

SPECIAL GIFTS AND BEQUESTS POLICY  
of the  
FIRST CONGREGATIONAL UNITED CHURCH OF CHRIST  
of Menomonie, Wisconsin

1997  
Revised April 27, 2014

## SPECIAL GIFTS AND BEQUESTS POLICY

### FIRST CONGREGATIONAL UNITED CHURCH OF CHRIST Menomonie, Wisconsin

#### PURPOSE/PREAMBLE

First Congregational United Church of Christ, Menomonie, Wisconsin, wishes to encourage the Christian stewardship of accumulated, inherited and appreciated resources. It is understood that special gifts and bequests should not take the place of faithful stewardship of current income, but should be made to enable the church to continue and extend its mission in the future both here and abroad. The gifts toward which this policy is directed may include bequests in wills, charitable remainder trusts, transfers of property, life income gifts, assignment of life insurance, memorial gifts and any other Special Gifts and Bequests. While such gifts are to be encouraged, they must also be guided with sensitivity and care.

The purpose of this policy is to establish a regular procedure for the receipt, management and disposition of funds or other properties that are received by First Congregational United Church of Christ, Menomonie, Wisconsin.

#### GENERAL POLICY

A. Administration: The Planned Giving Committee, as called into formation by the Council on April 28, 1991 shall be responsible for educating the Congregation regarding Planned Giving, for authorizing disposition of gifts received according to these policies, and for overseeing the prudent management of the Endowment Fund of First Congregational United Church of Christ, Menomonie, Wisconsin. The COMMITTEE shall consist of the Church Treasurer and five (5) members, all of whom shall be voting members of First Congregational United Church of Christ, Menomonie, Wisconsin. 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 five (5) members to 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 (2) CONSECUTIVE THREE (3) YEAR TERMS. After a lapse of three (3) years, former COMMITTEE members may be re-elected. The senior pastor and moderator of the Church Council shall *serve as advisors, non-voting, to the COMMITTEE*. The Church Council's nominating committee 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 Church Council shall appoint a member to fill the vacancy until the next annual meeting of the Congregation, at which time the nominating committee shall recommend and the Congregation shall elect a member to fulfill the term of the vacancy.

The COMMITTEE shall meet at least semi-annually, or more frequently as deemed by it to be in the best interest of the Special Gifts and Bequests Endowment Funds, herein after referred to as "FUND." A quorum shall consist of three (3) members. A majority of the COMMITTEE (three votes) shall be required to carry any motion or resolution. The COMMITTEE shall elect from its membership a Chairperson, Treasurer-Financial Secretary, and Recording Secretary.

The Chairperson, or member designated by the Chairperson, shall preside at all COMMITTEE meetings. The Treasurer-Financial Secretary shall maintain all appropriate financial records for the COMMITTEE and shall supply such records as requested by the COMMITTEE. The Recording Secretary shall maintain complete and accurate minutes of all meetings of the COMMITTEE and supply a copy thereof to each member of the COMMITTEE. Each member shall keep a complete copy of minutes to be delivered to his/her successor. The secretary shall also supply a copy of the minutes to the Church Council.

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 conflict 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 First Congregational United Church of Christ, Menomonie, Wisconsin Endowment Fund.

B. Receipt Of Special Gifts And Bequests: Unless otherwise stated all funds received as gifts, except gifts to annual budget or approved special drives, will be designated as Special Gifts and Bequests subject to the authorized disposition of such gifts through the COMMITTEE and under the provisions of this policy.

All gifts received in forms of property other than cash should be converted to cash at their fair market value as soon as is practicable and reasonable, except that in the event that the COMMITTEE deems it appropriate to maintain certain property received in other than cash form, it must obtain approval from the Council.

Unless otherwise provided for in the document, the COMMITTEE, with the approval of the Council, shall have the authority to refuse any gift.

C. Changes And Amendments: This procedure is made very difficult in recognition that one of the easiest ways to destroy a viable Congregation is to pay the bills which church members ought to pay themselves. The Special Gifts and Bequests Policy shall be inviolate for a period of one (1) year from the date of its establishment or amendment. Any change after that time shall require approval at two (2) consecutive Council meetings with a pre-announced agenda of the specific proposal, and approval of a two-thirds majority of the congregation present at a special meeting held in accordance with the Bylaws of the church.

D. Accountability: Financial status of the Special Gifts and Bequests Funds, receipts and disbursements, and other pertinent information regarding the Funds will be reported on a regular, but no less than semi-annual basis to the Council by the COMMITTEE. This information shall also be included in the Annual Report to the Congregation.

