

RUSH UNITED METHODIST CHURCH
ENDOWMENT FUND CHARTER
Established 1986
Revised 12/11/1988, 02/15/2000, and 10/31/2018

The Rush United Methodist Church Endowment Fund (EF) was established by Administrative Board action on June 1, 1986. The purpose of the Fund is for receiving, holding and administering gifts and bequests of any kind as principal to invest which will provide the Church with annual income for capital/major facelifting improvements, outreach in the community, national and global sphere of Christianity.

The administration of the EF is in accordance with the United Methodist Church Book of Discipline and is administered locally by the Charge/Church/Quarterly Conferences and the Leadership Team.

Kinds of Property

Only those gifts and bequests, which are neither designated nor restricted, shall be placed in the EF. (Gifts and bequests, which are designated or restricted, will upon acceptance by the Church through a Charge/Church Conference, be separately administered according to the terms of the gift or bequest and will not become part of the EF). An exception is for Building Fund gifts, grants and bequests, which will be included in the EF. Gifts of less than \$1000 will be accumulated in an account within the General Fund. When this accumulated amount exceeds \$1000 it will be transferred to the EF.

Charge Conference

The Pastor shall request the District Superintendent to call a Charge Conference for the purpose of accepting all gifts, bequests, legacies and trusts in the amount of one thousand dollars (\$1000) or more. The Charge Conference also shall designate the EF to administer these funds. Designated and restricted funds will be referred to the Finance Ministry Team for administration in accordance with the stipulated terms.

Leadership Team

The Leadership Team shall see that the Endowment Fund Administrators Committee (EFAC) is properly staffed for the administration of the EF.

The Leadership Team shall approve the appointment of one (1) representative to the EFAC recommended by each of the Mission and Outreach Ministry and the Building and Grounds Ministry.

The Leadership Team shall also appoint three (3) at-large members from the remainder of the Church membership.

The members appointed to the EFAC are not required to be members of the appointing committee and will serve a term of five (5) years. One representative's term of office will expire each year. In the event a representative is not able to complete his/her term, an appointment will be made by the EFAC and approved by the Leadership Team for the balance of that term. Representatives may be appointed for succeeding terms.

INCOME

The EF income, consisting of interest and dividends on invested funds, shall be accounted for separately from principal and capital gains. Capital gains shall be considered the same as principal in the EF.

The governing body (Leadership Team or Church/Charge Conference) shall determine the use of the income upon the recommendation of the EFAC.

The income will generally be granted for capital/major facelifting improvements, outreach in the community and national and global sphere of Christianity. All ministries and endeavors shall have equal access to the income. (All requests for use of the income shall be submitted to the EFAC).

The EFAC may grant any request up to five thousand dollars (\$5000) without any further approval. This action will be reported to the Leadership Team and Finance Ministry Team.

Principal

The principal consists of the original dollars entering the EF plus subsequent capital gains earned on that money.

To provide for future flexibility in meeting the needs of the Church, the principal may be invaded only according to the following steps:

- A ten (10) day written notice or a consecutive two week verbal announcement at Sunday worship services of a special Charge/Church Conference with a clear statement of the proposed resolution(s) in the notice and
- A two-thirds affirmative vote by those present and voting at the Conference but not less than twenty (20) affirmative votes (abstentions not counted) on the proposed resolution.

Fiscal Year

The fiscal year shall be the same as the Church's fiscal year.

Reporting

Periodic reporting to the Leadership Team by the EFAC is to be incorporated with the Finance Ministry Team's reports. Annually, a comprehensive funds financial report will be incorporated in the fiscal year report.

Memorial Funds

The amount in excess of three thousand dollars (\$3000) of the total of such outstanding undesignated gifts held in the Memorials account at the end of the fiscal year shall be transferred into the EF.

Merger

In the event Rush United Methodist Church merges with one or several other churches, the disposition of EF assets will be determined by the Leadership Team or Church/Charge Conference prior to the merger, wherein policies for administration of the assets will be determined.

Abandonment

In the event of the dissolution of Rush United Methodist Church, the assets of the EF will be transferred to the Upper New York Conference for future administration of assets.

Amendments

Proposed amendments to the terms and provisions herein described must be submitted to the governing body (Leadership Team) in writing and affirmatively approved before submitting the same to a regular or specially called Charge/Church/Quarterly Conference. A two-thirds vote by those present and voting (but no less than twenty (20) affirmative votes) at the Conference shall be required.

Endowment Fund Administrators Committee

The EFAC shall administer all funds with a primary purpose of providing current income.

The principal of all assets placed in the EF shall be invested in a wise and prudent manner with an emphasis on obtaining maximum value without undue risk or loss of principal. Investments might include money market and mutual funds, certificates of deposit, government bonds and the like.

As a general policy, it will not be prudent to hold on to specific property such as individual stocks and bonds, real estate, insurance policies and other similar negotiable properties. Generally, all reasonable effort should be made to liquidate bequests and

reinvest the proceeds in investments better suited to meet the current income objective. Liquidation should be done considering the tax implications to the gifting party.

Periodic financial reporting to the Leadership Team is to be incorporated with the Finance Ministry Team reports. Annually, a comprehensive financial report will be incorporated with the fiscal year report.

The fiscal year shall be the same as the Church's financial year.

A bank/investment account specifically for the EF will be maintained.

Two members of the EFAC are to be authorized to act on behalf of the EFAC. Two signatures are not required on transactions.

Note: This charter incorporates the amendments made to the original charter and recognizes the consolidation of the responsibilities of the original Income Advisory Committee into the current Endowment Fund Administrators Committee.

Updated and revised 02/15/2000

Updated and revised 03/11/2015

Updated and revised 10/31/2018

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