

Endowment Policy

Berrien Unitarian Universalist Fellowship

4340 Lincoln Avenue

December 8, 2020

An Endowment fund is an institutional capital fund that accepts special gifts and distributes them according to restrictions made by the donor or as described in this policy.

1. Berrien Unitarian Universalist Fellowship (BUUF) establishes the following UPDATED endowment policy to assure the long-range financial future of the Fellowship, to help the Fellowship manage and survive financial emergencies, and to fund capital needs and special projects that further BUUF's mission.

2. The Endowment shall be governed by an Endowment Committee, which shall serve as the custodian of the endowment funds. This policy shall require the committee to exercise the utmost care to ensure the integrity of restrictions placed on any gift to the endowment. The overall investment objective of the fund is to increase the asset value in order to maintain the real purchasing power of the endowment while allowing for regular distributions.

3. The Endowment Committee shall be elected by the voting members during the Annual Meeting. The Endowment Committee shall consist of three voting members of BUUF. The term of each member will be three years. No members may serve on the Endowment Committee while serving on the BUUF Board of Trustees or as an elected officer of BUUF. No committee member can serve more than two consecutive three-year terms. After a lapse of one year, former committee members can be re-elected. If a vacancy occurs on the Endowment Committee, the two remaining Endowment Committee members will elect a voting member of BUUF to fill the vacancy until the next Annual Meeting, when the voting members will elect a person to complete the un-expired term should an un-expired term remain.

4. The unanimous vote of the three members of the Endowment Committee is required to carry any motion or resolution. The committee shall yearly elect its own chairperson. The committee shall report to the Board on a quarterly basis and report to the BUUF Membership as to the status of the endowment funds at the annual BUUF meeting. The Committee shall work with the Stewardship team and Board to encourage additional deposits to the fund, largely through legacy gifts from members.

5. Requests for special General Endowment Fund distributions, in agreement with the purposes outlined in paragraph 1, must first be approved by a majority vote of the Board and 2/3 of a fellowship quorum. Once approved in this manner, the Endowment Committee will deliver a written response to the Board within 30 days, either approving or declining the request and the reasons for doing so.

6. The Endowment Committee is empowered, acting through its unanimous power, to either act independently or enter into arrangements with a qualified funds administrative agency, such as a bank trust department to operate as an endowment administrator. Any such organization retained shall function under the supervision of the Endowment Committee and under an agreement to not make any changes to the investment placement of the endowment assets without the prior consultation and approval of the Endowment Committee. The committee shall act in its sole judgment and discretion as it deems wise and prudent, without further approval. The committee shall endeavor to invest the assets of the funds in a socially responsible manner. The decisions of the Endowment Committee must be unanimous.

7. Endowment Committee members shall not be liable for any losses incurred by the Endowment Funds except to the extent that such losses arise out of acts of omission or willful misconduct or gross negligence. No member of the committee shall engage in any self-dealing or transactions with the Endowment Funds in which the member has direct or indirect interest.

8. The BUUF Endowment is divided into two separate funds:

A. The General Endowment Fund: Gifts to this fund will be encouraged with no or minimal restrictions; however, gifts with donor stipulated restrictions will be accepted. All gifts to this fund will faithfully follow restrictions indicated by the donor. If this is not feasible, the gift shall be refused. The Endowment Committee shall have full responsibility for maintaining and disbursing funds according to the donor's restrictions. For the money invested by BUUF in the Unitarian Universalist Common Endowment Fund (UUCEF), pursuant to paragraph 2.2e in the UUCEF operating agreement, the quarterly distribution toward general operating expenses will be a percentage of the fund, chosen by the unanimous vote of the BUUF Endowment Committee. This disbursement is made without regard to fund income for the year. The distribution rate will be submitted to UUCEF via the Distribution Election Form one month prior to the end of BUUF's fiscal year.

B. The Restricted Endowment Fund. Initially established with a sum of sixty-thousand dollars (\$60,000) from BUUF savings and investment accounts, henceforth only those gifts designated by the donor as a contribution to the Restricted Endowment Fund will be added to this fund. The Restricted Endowment Fund distributions will be allotted to support the BUUF Social Justice program for the current year, thus ensuring and enabling expanded service to the community. The plans, work, and efforts of the Social Justice Committee shall be presented to the BUUF Board of Trustees and authorized by a majority vote of the members constituting a quorum at the BUUF annual meeting. Once approved, the Social Justice Committee can proceed with its planned use of the funds. For the money invested by BUUF in the Unitarian Universalist Common Endowment Fund (UUCEF), pursuant to paragraph 2.2e in the UUCEF operating agreement, the quarterly distribution will be a percentage of the fund, chosen by the unanimous vote of the BUUF Endowment Committee. This disbursement is made without regard to fund income for the year. The distribution rate will be submitted to UUCEF via the Distribution Election Form one month prior to the end of BUUF's fiscal year.

9. In the unlikely event of the termination of the Berrien Unitarian Universalist Fellowship, all endowment assets, after satisfying all debts, shall be turned over to the Unitarian Universalist Association.

Approved by a two-thirds majority of voting members on this ___ day of ____, 2020.

Beth La Fleur, President

Joan Guilfoyle, Secretary

Dave Sarra, Treasurer

Harvey Johnson, Vice President

Diane Gibbons, Member-at-Large