

Gift Acceptance Policy of Montreat Presbyterian Church 2026 Revision

This Gift Acceptance Policy sets forth the process of evaluating gifts that are offered to Montreat Presbyterian Church (PCUSA) in the form of personal property. Gifts of cash, convertible securities, and real property are not addressed in this policy.

The intent of the gift acceptance policy is to establish consistency and provide avenues for restraint in accepting gifts that may cause undue or unanticipated burden to the church in terms of time, money, storage space, and reputation.

Montreat Presbyterian Church encourages the acceptance of gifts to this church (hereafter “the church” or “MPC”) for purposes that will help the Church to further and fulfill its mission.

The MPC session is charged with the responsibility of reviewing gifts offered to the church.

Use of Legal Counsel

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

- A. Documents naming the Church as Trustee.
- B. Gifts involving contracts, such as bargain sales or other documents requiring the Montreat Presbyterian Church to assume an obligation.
- C. Transactions with potential conflict of interest that may invoke IRS sanctions.

Restrictions on Gifts

The Church will accept unrestricted gifts and gifts for specific programs and purposes, provided that such gifts are not inconsistent with its stated mission, purposes, and priorities. The Church will not accept gifts that are too restrictive in purpose. Gifts that are too restrictive are those that violate

the terms of the Church mission, gifts that are too difficult to administer, or gifts that are for purposes outside the mission of the Church.

Types of Gifts

The following gifts are acceptable:

- Tangible Personal Property
- Bargain Sales

The following criteria govern the acceptance of each type.

- 1. Tangible Personal Property:** All gifts of tangible personal property shall be examined in light of the following criteria:
 - Does the property contribute to the mission of the Church?
 - Does acceptance of the gift recognize MPC's ethos and the necessity of severely minimizing the amount of property and the size and number of goods and possessions the church can feasibly hold in its extremely limited space?
 - Are there any undue restrictions on the use, display, or sale of the property?
 - Are there any carrying costs for the property?
- 2. Bargain Sales:** A bargain sale constitutes a gift which in itself may not be an acceptable gift, but which has residual value when sold, proceeds of such sale to benefit the church. The church may enter into a bargain sale arrangement in instances in which the bargain sale a.) furthers the mission and purposes of the Church and b.) does not create responsibilities or requirements too onerous for MPC officers to deal with. Factors used in determining the appropriateness of the transaction include:
 - The church must obtain an independent appraisal substantiating the value of the gifts.
 - If the church assumes any debt with the gifts, the debt ratio must be less than 50% of the appraised market value.

- The church must determine that it will use the gifts, or that there is a market for sale of the gifts allowing sale within 12 months of receipt.
- The church must calculate the costs to safeguard, insure, and expense the gifts (including property tax, if applicable) during the holding period.

Miscellaneous Provisions

- A. Securing appraisals and legal fees for gifts to the Church:** It will be the responsibility of the donor to secure an appraisal (when required) and consult with independent legal counsel (when required) for all gifts made to the church.
- B. Valuation of gifts for development purposes:** The church will record a gift received by the church at its valuation for gift purposes on the date of gift.
- C. Responsibility for IRS Filings upon sale of gift items:** The Gift Acceptance Committee of the Church is responsible for filing IRS Form 8282 upon the sale or disposition of any asset sold within two years of receipt by the Church when the charitable deduction value of the item is more than \$5,000. The Church must file this form within 125 days of the date of sale or disposition of the asset.
- D. Acknowledgement of all gifts made to the Church and compliance with the current IRS requirements** for acknowledgement of such gifts shall be the responsibility of the session.

For tangible property:

The MPC session will review the proposed gift, giving consideration to at least the following criteria:

- i. Does the property contribute to the mission of the Church?
- ii. Are there any undue restrictions on the use, display, or sale of the property?

- iii. Are there any carrying costs for the property, including “invisible costs” such as the donor’s sense of entitlement to dictate or subvert programs, policies, etc. of the church? Might there be pastoral reasons why the session might be concerned that acceptance of the gift may or will lead to unforeseen complications for the donor, the church, or its staff?

For bargain sales:

The session, or a committee to which it refers this task, will review all available documentation about the donation of the gift and evaluate the bargain sale according to the following criteria:

- i. The independent appraisal, obtained by the church, substantiating the value of the gifts
- ii. If the Church assumes any debt associated with the gift, the debt ratio must be less than 50% of the appraised market value.
- iii. The Church must use the gift or there must be a market for sale of the gifts allowing sale within 12 months of receipt.
- iv. The costs to safeguard, insure, and expense the gifts (including property tax, if applicable) during the holding period must be acceptable.

Changes to Gift Acceptance Policies

These policies and guidelines have been approved by the session of Montreat Presbyterian Church. The session must approve any changes to or deviations from these policies.

This policy supersedes all earlier gift acceptance policies of MPC and is immediately effective upon its approval by the session which took place at the called session meeting on Sunday, May 3, 2026.