

ASCENSION LUTHERAN CHURCH GIFT, BEQUEST AND DONATION POLICY

Approved by Council 11/27/17

Introduction

“The Earth is the Lord’s, and the fullness thereof” PS 24:1

“For all things come from you, and of your own have we given to you.” 1 Chron. 29:14

“For where your treasure is, there will your heart be also.” Matt 6:21

The Bible sets forth very clearly God’s claim on all of our possessions. It is therefore reasonable that we may wish, at times, to give a special gift to the church that is not part of our ongoing commitment. Planned gifts and bequests are visionary gifts of faith in the ministry of Ascension Lutheran Church (ALC). We may wish to give a gift in memory or in honor of someone. We may desire to create a legacy gift to our church in our financial planning, or in our will. This gift policy is designed to assist you in your special gift planning.

Planned Gift and Bequests

Definitions:

- 1) **Planned gift:** A gift of financial or non-financial capital property directed to the church during the donor’s lifetime or, upon the donors death, if the church is named as a beneficiary of an insurance policy or annuity.
- 2) **Bequest:** A gift of financial or non-financial capital property directed to the church in the context of a will.

Administration of Planned Gifts or Bequests

- The Council retains the discretionary authority to designate a portion (at least 50%) of any undesignated gift or bequest to the Endowment Fund, to act in perpetuity on behalf of the donor or surviving donor’s family.
- Planned gifts or Bequests designated and approved for specific purposes will be held as Line Items for those purposes and drawn as needed.
- The general policy will be to convert gifts to cash, (as in securities, bonds, mutual funds, real estate, etc.) subject to Council review. However the Council may elect to retain non-monetary gifts, if they support the mission of the church without undo added expense.
- Donors will be notified either way, and appraisal or value will be established at the donor’s expense at time of acceptance of the gift.

- Should the Congregation cease to exist, or fail to exist at the time of the bequest previously planned, the bequest shall be forwarded to the New England Synod; unless the congregation has merged with another congregation, in which case the money will flow to the newly created congregation.

Designated/Undesignated Donations

- **Designated Donations** are those cash donations designated for a campaign or project already approved by Council.
 - These gifts do not need review. The Council will consider all gifts, but in the event that a designation is not practical to accept, they will offer a list of current needs of the church and its ministries, to assist donors in their designations. This list may be offered at time of planning a gift as well.
 - In event that designated funds oversubscribe the need, excess funds will be allocated to the Rainy Day Fund. Excess funds related to property issues will be deposited in the Project Fund.
- **Undesignated Donations** are those cash donations that provide ALC with the greatest flexibility in meeting the needs of the church and its ministries. Council will determine need and disposition of such donations in consultation with the donors.

Fund Categories

- **Specific line Items:** gifts designated for an approved purpose will be tracked in the line item set up for that purpose and drawn upon as needed.
- **Endowment Fund:** a permanent legacy and visionary fund. The principal is invested in secure funds and bonds, and primarily money generated by investments will be used. This fund is a long view fund, ensuring the future of our church.
 - The Endowment Fund may be used selectively to ensure a purchase or an expense for which repayment is expected during specific campaign events.
 - The Endowment Fund is not to be used to meet the ongoing expenses of the church such as salaries, heat, electric, etc.
- **Rainy Day Fund:** undesignated gifts, up to \$5,000 in value, may be placed in the Rainy Day Fund in anticipation of unforeseen need. This fund may build to \$25,000 after which additional undesignated gifts would accrue to the Endowment Fund.

Conditions for receiving Planned Gifts, Bequests or Donations

The Council reserves the right to decline to accept any gift or bequest if, in the judgment of Council, the acceptance of such gift would be detrimental to the mission of Ascension or the proper administration or management of the gift is beyond Council's resources.

Transparency: It is the responsibility of the ALC to ensure that all gifts and bequests are properly recorded and that records are kept current and accessible to facilitate periodic review of funds, assist in communication with the donor or the donor's surviving family, and serve as a historical record of ministry.

Acknowledgement: every gift or bequest, whether accepted or rejected, shall be acknowledged in writing by the Council President and the Pastor.

11/1/17

