

VIII • Mission Support

This section is currently being revised.

8.01 Special Offerings

Presbytery endorses the special offerings requested by General Assembly and urges sessions to approve receiving these offerings at the times specified by General Assembly.

8.02 Fund for Theological Education

Presbytery encourages support of the denomination's Fund for Theological Education and urges each session to designate one percent of budgeted operating expenses to the fund.

8.03 Disaster Assistance

From time to time, the Presbyterian Church (U.S.A.) establishes funds to assist recovery efforts in areas affected by natural disasters, famine and war. Presbytery may inform churches and church members of opportunities to support relief efforts; and presbytery encourages sessions to support relief efforts through gifts designated for specific denominational causes.

8.04 Validation of Mission Projects & Fund Raising Requests

All requests for the approval of specific mission projects initiated by a congregation and implemented within a community within the presbytery as a validated presbytery mission project must be submitted to the Council on a form provided for that purpose; a project is validated if it falls within the mission emphases of the Presbytery and provides for participation in the leadership, planning, contribution of funds and involvement by other congregations in the Presbytery. The participating church or churches then may have their contributions to this project credited as Presbytery mission giving over and above their mission giving pledge. Council will refer requests to other appropriate presbytery units/agencies for their response and/or concurrence before action is taken.

All requests to raise funds within the bounds of the presbytery must be submitted to the Council on a form provided for that purpose. Recommendations will take into account the vision, target group, ministry plan, accountability structure and funding of the project in relation to the mission emphases of the Presbytery. Referrals and action taken on the request is the same as for validation of specific mission projects.

8.05 Church Partnership Grants, Mission Project Grants & Scholarships

All requests for presbytery grants and scholarships must be submitted to the council on a form provided for that purpose. Council may refer requests to other presbytery units/agencies for their response and/or concurrence before taking

action; and council may refer requests to presbytery for final disposition. (See also section 9.00 below.)

8.06 Gift Acceptance Guidelines

- **Purpose**

These guidelines serve as an aid to staff and committee members of the Presbytery of Wyoming involved in accepting gifts, to outside advisors who assist in the gift planning process, and to prospective Donors who wish to make gifts to Presbytery of Wyoming. It is the intent of these guidelines to allow for some flexibility on a case-by-case basis.

The Presbytery seeks to help Donors meet their charitable goals while benefiting the ministries of the Presbyterian Church (USA). The Presbytery encourages donors to make both outright and deferred gifts and will accept gifts in a variety of forms.

- **Responsibility to Donors**

- The Presbytery is committed to the highest ethical standards of philanthropy, stewardship and development. In all transactions between potential Donors and the Presbytery, the Presbytery will provide accurate information and full disclosure of the benefits and liabilities that could influence a Donor's decision. This will include IRS regulations, presbytery fees, the irrevocability of a gift, prohibitions on donor restrictions, investment policies and other information needed by individuals to make an informed choice about using the Presbytery as a vehicle for charitable gifts. It should be noted that information supplied by the Presbytery is advisory only. The Presbytery cannot provide legal or tax advice to potential donors.
- The Presbytery will make reasonable efforts to be aware of and sensitive to the Donor's expectations.
- The Presbytery will advise all prospective Donors to seek legal and/or tax advice from their own counsel and/or financial advisor. Presbytery staff and committee members should be knowledgeable about gifts and should disclose to the Donor advantages and disadvantages that could reasonably be expected to influence the decision of the Donor to make a gift to the Presbytery. In particular, planned gift items subject to variability (such as market value and income payments) should be discussed fully.
- The Presbytery will not knowingly accept a gift that it believes to be contrary to the Donor's best interests.
- The Presbytery, by law, cannot furnish property appraisals or valuations of non-cash gifts to donors for tax purposes or for any other purpose.

