



St David's Episcopal Church
1801 Camborne Road
Richmond, VA 23236

POC: Stewardship Commission

St. David's Gift Acceptance Policy & Procedures – 2013

- Ref:
- (a) The Constitution and Canons of the Episcopal Church, 2012
 - (b) Constitution and Canons of the Diocese of Southern Virginia, 2011
 - (c) Manual of Business Methods in Church Affairs, 2012
 - (d) IRS Publications 526 and 561, IRS Forms 8283 and 8282

1. PURPOSE. To advance the missions and ministries of St. David's through a clear and consistent process that facilitates giving and encourages biblical stewardship.

2. ACTION.

- (a) All gifts shall be accepted in accordance with the attached policies & procedures.
- (b) The vestry shall, when needed, appoint a Gift Acceptance Committee to evaluate restricted gift offers and offers of more complex non-cash gifts such as real estate.
- (c) Donors shall obtain any desired legal or tax advice from independent outside counsel along with valuation of securities and other items necessary for the donor's tax records. Persons acting on behalf of St. David's, such as a staff or vestry member, are prohibited from offering such advice or services.
- (d) The Treasurer shall maintain all required records, formally acknowledge all accepted gifts, remain familiar with the other applicable institutional responsibilities, and promptly complete any required documentation such as IRS forms. See references (c) and (d).
- (e) The Stewardship Commission chair shall review this policy annually and recommend any changes to the vestry by no later than the January meeting.
- (f) The vestry shall annually review and, if desired, pre-approve the list of proposed restricted gift-giving opportunities prepared by various committees/commissions.
- (g) New vestry members shall review this document w/i 30 days of joining the vestry.

3. DIRECTIVES AFFECTED. This document replaces the identically titled document from 2011. A vertical line in the right margin marks substantive changes.

Approved by the vestry.
13 August 2013

- Enclosure:
- (1) Gift Acceptance Policies & Guidelines
 - (2) Summary of Gift Acceptance Authority (chart form)
 - (3) Supplemental Information on Gift Types
 - (4) Deed of Gift Form
 - (5) New Ministries & Innovation Designated Fund

GIFT ACCEPTANCE POLICIES AND GUIDELINES

The mission of Saint David's is to "reach out with joy and acceptance in worship and ministry, inviting all to experience and share God's gifts and abundant love as we grow in Christ."

Our mission statement informs this entire policy, particularly the guiding principles in Section I, which are the foundation for the more specific gift acceptance policies and the detailed guidance to staff, volunteers, and prospective donors in Section III and enclosures (3) and (5).

I. Guiding Principles

- A. This gift policy seeks to encourage and facilitate effective Christian stewardship of one's financial blessings.
- B. Saint David's Episcopal Church encourages the solicitation and acceptance of gifts to further and fulfill its mission.
- C. Simple gifts, such as cash, for unrestricted general purposes are encouraged because of the flexibility they provide in meeting the congregation's most pressing needs. Such gifts should be the easiest to quickly accept.
- D. Complicated gifts such as real estate or business interests, and novel restricted gifts, almost always require study and the formal participation of more groups in the acceptance decision.
- E. The rector is canonically responsible for worship and no gift may diminish or alter this responsibility by requiring the conduct of worship in a particular way or using particular items.
- F. All accepted gifts must be beneficial to the church and its ministries. Offered gifts should be respectfully declined if they are inconsistent with, or distract from, the church's mission, goals, or values; result in no gain; require a disproportionate amount of administrative oversight; or result in significant financial risks.
- G. All accepted gifts shall be acknowledged in an appropriate manner that respects and honors the donor.
- H. Jesus taught that giving should be done quietly and without fanfare. **Matthew 6:1-2.** However, long-term donor labeling of certain gifts may occasionally be appropriate.
- I. In accepting a gift, the church also accepts a responsibility as steward of that gift.
- J. While this written policy shall apply to all gifts offered to St. David's for any of its programs or services, no document can anticipate all possible situations. Any exceptions, however, shall be consistent with these guiding principles and the mission of St. David's.

II. Definitions

A. Unrestricted gifts. Unrestricted gifts may take any form (cash, stocks, tangible items, life insurance policy) but have no specific purpose attached to them by the donor except that they shall be used to advance the mission of St. David's Church. Unrestricted gifts are much easier to manage over time and, therefore, generally preferred. Unless otherwise specifically designated, all gifts, including Memorial gifts (e.g. "in memory of"), weekly plate collections, and annual pledges are considered unrestricted gifts.

