

UUCG Endowment Fund Operations

Unitarian Universalist Church of Greensboro
Date Adopted by Congregation: 2007 October 21

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I. Enabling Amendment (adoption date: 2007 October 21)

Article V Church Operations, Section G. Committees and Appointments **The Endowment Committee**

The Endowment Committee consists of three congregational members, all of whom shall have been voting members of UUCG for at least two years prior to election, elected at the Annual Meeting. At the first Annual Meeting following adoption of this amendment, the congregation will elect one member to serve a one year term, another member to serve a two year term, and a third member to serve a three year term. At subsequent annual meetings, the congregation will elect one member for the vacant seat, plus any to fill vacancies.

The Endowment Committee will carry out the duties and responsibilities found in the separate document "UUCG Endowment Fund Operations." That "UUCG Endowment Fund Operations" document will be adopted and may be amended only by a two-thirds majority at a legally called congregational meeting.

Amendment to the paragraph on the Nominating Committee:

"The Nominating Committee prepares a slate of officers, ~~and~~ Board members and Endowment Fund Committee member(s) for election at the Annual Meeting."

II. Purpose of the Endowment Committee

The purpose of the Endowment Committee (hereafter, called the COMMITTEE) is to

- A. Manage the acceptance, disposition and investment of gifts, and
- B. Insure that distribution from the funds is in compliance with the UUCG Constitution and By-Laws and this document, "UUCG Endowment Fund Operations," and
- C. Make all necessary reports to the UUCG Board and Congregation.

46 **III. Qualifications, Selection and Responsibilities of COMMITTEE**
47 **members**

48
49 The COMMITTEE will consist of three (3) members, all of whom will have been voting
50 members of UUCG for at least two years prior to election. Except as herein limited, the
51 term of each member will be three (3) years. The minister and the president of the Church
52 will be non-voting advisory members of the COMMITTEE.

53
54 At the first Annual Meeting following adoption of this amendment, the congregation will
55 elect three (3) members of the COMMITTEE: one (1) for a term of three (3) years; one
56 (1) for a term of two (2) years; and one (1) for a term of one (1) year. Thereafter, at each
57 annual meeting, the congregation will elect one member for a term of three (3) years.
58 Until the time of the first election of COMMITTEE members, the Presidents Council (all
59 past presidents who are members of UUCG and the current President) will act as the
60 temporary Endowment Committee.

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62 Any member of the COMMITTEE may be removed from office by a two-thirds vote at a
63 legal congregational meeting.

64
65 In the event of a vacancy on the COMMITTEE, the President of the Church will appoint,
66 with approval of the UUCG Board of Trustees (hereinafter called the BOARD), a
67 member to fill the temporary vacancy until the next Annual Meeting of the congregation,
68 at which time the congregation will elect a member to complete the term of the vacancy.

69
70 No member may serve on the COMMITTEE while also serving on the BOARD or as an
71 elected officer of the congregation. No member will serve more than two consecutive
72 three-year terms. After a lapse of one (1) year, former COMMITTEE members may be re-
73 elected.

74
75 No member of the COMMITTEE will engage in any self-dealing or transactions with the
76 Unitarian Universalist Church of Greensboro Endowment Fund (hereafter called the
77 FUND) in which the members has direct or indirect financial interest. COMMITTEE
78 members may make gifts to the FUND. Members will refrain at all times from conduct
79 in which their personal interests would conflict with the interest of the Endowment.

80
81 The Nominating Committee of the congregation will nominate new members for the
82 COMMITTEE and report at the annual congregational meeting in the same manner as for
83 other offices and committees.

84
85 The COMMITTEE will meet at least quarterly, in the best interest of the FUND. A
86 quorum will consist of all three (3) members. A unanimous vote of the members of the
87 COMMITTEE is needed carry any motion or resolution. The committee will elect from
88 its membership a chairperson, financial secretary and recording secretary.

89
90 A. The COMMITTEE chairperson, or member designated by the chairperson, will
91 preside at all committee meetings.

92

93 B. The COMMITTEE recording secretary will maintain complete and accurate minutes
94 of all meetings of the COMMITTEE and supply a copy thereof to each member of the
95 COMMITTEE. Each member will keep a complete copy of minutes to be delivered to
96 his/her successor. The secretary will also supply a copy of the minutes to the BOARD.
97

98 C. The COMMITTEE financial secretary will assist the congregation's Treasurer in
99 maintaining complete and accurate books of accounts for the FUND and will submit to
100 the treasurer on behalf of the COMMITTEE written requests for checks payable from the
101 FUND and shall sign all other necessary documents on behalf of the congregation in
102 furtherance of the purposes of the FUND. The financial secretary will sign all checks
103 payable from the FUND in amounts no greater than \$250.00. The signatures of both the
104 authorized financial secretary and the Treasurer are required for greater amounts.
105

106 **IV. Acceptance and Financial Management of Gifts**

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108 The COMMITTEE will decide to accept or reject gifts based on their potential liquidity
109 and appropriateness for our church community.
110

111 The COMMITTEE will invest the assets of the Endowment with the objective of
112 maximizing total return consistent with no more than moderate risk.
113

114 The COMMITTEE will endeavor to invest the assets of the Endowment in a socially
115 responsible manner. It is intended that reasonable restrictions placed on any gift by the
116 donor will be faithfully followed, subject to the Committee's determination of the
117 integrity and best interests of the Endowment.
118

