

**GIFT ACCEPTANCE POLICY
(NAME OF CHURCH)**

INTRODUCTION

____(name of church)____ wishes to encourage special giving to support its mission and goals and to be able to respond quickly to the offer of all gifts by prospective donors. This policy is intended to provide guidance for both donors and church representatives in the acceptance of gifts. Some gift situations can be complex, and decisions should only be made after careful consideration of a number of interrelated factors. Therefore, this policy requires, in some instances, that the Vestry or a designated gift acceptance committee consider the merits of a particular gift and a final decision be made only by that body.

The church will not accept any gift if there is any question as to whether the donor has sufficient title to the assets, or whether the donor is legally able to transfer the property as a gift. Additionally, all aspects of "A Code of Christian Ethics" are incorporated by reference.

I. DIRECT GIFTS

a. Cash

1. Gifts in the form of cash and checks shall be accepted regardless of amount.
2. All checks must be made payable to the ____ (Legal name of the church)____ and shall in no event be made payable to an employee, agent, or volunteer of the Church.

b. Publicly Traded Securities

1. The Church shall accept securities, which are traded on the New York, NASDAQ or Amex stock exchanges. It may be anticipated that the church will immediately sell such securities. In no event shall any employee or volunteer working on behalf of the church commit to a donor that the church will hold a particular security unless authorized to do so by an officer of the church.

c. Closely Held Securities

1. Non-publicly traded securities may only be accepted after approval of the gift acceptance committee who will consider the disposition of or income from the securities.

d. Real Property

1. No gift of real estate shall be accepted without prior approval of the gift acceptance committee of the church.
2. No gift of real estate shall be accepted without first being appraised by a party chosen by the church who shall have no business or other relationship to the donor.
3. In general, residential real estate located within the area of the church, with a value estimated by the donor or others at \$ 10,000 or greater will be

accepted, unless the gift acceptance committee shall determine for some reason that the property is not suitable for acceptance as a gift.

4. In general, residential real estate located outside the area of the church will not be accepted as a gift unless it appears to have a value in excess of \$ 50,000 and there is reason to believe it is reasonably marketable.
5. The gift acceptance committee shall not accept real estate to fund a charitable gift annuity without seeking a legal opinion as to the permissibility of this action under the laws of the state or states involved and approval
6. Special attention shall be given to the receipt of real estate encumbered by a mortgage.

e. Tangible Personal Property

1. Jewelry, artwork, collections, and other personal property shall not be accepted unless the employee, agent, or volunteer working on behalf of the church shall have reason to believe the property has a value in excess of \$ 10,000. Representatives can only accept such property when authorized by the gift acceptance committee.
2. The Diocese shall not accept personal property unless there is reason to believe the property can be quickly disposed of. No personal property shall be accepted that obligates the Diocese to ownership of it in perpetuity. No perishable property or property which will require special facilities or security to properly safeguard will be accepted without prior approval of the gift acceptance committee.
3. Personal property may be accepted if it is believed to have a value of \$10,000 or more. The gift may only be accepted after review by the gift acceptance committee or those empowered to act on its behalf. An appraisal qualifying under terms of the Internal Revenue Code governing gifts of property of this type shall be obtained
4. Only the gift acceptance committee or persons authorized by the gift acceptance committee may represent to a donor that property will or will not be held by the church for a requisite period of time. Donors should be notified at the time of receipt of a gift that the Diocese would, as a matter of corporate policy, cooperate to the full extent required by law, in all matters related to IRS investigations of non-cash charitable gifts.

f. Other Property

1. Partnership interests generally will not be accepted. Other property of any description including mortgages, notes, copyrights, royalties, easements, whether real or personal, shall only be accepted by action of the gift acceptance committee or persons duly acting on its behalf.

