

**A RESOLUTION ESTABLISHING AN
ENDOWMENT PROGRAM**
for
**UNION CHURCH OF BELGRADE LAKES,
UNITED METHODIST**

December 15, 2008

ARTICLE ONE – PURPOSE

The Endowment Program of Union Church of Belgrade Lakes, United Methodist is established for the purpose of providing members and friends the opportunity to make charitable gifts to Union Church of Belgrade Lakes, United Methodist that will become a permanent endowment of financial support and living memorial.

ARTICLE TWO – DEFINITIONS

As used in this Resolution, capitalized terms shall have the definitions below.

- A. Resolution – this document, as may be amended.
- B. Endowment Program – the term encompassing all initiatives, activities and efforts to provide a permanent financial resource for Union Church, as described in this Resolution.
- C. Endowment Advisory Committee – a committee that serves certain administrative and clerical functions and provides advice and recommendations to the Board of Trustees in support of its duties under the Endowment Program.
- D. Funds – the financial assets of the Endowment Program are held in one or more Funds, each of which may have a specific purpose and restrictions on the use of the assets held in each Fund, as specified in this Resolution or in the document establishing each Fund.
- E. Gifts – anything of monetary value that is offered for contribution to the Endowment Program, including but not limited to cash, stocks, bonds, other financial instruments, real estate, jewelry, art or other valuable items, insurance policies, loans, or ownership interests.
- F. Union Church – Union Church of Belgrade Lakes, United Methodist, presently located in Belgrade, Maine.

All other terms used in this Resolution shall have their ordinary definition.

ARTICLE THREE – ADMINISTRATION

- A. The Endowment Program shall be administered by the Board of Trustees. (Pursuant to the provisions of The Book of Discipline as adopted in 2004 by the General Conference of The United Methodist Church.)
- B. The Board of Trustees is authorized to take all actions necessary to carry out the purpose of the Endowment Program, except for actions requiring approval by the Charge Conference as set forth in this Resolution or in the Book of Discipline. The Board of Trustees is authorized to take actions including, but not necessarily limited to:
 - 1. developing procedures or policies related to the Endowment Program;
 - 2. approving or rejecting offers of gifts to the Endowment Program;
 - 3. developing the investment strategy for the Endowment Program assets; and
 - 4. approving or rejecting requests for disbursement of assets from the Endowment Program.
- C. The Board of Trustees shall:
 - 1. be accountable to the Charge Conference for the proper management and administration of the Endowment Program;
 - 2. arrange for an audit of the records of the Endowment Program in accordance with the procedures prescribed in the Book of Discipline at least annually; and
 - 3. provide a report at least annually to the Charge Conference.
- D. The Board of Trustees shall at all times act in accordance with the Book of Discipline and with all Charge Conference votes regarding the Endowment Program.

ARTICLE FOUR – INVESTMENT OF ENDOWMENT PROGRAM ASSETS

- A. The assets of the Endowment Program shall be invested in institutions, companies, corporations, or funds that make a positive contribution toward the realization of the goals outlined in the Social Principles of the United Methodist Church.

- B. The assets of the Endowment Program shall be invested according to a strategy that seeks to balance the following objectives:
 - 1. Conservation of principal for the effective maintenance of purchasing power.
 - 2. Generation of regular income at a reasonable rate.
 - 3. Growth of income and principal over and above that necessary to offset rises in the cost of living (inflation).
- C. The assets of the Endowment Program shall be invested in one or more investment funds available through accounts administered by the United Methodist Foundation of New England, or its successor as investment administrator. When additions are made to the Endowment Program, the Board of Trustees shall determine how the additions shall be invested.
- D. The Board of Trustees shall keep appropriate permanent records of the identities (if available) of donors of bequests and of special gifts, and of any persons for whom a gift is made.

ARTICLE FIVE – CHANGE IN INVESTMENT ADMINISTRATOR

- A. Any transfer of the Endowment Program assets for investment with an investment administrator other than the United Methodist Foundation of New England must be approved by a majority vote of the Charge Conference at which a quorum is present.
- B. In the event that the investment administrator is replaced, the Board of Trustees shall ensure that investments will continue to adhere to the provisions of Section A of Article Four (regarding realization of the goals outlined in the Social Principles of The United Methodist Church).

ARTICLE SIX – GIFTS TO THE ENDOWMENT PROGRAM

- A. Having in mind that overly-detailed restrictions on purposes may be impractical to administer, prospective donors shall be encouraged to add their Gifts to one or more of the existing Funds within the Endowment Program.
- B. Funds for specific purposes may be established by the Charge Conference. Gifts accepted into these Funds shall be used for the purposes specified in the documents establishing each such Fund.
- C. If a Gift is made to the Endowment Program without specifying a Fund, the Gift shall be allocated equally among all Funds that exist at the time the Gift is received.

ARTICLE SEVEN – DISBURSEMENT OF ASSETS

- A. To provide time for the Endowment Program to refine its policies and administrative procedures, no disbursements of any Endowment Program assets shall be made for the first three years following adoption of this Resolution.

