

# *First United Methodist Church of Kalamazoo*

## Summary of Pertinent Provisions of Amended and Restated Endowment Policy March 2, 2025

1. Restatement. The Endowment Committee and Endowment Fund were created in 1992. The policies have been amended several times. This amended and restated policy is the new controlling policy.
2. Gifts. Undesignated planned giving type gifts received by the Church shall be allocated 25% to the Endowment Fund and 75% to the Board of Trustees **(revised)**. This allocation can be adjusted by Church Council **(new)**.
3. Membership of Committee. Membership shall include the Lead Pastor, Trustee rep, Finance rep, and up to 5 additional members. **(Revised)**.
4. Responsibilities. The Endowment Committee has the responsibilities as listed in the Book of Discipline and the Policy, including the promotion of estate planning and planned giving, reporting requirements, spending ability, and investing requirements.
5. Spending Limits. The Church cannot invade Principal (defined to include gift value, capital appreciation, and all income **(new)**) except:
  - a. Annual up to 5% of 12 quarter balance as directed by Church Council, typically to the General Operating Fund **(same, but added “up to”)**. Default at 5% to the GOF **(new)**.
  - b. An additional up to 20% to projects not regularly funded by contributions of members, such as major capital improvement projects of the Trustees. Only once every 3 years with Church Council approval **(new)**.
  - c. Otherwise invade Principal only in extreme emergencies (Church Conference approval) **(same** as present but **amended** approval to 2/3 approval with 5% of members present).
6. Amendments. Amend Policy by Church Conference upon 2/3 vote with 5% of members present **(change** from  $\frac{3}{4}$  vote with 10% of members present).
7. Borrowing. Ability of church to borrow from the fund, up to 50%; approved by Church Conference by 2/3 vote when 5% of members present and with a 5 year repayment plan presented **(new)**.