119 **V. Assets held by the COMMITTEE**

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121 The FUND will be audited at least once every seven years by a certified public
122 accountant or other appropriate person who is not a member of the COMMITTEE at the
123 expense of the FUND (taken from the annual distribution amount OR undistributed
124 capital appreciation). An internal review of financial procedures will be conducted at
125 least once every two years. The COMMITTEE will report on a quarterly basis to the
126 BOARD and, at each Annual Meeting of the congregation, will render a full and
127 complete account of the administration of the FUND during the preceding year.
128

129 The COMMITTEE may request other members of the congregation to serve as advisory
130 members and, at the expense of the FUND (taken from the annual distribution amount
131 OR undistributed capital appreciation), may provide for such professional counseling on
132 investments or legal matters as it deems to be in the best interest of the fund.
133

134 Members of the COMMITTEE will not be liable for any losses which may be incurred
135 upon the investments of the assets of the FUND except to the extent that such losses shall
136 have been caused by bad faith or gross negligence. Each member will be liable only for
137 his/her own willful misconduct or omissions and will not be liable for the acts or
138 omissions of any other member. No member will engage in any self dealing or
139 transactions with the FUND in which the member has direct or indirect financial interest

140 and shall at all times refrain from any conduct in which his/her personal interests would
141 conflict with the interest of the FUND.

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143 All assets are to be held in the name of the Unitarian Universalist Church of Greensboro
144 Endowment Fund.

145

146 Decisions to hold, sell, exchange, rent, lease, transfer, convert, invest, reinvest, and in all
147 other respects to manage and control the assets of the FUND, including stocks, bonds,
148 debentures, mortgages, notes, or other securities, as in their judgment and discretion they
149 deem wise and prudent, are to be made by the COMMITTEE with subsequent execution
150 by the delegated member of the COMMITTEE. The COMMITTEE will control the
151 disposition of all sale proceeds.

152

153 **VI. Three Accounts**

154

155 The FUND will be composed of three accounts, which may be co-mingled for ease of
156 investment management. The Committee will separately account for each of these
157 accounts, attributing to each its proportionate share of changes in investment values, as
158 well as recording gifts to and distributions from each of the accounts. The distribution
159 limit outlined below (in section VII) will be applied on an account-by-account basis.
160 Gifts and bequests to the FUND may be designated for any of the three accounts.
161 Undesignated gifts will be deposited to the Unrestricted Reserve Account.

162

163 The three accounts are established as follows:

164

- A portion of the assets of the Endowment will be allocated to the
Unrestricted Reserve Account.
- A portion of the assets of the Endowment will be allocated to the
Physical Plant Reserve Account.
- A portion of the assets of the Endowment will be allocated to the Social
Outreach and Service Account.

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A. Unrestricted Reserve Account

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Distributions from the Unrestricted Reserve Account may be used for any purpose
to further the work of the church, including but not limited to paying down the
acquisition mortgage principle, and funding special events, but will not be used
for the ordinary and customary operating expenses of the Church.

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B. Physical Plant Reserve Account

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Distributions from the Physical Plant Reserve Account shall only be used to help
pay for major capital expenditures and significant improvement projects related to
the church's buildings and real property, including grounds and landscaping, over
and above regular maintenance.

183

C. The Social Outreach and Service Account

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Distributions from the Social Outreach and Service Account will only be used to
further the church's mission of supporting individual and collective service to the
larger community. This fund is not intended to support activities for the church

187 community itself, but is intended for social responsibility efforts in the broader
188 community at large.

189

190 **VII. Distributions**

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192 A. The COMMITTEE will abide by and keep a record of the terms and restrictions of all
193 gifts accepted into the FUND and shall determine what is principal and income according
194 to accepted accounting procedures.

195

196 Until the amount of \$100,000 is reached, any and all interest will permanently become
197 part of the untouchable corpus of the FUND. Lifetime and testamentary gifts to the
198 FUND will accumulate until a fair market value of \$100,000 is achieved, after which
199 annual distributions may commence. However, should the fair market value of the
200 FUND subsequently decline to less than \$100,000, distributions will be made only upon
201 an affirmative vote by two-thirds of those voting at a legal congregational meeting.

202

203 In order to protect and preserve the corpus of the Endowment over the long term, the
204 COMMITTEE will not make any disbursements until the FUND exceeds \$100,000 in
205 value. Only interest earned after the FUND exceeds \$100,000 may be disbursed. Once
206 \$100,000 has been reached, the COMMITTEE may disburse any and all new interest.

207

208 B. The Process for distribution will be:

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1. The COMMITTEE will determine how much money is available for
210 distribution from each Account.

211

2. The BOARD and the COMMITTEE will determine which projects, if any, will
212 receive the distribution(s). Recommendations may come to the Board from any
213 UUCG committee, group, or individual.

214

3. The COMMITTEE financial secretary and/or the Treasurer will write check(s)
215 and deliver the distributed funds.

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219 **VIII. Disposition or Transfer of FUND**

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221 In the event the Unitarian Universalist Church of Greensboro ceases to exist through
222 dissolution, the FUND will be transferred to the UUA Endowment Fund. Merger of
223 UUCG with another Unitarian Universalist church will transfer this FUND and current
224 Operations document to that new church.