

Making gifts to St. David's Episcopal Church and Foundation

GIFT ACCEPTANCE POLICY HIGHLIGHTS

See St. David's Gift Acceptance Policy that follows for more detail.

GIFT TO THE CHURCH

Checks to the church are payable to: St. David's Episcopal Church

Unrestricted gifts are always welcome. If you would like to restrict your gift for a particular purpose, make sure the account to which you would like to direct your gift exists and is in need of funds by calling the Stewardship office. If there is a question about the restriction you wish to place on your gift, we will work with you to determine whether your intent is one we can implement at this time.

GIFT TO THE PARISH ENDOWMENT

Checks to the endowment are payable to: St. David's Episcopal Church Foundation.

Unrestricted gifts are always welcome. If you would like to restrict your gift for one of the current endowment funds, please do so by noting in your check memorandum to which endowment fund you would like your gift directed. For the names of the existing funds, see the annual report of the foundation posted on the web at www.stdave.org. If you would like to create a new endowment fund, please initiate conversation by contacting the foundation office so we can determine whether your intent is one we can carry forward with through time. April Kerwin is the Director of Stewardship and Planned Giving for the foundation and can be reached at (512) 610-3500.

REAL AND PERSONAL PROPERTY

So that we can properly honor your intent, please consult with St. David's in advance about gift plans that involve real estate or personal property. April Kerwin will be glad to help you with questions. If your personal property question involves Next to New, consult www.next2new.org for information about how to direct your inquiry.

HONORING AND MEMORIAL GIFTS

These gifts are directed to St. David's Operating Endowment Fund, where gift principal is added to the parish endowment and earnings are used to support special activities of the parish that are above and beyond the reach of our annual budget. If you wish, you may direct an honoring or memorial gift to another endowment fund instead, such as the Music Endowment Fund, Acorn Community Outreach Endowment Fund or Historic Church Endowment Fund. Those honored and remembered are commemorated in the Book of Remembrance, which is located in the foyer outside the Historic Sanctuary. Acknowledgements of honoring and remembering gifts are sent to family, as requested.

WE THANK YOU FOR ALL YOUR GIFTS TO ST. DAVID'S PARISH.

March 31, 2015

ST. DAVID'S EPISCOPAL CHURCH

and
ST. DAVID'S EPISCOPAL CHURCH FOUNDATION
AUSTIN, TEXAS

GIFT ACCEPTANCE POLICY

by
Type of Property

Scope

All gifts of property of whatever kind to St. David's Episcopal Church, Austin, Texas (hereafter referred to as the "Church") and to St. David's Episcopal Church Foundation, Austin, Texas (hereafter referred to as the "Foundation").

All gifts must be in compliance with current IRS rules and regulations.

All gifts must also be approved based on the Church's and Foundation's Gift Acceptance Policy by Purpose of Gift.

Gift Acceptance Committee

Except for those gifts that Staff or the Vestry or the Foundation Board have been given the authority to accept within the guidelines of these policies, all other gifts are to be brought before the Gift Acceptance Committee (hereafter referred to as the "GAC") for review and approval. In addition, staff may request that certain gifts be brought before the GAC for approval.

The GAC is to be comprised of eleven members: the Rector, the Senior Warden and the Chairman of the Board of the Foundation all serve ex officio with voting rights; three at-large parishioners with no term limits annually appointed by the Rector; one representative each from the Vestry Finance Committee, the Foundation Board and the Planned Giving Committee as appointed by each respective entity; the Stewardship Director and the Business Administrator serve ex officio without voting rights. The Stewardship Director with the approval of the Rector, Senior Warden and Foundation Board Chairman calls meetings of the GAC and the Senior Warden serves as Chairman.

I. Cash

- A. The Church and the Foundation accept gifts by cash, check, money order, or via credit Card.
- B. Checks and money orders shall be made payable to the Church or Foundation. In no event shall a check or money order be made payable to an individual who represents the Church or Foundation in any capacity.