B. Restricted gifts. A restricted gift is one assigned a specific purpose by the donor, normally by directing the gift to one of the ministries of the church. A restricted gift may also include other conditions that limit the use or disposition of the gift.

C. Gifts Used Principally in Worship. This is a type of restricted gift. It can take the form of tangible items to be used in worship or a financial instrument to purchase specific tangible items. Gifts directly related to worship typically take the following forms:

- Flowers or other similar decorations for worship service (including weddings).
- Altar vessels, hangings, incidental pieces of furniture and other such items for use in worship.
- Significant furniture such as altars, fonts, pews, stained-glass windows, organs, pulpits, or lecterns that alter the sanctuary architectural space.

D. Cash gifts. Cash gifts are currency, currency equivalents, and other such assets.

E. Non-cash gifts. Non-cash gifts are all other items of value such as real estate, mortgages, personal property, securities or business interests, and life insurance policies. In other words, everything else of value is non-cash. These gifts sometimes present complex issues requiring a detailed evaluation by a Gift Acceptance Committee. See section II.G. See also enclosure (3) for an extensive list of non-cash gifts accepted by St. David's.

F. Memorial gifts. A "memorial gift" is a restricted *or* unrestricted gift that marks a specific occasion, event, thanks, or other observance. (E.g. "In memory of ..."; "In thanksgiving for ..."; "In honor of ..."; "To the glory of God.")

G. Gift Acceptance Committee (GAC). The GAC is an ad-hoc committee appointed by the vestry to evaluate any gift offered to St. David's. Use of a GAC will normally be mandatory when considering gifts of real property or any gifts that may present potential risks, losses, or liabilities for the church. At a minimum, this ad-hoc committee will have the following membership:

- Rector
- Senior or Junior Warden (based upon availability)
- One other vestry member
- Chair of the Stewardship Committee (or his or her designee)
- Treasurer (or designee)

(Note: Subject matter experts, such as outside attorneys or environmental specialists, will be added to the GAC as deemed necessary by the vestry. Subject matter experts may also be engaged as consultants to the GAC and/or vestry.)

H. Pledges / Tithes / Plate Offerings. These are the regular contributions for the spread of the Kingdom of God and are implicitly part of the General Operating Fund. See section II.J.(1) of this enclosure.

I. Transitory Designated Funds. This category includes all special collections (e.g. for disaster relief) or projects (e.g. building expansion fund) either initiated by the rector or the vestry. These funds will have a limited use lifetime after which any residual amount will be distributed in a manner specified at the time of the fund's creation. If no method is specified, once the designated fund has fulfilled its purpose, the residual amount will be sent to the General Operating Fund.

J. Designated Funds.

St. David's currently has three canonically required designated funds (#1 - #3 below) plus the optional designated funds listed. Discretionary designated funds are focused on a particular ministry or project, have an indefinite lifetime but exist at the pleasure of the vestry (subject to self-imposed limits). Designated funds may be funded by: (1) specific individual designated gifts apart from the annual financial pledge drive, (2) specific line items in the annual general operating budget approved by the vestry, or (3) a hybrid approach where, prior to the annual pledge campaign, the vestry directs that, absent contrary donor instructions, a specific portion of each pledge will be directed to various designated funds (e.g. 10% of each pledge will be directed to the Capital Improvements & Replacement Fund).

The vestry and clergy, as stewards, will in good faith maintain these funds for the purposes for which they were intended until necessity dictates otherwise.

(1) *General Operating Fund*. This fund is created by the requirements of canon law. It receives plate and pledge offerings and pays the normal operating expenses of the parish, e.g., salaries, utilities, mortgage, supplies, etc. Proceeds from the sale of goods donated for the annual "Spring Fest" fundraiser are currently deposited into the General Operating Fund.

(2) *Surplus Fund*. This fund is also created by the requirements of canon law. It receives any surplus General Operating Fund monies remaining at the end of the fiscal year. These monies may be redirected by the Vestry for other purposes or may be held in reserve for deficit years.

(3) *Clergy Discretionary Fund*. This fund is created by the requirements of canon law and is to be used for "pious and charitable" uses, including assistance to the poor. The parish clergy authorize disbursements from this fund. In the absence of any clergy on staff, the vestry may assign a layperson authority to disburse funds in accordance with canon law. See Ref (a), Canon III.9, Section 5; Ref (b), Canon VII, Section 5; Ref(c), Chapter VI.

