

A Resolution Revising the Endowment and Memorial Funds Policy
For the Benefit of the Stratford United Methodist Church

Be it resolved by a Church Conference of the Stratford United Methodist Church, duly called and assembled, the following Policy regarding:

- ***Administration of Trustee Endowment and Memorial Operating Funds***
- ***Receipts of Bequests and Memorial Gifts***

shall be in effect. This policy updates and supersedes the prior endowment fund policy established by the church conference on Oct. 28, 2012.

1. Administration of the Endowment Fund:

The Endowment Fund was established by resolution on September 30, 2001, to be used as a depository for bequests and specified memorial gifts made to the Stratford United Methodist Church.

- a. **Objectives of the Endowment Fund** - are to conserve and invest the principal in order to generate earnings. Funds may be withdrawn and distributed for an intended purpose determined by the Trustees.
- b. **Investing of the Endowment Fund** - shall be administered by the church's Board of Trustees as designated by the Lay Leadership and voted on by members at the Church Conference.
The Board of Trustees will invest the Endowment Fund in conformity with the social principles of the United Methodist Church.
Donor restrictions stipulated in bequests and specified gifts to the Endowment Fund will be segregated and invested through the establishment of Restricted Endowment Funds. The accounting of both principal and earnings on Restricted Endowment Funds will be segregated in compliance with donor restrictions.
- c. **Earnings Withdrawals** – Any portion of the earnings of the unrestricted Endowment Fund may be withdrawn by the Trustees, either to fund projects approved by the Trustees, or distributed to support church operations or missions in accordance with the church's annual operating budget, as recommended by the Finance Committee and approved by the Church Council. Earnings from the Restricted Endowment Funds may be withdrawn and distributed by Trustees in compliance with their stipulated use.

- d. Principal Withdrawals** - Any portion of the unrestricted Endowment Fund principal may be withdrawn only in extreme and overwhelming circumstances, including preserving the operating liquidity of the Stratford United Methodist Church. The Deficit Spending Policy approved by the Church Council October 5, 2021, anticipates such a circumstance. Disbursements from the unrestricted Endowment Fund to fund the church operations in accordance with the church's approved annual budget, as recommended by the Finance Committee and approved by the Church Council, may involve a withdrawal of the principal. Any other withdrawal of principal must be proposed by a Policy or Resolution approved by a vote of the Church Conference of the Stratford United Methodist Church.
- e. Endowment Reporting** – The Trustees shall provide an Endowment Fund report to the Church Council at least quarterly. The report shall include current balances by unrestricted and restricted Funds, YTD earnings, and withdrawals by the Fund. All activity in the Endowment Fund shall be reported to the Church Conference annually for the prior year to also identify specific named or donor-restricted funds individually.

2. Administration of The Undesignated Memorial Fund:

The Undesignated Memorial Fund was established to be used as a depository for certain unrestricted memorial gifts made to the Stratford United Methodist Church, with the intent that the gift principal be used to directly benefit church missions or operations. Undesignated gifts and any investment earnings will be used to fund the current operations and/or benevolence budgets as recommended by the Finance Committee and approved by the Church Council or projects with input from the Memorial Committee.

3. Receipts of Bequests and Memorial Gifts:

- a. Bequests** - will be managed by the Board of Trustees in accordance with the policies set forth above.
- b. Unrestricted Memorial Gifts** - will be deposited to the Undesignated Memorial Fund and accounted for and reported by the Church Treasurer within the Operating Cash Fund.

- c. Restricted Memorial Gifts** -Donor restrictions will be honored, and these gifts will be used only for the stated purpose by use of a Dedicated Operating Cash Fund, accounted for and reported by the Church treasurer within the Operating Fund. In cases where the Dedicated Fund has been available for five years, and cannot be used for the intended purpose, or has only been partially used, any balances may be redirected or deposited to Undesignated Memorial Fund by a vote of the Church Council.
- d. Bequests and Memorial Gifts shall be accepted and acknowledged** - by the Memorial Committee Chairperson or the pastor, and thereafter delivered to either the Church Treasurer or the Board of Trustees based on the policy established above. The church secretary shall maintain records such that families may be notified of the Memorial Gifts.

February 25, 2024 Special Church Conference
at the Stratford United Methodist Church