

Church of the Transfiguration Endowment Fund

Gift Acceptance Policy

The Church of the Transfiguration Endowment Fund (“Fund”) is governed by a Trust Agreement as amended effective April 22, 2016. The Trust Agreement together with Bylaws, and various policies adopted by the Trustees are the governing documents of the Fund. The Fund is affiliated with the Episcopal Church of the Transfiguration (the “Church”) and is qualified as a tax-exempt organization under 501(c)(3) of the IRS code.

The mission of the Fund is to provide financial support and advisory services to the Church consistent with the mission of the Church. That support, for the benefit of the Church and its ministries, include the management of long-term financial assets and such other financial assets as requested by the Vestry and promotion of planned giving to funds managed by the Fund for the benefit of the Church and its ministries. The Fund receives gifts to support this mission and make disbursements consistent with its mission and is subject to its Spend Policy and Grant Policy.

The Gift Acceptance Policy (the “Gift Policy”) adopted by the Trustees as of September 10, 2017 serves as a guideline for the Trustees, Vestry, parishioners of the Church, donors, potential donors and outside advisors who assist in gift planning for prospective donors considering making gifts to one of the Separate Funds or Donor Restricted Funds managed by the Fund. This Gift Policy is separate from any other gift policy of the Church and applies only to those gifts received by the Fund and is also subject to the Fund Policy of the Fund.

The Spend Policy limits the amount of funds that can be spent in any given year and applies to those unrestricted Separate Funds as defined in the Fund Policy. The Grant Policy provides for the process of receiving and considering grant requests.

Gift Administration

The assets of the Fund include various separate funds which may receive gifts and are subject to the separate Fund Policy. Any gifts to any Separate Fund or Donor Restricted Fund shall be forwarded as soon as possible to the chair or treasurer of the Board of Trustees. All gifts to the Fund are subject to acceptance by the Trustees under this Gift Policy.

The Trustees will review proposed gifts according to policy and reserve the right to refuse to accept any gift. A gift may be refused under certain circumstances including but not limited to the following:

- Judged to be inconsistent with the mission of the Church and/or the Trust or that resources are too limited to properly administer the gift;
- Deemed to contain discriminatory restriction, including one based on race, creed, national origin, gender, sexual orientation or immigration status;
- Generates unrelated business taxable income (“UBIT”) to the Fund or the Church without the prior approval of the Trustees, Chancellor, Rector and Vestry;
- Endangers the 501(c)(3) status of the Fund; or
- Contains conditions or restrictions that are deemed unacceptable by the Trustees, in their sole discretion.

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In the event of such refusal, the Fund may permit the Donor to modify the terms of the original gift to be acceptable to the Fund.

Donors of a gift in excess of \$250 in cash will be required to complete a Proposed Gift Donation Form (Attachment A), which will contain additional information about the gift. If a gift is deemed to be unacceptable under this Gift Policy, the donor shall be advised, and it shall be suggested that the donor present the proposed gift to the Church which would be subject to the Church's gift policy. Once a gift has been accepted by the Fund, it may not be returned to the donor.

Neither the Fund nor the Trustees shall give nor shall be deemed to have given legal, accounting, tax, or other advice to donors or prospective donors. The donor should seek advice and counsel from the donor's advisors regarding legal, accounting or tax or other questions regarding a gift to the Fund.

Nothing in this policy is intended to prohibit or prevent gifts made directly to the Church, which shall be subject to the gift acceptance policy of the Church.

Unless otherwise noted, approval or other action by the Trustees shall be by a majority of the then current Trustees.

Unrestricted Gifts:

An unrestricted gift is a gift in which the donor places no restrictions or conditions on that gift other than designating a Separate Fund, as defined in the Fund Policy. A Separate Fund is unrestricted other than to the general purposes of the Separate Fund. Unrestricted gifts will be placed into the Legacy Fund. (See the Fund Policy for further information on funds under the Trust.)

