



GIFT ACCEPTANCE POLICY

Adopted: December 15, 2015 / Revised April 2026

General Information & Notices

INTRODUCTION

PENINSULA COMMUNITY CHAPEL (hereinafter referred to as “PCC” or the “church”) is a qualified charitable organization exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) and relies solely upon charitable giving to fund its projects, ministries, and programs. Contributions to the church are deductible for federal income tax purposes under the rules and regulations established under the current provisions of the Internal Revenue Code. This Gift Acceptance Policy (this “Policy”) governs PCC’s procedures for its handling of charitable giving.

GENERAL STATEMENT OF GOALS:

It is the goal of the leadership of PCC to promote financial stewardship and to:

- A. Encourage support with a variety of giving opportunities / options;
- B. Establish the annual local ministry budget as the top priority of each year’s fundraising goal;
- C. Encourage tithes and unrestricted giving toward the budget;
- D. Establish separate designated funds for global ministry, building, and other specialized needs which are outside the annual local ministry budget but are part of the ministry and mission of the church;
- E. Encourage designated support of these funds through ‘above and beyond’ gifts;
- F. Encourage giving to PCC without encumbering PCC with gifts that incur more cost than benefit to PCC;
- G. Avoid gifts that the donor restricts in a manner inconsistent with the goals of PCC.

To protect the interests of PCC and the persons and entities who support its causes, this Policy is designed to assure that all gifts to, or for the use of, charitable causes are structured to provide maximum benefit to all parties involved.

GIFT REVIEW COMMITTEE

The PCC Gift Review Committee (“GRC”) will review proposed gifts that are deemed complex, restricted, non-cash, or otherwise present potential risk. The GRC will include at least three current Board members and may involve legal / tax counsel at the Board’s discretion. The GRC is authorized to accept or decline gifts in accordance with this Policy and will elevate to the full Board any gift that presents significant legal, financial, or reputational risk. The GRC will maintain written records of its analyses and decisions and will report at least annually to the Board on compliance with this Policy.

LEGAL COUNSEL

PCC shall execute no planned giving Agreements without the advice of legal counsel. For purposes of this Policy, the term “Agreement” is defined as the agreed upon terms for giving that is outside the course of normal cash or tangible property donations for approved projects / ministries / programs. Prospective donors will be strongly encouraged to seek their own legal and / or tax counsel in matters relating to their charitable gifts, taxes, and estate plans.

NOTICE TO DONORS - Designated Gifts

PCC respects the donor’s decision to give as led by the Lord. The policies contained in this document are meant to provide guidance to the donor and the church body as well as comply with federal and state tax laws. PCC reserves the right to refuse contributions that 1) are not related to the primary purposes of the church, 2) are not in the best interest of the church, 3) are too difficult or too expensive to administer in relation to their value, or 4) may jeopardize PCC’s tax-exempt status. To be deductible, the church must have discretion and control over the contribution without any obligation to benefit a designated individual.

All donations are subject to this Policy. PCC may accept designated gifts if they are specified for an approved project, ministry, or program administered by the church. Gifts designated by the donor to projects / ministries / programs that are not approved or administered by the church will be treated as follows: *If the Board determines that the church cannot provide the designated project / ministry / program or administer the funds/other donation, PCC will return such donation to the donor or contact the donor for permission to transfer the donation to another PCC fund or another charity chosen by the donor.*

PCC will not accept gifts designated to a specific individual except in the case of global partners where the designated funds are turned over to the global partner's sending agency for administration and distribution. All designated gifts must comply with the Bylaws provision of Article XXIII, Section I: *“Designated Contributions. The church may accept any designated contributions, grant, bequest, or devise consistent with its general tax exempted purposes, as set forth in the Articles of Incorporation. As so limited, donor designated contributions shall be accepted for special funds, purposes, or uses as approved by the Board, and such designations generally will be honored. However, the church reserves all rights, title, and interest in and to control of such contributions, as well as full discretion as to the ultimate expenditure or distribution thereof in connection with any funds (including designated contributions) to assure that such funds shall be used to carry out the church's tax-exempt purposes.”*

UNDESIGNATED GIFTS

Undesignated gifts are those gifts given without stipulation by the donor. These gifts comprise the majority of the church's total receipts and are placed in the church's general account. They are relied upon to fund the budgeted ministries and programs of the church.