- In the case of deferred gifts, the Presbytery shall comply with all provisions of the Internal Revenue Code and related regulations, maintaining proper records and filing any required tax returns or forms required by the IRS.
- **Donor Recognition**

Donors may choose to make gifts anonymously in which case the Presbytery shall maintain Donor information only to the extent required by law. That Donor information retained shall be maintained in secure off-site locations such as bank safe deposit boxes and/or secured computer files. Donors not requesting privacy will be recognized for contributing to the mission of the Presbytery and the Presbyterian Church (USA) in meetings of the Presbytery and in Presbytery publications.
- **Authorization for Gift Negotiation**

The Presbyterian Church (USA) Foundation has standard fund agreement forms, which were reviewed by legal counsel. Proposed fund agreements that deviate from the standard forms require legal counsel review before being approved and executed. The officers and staff of the Presbytery shall have the authority to handle inquiries, negotiate with Donors and execute agreements on behalf of the Presbytery. All gifts of one million dollars or above or gifts that fall outside the gift acceptance policies need the review and approval of the Budget and Finance Committee and the Presbytery Council.
- **Designations and Restrictions on Gifts**
 - The Presbytery accepts gifts both undesignated and designated. Acceptance of designated gifts will honor the desires of the Donor and meet the needs of the Presbytery and the Presbyterian Church (USA).
 - The Presbytery, in keeping with IRS regulations, cannot accept a gift that will be directly or indirectly subject to any material restriction or condition by the Donor that prevents the Presbytery from freely and effectively employing the transferred assets, or the income from those assets, to further its ministry as reflected in its mission statement. The Presbytery Council shall have the responsibility of identifying those categories of gifts that meet the above criteria. The Presbytery reserves the right to refuse any gift that jeopardizes its mission or is not in its best interest.
 - Donors of restricted gifts of \$5,000 or more shall be asked to sign a Re-designation of Restricted Gifts form that grants the Presbytery the right to re-designate the principal and income from restricted gifts under the conditions specified in the fund description.
 - Gifts in excess of \$100,000 that are not designated will, under normal circumstances, become part of the presbytery endowment fund.
 - Based on recommendations from the Budget and Finance Committee, gifts and bequests of real property shall be subject to acceptance by the trustees and gifts of personal property shall be subject to acceptance by council.

- The Budget and Finance Committee shall make recommendations to council regarding the acceptance of gifts of securities, real property and personal property. The Budget and Finance Committee shall make recommendations to council regarding the distribution of undesignated gifts of any type.

- **Minimum Gifts**

The Presbytery will accept gifts to existing funds of any size. An existing fund may be a fund established by the Presbytery and/or the Presbytery Council for the purpose of soliciting funds for use as stated in the fund description. In that case, the first contribution to that fund may be for any amount. The minimum gift for a Donor defined permanent fund with the Presbyterian Foundation is currently \$20,000. Higher minimums may be required depending on the type of gift, such as real estate or other gifts of property. Funds may be established with a lower minimum if the Donor arranges regular payments to bring the fund's assets to the minimum within a reasonable period of time or if a lower minimum is negotiated with the Budget and Finance Committee. No grants may be made from funds until the minimum is reached.

- **Fundraising for a Fund**

The Presbytery is legally responsible for all fundraising undertaken on its behalf. Therefore Donor-initiated fundraising events for a fund must be approved by the Presbytery Council prior to any fundraising activity.

- **Cash**
 - The Presbytery accepts cash, checks or money orders made payable to The Presbytery of Wyoming or to any of its established funds.
 - No check shall be made out to an individual.
 - Gifts given electronically – online and/or credit card will be accepted and considered cash gifts.

- **Publicly Traded Securities**
 - Readily marketable securities, such as those traded on a stock exchange, can be accepted by the Presbytery. It is the Donor's responsibility to establish the value of the gift in accordance with current IRS regulations. The Presbytery will provide to the donor a receipt describing the gift but cannot by law, place any value on the gift.
 - Securities received as gifts are normally sold immediately (within three months) by the Presbytery with the proceeds being invested in the appropriate fund.
 - For accounting purposes, (the value carried on the Presbytery's books prior to the sale of the security) the IRS states that the value of the gift is the average of the high and low of the security on the date of the gift.

