

<< Name of Church >> Congregational Funds

PURPOSE OF OUR CONGREGATIONAL FUNDS

<< Name of Church >>, << City, State >>, gathers in joy: to be a welcoming community of God's love for all people, connecting with one another to nurture and grow in Christian faith, and reaching out to the world to be the Good News of God's truth, justice, and peace. We worship God as one community in Christ and seek the leading of the Holy Spirit to enliven and empower us for ministries that will make a difference in the lives of our neighbors – in << City or County >> and throughout the world.

For our members and friends, generosity is a daily practice of serving others and sharing their time and talents with the church and the << City or County >> community. In addition, many wish to share their treasure to ensure that the mission and ministries of << Name of Church >> can be perpetuated. The Congregational Funds seeks to meet that need.

These funds are about more than holding onto money. They are about holding onto a mission. The Congregational Funds at << Name of Church >> will reach beyond our own lifetimes to support our congregation as a local church with a global mission.

<< Name of Church >> UCC created broad categories of funds within the Congregational Funds. Some donors may wish to designate their gifts to one of these categories. Others may want to leave their gift undesignated so that the future leadership of the congregation can identify the area of greatest need within our community.

The << Name of Church >> Legacy Fund provides ongoing support for pastoral leadership, programming, and our building. Funds can be used for the annual operating budget, programs, capital improvements, debt reduction, or building needs of << Name of Church >>.

The Mission Impact Fund supports the spiritual, social, and economic needs of those who call << City or County >> home and people around the world.

The Scholarship Fund supports scholarships for youth and young adults attending << Name of Church Camp >>, higher education, and graduate theological schools, or other spiritual enrichment and training opportunities for people of all ages.

The New Initiatives Fund supports new and innovative projects in any area of the congregation, our local community, or the wider church.

<< Name of Church >> will endeavor to associate donor names with our funds to remember and honor the generosity of our members and friends. New funds may also

be created and named for families, groups, or causes. Currently a named fund can only be opened with a minimal initial gift of \$10,000 for unrestricted gifts and \$25,000 for named endowment funds. Naming of funds is at the discretion of << Name of Church >>.

GIFT ACCEPTANCE

Donors give to << Name of Church >> out of a deep faith in God, hope in the future of our wider Christian movement, and love for this congregation. Decisions about the use of our endowment funds will always take into consideration the spirit in which they were given to the church.

<< Name of Church >> understanding of generosity leads it to adopt the following general principles:

1. << Name of Church >> appreciates the spirit of giving inherent in each donor's prospective gift and thanks each donor for their thoughts and intentions.
2. The life and needs of any congregation will change through the years. Therefore, we encourage donors to make unrestricted gifts to the congregation whenever possible. When donors do want to make a restricted gift, we encourage them to speak with our pastor and Congregational Funds Committee Chair about any restrictions they want to make on their gift.
3. << Name of Church >> generally treats all unrestricted gifts as if they were meant to be perpetual funds. This means we spend a small annual percentage of the gift each year. However, the congregation reserves the right to spend down an unrestricted gift when special opportunities or challenges arise.
4. << Name of Church >> supports the work of the wider United Church of Christ by sharing 10% of unrestricted planned gifts with the Wisconsin Conference UCC.
5. Donors may formally designate their gift as endowed (or perpetual) funds, in which case we would only spend a small annual percentage of the gift each year. The principal of the gift could not be spent even if the congregation faced significant challenges. If the congregation closed, the endowed fund would be turned over to the Wisconsin Foundation UCC to continue the philanthropic purpose of the original gift as closely as possible.
6. << Name of Church >> wishes to work to make all gifts possible, within the strictures of law and tax regulations and our values. Some donors, because of the complexity of their gift arrangement, may be asked to make their donation to << Name of Church >> through the Wisconsin Foundation UCC.
7. << Name of Church >> wishes to honor the intent of the donor where possible. << Name of Church >> affirms the Donor Bill of Rights (<https://afpglobal.org/donor-bill-rights>).

CONGREGATIONAL FUNDS COMMITTEE MEMBERSHIP

Overview

The Congregational Funds Committee manages all long-term financial assets of << Name of Church >>, including both restricted and unrestricted gifts. The Committee is directly responsible to and reports to the Consistory of this congregation. Congregation and Consistory input will be through the advisory capacity of the senior pastor and Consistory President.

All assets are to be held in the name of the << Name of Church >> of << City or County >>. The Congregational Funds Committee manages the invested financial assets on behalf of << Name of Church >> as a committee with responsibility delegated from the congregation.

