

Policy Regarding the Disposition of Bequests and Gifts St. Luke's Episcopal Church, Sister Bay, WI

General

This policy statement governs the disposition of bequests or gifts which, for purposes of this statement, will mean any gift in which assets are transferred to St. Luke's Episcopal Church (hereafter "St. Luke's"). The assets may be in any form, such as cash, securities, personal or real property, etc. "Vestry member" is meant to include elected vestry members, senior and junior wardens and the rector.

Bequests and gifts can be of two general types:

1. **"Designated,"** in which the donor identifies a specific purpose(s) to which the funds should be directed. The vestry has ultimate responsibility for determining that the uses to which these funds are applied are faithful to the donor's wishes. The funds may be directed to their designated purpose(s) either as a quasi-endowment (in which case they normally would be established as a designated fund in an investment account or by direct expenditure of the funds through the parish treasurer. Designated gifts' directions and restrictions must be formalized in writing by the donor or the estate and accepted by the vestry. If the designated purpose is inconsistent with St. Luke's parish mission, the vestry, treasurer and/or rector will consult with the donor or the estate to bring the designation into conformity with the parish's mission.
2. **"Undesignated,"** in which case the vestry and rector have greater freedom in determining their ultimate use. For bequests and gifts that are undesignated, the vestry will direct the treasurer to place 80-85 percent of the asset into an investment account and 15-20 percent into the short-term savings fund. For non-cash bequests or gifts, see St. Luke's Gift Acceptance Policy. When there is a significant need, and with a two-thirds vote of all vestry members, the distribution between an investment account and the short-term savings fund may be amended. In such instances the following procedures will apply:
 - a. The treasurer will assess the particular circumstances giving rise to a perceived need to make an exception to the policy. Such circumstances should be judged by the treasurer to be truly extraordinary, such that no other financial resources of the parish are available or expected to be available in time to fulfill the urgent needs. If the treasurer concludes that an exception is appropriate, the treasurer will bring a recommendation to the vestry at the earliest practicable time.
 - b. Final authority for granting an exception to the policy rests with the vestry.
3. **Designated bequests and gifts:** Upon the vestry's acceptance of the bequest or gift, and once it is liquid, the money will automatically be transferred to an investment account upon receipt. The value of the assets will be applied to establish a designated fund of an investment account, and the principal made available for the designated purpose only. Any earnings will accumulate in the investment account. The treasurer is responsible for tracking each designated bequest or gift.
4. **The procedure for handling bequests and gifts** begins with the vestry's formal acceptance of the bequest/gift. For non-liquid bequests/gifts, the treasurer will prepare copies of relevant documents along with the treasurer's recommendations and distribute them to vestry members to aid in the decision to accept the bequest/gift. After that, the treasurer will see that any cash is immediately deposited and held in the bank pending a decision regarding the final disposition of the bequest/gift.
5. **Appropriate acknowledgments of bequests/gifts** will be given by the rector, the treasurer and/or the vestry clerk in a timely manner. The Gift Acceptance Policy provides guidelines for assigning value to non-liquid gifts.
6. **Changes to this policy** require a two-thirds vote of all vestry members.

Approved by the vestry December 13, 2020