Planned Giving
& Trust Services
Seventh-day Adventist Church
NEW JERSEY CONFERENCE

New Jersey Conference of Seventh-day Adventists, Inc.

TRUST AND GIFT ACCEPTANCE GUIDELINES

The New Jersey Conference of Seventh-day Adventists, Inc (NJC), a not-for-profit organization organized under the laws of the State of New Jersey, exists to:

- Further, the mission and Christian ministry of the Seventh-day Adventist Church through the New Jersey Conference of Seventh-day Adventists and the geographical territory covered by the NJC.
- To receive cash gifts, bequests, trusts, property, securities, and other assets to be applied to ministry purposes.

I. Practice of Gift Acceptance

To this end, the NJC and its staff encourage and solicit current and deferred gifts from individuals, corporations, foundations, and organizations to secure future growth for the ministries of the New Jersey Conference of Seventh-day Adventists.

This may be accomplished by:

- Inspiring the constituents of the NJC to recognize that God is the true owner of all, and we are responsible stewards.
- Encouraging the constituents to faithfully manage God’s resources through current giving and planned giving.
- Assisting constituents to be more aware of their stewardship responsibility to family, loved ones, and God’s ministry through effective estate planning.
- Providing guidance to prospective donors and their advisors when making gifts to the NJC.

II. Purpose of Trust and Gift Acceptance Guidelines

These guidelines govern the NJC's acceptance of gifts and provide guidance to prospective donors and their advisors when making gifts to the NJC. The provisions of these guidelines shall apply to all gifts received by the NJC for the benefit of the NJC for any of its institutions, ministries, or services.

III. Use of Legal Counsel

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

- Closely held stock transfers that are subject to restrictions or buy-sell agreements.

- Documents naming the NJC as Trustee.
- Gifts involving contracts, such as bargain sales or other documents requiring the NJC to assume an obligation.
- Transactions with a potential conflict of interest that could invoke IRS sanctions.
- Other instances in which the use of counsel is deemed appropriate by the Gift Acceptance Committee/Trust Advisory Committee.

IV. Conflict of Interest

The NJC will urge all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. The NJC will comply with the *Model Standards of Practice for the Charitable Gift Planner* promulgated by the National Committee on Planned Giving as an appendix to this document.

V. Restrictions on Gifts

The NJC 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 NJC will not accept gifts that are deemed excessively restrictive in purpose. Gifts deemed excessively restrictive violate the terms of the corporate charter (or trust document if the gift to the NJC is established under trust), gifts that are too difficult to administer, or gifts that are for purposes outside the mission of the NJC.

VI. The Gift Acceptance Committee/Trust Advisory Committee

The Gift Acceptance Committee is the same as the Trust Advisory Committee and is composed of the members of the Trust Advisory Committee (TAC). The members of TAC are the President, Executive Secretary, Treasurer/PGTS Director, Assistant Treasurer, Ministerial Director, and PGTS Officer.

All actions of the Gift Acceptance Committee/TAC should be recorded in minutes taken by the recording secretary and presented to the NJC Executive Committee for final approval.

VII. General Provisions

The Trust Advisory Committee (TAC) reviews all gifts made to New Jersey Conference of Seventh-day Adventists, Inc., properly screens and accepts those gifts, and makes recommendations to the board on gift acceptance issues when appropriate. Gifts acceptance should meet the following criteria:

1. A donor’s charitable intent is an initial prerequisite for any gift, and no gift shall be accepted in the absence thereof.

2. Unless otherwise negotiated, non-cash gifts must be approved in advance by the Executive Committee following appropriate legal and tax advice to the Conference and shall be liquidated at the earliest, fiscally prudent opportunity in furtherance of the Conference's mission.

3. The Conference shall not assume any indebtedness to effect, or otherwise in connection with, any gift.

4. If property is encumbered by indebtedness, the donor shall be required to make provision for the associated debt burden until the property is liquidated.

5. No gift that represents a significant or unusual liability shall be accepted by the Conference.

6. The Conference shall not enter partnerships or joint ventures of any sort to effect, or otherwise in connection with, any gift.

