

**Gifts Policy and the Gifts Commission**  
for  
**Beargrass Christian Church (Disciples of Christ)**  
and  
**Beargrass Christian Perpetual Endowment Fund, Inc.**  
Approved by the Official Board on 4-15-19

For the purposes of this policy, unless noted otherwise, the word “Church” shall mean Beargrass Christian Church (Disciples of Christ) Corporation, “Official Board” shall mean the governing body of the Church, and “Board of Trustees” shall mean the Board of Trustees of Beargrass Christian Perpetual Endowment Fund, Inc. (“Endowment Fund”).

**1) Purpose**

This *Gifts Policy* is established to protect and serve the long-term interests of the Church, so that it may faithfully and properly manage and steward the assets and resources donated to further its mission. These may be testamentary gifts; money designated for certain special projects or intentions; gifts of real or virtual property; financial instruments; and/or other material goods donated to the Church with or without special designations or instructions. This *Gifts Policy* governs gifts both to the Church and to the Endowment Fund.

The *Gifts Commission* shall have oversight of this policy, except as noted in Section 3, and three primary areas of responsibility: the receiving, the refusing (when necessary) and/or the retiring of gifts given to the Church. The *Gifts Commission* may also make recommendations to the appropriate governing body as to the direction of non-designated gifts if no other policy applies (or is appropriate) to the direction of those gifts.

**2) Types of Gifts**

**a) Unrestricted Gifts**

For purposes of definition, unrestricted gifts, also called outright gifts, are received with no donor requirements on how they may be used. All unrestricted gifts received in any form other than cash will be converted to cash at its fair market value as soon as reasonable and prudent practice shall allow:

- i) The Church or Endowment Fund shall sell all gifts made in the form of stocks, bonds, or other fiduciary instruments. The donor (or estate) shall be receipted the full value of the stock or fiduciary instrument on the date the Church takes possession of said instrument, with the Church or Endowment Fund (not the donor) paying all commissions and required fees.
- ii) In the case of real estate or other items of real property, (as circumstances dictate), acceptance of the gift shall be provisional pending the appropriate valuations (appraisals), inspections for deficiencies, review of attached contracts which would be binding on the Church, or other instruments of

ownership are adequately reviewed and the acceptance of said property is deemed to be of prudent risk or acceptable condition.

- iii) New gifts will be invested in a money market account until the *Gifts Commission* or Endowment Fund takes further action regarding proceeds.

**b) Restricted Gifts**

For purposes of definition, restricted gifts are when the donor specifies:

- i) The purpose for which a gift should be used
- ii) That the gift should be held to generate income

The Church or Endowment Fund is legally bound to use or to hold restricted gifts that it stewards as well as all restricted gifts it accepts in the future, in accordance with the donor's instructions. Donor-restricted gifts will be held and accounted for separately from unrestricted funds.

**3) Receiving Gifts**

The *Gifts Commission* shall meet to consider the receiving of gifts that are considered "non-ordinary", meaning that they are **not** a part of the regular offering or gifts toward the general / non-designated expenses of the Church's general operating, capital, or named mission / endowment funds. The goal of the *Gifts Commission* is to be able to facilitate and honor the donor's intent, while keeping in mind the vision, mission, ethics and normal operating values that govern all of the Church's decision-making practices. A gift that honors the intention of the giver and facilitates necessary mission and ministry for the Church is the ideal toward which both donor and *Gifts Commission* shall strive. This may include suggesting alternatives to either the form / nature / instrument of the gift or the required designation.

**a) Unrestricted Gifts**

An unrestricted gift comes from an individual or constituency that has given no direction as to its use. The *Gifts Commission* will determine how unrestricted gifts will be distributed with the exceptions outlined in 3)b).

**b) Unrestricted Gifts – Memorial Gifts**

If the unrestricted gift is a memorial gift, the process is handled as follows: Within 60 days of a person's death, the Church Office will send a thank you note to everyone who makes a memorial donation. The office will also send a list of the donors (no amounts) to the designated family member.

- i) **Memorial Gifts less than \$2,000.** If the total amount of memorial gifts for that person is less than \$2,000, the distribution of the money will be determined by the ministerial staff and / or the Budget and Finance Team.
- ii) **Memorial Gifts of \$2,000 or greater.** If the total amount of memorial gifts for that person is \$2,000 or greater, the *Gifts Commission* will determine how the gift will be distributed.

### c) Restricted Gifts

- i) **Budgeted Programs or Facilities.** The Church may accept a gift that is restricted as to its use if the Church's approved budget for the year in which the gift is to be accepted includes proposed funding for the specific program, purpose or facility for which the restricted gift is made.
- ii) **Other Restrictions.** The Church may accept a gift that is restricted as to its use if the Church's budget for the year in which the gift is accepted does not include funding for the restricted use of the gift, with the approval of the *Gifts Commission*.
- iii) **Variance Authority.** When working with donors (or their legally designated agents) to establish a restricted/designated fund(s), the Church shall seek to incorporate language in that documentation that allows the Church to broaden and revise the future use of the gift when necessary, so that its use remains in alignment with the Church's ongoing mission and practice. The Church's intention shall be to honor the legacy of the donor and to keep future use of the fund as close the spirit of the donor's original (or perceived) intention as possible.