Restricted Gifts

When a donor places various restrictions or conditions on a gift, or designates how or where the gift is to be used or imposes an obligation to comply with the terms established by the donor, it is considered a restricted gift. The Fund may not accept a restricted gift of less than \$10,000.00. A restricted gift below \$10,000 may be transferred to the Church into a separate restricted account. Before accepting a restricted gift, the donor shall provide to the Trustees a written description of the terms and conditions of the gift. The terms of a restricted gift will be reviewed by the Trustees and Chancellor, who may in their sole discretion deem the gift acceptable. The donor and the Trust shall then enter into a Memorandum of Understanding ("MOU") to document the terms and conditions of the gift. Included in the MOU will be a provision that if the Trustees reasonably determine that the purpose of the gift is no longer available or can no longer reasonably be achieved, the gift will be transferred to the Legacy Fund. The Legacy Fund is the general fund of the Fund used for various purposes consistent with the mission of the Fund and the Church. Should the Trustees and the Chancellor consider the gift unacceptable it shall be returned to the donor.

Gift Acceptance and Acknowledgement

The Fund shall maintain a record of each gift and mail a written acknowledgment to the donor upon acceptance of the gift. Written acknowledgments are to be in full compliance with Internal Revenue Service regulations.

Confidentiality of Information

The Fund will make reasonable efforts to keep confidential any information learned about a donor, the donor's assets, or the donor's philanthropic intentions. Such information, if learned by the Fund or Trustees, will be shared only with Church staff or Vestry members on a "need to know" basis. All details related to gift negotiation will be treated confidentially by trust representatives.

Types of Gifts

Cash

- The Fund will accept gifts by check, cashier's check, or wire transfer only. (A gift of currency is unacceptable.) Checks should be payable to the Episcopal Church of the Transfiguration, noting on the check that the donation is for the Endowment Fund or other designated Separate Fund or Donor Restricted Fund. A gift payable to the Church shall be included in the accounting and reporting of all of the donor's gifts to the Church and the Fund. Alternatively, a check may be payable to the "Church of the Transfiguration Endowment Fund" with a notation on the check if a Separate Fund is to be designated. In no event shall a check be made payable to an individual who represents the Fund. Any cash gifts subject to restrictions shall be reviewed in accordance with this Policy and if the restrictions are determined unacceptable the gift shall be returned to the donor.

Gift of Securities

- The Fund may accept gifts of readily marketable securities. All readily marketable securities will be liquidated as soon as possible after receipt and acceptance of the gift.
- For purposes of gift crediting and accounting purposes, the value of the securities donated will be the average between the high and low prices on the date of the receipt of the securities. For securities without a marketable value as of the date of receipt the donor shall provide a qualified appraisal as of the date of receipt in compliance with any IRS regulations.
- Donation of securities will not be accepted if:
 - Securities are assessable or in any way could create a liability or obligation to the Trust;
 - Securities are not marketable, are issued by a privately held corporation or in any way are restricted;
 - Securities that are non-liquid and cannot be readily sold in a recognized market;
 - Securities by their nature are not assignable, e.g. series "E" savings bonds.

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- Securities contain restrictions that prevent the sale of the security.
- Securities could generate an undesirable tax consequence to the Fund.
- Securities that are on investigation and have no apparent value.

Trustees, in their sole discretion, shall retain the right to reject any security offered as a gift.

Gift of Real Estate

- Prior to acceptance of a proposed gift of real property, the gift shall be approved by the Trustees, Rector, Vestry and Chancellor. The Trustees, Rector, Vestry and Chancellor reserve the right to reject proposed gifts of real estate in their sole discretion. Before acceptance of any real estate, an appraisal by an independent appraiser shall be initiated as well as a title search and survey and if appropriate an environmental review. The cost of the appraisal, title work, survey and environmental assessment shall be paid by the donor.
- Unless the Church desires to retain the real estate for Church use, the property will be listed with a real estate broker or brokers in the area in which the property is located and sold for the market value. The listing broker will be determined through responses received in response to a request for proposals process.
- The Fund shall not accept real property subject to existing liens or property considered expensive to maintain, difficult to sell, or subject to environmental issues.

Gifts of Personal Property

The Fund will not hold or acquire personal property assets; therefore, any gifts of personal property, e.g. vehicles, furniture, etc, that cannot be readily sold for whatever acceptable value as determined by the Trustees will be donated to the Church and subject to the gift policy of the Church.

Life Insurance

- Church of the Transfiguration Endowment Fund (the "Fund") may be named as a beneficiary of a life insurance policy. Unless a Separate Fund, as defined in the Fund Policy, is designated as a beneficiary, the proceeds from such life insurance policy paid to the beneficiary shall be added to the Legacy Fund.
- The Fund may accept as a gift the transfer of ownership of a life insurance policy only when the Church of the Transfiguration Endowment Fund is named as owner of the policy. The policy must be a paid-up policy with no further premium or other obligation.
- Any variance from the above and prior to acceptance requires the approval of the Trustees.

