

CHRIST CHURCH PARISH ENDOWMENT FUND

DISPOSITION OF BEQUESTS POLICY

General

This policy statement governs the disposition of *bequests* which, for purposes of this statement, will mean any type of gift in which the assets are transferred upon the death of the donor. The assets may be in any form, such as cash, securities, personal property, real property, etc. The bequest may identify the beneficiary in one of two general ways:

- a) "Christ Church Episcopal of Chattanooga, Tennessee" or some other wording such as Church name and address.
- b) "Christ Church Parish Endowment Fund" or "Endowment Fund of Christ Church" or similar wording.

Bequests with Christ Church as beneficiary can be of two general types:

- a) "Designated" in which the donor has identified a specific purpose(s) to which the funds should be directed. The Vestry has ultimate responsibility to determine that the use(s) to which those funds are applied is faithful to the donor's wishes. The funds may be directed to their designated purpose(s) either as an endowment (in which case they normally would be established as a designated fund of the Christ Church Parish Endowment Fund or by direct expenditure of the funds through the Treasurer of the Church.
- b) "Undesignated" in which case the Vestry and Rector have greater freedom in determining their ultimate use, though the expectation is that such a bequest would be transferred at the earliest practicable time to the Christ Church Parish Endowment Fund. Such transfers, once made, are intended to be held in perpetuity. This policy specifically acknowledges, however, that from time to time urgent needs of the Church may arise to necessitate an exception to this policy.
- c) In such instances the following procedures will apply:
 - i) The Rector of the Church 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 Rector to be truly extraordinary and that no other financial resources of the Church are available or are expected to be available in time to fulfill the urgent needs. If the Rector concludes that an exception is appropriate, the Rector will bring a recommendation to the Vestry at the earliest practicable time.
 - ii) Final authority for granting such an exception to policy will rest with the Vestry and may only occur upon the affirmative vote of three

quarters of the entire Vestry at two consecutive meetings held no less than thirty (30) days apart.

Bequests designating the Christ Church Parish Endowment Fund as beneficiary are automatically transferred to the Endowment Fund upon receipt. If the bequest was given for a designated purpose, then the value of the assets will be applied to establish a designated fund of the Endowment Fund, as provided for in a separate policy, and the earnings made available for use for that designated purpose only. Only bequests of \$25,000 or more may be designated and handled separately. If the bequest to the Endowment Fund is otherwise undesignated, the assets will be directed to that portion of the corpus of the Endowment Fund whose earnings are unrestricted.

The procedure for handling bequests begins with the Treasurer of the Church, who will see that any cash is immediately deposited and held in the bank pending a decision regarding the final disposition of the bequest. The Treasurer will prepare copies of relevant documents and distribute them to the relevant offices of the Church, including the Rector, the Senior Warden, and the Endowment Committee. A decision regarding the liquidation of securities will be not be made until it is determined whether those assets are to be directed to the Endowment Fund, in which case the certificates will be given to the Church Treasurer to be held or sold, which decision will be made on portfolio considerations. Otherwise, the liquidation of securities will be handled according to the normal practices of the Treasurer of the Church. The method, timing, agent, etc. for the liquidation of other assets (such as real estate or personal property) will be decided by the Endowment Committee and confirmed by the Vestry.

Appropriate acknowledgements of bequests will be given by the Rector and by the Endowment Committee in a timely manner.

Adopted by action of the Endowment Committee of the Christ Church Parish Endowment Fund this the 16th day of February, 2009

CHRIST CHURCH EPISCOPAL
ENDOWMENT COMMITTEE:
