Endowment Fund Donation

I want to designate a gift for the Saint Timothy's Episcopal Church, Herndon, VA Endowment Fund. I understand that my donation may be now or upon my death. (The minimum gift to the fund is $1,000.) I also recognize that my gift will be invested and that the principal (my donation) will never be spent. Earnings generated from the investment will be provided to the Vestry to support the Church's needs following the enabling resolution guidelines unless I specify a specific use for funds on this form. Then, a percentage of the proceeds based on your gift will be earmarked specifically for that use. (The designated gift value minimum is $25,000.)

☐ Undesignated $ __________________ (Minimum $1,000)

☐ Designated $ ______________ (Must be greater than $25,000) My gift will support: ___________________________

☐ Upon Death ☐ or on this date: _____________ ☐ One time gift ☐ Annual gift

Please describe your donation: ____

____

____

Donors Name: ____ Phone: (______) __________________

Address: ____

Executors Name: ______________________________________ Phone: (_____) ___________________

Address: ____

Lawyers Name: _______________________________________ Phone: (_____) ____________________

Address: ____

This form will stay on file at the church, and may be updated at any time.

Your name will be added to the Legacy Plaque upon gift receipt in accordance with Endowment Committee policy.

St. Timothy's 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.

Endowment Fund
Saint Timothy's Episcopal Church
432 Van Buren Street | Herndon, VA 20170
Phone: (703) 437-3790
Email: office@saint-timothys.org | Web: www.saint-timothys.org

Instructions for Lawyers in Preparing Documents for Bequests

St. Timothy's 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.

The purpose of the FUND is to enable the Parish to fulfill its mission more completely by developing its ministries beyond what is possible through its annual operating funds. Distributions from the FUND therefore shall be limited to: (i) capital improvements of the Parish; (ii) outreach ministries and grants; (iii) seed money for new ministries and special one-time projects; and (iv) such other purposes as are specifically designated by donors to the Parish whose gifts are included in the FUND.

The bequest shall identify the beneficiary in one of two ways: ***St. Timothy's Episcopal Church*** or ***the Endowment Fund of St. Timothy's Episcopal Church.***

Bequests with **St. Timothy's Episcopal Church** as beneficiary can be spent in the current year or placed in the GENERAL ENDOWMENT FUND part of the FUND. The default position of the Church will be that all such bequests go into the GENERAL ENDOWMENT FUND part of the FUND unless the Rector and Junior Warden request an exception to the policy. The exception should be considered extraordinary, and no other financial resources of the organization are available or expected to become available in time to fulfill the urgent need. The final authority for granting such an exception will rest with the Vestry.

If the donor has identified a specific purpose for the gift, the Vestry will guarantee that the funds will be used according to the donor's wishes. The funds shall be directed to their designated purpose either as an endowment, in which case they would become a designated sub-account following sub-account requirements within the RESTRICTED ENDOWMENT FUNDS part of the FUND, or by direct expenditure of the funds through the Treasurer of Saint Timothy's Episcopal Church, Herndon, VA.

Bequests naming the Church's **Endowment Fund** as beneficiary are recorded as such and automatically transferred to the GENERAL ENDOWMENT FUNDS part of the FUND upon receipt unless otherwise stipulated.

If the bequest was given for a specific purpose, the assets will be used to establish or add to a RESTRICTED ENDOWMENT FUNDS part of the FUND sub-account for the designated purpose. The minimum gift to establish or contribute to a RESTRICTED ENDOWMENT FUNDS part of the FUND Sub Account shall be $25,000.

Any unrestricted funds less than $1,000 or restricted funds donated that are less than $25,000 shall, at the decision of the Vestry, be included with the GENERAL ENDOWMENT FUNDS or be added to a named non-endowment fund held by the Church. These funds will not be protected under UPMIFA.

Any questions that may arise in reviewing and accepting gifts to the Parish will be referred to the Gift Review Committee.

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Gift Acceptance Policy

(From SECTION C - Saint Timothy's Endowment Fund Dated April XX, 2024)

Purpose

This gift acceptance policy will provide guidelines to representatives of the Parish who may be involved in accepting gifts, outside advisors who may assist in the gift planning process and prospective donors who may wish to make gifts to the Parish. However, individual donors are encouraged to seek legal, tax, and financial advice before completing a gift. This Gift Acceptance Policy is not meant to be relied on as professional advice to an individual. This policy is intended only as a guide and allows for some flexibility on a case-by-case basis. However, the gift review process outlined here is intended to be followed closely.

Gift Review Committee

Any questions that may arise in reviewing and accepting gifts to the Parish will be referred to the Gift Review Committee. The Committee, unless otherwise designated by the Vestry, will be comprised of the full Endowment Fund COMMITTEE. Gifts of any and all types may or may not be accepted at the sole discretion of the Committee. The minimum gift to the FUND shall be $1,000 or the equivalent appraised value.