II. Publicly Traded Securities

- A. The Church and Foundation accept readily marketable securities, which are publicly traded.
- B. A gift of securities to the Church shall be deposited in the Church's account and liquidated immediately.
- C. A gift of securities to the Foundation shall be deposited in the Church or Foundation's account to be liquidated or retained in accordance with the Foundation's investment policy.
- D. For gift crediting against pledges and for internal accounting purposes only, the bookkeeping value of the gift of securities in payment of a pledge is the average of the high and low prices on the date of the gift. It is the donor's responsibility to establish a value for the gift as required by IRS.

III. Closely Held Securities and Publicly Held Securities That Are Not Readily Marketable

- A. Non-publicly traded securities, and publicly held securities that are not readily marketable may be accepted if approved by the GAC.
- B. The GAC shall determine the time, effort, cost and estimated proceeds of liquidating the securities and, based upon that determination, decide whether the acceptance of the gift is beneficial to the Church or Foundation
- C. The GAC may require the donor, at the donor's expense, to provide a qualified appraisal by an independent professional appraiser and must do so if the gift is valued in excess of \$5,000.
- D. The Church or Foundation (or their agents) shall not discuss with the donor any repurchase agreement by the donor, the donor's company or the donor's affiliates, e.g. family members, etc. By doing so it could jeopardize the donor's charitable deduction.
- E. It is the donor's responsibility to establish a value for the gift as required by IRS

IV. Life Insurance Including Whole Life, Variable, and Universal Life Policies

- A. A gift of life insurance shall be accepted if the Church or Foundation is named as the 100% owner and beneficiary and the Church and Foundation do not assume any obligation to pay premiums; provided that if the Church or Foundation is named as less than a 100% owner, the policy shall be accepted if the Church or Foundation is named as irrevocable beneficiary of a percentage of the policy proceeds equal to the Church's or Foundation's percentage ownership.
- B. If the life insurance is not fully paid up, the GAC may consider the criteria of accepting the gift and the usefulness of the gift on a case-by-case basis.
- C. It is the donor's responsibility to establish a value for the gift as required by IRS.

Note: If the Church or Foundation is named as a beneficiary, but not as an owner of a life insurance policy, the receipt of cash policy governs the receipt of proceeds.

V. Tangible Personal Property

- A. The staff of the Church or Foundation may accept gifts of tangible personal property on behalf of the Church or Foundation if 1) the tangible personal property is to be used in keeping with the Church's or Foundation's exempt purpose within their program or ministry, 2) they report the gift of tangible personal property to the Stewardship office within two weeks of receipt of the items and 3) the gift is valued at less than \$5,000.
- B. The Rector, Stewardship Director or Business Administrator may accept any tangible personal property that the Next-To-New Shop will accept on consignment if the gift is valued at less than \$5,000.
- C. The Rector, Stewardship Director or Business Administrator may accept any vehicle that can be readily sold at a wholesale auction if the vehicle is valued at less than \$5,000. The minimum criteria for accepting a vehicle include: 1) it starts, 2) it runs, 3) it stops and 4) there is a clear title.
- D. All other types of tangible personal property and all gifts valued in excess of \$5,000 shall be referred to the GAC prior to acceptance.
- E. The GAC shall assess the tangible personal property for its value to the Church or Foundation if used in connection with the Church's or Foundation's exempt purpose and/or determine the time, effort, cost, marketability and estimated proceeds of liquidating the tangible personal property and, based upon those determinations, decide whether the acceptance of the gift is beneficial to the Church or Foundation.

- F. The GAC may require the donor, at the donor's expense, to provide a qualified appraisal by an independent professional appraiser and must do so if the gift is valued in excess of \$5,000.
- G. It is the donor's responsibility to establish a value for the gift as required by IRS.

