

## **CHARTER**

WESLEY UNITED METHODIST CHURCH

SHAWNEE, OKLAHOMA

THE ENDOWMENT PROGRAM

### **THE PURPOSE**

The Endowment Program of Wesley United Methodist Church, Shawnee, Oklahoma, 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 Wesley United Methodist Church 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 established programs that are funded through the annual operating budget of the church and the regular giving of its members.

### **ADMINISTRATION**

The Endowment Program will be administered by the Permanent Endowment Funds Committee of Wesley United Methodist Church, hereinafter in this document referred to as "the Committee" or "PEFC," under authority granted by the Charge Conference. The current Perpetual Fund Committee shall become the Permanent Endowment Funds Committee. The Committee shall consist of seven (7) lay members of Wesley UMC who serve a term of three calendar years, the Pastor (ex-officio), the Trustees Chair (ex-officio), and the Finance Chair (ex-officio). Two (2) lay members per year are nominated by the Lay Leadership Committee to serve a three-year term, except every third year when the Lay Leadership Committee will nominate three (3) lay members. The seven (7) members can serve two consecutive terms, and must then be replaced. The members of the Committee and its chairperson shall be elected by the Charge Conference and shall serve until their successors have been elected or until they resign. The Committee shall elect a Vice-Chair, Treasurer, Secretary and such other officers and sub-committees, as it deems necessary.

The Committee shall meet at least each calendar quarter.

The PEFC Treasurer shall supply quarterly financial statements for all endowments and their distributions. The PEFC Vice Chair shall be responsible for the promotion of the Endowment Program to Wesley members.

The Committee shall cooperate with the Committee on Finance in assuring that the annual audit process (as stated in Paragraph 259.4c of *The Book of Discipline - 2004*) is followed. The Committee shall make a full report no less frequently than once each year to the Church Council.

### **INVESTMENT OF ENDOWMENT FUNDS**

The Endowment Program's investment objectives are:

1. Conservation of principal for the effective maintenance of purchasing power.
2. Regular income at a reasonable rate.
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 that make a positive contribution toward the realization of the goals outlined in the Social Principles of the Church.

All gifts received by the Endowment Program shall be invested through the establishment of one or more accounts with The Oklahoma United Methodist Foundation, Inc. with the investment approval of the Committee. 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.

### **CHANGE IN INVESTMENT POLICY**

Any transfer of the Endowment Program assets for investment with another

institution, other than The Oklahoma United Methodist Foundation, Inc., must be approved by a majority vote of the Charge Conference, at which a quorum is present, upon recommendation of the Committee and the Church Council of Wesley United Methodist Church.

### **LIMITATION ON USE OF PRINCIPAL**

The objectives of the Endowment Program are to conserve principal and make use of only the distributions determined by the Committee. Unless an endowment agreement states or implies that principal may never be withdrawn, any part of the principal may be withdrawn only in extreme and overwhelming circumstances, bordering on the survival of Wesley United Methodist Church. Any withdrawal of principal must be approved by a two-thirds (2/3) vote of the Charge Conference of Wesley United Methodist Church at which a quorum is present.

### **DISTRIBUTIONS FROM THE ENDOWMENT PROGRAM**

Distributions from accounts in the Endowment Program shall be made by the Committee as directed by the donors at the time of their gift or as directed by will or other gift document if such direction is in conformity with the general purposes set forth herein. In the case of undesignated gift accounts, the amount of all distributions shall be determined by the Committee, which shall keep in mind the Endowment Program investment objectives stated above in this document. The Church Council upon recommendation of the Committee shall approve the purposes and causes to which distributions from undesignated gift accounts are to be made.

### **GIFTS TO THE ENDOWMENT PROGRAM**

Gifts to the Endowment Program shall be classified as "designated" or "undesignated" and then assigned to one of the following categories:

- A. Mission Funds (for missions in and beyond the local church and community)
- B. Property Funds (for maintenance, care, improvements or additions to, or construction of physical facilities)
- C. Scholarship Funds
- D. Program Funds (children, youth, seniors, singles, etc.)
- E. General Endowment Funds (for special needs and ministries determined by the church leadership)
- F. The Perpetual Endowment (to receive gifts or bequests to Wesley UMC that specify the Perpetual Fund) will have distributions made in accordance with the current Perpetual Fund Distribution Plan. Other named endowments that call for Perpetual Fund distribution come under this category.

The 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.

Individual gifts to an endowment in excess of \$50,000 may be established in the name of the donor.

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.

#### **LIABILITY OF TRUSTEES AND MEMBERS OF THE COMMITTEE**

In the absence of gross negligence or fraud, no member of the Board of Trustees of Wesley United Methodist Church or of the Committee of said church shall be personally liable for any action made or omission with respect to the Endowment Program.

## **MERGER, CONSOLIDATION, OR DISSOLUTION OF WESLEY UNITED METHODIST CHURCH**

If at any time Wesley United Methodist Church is lawfully merged or consolidated with any other church, all the 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 Wesley United Methodist Church should ever be dissolved without any lawful successor thereto, the Fund, including both principal and interest to date, shall be used for the benefit of the United Methodist Church in Shawnee, OK. Earnings on the fund shall be used for Shawnee local church development, as determined by the Board of Trustees of The Oklahoma United Methodist Foundation.

## **AMENDMENTS**

Technical corrections and amendments to the Endowment Program which do not alter the stated purpose of the Endowment Program may be made by a two-thirds (2/3) affirmative vote at a duly called Charge Conference of Wesley United Methodist Church at which a quorum is present.

## **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 any application of any provisions herein contained or render the same invalid, inoperative, or unenforceable.

**This Endowment Program Charter was adopted this 17<sup>th</sup> day of July, 2005, in a duly authorized Charge Conference of Wesley United Methodist Church.**