FIDUCIARY ROLES AND TRUST-RELATED GIFTS

PCC will not serve as trustee, co-trustee, or in any fiduciary capacity for a donor's trust or similar arrangement, nor accept gifts that impose ongoing fiduciary obligations, unless (a) the Board approves; and (b) legal counsel advises that the arrangement complies with applicable law and PCC's exempt purposes. PCC will document fiduciary scope, responsibilities, fees (if any), and termination provisions in writing before acceptance.

Policies by Type of Gift

To facilitate the receipts of gifts and bequests, PCC must be capable of responding quickly and in the affirmative where possible to all gifts offered by prospective donors. No irrevocable gift, whether outright or life-income in character, will be accepted if, under any reasonable set of circumstances, the gift would jeopardize the donor's financial security. PCC may decline any gift if the source of the funds or the identity of the donor cannot be reasonably verified or presents reputational or legal concerns. Unless stated otherwise, the Board of Directors intends that the following policies apply to all gifts in the categories designated below:

- I. Gifts of:
 - a. Cash
 - i. PCC will accept gifts in the form of cash and checks regardless of amount, unless: (a) a question exists as to whether the donor has legal title to the asset; or (b) a question exists as to the legal capacity of the donor to transfer funds.
 - ii. Checks must be made payable to PENINSULA COMMUNITY CHAPEL or PCC; checks made payable to an individual employee, director, agent, or volunteer for the credit of PCC will be returned to the donor requesting the check to be made payable to PENINSULA COMMUNITY CHAPEL or PCC in accordance with this Policy.
 - iii. Gifts by credit card must be processed through our current payment processing system (Planning Center Online Giving, as of April 2026).
 - b. Retirement Account Distributions
 - i. PCC may accept charitable distributions made directly from a donor's tax-deferred or retirement account, including Qualified Charitable Distributions (“QCDs”), provided that the distribution is made payable directly to PCC by the account custodian.

- ii. PCC will issue the required acknowledgment for the contribution but will not provide tax advice or confirm the donor's eligibility for QCD treatment.
- c. Publicly Traded Securities
 - i. PCC may accept publicly traded securities.
 - ii. Publicly traded securities will be transferred to either the church's brokerage firm (if applicable) or physically delivered to the Board with the transferor's endorsement or signed stock power (with appropriate signature guarantees) attached. The donor may anticipate that PCC may immediately sell such securities within 30-60 days.
- d. Closely Held Securities
 - i. PCC may accept closely held securities only upon written approval of the Board and consultation with legal counsel. The Board of Directors will review these securities using the following criteria:
 - 1. There is a readily available market for their disposition.
 - 2. Accepting such securities will not create any potential liability to PCC.
 - 3. The closely held entity engages in no activities that would be inconsistent with PCC'S objectives.
- e. Real Property
 - i. The Board of Directors in consultation with legal counsel, must approve in writing all gifts of real estate in advance of accepting the gift. Approval requires the Board to conduct sufficient due diligence on all offers of real estate including, but not limited to:
 - 1. The Board of Directors cannot accept any gift of real estate until the Board determines that no environmental waste contaminates the property. Thus, PCC will require a Level I Environmental Survey from a qualified environmental firm. All costs related to the survey will be borne by the donor.
 - 2. PCC may require that a licensed appraiser issue an appraisal of the real estate before acceptance. The licensed appraiser will not have any business or other relationship with the donor. The costs of the appraisal will be borne by the donor.
 - 3. PCC may require a title search or other documentation to verify the legal condition of the real estate at issue.
 - 4. PCC will review any carrying costs associated with the property, including taxes, insurance, utilities, and maintenance.
 - 5. PCC will consider the marketability of the property, including any anticipated delays or obstacles to sale.
 - 6. PCC will evaluate any restrictions, covenants, easements, or use-limitations associated with the property to determine whether they impede PCC's purposes.
 - 7. PCC will consider any reputational risks or community impacts associated with accepting the property.
 - 8. In general, residential real estate located within the state of Virginia will be accepted, unless the Board of Directors determines for some reason that the property is not suitable for acceptance.
 - 9. Special deliberation will be given to the receipt of real estate encumbered by a mortgage, as the ownership of such property may give rise to unrelated business income for PCC, as well as payments, taxes, and insurance that may burden PCC's finances.
- f. Tangible Personal Property
 - i. Jewelry, artwork, collections, and other personal property will not be accepted unless the Board or its authorized agent has reason to believe that the property has a value in excess of \$1,000 and / or can be easily sold. Such property can be accepted on behalf of PCC only by the Board of Directors or such other person or persons authorized to do so by the Board of Directors.
 - ii. No personal property will be accepted by PCC unless there is reason to believe the property can be quickly sold or be substantially used to further PCC's tax-exempt purposes. No personal property will be accepted that obligates PCC to retain it in perpetuity. No perishable property or property which will require special facilities or security to properly safeguard it will be accepted without prior written approval of the Board of Directors.