(4) *Caritas Restricted Fund*. CARITAS is a local organization working in partnership with dozens of area congregations to provide shelter and other life skills that reduce homelessness. The vestry created this designated fund in 2012 to help defer parish expenses

associated with this partnership and to support related ministries that address homelessness and poverty.

(5) *Youth Fund Raising*. Established around 2007, this fund supports parish expenses for youth activities and provides need-based scholarships to individuals attending off-site events as part of the parish EYC group. The EYC conducts occasional fundraising events in support of this designated fund.

(6) *Boy Scout Troop 2894 Fund*. This longstanding ad-hoc fund was formalized in 2013 to facilitate occasional donations to the troop. Boy Scout Troop 2894 “belongs” to St. David’s under regulations established by the Boy Scouts of America. Gifts to the troop via this designated fund may, therefore, be tax deductible to donors.

(7) *New Ministries & Innovation Fund*. Established in 2013 per enclosure (5) to this policy and procedures instruction. See enclosure (5) for detailed information on the use of this designated fund and additional restrictions on modifying or disestablishing it.

(8) *Capital Improvements & Replacement Fund*. Established in 2013 to implement a financial planning method discussed in Section I. D of the Episcopal Church’s Manual of Business Methods in Church Affairs – 2012 (reference c). Specifically, this fund pays for the acquisition, replacement, and renovation of long-lived assets (known as “capital needs”). Examples include the new parish hall, roof replacements, major kitchen appliances and other such fixed assets. This designated fund provides a vehicle for donors to make long-term physical contributions to parish life. The vestry acting alone may not disestablish this designated gift fund if it contains \$500 or more. An additional affirmative vote of the congregation is required at the next annual, or special, meeting.

III. Gift Acceptance Policies and Authority

A. While grateful for the spirit behind all offerings, it may occasionally be poor stewardship to accept an offered gift. All gifts must benefit the church and its ministries in some way. The church must also have the funds to cover future expenses associated with the gift. Therefore, potential gifts will be respectfully declined if they are inconsistent with, or distract from, the church’s mission, goals, priorities, or values; require a disproportionate amount of administrative oversight; lead to significant financial risks, or bind the church to unsustainable financial commitments.

B. Unrestricted Gifts. Unrestricted gifts are encouraged because of the flexibility they provide in meeting the church’s most pressing needs. As with all funds except the Rector’s special discretionary fund, the vestry has final authority over how unrestricted gifts will be used, including possible sale or other disposition of a non-cash gift.

C. Restricted Gifts.

(1) St. David’s will gratefully accept restricted gifts, provided that such gifts are beneficial and consistent with the church’s mission, ministries, and priorities. See the non-exclusive list of potential reasons to decline a gift in section III.A above. The vestry shall make all final decisions on the restrictive nature of a gift, and its acceptance or refusal. Prior to rejecting a gift, the vestry will normally attempt to reach an agreement with the donor on the use of the proposed gift. (E.g. modify the proposed restriction, direct the donation to one of the

standing designated funds, or have the church notify a specific family member if the item is no longer being used)

(2) It is the donor's responsibility to clearly communicate any restrictions on the gift. Donors wishing to document such restrictions, and help the church locate the donor in the distant future if necessary, should use the form in enclosure (4).

(3) Restrictive gifts with conditions extending beyond 3 years (a vestry term length) normally require a provision granting the new vestry the discretion to re-purpose or dispose of the gifts if it eventually becomes necessary.

(4) The donor must understand that the congregation's needs change over time; there is no implicit guarantee of the gift's continual utilization. Furthermore, future gifts or structural alterations to the parish may cover, hide, alter or otherwise eliminate the gift.

(5) To assist potential donors, the vestry has approved a list of pre-approved, restricted gift opportunities. See the "designated funds" at section II.I-J of this policy. The most current designated funds lists will be on file in the parish office as well as posted on the Internet.

(6) Unless a specific item appears on the list of designated funds, St. David's encourages donors to avoid narrow gift restrictions and instead consider giving to a general ministry. For example, unless "choir robes" is listed on the list of designated funds for the current year, "Worship" would be a more useful restriction if a donor wants to give a special gift related to music in the church.

D. Memorial Gifts. Memorial gifts are treated as either restricted or unrestricted gifts depending on the donor's wishes. Unless otherwise specified by the donor, cash memorial gifts are an unrestricted gift; however, whenever appropriate, they are acknowledged in some modest way such as a note in the bulletin. (E.g. "Today's alter flowers given in the memory of _____")

E. Gifts Used Principally in Worship. All the previously stated policies regarding restricted gifts apply, except as noted in the following sub-paragraphs. Gifts directly related to worship typically take the following forms:

(1) *Flowers or other similar decorations for worship service (including weddings)*. Those wishing to give such gifts must follow the appropriate guidelines specified by the rector. Normally these gifts are removed from the church premises after the worship services for which they were given. These decorations are often presented to either parishioners or others for whom the parish has special prayer intentions (such as for healing or in thanksgiving). Though the decision of who receives these decorations may be delegated, it ultimately belongs to the rector.

(2) *Altar vessels, hangings, incidental pieces of furniture and other such items for use in worship*. Those wishing to give such gifts must first seek permission from the rector of the parish. The rector will work with the potential donor to select what is appropriate. The donor must understand that the use of the gift in worship is always at the discretion of the clergy; therefore, there are no implicit guarantees of the gift's continual utilization. The final disposition of any gift no longer in use is at the discretion of the vestry and the rector.

(3) *Significant furniture such as altars, fonts, pews, stained-glass windows, organs, pulpits, or lecterns that alter the sanctuary architectural space*. Those wishing to give such gifts must first seek permission from the rector of the parish. The rector, if in concurrence, shall seek appointment of a Gift Acceptance Committee to further investigate the potential gift. The committee shall report first to the rector and then to the vestry. The vestry shall then vote on

whether to receive the gift. The gift will be accepted if a majority of the vestry approves *and* the rector maintains his or her approval. The donor must understand that the use of the gift in worship is always at the discretion of the clergy and therefore there are no implicit guarantees of the gift's continual utilization. Furthermore, future gifts or structural alterations to the parish may cover, hide, alter or otherwise eliminate said gift. The final disposition of any gift no longer in use is at the discretion of the vestry and the rector.

F. Gift Acceptance Authority. (Summarized in the chart at enclosure 2)

(1) Gifts used principally in worship shall follow the specific procedures discussed in paragraph III.E above based on the type of gift offered.

(2) The vestry shall make a final decision on the acceptance of all restricted gifts, non-cash gifts, and any unrestricted cash gifts referred to the vestry by individuals authorized to receive them. At least once each calendar year, the vestry shall review and, if desired, pre-approve the list of restricted gift-giving opportunities prepared by the Memorial and other committees.

(3) The Treasurer, Receipts Treasurer, Rector, Deacon, and Parish Administrator may accept unrestricted cash gifts on behalf of St. David's. Although these individuals have authority to accept such gifts outright, they may also, in their discretion, choose to instead receive the offered gift and refer the matter to the vestry for an acceptance decision. This decision shall be immediately communicated to the wardens, rector, and Stewardship chair.

(4) The Treasurer and Receipts Treasurer may accept restricted cash gifts that are directed toward any of the categories pre-approved by the vestry.

(5) Any person receiving or accepting a gift on behalf of St. David's (other than the weekly plate collection, which has separate reporting requirements) shall notify the Treasurer, and Receipts Treasurer of the gift within *no more than 2* business days.

(6) All gifts via a written instrument, such as a check, must be made out to "St. David's Episcopal Church" and *not* to any individual staff or vestry member.

(7) Vestry authority to accept *unrestricted non-cash gifts of modest value*, that is less than \$500, is delegated to the vestry liaison to the applicable Commission (i.e. the Commission responsible for using and maintaining the offered gift). This delegated authority may be exercised only in consultation with the rector.

(8) Vestry authority to accept *unrestricted non-cash gifts* for the purpose of immediate sale at "Spring Fest" is temporarily delegated to the annual "Spring Fest" leader. This authority is limited to the period immediately preceding the sale.

G. Gift Acceptance Committee. The vestry may appoint an ad-hoc gift acceptance committee to evaluate any gift offered to St. David's in advance of formal acceptance. This will normally be mandatory when considering gifts of real property or any gifts that may present potential risks, losses, or liabilities for the church. Outside legal counsel will normally be employed when considering gifts of real property, closely held stock subject to restrictions or buy-sell agreements, gifts involving contracts or other documents requiring St. David's to assume an obligation, transactions with potential conflicts of interest, or when otherwise recommended by the Gift Acceptance Committee. See section II.G of this document.

