



Gift Policy

Why should your congregation have a gift policy?

Faithful and loyal congregation members want to remember their churches with a gift. Donors often rely on their heirs to “do the right thing” for their church. This doesn’t always happen. Sometimes, members will make plans for a legacy gift, believing the congregation will take anything it is given. Both cases can allow for too much, or too little discretion from proceeds of the gifts or assets being given to a congregation which cannot be easily liquidated and used. Some gifts are more complicated than others, and some a congregation may not want to receive at all.

A gift policy provides guidance to accepting gifts by a congregation and to prospective donors and their advisors when making gifts to a congregation. The provisions of a policy apply to all gifts to a congregation over and above regular giving, offering, or pledges, or specific campaign or initiative contributions. All are considered based on the type of asset, gift transfer costs, donor restrictions, potential liabilities, mission, current needs, and other applicable factors. The policy contains nine (9) sections. A brief explanation for each section is offered.

I. Purpose

This gift policy will provide governance and guidance when an asset is offered to our organization through an estate or from a living individual, family, or other legal entity that is above and beyond a regular pledge or offering, including current gifts of cash or easily liquidable assets; and deferred, legacy or estate gifts of cash or assets at death.

II. Committee Guidelines

This section will define who will determine if a gift is accepted and who will determine how a gift is used and the general structure of such committee.

III. Types of Gifts Considered

This section will provide a list of gifts that may be offered to the organization for consideration. General questions are offered to facilitate gift acceptance.

IV. Gift Valuation

This section identifies the importance of gift valuation of complex gifts.

V. Use of Unrestricted Gifts

This section provides guidelines on how unrestricted gifts will be treated. Areas covered include making outside gifts (tithe); distributing gifts among endowment, reserve, investment accounts; and/or spending gifts on congregation's ministry needs, wants, and goals.

VI. Use of Restricted Gifts and Guidelines

This section will provide guidelines on the receipt and use considerations of a gift with a donor defined restriction, as well as the use of the Restriction and Release Form.

VII. Memorial and Honorary Gifts

This section will provide guidelines on how to best receive and use a gift given in memory or honor of another individual.

VIII. Gift Policy Review

This section states how often this policy will be reviewed for updates.

IX. Resources

This section lists professional resources to support members with new or existing charitable gift plans and support the organization in being a good steward of such gifts.

The ELCA Foundation, thru the Gift Planners, is ready to work with you in writing/drafting your gift policy as part of your overall financial stewardship plan. In addition, Gift Planners will also work with you in drafting endowment documents for establishing endowments to receive and manage these gifts.

Learn more about the work of the ELCA Foundation and get started today by visiting www.elca.org/foundation. There is no cost to congregations or donors for working with the ELCA foundation.