

*This Sample Church Estate Giving Policy aims to serve as a resource to encourage your congregation members to make estate gifts to your church. Over **\$100 trillion** in wealth is expected to be passed along from senior generations over the next twenty years. Your senior church members are looking for kingdom investment options, and, as donors, they need to know that helping your ministry continue for future generations is a worthy cause. Estate giving is a unique and significant form of giving—often representing a donor's ultimate act of stewardship and resulting in a legacy for future generations.*

Disclaimer: *This is a sample policy template. The information here should be reviewed by legal and financial professionals to ensure compliance with all applicable laws and regulations in your area or region.*

Estate Gift Policy

This policy outlines principles and procedures for the acceptance, management, and use of estate gifts and bequests designated for [church name]. It is designed to ensure that gifts are handled in a manner that is consistent with the church's mission and values and in a way that honors the wishes of the donor.

Section 1: Estate Gift Designation

Estate gifts—including bequests, trusts, annuities, beneficiary designations, and other planned-giving vehicles—will not be used for day-to-day operations or annual expenses. *(Alternatives include the following: (1) May use up to 10% for a one-time gift to the general fund and the remainder to the endowment and/or other funds noted below; (2) Will use x% for a one-time gift to the general fund and the remainder to the endowment and/or other funds noted below.)* These gifts shall be designated for one or more of the following purposes:

A. Capital Improvements and Expansion

Funding for the construction of new facilities, significant renovations, or the purchase of property to support the long-term growth of the church's ministries.

B. Endowment

A permanent endowment fund, the principal of which is invested to generate ongoing income. The income may be used for specific, designated purposes (e.g., missions, youth ministry, pastoral support, or facility maintenance) as outlined in the endowment's charter. The principal shall remain intact and not be used for day-to-day operations. (An endowment policy must be drafted prior to acceptance of the congregation's first endowment gift.)

C. Long-Term Missions and Outreach

Funding for specific, sustained mission projects—both local and global—that extends beyond the scope of the annual missions budget. This may include long-term support for missionary families, funding for new church plants, or ongoing partnerships with global ministries.

D. Specialized Ministry Funds

Creation of, or contribution to, funds dedicated to long-term ministry needs, such as scholarships for theological education, benevolence funds for community support, or technology funds to enhance ministry outreach.

E. Other

A provision may be included to allow a defined percentage of an estate gift to support ongoing operational needs, as determined by church leadership.

Section 2: Acceptance and Vetting of Gifts

The church solicits and accepts gifts for purposes that will help to further and fulfill its current mission. The church will refrain from providing advice about the tax or other treatment of gifts and will encourage donors to seek guidance from their own professional advisors to assist them in the process of making their gift. No irrevocable gift, whether outright or life-income in character, will be accepted if under any reasonable set of circumstances the gift would jeopardize the donor's financial security.

Gift Acceptance Committee

The church shall establish a Gift Acceptance Committee to provide oversight and guidance regarding the acceptance and use of estate and other significant gifts.

The committee shall include the following (suggested) persons:

- the senior pastor
- one representative of the Finance Committee
- two members of the church leadership body (council, board, etc.)
- one lay member of the congregation

The church may also consider appointing two or three additional lay members of the congregation to increase range of perspective and accountability.

This committee is responsible for reviewing all proposed estate gifts to ensure that they align with this policy and with the church's mission.

General Acceptance Guidelines

The following policies and guidelines govern acceptance of gifts made to the church for the benefit of any of its operations, programs, or services.

The church will accept gifts that can be described as follows

- Consistent with the church's values and in no way compromising its mission.
- Designated for purposes outlined in **Section 1** of this policy. This allows for a portion (a percentage of the gift) to be allocated to day-to-day operations if so desired by the donor.
- Free of unreasonable restrictions or conditions that would be difficult or costly for the church to fulfill.
- Liquid or other funding easily convertible to cash without significant loss in value (e.g., cash, publicly-traded securities).

Review of Non-Cash and Complex Gifts

The Gift Acceptance Committee will carefully review all non-cash gifts, such as real estate, privately held stock, or other assets, to determine their suitability.

- **Real Estate:** The church will not accept real estate unless it is readily marketable and free of environmental or legal liabilities. The donor will be responsible for all costs associated with the transfer, including appraisals, surveys, and legal fees.
- **Other Assets:** The committee will consult with legal and financial advisors as needed to evaluate complex assets and determine the potential for sale and the associated costs.

- **Professional Assistance:** The church shall seek out professional assistance in matters relating to acceptance of gifts when appropriate. (See Appendix B for suggested language to include CRCNA Ministry Partners The Barnabas Foundation in the U.S. and Christian Stewardship Services in Canada)
- **Use of Legal Counsel:** The church will seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. (See Appendix B for suggested language to include CRCNA Ministry Partners The Barnabas Foundation in the U.S. and Christian Stewardship Services in Canada)

The church will not compensate—whether through commissions, finder’s fees, or other means—any third party for directing a gift or a donor to the church.