H. Acknowledgement of gifts. All gifts will be gratefully acknowledged and the appropriate paperwork necessary for the donor's tax return provided by the Treasurer. See references (c) and

(d). Public acknowledgement of gifts will be on a case-by-case basis. In general, a short note acknowledging a memorial gift published in the weekly bulletin, or program for a special event supported by the memorial gift, is appropriate and may be approved by the rector, as may a brief verbal announcement. The vestry must approve other forms of public acknowledgement, such as brass plaques.

Summary of Gift Acceptance Authority & Policy

Gift Type	Acceptance Authority	Notes
Gifts used principally in worship	Rector for short term gifts like alter flowers. Add vestry for more permanent items like pews, stained glass windows, etc.	See sections II.C. & III.E of enclosure (1). No guarantee that item(s) will “always” or “forever” be used in worship.
Unrestricted cash gifts	Treasurer & Receipts Treasurer. The Rector, Deacon, and Parish Administrator may also receive and accept unrestricted cash gifts for further transfer to the Treasurer or Receipts Treasurer.	Weekly pledge and plate reported in accordance with separate procedures. Receipt of all other gifts must be reported internally to Treasurer or Receipts Treasurer within no more than 2 business days. Checks, etc. to be made out to “St. David’s Episcopal Church” and not any person by name. See section III.F(6) of enclosure (1).
Restricted cash gifts to pre-approved designated funds or programs	Treasurer & Receipts Treasurer. The Rector, Deacon, and Parish Administrator may also receive such gifts for transfer to a Treasurer.	Vestry approves the list of designated funds and reviews and validates it at least annually. See section II.J. of enclosure (1)
Other restricted cash gifts	Vestry	Vestry should normally appoint a Gift Acceptance Committee to determine life-cycle costs of items to be purchased with the gift, potential financial and oversight liabilities of the gift, future legal obligations, etc.
Unrestricted non-cash gifts	Vestry w limited delegated authority to leaders of the annual “Spring Fest” sale. See Section III.F(8) of enclosure (1).	In most instances, the vestry should appoint a Gift Acceptance Committee to determine the life-cycle costs of the gift, potential financial risks, ability to sell the property, etc. See refs (c) & (d) for potential IRS reporting requirements.
Unrestricted non-cash gifts valued at less than \$500	Vestry member liaison to the applicable Commission (i.e. the Commission responsible for using and maintaining the offered gift).	This delegated authority may be exercised only in consultation with the rector. Section III.F(7) enclosure (1).
Restricted non-cash gifts (not used principally in worship)	Vestry	In most instances, the vestry should appoint a Gift Acceptance Committee to determine the life-cycle costs of the gift, potential financial risks, oversight responsibilities, future legal obligations, etc. See refs (c) & (d) for potential IRS reporting requirements. See also enclosure (4) for a deed of gift form.
Memorial gifts	Acceptance authority depends on the gift’s form (restricted cash, unrestricted non-cash, etc.)	See sections III.D. & H. of enclosure (2) for policy on public announcement of the person or event being memorialized

Supplemental Information on Gift Types (an extension and continuation of enclosure 1)

I. Common Gift Forms

- A. Cash
- B. Securities
- C. Insurance proceeds
- D. Tangible Personal Property
- E. Real Estate
- F. Bequest by Will or Trust
- G. Pooled Income Fund
- H. Gift Annuity
- I. Specialized Trusts
- J. Retirement Plan and Other Beneficiary & Payable on Death Designations

II. Generally Applicable Issues and Policies

A. See sections II. and III. of enclosure (1).

B. Appraisals. Legal and ethical obligations, designed to protect both the donor and St. David's, prohibit the church from appraising gifts. Such appraisals, if required or desired, shall be conducted by the donor using independent appraisers.

C. Deed of Gift. Use of the Deed of Gift form at enclosure (4) is recommended to document all gifts of personal property of \$500 or more. The form, or something like the form, is mandatory if donors desire to attach any long-term conditions to acceptance of their gift.

D. Evaluation of Costs Associated with Acceptance of Certain Gifts. Some proposed non-cash gifts must be evaluated to determine whether the costs associated with accepting the gift can be prudently accommodated. For example, accepting real estate may require payment of closing costs, payoff of debt secured by the property, legal fees to resolve title disputes, re-configuration costs, and environmental clean-ups. Likewise, donated equipment will require space, regular maintenance, repairs, and eventual disposal. It may also increase utility or insurance costs, require special training or supplies to operate, or be incompatible with an existing system. A Gift Acceptance Committee shall be used whenever appropriate to study these issues and make recommendations to the vestry. See sections II.G and III.G of enclosure (1).

