

POLICY FOR RECEIVING GIFTS
Christ Episcopal Church
Gordonsville, Virginia

Adopted by the Vestry on August 20, 2008

1 Preamble

In its simplest form, a gift is something given by one and willingly received by another without expectation or requirement of reciprocation.

This policy is intended to assist the vestry, clergy and parishioners in providing a consistent understanding of how the decision is made as to whether or not to receive any particular gift given to Christ Episcopal Church.

2 On Gifts Used Principally in Worship

These gifts may be in the form of a tangible items or a financial instrument to purchase specific tangible items.

2.1 Gifts of Flowers or other similar decorations for worship service (including weddings)

Those wishing to give such gifts must follow the appropriate guidelines specified by the rector.

Normally these gifts are removed from the church premises after the worship services for which they were given. These decorations are often presented to either parishioners or others for whom the parish has special prayer intentions (such as for healing or in thanksgiving).

Though the decision of who receives these decorations may be delegated, it ultimately belongs to the rector.

2.2 Gifts of altar vessels, hangings, books, incidental pieces of furniture and other such items for use in worship

Those wishing to give such gifts must first seek permission from the rector of the parish. The rector will work with the potential donor to select what is appropriate.

The donor must understand that the use of the gift is always at the discretion of the clergy; therefore, there are no implicit guarantees of the gift's continual utilization. The final disposition of any gift no longer in use is at the discretion of the vestry and the rector.

2.3 Gifts of significant furniture such as altars, fonts, pews Gifts of stained-glass windows, organs, pulpits, or lecterns Gifts that in any manner change the sanctuary architectural space

Those wishing to give such gifts must first seek permission from the rector of the parish. The rector, if in concurrence, shall seek approval from the vestry to further investigate the potential gift. Upon receiving said permission, the rector with counsel from the vestry

shall appoint a committee to investigate all aspects and implications of receiving the gift. The committee shall report first to the rector and then to the vestry. The vestry shall then vote on whether to receive the gift. The gift will be accepted if a majority of the vestry approves and the rector gives a final approval.

The donor must understand that the use of the gift is always at the discretion of the clergy and therefore there are no implicit guarantees of the gift's continual utilization. Furthermore, future gifts to the parish may cover, hide, alter or otherwise eliminate said gift. The final disposition of any gift no longer in use is at the discretion of the vestry and the rector.

3 On Gifts Used Principally in Non-Worship Activities

These gifts may be in the form of a tangible items or a financial instrument to purchase specific tangible items.

3.1 *Incidental gifts*

Those wishing to give such gifts must first seek permission from the rector, wardens, or chair of the ministry for which the gift is to be used.

The donor must understand that the use of the gift is always at the discretion of the clergy and parish leadership and therefore there are no implicit guarantees of the gift's continual utilization. Furthermore, future gifts to the parish may cover, hide, alter or otherwise eliminate said gift. The final disposition of any gift no longer in use is at the discretion of the vestry and the rector.

3.2 *Gifts of durable goods with no architectural / structural impact to church facilities*

Those wishing to give such gifts must first seek permission from the rector of the parish. The rector may seek the counsel of the warden(s) or the vestry in determining whether or not to accept said gift.

The donor must understand that the use of the gift is always at the discretion of the clergy and parish leadership and therefore there are no implicit guarantees of the gift's continual utilization. Furthermore, future gifts to the parish may cover, hide, alter or otherwise eliminate said gift. The final disposition of any gift no longer in use is at the discretion of the vestry and the rector.

3.3 *Gifts that in any manner change the architectural space of church owned facilities other than the sanctuary*

Those wishing to give such gifts must first seek permission from the rector of the parish. The rector, if in concurrence, shall seek approval from the vestry to further investigate the potential gift. Upon receiving said permission, the rector with counsel from the vestry shall appoint a committee to investigate all aspects and implications of receiving the gift. The committee shall report first to the rector and then to the vestry. The vestry shall then vote on whether to receive the gift. The gift will be accepted if a majority of the vestry approves and the rector gives a final approval.