7. No gift shall be accepted which, in the opinion of its tax advisers, would subject the Association to tax for unrelated business income or unrelated debt-financed income.

8. Where a charitable donation receipt is requested, or the donor intends to claim a gift as a deduction for tax purposes, property gifts of over $5,000 (except for gifts of publicly traded stock) must be supported by an appraisal from an independent, third-party, licensed appraiser retained and compensated by the donor.

9. All donors shall be advised to rely on their own personal advisers for tax, legal, financial, and other advice concerning their gifts. A letter of understanding from a donor for a gift, along with evidence of outside advice from counsel or a signed waiver of use of counsel, may be required prior to acceptance of a gift where such professional advice is indicated.

10. When a minimum contribution of 10% remainder for wills or 15% for trusts is given in support of the conference's mission and purpose, the Planned Giving and Trust Services department will reimburse the initial expense of drafting the legal document(s) and up to two revisions of the document(s).

11. The Planned Giving and Trust Services department will reimburse for the costs of creating charitable gift annuities when one of the beneficiaries is an entity within the New Jersey Conference of Seventh-day Adventists, Inc.

12. For gifts with a provision for a beneficial interest that no longer exists, the Conference shall redirect the proceeds in a manner that honors the donor’s original intent as far as possible but shall retain the discretion to determine the ultimate disposition of the gift.

VIII. Types of Gifts

The following gifts are acceptable:

1. Cash.
2. Tangible Personal Property.
3. Securities.
4. Real Estate.
5. Remainder Interests in Property.
6. Oil, Gas, and Mineral Interests.
7. Bargain Sales.
8. Life Insurance.
9. Life Insurance Beneficiary Designations.
10. Charitable Gift Annuities.
11. Charitable Remainder Trusts.
12. Charitable Lead Trusts.
13. Retirement Plan Beneficiary Designations.
14. Bequests.
15. Donor Advised Funds

The following criteria govern the acceptance of each gift form:

1) **Cash.**
Cash is acceptable in any form. Checks shall be made payable to the New Jersey Conference of Seventh-day Adventists, Inc. and shall be delivered to the Planned Giving Trust Services director in the NJC offices. Cash that is derived by illegal activities or harmful practices inconsistent with the principles and values of the Seventh-day Adventist Church may be declined by the Gift Acceptance Committee/TAC.

2) **Tangible Personal Property.**
All other gifts of tangible personal property shall be examined in light of the following criteria:

- Can the property be used in a way to fulfill the mission of the NJC?
- Is the property marketable?
- Are there any undue restrictions on the use, display, or sale of the property?
- Are there any carrying costs for the property?

The Gift Acceptance Committee/TAC of the NJC shall make the final determination on the acceptance of other tangible property gifts.

3) **Securities.**

Publicly Traded Securities. Marketable securities (stocks, bonds, REITs, EFTs, etc.) may be transferred to an account maintained at one or more brokerage firms, Western Adventist Foundation, or delivered physically with the transferor's signature or stock power attached. As a general rule, all marketable securities shall be sold upon receipt unless otherwise directed by the New Jersey Conference Investment Committee. In some cases, marketable securities may be restricted by applicable securities laws; in such instances, the final determination on the acceptance of the restricted securities shall be made by the Gift Acceptance Committee/TAC.

Closely Held Securities. Closely held securities, which include not only debt and equity positions in non-publicly traded companies but also interests in limited partnerships and limited liability companies or other ownership forms, can be accepted subject to the approval of the Gift Acceptance Committee/TAC. However, such gifts must be reviewed prior to acceptance to determine:

- There are no security restrictions that would prevent the NJC from ultimately converting those assets to cash.
- The security is marketable~~;~~
- The security will not generate any undesirable tax consequences for the NJC.

Upon initial review of the security, if concerns are noted, further review and recommendation by an outside professional may be sought before making a final decision on acceptance of the gift. The Gift Acceptance Committee/TAC and legal counsel shall make the final determination on the acceptance of closely held securities when necessary. Every effort will be made to sell non-marketable securities as quickly as possible.

