

## *Diocese of Western North Carolina*

### *Gift Acceptance Policy*

#### **Purpose**

This gift acceptance policy *provides* guidelines to representatives of The Diocese of Western North Carolina 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 the The Diocese of Western North Carolina. 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.

#### **Gift Acceptance**

The Trustees of the Diocese, upon the advice of a Gift Acceptance subcommittee, reserves the right to decline any gift that does not further the mission of the Diocese. Also, any gifts that would create an administrative burden or cause the Diocese to incur excessive expenses may be declined.

#### **Gift Review Committee**

Any questions which may arise in the review and acceptance of gifts to The Diocese of Western North Carolina will be referred to a sub-committee of the Trustees of the Diocese.

#### **Cash**

- 1) All gifts by check, cash, or credit card shall be accepted by The Diocese of Western North Carolina regardless of amount. Gifts made without restriction will be added to a current designated category of the Endowment Fund. Designated gifts of \$100,000 or greater will be spent according to donor restriction and as approved by The Trustees of the Diocese. Donors who are considering making a restricted gift are encouraged to consult with the Diocese prior to placing such restrictions to insure that the Diocese is able to honor the intent of the donor.
- 2) Checks shall be made payable to The Diocese of Western North Carolina. In no event shall a check be made payable to an individual who represents The Diocese of Western North Carolina 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 The Diocese of Western North Carolina.
- 2) The value of the gift of securities is the average of the high and low prices on the date *OF SALE*
- 3) A gift of securities to The Diocese of Western North Carolina *WILL BE* liquidated *AS SOON AS ADMINISTRATIVELY FEASIBLE*.

#### **Closely Held Securities**

- 1) Non-publicly traded securities may be accepted after consultation with the Trustees.

- 2) The Gift Acceptance subcommittee will explore methods for liquidation of the securities through redemption or sale **prior to acceptance**. The Gift Acceptance subcommittee will try 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 Gift Review Committee.
- 2) 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.
- 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 zoning status, any potential environmental concerns, and complete information regarding all mortgages, liens, litigation or title disputes.
- 5) The Diocese of Western North Carolina reserves the right to require a full environmental assessment of any potential real estate gift.
- 6) The property must be transferred to The Diocese of Western North Carolina prior to any formal offer or contract for purchase is 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. 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) The Diocese of Western North Carolina can be named a contingent beneficiary or the beneficiary of a percentage of a life insurance policy
- 3) The Trustees of the Diocese will accept **ownership** of a life insurance policy as a gift only if The Diocese of Western North Carolina 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. Normally a discounted present value of death benefit based on life expectancy
- 5) 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 secured from the insurance carrier.

### **Tangible Personal Property**

- 1) Any gift of tangible personal property shall be referred to the Gift Acceptance subcommittee prior to acceptance.
- 2) Gifts of jewelry, artwork, collections, equipment and software shall be assessed for their value to The Diocese of Western North Carolina. Their value may be realized either by being sold or used in connection with the Diocese's exempt purpose.
- 3) Depending upon the anticipated value of the gift, a qualified outside appraiser may be asked to determine its value.
- 4) The Diocese of Western North Carolina 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) The Diocese of Western North Carolina encourages 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
- 2) The Diocese of Western North Carolina (or its agent) shall not act as an executor (personal representative) for a donor's estate. A member of the Diocese staff serving as personal representative for a member of the Diocese does so in a personal capacity and not as an agent of the Diocese.
- 3) The Diocese of Western North Carolina (or its agent) shall not act as trustee of any charitable remainder trust.
- 4) The Diocese of Western North Carolina may invite prospective donors to consider gift vehicles offered by The Episcopal Church Foundation (specifically, Charitable Remainder Trusts, Charitable Gift Annuities and the Pooled Income Fund).
- 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:

***The Diocese of Western North Carolina 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 Diocese of Western North Carolina staff and volunteers. 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) The Diocese of Western North Carolina will seek qualified professional counsel in the exploration and execution of all planned gift agreements. The Diocese recognizes the right of fair and just remuneration for professional services.
- 8) If desired, a Living Stones Society Certificate will be given to those who have indicated that they have made an estate plan naming of the Diocese of Western North Carolina as a beneficiary. 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.

Signed:

---

Trustees Representative

---

Fiscal Ministries Representative

Adopted:

August 2013