Composition of the Committee

Members: The Congregational Funds Committee shall consist of at least six (6) people, all of whom shall be voting members of this congregation. Except as herein limited, the term of each member shall be three (3) years. This congregation shall annually elect two members for a term of three (3) years consecutively. No member shall serve more than two consecutive terms of three (3) years. After a lapse of one (1) year, former Committee members may be reelected. The pastor and the president of the Consistory shall be advisory nonvoting members of the Committee.

Officers: The Congregational Funds Committee shall elect from its membership a chairperson of the Committee, financial secretary and recording secretary.

- The chairperson of the Committee or member designated by the chairperson shall preside at all Committee meetings.
- The financial secretary will keep the financial records of the Congregational Funds and make regular reports on the assets, distribution, and growth of the funds to the committee, the Consistory, and the Annual Meeting of the congregation.
- The recording secretary shall record the minutes of all meetings of the board and supply a copy thereof to each member of the Committee. The approved copy of the minutes shall be kept in the office of this congregation.

Advisory Members: The Committee may request other members of this congregation to serve as advisory members and, at the expense of the Fund income, may provide for professional counseling on investments, legal matters, or management and direction of the Fund as it deems to be in the best interest of the Fund.

Vacancy: In the event of a vacancy on the Committee, the Committee shall recommend, for approval by the Consistory, a member to fill the vacancy until the next annual meeting of this congregation, at which time this congregation shall elect a member to fulfill the term of the vacancy.

Resignation and Removal: A committee member may resign at any time by submitting a written resignation letter to the recording secretary. Any committee member may be removed from the committee at any time by a two-thirds vote of the consistory.

Responsibilities of the Committee

Meetings: The Congregational Funds Committee shall meet at least annually, or more frequently as deemed by it in the best interests of this congregation. A quorum shall consist of four (4) Committee members. A majority present and voting shall carry any motion or resolution. Meetings may be conducted through the use of any means of communication by which all participating directors may simultaneously hear or read each other's comments during the meeting.

Action by Written Consent: Any action which may be taken at a meeting of the committee may be taken without a meeting if the action is set forth in writing and so signed, either personally or electronically, by two-thirds of the committee members then in office. Such written consent shall have the same force and effect as a vote of the committee taken at a meeting.

Communication: The financial secretary of the Congregation will record and document the gifts of donors to the Congregational Funds. The committee is responsible for maintaining a record of any gift restrictions. The Committee shall report annually to the congregation in the same manner as the Consistory and other committees.

Investment Decisions: 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 stock, bonds, debentures, mortgages, notes, insurance policies, or other securities, as in their judgment and discretion they deem wise and prudent, are to be made by the Committee.

Protection from Market Loss: 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 of the Committee. 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 always refrain from any conduct in which his/her personal interests would conflict with the interest of the fund.

Grant Decisions: Recommendations to make annual draws or grants from the Congregational funds will be made by the committee in line with the donor's intention in

establishing the gift, the guidance of the church consistory, and the distribution policies in these bylaws.

Conflict of Interest Policy

The Congregational Funds Committee will follow a conflict-of-interest policy adopted by the church consistory. The conflict of interest protects the Congregational Funds Committee and the congregation's interests and its status as a tax-exempt 501(c)(3) public charity when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a member of the committee or the congregation or might result in a possible excess benefit transaction. The policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

DISTRIBUTION OF INCOME

The Congregational Funds Committee will base distributions of income on the total return of the Congregational Funds. The Committee can distribute up to 5% of the average balance of a fund as calculated over the last 12 calendar quarters. Distributions will follow donor intentions and the use of funds elsewhere described in these bylaws.

The Congregational Funds Committee determines how the money is to be disbursed. Individual congregational members can recommend causes/programs for funding consideration to the pastor, Consistory President, or Chairman of the Congregational Funds Committee.

Disbursement of income from the Fund need not occur annually in the event causes/programs have not been approved by the Committee sufficient to utilize total income available, or if in the judgment of the Committee total annual disbursement of income is not recommended.

DISTRIBUTION OF UNRESTRICTED PRINCIPAL

<< Name of Church >> congregation may authorize the use of the principal of unrestricted funds at a congregational meeting of << Name of Church >>, voting in a properly called Congregational Meeting, according to the constitution of the church.

Disposition of principal under this procedure shall not be subject to the provisions under "Distribution of Income" above.

DISPOSITION OF ENDOWED PRINCIPAL

Circumstances may arise when maintaining the restrictions of funds endowed by a donor become cumbersome. In this case, or in the event the congregation closes, funds

restricted as endowed by the donor will be given to the Wisconsin Foundation UCC to maintain the philanthropic purpose of the donor, or as close as an approximation as is feasible.

AMENDING THE POLICIES AND PROCEDURES

The policies and procedures of the Congregational Funds Committee can be altered or amended by a congregational meeting of << Name of Church >>, voting in a properly called Congregational Meeting, according to the constitution of the church.