

CHARTER

The Permanent Endowment Program Battle Ground United Methodist Church Battle Ground, WA

THE PURPOSE

The Endowment Program of Battle Ground United Methodist Church, 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 Battle Ground 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 generally a part of the church’s established programs, which are funded through the annual operating budget of the church and the regular giving of its members. The Endowment Program is meant to help carry out the mission of the church and to make Disciples of Christ.

ADMINISTRATION

The Endowment Program will be administered by the Permanent Endowment Fund Committee of Battle Ground UMC, hereinafter in this document referred to as the “Committee”, under authority granted by the Charge Conference. The members of the Committee shall be elected by the Charge Conference and shall serve until their successors have been elected.

The following persons will constitute the membership on the Permanent Endowment Fund Committee:

- A. The Pastor
- B. The Chairperson or representative of the Committee on Finance
- C. The Local Church Treasurer
- D. A representative from the Board of Trustees named by the Board of Trustees
- E. The Administrative Council Chair
- F. Four At-Large Persons nominated by the Committee on Lay Leadership

The four At-Large members are elected by the Charge Conference to serve two-year terms. (Initially two of the At-Large members will serve a one-year term.)

The Chairperson of the Committee shall be nominated by the Committee on Lay Leadership from the membership established above and shall be elected by the Charge Conference. The Committee shall elect its own Secretary, and such other officers and sub-committees, as it deems necessary.

The Committee shall cooperate with the Finance Committee in assuring that the annual audit process (as stated in Paragraph 257.4c of *The Book of Discipline – 2004*) is followed. The Committee shall make a full report no less frequently than once a year to the Administrative Council.

INVESTMENT OF ENDOWMENT FUNDS

The purpose of any endowment is to provide a stable and secure source of financial support in order to facilitate the mission of the organization. To that end, the policy that governs the management of the Endowment will be the total return concept. This is essential to provide current income and growth of income for future needs to carry out the mission and to ensure the preservation and growth of principal to maintain purchasing power against the relentless effects of inflation.

The Endowment Fund will seek 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 United Methodist Church.

All gifts received by the Endowment Program shall be invested through the establishment of one or more accounts with the United Methodist Foundation of the Northwest as determined by the Permanent Endowment Fund 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 purpose.

CHANGE IN INVESTMENT POLICY

Any transfer of the Endowment Program assets for investment with another institution, other than the United Methodist Foundation of the Northwest, must be approved by a majority vote of the Charge Conference, at which a quorum is present, upon recommendation to the Permanent Endowment Committee and the Administrative Council of Battle Ground 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. Any part of the principal may be withdrawn only in extreme and overwhelming circumstances. Should a financial crisis exist, additional amounts including principal may be expended from the fund. Any withdrawal of principal must be approved by a two-thirds (2/3) vote of the Charge Conference of Battle Ground UMC at which a quorum is present.

GIFTS TO THE FUND

Gifts to the Endowment Program shall be directed into one or more of the following funds:

- A. **Designated: Mission Funds** (for missions in and beyond the local church and community.)
- B. **Designated: Property funds** (for maintenance, care, improvements or additions to, or construction of physical facilities)
- C. **Designated: donor/Purpose-Named Endowment Fund** (for example, John Smith Scholarship, Youth, Music, Cemetery, Jones Library, Evangelism, Food Pantry, etc.)

D. Undesignated: General Endowment Funds (for special needs and ministries determined by the church leadership)

The Committee shall have the authority and responsibility to accept or reject any and all gifts to the Endowment Program in keeping with authority granted by the Charge Conference. 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 subjected to the terms and limitations set forth in this document.

DISTRIBUTIONS FROM THE ENDOWMENT PROGRAM

Distributions from designated 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 document if such direction is in conformity with the general purposes set forth herein. In the case of the General Endowment Fund, 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 purposes and causes to which distributions from the General Endowment Fund and broadly-designated Endowment Funds (i.e. Missions) are to be made shall be approved by the Church Council through a process determined by the church Council.

LIABILITY OF TRUSTEES AND MEMBERS OF THE COMMITTEE

In the absence of gross negligence or fraud, no member of the Board of Trustees of Battle Ground UMC or of the Committee of said church shall be personally liable for any action taken or omitted with respect to the Endowment Program.

MERGER, CONSOLIDATION, OR DISSOLUTION OF BATTLE GROUND UNITED METHODIST CHURCH

If at any time Battle Ground UMC 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 on 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 Battle Ground UMC should ever be dissolved without any lawful successor, the Fund, including both principal and interest to date, shall be turned over to the United Methodist Foundation of the Northwest as a Permanent Endowment bearing the name of Battle Ground United Methodist Church, with the request that the Foundation use the earnings for missions and church development within the region served by the Foundation. (See paragraph 2548.5 of *The Book of Discipline – 2004*).

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 Battle Ground UMC 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 17th day of February 2013 in a duly authorized Charge Conference of Battle Ground United Methodist Church, Battle Ground, WA, by a vote of:

_____ For _____ Against and _____ Abstained. _____

Recording Secretary

District Superintendent

Pastor