

## **ACTON CONGREGATIONAL CHURCH GIFT FUND POLICY<sup>1</sup>**

The Acton Congregational Church (the Church) is pleased and grateful to receive special gifts from members and friends and memorial gifts made to honor the life of a deceased member or friend. A gift is appropriate to celebrate a person or event in the life of the Church or to meet a specific need of the Church and its programs.

In order to enable these gifts to further the work of the Church and honor the wishes of the donor, the Trustees have established the following gift policies effective January 1, 2011.

These policies for accepting and using special gifts and memorials differ depending on whether the gift will support ongoing needs of the Church or is a planned gift such as an endowment or bequest.

### **Gifts Supporting Ongoing Needs of the Church**

These gifts and memorials are divided into five categories:

- 1) Existing Committees or Programs - these include gifts to support specific committees or programs rather than generating income. Donors may direct these gifts as follows:
  - a. For use by a specific committee of the Church, for example: Adult or Children's Christian Education, Youth Programs, Music, etc. These gifts will supplement the budgets of these Committees and will be used to support existing or new programs under the direction of the Committee; or
  - b. For the sole use of an existing program operating within the Church, for example: Senior Choir, Alpha, Men's Breakfast, Women's Ministries, etc. These gifts will be used at the direction of the person in charge of that group.

- 2) Special Needs - Special Needs are established on an annual basis as follows:

The Trustees will revise the list of needs annually, and the Memorial and Special Gifts Chairman will coordinate with the Trustees/Church Administrator to understand priorities. In the event a Special Needs fund is underfunded (as determined by the Church Administrator) or becomes overfunded, the donor will be given the option to apply their donation to another Special Needs fund or to one of the five Ongoing Funds. Each new term, one member of the Memorial and Special Gifts Committee will assemble an updated list of special needs.

- 3) Ongoing Funds - Ongoing Funds are divided into five categories:

- a. Ministry - administered by the Deacons, Church Staff, and Trustees;
- b. Music - administered by the Music Director and the Music Committee;
- c. Missions - administered by the Missions and Outreach Committee and Trustees. This fund is distinct from money donated to Missions through annual pledging;

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<sup>1</sup> Approved December 14, 2012; see Trustee minutes of May 10, 2011; revised and approved by Trustees to reflect ACC Investment Policy approved on Oct. 21, 2012. Revised and approved on November 12, 2013 to reflect reporting of Unspecified Gifts. Revised and approved on March 15, 2016 to clarify criteria for gift recognition and the role of the Memorial and Special Gifts Committee

- d. Maintenance - administered by the Church Staff, the Buildings and Grounds Committee, and Trustees;
  - e. Mortgage - administered by Church Staff and Trustees.
- 4) Donor Specified Gifts - These are gifts whose purpose is designated solely by the donor (or person establishing the fund) with approval by the Senior Minister and/or the Church Administrator, and the Trustees.
- a. Donor Specified Gifts may be provided for:
    - i. any currently-approved church project (other than a Special Need), or
    - ii. the creation of a new fund that responds to a current or donor-perceived church need (e.g., new choir robes).
- 5) Church Every Member Appeals - Annual appeals and those for major projects such as painting of the church do not require that the Memorial and Special Gifts Committee send out individual acknowledgments.

### **Gifts Reassignment**

The Trustees may, at their discretion, but in consultation with the Senior Minister and/or the Church Administrator, reassign all or a portion of any gift or fund designated for a particular purpose if two years after the gift is donated, or in the case of a fund, two years after the fund was established:

- The Church is not able to find additional monies necessary to fund the designated purpose (e.g., choir robes cost \$1,500 and the fund only has accumulated \$500), or
- The gift or fund becomes unneeded (choir robes are donated).

The Memorial and Special Gifts Committee or the Trustees will, if appropriate, notify donors or families in the event a gift or fund is reassigned.

### **Unspecified Gifts**

In the absence of specific instructions for any Gift, the monies will be allocated to the operation of the Church at the recommendation of the Memorial and Special Gifts Committee and with the approval of the Trustees. These include gifts made to ACC in someone's name or in recognition of an individual without stating a specific purpose. They will be shown as Other Memorials in the Treasurer's report, and will be allocated to other funds by the end of each year (i.e., Other Memorials should have a zero balance at the beginning of each fiscal year).

### **Planned Gifts, Principal Preservation Gifts, and Fixed Payment Gifts**

The Trustees will consider on a case-by-case basis any planned gift or gift requiring principal preservation and/or a fixed payment (including but not limited to endowments, trusts, life-income, life insurance, and annuities). The Planned Giving Policy developed by the Stewardship Committee provides guidance regarding these types of gifts. All operations, control of investments and disbursements from these gifts will be monitored by the Treasurer and Trustees, and governed by either of the following:

- Legal documents associated with any Planned Gift, Principal Preservation Gift, or Fixed Payment Gifts.
- In the absence of any legal document or Letter of Intent stipulating the financial management of these special gifts, they will be administered and controlled in accordance with the current Investment Policy of ACC.

### **Bequests**

The Trustees have approved a new form of recognition for donors who make a bequest of \$10,000 or more. This will be in the form of a tribute to the life of the donor(s) and will include a biography about the donor(s) and if possible, his and/or her picture. This tribute/biography page will be inserted in the Memorial/Special Gifts Book, and a framed citation with the names of the donors who have made a bequest will be on display.

### **Gift Recognition**

The Church staff will notify the member, friend, or family of donations received in honor of the recognized or memorialized individual. If a memorial page is created as discussed below, a copy of the page will be included in the notification.

The Memorial and Special Gifts Committee will:

- Ensure that the person being recognized or memorialized is entered in the Memorial/Special Gifts Book provided there are at least ten (10) donors, or the sum of donations exceed \$1000. The page will provide the dates of birth and death of the individual being recognized, and the names of the donors. The page will be created about three (3) months after their death. Special Needs Gifts associated with a need of over \$10,000 supported by at least five (5) donors may also be acknowledged in the Memorial/Special Gifts Book with a page containing the names of the donors.
- Ensure that recognition of bequests is accomplished as described above under "Bequests". In addition, ensure that any person recognized/memorialized with gifts of \$5000 or more are included in a framed citation.
- Send a thank you note to all donors.
- Prepare a report of all gifts for the fiscal year for the Annual Report to the Congregation. This will include acknowledgement of Unspecified Gifts or "Other Memorials" discussed above. The report should include the names of those memorialized or recognized with any donations, and the total amounts of any key donations made to any of ACC's funds (excluding amounts associated with church member appeals).

The Church office will maintain a dated log of all categories of gifts and will prepare a year-end summary of all gifts acknowledged by the Memorial and Special Gifts Committee.

### **Other Pre-Existing Funds**

Other pre-existing funds established by the Church are unaffected by this policy. These include, for example, the Ministers Housing Fund.

### **Revisions**

The Trustees may revise this policy at any time.