### d) Undesignated Bequests

A bequest represents a gift from the general assets of a person's estate – the accumulation of the life's work of the donor. To honor the donor's legacy of matching the use of funds with the type of gift, the *Gifts Commission* will allocate the proceeds of an undesignated bequest as follows:

- i) **10% to Mission / Outreach** (to be allocated by the Outreach Team of the Official Board)
- ii) **10% to the Annual Operating Budget** (to be allocated by the Budget and Finance Team of the Official Board) – If this share plus the Endowment Fund distribution exceeds 20% of the annual operating budget, the excess shall go to the Endowment Fund.
- iii) **10% to the Church's Debt** – If there is no debt, this share will be allocated equally to the Building / Capital Improvement Fund and Endowment Fund.
- iv) **35% to the Building / Capital Improvement Fund** – Once the Building / Capital Improvement Fund reaches 1.5 X the annual operating budget, this share of the bequest should go to the Endowment Fund.
- v) **35% to the Endowment Fund**

## 4) Refusing Gifts

On some rare occasions, the Church or Endowment Fund may want to refuse a gift:

- a) Funds or assets from sources that are inconsistent with our moral and/or ethical values, or which a person of reasonable prudence may be expected to reject or willfully forfeit shall be refused.
- b) Bitcoins or other “crypto currencies” will not be accepted due to nefarious nature of the platform from which they originate and the current lack of a standardized and established system for their legal transfer.

- c) Items in which the cost to receive the gift is greater than the actual value of the asset (or that asset's ultimate perceived value to the Church) shall be refused.
- d) Gifts upon which the restrictions or designations are inconsistent with the current goals, mission, or values of the Church; or those which the Official Board deems unacceptable shall be conditions for refusal.
- e) The *Gifts Commission* may find other reasons which would make a gift unacceptable beyond those listed here.

When a gift is refused, the *Gifts Commission* should do all that it reasonably can to seek to honor the donor's intention of generosity and shall therefore seek acceptable alternatives (for both the donor and the Church), providing such alternatives are available. Christian decorum, politeness, and gratitude should be the operative attitude in time of such negotiations and should prevail even if a satisfactory solution which makes receiving the gift possible cannot be found.

### **5) Retiring Gifts**

- a) The Church shall make as conditional to the receiving of any tangible gift (i.e., furniture, art work, musical instrument, etc.) the understanding that:
  - i) all such assets have beneficial life spans
  - ii) it shall be solely in the Church's purview to determine when a gift has become no longer usable due to the cost of repair, obsolescence, the normal "wear and tear" of time or use, or the ability of the item to either function in the capacity for which it was given or the continued need for item in the current context of the Church's life.
- b) The Church shall have the right to dispose of said item as it sees fit, including, but not limited to:
  - i) the sale or gifting of said item
  - ii) returning the item to the donor or donor's family

When appropriate, the Church shall publicly (or privately) in the context of worship or other proper setting, celebrate and acknowledge the gift, its service to the Church, and the generosity of its benefactor.

This also applies in those incidences when a named room, wing or fund is no longer appropriate or relevant for the Church.

### **6) Appeal of *Gifts Commission's* Decisions**

- a) Should a qualified member of the Church object to a decision of the *Gifts Commission*, the specific issue in question may be presented to the Official Board for review and vote. The Official Board's decision shall be the final and binding word on the matter brought for appeal.
- b) If the decision is made to reverse a decision of the *Gifts Commission* relative to a gift designated for retirement, the question may be revisited annually for review and vote to sustain or ultimately override the objection.

## **7) Gifts Commission's Members and Meetings**

### **a) Members**

The *Gifts Commission* shall consist of at least four members, three of whom are voting members:

- i) The chair of the Official Board, who will serve as convener and scribe
- ii) The chair of the Church's Budget and Finance Team
- iii) The chair of the Endowment Fund's Board of Trustees
- iv) The senior minister or designate from the ministerial staff, as an ex officio member

### **b) Meetings**

The *Gifts Commission* shall meet at least one time per calendar year. Other meetings may be scheduled as necessary.

### **c) Counsel**

The *Gifts Commission* may consult with various ministry leaders, at its discretion.

## **8) Gift Records and Acknowledgements**

- a) All gift records shall be maintained in the Church Office and in a secure offsite location, which may be cloud storage. Gift records include:
  - i) Gift related information: donor, date, dollar value, restrictions (if any), etc.
  - ii) *Gifts Commission* meeting minutes
- b) The *Gifts Commission* and Endowment Fund are responsible for recognizing donors and honoring those faithful stewards who have made gifts to the Church or Endowment Fund.
- c) The *Gifts Commission* shall make an annual report to the Official Board.

## **9) Gift Policy Jurisdiction**

While the *Gifts Commission* only considers "non-ordinary" gifts, as defined in 3), the *Gifts Policy* applies to all gifts, both ordinary and non-ordinary. As a result, unless the gift comes under the jurisdiction of the *Gifts Commission*, the Board of Trustees has the responsibility of overseeing and implementing the *Gifts Policy* for gifts made to the Endowment Fund, and the Official Board has the responsibility of overseeing and implementing the *Gifts Policy* for gifts made to the Church.

## **10) Amendments**

This policy may be amended via the same manner that pertains to other similar policies as prescribed in the Church's or Endowment Fund's By-laws or other governing documents.