

**St. James Episcopal Church  
Midvale, Utah**

**Gift Acceptance Policy**

**December 17, 2024**

The purpose of this Gift Acceptance Policy is to guide the Vestry, Endowment Committee, and Gift Review Committee, as appropriate, in connection with the review and acceptance of new gifts to St. James Episcopal Church or the Endowment Fund (the “Fund”) of St. James Episcopal Church.

**In all cases, it is the policy of St. James Episcopal Church to encourage unrestricted gifts or, for donors considering restricted gifts, to encourage gifts to existing restricted funds.**

**1. Bequest Policy**

The purpose of this bequest policy is to establish how the Vestry of St. James Episcopal Church will handle bequests to St. James and bequests to its endowment. A bequest includes any type of gift in which assets of any kind are transferred upon the death of the donor.

It is the policy of St. James Episcopal Church that bequests to *St. James Episcopal Church* become part of the [General Endowment Fund], a quasi-endowment established by the Vestry. The Vestry may make an exception to this policy if no other financial resources of the church are available or expected to become available in time to meet an urgent need. If a donor makes a gift to *St. James Episcopal Church* for a specific purpose, the Vestry will ensure that the funds are used as intended, either through current expenditure or by placing the funds in a sub-fund of the [General Endowment Fund] that is restricted to that purpose.

Bequests to the *Endowment Fund of St. James Episcopal Church* must upon receipt become part of the [Permanent Endowment Fund], a true endowment fund subject to state law. If a donor makes a gift to the *Endowment Fund of St. James Episcopal Church* for a specific purpose, the Vestry may place the funds in a sub-fund of the St. James Endowment Fund that is restricted to that purpose or create a new donor-restricted fund as set out below.

## **2. Donor-Restricted Fund Policy**

The purpose of this donor-restricted fund policy is to establish the circumstances under which the Vestry of St. James Episcopal Church will create a new donor-restricted endowment or investment fund. The Vestry may establish a new and separate fund within the Fund for a gift of \$25,000 or more. The Vestry must approve the acceptance of the gift for its intended purpose, or it must reject the gift. If accepted, the new assets are combined with other Fund assets for investment purposes but are tracked and spent separately as intended by the donor under any further guidelines required by law or approved by the Vestry. Each quarter, income and any realized or unrealized gains or losses are allocated to each fund within the Fund based on relative market values at the end of the prior quarter.

The inception date of the new fund shall be the last day of the quarter in which the gift was received. The initial value of the new fund shall be the actual value of cash received or the market value on the date the fund is established of any other type of asset received.

## **3. Gift Acceptance Guidelines**

### **a. Purpose**

These gift acceptance guidelines describe the types of gifts that the Vestry of St. James may choose to accept and are intended to guide representatives of St. James, potential donors, and any outside advisors in connection with gifts either to St. James or to its endowment or other funds. They are intended to supplement the bequest policy and donor-restricted fund policy described above. These guidelines are not intended as professional advice. The Vestry and Gift Review Committee should follow any review procedures described below, but the Vestry has the discretion to accept or reject any specific gift. Donors are encouraged to obtain their own legal, tax, and financial advice before completing a gift.

### **b. Gift Review Committee**

The Gift Review Committee shall consist of the members of the Endowment Committee, including ex officio members without votes, unless otherwise established by the Vestry. The Gift Review Committee shall provide information, advice, or recommendations to the Vestry as set out in these guidelines or otherwise requested. The Vestry shall refer all questions relating to the review and acceptance of gifts to the Gift Review Committee and may consult with the Gift Review Committee as needed or desired. On behalf of St. James, the Vestry must review and approve or reject all gifts to St. James or any endowment, investment, or other long-term fund.

### **c. Cash and Cash Equivalents**

The Vestry shall accept all gifts of cash and cash equivalents (e.g., checks and money orders) without regard to amount, provided that the Vestry also agrees to any restrictions placed on the gift. All checks must be payable to *St. James Episcopal Church* or to *The Endowment of St. James Episcopal* and in no event may be payable to an individual who represents St. James in any capacity.