- **Closely Held Securities**

- Non-directly traded securities may be accepted after consultation with the Budget and Finance Committee and Presbytery Council.
- Prior to acceptance, the Budget and Finance Committee shall explore methods of liquidation for the securities through redemption or sale. A representative of the Presbytery shall try to contact the closely held corporation to determine:
 - An estimate of fair market value (the value to be carried on the Presbytery's books prior to sale of the securities)
 - Any restrictions on transfer
- No commitment for sale of closely held securities shall be made prior to completion of the gift of the securities.
- It is the responsibility of the Donor to establish the value of such securities in accordance with current IRS regulations. The Presbytery will provide a receipt to the donor describing the gift but the Presbytery cannot by law, place any value on the gift.

- **Real Estate**

- Gifts of real estate must be reviewed by the Budget and Finance Committee and the Board of Trustees of the Presbytery before acceptance. Gifts of real property will require a property analysis including physical condition, likelihood of an immediate sale, current market analysis of value and environmental issues, among other factors.
- The Donor is responsible for obtaining a qualified appraisal of the property and completing IRS form 8283 for their tax purposes. The cost of the appraisal is borne by the Donor. The Presbytery will issue a receipt describing the property but cannot by law place any monetary value on the property.
- Prior to presentation to the Board of Trustees, two or more members of the Budget and Finance Committee and/or Board of Trustees shall conduct a visual inspection of the property taking pictures for presentation to the Board of Trustees. If the property is located in a geographically isolated area, a local real estate broker can substitute for one of the Budget and Finance Committee or Board of Trustees members in conducting the visual inspection.
- Due to the expense associated with gifts of real estate, normally only gifts with an appraised value in excess of \$50,000 will be accepted.
- Prior to presentation to the Board of Trustees by the Budget and Finance Committee, the Donor must provide copies of the following documents:
 - Real estate deed

- Real estate tax bill
 - Plot plan
 - Substantiation of zoning status such as: title reports, notes or mortgages, phase I environmental impact report
 - Survey
 - Current appraisal
 - Results of title search (to uncover any liens, etc.)
- Depending on the value and desirability of the gift, the Donor's connection with the Presbytery and the Donor's past gift record, the Donor may be asked to pay for all or a portion of the following:
 - Maintenance costs
 - Real estate taxes
 - Insurance
 - Real estate broker's commission and other costs of sale
- For the Presbytery's accounting purposes, the value of the gift is the appraised value of the real estate. (Note: A nonprofit can choose to exclude from the value of the gift costs for maintenance, insurance, real estate taxes, broker's commission, and other expenses of sale.)
- The presbytery will normally dispose of the property at the earliest possible time.
- **Life Insurance**
 - The Presbytery will accept life insurance policies as gifts only when the Presbytery of Wyoming is named as the owner and beneficiary of 100% of the policy.
 - If the policy is a paid-up policy, the value of the gift for Presbytery's accounting purposes is the policy's replacement cost.
 - If the policy is partially paid up, the value of the gift for the Presbytery's accounting purposes is the policy's cash surrender value. (Note: For IRS purposes, the donor's charitable income tax deduction is equal to the interpolated terminal reserve, which is the amount slightly in excess of the cash surrender value.)
 - The Presbytery will issue a receipt describing the gift but cannot by law place any monetary value on the gift.
- **Tangible Personal Property**
 - Gifts of tangible personal property to the Presbytery should have a use related to the presbytery's mission or be readily marketable.

