

Non-Cash Gifts: Receipt and Disposition Procedures

The Roswell United Methodist Church Foundation, Inc.

Effective: November 8, 2006

A. Purpose:

To describe the procedures that will be used and the responsibilities of the principals in receipt and disposition of non-cash gifts to The Roswell United Methodist Church Foundation, Inc. (hereinafter referred to as the "RUMC Foundation").

B. Receipt Procedures:

1. Responsibilities:

a. RUMC Foundation Director:

- (1) Is designated as the person to receive Non-Cash Gifts for the RUMC Foundation.
- (2) Is responsible for letting the RUMC Foundation Board of Directors, the Church Business Administrator, and the Director of Finance/Treasurer know the nature of the gift and if assistance is needed with disposition. Most gifts will not be used or consumed by the RUMC Foundation and will require disposition. Gifts such as stock, land and jewelry, etc. will normally be disposed of immediately.
- (3) Shall request the Director of Finance/Treasurer to enter the donation into the RUMC Foundation's inventory of physical property if valued at over \$500. Enter on the RUMC Foundation Balance Sheet under "Assets" if over \$1500.
- (4) Shall request the Church Business Administrator to insure the property, if appropriate, such as for land and jewelry.

Note: These procedures will be reviewed, bi-annually at a minimum, and updated as necessary.

b. Director of Finance/Treasurer:

- (1) Coordinates the disposition of stocks and bonds in conjunction with the RUMC Foundation Director and the Church Business Administrator. Assists with other dispositions as necessary.
- (2) Enters the donation into the RUMC Foundation's inventory of physical property if valued at over \$500. Enters on the RUMC Foundation Balance Sheet under "Assets" if over \$1500.
- (3) Registers/titles the property, if appropriate, for items such as stock and/or land.
- (4) Serves as back up to the Church Business Administrator in his/her absence.

c. RUMC Foundation Board of Directors:

- (1) Is responsible for the disposition of land or other property, not to be used or consumed by the RUMC Foundation, in conjunction with the Church Business Administrator and the Director of Finance/Treasurer.

2. Receipt and Acceptance Procedures:

The following are the procedures to be followed in accepting non-cash gifts valued at \$250 or more, but less than \$5,000:

- a. Determine the need for the gift to the RUMC Foundation. If the gift is for use and consumption by the RUMC Foundation then an acknowledgement will be made to the donor, after they have signed the donor letter. Enclosure 1 is a sample of the letter of donation that places a value on the item(s) donated, by the donor. Enclosure 2 is a copy of the acknowledgement letter that is provided by the RUMC Foundation Director acknowledging receipt of the gift.
- b. Receipt and disposition procedures for items of tangible property (land, jewelry, etc.)
 - (1) Receipt:
 - (a) The person donating the property will place the value on the property. The RUMC Foundation, by law, cannot determine the value of donations.
 - (b) Vehicles for disposition cannot be accepted. Vehicles to be placed in the RUMC vehicle fleet should be donated to the Roswell United Methodist Church not the RUMC Foundation.
 - (2) Disposition:
 - (a) The RUMC Foundation Director, the RUMC Foundation Board of Directors, the Church Business Administrator or the Director of Finance/Treasurer will advertise as appropriate in the church bulletin, Friday Blast, etc.
 - (b) When sold, the money will be recorded to the RUMC Foundation account as designated by the donor or will go to the RUMC Foundation's undesignated account if no designation was given.
- c. Receipt and disposition procedures for financial instruments (intangibles) such as: securities: stocks, bonds, etc.
 - (1) Receipt:
 - (a) The value of the securities will be based on the closing market value of the item on the applicable exchange, on the first working day of receipt.
 - (b) The signed securities will be turned over to the Director of Finance/Treasurer or the Church Business Administrator with a transfer letter.
 - (c) If the securities are not negotiated immediately, they will be recorded on the balance sheet at the value based on (a) above.
 - (2) Disposition:
 - (a) The Director of Finance/Treasurer notifies securities broker and begins the registration, transfer and sell procedures.
 - (b) When the securities are sold the money will be recorded in the account as designated by the donor or will go to the RUMC Foundation's undesignated account if no designation was given.

C. OTHER:

Questions concerning this policy or recommendations for its improvements should be directed to the RUMC Foundation Director or to the Church Business Administrator or the Director of Finance/Treasurer.

DISTRIBUTION:

RUMC Foundation Board of Directors
Director, RUMC Foundation, Inc.
Church Business Administrator
Director of Finance/Treasurer

2 Enclosures

1. Non-Cash Gift Sample Donation Letter
2. Sample RUMC acknowledgement letter (Non-Cash – Contribution Letter – xx-xx-06)