



## CHURCH OF THE REDEEMER BEQUEST POLICY

### Introduction

The Church of the Redeemer (“The Church”) welcomes bequest gifts from all members of the parish and other benefactors.

Bequests are biblically-based visionary gifts of faith, usually intended to support the ministry of a future generation.

Some bequests are clearly designated for a particular purpose, but others may be an undesignated gift of financial or non-financial property.

### A. Definitions

A bequest is a gift of financial or non-financial capital property directed to the parish in the context of a donor's will.

It may take the following forms:

- 1. Honorific Gift:** A gift of financial or non-financial property given to honour a parishioner or supporter of the Church, or an event in the life of the parish, during their lifetime.
- 2. Planned Gift:** A gift of financial or non-financial capital property directed to the parish during the donor's lifetime or at death. For example, the parish is named as the beneficiary of an insurance policy.
- 3. Memorial Gift:** A gift of financial or non-financial property given to honour a parishioner or supporter of the Church upon his or her death.
- 4. Endowment:** A gift of financial property that restricts the depletion of its capital in favour of periodic income in perpetuity or for a set period of time. A separate Endowment agreement generally accompanies the gift.

### B. Church Policy

The Church encourages undesignated gifts. In most cases, the gift may not be received until well into the future, at a time when the ministry needs of the parish may have changed. A designated gift, when ultimately received, may challenge future leadership to best discern God's will for the use of the gift.

We encourage all who are considering a bequest to discuss the nature and terms of the gift with The Church, their family, and their advisors before finalizing the gift.

The Church reserves the right to decline an offer of any gift should it determine that the gift or its specified terms is/are not compatible with the mission or ministry goals of the Church.

Because of the unpredictable nature and timing of a bequest, The Church may choose to segregate and invest the proceeds of a gift until such time as it discerns what the Holy Spirit is calling The Church to do.

### **C. Undesignated Gifts.**

The Church may receive gifts that are not designated or that generally specify that the gift is to be used to support the ongoing work of the Church. The following principles shall apply to Undesignated bequests:

- Undesignated bequests shall be used for projects of a capital nature and/or for the operational needs of the parish at the discretion of The Church, in consultation with the donor, the donor's family, or executor.
- In some instances, the donor or honouree has been associated with a particular ministry or function of The Church. The Board of Management and the Church Wardens, in consultation with the donor, donor's family, or executor, may consider using all or a portion of the gift for the donor or honouree's preferred ministry area or project. Consideration should be given to appropriately recognizing and memorializing the donor or honouree by means such as plaques, public acknowledgements, etc.

The Church encourages every donor to consider the wider Church as a part of their undesignated legacy gift. We are pleased to offer advice and assistance to help make this happen.

### **D. Designated Gifts**

Gifts (either current or future) may be specifically designated by the donor(s) for specified purchases, projects or other expenses.

The specific terms of the gift shall be documented by the donor(s) and shall be submitted to The Church in electronic or paper form using the suggested Intention Form attached as Appendix A. The terms of such a gift are conditional upon the Church's acceptance of the gift in writing.

Memorial Gifts, as described in the Diocese of Toronto Policy on Memorial Gifts to Parish Churches, shall conform to the principles and procedures as set forth in that policy as amended from time to time. The execution of a "Letter of Agreement for Giving a Significant Memorial Gift" (Appendix B) shall adhere to the model for such letter as contained within the Diocesan policy.

In the event that a Designated Gift cannot be reasonably fulfilled in accordance with the terms of the gift, the donor, the donor's family, or the executor shall be consulted and asked to suggest (subject to any legal requirements in the case of a bequest) an alternative designation, or to approve that the gift will be donated to The Church as an Undesignated Legacy Gift. The Church shall provide appropriate reporting documentation to the donor on the status of fulfilling the terms of the gift.

## **E. Bequests Generally**

Bequests, whether designated or undesignated, shall be subject to the general and financial policies and practices of the Church regarding approvals for expenditures as set forth in the Financial Policies of the parish.

All bequests that can easily be converted to cash shall be deposited in a bank account designated by The Church that is separate from The Church's operating bank account. Each bequest will then be disbursed in accordance with the terms of the gift. Cash from bequests that are intended to support the operational needs of the parish shall then be transferred to The Church's operating bank account. Cash from bequests that are intended for capital or endowment purposes shall be transferred to The Church's capital or investment accounts as appropriate.

