

Endowment

United Church of Christ, Congregational, of Boxborough

Effective Date: 19 March 2015

Supercedes Date: 25 January 2015

1 Purpose

This document establishes guidelines for the receipt, investment, and distribution of financial gifts, bequests and contributions to the United Church of Christ, Congregational, of Boxborough (the Church).

2 Definitions

The *Endowment* comprises permanent funds of the United Church of Christ, Congregational, of Boxborough.

The *Endowment Fund* receives and holds all gifts made to the Church from sources such as bequests, gift annuities, insurance policies, trusts, or other planned or deferred arrangements, as well as specific cash gifts that are not otherwise designated. Capital growth, earned income and dividends shall be used for general purposes in furtherance of the Church's mission.

3 Policy

The Endowment Fund shall be managed to:

- a. Provide resources to further the mission of the Church, now and in the future
- b. Handle gifts with the care and prudence expected by the donor, and consistent with the Church's Investment policy
- c. Preserve and grow principal indefinitely

4 Procedures

4.1 Administration

The Finance Committee shall administer the Endowment Fund. As fiscal agents for the Fund, the Finance Committee shall accept or decline proposed gifts, acknowledge accepted gifts, maintain a record of all gifts, invest the monies of the Fund, maintain a complete accounting of all investments, authorize distributions, and promote the Fund throughout the Church.

4.1.1 Acceptance of Gifts

The Finance Committee shall have the responsibility for the acceptance or rejection of all gifts consistent with this document. Gifts inconsistent with this document shall be brought to the Council for discussion.

Properties and securities transferred to the church will generally be sold promptly and the proceeds placed with the investment managers in the Endowment Fund.

4.1.2 Use of Principal

Use of the principal for an emergency situation is allowed, but only after being proposed to and affirmed by the Congregation with a two-thirds vote in favor.

4.1.3 Reporting to the Congregation

The Finance Committee shall report at least annually to the Congregation on the health of the Endowment Fund and the purpose of all distributions made within the reporting period.

4.2 Conflict of Interest

No member of the Church Council or Finance Committee shall benefit financially, either directly or indirectly, from managing the Endowment Fund or making investment decisions on the Church's behalf.

Any Finance Committee member having a direct or indirect personal interest in any dealings or transactions involving these funds shall refrain, at all times, from any conduct in which personal interests would conflict with the interest of the Church.

4.3 Release from Liabilities

Having made a “good faith” effort to comply with the terms of this policy, the Finance Committee, or other delegated persons or parties, shall be released from liabilities incurred in such a good faith effort. Individual Finance Committee members shall not be liable for the acts or omissions of any other Finance Committee member.

5 Amendments to This Document

Editorial amendments to this document can be proposed at any regularly scheduled Council meeting and approved by a simple majority at the next Council meeting.

Substantive amendments to this document can be made through the following actions:

- a. Finance Committee members shall first approve the proposed amendment for recommendation to the Council.
- b. The Church Council shall next approve the proposed amendment for recommendation to the Congregation.
- c. The Endowment Policy amendment shall be approved at a Congregational Meeting of the Church, and must receive at least a two-thirds majority in favor for adoption.

6 Forms

None.