4) **Real Estate.**
Gifts of real estate may include developed property, undeveloped property, or gifts subject to a prior life interest. Prior to acceptance of real estate, the NJC shall require an initial environmental review of the property to ensure that the property has no environmental damage or future potential liabilities. In the event that the initial inspection reveals a potential problem, the NJC shall retain a qualified inspection firm to conduct an environmental audit. The cost of the environmental audit shall generally be an expense of the donor.

When appropriate, a title binder (search) shall be obtained by the NJC prior to the acceptance of the real property gift. The cost of this title binder (search) shall generally be the donor's expense.

Prior to acceptance of the real property, the gift shall be approved by the Gift Acceptance Committee/TAC, which shall seek legal counsel when appropriate. Criteria for acceptance of the property shall include:

- Can the property be used in a way that can fulfill the mission of the NJC?
- Is the property marketable?
- Are there any restrictions, reservations, easements, or other limitations associated with the property?
- Does the environmental audit reflect that the property is not damaged or poses no potential for long-term liability?
- A certified appraisal may be sought before acceptance.
- Timeshare property will not be accepted.

5) **Remainder Interests in Property.**
The NJC will accept a remainder interest in a personal residence, farm, or vacation property subject to the provisions of paragraph 4 above. The donor or other occupants may continue to occupy the real property for the duration of the stated life.

At the death of the donor, the NJC may use the property or reduce it to cash. Where the NJC receives a gift of a remainder interest, expenses for maintenance, real estate taxes, and any property indebtedness are to be paid by the donor or primary beneficiary.

6) **Oil, Gas, and Mineral Interests.**
The NJC may accept oil, gas, and mineral property interests when appropriate. Prior to acceptance of an oil, gas, and mineral interest, the Gift Acceptance Committee/TAC, utilizing legal counsel when appropriate, shall approve the gift. Criteria for acceptance of the property shall include:

- Gifts of surface rights should have a value of $20,000 or greater.
- Gifts of oil, gas, and mineral interests should generate at least $3,000 per year in royalties or other income (as determined by the average of the three years prior to the gift.)
- The property should not have extended liabilities or other considerations that make receipt of the gift inappropriate
- A working interest is rarely accepted. A working interest may only be accepted when there is a plan to minimize potential liability and tax consequences.
- The property should undergo an environmental review to ensure that the NJC has no current or potential exposure to environmental liability.

7) **Bargain Sales.**
The NJC will enter into a bargain sale arrangement in instances in which the bargain sale furthers the mission and purposes of the NJC. All bargain sales must be reviewed and recommended by the Gift Acceptance Committee/TAC and approved by the NJC Executive Committee.

Factors used in determining the appropriateness of the transaction include:

- The NJC must obtain an independent appraisal substantiating the value of the property.
- If the NJC assumes debt with the property, the debt ratio must be less than 50% of the appraised market value.
- The NJC must determine that it will use the property, or that there is a market for sale of the property, allowing sale within 12 months of receipt.
- The NJC must calculate the costs to safeguard, insure, and expense the property (including property tax, if applicable) during the holding period.

8) **Life Insurance.**
The NJC must be named (full corporate name: The New Jersey Conference of Seventh-day Adventists, Inc) as both beneficiary and irrevocable owner of an insurance policy before a life insurance policy can be recorded as a gift. The gift is valued at its interpolated terminal reserve value, or cash surrender value, upon receipt. If the donor contributes future premium payments, the NJC will include the entire amount of the additional premium payment as a gift in the year that it is made.

If the donor does not elect to continue to make gifts to cover premium payments on the life insurance policy, the NJC may:

- Continue to pay the premiums;
- Convert the policy to paid up insurance; or
- Surrender the policy for its current cash value.

9) **Life Insurance Beneficiary Designations.**
Donors and supporters of the New Jersey Conference of Seventh-day Adventists, Inc. may be encouraged to name their local conference or the Columbia Union Conference as beneficiary or contingent beneficiary of their life insurance policies. Such designations shall not be recorded as gifts to the NJC until such time as the gift is irrevocable. When the gift is irrevocable but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.