- Gifts of jewelry, artwork, collections, equipment, and software may be accepted after approval by the Budget and Finance Committee and the Presbytery Council.
 - Such gifts of tangible personal property defined above shall be used by or sold for the benefit of the Presbytery.
 - No property which requires special display facilities or security measures shall be accepted without consultation with the Budget and Finance Committee and the Presbytery Council.
 - Depending upon the anticipated value of the gift, the Presbytery may have a qualified outside appraiser value the gift for its own use before accepting it. By law such appraisal shall not be furnished to the Donor for tax purposes or for any other purpose.
 - The Presbytery shall adhere to all IRS requirements related to disposing of gifts of tangible personal property and filing appropriate forms. Receipts issued to the Donor for such property shall contain only a description of the property and cannot by law contain any monetary value.
- **Bequests**
Bequests should be made to "The Presbytery of Wyoming." Sample bequest language is available to donors through the Presbyterian Church (USA) Foundation to ensure that the bequest is properly designated. The Presbytery appreciates a copy of documents naming The Presbytery of Wyoming as a beneficiary for our files.
- **Planned Gifts**
 - The Presbytery offers the following planned gift options in conjunction with the Presbyterian Church (USA) Foundation or a commercial money manager:
 - Charitable gift annuities
 - Deferred gift annuities
 - Pooled income funds
 - Charitable remainder trusts
 - Bequests
 - Donor advised funds
 - All planned gifts are administered by and come under the current policies of the Presbyterian Church (USA) Foundation or the commercial money manager.
- **Endowed Funds**
The Presbytery recognizes that the church's charitable interests are best served by a long term commitment of resources. Therefore, the Presbytery encourages permanent endowment whenever possible. These guidelines are intended to

assist persons who are considering making a gift to establish an endowment at The Presbytery of Wyoming. The establishment of a permanent endowment is the privilege of a Donor to provide perpetual funding for a valued purpose.

- **Endowment Definition.** An endowment is a gift of funds which are invested to provide continuing income, for a general or specific purpose stated in the written endowment agreement between the Donor and the Presbytery of Wyoming. Donor established endowments shall be used only for the purposes specified in the original endowment agreement unless that purpose has changed in accordance with the Re- designation of Restricted Gifts clause in the endowment agreement.
- **Objectives of the Endowment Funds**
 - To offer an extra dimension of stewardship to make special gifts to the Presbytery. To actively encourage and invite gifts to the Presbytery through a system of education and support to perspective donors.
 - To provide an additional, long term source of financial resources for the endowed areas of ministry of The Presbytery of Wyoming.
 - To protect the mission of the Presbytery by reviewing and analyzing the subject matter of any intended gift, and if necessary, to decline the acceptance of any gift, deemed as not being in the best interest of the Presbytery.
- **Structure.** the Presbytery will have five (5) separate endowment funds:
 - Camping Fund
 - Church Redevelopment Fund
 - Undesignated Fund
 - Pastoral Support Fund
 - New Church Development Fund
- **Endowed Funds.**
 - **Camping Fund:** This fund can be used for the development of new facilities or the upkeep of existing ones at Camp Story and Camp Skyline.
 - **Church Redevelopment Fund:** This fund will be used to assist churches who are seeking to revitalize their ministry. Usage may include the following but not be limited to them: beginning a new ministry, supporting the income of a pastor, assisting a small church secure an Interim Pastor, etc.
 - **Undesignated Fund:** This fund will be used as directed by the Presbytery Council to help fund the Mission and/or Administrative Budgets or special projects.
 - **Pastoral Support Fund:** This fund will support educational and sabbatical expenses for pastors of small churches as well as pastors who have exceptional circumstances and need additional support.

