

# Endowment Program

- Policies and
- Guidelines

Ask Your Questions Of The Team Members:  
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BERWYN UNITED METHODIST CHURCH  
ENDOWMENT PROGRAM POLICIES AND GUIDELINES

**PURPOSE**

The Endowment Program of the Berwyn United Methodist Church is to establish and to provide a vehicle for members and friends to make gifts that will become an endowment to support the mission and ministries of the Berwyn United Methodist Church.

**ADMINISTRATION**

The Endowment Fund shall exist under the authority of the Charge Conference.

The Endowment Committee as a committee of the Board of Trustees of the Berwyn United Methodist Church is empowered *to*:

- A) Accept and acknowledge appropriate gifts to the Endowment Fund including all funds designated for the endowment fund and a portion of undesignated bequests and memorials. The undesignated bequests and memorials will be reviewed annually with a recommendation made to the Administrative Board.
- B) Promote and educate the congregation regarding the Endowment Program.
- C) Maintain an accurate record of all bequests, memorials or other gifts made to the Endowment Fund.
- D) Invest funds to assure current income and promote long-term growth.
- E) Maintain an accurate and complete accounting of all invested funds, including income, capital and expenses incurred
- F) Report to the Charge Conference when requested but not less than annually the status of invested funds, the amount of earnings available for distribution and the actual distribution of such funds.

The Finance Committee of the Berwyn United Methodist Church shall be responsible for an annual audit of the Endowment Fund and report its findings and recommendations to the Charge Conference.

The Administrative Board shall be responsible for approving all distributions from the Endowment Fund for approved programs, ministries and training experiences to benefit the local church and for approved mission projects beyond the local church.

## **ENDOWMENT COMMITTEE MEMBERSHIP**

Membership of the Endowment Committee shall consist of an Executive Committee comprised of four persons and four to six additional members-at-large.

The Executive Committee members shall be Chairperson, Vice-Chairperson, Secretary and Treasurer. The members-at-large shall consist of those four to six additional members. The Ex-Officio members of the Executive and the full Committee are the Pastor and the Treasurer of Berwyn United Methodist Church.

Members of the Executive Committee shall serve for a term of eight (8) years which would include time spent as a member-at-large. Members-at-large shall serve for a term of three (3) years.

At all times, the overall membership of the Endowment Committee shall include at least two members of the Finance Committee and two members of the Board of Trustees. Members of the Executive Committee may not succeed themselves, i.e., may serve only one eight-year term. Members-at-large may succeed themselves a maximum of one time, i.e., may serve only two consecutive three-year terms. If any member of the Committee resigns or is absent for a year, a new member shall be appointed to the Committee to serve out the remaining term of the departed member.

The Endowment Committee shall have officers consisting of a Chairperson, a Vice-Chairperson, a Secretary, and a Treasurer. Initially, the Chairperson shall be Rosalie Hart, the Vice-Chairperson shall be Janelle Larson, the Secretary shall be Jack Campbell, and the Treasurer shall be Bob Koons. New officers will be elected by the Endowment Committee when the current officers leave their posts.

The Lay Leadership Committee shall recommend to the Charge Conference those who shall be appointed to the Endowment Committee.

## **INVESTMENT OF FUNDS**

The funds provided to the Endowment Program shall be provided to an investment organization for investment and administration. A Due Diligence effort by the initial Endowment Program Committee determined that the Eastern Pennsylvania - Peninsula United Methodist Foundation Inc. was the investment agency best suited to invest, help educate, and communicate the advantages, ideas and mechanisms of the Endowment Program for the Berwyn United Methodist Church. That agency shall be the investment agency for the Endowment Program.

To insure that the above agency best serves the needs of the BUMC, a new survey of available agencies shall be made each three years by the end of November. If another agency scores better for the Endowment Program, the

agency shall be made the BUMC investment agency.

### **LIMITATION ON USE OF PRINCIPAL**

The objective of the Endowment Fund is to conserve the Fund's principal and make use of only the income from invested funds. No part of the principal may be withdrawn except in extreme and overwhelming circumstances bordering on the survival of BUMC. Any such withdrawal of principal must be approved by two-thirds (2/3) vote of the Administrative Board of BUMC when a quorum is present.

### **DISTRIBUTION OF INCOME**

When the Endowment Fund value is less than \$50,000, all income must be reinvested in the Endowment Fund.

When the Endowment Fund value exceeds \$50,000, the annual income produced by the Fund shall be distributed as follows:

- (a) One-half (1/2) of the annual income shall be made available to BUMC for approved programs, ministries, training experiences, mission projects, capital improvements, and/or maintenance projects, upon recommendation by the Endowment Committee to, and approval by, the Finance Committee, Board of Trustees and the Administrative Board.
- (b) One-half (1/2) of the annual income shall be reinvested by the Endowment Committee in the Endowment Fund to facilitate future growth of the Fund's principal.
- (c) Income shall not be distributed to support the budget items of the Church regularly funded by the pledges and gifts of its members.

When the principal of the Endowment Fund reaches \$250,000 the income distribution strategy will be reassessed by the committee.

### **LIABILITY**

In the absence of fraud or other willful misconduct, no member of the Board of Trustees, the Finance Committee, the Endowment Committee or the Administrative Board of the Berwyn United Methodist Church shall be personally liable for any action taken or omission made with respect to the Endowment Fund Program.

**MERGER CONSIDERATIONS**

If at any time the Berwyn United Methodist Church is lawfully merged, or consolidated with any other church, all provisions hereof in respect to the Endowment Program shall be deemed to have been made in behalf of the merged, or consolidated church which shall be obligated to administer the same in all respects and in accordance with the terms thereto.

**AMENDMENTS**

Technical corrections and amendments to the Endowment Fund which do not alter its stated purpose may be made only by a two-thirds (2/3) vote at a duly announced Charge Conference of the Berwyn United Methodist Church at which a quorum is present.

THESE ENDOWMENT POLICIES AND GUIDELINES WERE ADOPTED ON \_\_\_\_\_ IN A DULY AUTHORIZED CHARGE CONFERENCE OF THE BERWYN UNITED METHODIST CHURCH.

\_\_\_\_\_  
(Recording Secretary)

\_\_\_\_\_  
(District Superintendent)

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(Pastor)