

1 May 2023

**FIRST METHODIST CHURCH, WASHINGTON
PERMANENT ENDOWMENT AND PLANNED GIVING MINISTRY
COMMITTEE
AND PERMANENT ENDOWMENT FUND**

Introduction

Endowment giving is a special program of giving above and beyond regular contributions to the church. It is very important to realize that an Endowment gift can be any amount of money (small or large) or other asset, such as personal property, life insurance, bequest in a will, or real estate. There are many other ways of giving and further information will be provided regarding what giving plan is best for each donor. Endowment gifts can be given to create a legacy or endow your church's ministry. Contributions can be made to an undesignated Endowment fund or it can be designated to a specific area, such as: supporting new and expanding church ministries, a mission project, a scholarship, or a physical project at the church. This list of specific or designated areas could be endless. The Endowment fund will generate income to fund programs, projects, missions, etc.

An Endowment Committee will be responsible for the fund. Its members may include members of the Stewardship Committee, Finance Committee, and Trustees. It will make decisions regarding using the assets from the undesignated Endowment funds as well as the designated funds and giving advice to potential donors. The Endowment contributions will be invested with the North Carolina Conference United Methodist Foundation. The foundation exists to invest monies for local churches, Conference Districts, and agencies. It is important to mention again that Endowment gifts are above and beyond regular giving through personal assets. Most important of all is that your contribution can be any size, whether it is monetary or otherwise. These gifts will help fund ministry areas that allow us to live out our mission of making Disciples of Christ and will help plant the seeds for our future.

Purpose

The Purpose of an Endowment Fund is to provide a means for donors to leave a legacy through First Methodist Church Washington. This gift will outlive the donor through succeeding generations. A financial endowment is a donation of money or property for the ongoing support of the church. It is generally structured so that the principal amount is kept intact while the investment income is available for use. This allows the donation to have an impact over a longer period than if it were spent all at once. Stability is the main reason to have an endowment. An endowment is in addition to funds for the normal and general operation of the church.

Policy and Procedure

1. Management of the Fund

- a) Responsibility for management of the Fund shall be vested in the Endowment Committee.
- b) The Endowment Committee shall consist of appointed members from the Stewardship Committee, Finance Committee, and the Trustees. The members and chairperson of the Committee shall be nominated by the Committee on Nominations and Leadership Development and elected by the Charge Conference. The Committee shall elect a secretary and such other officers and appoint such sub-committees as it deems necessary and shall define their duties.
- c) The senior pastor will be a member of the committee. The associate pastor may also be a member of the committee.
- d) The standard terms of office for committee members are three years, however, that could be more or less depending on the position held by a member.
- e) The committee shall meet at least quarterly, or as often as necessary to conduct business of the fund. A quorum representing at least two thirds of the members of the committee is required to conduct business.
- f) A majority of those present at a committee meeting (i.e. at least one third of the members of the committee) shall carry any motion or resolution.
- g) The Committee shall make a full report no less frequently than once a year to the Church Council.
- h) The Committee, in cooperation with the Church Committee on Finance, shall ensure that the annual audit or review is performed.

2. Powers and Duties of the Committee

- a) The committee shall have the power necessary and shall assume all duties required to carry out the intent of this resolution.
- b) To promote giving to the Fund, while considering the other fundraising efforts which the church may be sponsoring.
- c) To accept or reject any gift, bequest, or devise to the Fund and properly acknowledge all gifts.
- d) To keep records of all donors and gifts.
- e) To maintain proper records of receipts and expenditures from the fund and assets of the Fund.

f) To use income and maintain principal in accordance with the directions of the donors, recommendation of appropriate committees and work areas of the church, the applicable guidelines of the funds and the social principles of the Global Methodist Church.

g) To recommend to the Church Council the use of the income from the Undesignated Fund.

3. Investment of the Fund

a) All assets are to be held in the name of the First Methodist Church Washington Endowment Fund.

b) The assets of the Fund shall be invested in accordance with the Social Principles of the Global Methodist Church, as set forth in the Book of Doctrines and Discipline.

c) The Fund assets will be transferred to the North Carolina Conference United Methodist Foundation for investment and management.

4. Use of the Fund

a) The Fund shall consist of an Undesignated Fund and any Designated Funds. No part of the Endowment Funds shall be expended and used for the annual operating needs of the church, unless there is a designated fund specifically designed for that purpose. Also, the church may not borrow any part of the funds.

b) All undesignated gifts to the Fund will be placed in the Undesignated Fund. The income of the Undesignated Fund may be expended by the Committee with the approval of the Church Council. The Endowment Committee may distribute the income of the Undesignated Fund or may make an annual determination of the fixed percentage of the fund to distribute in accordance with appropriate legislation (i.e., UPMIFA).

c) Designated Funds are determined by the donor and the committee. They should be in keeping with the program and ministry of First Methodist Church Washington.

d) The Committee shall determine what is principal and income according to generally accepted accounting procedures and in accordance with appropriate legislation.

e) Administration fees will normally be paid from the income of the Undesignated Fund.

f) Income to be used from the Fund shall be determined by the Committee. The income (dividends), minus the administrative fees, will equal the total available income to be used. Capital gains are part of the principal.

5. Merger or Dissolution of the Church

a) If at any time, the Church is lawfully merged or consolidated with any other church, all provisions of the Fund shall be deemed to have been made in behalf of the merged or consolidated church which shall be entitled to receive all the benefits of the Fund and shall be obligated to administer it in accordance with the terms of this resolution.

b) In the event of the dissolution of the Church, The North Carolina Conference of the Global Methodist Church or its successor shall receive the benefits of the Fund and shall be obligated to administer it in accordance with this resolution.

6. Amendments

The terms of this Resolution may be amended only by a two-thirds (2/3) vote of those present at the annual Charge Conference of the Church duly called according to the Book of Doctrines and Discipline of the Global Methodist Church for the specific purpose of amending the terms hereof.

7. Fund Dissolution

The Committee may recommend the dissolution of the Fund, if it is decided that it would be in the Fund's best interest to do so and to direct, with the approval of the Charge Conference of the Church, how the assets of the Fund are to be distributed.

ADOPTION: This resolution was accepted by the Charge Conference of First Methodist Church Washington at a session held at the church on (date)

By: _____

Presiding Officer

Secretary