

OAKWOOD UNITED METHODIST CHURCH

ENDOWMENT POLICY

Administrative Council approved on September 12, 2021.

PURPOSE

The Oakwood United Methodist Church wishes to encourage Christian Stewardship and the receipt of gifts of accumulated, inherited, and appreciated resources. It is understood that special gifts and bequests to the Endowment Fund should not take the place of faithful stewardship of current operating income but should be made to enable the church to continue its mission in the future both here and abroad. Moneys from the funds will be expended for the Endowment Fund purposes outlined in expenditures of the Funds.

ESTABLISHMENT OF FUNDS

All gifts to the Endowment Fund shall be segregated from operating funds. The Administrative Council may refuse any gift. Gifts of real or personal property which is either impractical or undesirable to convert to cash, will be the responsibility of the Administrative Council and not be a part of any of the endowment funds until such time as they are converted to cash. Contributions given to the church Endowment Fund in amounts of less than \$100 will be designated for the Memorial Fund.

EXPENDITURE OF FUNDS

Expenditures from the income of Endowment Fund would include:

- *Building and land acquisitions*
- *Building additions*
- *Replacement of Real Property (not repair) costing over \$5000. Heating systems, roof etc.*
- *Other similar expenditures at the discretion of the Administrative Council*

Expenditures excluded from the Endowment Fund would include:

- *Redecorating Including painting, drapes, wallpaper, carpet, and furniture.*
- *Landscaping*
- *Repairs*
- *Other Similar expenditures at the discretion of the Administrative Council*

Expenditures that would be appropriate from the income of the Endowment Fund would include the following (or similar needs):

- *Scholarships for seminary*
- *Scholarships for Christian education*
- *Humanitarian and including food, clothing, shelter, medicine, and health needs.
locally and globally*
- *Habitat for Humanity*
- *Appalachian Service Project*
- *Community needs*
- *New church starts and mission materials.*
- *Other similar expenditures at the discretion of the Administrative Council*

Expenditures excluded from the Endowment Fund include:

- *Conference Obligations (Apportionments)*
- *Contributions to the specially designated conference funds that members are Asked to support (One Great Hour, etc.)*
- *Other similar expenditures at the discretion of the Administrative Council*

DONOR DESIGNATION ENDOWMENT FUND

We recognize that many donors have specific purposes in mind, and so, if a gift is of \$10,000 or more, the donor may designate the name and purpose of gift. The Administrative Council may, in a particular case, waive the \$10,000 minimum on such gifts.

CHANGES IN DESIGNATION

If the Administrative Council at any time determines that use of any portion of the fund Pursuant to the donor's designation is or has become incapable of fulfillment or Contrary to the donor's implied intent or the purpose has been fulfilled the Administrative Council, by a $\frac{3}{4}$ vote of those attending the meeting may make such variances as will, In its judgment, achieve the donor's presumed intent, so long as it is within the purposes of the church.

MANAGEMENT OF THE FUND

The funds shall be managed by the Financial Chair in conjunction with the Administrative Council of the Oakwood United Methodist Church and report to the Administrative Council. The management of the funds shall seek to maintain a balance between income, growth, and security of the invested funds. The principal shall never be borrowed except as provided in the provisions of the Endowment Fund.

The Administrative Council may appoint a corporate fiduciary as its agent. If an agent is appointed, the agent shall have custody of the property as to which it is acting as agent and shall make all investment decisions pursuant to such policies as may be determined, from time to time, by the Financial Chair, in conjunction with the Administrative Council. If a corporate fiduciary is appointed, the Financial Chair, in conjunction with the Administrative Council, is authorized to grant to the fiduciary, powers as the Financial Chair, in conjunction with the Administrative Council and the corporate fiduciary may agree upon. The Treasurer, as appointed by the Administrative Council, or his or her designate will be responsible for writing the checks and maintaining the accounting records. A complete financial report of all funds invested and disbursed shall be made annually to the Administrative Council. A quarterly report will be made to the Administrative Council, as well.

ACCUMULATION AND DISTRIBUTION OF INCOME

The Administrative Council shall determine what is principal and income according to accepted accounting procedures. Income from the funds may be distributed annually and as such other times as approved by the Administrative Council. Moneys will not be spent until minimum principal has reached the following level: *Endowment Fund: \$100,000*. Moneys in excess of \$100,000 may be used for purposes as approved by the Administrative Council following the provisions of the Endowment Fund.

MEMBERS OF ADMINSTRATIVE COUNCIL

Members of the Administrative Council shall not be liable for any loses which may be incurred upon the investments of the assets of the funds except to the extent such loses shall have been caused by bad faith or gross negligence. No member shall be personally liable as long as he or she acts in good faith and with ordinary prudence. Each member shall be liable only for his or her own willful misconduct of omissions and shall not be liable for the acts of 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 shall at all times refrain from any conduct in which his or her personal interest would conflict with the interest of the Fund.

AMENDMENTS OF THE ENDOWMENT FUND POLICY

A $\frac{3}{4}$ vote of the Oakwood United Methodist Church Administrative Council may amend the Endowment Fund Policy.

On September 12, 2021, at the Administrative Council meeting, the motion to accept this policy was made by Laura Wittig and seconded by Deb Clow. The motion passed unanimously. Board members present were Pastor Trevor Oetting, Nancy Tyler, John Sudlow, Laura Wittig, Tim Cunningham, Marilyn Elrod, and Deb Clow.