VI. Real Property

- A. Gifts of real property may be accepted only if approved by both the Bishop of the Diocese of Texas (via the Church Corporation) and the GAC.
- B. The GAC shall determine the time, effort, cost and estimated proceeds of liquidating the real property and, based upon that determination, decide whether the acceptance of the gift is beneficial to the Church or Foundation.
 - 1. As a part of the above due diligence process, the GAC shall, at a minimum, gather the information regarding the real property that is currently required by the Bishop in connection with the Bishop's acceptance of real property.
 - 2. The GAC may require the donor, at the donor's expense, to provide a qualified appraisal performed by an independent professional appraiser and must do so if the gift is valued in excess of \$5,000.
 - 3. The GAC is strongly advised to have an environmental study, if deemed necessary. The Church, Foundation and Diocese of Texas could become liable for environmental liabilities caused by prior owners of the real property upon acceptance of title to the real property.
- C. If after due diligence, the Gift Acceptance Committee would be willing to accept the gift, then the Gift Acceptance Committee must request that the Bishop approve the acceptance of the real property.
- D. Title to real property is to be held in the name of the following: Protestant Episcopal Church Council of the Diocese of Texas, a Texas Non Profit Corporation.
- E. The real property must be transferred to the Church or Foundation via the Diocese of Texas prior to any formal offer or contract for purchase being made.
- F. It is the donor's responsibility to establish a value for the gift as required by IRS.

VII. Planned/Deferred Gifts

- A. The Church and the Foundation encourage deferred gifts in its favor through any of a variety of vehicles:
- 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
- B. The Church and the Foundation (or their agents) 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.
- C. The Church and the Foundation (or their agents) shall not act as trustee of a charitable remainder trust.
- D. 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.*
- E. All information obtained from or about donors/prospects shall be held in the strictest confidence by the Church, the Foundation, their 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.
- F. The Church and the Foundation 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.
- G. The GAC 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.
- H. It is the donor's responsibility to establish a value for the gift as required by IRS.

ST. DAVID'S EPISCOPAL CHURCH
and
ST. DAVID'S EPISCOPAL CHURCH FOUNDATION
AUSTIN, TEXAS

GIFT ACCEPTANCE POLICY

by
Purpose of Gift

Scope

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Gift Acceptance Committee

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The GAC is to be comprised of eleven members: the Rector, the Senior Warden and the Chairman of the Board of the Foundation all serve ex officio with voting rights; three at-large parishioners with no term limits annually appointed by the Rector; one representative each from the Vestry Finance Committee, the Foundation Board and the Planned Giving Committee as appointed by each respective entity; the Stewardship Director and the Business Administrator serve ex officio without voting rights. The Stewardship Director with the approval of the Rector, Senior Warden and Foundation Board Chairman calls meetings of the GAC and the Senior Warden serves as Chairman.

I. Pledges

- A. All gifts to the Church or Foundation received in satisfaction of a pledge or commitment are accepted as such.
- B. Pledges and commitments are statements of intent and may be changed by the donor at any time.
- C. Staff may accept pledge payments of any amount.

II. Unrestricted Gifts

A. For the Church

- 1. All unrestricted gifts shall be accepted regardless of amount.
- 2. Gifts preferably shall be made to "St. David's Episcopal Church". Any reasonable variation of this name may be accepted.
- 3. The Vestry designates unrestricted memorials and honorariums to the Church for the St. David's Church Operating Endowment Fund, which is managed and administered by the Foundation.
- 4. All other unrestricted gifts to the Church are distributed in the following manner:

A Gift in the Amount of -

Distributed -

\$0 up to or equal to \$25,000

100% to the Church designated by the Vestry to the Operating Fund

>\$25,000 up to or equal to \$100,000

First \$25,000 to the Church designated by the Vestry to the Operating Fund; balance split 50/50 between the Church (to be designated by the Vestry) and the Foundation's Operating Endowment Fund

>\$100,000

First \$100,000 split 50/50 between the Church and the Foundation's Operating Endowment Fund; Balance split 10/90 between the Church and the Foundation's Operating Endowment Fund respectively; the Church's portion is to be designated by the Vestry

- >\$100,000
Examples:
- | | | |
|----|-----------|--|
| 1) | \$25,000 | \$25,000 to the Church's Operating Fund |
| 2) | \$70,000 | \$47,500 to the Church (\$25,000 Operating Fund & \$22,500 Vestry discretion); \$22,500 to the Foundation's Operating Endowment Fund |
| 3) | \$100,000 | \$62,500 to the Church (\$25,000 Operating Fund & \$37,500 Vestry discretion); \$37,500 to the Foundation's Operating Endowment Fund |
| 4) | \$110,000 | \$51,000 to the Church (Vestry discretion); \$59,000 to the Foundation's Operating Endowment Fund |
| 5) | \$200,000 | \$60,000 to the Church (Vestry discretion); \$140,000 to the Foundation's Operating Endowment Fund |
5. Unrestricted gifts received greater than \$25,000 will need Vestry instructions as to how to allocate the Church's portion.
 6. Staff may accept all unrestricted gifts.

