

WESTMINSTER PRESBYTERIAN CHURCH  
PERMANENT ENDOWMENT FUND  
RESOLUTION

An Endowment Fund for the WESTMINSTER PRESBYTERIAN CHURCH is desirable in order to encourage Christian persons to ensure the further advancement of the Kingdom of God through gifts and bequests. The original Resolution was adopted on the twenty-first day of March 2000. This amended resolution is adopted by the vote of the Session, on the twenty-fifth day of April 2021.

ARTICLE I - PURPOSE AND NAME

- 1.01 There is hereby established a Permanent Endowment Fund (hereafter referred to as “the Fund”) for the Westminster Presbyterian Church, 1500 Scio Church Road, Ann Arbor, Michigan.
- 1.02 The name of the Fund shall be the WESTMINSTER PRESBYTERIAN CHURCH OF ANN ARBOR ENDOWMENT FUND.
- 1.03 The purpose of the Fund is to establish a perpetual fund which obtains, invests, and distributes income according to the guidelines set forth in Articles III, IV and V of this Resolution, except as specified by the donor, or upon special action by the Session relative to unrestricted gifts or bequests.

ARTICLE II – ADMINISTRATION, CONTROL AND RESPONSIBILITIES

- 2.01 The Fund shall be administered and controlled by the Finance Ministry Team (hereafter referred to as “the Team”) with approval of Session.
- 2.02 The Team shall have the following responsibilities:
  - a) In collaboration with the Stewardship Ministry Team, to acquaint church members and friends with the opportunity of making gifts and bequests to the Fund.
  - b) To ensure that the financial records of the Fund are included in the annual review of all Westminster financial reports.
  - c) To ensure that all proposed programs, amendments and changes shall be reported to the Session for approval in a timely fashion.
  - d) To assume responsibility for the safekeeping, management, investment, and transfer of all funds and properties comprising the Fund.
  - e) To seek professional advice as needed.
  - f) To administer and manage the Fund in keeping with the Fund’s purpose.

- g) To include a report of its work within the annual report to the congregation.
- h) To acknowledge all donors appropriately for their gifts
- i) To appoint subcommittees as needed.

### ARTICLE III - RECEIPT OF ASSETS AND INVESTMENT OF THE ENDOWMENT FUND

- 3.01 Undesignated gifts are encouraged and placed into the Fund.
- 3.02 Donations may also be made to any Permanent Sub Fund (hereafter referred to as “Sub Fund”).
- 3.03 Receipt of Assets. Donations to the Fund shall be received in the following forms:
  - a) Gifts - assets given for immediate use.
  - b) Deferred Gifts - assets given but which will not be received until the future: i.e., insurance policies, life income plans.
- 3.04 Liquidating Assets. Gifts received will be liquidated in accordance with the attached Gift Acceptance Policy.
- 3.05 Acceptance Policy. The Team is authorized to accept or decline gifts in accordance with the attached Gift Acceptance Policy.
- 3.06 The Fund shall be invested with Presbyterian Church (USA) Foundation.

### ARTICLE IV- FUND MANAGEMENT AND LIMITATION ON USE OF PRINCIPAL

- 4.01 The objectives of the Fund are to conserve principal and make use of only the income and capital appreciation of the Fund. Any part of the principal may be withdrawn only in extreme and overwhelming circumstances, bordering on the survival of Westminster Presbyterian Church. Any withdrawal of principal must be approved by a two-thirds (2/3) vote of the Session of Westminster Presbyterian Church.
- 4.02 “Principal” is defined as the original investment into the Fund from donor gifts. “Income” is defined as interest and dividends on invested funds. Income and capital appreciation combine to form a separate “valuation account” which when added to principal gives the “total fund balance.”
- 4.03 The Endowment fiscal year is to run from April 1 to March 31.
- 4.04 The Fund should be managed with ordinary business care and in a prudent manner.

- 4.05 Five percent of the average total fund balance at the end of the three preceding Endowment fiscal years will become available for distribution during the current Endowment fiscal year according to the provisions of the gift(s). If the market value of the Fund falls below the principal, no funds shall be distributed.
- 4.06 The distribution will be calculated separately for the Fund and each of the established Sub Funds. Any portion of the calculated amount that is not spent during the current fiscal year will carry over into succeeding year(s) and remain available for use in combination with any additional expendable funds calculated for the succeeding year(s).

#### ARTICLE V - USE OF THE ENDOWMENT FUND

- 5.01 The Fund would normally not be used to support the church operating budget.
- 5.02 Distributions from any Sub Fund shall be used consistent with the purpose of the Sub Fund.
- 5.03 All distributions must be approved by Session.

#### ARTICLE VI - AMENDMENTS

- 6.01 The Team shall have the power to recommend amendments to the Fund Resolution. All amendments shall be approved by a two-thirds (2/3) vote of Session.

#### ARTICLE VII - LIABILITY

- 7.01 In the absence of gross negligence or fraud, no member of the Team of Westminster Presbyterian Church shall be personally liable for any action or omission with respect to the Fund.

#### ARTICLE VIII - MERGER, TERMINATION

- 8.01 If at any time Westminster Presbyterian Church is lawfully merged or consolidated with any other church, all the provisions hereof in respect to the Fund shall be deemed to have been made on behalf of the merged or consolidated church which shall be obligated to administer the same in all respects and in accordance with the terms thereto.
- 8.02 The Fund created by the Westminster Presbyterian Church of Ann Arbor for the purposes set forth above shall continue so long as there exist funds to be administered by the Team as provided herein. However, the Fund may be terminated by a two thirds (2/3) vote of Session. Upon such termination, the Session shall complete arrangements to assure that disbursement of principal and income shall be consistent with the terms of the gifts and bequests accepted as Fund assets.