

*"No one has ever become poor by giving."
— Anne Frank, diary of Anne Frank*

UUMAN Endowment Fund Policies and Procedures

Version 1.0 Approved

UUMAN Endowment Committee

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Document Revision History

25-May-17	Version 1.0 Approved by UUMAN Board of Trustees pending changes discussed in Board meeting; this document includes the changes discussed.

Purpose of this Document

This Policies and Procedures document is designed to be a handbook to guide the UUMAN Endowment Committee (“the Committee”) and the UUMAN Board of Trustees in their role in managing the UUMAN Endowment Fund (“the Fund”). Changes may be recommended to this document at a regular meeting of the Committee and approved by the Board of Trustees with a super majority vote.

The Committee will review this document at the first meeting of each fiscal year to ensure the document is sufficient to help guide day-to-day work and that the document remains an informal and useful internal tool for UUMAN.

Purpose of the UUMAN Endowment Fund

The UUMAN Endowment Fund provides a vehicle for donors to provide long term support and stability to the congregation and the values that the congregation represents.

Historical Highlights of the UUMAN Endowment Fund (“the Fund”)

In March of 2017, with a legacy gift from Rev. Cynthia Prescott, the Fund was created. The Committee was also formed at this time to manage the setup and ongoing care of the program.

Investment Philosophy and Goals

The Fund is a means for people to make a long-term investment in the future of UUMAN. We intend to invest the funds in the socially responsible fund sponsored by the Unitarian Universalist Association called the UU Common Endowment Fund (UUCEF). This fund invests in companies that are screened to most align with UU covenants. More can be learned about the UUCEF philosophy as well as procedures to invest at <http://uucef.org/>. It is not the purpose of this document to duplicate that information.

Financial experts are in good agreement that the goal of an endowment fund should be set at 3 times the annual budget of the organization. At that level, distributions of interest act as a steady revenue stream to the operating fund or special projects. Our UUMAN goal is to achieve this amount (or other amount as adjusted by the Board) over time. It is not the intention of this Fund to act as an emergency account but to create a financial foundation for UUMAN.

Withdrawals

The intention is not to withdraw any of the principle gifts, rather to let them grow as quickly as possible. All withdrawals are from growth that the fund has achieved. Until we have deposits of \$100,000 in the Fund, interest or dividend withdrawals will be made via a UUMAN grant making process. This will keep us focused on the long term goal and make sure that any withdrawals are documented, within our guidelines and agreed upon. Grants are made only when the Committee and Board of Trustees can reach a consensus on the timing and the amount of the withdrawal.

Once the “3x annual operating fund dollars” goal is met, we may take advantage of a UUCEF automatic distribution policy based on a percentage of the 5-year moving average market. This allows for modest real growth of the Fund even though withdrawals are made. This is similar to strategies used in taking regular distributions from an IRA or 401K during retirement.

The UUMAN Treasurer and President of the Board of Trustees will be authorized on all accounts and both required to sign for all withdrawals.

Gifts

Gifts will be accepted that are consistent with the mission and the long term goals of the Congregation.

Designated Gifts – The Fund encourages gifts to the general fund. Designated gifts for special projects or for specific use can be accepted, but will be discussed by the Committee and Board of Trustees before accepting.

Ways to Give – Donations are accepted in the form of

- cash or assets as direct contributions,
- gifts in honor or in memory of someone,
- annuities,
- designations in estates or wills,
- or other

When a gift is received it will be deposited into an UUMAN holding account (separate from general operating accounts) until it can be deposited into UUCEF. UUCEF, at present accepts deposits in multiples of \$1000.

Gifts over \$1000 will be recognized on a plaque in the church vestibule/foyer reserved for this.

UUMAN Legacy Society

The Legacy Society is a means to recognize those members who have made a charitable bequest to the Fund in their wills or other estate planning documents. Special recognition is given to Legacy Society Charter Members, who made this bequest during the initial campaign for the Endowment Fund. *New* members of the Legacy Society are solicited ongoing by the Committee and Board of Trustees by personal canvassing, marketing of the benefits and recognition of gifts that have already been given. Forms are available (see Appendix C) to suggest specific wording that can be used to make a bequest to the Fund in a will. Each member will engage their own financial professionals in the gift-making process.

Role of the UUMAN Endowment Committee (“the Committee”)

The UUMAN Endowment Committee is composed of at least 4-6 members who manage the ongoing care of the Fund. Committee members serve a 3 year term. See Appendix D for Committee Members and terms end dates.

PUBLICITY AND EDUCATION RESPONSIBILITIES:

1. Maintains and increases visibility of the Fund with key messages focused on emphasizing the Fund’s purpose and gifts to UUMAN.
2. Encourages new donations and increased understanding and support for the Fund.
3. Communicates and recognizes donors to the Fund, Legacy Society members, and families of those who have passed away and listed the Fund in their estate plans.
4. Publicizes the mission of the Fund and strive for congregation-wide recognition of the funding policies of the Fund and the potential for congregational donations.

GRANT MAKING RESPONSIBILITIES:

1. Facilitates an annual review of the Fund withdrawal and gifts policy, potentially leading to proposals to the UUMAN Board of Trustees for changes or updates to this policy.
2. Convenes as soon as possible after a grant request has been presented to the Fund:
 - a. Ensures the grant request has been reviewed by the UUMAN Board of Trustees to assure it meets with UUMAN’s mission.

- b. Reviews the grant request to assure it is in line with the Fund's withdrawal policy.
 - c. Gathers any additional information relating to the grant to facilitate discussion and decision making by the Committee.
3. Facilitates the Committee and Board of Trustees discussion of the grant request either by presenting the request or inviting the grant requester to do this in person.
4. Facilitates or arranges the independent facilitation of the consensus process between the Board of Trustees and the Committee.

RECORDS RETENTION RESPONSIBILITIES:

It is the responsibility of the Committee to archive all important written documents pertaining to the Fund. At a minimum the documents to include are:

- Quarterly Financial Reports
- Grant Requests and Approvals
- Legal documents with UUCEF

These will be stored in the UUMAN office and online as well, if possible.

Role of the Board of Trustees (with respect to the Fund)

As with all matters of church polity, the Board of Trustees is principally responsible for the UUMAN Endowment program. Basically, they work with the Committee to ensure that the program is successful. Key responsibilities in addition to those mentioned other places in this document are:

1. Be able to speak to the purpose of endowment and how it functions for UUMAN. Make mention of endowment gifts – and their potential impact – during all public functions
2. Help identify and as needed make introductory calls to new prospects.
3. Make a board-approved commitment that a certain percentage of every dollar raised will be directed to the Fund.
4. Make endowment a priority in the organization.
5. Meet to review and discuss grant requests and process withdrawals as necessary

Education, Communication and Recognition Procedures

Website:

At least one UUMAN Endowment Committee member will work with UUMAN Web Editor, to create a web page on our UUMAN web site.

This includes revising text for the site, and making updates such as posting the quarterly Fund report with current account balances and latest grants. This report should be updated quarterly and posted online so that the Committee and Board of Trustees maintains a publicly visible record of operations.

Acknowledgement/celebration of grants:

The Committee organizes a brief congratulations in Sunday Services to acknowledge a selected proposal leading to a grant, acknowledging the activity or item which was proposed and approved. This information can also be announced via Weekly Update, Newsletter and the Fund webpage.

Annual Memorial Activities:

The Committee coordinates with minister to find a Sunday to recognize Legacy Society members and recent donors. This traditionally occurs annually, but emphasis should be placed on Sundays when well-attended services occur.

Recognition of Contributions, Memorial Gifts, Estate Gifts

Newsletter/Website: The Committee is responsible for recognizing Fund contributions of all types and amounts on a quarterly basis in the Newsletter and at top of the Fund webpage.

Plaques: The Committee updates plaques. Updates need to be done:

As needed for recognition of “In Memory” plaque. Communicate with Treasurer to learn if gifts have been received within past year and add new names to plaque (\$1000 minimum donation needed for listing on Memorial plaque).

As needed for recognition of “Contributions” plaque. Communicate with Treasurer to learn if gifts have been received within past year and add new names to plaque (\$1000 minimum donation needed for listing on Memorial plaque).

Existing or new members of the Legacy Society

Formal recognition in the annual Sunday memorial service, set aside to recognize and thank members of the Legacy Society.

Reception may be held after memorial service to recognize and thank members (with food & refreshments).

Periodically the Committee and Board of Trustees communicates with Legacy Society members either by phone, email or letter.

Procedure for Legacy Society

Tracking of members of the Legacy Society is handled by a volunteer on the Committee and includes the member's name, street address, email address and any other pertinent contact information. The Legacy Society database is updated annually by calling those listed as "*planning to include*" the Fund in their wills and asking if they have completed this legal work. If so, their status is changed to "Member." (Members are not required to indicate the specific amounts of their bequest, nor are they requested to provide a copy of their will.)