- **New Church Development Fund:** This fund will help in planning and planting a new church in the Presbytery. These funds can be used only for funding a pastor or for ministry expenses.
- **Endowment Income.** Income utilized by endowment funds will normally be 5% of the three year rolling average of the market value of the funds. Endowment earnings in excess of the approved utilization percentage are credited to the principle of the endowment. This enables the endowment to preserve principal while keeping pace with inflation and continuing to fulfill the original intent of the Donor.
- **Endowment Focus.** Endowment gifts may be unrestricted or restricted for a particular purpose, subject to the approval of the Budget and Finance Committee and the Presbytery Council. Unrestricted gifts enable the Donor to support the total ministry of the Presbytery. Such gifts provide institutional stability and flexibility. Restricted Donor to provide funds for a stated purpose in perpetuity or until that purpose is changed by the Re-designation of Restricted Gifts clause of the endowment agreement. A Donor may request that an unrestricted or restricted endowment carry the name of the Donor.
- **Procedures for Endowments Named for Donors.** Normally a “Donor named” endowment shall be established through a written and binding agreement assuring 100% funding of that endowment by the Donors within a specified period of time (usually within three years or less) and stating parameters for the fund which are agreeable to both the Donor and the Presbytery. Donors may also specify that available earned income be added to the principal, rather than expended for a fixed number of years during which time the fund will grow.
- **Endowment Names.** If endowments do not carry the Donor’s name they will normally carry names that reflect the purpose of the endowment; eg: “Hunger Fund”. They may also carry the names of individuals or organizations which are to be memorialized or honored. The Budget and Finance Committee and/or Presbytery Council shall determine how endowments will be named.
- **Giving a Gift.** Gifts for endowments may be funded with checks and/or cash, appreciated securities, and/or a variety of planned giving instruments which may be beneficial to both the Donor and the Presbytery. If the Donor cannot give an initial gift at the minimum threshold level, the Donor may consider a multi-year pledge and/or specify that accrued interest be applied entirely to the principal until the required sum is reached. Any exceptions to these guidelines require the approval of the Budget and Finance Committee and the Presbytery Council.
- **Minimum Restricted Endowment Gift Levels.** Any new restricted endowment may be established at a minimum of \$10,000 subject to consultation with the Budget and Finance Committee and the Presbytery Council. Gifts of any amount may be added to any existing restricted endowment fund at any time.

- **Unrestricted Gifts.** Gifts of any amount are welcomed at any time for unrestricted endowment purposes.
- **Administration.** The Endowment Funds will be given oversight and administration by the Budget and Finance Committee. The funds will be deposited in one or more accounts with the Presbyterian Church (USA) Foundation, including the subsidiaries and associated programs of the Foundation, such as the New Covenant Funds. Sessions from a church within the Presbytery or a Presbytery entity, Committee, Council or Work Group may apply for usage of the 5% interest from each fund each year. The application will be submitted to the Budget and Finance Committee with the approval of the appropriate Presbytery Committee or Work Group. The Budget and Finance Committee will make decisions regarding the fulfillment of requests. The Presbytery Council must approve any approved request above \$1,000. The Administrative Assistant/Bookkeeper will create and submit an Endowment Report to the Budget and Finance Committee at least quarterly.
- **Amendments.** The provisions of these Endowment Funds may be amended on recommendation of the Budget and Finance Committee to the Presbytery Council, subject to final approval by the Presbytery. Any amendment shall not affect any gifts made to the Endowment Funds prior to such amendment. All such gifts made to the Endowment Funds will be administered in accordance with the provision of the funds in effect at the time the gift was made.
- **Administrative Issues**
 - The Presbytery of Wyoming shall not act as an executor (personal representative) for a Donor's estate.
 - The Donor will pay for the drafting of legal documents for a charitable remainder trust when the Presbytery of Wyoming is named as a beneficiary.

8.07 Investment Guidelines (Endowment Procedures)

I. General Scope

The Council of the Presbytery of Wyoming ("Presbytery") is committed to the view that permanent funds owned by the Presbytery ("Endowment") must grow by additions, appreciation, and/or the reinvestment of a portion of annual earnings.

The Council is responsible for establishing policies for investing the Endowment assets, approving asset allocation, selecting investment managers and custodians and authorizing them to manage the actual investments. Acting directly, or through a designated committee, the council will retain one or more professional investment managers and will delegate to those managers full discretionary authority to invest, reinvest and manage the assets

of the Endowment. The investment managers are responsible for meeting or exceeding investment return objectives within the established policies.

The allocation and management of the Endowment assets should be designed to produce a total return (yield plus capital appreciation or depreciation) necessary to preserve and enhance the principal and, in addition, provide a reliable and stable source of income.

The purpose of equity investments is to provide long-term appreciation of principal. Fixed income investments are to provide a predictable and dependable source of income and to lessen current earnings volatility. The portfolio should not have a high proportion of its assets invested in one security, or class of securities, but rather should be diversified for protection of principal and to reduce volatility of returns.