- iii. Notwithstanding the forgoing, if there is reason to believe personal property has a value of \$1,000 or more, it may be accepted only after receipt and review by the Board of Directors or those empowered to act on its behalf, after an appraisal qualified under the terms of the Internal Revenue Code governing gifts of personal property.
 - iv. PCC will generally not accept donations of motor vehicles in accordance with this Policy; provided, however, if such vehicles are accepted by the Board, PCC will comply with proper IRS documentation rules for the sale or charitable donation of any motor vehicles.
- g. Other Property
- Other property of any description including mortgages, notes, copyrights, royalties, or easements, whether real or personal, will be accepted only by further action of the Board of Directors or its authorized agent(s).
- h. Donor Advised Funds
- PCC welcomes distributions from Donor Advised Funds (“DAFs”). All DAF distributions must be for charitable purposes and may not be used to satisfy a donor’s personal pledge or to provide any goods, services, or other benefits to the donor or related persons. PCC will acknowledge the contribution to the DAF sponsoring organization (not the individual donor) and will not issue a charitable receipt to the donor. If a DAF distribution consists of non-cash property requiring PCC to sign Form 8283, or if PCC later disposes of such property requiring Form 8282, PCC will comply with all applicable IRS requirements.

II. Deferred Gifts

- a. Bequests
- i. PCC will actively encourage gifts through Wills and Living Trusts.
 - ii. In the event of inquiry by a prospective donor, representations as to the acceptability of a bequest to PCC will be made in accordance with this Policy only.
 - iii. PCC will at all times retain the right to refuse a gift from an individual or from an estate when it is not in the best interest of PCC to accept the gift.
 - iv. When PCC is the recipient of a gift from a will or trust, the Board of Directors will review the restrictions upon the gift and determine if it is in the best interests of PCC to accept the gift.
 - v. PCC will not accept a gift that might result in conflict within PCC or confusion as to the utilization of the gift or that might create an undue financial burden upon PCC.
 - vi. When PCC receives an unrestricted estate gift, the Board of Directors, in consultation with PCC’s Director of Administration, will determine its highest and best use at the time.
 - vii. If PCC has created an Endowment Fund and the unrestricted funds are not needed for the ordinary and everyday expenses of PCC, priority for unrestricted gifts will be as an addition to PCC’s Endowment Fund.
- b. Life Estate Gifts
- Donors will generally not be encouraged to make gifts of a remainder interest in real property in which the donor retains a life estate. This Policy is based upon the possibility that the donor may need to sell the home in the future and find that the value of the life estate is a small portion of the value of the property. Such gifts may be accepted by the Board of Directors when the asset involved appears to be a minor portion of the donor’s wealth, and the Board of Directors are satisfied that there has been full disclosure to the donor of the possible future ramifications of the transaction.
- c. Gifts of Life Insurance
- i. PCC will encourage donors to name PCC as a beneficiary of all or a portion of a person’s life insurance policies.
 - ii. PCC will not, however, as a matter of course agree to accept gifts from donors for the purpose of purchasing life insurance on the donor’s life. Exceptions to this Policy may be made after researching relevant state laws to ensure that PCC has an insurable interest under applicable state law.
 - iii. No insurance products may be endorsed for use in funding gifts to PCC. In no event will lists of PCC’s donors be furnished to anyone for the purpose of marketing life insurance for the benefit of donors or PCC. This Policy is based on the fact that this practice represents a potential conflict of interest, may

cause donor relations problems, and may subject PCC to state insurance regulation should the activity be construed as involvement in the marketing of life insurance.