Grant Making Policies and Procedures

GRANT POLICIES:

1. Although the Fund will consider all submitted requests, it is the general policy of the Fund that it will give priority to funding requests from the Unitarian Universalist Congregation of Metro Atlanta North ("UUMAN") that:
 - a. Have been verified by the UUMAN Board of Trustees that the request is in line with Mission Statement set by the UUMAN Board of Trustees.
 - b. Are for capital expenditures or expansion purposes, or one-time or not regularly recurring purposes, and which are deemed to have little or no chance of being funded through the regular UUMAN budget.
2. Aggregate funding for all approved requests in any fiscal year shall not exceed 3% of the assets of the Fund as determined at the beginning of the fiscal year. Exceptions can be granted by majority vote of the Committee for requests of an extraordinary or emergency nature. (The Committee will visit this expenditure policy including the percentage annually and will consider available models such as the Harvard Model for determining grant-giving funds. The Harvard Model averages the growth of the Fund over 16 quarters (4 years) and subtracts the current inflation rate. The remainder is available for grants. If we were growing at an average of 6% and inflation was only 2%, it would say we could grant up to 4% of our worth.)
3. Once our funds have reached 100K, this program will be put on a 5 year cycle for review by an independent auditor. The fee for auditing is an accepted and expected withdrawal from the Fund.

GRANT PROCEDURES:

For information on the grant request and review process, contact the Committee as needed. The procedure is designed to be flexible and useful for requestors.

Grant requests should be sent to both the Committee and the UUMAN Board of Trustees. Requests will be in writing and include a letter of explanation and a cost estimate. (See Grant Request Form in Appendix A)
Prioritization of multiple requests is done by the Board of Trustees based on which supports the mission of UUMAN best.

APPENDIX A – Grant Request Form Sample Template

(Date)

UUMAN Endowment Committee

UUMAN Board of Trustees

(Include letter to the UUMAN Endowment Committee with the following information. In most cases, the request, itself, will be less than 1 page.)

A statement of the request with the amount requested.

A brief description of the need for the funds.

A brief rationale for the amount requested – how was the amount determined.

Any additional pertinent information such as if the funding is one time funding, if the funding will be part of the UUMAN budget, if there will be follow-up requests for funding, if there is matching funding, if there is a timing need to be considered, etc.

APPENDIX B – General Calendar

January

- 4th Quarter Report on website
- Review and revision of this document

February

March

- Preparation for May Recognition (see below)
- Endowment Birthday Club Celebration

April

- 1st Quarter Report on website
- Submission of Newsletter articles for May events
- Calls and updates to Legacy Society list

May

- Memorial and Endowment Fund Recognition (see below)

June

July

- 2nd Quarter Report on website
- Beginning of church fiscal year

August

September

- 3rd Quarter Report on website

October

November

- Meeting with Minister about Annual Endowment Fund Recognition Service

December

APPENDIX C – Sample Codicil Language and Bequest Language

A codicil is an addition or amendment of your will.

[date]

I, [name], a resident of the County of [county], State of [state], declare that this is the codicil to my last will and testament, which is dated [date original signed].

I add or change said last will in the following manner:

[List all specific changes or additions to the original will. Reference each section number of the will and the specific language you will be affecting. This is where you could include a bequest to support our mission. See our [suggested bequest language](#) BELOW that can assist you.]

Otherwise, I hereby confirm and republish my will dated [date original signed], in all respects other than those herein mentioned.

I subscribe my name to this codicil this [day, e.g. 1st] day of [month], [year], at [full address where signed], in the presence of [full name of first witness to codicil], [full name of second witness to codicil], and [full name of third witness to codicil], attesting witnesses, who subscribe their names here in my presence.

Maker
ATTEST

On the date last above written, [name], known by us to be the person whose signature appears at the end of this codicil, declared to us, [full name of first witness to codicil], [full name of second witness to codicil], and [full name of third witness to codicil], the undersigned, that the foregoing instrument, consisting of [number of pages to codicil] page(s) was the codicil to the will dated [date original signed]; who then signed the codicil in our presence, and now in the presence of each other, we now sign our names as witnesses.

Witness
Address:

Witness
Address:

Disclaimer

Please have your will or codicil drafted by an attorney who is familiar with the estate laws of the state where you live.

The bequest language for the UUMAN Endowment Fund is:

“I give, devise and bequeath to the Unitarian Universalist Metro Atlanta North(UUMAN), located at 11420 Crabapple Road, Roswell, GA 30075, the sum of \$____ (or % of my estate or property herein described) to be contributed to the General Unrestricted Endowment for perpetual support to UUMAN.”

APPENDIX D –Endowment Committee Members and Terms

Name	Term End Date
Bev Jordan	July 31, 2019
Ashok Nagrani	July 31, 2019
Donna Melcher	July 31, 2020
Colin Decker	July 31, 2021

Up to 2 more members may be added for a total of 6. Removal of committee members may be done by a majority vote of the Board. Committee members at end of their terms are asked to recruit and train their replacements.