The donor must understand that the use of the gift is always at the discretion of the clergy and parish leadership and therefore there are no implicit guarantees of the gift's continual utilization. Furthermore, future gifts to the parish may cover, hide, alter or otherwise eliminate said gift. The final disposition of any gift no longer in use is at the discretion of the vestry and the rector.

4 On Financial Gifts

These are all gifts of financial instruments not explicitly associated with tangible objects.

As per canon and civil law, all funds must be under the direct authority of either the vestry or the clergy of the parish. The vestry may choose to delegate responsibility of a fund to a third party (e.g. a committee tasked with the disbursement of charitable giving, the ECW monies, and the Outreach Committee monies). However, the vestry and clergy may never abdicate authority over said fund. Furthermore, even when delegating responsibility of a fund that they have authority over, with the exception of the General Operating Fund for budgetary expenses and funds associated with certain ministries groups of the Church (e.g. Youth Group Fund, ECW, Outreach), it is normative that the vestry always retains final authorization for actual fund distributions.

4.1 Pledges / Tithes / Plate Offerings

The regular contributions for the spread of the Kingdom of God are *always unrestricted* and implicitly part of the General Operating Fund.

This category of giving fulfills the requirements of canon law to obtain the "good standing" status required for voting rights in parish meetings.

4.2 Transitory Designated Funds

This category of funds includes all special collections (i.e. for disaster relief) or projects (i.e. building expansion fund) either initiated by the rector or the vestry.

These funds will have a limited use lifetime after which any residual amount will be distributed in a manner specified at the time of the fund's creation. If no method is specified, once the designated fund has fulfilled its purpose, the residual amount will be sent to the General Operating Fund.

4.3 Designated Funds

Christ Episcopal Church, at the time of this policy's adoption, has five designated funds in addition to the three canonically required funds. See Appendix One for the descriptions of these funds.

These designated funds have an indefinite lifetime and exist at the pleasure of the vestry (or by canon law, as applicable). The vestry and clergy, as stewards, will in good faith maintain these funds for the purposes for which they were intended until necessity dictates otherwise.

4.4 Endowments and Trusts

Despite the use of the term, at the time of the adoption of this policy, Christ Episcopal Church has no actual endowments or trusts.

An actual endowment or trust must be created as a separate legal entity with its own trustees. Canon and civil law requires that the vestry (and / or the clergy) of the parish be the only entity entitled to appoint and provide oversight to said trustees.

Once created, an endowment or trust is a legal agreement that requires court actions to alter or dissolve. However, by the plain definition of the word, it is not possible to create a truly irrevocable trust. The vestry always has the ability to “sue” for alterations or dissolution. Therefore, true legally enforced endowments and trust funds should only be created after much consideration and consultation with financial experts and diocesan officials.

4.5 Planned Giving through a Will

Planned giving is a powerful means of expressing Christian stewardship that one can carry out through a bequest in a will – either by a direct gift or in a trust provision – or through such avenues as a life insurance designation, a gift of retirement plan assets, a gift annuity, a charitable trust, or one of several other types of trusts. The following discussion outlines simple ways by which direct gifts may be made to the Christ Church through one’s will.

The most common forms of direct gift by will are the following:

- **A *specific bequest*** makes a gift of a specific dollar amount or specific assets, such as securities, real estate, or personal property.
- **A *residuary bequest*** makes a gift of all (or a fraction) of the remainder of one’s estate, following the payment of all expenses and specific gifts made to other beneficiaries.
- **A *contingent bequest*** will result in a gift being given only in the event of the death of other beneficiaries or the fulfillment of certain conditions described in the will.

A bequest can be either ***unrestricted*** or ***restricted*** for a specific purpose. Unrestricted bequests give Christ Episcopal Church the greatest flexibility to use a gift where needed.

If one wishes to designate a bequest to support a specific initiative or ministry, it is important to include language which ensures that, should the specified ministry cease to exist or cease to be feasible in the future, Christ Episcopal Church may determine an alternate use that is similar to the ministry designated in the will. Please contact the Rector to discuss supporting a particular ministry in order to determine how best to ensure that those wishes will be fulfilled.

