

IMAGINARY CONFERENCE OF SEVENTH-DAY ADVENTISTS GIFT ACCEPTANCE POLICIES AND GUIDELINES

Imaginary Conference of Seventh-Day Adventists (“ICSDA”), a not-for-profit religious corporation organized under the laws of the State of Imaginary, encourages and accepts gifts to or for the benefit of ICSDA for purposes of furthering and fulfilling its mission.

The mission of ICSDA is to write a mission statement in the near future and insert it here.

ICSDA executive committee, officers, and staff have a fiduciary duty to ensure that ICSDA’s assets are used effectively and protected from potential risk, liability, and diversion to purposes other than those that further and fulfill ICSDA’s mission. The following policies and guidelines shall govern the acceptance of gifts made to ICSDA or for the benefit of any of its ministries and programs.

I. Purpose of Policies and Guidelines

These policies and guidelines are adopted to provide guidance prospective donors and their advisors when considering gifts to ICSDA and ICSDA ministries. The provisions of these policies apply to all gifts to ICSDA, with certain exceptions enumerated as follows:

a. GC and NAD Working Policy

ICSDA is part of the world-wide Seventh-Day Adventist Church. Any policies or guidelines contained herein that conflict with the Working Policy of the GC and the NAD are void insofar as they conflict with said Working Policy.

b. Tithe

Tithe is collected and distributed pursuant to GC and NAD Working Policy and is specifically exempted for these policies and guidelines.

II. General Policies Relevant to All Gifts

a. Mission and Organizational Policy

ICSDA will only accept such gifts that are legal and consistent with organizational policy. Gifts shall only be accepted if they do not interfere with the mission and purpose of ICSDA. No gift will be accepted if, under any reasonable set of circumstances, the gift would jeopardize the donor’s financial security.

b. Use of Legal Counsel

ICSDA shall seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for:

- i. Gifts of securities that are subject to restrictions or buy-sell agreements, particularly closely held stock.
- ii. Documents naming ICSDA as Trustee, or requiring ICSDA to act in any fiduciary capacity.
- iii. Gifts involving contracts, such as bargain sales or other documents requiring ICSDA to assume an obligation.
- iv. Gifts of or involving Real Property
- v. Transactions with potential conflict of interest.

c. Conflict of Interest

ICSDA will recommend to all prospective donors to seek the assistance of independent personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. Gifts are also subject to the provisions of other ICSDA policies, including adopted Conflict of Interest policies. ICSDA makes every effort to ensure that accepted gifts are in the best interests of the organization and the donor.

d. Restrictions of Gifts

ICSDA will accept unrestricted gifts, and gifts for specified ministries, programs, and purposes, provided that such gifts are consistent with its stated mission, purposes, and priorities. ICSDA will not accept gifts that are too restrictive in purpose, those that are too difficult to administer, or those that are not consistent with ICSDA's mission.

e. Tax Compliance

ICSDA's policy is to comply with Internal Revenue Service reporting requirements and all other aspects of state and federal tax law. However, except for gifts of cash and publically traded securities, no value shall be attributed to any receipt or other form of substantiation of a gift received.

f. Fees and Commissions

ICSDA generally does not pay "finder's fees" or commissions to third parties in connection with any kind of gift to ICSDA. No officer, employee, or agent of ICSDA is or will be compensated in a manner that is dependent on the size or nature of the gifts make to ICSDA by and person.

III. Gifts Generally Accepted Without Review

- a. Cash. Cash Gifts are acceptable in any form, including by check, money order, credit transferor's endorsement attached. All marketable securities will be sold promptly card, wire transfer, or online.
- b. Marketable Securities. Publically traded and marketable securities may be transferred electronically to an account maintained at ICSDA's brokerage firm or delivered physically, with the transferor's endorsement attached. All marketable securities will be liquidated upon receipt, unless otherwise directed by ICSDA's investment committee.

IV. Certain gifts may be subject to review prior to acceptance.

- a. Closely Held Securities. Closely held securities, including debt and equity positions in non-publically traded companies as well as interests in limited partnerships and limited liability companies, or other ownership forms, can be accepted, provided that:
 - vi. There are no restrictions on the security that would prevent ICSDA from ultimately converting it to cash;
 - vii. The security is marketable; and
 - viii. The security will not generate any undesirable tax consequences for ICSDA.

Advice of Legal Counsel shall be sought when making a final determination on acceptance of the gift.

- b. Tangible Personal Property. Acceptance of gifts of tangible personal property shall be determined by the following criteria:
 - ix. Does the property conflict with the mission of ICSDA?
 - x. Will the property be related use? If so, are there any restrictions on the use of the property?
 - xi. If the property is not related use, is the property marketable? Will there be significant costs to sell the property?
 - xii. Are there carrying costs for the property? (Insurance, safeguarding, transport, etc.)
- c. Intellectual Property. ICSDA will accept intellectual property that is consistent with its mission. All intellectual property gifts must be reviewed and approved by Legal Counsel.
- d. Life Insurance. ICSDA will accept gifts of life insurance where ICSDA is named as both beneficiary and irrevocable owner of the insurance policy. The donor must agree to pay, before due, and future premium payments owing on the policy.
- e. Bequests, and Beneficiary Designations under Revocable Trusts, Commercial Annuities and Retirement Plans. ICSDA will generally accept gifts designating ICSDA as a beneficiary of the donor's estate or retirement plans. The services of

the ICSDA Planned Giving and Trust Services department shall be offered to assist with such gifts.

- f. Charitable Gift Annuities. ICSDA offers Charitable Gift Annuities through the Planned Giving and Trust Serviced department, and subject to PGTS department policy and NAD working policy. ICSDA does not accept restrictions on the use of CGA proceeds.
 - g. Charitable Lead Trusts and Charitable Remainder Trust. ICSDA will accept designation as the remainder beneficiary for Charitable Remainder Trusts and the income beneficiary of Charitable Lead Trusts. ICSDA may accept appointment as trustee for Charitable Lead Trusts and Charitable Remainder Trusts, however ICSDA will only do so after review by Legal Counsel.
 - h. Pooled Income Fund. ICSDA does not maintain a pooled income fund. Donors who are interested in using a pooled found shall be referred to the Pacific Union Conference of Seventh-Day Adventists planned giving department.
 - i. Real Estate. Gifts of real estate, including developed property, undeveloped property, or gifts subject to a life estate, shall be reviewed by Legal Counsel prior to acceptance. ICSDA shall require an initial environmental review of the property to ensure that the property has no environmental damage or potential liability. ICSDA shall also obtain an independent appraisal, preliminary title report, and, if necessary, title insurance prior to acceptance of gifts of real estate. Further criteria for acceptance of real estate:
 - xiii. Will the property be useful for ICSDA programs/ministry?
 - xiv. Is the property marketable?
 - xv. Are there any restrictions, reservations, easements, or other limitations associated with the property?
 - xvi. Is there debt on the property?
 - xvii. What are the carrying costs? (Insurance, property taxes, mortgages, notes, maintenance expenses, etc.)
 - xviii. For commercial property:
 - 1. Annual Income
 - 2. Lease Agreements
 - 3. Financial Statements
 - j. Bargain Sales. ICSDA will enter into a bargain sale arrangement where the bargain sale furthers the mission of ICSDA and subject to the terms above.
 - k. Specialty Housing. ICSDA does not generally accept gifts of specialty housing, such as senior living facilities, student housing, or mobile home parks.
- V. Checklist. See attached checklist for assistance with gift acceptance criteria.