E. IRS Forms. In the event the value of a non-cash donation is greater than \$5,000, the IRS requires that the donor obtain an independent appraisal of the property and that the church sign IRS Form 8283 acknowledging receipt of the gift. To be acceptable to the IRS, the appraisal of such gifts must be made no more than 60 days prior to the date of the contribution and before the due date of the tax return. The donor is asked to present a copy of the appraisal and completed IRS Form 8283 at the time of the gift. The form will be returned to the donor with the proper signature.

If contributed property reported on Form 8283 is sold, exchanged, or otherwise disposed of within two years of the date of the gift, the church will file Form 8282 - information return -

with the IRS (and the donor) within 90 days of the disposition. See references (c) and (d).

The church Treasurer is responsible for completing these functions.

F. Legal and Tax Advice to Donors. Donors must obtain any desired legal or tax advice from independent outside counsel or advisors. Members of the staff and vestry of St. David's have no expertise in these matters and are not permitted to offer such advice or counsel.

III. Detailed considerations on common forms of gifts (see list at Section I).

A. Cash. All current or future gifts of negotiable currencies are acceptable unless there is a question as to whether the donor has sufficient title to the assets or is mentally competent to legally transfer the funds. Checks shall be payable to "St. David's Episcopal Church." In no event will a check be made payable to an employee, agent, or volunteer representing the church.

B. Securities. Church policy is to sell all donated securities as soon as practicable. Valuation of the securities for purposes of the donor's tax records is the responsibility of the donor and his or her broker. Only readily marketable publicly traded securities, stocks, and bonds are routinely accepted. The church maintains a brokerage account at *Davenport and Company* to facilitate receipt, and ultimate sale, of marketable securities.

Other forms of securities, such as closely held securities or interests in a business may be accepted after evaluation by the Gift Acceptance Committee and vestry approval. Outside legal counsel will normally be consulted when evaluating gifts of closely held securities. (Note: closely held securities are generally defined as securities that are not broadly or publicly traded.)

C. Insurance Proceeds. The church may accept both paid-up and non-paid-up life insurance policies as gifts. St. David's must be named as both beneficiary and irrevocable owner before a life insurance policy can be recorded as a gift. However, the church also welcomes being named as whole or partial beneficiary in policies that it does not own.

St. David's Tax Identification Number, often required on the insurance company beneficiary designation forms, is **54-1087843**.

The gift of any insurance policy is valued at its interpolated terminal reserve value, or cash surrender value, upon receipt.

Non-paid-up policies require future payments to remain in force. If the donor contributes future premium payments, the entire amount of the additional premium payment is 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, St. David's may: (1) continue to pay the premiums; (2) convert the policy to paid up insurance; (3) surrender the policy for its current cash value; or (4) allow the policy to lapse.

D. Tangible Personal Property. St. David's may accept gifts of equipment, supplies, furnishings, books, vestments, transportation vehicles, worship aids, works of art, or any other personal property that add materially to accomplishing the mission of the church or that may be sold to provide additional cash assets. See section II. of this enclosure and sections II. and III. of enclosure (1). The items donated and sold at the annual "Spring Festival" fundraiser are common examples of tangible personal property.

E. Real Estate. Real estate includes all forms of "real property" such as residences, undeveloped land, and commercial property. This type of gift often involves a number of collateral issues such as carrying costs and liabilities. Therefore, all proposed real estate gifts shall be evaluated by a Gift Acceptance Committee. Factors to be evaluated include, but are not limited to: marketability; proximity to St. David's; potential uses; costs to either sell or retain the property; liabilities such as an existing mortgage, environmental hazards, insurance requirements and liens; any restrictions on the use of the property – either from the donor or due to zoning or other law or regulation; and potential impacts on the church's status as a non-profit entity. See also section II. D. of this enclosure

Additionally, 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.

F. Bequest by Will or Revocable Trust. A bequest is a provision in the donor's will or revocable trust transferring cash or property to St. David's upon the donor's death. Wills and revocable trusts are subject to future changes so no current gift is made to St. David's. These deferred gifts of cash or other property, if ultimately made, will be accepted, or declined, in accordance with the gift policy in force when the property is actually transferred to St. David's.

