

Gift Agreement Policy

PURPOSE

This gift acceptance policy provides guidelines to representatives of St. Stephen's Episcopal Church who will be involved in the St. Stephen's Episcopal Capital Campaign drive 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 capital campaign. However, individual donors are encouraged to seek their own legal, tax and financial advice before completing a gift, and this Gift Acceptance Policy is not meant to be relied on as professional advice to an individual. 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.

Any questions which may arise in the review and acceptance of gifts will be referred to The Gift Review Committee.

The Vestry of St. Stephen's Episcopal Church, upon the advice of the Gift Review Committee, reserves the right to decline any gift for any reason, including gifts that it deems, in its sole discretion:

- Do not further the mission of the parish.
- To be contrary or compromising to the core values of the parish
- Would create an administrative burden.
- Would cause the parish to incur excessive expenses.

CASH

1. All gifts by check, ACH, or wire transfer shall be accepted by St. Stephen's Episcopal Church regardless of amount.
2. Checks shall be made payable to St. Stephen's Episcopal Church Capital Campaign. In no event shall a check be made payable to an individual who represents Stephen's Episcopal Church in any capacity.

PUBLICLY TRADED SECURITIES

1. Readily marketable securities, such as those traded on a stock exchange, can be accepted by St. Stephen's Episcopal Church.
2. The value of the gift of securities is the average of the high and low prices of the trailing twelve (12) months on the date of the gift.
3. A gift of securities to St. Stephen's Episcopal Church is usually liquidated immediately.

CLOSELY HELD SECURITIES

1. Non-publicly traded securities may be accepted after consultation with the Gift Review Committee. The fair market value will be the value used by the donor in the preparation of the donor's tax return.
2. The Gift Review Committee will explore methods for liquidation of the securities through redemption or sale prior to acceptance. The Gift Review Committee will try to determine:



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- Any restrictions on transfer, and
 - 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. Normally, the donor is responsible for obtaining and paying for an appraisal of the property. The appraisal will be performed by an independent and professional agent. The appraisal must be based upon a personal visitation and internal inspection of the property by the appraiser. Also, whenever possible, the appraisal must include documented valuation of comparable properties located in the same area.
3. The formal appraisal should contain photographs of the property, the tax map number, the assessed value, the current asking price (if any), a legal description of the property, the zoning status, and complete information regarding all mortgages, liens, litigation, or title disputes.
4. St. Stephen's Episcopal Church reserves the right to require an environmental assessment of any potential real estate gifts prior to acceptance.
5. The property must be transferred to the St. Stephen's Episcopal Church prior to any formal offer or contract for purchase being made.
6. The donor may be asked to pay for all or a portion of the following:
 - Maintenance costs
 - Real estate taxes
 - Insurance
 - Real estate broker's commission and other costs of sale
 - Appraisal costs
 - Title Insurance
7. For gift crediting and accounting purposes, the value of the gift is the appraised value of the real estate. This value may be reduced, however, by the 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. St. Stephen's Episcopal Church can be named a contingent beneficiary or the beneficiary of a percentage of a life insurance policy.
3. The Gift Review Committee will accept ownership of a life insurance policy as a gift only if St. Stephen's Episcopal Church 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 gift is not a paid-up policy, the donor must agree to submit the annual premiums to the church before the anniversary date of the policy until the policy is paid-up.
6. If the policy is partially paid-up, the value for gift crediting and accounting purposes is the policy's cash surrender value. (For IRS purposes, the donor's charitable income tax deduction is equal to the interpolated terminal reserve, which is an amount slightly more than the cash surrender value.)



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TANGIBLE PERSONAL PROPERTY

1. Any gift of tangible personal property shall be referred to the Gift Review Committee prior to acceptance.
2. Gifts of jewelry, artwork, collections, equipment, and software shall be assessed at the donor's expense for their value to the Parish. Their value may be realized either by being sold or used in connection with the St. Stephen's Episcopal Church's exempt purpose.
3. Depending upon the anticipated value of the gift, a qualified outside appraiser may be asked to determine its value. St. Stephen's Episcopal Church shall adhere to all IRS requirements relating to valuation and disposition of gifts of tangible personal property and will provide appropriate forms to the donor and IRS.

DEFERRED GIFTS

1. St. Stephen's Episcopal Church encourages deferred gifts in its favor through any of a variety of vehicles:
 - Charitable gift annuity (or deferred gift annuity)
 - Pooled income endowment
 - Charitable remainder trust Charitable lead trust Bequest
 - Retained life estate.
2. St. Stephen's Episcopal Church (or its agent) shall not act as an executor (personal representative) for a donor's estate. A member of St. Stephen's Episcopal Church's staff who is also 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. Stephen's Episcopal Church (or its agent) shall not act as trustee of any charitable remainder trust.
4. St. Stephen's Episcopal Church may invite prospective donors to consider gift vehicles offered by The Church Foundation (ECF) (specifically, Charitable Remainder Trusts, Charitable Gift Annuities, and the Pooled Income Endowment).
5. When donors are provided planned gift illustrations or form documents by ECF, 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:

St. Stephen's Episcopal Church strongly urges you to consult with your attorney, financial and/or tax advisor to review this information provided to you without charge or obligation. This information in no way constitutes legal or financial advice.

6. All information obtained from or about donors/prospects shall be held in the strictest confidence by the Gift Review Committee. 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. St. Stephen's Episcopal Church will seek qualified professional counsel in the exploration and execution of all planned gift agreements.
8. St. Stephen's Episcopal Church recognizes the right of fair and just remuneration for professional services.

