

**CHARTER
COLLIERVILLE UNITED METHODIST CHURCH
COLLIERVILLE, TENNESSEE**

Permanent Endowment and Planned Giving Ministry Committee

THE PURPOSE

The Endowment Program of Collierville United Methodist Church, Collierville, Tennessee, hereafter referred to in this document as “The Endowment Program,” is established for the purpose of providing members and friends opportunities to make charitable gifts to Collierville United Methodist Church, Collierville, Tennessee, that will become a permanent endowment of financial support and a living memorial. The Endowment Program is intended for purposes that are not a part of the church’s annual operating budget. The purpose of this Fund is to provide for the charitable, educational, maintenance and religious opportunities of the Church additional to and apart from the general operation of the Church budget.

ADMINISTRATION

The Endowment Program will be administered by the Permanent Endowment and Planned Giving Ministry Committee of Collierville United Methodist Church, Collierville, TN, hereinafter in this document referenced to as the “PEPGM Committee,” under authority granted by the Charge Conference. The members of the PEPGM Committee and its chairperson shall be elected by the Lay Leadership Committee (Nominating Committee) and shall serve until their successors have been elected.

The Members of the Committee shall be as follows:

1. The Chairman nominated by the Lay Leadership Committee.
2. The Senior Minister
3. The Chairperson of the Committee on Finance (or representative of the Committee on Finance.)
4. The Church Treasurer
5. Chairperson of the Board of Trustees (or representative from the Board of Trustees named by the Board of Trustees).

6. Six persons nominated by the Lay Leadership Committee: In 2015 these members are elected to serve a one-year term, a two-year, or a three-year term. In succeeding elections, terms are for three years, and nothing shall prohibit a person from being nominated and elected to serve a second term on the PEPGM Committee. There shall only be a maximum of two terms served in consecutive periods. The initial one-year or two-year term shall not count toward the two term maximum.

The PEPGM Committee shall elect a Vice-Chairperson, Secretary and such other officers and subcommittees, as it deems necessary.

The PEPGM Committee shall cooperate with the Committee on Finance in assuring that the annual audit process (as stated in the appropriate paragraph in the current The Book of Discipline is followed.

There shall be a minimum of two (2) meetings a year. Special meetings may be called by the Chair. A quorum shall consist of Six (6) voting members. An affirmative vote of a majority present and voting shall carry any resolution.

The PEPGM Committee shall make annually to the Administrative Board of the Collierville United Methodist Church and the Charge Conference a full, true and faithful report of its management and administration of all funds, money, securities, and property held in trust by it, and of its receipts and disbursements during the year. There may also be other reports required to be made at the request of the Administrative Board or the Charge Conference.

INVESTMENT OF ENDOWMENT FUNDS

The Endowment Program's investment objectives are:

1. Preservation of principal for the effective maintenance of purchasing power. Principal is defined as the original contributions plus all appreciation, income and capital gain distributions from invested assets.
2. Regular income at a reasonable rate. Income is defined as dividends and interest generated from investments.
3. Growth of income and principal over and above that necessary to offset cost of living increases.
4. Investment of assets in institutions, companies, corporations, or funds, which make a positive contribution toward the realization of, the goals outlined in the Social Principles of the Church.

5. Investment of all gifts received by the Fund through the establishment of one or more accounts, any of which may be in private institutions or with the United Methodist Foundation for the Memphis and Tennessee Conferences.

Investment of Funds or changes of Investment of Funds shall be determined by a majority vote of the Endowment Committee (OR PEPGM COMMITTEE), the proposed decision will be presented to the Administrative Board for approval. The specific purpose of each account authorized by the Committee shall be stated in order to fulfill the wishes of the donor and thereby to segregate and maintain gifts for their stated purposes.

LIMITATION ON USE OF PRINCIPAL

The objectives of The Endowment Program are to preserve the original donor principal.

Any part of the principal may be withdrawn, but only in extreme and overwhelming circumstances, bordering on the survival of Collierville United Methodist Church, Collierville, TN. Any withdrawal of principal must be approved by a three-fourths (3/4) affirmative vote of the Charge Conference of Collierville United Methodist Church, Collierville, TN.

DISTRIBUTIONS FROM THE ENDOWMENT PROGRAM

Distributions from accounts in The Endowment Program shall be made by the PEPGM Committee as directed by the donors at the time of their gift or as directed by will or other gift document or by special request if such direction is in conformity with the general purpose set forth herein. With no approved special request for distribution all income shall remain invested in the fund.

Distributions may start from each designated fund annually when the corpus of that fund exceeds \$100,000.

Distributions will be halted if the corpus of the fund falls below the original donor contributions.

Distributable income of each fund is an amount determined each year by applying a percentage against a rolling three-year average of the fair market value of each fund as determined on the first business day of each calendar year. The percentage applied

against the fair market value of the gross fund will be 1-3% as established annually by the PEPGM Committee.

Distributions shall not be used to leverage borrowing money.

