

# **First United Church of Christ Endowment Fund**

## **Purpose**

The First United Church of Christ (First UCC) Endowment Fund is established to ensure that future generations may benefit from the ministries provided by First UCC, to enhance the ability of First UCC to engage in outreach and mission, and to assist in specific capital improvements or special expenses as approved by the congregation.

The fund is not intended to generate funds for annual operating expenses. Only in extraordinarily difficult circumstances and where the integrity of the Fund permits, as determined by the Consistory, and only upon a two-thirds vote of the congregation, may the congregation use any of the fund income for annual operating expenses.

## **Endowment Fund Administration**

The First UCC Endowment Fund will be administered and managed by the Finance Committee. The Finance Committee shall report to the Consistory as to the status of the Endowment Fund at least semi-annually.

Members of the Finance Committee shall not be liable for any losses which may be incurred upon the investments of the assets of the First UCC Endowment Fund except to the extent such losses are caused by bad faith or gross negligence. No member shall be personally liable as long as they act in good faith and with ordinary prudence. Each member shall be liable only for their own willful misconduct or omissions, and shall not be liable for the acts or omissions of any other member. No member shall engage in any self-dealing or transactions with the Fund in which the member has direct or indirect financial interest and each member shall at all times refrain from any conduct in which his/her personal interest would conflict with the interest of the Endowment Fund.

At the expense of the Endowment Fund, the Finance Committee may provide for such professional counseling on investments or legal matters as it deems to be in the best interest of the Endowment Fund.

The Finance Committee, with approval of Consistory, may refuse any special gift or bequest if deemed outside the mission of First UCC or not in the best interest of the congregation. The Finance Committee may also work with the family or grantor to change the designation of a gift. The Finance Committee shall not accept any gift that cannot be converted to cash unless acceptance of the gift is approved by the Consistory. The Finance Committee may convert gifts other than cash to cash with Consistory approval.

## **Administrative Records**

The Finance Committee shall maintain complete and accurate records for the Endowment Fund. The books of the Endowment Fund shall be subject to audit as requested by Consistory and shall be available upon request to the members of the Church.

## **Endowment Fund Investments**

The Finance Committee shall invest the gifts to the Endowment Fund with approval of the Consistory. The Finance Committee shall maintain a conservative, low-risk investment profile. A priority will be given to socially responsible and fixed income investments.

## **Endowment Fund Distribution**

It is the intent of the congregation that only earnings and income on the principle of the Endowment Fund will be available for distribution each year and that any capital gains be considered principle. A full and complete report of the Endowment Fund for the preceding year shall be included in the Annual Report given to the congregation each year in advance of the Annual Meeting. This annual report shall indicate the amount of funds available for distribution in the coming year.

The funds shall be distributed at the discretion of the Consistory, however the Consistory shall distribute the funds towards the following categories of mission:

- *Community Service and Outreach*: programs and services related to the spiritual, social, and economic needs of those in the communities First UCC serves.
- *Wider Mission of the UCC*: programs providing for the work of the UCC in the United States and overseas, including new church development, professional leadership, educational ministries, work missions, evangelism, and participation in UCC international partnerships.
- *Christian Education, Worship, and Music*: grants for special programs for children, youth, and adults enabling them to grow in their Christian faith, scholarships and/or grants for the purpose of attending college to pursue a church related vocation; funds for worship, music, or other church committee needs not included in the operating budget.
- *Capital Improvements*: Funding for major capitol improvements of facilities, building programs, acquisition of land, replacement of real property (not church repairs), and debt reduction that cannot be financed by annual giving.

The congregation may decide to make the principle of the Endowment Fund available for specific capital improvements or special expenses only upon a three-fourths vote at an annual or special meeting of the congregation. Prior to the vote, the motion shall specify the amount of principle to be made available and the purpose of the funds. If the congregation so approves, those funds shall only be distributed according to the purpose for which the congregation gave approval.

## **Amendments to Policy**

This Endowment Fund policy may only be amended by a two-thirds vote of the members present at an annual meeting of the congregation, provided that notice of the amendment is given in writing at the same time and manner in which the annual meeting notice is given.

## **Dissolution of First U.C.C.**

In the event that the First UCC ceases to exist, for any reason, disposition or transfer of the First UCC Endowment Fund shall be at the discretion of the congregation at an annual or special meeting of the congregation, and in consultation with the denominational staff to which the congregation belongs at such time.