EXAMPLES

The following examples of suggested gift wording may assist a person and his or her lawyer in creating or revising gifts in a will.

Specific amount, unrestricted

I give to Christ Episcopal Church, Gordonsville, Virginia, the sum of _____ dollars (\$_____) as an unrestricted gift.

Percentage of estate, unrestricted

I give to Christ Episcopal Church, Gordonsville, Virginia, _____ percent (____%) of the residue of my estate as an unrestricted gift.

Specific amount, for a specific purpose

I give to Christ Episcopal Church, Gordonsville, Virginia, the sum of _____ dollars (\$____) to be used for the following purpose: _____. Should the ministry for which this bequest is given cease to exist, or in the judgment of the Rector and Vestry of Christ Episcopal Church no longer be feasible to carry out in the manner contemplated in this will, the Rector and Vestry may devote this bequest to such other uses as it, in their sole and absolute discretion, determines to be in accordance with or similar to my original intent in making this gift.

Percentage of estate, for a specific purpose

I give to Christ Episcopal Church, Gordonsville, Virginia, _____ percent (____%) of the residue of my estate to be used for the following purpose: _____ . Should the ministry for which this bequest is given cease to exist, or in the judgment of the Rector and Vestry of Christ Episcopal Church no longer be feasible to carry out in the manner contemplated in this will, the Rector and Vestry may devote this bequest to such other uses as it, in their sole and absolute discretion, determines to be in accordance with or similar to my original intent in making this gift.

5 Appendix 1: Overview of Christ Episcopal Church Designated Funds

5.1 General Operating Fund

Origin: This fund is created by the requirements of canon law.

Purpose: This fund receives plate and pledge offerings and pays the normal operating expenses of the parish, e.g., salaries, utilities, supplies, etc.

5.2 Surplus Fund

Origin: This fund is created by the requirements of canon law.

Purpose: This fund receives any surplus General Operating Fund monies remaining at the end of the fiscal year. These monies maybe redirected by the Vestry for other purposes or maybe held in reserve for deficit years.

5.3 Clergy Discretionary Fund

Origin: This fund is created by the requirements of canon law.

Purpose: This fund is to be used for “pious and charitable” uses, including assistance to the poor. The clergy of this parish authorize disbursements from this fund. In the absence of any clergy on staff, the vestry may assign a lay person authority to disburse funds in accordance with canon law.

5.4 General “Endowment” Fund

Origin: This fund was created circa 1975 by a gift from Mrs. Flora Cameron Zinn.

Purpose: Despite the title, this is not strictly an endowment fund as it has not been created by order of a Circuit Court nor does it have a board of trustees for oversight. The Vestry may authorize the use of this fund for any legitimate purpose in the furtherance of parish activities including coverage of any budgetary shortfall.

5.5 Organ Fund

Origin: This fund was created circa 1975 by a gift from Mrs. Flora Cameron Zinn.

Purpose: This fund is for the repair, maintenance, enhancement and eventual replacement of the church organ.

5.6 Yard Maintenance Fund

Origin: This fund was created circa 1975 by a gift from Mrs. Flora Cameron Zinn.

Purpose: To maintain and beautify the grounds at Christ Church.

5.7 Missions Fund

Origin: On September 19, 2001, this fund was initially created by the Vestry in honor of Lillian Welfley Daniel and Virginia Shelton from a gift from the estate of Miss Virginia Shelton.

Purpose: To provide a means for mission and outreach gifts, outside of the parish, beyond the normal budget process. At the beginning of each calendar year there is a disbursement of the proceeds (dividends and interest) that have accumulated during the previous calendar year.

5.8 Building Maintenance Fund

Origin: On September 19, 2001, this fund was initially created by the Vestry in honor of Lillian Welfley Daniel and Virginia Shelton from a gift from the estate of Miss Virginia Shelton.

Purpose: To provide for major capital expenses related to the maintenance of the physical plant at Christ Church.