GIFTS TO THE FUND

Gifts to the Endowment Program can be designated to any of the Funds or “buckets”. If undesignated, they will be assigned by the Endowment Committee to the Funds and “buckets” below.

The two main Funds are the **CUMC Mission Fund** and the **CUMC Collective Fund**.

The **CUMC Mission Fund** is to be used for missions in and beyond the local church and community.

The **CUMC Collective Fund** has four specific “buckets” for which the gifts will be used:

Property: funds from this “bucket” are to be used for maintenance, care, improvements or additions to, or construction of physical facilities.)

Worship, Music, Organ: funds from this “bucket” are to be used to provide for musical events, enhancement and growth of music ministries, organ maintenance, and the enhancement of worship opportunities.)

Scholarship: funds from this “bucket” are to be used for students who are members, or their families are members, of CUMC for scholarships for higher education.

General: funds from this “bucket” are to be used for special needs and ministries to be determined by the Endowment Committee.

The PEPGM Committee shall have the authority and responsibility to accept or reject any and all gifts to The Endowment Program in keeping with the authority granted by the Charge Conference. When “undesigned” contributions are made to The Endowment Program, the PEPGM Committee will transfer the funds into the General Endowment Fund.

The PEPGM Committee shall have the authority and responsibility to accept or reject any and all gifts to The Endowment Program in keeping with the authority granted by the Charge Conference. Gifts of any size may be accepted for “undesigned” contributions

or contributions “designated” to one of the categories listed above. Additional categories may be created by amendment as provided for herein.

A Named Permanent Endowment may be established with a minimum amount of \$100,000. Once a designated permanent endowment has been created, gifts of any size can be accepted.

All provisions of The Endowment Program as to investment of funds, administration of funds, and limitation of use of distributions shall be applicable to both designated and undesignated gifts, and all gifts made to the Fund shall be accepted subject to the terms and limitations set forth in this document in accordance with the Guidelines for Gift Objectives outlined by the PEPGM Committee.

LIABILITY OF TRUSTEES AND MEMBERS OF THE COMMITTEE

In the absence of gross negligence or fraud, no member of the Board of Trustees of Collierville United Methodist Church, Collierville, TN, or of the PEPGM Committee of said church shall be personally liable for any actions, of commission or omission with respect to The Endowment Program. Collierville United Methodist Church, Collierville, TN agrees to fully indemnify and hold each member of the Board of Trustees and/or of the PEPGM Committee of said church safe and harmless therefrom concerning any complaints, suits or claims made against said members regarding the members’ conduct, actions or other work while performing said duties for the Board of Trustees or the PEPGM Committee, except as stated otherwise herein.

MERGER, CONSOLIDATION, OR DISSOLUTION OF COLLIERVILLE UNITED METHODIST CHURCH, COLLIERVILLE, TN.

If at any time Collierville United Methodist Church, Collierville, TN is lawfully merged or consolidated with any other church, all provisions hereof in respect to The Endowment Program shall be deemed to have been made in behalf of the merged or consolidated church which shall be authorized to administer the same in all respects and in accordance with the terms thereto. If Collierville United Methodist Church, Collierville, TN., should ever be dissolved without a lawful successor thereto, the Fund, including both principal and interest to date shall be entrusted to The United Methodist Foundation for the Memphis and Tennessee Conferences, which shall make distributions in accordance with the intent of this charter.

AMENDMENTS

Technical corrections and amendments to The Endowment Program which do not alter the stated purpose of the Endowment Program maybe made by a three-fourths (3/4) affirmative vote at a duly called Charge Conference of Collierville United Methodist Church, Collierville, TN, at which a quorum is present. No amendment or modification shall (1) alter the intention that the Fund be operated exclusively for religious purposes; (2) alter or eliminate the stated Fund purposes found under purpose of the Fund herein, or (3) alter the intent of any donor to the Fund. Every amendment or modification of this agreement shall be in writing and signed by the PEPGM Committee who voted to approve same and by the Recording Secretary of the Charge Conference, the District Superintendent, and the Senior Pastor.

SEVERABILITY

If any provisions or any application of any provisions of The Endowment Program shall be held or deemed to be or shall be illegal, inoperative, or unenforceable, the same shall not affect any other provisions or application of any provisions herein contained or render the same invalid, inoperative, or unenforceable.

SPENDTHRIFT PROVISION.

Notwithstanding any other provision of this Agreement, no income or principal distributable from the Fund may be assigned or encumbered by anyone, any beneficiary or any organization, or be attached by or subject to the interference or control of any creditor of anyone, any beneficiary or any organization, or reached by any legal or equitable process in satisfaction of any debt or liability of anyone, any beneficiary or any organization.

The Endowment Program Charter was adopted this ____ day of _____, 2019 in a duly authorized Charge Conference of Collierville United Methodist Church, Collierville, Tennessee, by a vote of _____ For, _____ Against, and _____ Abstained.

Recording Secretary

District Superintendent

Senior Minister