The Council has adopted this statement to define the objectives of the Endowment's overall investment program and to provide policies within which the investment managers are to exercise their discretionary authority to help achieve these investment objectives.

I. Investment Objective

The overall objective of the Endowment is to realize a total return overtime that is sufficient (1) to permit distribution of a periodic, inflation-adjusting, current income stream to support specific operations, ministries and mission as determined either by donors or the Council, and (2) to retain a portion of total return to permit overall portfolio growth at the approximate rate of inflation, net of the periodic distributions. With these considerations in mind, the Council has set the following benchmarks for the Endowment:

To produce a total annualized rate of return (income plus realized and unrealized gains,) measured over a three to five year period, that:

1. Equals or exceeds the Consumer Price Index (All Urban) plus two percent
- OR
2. Exceeds the average performance of a peer group of balanced managers as represented by the Lipper Balanced Funds Index or another appropriate peer group universe selected by the Council or its designated committee.

III. Investment Guidelines

The Council or its designated committee has delegated discretionary investment authority to the investment managers. However, the investment managers shall a

1 General Policies

- A. Each investment manager shall be a foundation related to the Presbyterian Church (USA); another non-profit organization authorized by law to provide investment management services to other non-profit organizations; a licensed independent investment advisor or investment manager; a licensed broker; a bank or; a trust company.
- B. If an investment manager shall not provide independent custody of the assets of the Endowment, the Council or its designated committee shall engage a custodian for this purpose, which may be one of the organizations described in paragraph A immediately above.
- C. Each investment manager shall be entitled to reasonable compensation and/or reimbursement of expenses for its services, which may be in the form of an account-level fee, a charge directly to an underlying portfolio or pooled fund, transactional charges, or any combination of these.
- D. An investment manager may be engaged to manage one or more specified strategies within the overall portfolio or may be engaged to manage all or a portion of the entire Endowment employing a fully-diversified balanced portfolio strategy.
- E. Each investment manager shall manage that portion of the Endowment assets entrusted to it as a prudent investor would,. by considering the purposes, terms, distribution requirements, and other circumstances of the Endowment or any individual fund thereof. In satisfyng this standard, the investment manager shall exercise reasonable care, skill, and caution.
- F. An investment manager's investment and management decisions respecting individual assets will be evaluated not in isolation but in the context of the portfolio as a whole and as a part of an overall investment strategy having risk and return objectives reasonably suited to the Endowment and the overall objectives stated in this policy.
- G. Among circumstances that an investment manager shall consider in investing and managing Endowment assets are such of the following as are relevant to the Endowment or any individual fund thereof, and to such manager's particular assignment:

- i. General economic conditions
 - ii. The possible effect of inflation or deflation
 - iii. Any possible tax consequences of investment decisions or strategies
 - iv. The role that each investment or course of action plays within the overall portfolio
 - v. The expected total return from income and the appreciation of capital
 - vi. Needs for liquidity, regularity of income, and preservation or appreciation of capital
 - H. Investments shall be diversified to minimize the risk of loss and to reduce volatility of return.
 - I. Investments may be made in one or more portfolios of individual securities, mutual funds, "funds-of-funds," partnerships, or in other similar comingled or pooled portfolios.
 - J. Investments shall be made for the exclusive benefit of the Endowment.
 - K. Mission Responsibilities through Investment (MRTI) guidelines shall be a consideration when considering individual investments.
2. In selecting brokers to execute purchases and sales transactions, the investment managers shall use best efforts to obtain the best execution at competitive commission rates through responsible brokers. An investment manager may participate in a commission recapture program with a broker or consortium of brokers, provided the proceeds from such program inure to the benefit of the Endowment assets either through direct credit or by reduced administrative expenses.
3. An investment manager may participate in a fully collateralized securities lending program with one or more brokers or other financial institutions, provided the proceeds from such program inure to the benefit of the Endowment assets either through direct credit or by reduced administrative expenses.
- A. Investments may be made in one or more portfolios of individual securities, mutual funds, common funds, "funds-of-funds," partnerships, or in other similar comingled or pooled portfolios.
 - B. Investments shall be made for the exclusive benefit of the Endowment.