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Gifts-in-Kind

The Fund will not accept gifts-in-kind.

Mineral Interests

A gift of a mineral interest may be accepted upon the prior review and approval by the Trustees and Chancellor. Mineral interests may be considered if there is no risk to the Fund assuming liability for costs and expenses of the mineral interest including environmental and other potential claims caused by the mineral interest operation.

Planned Giving

Donors are encouraged to notify the Fund of their planned gifts, including bequests. All such information will be kept confidential unless written permission to release it is obtained from the donor or his or her counsel.

- All wills, bequests, trust instruments or estate plan documents which provide funds or other assets to the Fund should name the "Church of the Transfiguration Endowment Fund" as beneficiary. If a specific Separate Fund is to receive the bequest, such Separate Fund must be stated.
- Bequests that have no restrictions or identified purpose other than for the benefit of the Trust or the Church of the Transfiguration Endowment Fund, shall be added to the assets of the Legacy Fund. If the documentation of the bequest designates a specific Separate Fund or requires the establishment of a Donor Restricted Fund that bequest shall be added to that designated fund.
- It is the current Church policy that bequests to the Church that are not otherwise restricted to a specific program of the Church shall be transferred to the Legacy Fund.
- The Trustees reserve the right to reject any bequests that have unacceptable restrictions, or are contrary to the mission of the Fund and/or the Church, or for which the administration of such restrictions or conditions are considered too burdensome in the sole discretion of the Trustees.
- All gifts received for restricted purposes will be accepted on the condition that, should the purpose for which the funds are provided cease to exist, the Fund has the right to allocate the gift to the Legacy Fund or such other Separate Fund that more closely identifies with the intent of the donor.

Gifts from Private Foundations

The Fund shall adhere to IRS regulations regarding gifts from foundations. A foundation cannot receive anything of value in exchange for their gift to the Fund. Before accepting a gift from a foundation, the terms of the gift shall be reviewed by the Trustees and the Chancellor.

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Attachment A

Church of the Transfiguration Endowment Fund Proposed Gift Donation Form

All gifts to the Endowment Fund are subject to the terms of the Gift Acceptance Policy, a copy of which is attached. Completion of this Proposed Gift Donation Form is not an acceptance of the gift by the Trustees. Upon acceptance of a gift, the Fund will provide an acknowledgment to the donor of acceptance of the gift. Unrestricted gifts of cash are automatically accepted. Acceptance of a restricted gift is subject to the Donor and the Fund entering into a Memorandum of Understanding.

Donor: _____

Address: _____

Telephone: _____ e-mail: _____

Type of Gift:

Cash \$ _____

Marketable Securities _____

Description of Securities

Real Estate: _____

Description of Real Estate

Mineral Interest: _____

Description of Mineral Interest

Life Insurance: _____

Description of Policy

Other: _____

Note: The Endowment Fund does not accept gifts of personal property, and any such gifts will be donated to the Church and subject to the Church Gift Policy.

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Is the proposed gift: _____ Unrestricted _____ Restricted

If the proposed gift is restricted to a purpose or other terms please provide a full description of the proposed restrictions.

The Endowment Fund currently manages three funds:

Legacy Fund A fund used for the general support of the mission of the Church.

Outreach Fund A fund designated for the support of various outreach organizations and programs. Disbursement requests are usually submitted to the Trustees by the Outreach Ministry.

Youth Fund (a.k.a. Joanna Elizabeth Pierce and Justin For Pierce Fund for Youth Services) A fund created by a bequest. Disbursements are made in support of the Youth Ministry are limited to income generated from the principal of the fund.

Unless otherwise designated, all gifts are added to the Legacy Fund.

Acceptance by: _____

Date

The Church of the Transfiguration Endowment Fund (the "Fund") is a nonprofit entity and qualified as a 501(c)(3) charitable organization. The Fund is governed by a Trust Agreement, Bylaws and various policies adopted by the Trustees who are elected by the Vestry. Investment assets of the Fund are managed by an independent professional investment advisor selected by the Trustees and governed by an approved Investment Policy Statement. Disbursements by the Fund are subject to a Spend Policy and Grant Policy.