

PRESBYTERY DE CRISTO
ENDOWMENT FUND COMMITTEE CHARTER

Creation of the Fund

The Presbytery de Cristo Endowment Fund is hereby created. The Fund shall be a permanent fund and shall be used to support the various mission activities of the Presbytery beyond what the budget otherwise would be able to provide.

Up to 90% of the income earned by the fund may be used each year to support mission activities of Presbytery de Cristo. It is intended that *only* the fund earnings will be spent, and to every extent possible, the principal shall remain intact.

The Endowment Committee shall consist of the members of the Ministry for Administration and the Presbytery Treasurer, and shall be chaired by the MFA member in charge of Presbytery Investments.

The Endowment Fund Committee shall report directly to the Presbytery de Cristo Ministry of Administration.

Vision Statement

The Endowment Fund shall exist to enable members of the various congregations of Presbytery de Cristo, and other friends of the Church, to provide funds for the long-term benefit of Presbytery de Cristo. Gifts will consist of bequests and such other funds as donors may designate for the benefit of the Endowment Fund.

Earnings of the Fund will be used to support mission activities of Presbytery de Cristo, which are beyond the resources of the annual budget. Under extraordinary circumstances, as outlined under the Spending Policy, the principal balance of the funds in the Endowment Fund, to the extent not otherwise restricted by the donor, may be used for extraordinary needs of the Presbytery.

Gift Acceptance Policy

Gifts to the Endowment Fund can be either restricted, or unrestricted, by the donor. The Committee and the Council must approve the acceptance of restricted gifts before a Restrictive Gift Agreement is entered into with a donor. The Presbytery de Cristo Endowment Fund Committee may accept gifts of cash and other assets. Planned giving gifts involving a split interest agreement such as a gift annuity, life insurance policies and other similar assets, will be transferred to the Presbyterian Church (USA) Foundation for management of the funds for the benefit of Presbytery de Cristo. Foundation investments with the Presbytery de Cristo as beneficiary will have any interest paid out to the Presbytery and be combined with other investments within the Presbytery de Cristo Endowment Fund unless the particular gift generating the interest is restricted as to its use. In such a case, the donor's wishes will be followed to the extent possible.

Donors making planned gifts to the Endowment Fund shall rely upon their own financial advisors in considering the benefits and consequences to them of various gifting alternatives.

Generally, gifts of stock, real estate and other such property will be sold immediately upon receipt and the funds invested by the Endowment Fund Committee. Real and personal property will be accepted only after a determination is made that accepting the gift will not result in any risk to the Presbytery and these items will be sold as soon as practicable. The Committee has the right to refuse any gift if it considers either the gift or the designation inappropriate.

Management of the Fund

Every effort will be made to honor the wishes of a donor with respect to the investment of funds given to the Presbytery. However it must be recognized that in order to make a deductible gift to the Presbytery, the donor must give up control of the funds to meet requirements of the Internal Revenue Service. Gifts to the Foundation will have title transferred to the Foundation and the donor surrenders any and all control of the assets.

Periodic reports of the resources, income and expenses of the Endowment Fund shall be made no less often than annually to the Ministry of Administration. The Moderator shall report these items to the Endowment Committee no less often than quarterly. A report to the Presbytery shall also be made at least annually.

The financial records of the Fund shall be available for inspection by members of the Presbytery; however, every effort will be made to honor the wishes of any donor who wishes to remain anonymous.

The financial statements of the Endowment Fund shall be subject to review or audit to the extent the financial statements of the Presbytery may be subject to review or audit from time to time. To the extent such a review is not performed by outside accountants, it shall be made by a committee of Presbytery members with knowledge of accounting procedures, and independent of the custody and distribution of such assets. If funds are invested exceeding \$100,000, a review shall be conducted each year, and an outside audit every 3 years by a certified public accountant.

Spending Policy

The Endowment Committee may consider transfer of funds to the Presbytery General Fund, based upon requests from the Presbytery. The Ministry of Administration shall identify needs for which the funds will be used. Normally, such transfers will not exceed 90% of the net earnings of the Fund for the prior year. While it is the intent of the fund to only spend the earnings and not the principal, there may arise a need to sell and use part of the principal. In this extraordinary situation, transfers of principal can be made to the

Presbytery, but only after approval of members of the Committee, and 75% of the members of the Ministry of Administration voting at two meetings approximately 30 days apart. Such transfers can only be made for funds which do not have restrictions placed on them by the donors.

Conflict of Interest Policy

Under no circumstances will the funds of the Endowment Fund be invested in activities or ventures of members of the Endowment Committee, or the Ministry of Administration of Presbytery de Cristo. This is not intended to restrict the investment of funds with financial institutions employing such members, provided disclosure of the relationship has been made.

As the funds of the Endowment Committee grow, it is anticipated the investments of the Fund will be broadened and professional investment managers may be employed to manage the investments. However, funds shall never be invested where there is undue risk of the principal.

Committee Member Responsibilities

1. To acquaint Presbytery members and others with the Endowment Fund and to promote donations to the Endowment Fund.
2. To meet at least quarterly, except for the summer months, or as called to meet by the Ministry of Administration, Committee Moderator, or a majority of the Committee members.
3. To insure accurate records of the Fund are maintained so that financial statements can be prepared in accordance with generally accepted accounting principals.
4. To prepare and maintain accurate Minutes of each and every meeting.
5. To direct the investments of the fund in accordance with the restrictions of the Endowment Fund Charter and market conditions.

Revised: March 23, 2011

Approved for release by: _____
Endowment Committee Chairperson