- C. Mission Responsibility through Investment (MRTI) guidelines shall be a consideration when considering individual investments.

2. Asset Allocation

- A. The Council or its designated committee shall allocate the overall portfolio generally within the ranges shown below, and, from time to time, shall determine the specific target allocation and the policy for periodic rebalancing to the target.

Cash Equivalents – Fixed Income Equity

U.S. Large Capitalization

U.S. Mid Capitalization

U.S. Small Capitalization International

Alternative Investments

Policy Range

0%-10%

20%-50%

50%-70%

25%-40%

0%-10%

0%-15%

5%-20%

0%-20%

Percentages subject to change as a result of consultation with the financial managers

- B. In lieu of, or in addition to, determining a specific target allocation, the Council or its designated committee may utilize one or more of the funds designed by the investment manager or other investing entity to provide an optimally-balanced portfolio for a permanent fund with a long term time horizon and administered with or without a built-in rolling three-year average spend rate.
- 3. In selecting brokers to execute purchases and sales transactions, the investment managers shall use best efforts to obtain the best execution at competitive commission rates through responsible brokers. An investment manager may participate in a commission recapture program with a broker or consortium of brokers, provided the proceeds from such program inure to the benefit of the Endowment assets either through direct credit or by reduced administrative expenses.
 - 4. An investment manager may participate in a fully collateralized securities lending program with one or more brokers or other financial institutions, provided the

proceeds from such program inure to the benefit of the Endowment assets either through direct credit or by reduced administrative expenses.

IV. Other Duties and Responsibilities

- 1) The investment managers will submit quarterly reports on the performance of the portfolio to the Council or its designated committee.
- 2) The investment managers are responsible for assisting the Council or its designated committee in making an appropriate asset allocation decision based on the particular needs, objective, and risk profile of the Endowment. The investment managers will be available on a regular basis to meet with the Council and/or its designated committee and to review the portfolio. Such meetings may be in person, by teleconference, by web conference, or other similar electronic means.
- 3) Periodically, but not less often than annually, the Council or its designated committee shall review the performance of each investment manager with respect to the accomplishment of its specific investment objectives and its continued compliance with these policies.
- 4) The investment managers will communicate openly and freely with the Council and/or its designated committee on all matters pertaining to the Endowment. Furthermore, the investment managers will advise the Council or its designated committee if a manager concludes that the Endowment's investment objectives or policies are inappropriate or are hindering performance.
- 5) The Council and/or its designated committee shall provide ongoing communication with the presbytery concerning the administration and investment of the Endowment.

IV. Spending Guidelines

The Council or its designated committee shall adopt spending guidelines, appropriating for expenditure from the Endowment, annually or at more frequent intervals, for the uses and purposes for which a particular fund may be established, or, in the case of an unrestricted fund, for the uses and purposes determined by the Council or its designated committee, a portion of the total return earned by the Endowment over time, retaining the remaining portion of the total return for future growth of the Endowment. Spending guidelines may be stated as a fixed percentage (such as five percent) of a trailing or rolling average of the value of the Endowment measured over a period of time (for example three years,) or such other formula the Council or its designated committee shall determine to be reasonable for this purpose. However, in the case of a separate fund that is restricted by the donor from distribution of principal, the Council may not appropriate for expenditure in any year an amount greater than five

percent of the fair market value of the separate fund, calculated on the basis of market values determined at least quarterly and averaged over a period of not less than three years immediately preceding the year in which the appropriation for expenditure was made, or, for a separate fund in existence for fewer than three years, the fair market value of the fund must be calculated for the period the fund has been in existence.

VI. Amendments

This policy may be amended at any meeting of the Presbytery provided notice of the proposed amendment is given to all Presbytery members at least seven (7) days prior to the meeting.