II. DEFERRED GIFTS

a. General

1. The church or any of its agents shall not act as a Personal Representative of a donor's estate.

2. The church or any of its agents shall not act as a trustee or co-trustee of a charitable remainder trust.
 3. When donors are provided planned giving illustrations or form documents, these will contain the following disclaimer:
" We strongly urge that you consult with your attorney, financial/tax advisor to review and approve this complimentary information. This information in no way constitutes advice. We will gladly work with your independent advisors to assist in any way"
 4. All information obtained from or about a donor shall be held in the strictest confidence. The name, amount or the conditions of any gift shall not be published without the express permission of the donor and/or beneficiary.
- b. Bequests
1. The church shall actively encourage gifts through wills (bequests).
 2. In the event of inquiry by a prospective legator, representations as to the future acceptability of property proposed to be left to the church in a will or other deferred gift shall only be made in accordance with the terms and provisions of paragraphs I (A-F) of this document.
 3. Gifts from the estates of deceased donors consisting of property that is not acceptable shall be rejected only by action of the gift acceptance committee. The Chancellor of the Diocese shall expeditiously communicate the decision of the gift acceptance committee to the legal representatives of the estate. If there is any indication that the representatives of the estate or any family member of the deceased is dissatisfied with the decision of the gift acceptance committee, this fact shall be communicated to the gift acceptance committee as quickly as possible.
 4. Attempts shall be made to discover bequest expectancies wherever possible in order to reveal situations that might lead to unpleasant donor relations in the future. Where possible, intended bequests of property other than cash or marketable securities should be brought to the attention of the gift acceptance committee and every attempt should be made to encourage the donor involved to conform his or her plans to the church policy.
- c. Charitable Remainder Trusts and Charitable Gift Annuities
1. In general, the Diocese will encourage the use of the services of the Episcopal Church Foundation or other approved providers when donors desire to enter into Charitable Remainder Trust or Charitable Gift Annuity agreements.
- d. Pooled Income Funds
1. The Diocese will use the Episcopal Church Foundation Pooled Income Fund for donors wishing to contribute to such a fund.
- e. Life Estate Gifts
1. Donors shall generally not be encouraged to make gifts of real property to the church under which they maintain a life interest in the property. This policy is based on the fact that such transfers are often not in the best interest of the donor involved. There is potential for negative publicity for

the church should a donor have a need to sell the property to generate funds, only to find that at relatively small portion of the proceeds would be available to the donor as owner of the life estate.

2. Such gifts may be accepted by approval of the gift acceptance committee in situations where the asset involved appears to be a portion of the donor's wealth that is not significant, and the committee is satisfied that there has been full disclosure to the donor of the possible future ramifications of the transaction.

f. Gifts of Life Insurance

1. The church will encourage donors to name the ___(name of church)___ to receive all or a portion of the benefits of life insurance policies that they have purchased on their lives.
2. The church 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 will be made only after researching relevant state laws to assure that the church has an insurable interest under applicable state law. It is recommended that Irrevocable Insurance Trusts be utilized.
3. No insurance products may be endorsed for use in funding gifts to the church without the vestry approval.
4. In no event shall donor lists be furnished to anyone for the purpose of marketing life insurance for the benefit of donors and/or the church.

III. GIFT ACCEPTANCE WITH DONOR RESTRICTIONS

1. If a donor desires to initiate a new permanently restricted fund, a minimum investment of \$50,000 should be required.
2. The church will accept gifts with donor-imposed restrictions on the use of the gift corpus and/or income as long as the Vestry in accordance with prior published purposes and/or uses establishes the stated restrictions. The Vestry, prior to acceptance of the gift, must approve all other restrictions.
3. Written documentation, signed by the donor, clearly defining the donor-imposed restrictions should be obtained and maintained permanently.
4. All reasonable efforts should be made to encourage donors to make provisions to allow the church to use the assets for an alternate purpose in the event the primary purpose is deemed no longer appropriate.

IV. PAYMENT OF FEES RELATED TO GIFTS TO THE DIOCESE

a. Finder's Fees or Commissions

1. In general, the church will pay no fee to any person as consideration for directing a gift to the church.
2. In no event will a commission or finder's fee of any type be paid to any party in connection with the completion of a gift to the church without prior written approval of the gift acceptance committee. The donor will be

provided a written notification of the amount and recipients of any such fee.

b. Professional Fees

1. The church will pay reasonable fees for professional services rendered in connection with the completion of a gift to the church. Such fees will be paid only with prior written approval of the gift acceptance committee.
2. Such fees will be paid only with the approval of the donor.
3. Fees shall be reasonable, and directly related to the completion of a gift. They shall be limited to appraisal fees by persons who are qualified to appraise the property involved and who have no conflict of interest, legal fees for the preparation of documents, accounting fees incident to the transaction, and fees of "fee for service" financial planners. In the case of financial planners, such persons must state in writing that they are compensated only through fees for services rendered and that they are not compensated for the sale of products to clients.
4. In the case of legal, accounting and other professional fees, an attempt shall be made by the gift acceptance committee to ascertain the reasonableness of these fees prior to payment.
5. In cases where the donor initially employed the persons receiving fees and the church is asked to pay the fees involved, the donor shall be notified that the payment of such fees may result in a reduced income tax deduction to the donor in the amount of the fees paid.