A donor is encouraged to identify their intent to contribute to the FUND using an ENDOWMENT FUND DONATION form. This form will be held in the church office and will identify the contact information of the donor, executor, and lawyer. It is non-binding and may be updated at any time. Upon the passing of the donor, the COMMITTEE will contact the executor or the lawyer to ensure the gift is still active and offer any help to ensure the transfer of the donation is made following the will of the donor at the time of their passing and in keeping with the current Gift Acceptance Policy.

Once the FUND receives a donation, the receipt will be documented and accounted for by the Treasurer, and a plate will be affixed to the Church's Legacy Circle plaque indicating the family name of the donation. The donation must be at least the stipulated minimum donation to the FUND. Donations in memory of the individual can be accumulated to reach the threshold for recognition on the Plaque.

Cash

All gifts by check shall be accepted by the Vestry on behalf of the Parish regardless of amount. Gifts below the stated thresholds shall be dealt with as Section A provides. Checks shall be made payable to the Parish as identified in Section A. A check shall never be made payable to an individual representing the Parish in any capacity.

Publicly Traded Securities

Readily marketable securities, such as those traded on a stock exchange, can be accepted by the Vestry on behalf of the Parish. The value of the gift of securities is the average of the high and low prices on the date of the gift. A gift of securities to the Parish shall be liquidated immediately.

Closely Held Securities

Non-publicly traded securities may be accepted after consultation with the Gift Review Committee. The fair market value will be the value used by the donor in the preparation of the donor's tax return. The Gift Review Committee will explore methods for liquidating the securities through redemption or sale **before acceptance.** The Gift Review Committee will try to determine: Any restrictions on transfer or Whether and when an initial public offering might be anticipated

No commitment for the repurchase of closely held securities shall be made before the completion of the gift of the securities.

Real Estate

The Gift Review Committee must review any gift of real estate.

The donor is responsible for obtaining and paying for an appraisal of the property. An independent and professional agent shall perform the appraisal.

The appraisal must be based upon a personal visitation and internal inspection of the property by the appraiser. Also, whenever possible, the appraisal must include a documented valuation of comparable properties located in the same area.

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, and complete information regarding all mortgages, liens, litigation, or title disputes.

The Parish reserves the right to require an environmental assessment of any potential real estate gift paid for by the donor or the donor's estate.

The property must be transferred to the Parish before any formal offer or contract for purchase is made.

The donor may be asked to pay for all or a portion of the following: Maintenance costs, Real estate taxes, Insurance, Real estate broker's commission and other costs of sale, and Appraisal costs

For gift crediting and accounting purposes, the value of the gift is the appraised value of the real estate. However, this value may be reduced by the costs of maintenance, insurance, real estate taxes, broker's commission, and other sales expenses.

Life Insurance

A life insurance policy gift must be referred to the Gift Review Committee.

The Parish can be named a contingent beneficiary or the beneficiary of a percentage of a life insurance policy.

The Vestry will accept **ownership** of a life insurance policy as a gift only if the Parish is named as the owner and beneficiary of 100% of the policy.

If the gift is a paid-up policy, the value for gift crediting and accounting purposes is the policy's replacement cost.

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 slightly above the cash surrender value.)

Tangible Personal Property

Any gift of tangible personal property shall be referred to the Gift Review Committee before acceptance.

Gifts of jewelry, artwork, collections, equipment, and software shall be assessed for their value to the Parish. Their value may be realized either by being sold or used in connection with the Parish's exempt purpose.

Depending upon the anticipated value of the gift, a qualified outside appraiser may be asked to determine its value to be paid for by the donor or the donor's estate.

The Parish shall adhere to all IRS requirements relating to the valuation and disposition of gifts of tangible personal property and will provide appropriate forms to the donor and IRS.

Deferred Gifts

The Parish encourages deferred gifts in its favor through any of a variety of vehicles: Charitable gift annuity (or deferred gift annuity), Pooled income fund, Charitable remainder trust, Charitable lead trust, Bequest, Retained life estate, and Donor-advised Fund.

The Parish (or its agent) 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.

The Parish (or its agent) shall not act as trustee of any charitable remainder trust.

The Parish may invite prospective donors to consider gift vehicles offered by The Episcopal Church Foundation (ECF) (specifically, Donor Advised Funds, Charitable Remainder Trusts, Charitable Gift Annuities, and the Pooled Income Fund).

When ECF provides donors with 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:

> ***St. Timothy's 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.***

Parish staff and volunteers shall hold all information obtained from or about donors/prospects in the strictest confidence. 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.

The Parish 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.

The Vestry, upon the advice of the Gift Review Committee, reserves the right to decline any gift that does not further the mission of the Parish. Also, any gifts that would create an administrative burden or cause the Parish to incur excessive expenses may be declined.