

St. Luke's Episcopal Church, Brockport, New York

Gift Acceptance Policy -Final May 21, 2023

**Purpose**

This Gift Acceptance Policy will provide guidelines to representatives of St. Luke's Episcopal Church, Brockport, New York, 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 St. Luke's Episcopal Church. 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. This policy shall not apply to gifts made to support the annual operating expenses of St. Luke's Episcopal Church or to gifts customarily made as "memorial gifts" at the time of or in connection with the death of a person who is either a member of or associated with the parish unless otherwise requested by the donor. It is intended that such memorial gifts shall be administered under the Memorial Fund Guidelines adopted by the Vestry on December 20, 2020. Donors are encouraged to obtain their own legal, tax, and financial advice before completing a gift.

**Gift Review Committee**

The Finance Committee will perform the role of the Gift Review Committee with responsibility for review and recommendation to Vestry. At least three members of the Finance Committee will be designated to review gifts presented for acceptance. Any questions which may arise in the review and acceptance of gifts to St. Luke's Episcopal Church will be referred to the Finance Committee.

The Vestry, upon the advice of the Finance 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.

***Cash and/or Check***

1. All gifts by cash or check shall be accepted by St. Luke's Episcopal Church regardless of amount.
2. Checks shall be made payable to St. Luke's Episcopal Church. In no event shall a check be made payable to an individual who represents St. Luke's Episcopal Church 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 St. Luke's Episcopal Church.
2. For gift crediting and accounting purposes, the value of the gift of securities is the mean of the high and low prices on the date of the gift.
3. A gift of securities to St. Luke's Episcopal Church 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, 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, the certificates will be given to the Endowment's investment manager/firm who then will, in consultation with the Diocese and/or external Fund Management firm, act on Vestry'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 Finance Committee.
2. Prior to acceptance, the Finance Committee will explore methods and timing of liquidation of the securities through redemption or sale. The Finance Committee will attempt 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 Finance Committee and Vestry with guidance as needed from the Diocese.
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 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. St. Luke's Episcopal Church reserves the right to require an environmental assessment of any potential real estate gift.
6. The property must be transferred to St. Luke's Episcopal Church 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 Finance Committee.
2. The Vestry will accept a life insurance policy as a gift only if St. Luke's Episcopal Church is named as the owner and beneficiary of 100% of the policy.
3. If the gift is a paid-up policy, the value for gift crediting and accounting purposes is the policy's replacement cost.
4. If the policy is partially paid up, the value for gift crediting and accounting purposes is the policy's cash surrender value.

### ***Tangible Personal Property***

1. Any gift of tangible personal property shall be referred to the Finance Committee prior to acceptance.
2. A gift of jewelry, artwork, collections, equipment, and software shall be assessed for its value to St. Luke's Episcopal Church, 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. The donor may be asked to pay for all or part of the appraiser's costs.
4. St. Luke's Episcopal Church 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.

### ***Restricted Gifts***

Gifts of restricted funds may be accepted by the Vestry and upon discussion and decision transferred to an appropriate account per Vestry direction if the initial contribution to establish a restricted fund has a value of \$5,000 or more. Subsequent gifts to a restricted fund may be made in any amount. Donors of restricted gifts shall be encouraged to make provision in the gift documents so that gifts may be reclassified in the event of changed circumstances to conform to the needs of St. Luke's Episcopal Church as determined by the Vestry. In all events, it shall be recommended to the donor that a provision be made that the then balance of the restricted gift revert to the Unrestricted Funds Account after a lapse of no less than 10 years from the date the gift is accepted.

### ***Deferred Gifts***

1. St. Luke's Episcopal Church encourages deferred gifts in its favor through any of a variety of means:
  - 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. St. Luke's Episcopal Church (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. St. Luke's Episcopal Church (or its agent) shall not act as a trustee of a charitable remainder trust.
4. When appropriate, St. Luke's Episcopal Church may invite prospective donors to consider the gift means 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 St. Luke's Episcopal Church, Brockport, New York, its staff and volunteers. The name, amount, or conditions of any gift shall not be published without the express written or oral approval of the donor and/or beneficiary.
7. St. Luke's Episcopal Church 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.

### ***In-Kind Donations/Incidentals***

On occasion, members or others wishing to support St. Luke's Episcopal Church may offer in-kind donations to help with the purchase of an item(s) and/or assistance with operating fund expenses. In these instances, the Rector shall be informed of the intent by the donor. The Rector will have discretion up to and including \$200 approval limit for this purpose. Anything over \$200 will require review by the Finance Committee with subsequent approval or non-approval by Vestry. In instances of approval, the donor shall inform the Pledge Secretary for recording purposes on pledge statement.

***Records of Gifts and Acknowledgement***

Complete records of all gifts shall be maintained by the Vestry. Records shall be maintained for each type of gift received by St. Luke's Episcopal Church. Originals of gift instruments shall be filed in record storage in the offices of the Church. All other documentation relevant to the gift, its acceptance, its management, or its conversion to cash (if applicable) shall be similarly retained in the records of St. Luke's Episcopal Church. Ledgers of gifts by type and nature shall be maintained. Gifts shall also be recorded so that the gift, any person memorialized by the gift, and the name of the donor shall be suitably recognized. All accepted gifts will be gratefully acknowledged by St. Luke's Episcopal Church. All accounting and receipting for gifts will conform with the regulations and requirements of the IRS.

***Amendment(s) to Policy***

Any member of the Vestry may propose amendment(s) to this policy. Such proposed amendments shall be made in writing and submitted to the Vestry for its consideration and review prior to any meeting called to discuss the proposed amendment(s). Proposed amendment(s) to this policy may be adopted by a 2/3rds vote of the entire Vestry.

**Adopted by action of the Vestry of St. Luke's Episcopal Church, Brockport, New York, this 21<sup>st</sup> day of May, 2023.**