union Presbyterian values the opportunity to recognize its donors for their generosity. Donors' names may be listed or displayed where naming of a building, room, or other physical facility is appropriate and in accordance with prevailing naming opportunity procedures. Plaques or other markers will be consistent with the design of the campus and the space being named. Donors may give instructions for the specific listing of their names.

The Seminary may occasionally print a "donor honor roll" for its constituents listing all donors in various categories, but in general names of donors are not broadly publicized without specific permission from the donor.

Valuation of Gifts

Union Presbyterian values gifts in accordance with IRS and FASB standards. Credit for gifts (for tax deduction purposes) is given directly to the person, persons, or organization making the gift. "Soft" or secondary credit may be given to persons instrumental in completing the gift for recognition purposes. Gifts will be recorded in the Seminary's financial records according to general accounting standards and will be reconciled with gift records regularly. See "Acceptance Policy for Outright Gifts" (p.

1ff) and “Deferred Gifts” (p.5ff), Union Presbyterian Gift Acceptance Procedures. See Valuation Guidelines, Appendix.

Receipts for gifts will be generated by the Seminary’s Advancement Services department, ideally within 48 hours of notice of receipt of the gift. Gift receipts will be in the amounts determined by the IRS code. Donors should consult their professional tax advisors when claiming charitable income tax deductions.

Gift receipts will include information for the donor regarding any quid pro quo arrangements in the gift transaction as determined by the IRS code.

Policy Review and Amendment

Both the Gift Acceptance Policies and Gift Acceptance Procedures shall be reviewed biannually by the Vice President for Advancement or his designee to revise details or immaterial changes in practice (e.g. changes in investment account numbers, broker names, staff person designated to implement certain procedures, etc.)

Both documents shall be reviewed by the Vice President for Advancement, the Advancement calling officer, and a member of the Board’s Advancement committee every three years or at any time that changes may be triggered. These events may include changes to tax law, changes in leadership of Union Presbyterian, or change in the mission or vision of the Seminary. Any substantial recommended changes will be presented to the Advancement committee of the Board of Trustees through the Vice President for Advancement or his designee.

Addendum to Gift Policy

Gift Processing Procedure

Cost Recovery/Administrative Fee on Restricted Gifts

In order to recover expenses incurred to raise, collect and administer contributions, UPSem charges a cost recovery/administrative allocation of 10% on restricted gifts, including gifts to endowments.

- The policy applies to all monetary gifts received after October 1, 2014. It does not apply to payments on pledges or gifts from solicitations prior to this date.
- When allowed, administrative costs are usually a part of the proposal budget for donations requested from foundations. Therefore, we do not take the 10% allocation out of these gifts. There are some foundations to which we do not apply for funds. They operate as a pass-thru for the donor. We do take the allocation from these gifts.
- Monies that are designated for support of a specific student are not subject to this policy.
- Money received for gift annuities as well as gifts that are "technically" restricted for Charlotte operating expenses will not be subject to the 10% allocation.
- This policy does not apply to gifts from donors that explicitly disallow indirect cost recovery. When donors disallow indirect cost recovery, appropriate documentation reflecting that requirement will be added to gift records/files.
- The application of this policy and associated 10% cost recovery allocation will be independent of whether donor solicitation is written or verbal.

A copy of the Seminary's Gift Acceptance Policy is on our website. Fundraising materials for restricted gifts also state that a small portion of the restricted gift will go towards this.

This policy was approved by the Board of Trustees on August 11, 2014.

Addendum to Tangible Gifts

**Union Presbyterian Seminary
DEED OF GIFT--ART OBJECTS**

Date Received: _____ Year-Number # _____
(Calendar year with consecutive numbers received during each calendar year: i.e. 2015-1)
Donor: _____
Donor Address _____
Telephone: _____
Email: _____

DESCRIPTION OF ART OBJECT(S) DONATED:

Please list my/our names for recognition as: _____

1. Subject to the terms and conditions hereafter set forth,
I/We _____ [name(s)]
(hereafter referred to as the Donor), hereby give, donate, and convey to Union Presbyterian Seminary (hereafter referred to as the Seminary) the art pieces that are described above.
2. Legal title and all rights of ownership to the art pieces shall pass to the Seminary upon their delivery to the Seminary.
3. The Donor understands that the location, retention, and display of the art is at the discretion of Union Presbyterian Seminary. This means that the piece(s) of art described above will not be permanently on display but may be shown occasionally.
4. The responsibility of appraising art remains with the Donor. The Seminary by law is not authorized to provide appraisals for tax purposes.

Signed (Donor): _____ Date: _____

The foregoing gift of art is accepted on behalf of Union Presbyterian Seminary, subject to the terms and conditions set forth above.

Signed (Authorized Representative of the Seminary): _____

Date: _____