10) **Charitable Gift Annuities.** The NJC may offer charitable gift annuities. Annuities will typically be owned by the Southern Union Association and invested and managed by the Western Adventist Foundation. The minimum gift for funding is $10,000. The minimum age for life income beneficiaries of a gift annuity shall be 65. Where a deferred gift annuity is offered, the minimum age for life income beneficiaries shall be 45. No more than two life income beneficiaries will be permitted to receive any gift annuity.

The annuity asset should not be the sole or major asset of the donor's estate, nor should the transfer reduce the donor's assets to a level that would make the donor eligible for government assistance.

Annuity payments may be made quarterly, semi-annually, or annually. The current payment schedule offered by the Western Adventist Foundation will be the official payment schedule option.

The NJC may choose not to accept real estate, tangible personal property, or any other illiquid asset in exchange for current charitable gift annuities. Funds contributed in exchange for a gift annuity shall be set aside and invested during the term of the annuity payments. Once those payments have terminated, the funds representing the remaining principal contributed in exchange for the gift annuity shall be transferred to NJC's general endowment funds, or to such specific fund as designated by the donor.

11) **Charitable Remainder Trusts.**
The NJC may accept designation as remainder beneficiary of a charitable remainder trust with the approval of the Gift Acceptance Committee/TAC. The NJC will not accept the appointment as trustee. We suggest Western Adventist Foundation as trustee.

12) **Charitable Lead Trusts.**
The NJC may accept a designation as income beneficiary of a charitable lead trust. The NJC will not accept an appointment as a Trustee of a charitable lead trust. We suggest the Western Adventist Foundation as trustee.

13) **Retirement Plan Beneficiary Designations.**
Donors and supporters of the NJC will be encouraged to make bequests of their retirement plans. Such designations will not be recorded as gifts to the NJC until such time as the gift is irrevocable. When the gift is irrevocable but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.

14) **Bequests.**
Donors and supporters of the NJC will be encouraged to make bequests of their wills and trusts. Such bequests will not be recorded as gifts to the NJC until the gift is irrevocable. When the gift is irrevocable but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.

15) **Donor Advised Funds**
The NJC participates in the Adventist Donor Gift Fund through the Bank of New York Melon. All gifts must comply with the policies laid out by ADGF and BNY Melon.

IX. Miscellaneous Provisions

Securing appraisals and legal fees for gifts to the NJC
The donor is responsible for securing an appraisal (where required) and independent legal counsel for all gifts made to the New Jersey Conference of Seventh-day Adventists, Inc.. The

donor shall bear any ancillary expenses arising from the conveyance of a gift made to the Conference.

Valuation of gifts for development purposes
The NJC will record a gift received at its valuation for gift purposes on the date of the gift.

Responsibility for IRS Filings upon sale of gift items

The NJC Treasurer or his NJC Assistant Treasurer is responsible for filing IRS Form 8282 upon the sale or disposition of any asset sold within three years of receipt by the NJC when the charitable deduction value of the item is more than $5,000. NJC must file this form within 125 days of the asset's sale date or disposition. Acknowledgment of all gifts made to the NJC and compliance with the current IRS requirements in acknowledgment of such gifts shall be the responsibility of the NJC Treasurer. IRS Publication 561, *Determining the Value of Donated Property,* and IRS Publication 526, *Charitable Contributions,* will be used by the NJC for guidance in these matters.

X. Changes to Trust Acceptance Guidelines

These guidelines have been reviewed and accepted by the New Jersey Conference of Seventh-day Adventists, Inc. The Gift Acceptance Committee/TAC of the New Jersey Conference of Seventh-day Adventists, Inc. must approve any changes to or deviations from these guidelines.

Approved on the __23______ day of ______January_________, 2025.

XI. Attachments

A. *Model Standards of Practice of the Charitable Gift Planner*

NATIONAL ASSOCIATION of **Charitable Gift Planners**

A code of ethical practice for all professionals who work together to structure gifts that balance the interests of the donor and the purposes of the charitable institution.