The names of all donors and those honored by memorials shall be recorded in a Memorial Book, unless they desire to remain anonymous. All gifts shall be acknowledged in a letter from the COMMITTEE on behalf of the Congregation. The families of those named in memorials shall be informed of such gifts by the COMMITTEE.

E. Undesignated Gifts: Funds received as undesignated Special Gifts and Bequests shall be disposed of in the following manner upon recommendation of the COMMITTEE and approval of the Council.

- A. Gifts and bequests with a value of \$25,000 or less:
  - (1) 50% will be transferred to Endowment Fund;
  - (2) 15% will be designated for mission causes, as determined by the church's Missions Committee;

- (3) 35% will be designated by the Council for either capital assets or improvements or the retirement of outstanding debt on the congregation's property to the extent that such debt exists.

B. Gifts and bequests with a value of more than \$25,000:

- (1) The first \$25,000 will be disbursed in accordance with Paragraph A.
- (2) The Balance of the funds will be designated for the Endowment Fund.

F. Designated Gifts: If a testator's will, or the instruction accompanying other special gifts, designates a particular purpose for which a gift is to be used, the gift will be used in accordance with such designation. All disposition of such designated gifts shall be recommended by the COMMITTEE and approved by the Council. The Preamble of this policy should be brought to the attention of the congregation at least semi-annually, in order to assure that designated gifts and bequests are in agreement with the expressed mission and ideals of the church.

If the designated purpose has already been achieved or is otherwise not a practicable and reasonable use of the gifts, the COMMITTEE will, upon advice of legal counsel, take whatever action is deemed necessary in that particular situation in bringing a recommendation to the Council. If it is not possible to negotiate a change in designation with the donor or donor's representative, inappropriately designated gifts may be respectfully declined.

FIRST CONGREGATIONAL UNITED CHURCH OF CHRIST  
ENDOWMENT FUND

A. Assets

Assets of the Endowment Fund shall consist of funds received as Special Gifts and Bequests designated to the Endowment Fund and funds received as a result of the disposition of undesignated gifts and bequests as previously stated in the Special Gifts and Bequests Policy.

B. Administration

According to Article IV, Section 8, Subsection 1, of the By-Laws, the Treasurer shall "Have charge and custody of and be responsible for all funds and papers relating to the property of this church."

The Planned Giving COMMITTEE, with the approval of the church Treasurer, will be responsible for oversight of receipts and income and for disbursement of earnings according to the guidelines which follow. Investment of the assets of the FUND shall be determined by the COMMITTEE, with the approval of the church Treasurer. The COMMITTEE may wish to consider the services of a professional financial management agency. (The United Church Foundation is an acceptable source of financial assistance.) Income should be emphasized over growth, and the principal should not be subject to undue risk.

Investments shall be consistent with any policies and guidelines, including social responsibility and ethics, adopted by the Council, and shall meet the highest standards of personal and fiduciary responsibility.

The Treasurer-Financial Secretary of the COMMITTEE shall prepare a financial report disclosing the condition of the Fund and all its receipts and disbursements (noting designated and undesignated amounts, where applicable) since the last such report. These reports shall be made at least semi-annually and shall be submitted to the COMMITTEE and the Council.

The fund shall be audited annually. Once the principal has reached \$50,000 an independent professional

audit of the Fund shall be conducted annually and shall be submitted to the Congregation.

All costs of managing and promoting the Fund shall be paid out of its income upon recommendation and approval of the COMMITTEE.

C. Use Of Assets And Earnings

Only income may be used for the purpose outlined below; principal is not to be invaded except in case of extraordinary circumstances, and only then upon approval of the Council and of two-thirds of the members of the Congregation at a special or annual Congregational Meeting called in accordance with the Church Bylaws.

Income from the Endowment Fund shall be distributed by the COMMITTEE according to the following guidelines:

To ensure a more even and consistent distribution of Endowed Funds on a yearly basis, 4% of the value of Endowed Funds, excluding mission based funds, will be distributed to the Church Council. The Council is encouraged to use these funds as follows:

- To support current benevolent interests of the congregation;
- To support innovative ministries;
- To support church-related institutions of higher education or church related programs at institutions of higher education;
- For capital improvement or repair to church properties.

DISSOLUTION

In the event of the dissolution of the Congregation, assets of the Endowment Fund shall be disbursed according to Article XII of The Constitution.

Adopted and Approved

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