G. Pooled Income Fund. A Pooled Income Fund gift is a financial vehicle that permits the irrevocable transfer of cash or marketable securities to a shared "pool" of investments in return for: (1) a perpetual income for the donor (2) a potential current tax deduction and (3) a future gift to charity – in this case, St. David's. The donor could also bypass capital gains taxes, with possible ultimate savings in probate and estate costs. Donors are urged to consult their legal and financial advisors for the full effects of these gifts.

Pooled income fund gifts benefiting St. David's Episcopal Church are encouraged through The Episcopal Church Foundation's Pooled Income Fund (see www.episcopalchurch.org) => resource library.

H. Charitable Gift Annuity. A charitable gift annuity is similar, in many ways, to a pooled income fund. It involves a contract whereby the donor permanently transfers cash or property in exchange for a partial tax deduction and a lifetime stream of annual income from the charity. When the donor, or other beneficiary, dies, St. David's keeps the gift. It is a vehicle for making a donation right now while ensuring a necessary income stream. Donors are urged to consult their legal and financial advisors for the full effects of this gift form.

Gift annuities benefiting St. David's are encouraged through The Episcopal Church Foundation. See <http://www.episcopalfoundation.org> => resource library => Planned Giving Brochures and Booklets.

I. Charitable Remainder and other Trusts. A number of other financial vehicles exist that provide benefits similar to a charitable gift annuity or pooled income fund. In other words, a current irrevocable gift in exchange for an income stream and other benefits. Detailed information about these other forms of planned giving may be obtained at the Episcopal Church Foundation web site: <http://www.episcopalfoundation.org> => resource library => Planned Giving Brochures and Booklets.

J. Retirement Plan, Other Beneficiary & Payable on Death Designations. These fairly simple arrangements direct the institutional custodian to give any assets remaining in the account at the time of the donor's passing to St. David's. This designation is revocable during the account holder's life; he or she retains total control over the assets. He or she may spend all the account funds as desired or may cancel or change the payable on death, or beneficiary, designation. Accordingly, no gift is actually made to St. David's until the donor's passing.

These designations can be attached to a variety of financial assets such as IRAs, bank CD's and accounts, 401K Plans, qualified pension and profit-sharing plans, Keough Plans, annuities, and employee savings plans, etc.

Financial institutions routinely have company-specific forms to designate a beneficiary or make a payable on death designation. St. David's may be named as first, second, or last beneficiary for part or all of the remainder. St. David's Tax Identification Number, often required on the company forms, is **54-1087843**.

Deed of Gift to St. David’s Episcopal Church
(non-cash gifts and restricted gifts)

1. Donor: _____

2. Donor contact information:

Phone: _____

Email: _____

Mail: _____

3. Description of donated materials:

4. Specific conditions on the offered gift? (e.g. contact donor when item is no longer needed, church must retain item for no less than 2 years).

“I *only* wish to donate the above property if the church agrees to ...

_____”

5. Donor’s statement: I hereby offer to give, transfer, and deliver all of my right, title and interest in and to the property described in paragraph 3 of this document to St. David’s Episcopal Church, North Chesterfield, VA. I represent and warrant that I am the sole owner of the materials described above; that I have full right, power, and authority to give the materials to St. David’s and that the information I have provided is accurate. The terms of this Deed of Gift shall apply to all of the donated materials described notwithstanding that some may be delivered before or after the date of this Deed of Gift.

I have reviewed the entire Gift Acceptance Policy of St. David’s Episcopal Church and agree to the terms and conditions as indicated by my signature below.

Donor Signature

Date

ACCEPTANCE: St. David’s Episcopal Church accepts this gift with appreciation and agrees to the conditions stated in this deed of gift – subject to the limits contained in the cited Gift Acceptance Policy.

Signature of vestry member certifying vote of the entire vestry

Date: _____

DESIGNATED GIFT FUND: New Ministries and Innovation

This enclosure establishes a designated gift fund called the New Ministries and Innovation Fund.

I. Purpose

The purpose of the New Ministries and Innovation Fund (hereinafter "the Fund") is to encourage new ministries and innovation by providing temporary financial support. The key words "new", "ministry," and "temporary" are defined below. The Fund is not intended for updating, replacing, or maintaining existing equipment or infrastructure – unless such expenditure is genuinely necessary to launch a new ministry, or innovation.