If a non-financial gift is not easily converted to cash or requires independent valuation, it may remain in its gifted form until a decision is made on how the gift can best support the Church's mission. If a non-financial gift is to be retained, the Church may require agreement from the donor for ongoing maintenance, security, and insurance costs associated with the gift. The Church shall not issue a charitable receipt until it has an independent valuation of the gift, an ongoing cost agreement, and assurances that the gift adheres to current provisions of the Income Tax Act.

Any gift agreement negotiated, including any Endowment agreement, will include a 'Power to Vary' clause, which allows The Church to alter the terms of a gift agreement after the gift is received. Any decision to vary the terms of the gift will be done in consultation with the donor or family, as well as the Board of Management (or, as designated, by Vestry).

## **F. Revisions/ Exceptions to this Policy:**

Any revisions or exceptions to this Legacy Gifts Policy shall be approved by Vestry.



## Appendix A

### Church of the Redeemer Legacy Gift Intention Form

**To: The Corporation of the Church of the Redeemer**

This is to advise that I/we have indicated my/our intention to make a Bequest to the Church as follows:

\_\_\_\_\_ Bequest in my/our Last Will and Testament or other testamentary document

\_\_\_\_\_ Policy of Insurance with the Church as owner or beneficiary

\_\_\_\_\_ Other (please describe the nature of the Gift below)

---

---

---

The amount of the intended gift is \$\_\_\_\_\_. (optional)

I/we understand that I/we am/are free to cancel or revise the terms of my/our Bequest at any time and that this document only indicates my/our preference for the use of the funds should the Bequest be granted to the Church in the future. I/we understand that this does not create any binding legal obligation on the Church, and is only an expression of my/our intention. I/we also understand that any designation in a Will or other testamentary document or other legal instrument may take precedence over this letter, and that my/our bequest is subject to the approval of the Church to ensure that it is in line with its current mission and ministry. This undertaking does not bind future officers of the Church when the gift is ultimately received.

**Bequest/Gift Allocation Summary:**

Please allocate my/our Legacy Gift according to the percentages indicated the spaces below (The percentages must add to 100%).

\_\_\_\_\_ Undesignated to best support the church as thought fit at the time it is received

\_\_\_\_\_ To support projects of a capital nature as determined by the Church

\_\_\_\_\_ To support the on-going operations of the Church

\_\_\_\_\_ To be used for a specific capital project as described below

---

---

---

\_\_\_\_\_ To support the on-going operations of the Church in the following areas:

\_\_\_\_\_ Outreach (including the Common Table Drop-in Program)

\_\_\_\_\_ Christian Education

\_\_\_\_\_ Children and Youth

\_\_\_\_\_ Music and Liturgy

\_\_\_\_\_ Other (please describe below)

---

---

---

I/we understand that in the event all or part of my/our designations as indicated above cannot be reasonably fulfilled as determined by the Corporation of the Church, the Gift will be placed in the Capital Fund to support capital or new ministry projects, in consultation with my/our family or executor.

\_\_\_\_\_

Donor(s) signature(s)

Date

We confirm that the above designation of Bequest is in accord with the current mission and ministry of the Church. We are grateful for the faithful expression of intent by the donor(s).

---

Incumbent signature	Date
---------------------	------

---

Warden signature	Date
------------------	------

---

Warden signature	Date
------------------	------

Note: A copy of this letter will be kept on file at the Church. A copy should also be kept in Donor's files.



## Appendix B

### Model Letter of Agreement for Giving a Significant Memorial Gift

I/We <NAME>, intend to give a <DESCRIPTION OF GIFT> to <NAME OF PARISH OR CHURCH> in memory of <NAME(S) OF PERSON(S) MEMORIALIZED>.

I/We acknowledge that I/we have read and understand the Policy of the Diocese of Toronto on Memorial Gifts.

In particular, I/we acknowledge that in the accepting this memorial gift, neither <NAME OF PARISH OR CHURCH> nor the Diocese of Toronto commits itself to using or maintaining this memorial gift or church building for which it is given in perpetuity, but only for as long as that remains consistent with the purposes and mission of <NAME OF PARISH OR CHURCH> and the Diocese of Toronto

I/We acknowledge that in giving this gift all ownership and control of <DESCRIPTION OF GIFT> IS GIVEN TO THE Incumbent and Churchwardens of <NAME OF PARISH OR CHURCH> AND THE Diocese of Toronto, and that all future use and disposition of this gift is solely within their control, subject to the Policy on Memorial Gifts.

SIGNED: .....

WITNESSED: .....

DATED: .....