### **d. Publicly Traded Securities**

The Vestry may accept readily marketable securities, such as those traded on an exchange. The value of a gift of such securities is the average of the high and low prices on the date of the gift. Typically, a gift of such securities is liquidated immediately.

#### **e. Closely Held Securities**

The Vestry may accept non-publicly traded securities after consultation with the Gift Review Committee. The value of a gift of such securities is the value used by the donor in preparation of the donor's tax return. *Prior to acceptance*, the Gift Review Committee must explore methods for the liquidation through sale or redemption and shall try to determine (a) any restrictions on transfer and (b) if and when an initial public offering is expected. No commitment for the repurchase of closely held securities may be made prior to the completion of the gift of such securities.

#### **f. Real Estate**

The Vestry must refer any gift of real estate to the Gift Review Committee. All gifts of real estate must be appraised by an independent professional, typically at the expense of the donor. The appraisal must be based on a personal visit and internal and external inspection and, if possible, include documented values of comparable properties in the same area. The 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, and complete information regarding all mortgages, liens, litigation, or title disputes as well as, if requested, an environmental assessment.

If the Vestry accepts the gift of real estate, it must be transferred to St. James before any formal offer or contract for purchase. The Vestry may ask the donor to pay in full or in part the cost of maintenance, insurance, real estate taxes, and broker's commission or any other cost of sale. The value of the gift is the appraised value of the real estate, which may be reduced by the cost of maintenance, insurance, real estate taxes, broker's commission, and other expenses of sale.

#### **g. Life Insurance**

The Vestry must refer any gift of a life insurance policy to the Gift Review Committee. The Vestry may accept a gift of ownership of a life insurance policy only if St. James is named both the owner and beneficiary of 100% of the policy. If the policy is fully paid up, the value of the gift is the replacement cost of the policy. If the policy is partially paid up, the value of the gift is the policy's cash surrender value or interpolated terminal reserve value. St. James may also be named a full, partial, or contingent beneficiary of a life insurance policy.

#### **h. Tangible Personal Property**

The Vestry may accept gifts of tangible personal property after review by the Gift Review Committee. Tangible personal property may include jewelry, artwork, collections, cars, equipment, or software, among other examples. Tangible personal property does not include donations of food, hygiene products, or other similar goods that donors may offer to St. James as part of its mission and ministry. The Gift Review Committee must assess the value to St. James of any such property, which may be sold or used by St. James

in connection with its exempt purpose. The Gift Review Committee may ask a qualified outside appraiser to determine the value of a gift of tangible personal property. The Vestry shall adhere to all IRS requirements relating to the value and disposition of gifts of tangible personal property and will provide appropriate forms to the donor and the IRS.

## **Deferred Gifts**

The Vestry encourages deferred gifts, also referred to as planned gifts or legacy gifts, to St. James or any of its endowment, investment, or other funds. Deferred gifts may be made in various ways including:

- Bequest
- Beneficiary designation
- Retained life estate
- Charitable gift annuity
- Pooled income fund
- Charitable remainder trust
- Charitable lead trust
- Donor advised fund

St. James, or an agent of St. James, shall not act as executor or personal representative for a donor's estate. A staff member serving as personal representative for a member of St. James does so in a personal capacity and not as an agent of St. James. St. James, or an agent of St. James, shall not act as trustee of any charitable remainder trust.

St. James invites donors to consider gift vehicles offered by the Episcopal Church Foundation, including charitable gift annuities, pooled income funds, charitable remainder trusts and donor advised funds. Gift illustrations or form documents are provided at no cost.

The following disclaimer should be included in any materials, documents, illustrations, letters, or other correspondence related to deferred gifts:

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

St. James and its staff and volunteers will hold in strictest confidence all information from or about donors and potential donors. The name of any donor, as well as the amount or conditions of any gift, will not be published without the express written or verbal approval of the donor and beneficiary.

The Vestry will seek qualified professional counsel in connection with the consideration and execution of all deferred gift agreements and will offer appropriate remuneration for professional services.

The Vestry, upon the advice of the Gift Review Committee, may decline any deferred gift that does not further the mission of St. James or that would impose an unreasonable administrative burden or require St. James to incur excessive expenses.