II. Definitions

A. New. A ministry or innovation is new when it, or something very similar, has not been regularly performed by, or at, St. David's within the previous 36 months. Expanding upon or increasing the frequency of a current ministry is considered new.

B. Ministry. The Fund seeks to encourage ministries practiced by Christ in the Gospels. These would include, among others, teaching, healing, worship, stewardship, and helping the poor.

C. Temporary. The maximum duration of financial support from the Fund is 36 months. After this period, highly effective ministries should have built sufficient visibility and support to obtain funding via the annual operating budget. Less effective ministries should be ended, without embarrassment, since true innovation results in many failures along with an occasional success.

D. Ministry Plan. A short but specific plan roughly analogous to those used in business. (See attached form) As a minimum, it addresses: (1) Administrative matters such as the name of the new ministry or innovation, name of the team leader and co-leader, and name of the adult advisor if the leaders are under 18; (2) Purpose and goal(s) of the new ministry or innovation; (3) How, specifically, the ministry or innovation will accomplish its purpose and goals – including a timeline with milestones; (4) Who will ultimately benefit from the ministry; (5) The proposed budget for the new ministry or innovation and (6) Measures of effectiveness.

E. Measures of Effectiveness. These define success. Evaluation has two components: (1) End-product evaluation and (2) Internal process evaluation. End-Product evaluation is the "bottom line" results of the ministry (e.g. # of meals served the homeless, # of volunteers, # of people reporting higher satisfaction with ____ after the program) **plus** how well the ministry met its stated goals. Process evaluation addresses how the project was conducted (did it follow the plan of action?) and collects internal lessons learned (e.g. more lead time required for ____, not all events using parish hall posted on master calendar). Both the End-Product and Internal Process evaluation should state who will conduct the measurement and how it will be done.

III. Applying For and Using the Fund

- A. The general Gift Acceptance Policy & Procedures apply to this designated gift fund.
- B. All baptized persons are ministers of the church and may use the Fund in accordance with this document. Youth led ministries require at least one adult advisor.
- C. Persons wishing to access the Fund shall submit a written ministry plan to the vestry and meet any other vestry requirements (such as an in-person presentation).
- D. The vestry may award temporary financial support from the Fund to any ministry meeting the requirements of this document. Up to 100% of expenses may be provided for the first 24 months. Up to 50% of all expenses may be provided from the Fund for the final 12 months. While it is expected that most users will be active members, church membership is not a requirement.
- E. While receiving temporary support from the Fund, the ministry team leaders shall make quarterly reports to the vestry. Ministries of less than 3 months duration shall make a single report. These reports shall include the measures of effectiveness identified in the written ministry plan. In addition to keeping everyone focused on the stated goals and measures of success, this reporting requirement is intended to help the ministry leaders build support for regular funding via the annual operating budget. Ideally, the report will be delivered in person.
- F. The vestry may terminate ongoing support from the Fund if a ministry is not demonstrating adequate progress towards accomplishing its stated goals and measures of effectiveness.
- G. The vestry may delegate daily oversight and management of the Fund.
- H. The Fund may not be used to update, replace, or maintain existing equipment or infrastructure – unless necessary to launch a new ministry, or innovation, and the new ministry, or innovative part of an existing ministry, will be the primary beneficiary.

IV. Amending and Disestablishing the Fund

The terms of this section are designed to balance the need for future flexibility with the need to provide donors confidence that their gifts will only be used for the intended purposes.

- A. The vestry may amend the terms of this document by a $\frac{3}{4}$ vote with all members present. However, all changes must be consistent with the stated purpose of the Fund. (See paragraph I.)
- B. In accordance with the Gift Acceptance Policy & Procedures, the vestry may disestablish any designated gift fund by a simple majority vote. In the case of New Ministries and Innovation Fund, however, such vestry action must be ratified by a majority vote of the congregation at the next annual meeting. No ratification vote is required if the Fund has less than \$500.

New Ministry or Innovation Plan

1. Name of the ministry or innovation:

2. Ministry Leadership:

Position	Name	Contact Info
Leader		
Co-leader		
Adult Advisor?		

3. Purpose and specific goals:

4. Step-by-Step plan for accomplishing these goals:

5. Who will benefit:

6. Proposed budget (how much and when do you need it):

7. Measures of Effectiveness:

A. End-Product = "bottom line" results + accomplishment of stated goals:

B. Process Evaluation: