**A. Amendment to Congregational Bylaws**

An Endowment Fund, whose purpose, governance, and operational procedures shall be defined by special resolution adopted by the congregation, shall be established.

**B. Implementation of the Endowment Fund**

WHEREAS, Christian stewardship involves the faithful management of all the gifts God has given to humankind—time, talents, treasure, including accumulated assets; and,

WHEREAS, Christians can give to the work of the church through bequests in wills, trusts, charitable gift annuities, assignment of life insurance, and transfers of property (cash, stocks, bonds, real estate); and

WHEREAS, it is the desire of the congregation to encourage, receive and administer these gifts in a manner consistent with the loyalty and devotion to their faith expressed by the grantors and in accord with the policies of this congregation:

THEREFORE BE IT RESOLVED, that this congregation, in a special meeting assembled on approve and establish on the records of the church a new and separate fund to be known as CONGREGATIONAL CHURCH OF PINEHURST, UCC Endowment Fund (hereinafter called the “FUND”);

BE IT FURTHER RESOLVED, that the purpose of this FUND is to enhance the mission outreach of Congregational Church Of Pinehurst, UCC beyond the general operation of the congregation; that only a limited portion of the income generated by the FUND shall be used for the annual operating budget of the congregation, and then only in particular, temporary, difficult circumstances, and where integrity of gift restrictions permit; that, except where authorized otherwise in the terms of the gift, all principal amounts will be retained and only the income expended;

BE IT FURTHER RESOLVED, the Endowment Fund Committee (hereinafter called the COMMITTEE) shall be the custodian of the FUND;

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

**C. Plan of Operation**

**1. The Committee**

The COMMITTEE shall consist of five members all of whom shall be voting members of (name of congregation). 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 members of the COMMITTEE: two (2) for a term of three (3) years; two (2) 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. No member shall serve more than two consecutive three (3) year terms. After a lapse of one (1) year, former COMMITTEE members may be re-elected. The pastor and the chairperson of the Council shall be advisory members of the COMMITTEE. The Council of the congregation shall nominate for the COMMITTEE and report at the annual congregational meeting in the same manner as for other offices and committees. In the event of a vacancy on the COMMITTEE, the Council shall appoint a member to fill the vacancy until the next annual meeting of the congregation, 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 three members. A majority present and voting shall carry any motion or resolution.

The COMMITTEE shall report on a quarterly basis to the Council and, at each annual or special meeting of the congregation, shall render a full and complete audited account of the administration of the FUND during the preceding year.

The COMMITTEE may request other members of the congregation to serve as advisory members and, at the expense of Fund income, may provide for such professional counseling on investments or legal matters as it deems to be in the best interest of the FUND.

Members of the COMMITTEE shall not be liable for any losses which may be incurred upon the investments of the assets of the FUND except to the extent such losses shall have been caused by bad faith or gross negligence. No member shall be personally liable as long as he/she acts in good faith and with ordinary prudence. Each member shall be liable only for his/her own willful misconduct or omissions, and shall not be liable for the acts or omissions of any other member. No member shall engage in any self-dealing or transactions with the FUND in which the member has direct or indirect financial interest and shall at all times refrain from any conduct in which his/her personal interests would conflict with the interest of the FUND.

All assets are to be held in the name of the CONGREGATIONAL CHURCH OF PINEHURST, UCC Endowment Fund. Recommendations to hold, sell, exchange, rent, lease, transfer, convert, invest, reinvest, and in all other respects to manage and control the assets of the FUND, including stocks, bonds, debentures, mortgages, notes, or other securities, as in their judgment and discretion they deem wise and prudent, are to be made by the COMMITTEE for approval by the Council, with subsequent execution by the delegated member of the COMMITTEE.

The COMMITTEE reserves the right to decline the acceptance of a particular gift due to its inappropriateness, restrictions placed upon it or potential financial or legal liability to the congregation.

**2. Accumulation and Distribution**

“The COMMITTEE shall determine what is principal and income according to accepted accounting procedures. The COMMITTEE for the purpose initially of building up the FUND shall allow the income generated from the investment of the principal to accumulate for at least two years, after which the income shall be available for distribution.

**Distribution**

Income, and in rare and extraordinary circumstances as approved by a two-thirds vote of the members present at an annual or special meeting of the members called specifically for such purpose, principal from the FUND shall be distributed annually and/or at such other times as deemed necessary and/or feasible. Provisions should be considered for distributing income to the various categories of mission and ministry in which the congregation is engaged that is not underwritten by annual giving and will serve as a means of extending and enhancing the church’s program beyond the regular budget.

The COMMITTEE shall determine by percentages the total amounts to be distributed in any one or more of the categories below:

**Category 1. Christian Education**

For special programs for children, youth and adults enabling them to grow in their understanding of the Christian faith. Scholarships and/or grants for the purpose of attending college and seminary to prepare for a church related vocation. Funding for church camping, retreats, and leadership conferences.

**Category 2. Community Service and Outreach**

For programs and services through social service agencies, community action groups, and ecumenical agencies relating to the spiritual, social, and economic needs of persons in the community the church serves.

**Category 3. Wider Mission of the UCC**

For work of the UCC in the USA and overseas in such areas as new church development, professional leadership, educational ministries, evangelism, and world mission.

**Category 4. Capital Improvements**

For major capital improvement of facilities, building programs and debt reduction that cannot adequately be expected to be raised by annual giving and capital campaign efforts.

**Category 5. Annual Church Program**

For support of the annual operating budget if annual giving does not suffice to fulfill the need to minister provided that such distributions shall be adopted by a two-thirds vote of the members present at an annual or special meeting of the members called specifically for such purpose.

The COMMITTEE shall consider all proposals for distribution of income under this plan, and make its recommendations for distribution to the Council, who will present its recommendation for distribution to the congregation for approval at an annual and/or special meeting of the members called specifically for such purpose. The manner by which proposals are to be prepared and submitted to the COMMITTEE, as well as, the percentages by which funds are to be distributed is to be reviewed periodically.

**D. Amendment of 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 two-thirds vote of the members present at an annual meeting called specifically for the purpose of amending this resolution.

**E. Disposition or Transfer of Fund**

BE IT FURTHER RESOLVED, that in the event Congregational Church of Pinehurst, UCC ceases to exist either through merger or dissolution, disposition or transfer of the FUND shall be at the discretion of the Council in conformity with the approved congregational constitution and in consultation with the UCC Conference staff to which this congregation belongs at such time. Consultation with the UCC may be desirable for continuation of Endowment Fund obligations.

FURTHER, any disposition of the FUNDS must be to a qualified not-for-profit religious organization or charity.

**5. Adoption of Resolution**

This resolution, recommended by the Council and accepted by the congregation at a legally called congregational meeting, is hereby adopted.

\_Congregational Church of Pinehurst, UCC By \_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Kathy Neckton, President

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Secretary

Dated this \_\_\_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_ 2014