ARTICLE EIGHT – ENDOWMENT ADVISORY COMMITTEE

- A. The Endowment Advisory Committee is established to assist the Board of Trustees in carrying out its duties under the Endowment Program.
- B. Duties of the Endowment Advisory Committee include:
 - 1. Review the performance of the investment portfolio with the investment administrator and others to assure that the investment portfolio is being managed in accordance with the provisions of the Endowment Program.
 - 2. Provide regular reports to the Board of Trustees and to the congregation on the investment results of the Endowment Program assets.
 - 3. Act as the primary point of contact with the investment administrator to communicate decisions made by the Board of Trustees.
 - 4. Act as the primary point of contact between the Endowment Program and the congregation.
 - 5. Make recommendations to the Board of Trustees regarding:
 - i. changes to the investment strategy, including periodic rebalancing of the investment portfolio;
 - ii. requests for disbursement of assets from Funds of the Endowment Program;
 - iii. changes to the Endowment Program; and
 - iv. analyses of any other matters regarding the Endowment Program referred to it by the Board of Trustees.
 - 6. Prepare and distribute communications which explain the benefits of the Endowment Program to members of the congregation.
 - 7. Organize special events and otherwise promote awareness of the Endowment Program among the Union Church community. This may include organizing educational opportunities for members of the congregation regarding gift planning and other areas of personal financial stewardship, including wills and trusts, long-term care decisions,

annuities, estate and gift planning, etc., which encourage and facilitate contributions to the Endowment Program.

8. Develop and, on an annual basis thereafter, review the Endowment Program's investment policies.

C. The Endowment Advisory Committee shall consist of:

1. the Pastor and the Lay Leader, as non-voting members;
2. a secretary, as a non-voting member;
3. a member designated by the Board of Trustees and ratified by the Charge Conference, who shall also be the Chair of the Endowment Advisory Committee;
4. a member designated by the Finance Committee and ratified by the Charge Conference, who shall also be the Vice-Chair of the Endowment Advisory Committee; and
5. at least three (3) and no more than five (5) at-large members elected by the Charge Conference.

D. Any parishioner of Union Church, regardless of formal affiliation with or membership status in Union Church, is eligible to serve as an at-large member of the Endowment Advisory Committee.

E. Terms of at-large members will be for three years. Terms of the designees of the Board of Trustees and of the Finance Committee will be for three years or until the expiration of their term on the designating committee, whichever is shorter. All members of the Endowment Advisory Committee are limited to a maximum of two consecutive three-year terms.

1. After serving two consecutive three-year terms, a person must wait a year before being eligible to serve on the Endowment Advisory Committee again.
2. The term of the initial members of the Endowment Advisory Committee shall be staggered, to prevent the term of all members expiring in the same year.

F. A quorum requires a simple majority of voting members to participate, either by attending in person or via telecommunications methods sufficient to allow participation in discussion and to cast a vote.

G. Motions are approved by a simple majority of voting members participating at the meeting, either by attending in person or via telecommunications methods as discussed in section F, above.

- H. Meetings of the Endowment Advisory Committee should follow Robert's Rules of Order.
- I. Comprehensive minutes should be recorded for each meeting, with a copy kept in the permanent files of the Endowment Advisory Committee.

ARTICLE NINE – MERGER, CONSOLIDATION OR DISSOLUTION OF UNION CHURCH OF BELGRADE LAKES, UNITED METHODIST

- A. If at any time Union Church is lawfully merged or consolidated with any other church, all the provisions hereof in respect to the Endowment Program shall be deemed to have been made on 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.
- B. If Union Church should ever be dissolved without any lawful successor thereof, the Endowment Program assets shall be deemed the responsibility of the New England Conference of the United Methodist Church ("Conference"), until such time as the Conference authorizes a successor United Methodist Church or institution to assume the powers afforded to Union Church.

ARTICLE TEN – LIMITATION OF LIABILITY

Having made a good faith effort to comply with the terms of this Resolution, the Board of Trustees and the Endowment Advisory Committee shall be released from any liability associated with such good faith efforts. Individual Trustees and members of the Endowment Advisory Committee shall not be liable for the acts or omissions of any other Trustee or Committee member.

ARTICLE ELEVEN – CONFLICT OF INTEREST

Any member of the Board of Trustees or of the Endowment Advisory Committee having a direct or indirect personal interest in any dealings or transactions involving the Endowment Program shall refrain at all times from any conduct in which such personal interest would conflict with their duties on behalf of the Endowment Program. Any member of the Board of Trustees or of the Endowment Advisory Committee must also disclose any potential conflict of interest to the Chair of the Endowment Advisory Committee.

ARTICLE TWELVE – AMENDMENTS

Subject to the foregoing, this Resolution may be amended by a two-thirds vote of the members present and voting at a Charge Conference duly called for such purpose at which a quorum is present.

All proposed amendments must conform with The Book of Discipline current at the time adopted.

* * *

THE UNDERSIGNED CERTIFY THAT THIS RESOLUTION WAS APPROVED BY A VOTE OF:

_____ FOR _____ AGAINST _____ ABSTAINED,

AT A DULY CALLED MEETING OF THE CHARGE CONFERENCE OF UNION CHURCH OF BELGRADE LAKES, UNITED METHODIST HELD AT THE CHURCH ON DECEMBER 15, 2008, NOTICE OF THE PROPOSED ACTION HAVING BEEN GIVEN IN THE CALL OF THE MEETING.

Recording Secretary

District Superintendent

Pastor