

THE VESTRY OF THE [PARISH]

Gift Acceptance Policy

Purpose

This gift acceptance policy will provide guidelines to representative of [parish] who may be involved in the acceptance of gifts, to outside advisors who may assist in the gift planning process, and to prospective donors who may wish to make gifts to the [parish]. This policy is intended only as a guide and allows for some flexibility on a case-by-case basis. The gift review *process* outlined here, however, is intended to be followed closely.

Gift Review Committee

Any questions which may arise in the review and acceptance of gifts to the [parish] will be referred to The Gift Review Committee, which, unless otherwise designated by the vestry, will be comprised of the full Endowment Fund Board.

Cash

- 1) All gifts by check shall be accepted by [parish] regardless of amount.
- 2) Checks shall be made payable to [parish]. In no event shall a check be made payable to an individual who represents [parish] or the church in any capacity.

Publicly Traded Securities

- 1) Readily marketable securities, such as those traded on a stock exchange, can be accepted by [parish]. (Refer to Appendix C-__ for guidance on the transfer and processing of gifts of securities.)
- 2) For gift crediting and accounting purposes, the value of the gift of securities is the average of the high and low prices on the date of the gift.
- 3) A gift of securities to [parish] normally would be liquidated immediately. However, if the form or designation of the gift allows the possibility that it will be directed to the Endowment Fund, a decision regarding the liquidation of the securities will be deferred until that determination is made. If the funds are to be directed to the Endowment Fund, the certificates will be given to the Fund's investment manager who then will act on the Endowment Board's decision whether to sell or hold the securities, which decision will be made on portfolio considerations.

Closely Held Securities

- 1) Non-publicly traded securities may be accepted after consultation with the Gift Review Committee.
- 2) Prior to acceptance, the Gift Review Committee will explore methods and timing of liquidation of the securities through redemption or sale. The Gift Review Committee will try to determine:
 - a) An estimate of fair market value
 - b) Any restrictions on transfer
 - c) Whether and when an initial public offering might be anticipated
- 3) No commitment for repurchase of closely held securities shall be made prior to completion of the gift of the securities.

Real Estate

- 1) Any gift of real estate must be reviewed by the Gift Review Committee.
- 2) The donor normally is responsible for obtaining and paying for an appraisal of the property. The appraisal will be performed by an independent and professional agent.
- 3) The appraisal must be based upon a personal visitation and internal inspection of the property by the appraiser. Also, whenever possible, it must show documented valuation of comparable properties located in the same area.
- 4) The formal appraisal should contain photographs of the property, the tax map number, the assessed value, the current asking price, a legal description of the property, the zoning status, and complete information regarding all mortgages, liens, litigation or title disputes.
- 5) [Parish] reserves the right to require an environmental assessment of any potential real estate gift.
- 6) The property must be transferred to [parish] prior to any formal offer or contract for purchase being made.
- 7) The donor may be asked to pay for all or a portion of the following:
 - a) Maintenance costs
 - b) Real estate taxes
 - c) Insurance
 - d) Real estate broker's commission and other costs of sale
 - e) Appraisal costs

- 8) For gift crediting and accounting purposes, the value of the gift is the appraised value of the real estate; however, this value may be reduced by costs of maintenance, insurance, real estate taxes, broker's commission, and other expenses of sale.

Life Insurance

- 1) A gift of a life insurance policy must be referred to the Gift Review Committee.
- 2) The (parish) can be named a contingent beneficiary or the beneficiary of a percentage of a life insurance policy.
- 3) The vestry will accept *ownership* of a life insurance policy as a gift only if [parish] is named as the owner and beneficiary of 100% of the policy.
- 4) If the gift is a paid-up policy, the value for gift crediting and accounting purposes is the policy's replacement cost.
- 5) If the policy is partially paid-up, the value for gift crediting and accounting purposes is the policy's cash surrender value. (Note: For IRS purposes, the donor's charitable income tax deduction is equal to the interpolated terminal reserve, which is an amount slightly in excess of the cash surrender value.)

Tangible Personal Property

- 1) Any gift of tangible personal property shall be referred to the Gift Review Committee prior to acceptance.
- 2) A gift of jewelry, artwork, collections, equipment, and software shall be assessed for its value to [parish] which may be realized either by being sold or by being used in connection with the parish's exempt purpose.
- 3) Depending upon the anticipated value of the gift, a qualified outside appraiser may be asked to determine its value.
- 4) [parish] shall adhere to all IRS requirements relating to disposing of gifts of tangible personal property and will provide appropriate forms to the donor and IRS.

Deferred Gifts

- 1) [Parish] encourages deferred gifts in its favor through any of a variety of vehicles:
 - a) Charitable gift annuity (or deferred gift annuity)
 - b) Pooled income fund
 - c) Charitable remainder trust

- d) Charitable lead trust
 - e) Bequest
 - f) Retained life estate
- 2) [Parish] (or its agent) shall not act as an executor (personal representative) for a donor's estate. A member of the parish staff serving as personal representative for a member of the parish does so in a personal capacity, and not as an agent of the parish.
 - 3) [Parish] (or its agent) shall not act as trustee of a charitable remainder trust.
 - 4) When appropriate, [parish] may invite prospective donors to consider the gift vehicles offered by The Episcopal Church Foundation (specifically, Charitable Remainder Trusts, Charitable Gift Annuities and the Pooled Income Fund) as well as its investment services.
 - 5) When donors are provided planned gift illustrations or form documents, these will be provided free of charge. For any planned gift related documents, materials, illustrations, letters or other correspondence, the following disclaimer should be included:

We strongly urge that you consult with your attorney, financial and/or tax advisor to review and approve this information provided you without charge or obligation. This information in no way constitutes advice. We will gladly work with your independent advisors to assist in any way.
 - 6) All information obtained from or about donors/prospects shall be held in the strictest confidence by [parish], its staff and volunteers. Neither the name, the amount, nor the conditions of any gift shall be published without the express written or oral approval of the donor and/or beneficiary.
 - 7) [Parish] will seek qualified professional counsel in the exploration and execution of all planned gift agreements. The parish recognizes the right of fair and just remuneration for professional services.
 - 8) The Vestry, upon the advice of the Gift Review Committee, reserves the right to decline any gift that does not further the mission or goals of the parish. Also, any gifts that would create an administrative burden or cause the parish to incur excessive expenses may be declined.