PREAMBLE

The purpose of this statement is to encourage responsible gift planning by urging the adoption of the following Standards of Practice by all individuals who work in the charitable gift planning process, gift planning officers, fund raising consultants, attorneys, accountants, financial planners, life insurance agents and other financial services professionals (collectively referred to hereafter as "Gift Planners"), and by the institutions that these persons represent. This statement recognizes that the solicitation, planning and administration of a charitable gift is a complex process involving philanthropic, personal, financial, and tax considerations, and as such often involves professionals from various disciplines whose goals should include working together to structure a gift that achieves a fair and proper balance between the interests of the donor and the purposes of the charitable institution.

I. PRIMACY OF PHILANTHROPIC MOTIVATION

The principal basis for making a charitable gift should be a desire on the part of the donor to support the work of charitable institutions.

II. EXPLANATION OF TAX IMPLICATIONS

Congress has provided tax incentives for charitable giving, and the emphasis in this statement on philanthropic motivation in no way minimizes the necessity and appropriateness of a full and accurate explanation by the Gift Planner of those incentives and their implications.

III. FULL DISCLOSURE

It is essential to the gift planning process that the role and relationships of all parties involved, including how and by whom each is compensated, be fully disclosed to the donor. A Gift Planner shall not act or purport to act as a representative of any charity without the express knowledge and approval of the charity, and shall not, while employed by the charity, act or purport to act as a representative of the donor, without the express consent of both the charity and the donor.

IV. COMPENSATION

Compensation paid to Gift Planners shall be reasonable and proportionate to the services provided. Payment of finders fees, commissions or other fees by a donee organization to an independent Gift Planner as a condition for the delivery of a gift are never appropriate. Such payments lead to abusive practices and may violate certain state and federal regulations. Likewise, commission-based compensation for Gift Planners who are employed by a charitable institution is never appropriate.

V. COMPETENCE AND PROFESSIONALISM

The Gift Planner should strive to achieve and maintain a high degree of competence in his or her chosen area, and shall advise donors only in areas in which he or she is professionally qualified. It is a hallmark of professionalism for Gift Planners that they realize when they have reached the limits of their knowledge and expertise, and as a result, should include other professionals in the process. Such relationships should be characterized by courtesy, tact and mutual respect.

VI. CONSULTATION WITH INDEPENDENT ADVISORS

A Gift Planner acting on behalf of a charity shall in all cases strongly encourage the donor to discuss the proposed gift with competent independent legal and tax advisors of the donor's choice.

VII. CONSULTATION WITH CHARITIES

Although Gift Planners frequently and properly counsel donors concerning specific charitable gifts without the prior knowledge or approval of the donee organization, the Gift Planners, in order to insure that the gift will accomplish the donor's objectives, should encourage the donor, early in the gift planning process, to discuss the proposed gift with the charity to whom the gift is to be made. In cases where the donor desires anonymity, the Gift Planners shall endeavor, on behalf of the undisclosed donor, to obtain the charity's input in the gift planning process.

VIII. DESCRIPTION AND REPRESENTATION OF GIFT

The Gift Planner shall make every effort to assure that the donor receives a full description and an accurate representation of all aspects of any proposed charitable gift plan. The consequences for the charity, the donor and, where applicable, the donor's family, should be apparent, and the assumptions underlying any financial illustrations should be realistic.

IX. FULL COMPLIANCE

A Gift Planner shall fully comply with and shall encourage other parties in the gift planning process to fully comply with both the letter and spirit of all applicable federal and state laws and regulations.

X. PUBLIC TRUST

Gift Planners shall, in all dealings with donors, institutions and other professionals, act with fairness, honesty, integrity and openness. Except for compensation received for services, the terms of which have been disclosed to the donor, they shall have no vested interest that could result in personal gain.
Adopted and subscribed to by the National Committee on Planned Giving and the American Council on Gift Annuities, May 7, 1991. Revised April 1999.