B. For the Foundation

1. All unrestricted gifts shall be accepted regardless of amount.
2. Gifts preferably shall be made to "St. David's Episcopal Church Foundation". Any reasonable variation of this name may be accepted. However, to be a gift to the Foundation directly, the word "Foundation" or "Endowment" must be included.
3. Unrestricted memorials and honorariums to the Foundation are deposited into the St. David's Church Operating Endowment Fund, which is managed and administered by the Foundation.
4. Unrestricted gifts transferred by the Church to the Foundation are distributed to the St. David's Operating Endowment Fund.
5. All other unrestricted gifts to the Foundation are distributed to the St. David's Church Operating Endowment Fund unless designated elsewhere by a majority vote of the Foundation board members.
6. Staff may accept all unrestricted gifts.

III. Temporarily Restricted Gifts

A. For the Church

1. All temporarily restricted gifts shall be accepted regardless of amount.
2. Gifts preferably shall be made to "St. David's Episcopal Church" with the restriction notated on the check,, or an accompanying written notice, etc. Any reasonable variation of this name maybe accepted.
3. Staff may accept gifts. restricted for a specified project or by purpose or for a specific time frame if:
 - a) The temporarily restricted or designated account already exists,
 - b) The Business Administrator has been requested by a Department Head with approval by the Rector to establish the temporarily restricted account,
 - c) The Rector has requested or approved the temporarily restricted account.
4. The Vestry must approve a gift establishing a new "named" temporarily restricted account or fund.

B. For the Foundation

1. All temporarily restricted gifts shall be accepted regardless of amount.
2. Gifts preferably shall be made to "St. David's Episcopal Church Foundation" with the restriction notated on the check, or an accompanying written notice, etc. Any reasonable variation of this name may be accepted.
3. Staff may accept gifts restricted for a specified project or by purpose or for a specific time frame if
 - a) The temporarily restricted or designated account already exists,
 - b) The Foundation requests and the Vestry approves the restricted account. (Should the gift not further the activities of the Foundation, but would better serve the activities of the Church, the Vestry may ask that it be transferred as soon as possible to the Church.)

IV. Permanently Restricted Gifts

A. For the Church

1. All permanently restricted gifts are to be considered by the Foundation and are to be invested and/or managed and carried on the books of the Foundation. The Church does not hold permanently restricted gifts. Should the Church accept a permanently restricted gift, it is to be transferred immediately to the Foundation.

B. For the Foundation

1. All permanently restricted gifts shall be accepted regardless of amount, except for new endowment funds.
2. Gifts preferably shall be made to "St. David's Episcopal Church Foundation" with the restriction notated on the check or an accompanying written notice, etc. Any reasonable variation of this name may be accepted. However, to be a gift to the Foundation directly, the word "Foundation" or "Endowment" must be included.
3. Staff may accept gifts restricted for an existing endowment fund.
4. Gifts received without a specific endowment fund indicated may be accepted by staff and are distributed to The St. David's Church Operating Endowment Fund unless designated elsewhere by a majority vote of the Foundation Board.
5. Gifts received to establish a new, including a named, endowment fund from any donor, other than the Church, must be a minimum of \$25,000.
6. The Foundation's Board of Directors and the Vestry must approve new endowment fund agreements.

GAP by Purpose

09/10/2002

Explanatory note added June, 2008.

The Vestry and the Foundation request that any donor wishing to establish a new endowment fund first consult with the Vestry and the Foundation to make sure the gift plan is in alignment with the mission of the church and that the proposed level of funding is sufficient to achieve the purpose of the donation, with the result that the donor's intent will be honored over time. To initiate an inquiry, contact the Rector, the Foundation office, the Senior Warden, or the Chair of the Foundation.