

**A. RESOLUTION TO IMPLEMENT THE  
ENDOWMENT FUND**

WHEREAS, stewardship involves the faithful management of all the gifts we have been given—time, talents, the created world and money, including accumulated, inherited, and appreciated resources; and

WHEREAS, the religious mission and work of this congregation may be supported through the transfer of property (cash, stocks, bonds, real estate), charitable bequests in wills, charitable remainder and other trusts, pooled income funds, charitable gift annuities, and assignment of life insurance and retirement plans; and

WHEREAS, it is the desire of the Congregation to encourage, receive, and administer such gifts in a manner consistent with the loyalty and devotion expressed by the grantors and in accord with the policies of this congregation; and

WHEREAS, a new and separate fund known as the ENDOWMENT FUND (hereafter called the “FUND”) was authorized by amendment to the congregation’s By-laws in annual meeting assembled in May 2003;

THEREFORE BE IT RESOLVED, that

the purpose of this FUND is to enhance the mission of First Unitarian Church of South Bend, Indiana, apart from the general operation of the congregation.

no portion of distributions from the FUND shall be used for the annual operating budget of the congregation;

only in particular, temporary, difficult circumstances, and where integrity of gift restrictions permit, may this congregation, by action in meeting assembled, use FUND distributions for its own operating or support services; and

except where specifically authorized otherwise in the terms of a gift, authorizations for distributions from the FUND may be made annually, in amounts not to exceed 5% of the average fair market value of the FUND over the previous four complete quarters.

BE IT FURTHER RESOLVED, that the Endowment Committee (hereinafter called the “COMMITTEE”) shall be the custodian of the FUND; and

BE IT FURTHER RESOLVED, that the following Plan of Operation sets forth the administration and management of the FUND.

## **B. PLAN OF OPERATION**

### **1. The Endowment Committee**

The COMMITTEE shall consist of three (3) members, all of whom shall be voting members of First Unitarian Church of South Bend, Indiana. No member may serve concurrently on the COMMITTEE and the Church Board of Trustees (hereafter called the "BOARD"). Except as herein limited, the term of each member shall be three (3) years.

Upon adoption of this resolution by the Congregation, it shall elect three (3) members of the COMMITTEE: one (1) for a term of three (3) years; one (1) for a term of two (2) years; and one (1) for a term of one (1) year. Thereafter, at each annual meeting, the Congregation shall elect the necessary number for a term of three (3) years.

The Nominating Committee of the Congregation shall present new members for the COMMITTEE to be elected at the annual congregational meeting in the same manner as for other offices.

No member shall serve more than two consecutive three-year terms. After a lapse of one (1) year, former COMMITTEE members may be re-elected

In the event of a vacancy on the COMMITTEE, the BOARD shall appoint a member to fill the vacancy until the next annual congregational meeting, at which time the Congregation shall elect a member to fulfill the term of the vacancy.

The COMMITTEE shall meet at least quarterly, or more frequently as deemed by it in the best interest of the FUND. A quorum shall consist of all three members. The COMMITTEE shall select from its membership a chairperson, financial secretary, and recording secretary. The chairperson, or member designated by the chairperson, shall call and preside at all meetings.

The recording secretary shall maintain complete and accurate minutes of all meetings of the COMMITTEE and supply a copy thereof to each member of the COMMITTEE. Each member shall keep a complete copy of minutes to be delivered to her or his successor. The secretary shall also supply a copy of the minutes to the Church Board.

The financial secretary shall assist the church's treasurer in maintaining complete and accurate books of accounts for the FUND.

Recommendations to manage and control the assets of the FUND are to be made by the COMMITTEE, in such manner as they deem wise and prudent, for approval by the BOARD, with subsequent execution by the delegated member of the COMMITTEE as necessary. Investment management shall be provided through the UUA General Investment Fund, where

newly acquired assets funds will be transferred on a quarterly basis, according to the agreement signed in September 2005.

The COMMITTEE shall report to the BOARD on a quarterly basis and provide a written report to the Congregation at the annual meeting.

## **2. Distributions**

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

Lifetime and testamentary unrestricted gifts to the FUND shall accumulate until a fair market value of \$150,000 is achieved, after which annual distributions may commence. However, should the fair market value of the FUND decline to less than \$150,000, distributions shall be made only upon a 2/3 majority vote of approval of the members present from the Congregation.

Expenditures from the FUND shall be recommended by the COMMITTEE and approved by the BOARD for presentation to the Congregation at the annual congregational meeting. Suggestions or requests for funding are to be submitted to the COMMITTEE by March 1 of each year. Such requests may be submitted by church members, other committees, or the BOARD.

Authorization for annual expenditures shall be made upon a 2/3 majority vote of approval of the members present from the Congregation at the annual meeting. In the event of an emergency, distribution may be made by a 2/3 majority vote of approval of the members present from the Congregation at a specially called meeting.

## **3. Amending the Resolution**

BE IT FURTHER RESOLVED, that any amendment to this resolution, which will change, alter, or amend the purpose for which the FUND is established shall be adopted by a 2/3 majority vote of the members present at an annual meeting or a meeting called specifically for the purpose of amending this resolution.

## **4. Disposition or Transfer of FUND**

BE IT FURTHER RESOLVED, that in the event that First Unitarian Church of South Bend, Indiana ceases to function as an active congregation with property still held by the Unitarian Universalist Association under the agreement signed on September 26, 2005, thereafter such remaining property shall forever become the property of the Association to be held by the Association for its general purposes.

### C. ADOPTION OF RESOLUTION

This resolution, recommended by the Church Board and accepted by the Congregation at a legally called congregational meeting, is hereby adopted.

First Unitarian Church

Dated this 20th day of May, 2007

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From the Minutes of the Annual Meeting, May 20, 2007:

*Amendment to By-laws*

Elizabeth Scarborough, a representative of the Endowment Committee Task Force, presented a brief history of the establishment of the Endowment Fund. Peggy Stevens made a motion to accept the amendment to the By-laws as printed in the Annual Report. The motion was seconded by Tom Platt. Following a discussion, Tom Platt called the question so the motion was called to vote by Gary and was passed unanimously.

*Resolution to Implement the Endowment*

Elizabeth Scarborough made a motion to accept the Resolution to Implement the Endowment Fund which was seconded by Barb Carmichael. In the discussion that followed, Don Wheeler made an amendment that the the requirement for a “2/3 majority vote” (in the last paragraph under section 2 in part B.) be changed to “majority.” This was seconded by Jim Curlee and following discussion, called to a vote. The amendment failed by 20 to 10 votes. Cindy Benedict pointed out a typo where the parenthesis in the first paragraph of section 1, part B needed to be closed. The vote was called and the motion to accept the Resolution passed unanimously.