III. Designated Gifts Establishing Designated Accounts

- a. The Board of Directors, with input from PCC's Director of Administration, will determine what designated accounts may be established.
 - i. Any donor to PCC may request in writing to the Board of Directors the establishment of a designated account. The requested account must meet a need not anticipated or included in the annual local ministry budget or other designated account.
 - ii. Once an account is established, PCC may accept funds into that account in accordance with this Policy.
 - iii. Expenditures from accounts may not exceed the amount available in the account.
 - iv. The Board of Directors will determine the length of time the account will exist. When that time has passed, the Board of Directors may either extend the time period for expiration of the account or transfer any remaining funds to the general fund.
- b. Disbursing Designated Funds
 - i. Designated funds may only be spent for the purpose for which they are designated until that purpose is fulfilled or expires. If funds remain after the purpose is fulfilled or expires, the Board of Directors reserves the right to transfer any remaining funds to another program / ministry / project that is for the same or similar charitable purposes.
 - ii. If, at any time, PCC accepts custody of designated accounts that have not been approved and established by the Board of Directors, and PCC does not intend to use the designated funds for the purpose designated, PCC will return the monies to the donor or contact the donor for permission to transfer the funds to another fund or another charity chosen by the donor.
- c. Notice to Donors – PCC will include in fundraising / solicitation materials and donor receipts the following statement:
 - i. *“All donations are subject to the guidelines and procedures outlined in the PENINSULA COMMUNITY CHAPEL Gift Acceptance Policy. Copies of the Policy are available in the Chapel Financial Office or online at www.pccyorktown.com.”*
 - ii. For designated gifts, the statement shall also include the following: *“All donations to PCC are completed gifts which will be used, directly or indirectly, to advance the charitable and religious purposes of PCC, and will be received and expended only for ministry projects previously budgeted and approved by the Board, with the donor designated preference among the various ministry projects being honored wherever possible.”*

IV. Finders Fees and Commissions

No finders fee or commission will be paid to anyone as consideration for directing a gift to PCC.

Miscellaneous Provisions

DONATION OF PERSONAL SERVICES

The church relies heavily on volunteers to fulfill its ministry. However, donations of this type will not be reflected on the individual's record of giving. Unreimbursed out of pocket expenses, including travel and transportation expenses, incurred on behalf of services donated may be deductible on the individual's tax return with proper documentation.

RECEIPT OF BENEFIT BY DONOR

Any benefit or premium received by a donor in exchange for a contribution reduces the amount of the deduction of the contribution. In the event of such a contribution where a benefit was received, the church will inform the donor of the estimated value of goods or services received by the donor. If the amount of the contribution exceeds the value of the benefit received, the donor may deduct the amount over the value of the benefit as a charitable contribution.

SUBSTANTIATION OF GIFTS

The church will provide annually to donors a record of cash contributions received in accordance with rules and regulations required by the IRS. Non-cash gifts will be acknowledged by letter, which will provide a brief description of the item(s) donated

in compliance with IRS rules and regulations. PCC is not responsible for appraisals and will not determine the fair market value of non-cash gifts. The estimated fair market value of non-cash gifts will not be reflected in the acknowledgment letter or the donor's record of giving. It is the donor's responsibility to determine the fair market value of the non-cash gift.

YEAR OF CONTRIBUTION

All gifts of any kind must be received in the church office or postmarked by December 31 in order to be included on the donor's record of giving. A statement of giving will be provided at least annually to all donors in accordance with IRS regulations on substantiation of charitable giving.

CONCLUSION

Notwithstanding the foregoing, all restricted gifts will be administered in strict accordance with the donor's written restrictions and applicable law. PCC will not unilaterally alter, release, or remove donor-imposed restrictions after acceptance. If a restriction becomes unlawful, impossible, impracticable, or wasteful, PCC will seek donor consent when feasible or pursue an appropriate legal modification process (e.g., cy pres or equitable deviation) so that funds continue to be used as closely as possible to the donor's original intent.