



**UNITY PRESBYTERIAN CHURCH**  
303 Tom Hall Street  
PO Box 1267  
Fort Mill, SC 29716-1267

## **Unity Endowment Program**

### **Policies and Procedures**

(Amended & Approved by Session February 26, 2024)

#### **Preamble**

Christian people are called to be faithful stewards of all the gifts of God; time, abilities, the created world, and financial resources, including accumulated, inherited and appreciated assets; and there are many ways available for financial giving to the work of the Church, such as devises and bequests in wills, assignments of life insurance, transfers of property (cash, stocks, bonds, real estate), and by other means. It is the desire of the congregation to encourage, receive and administer these gifts in a manner consistent with the faith expressed by the grantors and in accord with the policies of the congregation. Since the founding of Unity Presbyterian Church in 1788, ministry beyond our congregation has been an important part of the church's mission and the lives of its members.

#### **Article I: Purpose**

The purpose of the Unity Endowment Program (the "Program") is to create a perpetual resource to be used exclusively to support Unity Presbyterian Church. The Program is established to offer members and friends of Unity Presbyterian Church the opportunity to leave a legacy of faith for future generations. It is intended to enhance the church's ministry and witness to the love of God in Jesus Christ. It is separate from the annual appeal for general worship offerings, specific-purpose offerings, and capital or building funds. The

Program seeks to attract a full range of giving options, including cash, securities, real estate, valuable tangibles, life insurance, life income plans (annuities, trusts, pooled funds, etc.). It is intended that distributions from the Program be used to expand and enrich the mission and ministry of Unity, rather than become a stream of support for the operating fund.

## **Article II: Legal Identity**

The Program is not a separate legal entity, but is a distinct ministry of Unity Presbyterian Church, administered through the Endowment Board of Session described in Article III. Unity Presbyterian Church is a member church of Providence Presbytery, and the Presbyterian Church (U.S.A.). Unity Presbyterian Church is organized as a not for profit church within the state of South Carolina. Through this Legal Identification, the Program is to adhere to the same Federal and State regulations and laws applicable to Unity Presbyterian Church.

## **Article III: Endowment Board**

- A. Administration.** An Endowment Board (the “Board”) shall administer and manage the Program in accordance the Policies and Procedures.
- B. Composition and Terms.** The Board shall be composed of seven (7) voting Unity Presbyterian Church members who are approved by the Session. The Board shall include one or more members of Session at all times, provided however, that at no time shall members of the current Session constitute a majority on the Board. Member terms shall be for a period of three (3) years. Terms will be staggered so that only two or three Members, as may be appropriate, begin new terms each year. Members may be reappointed, but no member shall serve more than two consecutive three year terms. After a lapse of one year, former Board members may be reappointed. Board members may be removed by action of Session.

The Senior Pastor and Financial Manager of Unity Presbyterian shall serve as non-voting, ex-officio Members of the Board.

Appointments to the Board shall be made at the first regular Session meeting in each calendar year and at other times to fill a partial term vacancy. The Board will accept these appointments at the first meeting of the year.

- C. Officers.** The Board shall elect a Chair, Vice Chair, and Secretary to serve until their current term on the Board ends. The Board may appoint a Recording Secretary to assist the Secretary in performing his/her duties. The Chair shall preside at all meetings of the Board and provide representation of the Board

before Session, shall execute documents for the Board, and shall have other duties normally performed by a Board Chair. The Vice Chair shall perform the duties of the Chair in the absence or disability of the Chair. The Secretary shall maintain minutes of all meetings and other records of the Board. Minutes shall be supplied to all members within thirty (30) days of any meeting. A complete set of minutes shall be maintained and available in the Church office.

- D. Meetings and Quorum.** The Board shall hold regular meetings at least four(4) times each year upon at least five (5) days written (to include electronic delivery) or oral notice to each member of the time, place and agenda of the meeting. The agenda may include a general category of 'such other matters as may properly come before the meeting.' The Board shall also meet at times called by the Chair or any three (3) Board members, in each case with five (5) days written (to include electronic delivery) or oral notice of the time, place and subject of the meeting. Special meetings shall be restricted to the subject(s) set forth in the notice of such meetings. All meetings will be open to members of Unity unless the Board votes to proceed in executive session. A quorum shall consist of a majority of the membership of the Board. A majority vote shall carry any motion or resolution. Any member may participate in, and be regarded as present at any meeting of the Board by means of a conference telephone or any other means of communication by which all persons participating in the meeting can hear each other at the same time.
- E. Responsibilities.** The Board is to encourage members and friends of Unity to have a valid Will and Estate Plan and to include the church in same; and to inform members and friends of the opportunity and importance of making gifts and bequests in support of the ongoing mission and ministries of God's church. The Board shall consult with donors who ask to discuss gifts being planned, as well as with donors/representatives who are offering an Endowment Gift, particularly if a designation or naming opportunity is under consideration. The Board shall keep the congregation informed of the opportunity which the Program provides for gifts, memorial donations, devises and bequests. The Board shall administer and manage the Program in accordance with these Policies and Procedures. The Board shall present to Session not less than once per year a written report on the status of the Program. The Board shall accomplish such other tasks as may be assigned by Session.
- F. Insurance.** Unity Presbyterian Church will provide errors and omissions insurance covering Board members as part of the church insurance coverage.
- G. Counsel.** The Board, at the expense of the Program, may engage professional and/or legal counsel as deemed in the best interest of the Program. All such expenses shall be paid by the Program, Account or Restricted Gift as may be appropriate in the judgment of the Board.

#### **Article IV: Program Gifts and Bequests**

**A. General.** Session authorizes the Board to oversee the gift acceptance process. All gifts and bequests arrangements must be reviewed for acceptance by the Board. Generally, gifts of cash or publically traded securities are deemed acceptable so long as other conditions of acceptability are met. The Board will not establish the value of a gift, but will acknowledge receipt of the gift in writing to the donor, survivor of or estate of the donor, or the entity from which the gift originated.

**B. Unrestricted Gifts.** Unrestricted gifts made to the Endowment Program are to be allocated to the General Endowment Account, described herein. Without restricting the foregoing, gifts received by Unity or a ministry of Unity, that generally indicate the Endowment or Endowment Program as the general directive or purpose, are considered Unrestricted gifts.

**C. Restricted Gifts.** A gift, bequest, devise, interest in trust or property of any kind may be transferred to the Endowment Program for a Restricted purpose subject to acceptance by the Board, and any criteria established by the Session. Session may establish categories of automatic or standing approval for administrative convenience. The Board may accept a gift for any purpose which is generally in keeping with the mission of Unity Presbyterian Church. If the Board is unable to determine the acceptability of a Restricted gift, Session shall determine whether or not the proposed Restricted gift is accepted. A gift shall not be accepted which the Board determines does not have the economic potential to achieve its Restricted purpose. Restricted gifts, upon receipt, shall be maintained and administered by the Endowment Board to the fullest extent possible in accordance with the donor's wishes and as a part of the Account established under Articles V and VI which the Endowment Board determines is most appropriate.

In the event that (1) an objective or purpose for which a gift is accepted fails, becomes obsolete, or otherwise becomes impossible to achieve in a meaningful manner, or (2) upon a positive vote of a majority of Session, that an objective or purpose for which such a gift is made has ceased to be in keeping with the mission and purposes of Unity, then and in either event, such a gift shall not be held for such Restricted purpose and shall be placed within another Program Account or fund. The Board is required to obtain approval from Session prior to taking such actions.

## **Article V: Accounts**

The following Accounts are hereby established and may be added to by gift, bequest, or devise. Additional Accounts for designated purposes may be established upon recommendation of the Board and approval of Session.

- A. Missions / Benevolences Account.** The purpose of this account is to fund missions and benevolence activities that are separate from missions and benevolence activities funded in the annual budget.
- B. Christian Education Account.** The purpose of this account is to assist with funding programs, projects, and missions of children, youth and adult programs related to Unity.
- C. Music Ministry Account.** The purpose of this account is to assist with funding programs, projects, and missions of music ministry related to Unity.
- D. Capital / Building Account.** The purpose of this account is to provide funding for renovations and major improvements to existing property, plant, and equipment, those of which under generally accepted accounting principles (GAAP) are normally treated as capital expenditures.
- E. General Endowment Account.** The purpose of this account is to provide income to support Unity Presbyterian Church.

## **Article VI: Named Accounts**

Accounts may be named for persons or entities, and established upon recommendation of the Board and by approval of Session, provided the gift shall be in an amount of no less than \$100,000, shall have the permission of the donor or legal representative, shall state the purpose clearly, and shall meet the criteria of a Restricted gift as described herein. The Board must determine that a proposed restriction is in accordance with the purpose of the Program, does not violate any policy of the Program or Unity Presbyterian Church, and does not require a program or service that Unity cannot reasonably provide.

## **Article VII: Investments**

The Board shall establish and record long-term objectives for each Account within the Program. Objectives shall be consistent with the original purpose of the Account, the practical use of the Account proceeds in near and long term time horizons, and investment objectives which balance one or more goals for each Account as deemed appropriate.

**A. Professional Advice.** The Board may use the services of registered investment advisors, certified public accountants, attorneys, and others, in the administration of the overall Program and/or each Account. All such expenses shall be paid by the Program, Account or Restricted Gift as may be appropriate in the judgment of the Board.

**B. Investments.** Consistent with the Session approved Investment Policy Statement (IPS), Accounts may be invested in the following types of assets:

- i. Deposits Insured by the F.D.I.C. (Money Market, Certificate of Deposits, and Bank Deposits)
- ii. Publicly Traded Corporate Equity Securities
- iii. Publicly Traded Investment Grade Rated, at the Time of Acquisition, Corporate Debt Securities
- iv. Obligations of the U.S. Government to include U.S. Treasury Bills, Notes, and Bonds,
- v. Exchange Traded Products (i.e., Exchange Traded Funds (ETFs) that do not Utilize Leverage
- vi. Mutual Funds
- vii. Annuities
- viii. Other Investment Vehicles, including but not limited Collective Trust Funds and Pooled Funds that invest primarily in the Investment Vehicles listed above.

**C. Commingling of Funds.** The Board may, but need not, commingle the funds of the Accounts, provided, that accurate records are kept by the Board for the amounts of principal, accrued and generated income, contributions and distributions, expenses, and unrealized gains and losses, respective to each Account of the Program.

**D. Accrual of Income.** The income from any and all Accounts may be permitted to accumulate from year to year, according to the Account objectives, current needs, and per action of the Board.

**E. Year End.** The fiscal year end for all funds of the Endowment Program shall be the same as for Unity Presbyterian Church.

## **Article VIII: Distributions**

**A. Distributions from Initial Accounts.** The Board shall target an annual distribution from each of the following accounts:

- i. Missions / Benevolences Account,
- ii. Christian Education Account,
- iii. Music Ministry Account,
- iv. Capital / Building Account,
- v. General Endowment Account.

The amount of such annual distributions are to have a target range of between 3% and 6% of the balance of the account as of the end of the prior fiscal year. Furthermore, should the Board elect to distribute an amount greater than 6%, the Board must specifically request approval of Session.

**B.** The Board will take **applications for the distribution** of funds during an announced time period following each fiscal year end. If the approved annual distribution has not been awarded during the initial application process, the remaining annual distribution will be available for the remainder of the current fiscal year. Any annual distribution funds not awarded for distribution at the end of the distribution year, will remain in each fund for the year end computation for the following year's distribution.

**C. Distributions from Subsequently Established Accounts.** Distributions from accounts not specifically referenced in Article VIII, Section A above, are to follow specific Distribution requirements associated with the establishment of such accounts. Should such gift agreements not contain Distribution requirements, annual distributions from the account shall follow the target range and rules as outlined in Article VIII, Section A. Additionally, the establishment of subsequent accounts may simply reference, for Distribution purposes, Article VIII, Section A.

**D.** All distributions from each account will be as the Board and if applicable, the Session, determines to be prudent considering the uses, benefits, purposes and duration for which the account is established.

## **Article IX: Financial Accounting**

- A. Audit.** The Fiscal Year for the Program is to be the same as the Fiscal Year of Unity Presbyterian Church. The records of the Program shall be audited or reviewed as part of Unity's overall audit or review.
- B. Accounting.** Endowment funds will be maintained in a separate account(s) and not commingled with operating funds. Cash, cash equivalent and publicly traded security donations to established Endowment Accounts may be accepted directly through the Financial Office of Unity. Any other donations must be approved by the Board. All disbursements from the Endowment must be approved by a majority vote of the Board. The Financial Manager or authorized Board Officer(s) may sign disbursement checks if there is a documented check request signed and approved by two (2) Board members. The Financial Manager shall provide a Summary of Financial Accounting at each regular Board meeting.
- C. Annual Financial Report.** The Board shall present to Session an Annual Financial Report within a reasonable time following the conclusion of each Fiscal Year. Such reports shall provide a complete accounting of the resources of each Account, distributions made from each Account, expenses incurred by each Account, principal balance of each Account, and income available from each Account. A reconciliation of each Account shall include, but not be limited to, the following items:
- i. Purpose of the Account
  - ii. Market Value, (Beginning and End of Fiscal Year)
  - iii. Rate of Return
  - iv. Asset Allocation, (Beginning and End of Fiscal Year)
  - v. Receipts and Disbursements During the Fiscal Year
  - vi. Restrictions (if any)
  - vii. Investment Management
- D. Session Report to Congregation.** Session shall make an annual summary report to the congregation regarding the financial status of the Program, its Accounts, and shall encourage additional participation by generous and visionary members and friends of Unity.

#### **Article X: Amendment and Irrevocability**

This document may be amended at any time by the affirmative vote of two-thirds of Session. This vote may be taken at any scheduled or called Session meeting, provided written notice



explaining the proposed action and reason has been communicated to Session members at least 30 days prior to that meeting.

No such amendment shall permit any part of the Program to be held, administered, or distributed for any purpose other than to expand and/or sustain the mission and ministries of Unity Presbyterian Church. No such amendment or other action shall result in a termination of the Program as constituted herein. No such amendment or action shall be made retroactively.

**Article XI: Consolidation, Merger, Dissolution**

If at any time this church shall merge or consolidate with another church or churches, the surviving church shall be entitled to receive the Endowment Program, and shall be obligated to administer it in all respects in accordance with this document's provisions and subsequent amendments.

If this church is divided or dissolved the Endowment Program shall be administered by this church and its presbytery in accordance with the Constitution of the Presbyterian Church USA, and applicable law.

This Charter was amended and approved by Session, Unity Presbyterian Church, Fort Mill, South Carolina, on February 26, 2024.

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Date

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Church Finance Officer

\_\_\_\_\_  
Date

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Moderator of Session

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Date

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Clerk of Session