Declination of Gifts

The Gift Acceptance Committee reserves the right to decline any gift that does not align with this policy or is deemed to be contrary to the church's best interests. Reasons for declination may include but are not limited to the following:

- The gift's purpose is for day-to-day operations (if church gift or estate policy prohibits estate gifts from being used in this manner).
- The gift comes with an unacceptable restriction or condition.
- The asset is illiquid or the costs of managing or selling the asset outweigh its potential value (i.e., real estate, vehicles, furniture).
- Acceptance of the gift would create a conflict of interest or legal liability for the church.

Section 3: Acknowledging Estate Gifts

Every gift deserves heartfelt thanks, but estate gifts call for special care and recognition. They reflect a lasting legacy of faith and generosity—one that honors both the giver and their family members who share in that legacy.

For Planned Estate Gifts (Before Maturity)

When a donor informs the church that an estate gift has been planned, a pastor, council member, church treasurer, or member of the finance committee should have a conversation with the donor to confirm how the donor would like the estate-gift funds to be used and whether the donor wishes to direct the funds toward a specific purpose or ministry. The church will ensure that all gift designations align with the church's official estate-gift policy.

The church may also choose to honor the donor by including them in a giving society or other recognition program (if they have one) to celebrate the donor's long-term commitment.

Upon Receipt of a Matured Gift

When an estate gift is received (matured), an acknowledgment letter should be sent to the family of the deceased in a timely manner. The letter should confirm that the funds will be used in a manner consistent with the deceased's wishes and in accordance with the church's established estate-gift policy. *(This procedure provides comfort and assurance to the family and helps to involve them in the ministry of the church.)*

Public Recognition

Donors should be publicly acknowledged only if they have given explicit prior approval for their name or gift to be shared. The church must respect the privacy and wishes of all donors.

Congregational Relations and Communication

- a. **Encouraging Legal Counsel:** All potential donors of estate gifts will be encouraged to consult with their own independent legal and financial advisors—to ensure that their estate plan is properly executed and that their personal circumstances are fully considered.
- b. **Confidentiality:** All donor information, including the details of their gifts and estate plans, will be treated with confidentiality.
- c. **Acknowledgment and Valuation of Donated Property:** The church will provide acknowledgments to donors meeting IRS or CRA substantiation requirements for property received by the charity as a gift. Except for gifts of cash and publicly traded securities, value shall be ascribed to any gift received by the church in alignment with applicable federal, provincial, state, and local regulations.

Section 4: Stewardship and Management of Funds

Segregation of Funds

All funds from estate gifts will be held in a separate, dedicated account, distinct from the church's general operating fund. This ensures that the funds are not commingled with money used for day-to-day expenses.

Investment and Oversight

Estate funds, particularly those designated for an endowment, will be invested prudently to ensure their long-term growth and preservation. The Finance Committee, in consultation with professional financial advisors, will be responsible for the oversight of these investments. The investment strategy shall prioritize preservation of capital while seeking a reasonable rate of return.

Reporting and Transparency

The church leadership will provide regular reports to the congregation on the status of the estate-gift funds, their investment performance, and how the income or principal is being used, in accordance with the donor's wishes. This ensures transparency and accountability in the management of these special funds.

Section 5: Church Disbanding and Fund Distribution

In the event that [church name] votes to disband, and a vote to close has been approved by the congregation, any remaining estate-gift funds, after all debts and obligations are settled, will be distributed to other nonprofit organizations, denominational ministries, classes, or churches. In keeping with procedures of the Church Order, the trustees will receive the advice of the classis in formulating its proposal for property distribution to the congregation. This distribution will be carried out in a manner that honors the original spirit of the gifts and, to the extent legally permissible, will align with the collective wishes of the church members as determined by a formal vote during the closing process. The specific nonprofit organizations to receive the funds will be designated by the congregational vote.

Policy Review and Amendment

This policy should be reviewed (a) ___ annually or (b) ___ biannually by the church's leadership and its Finance Committee to ensure its continued relevance and effectiveness. Any amendments to this policy must be approved by the church's governing body along with congregational approval.

Conclusion

This Estate Giving Policy serves as a guide for the responsible stewardship of the special gifts entrusted to [Church Name]. It is a reflection of our commitment to honor the legacy of our donors by ensuring that their gifts have a lasting impact on our church and the world for the glory of God.

Appendix A: Suggested Language for Your Will

I give to [Church Name], a nonprofit ministry with its principal offices located at [Church Address] [the sum of \$ ___] OR [___% of the residue of my estate], to be used [for its general purposes] OR [designated purpose]. If, in its opinion, the need for funds for the designated purpose no longer exists, [Church Name] is authorized to use these funds for a similar purpose.

Appendix B: Review of Non-Cash and Complex Gifts

- **Professional Assistance:** The church shall seek out the assistance of Barnabas Foundation (in the U.S.) and Christian Stewardship Services (in Canada) to leverage the existing relationship with the CRCNA for all complex gifts as needed.
- **Use of Legal Counsel:** If Barnabas (in the U.S.) or CSS (in Canada) are unable to assist, the church will seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate.