

The Legacy Giving Program Policy Westlake United Methodist Church Westlake, Ohio

June 2009

Purpose and Mission

The Legacy Giving Program of Westlake United Methodist Church (WUMC), Westlake, Ohio, hereinafter referred to in this document as “the Legacy Giving Program,” is established following the provisions outlined in paragraph 2532.5 of the *Book of Discipline, 2008* for the following purposes:

- Inspire members and friends to be good stewards of God’s gifts,
- Provide members and friends opportunities for planned giving to WUMC, and
- Provide a permanent endowment of financial support for the ministries of WUMC.

The Legacy Giving Program exists solely for charitable purposes and for the development and promotion of Christian worship, missions, and education activities as well as the purchase, maintenance, and upgrading of church property.

Legacy gifts are intended to be invested or reinvested on a permanent basis. Income derived from the investment or reinvestment of the legacy gift (principal) may be held, invested, reinvested as principal, or distributed. The procedures and guidelines for making distributions are specific to each Fund. See **Distributions from the Legacy Giving Accounts**.

Administration

The Legacy Giving Program will be administered by the Legacy Gifts Committee of WUMC, hereinafter in this document referred to as the “Committee,” under authority granted by the Church Conference. The members of the Committee and its chairperson shall be nominated through the WUMC lay leadership process, elected by the Church Conference and shall serve their elected terms, or until their successors have been elected.

The Committee shall elect a Secretary and such other officers and sub-committees as it determines necessary.

The Committee will work closely with Leadership Council of WUMC to maximize opportunities for members and friends to make planned gifts to WUMC and to maximize opportunities for the Legacy Giving Program to provide timely financial support for the ministries of WUMC. As the leadership body of WUMC, Leadership Council is recognized by this Policy as the body with authority to identify and prioritize the ministerial, facilities and other needs of WUMC. See **Distributions from the Legacy Giving Accounts**.

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The Committee shall cooperate with the WUMC Finance Committee in assuring that the annual audit process (as stated in Paragraph 259.4c of the *Book of Discipline 2008*) is followed. The Committee shall make a full report at least once each year to the WUMC Leadership Council.

Investment Objectives

The primary investment management goal of the Legacy Giving Program is to obtain the greatest possible return on invested funds at the lowest possible risk consistent with the administrative guidelines and the Social Principles of the United Methodist Church and the Statement of Investment Guidelines of The Investment Committee of the General Council on Finance and Administration of The United Methodist Church (November 2004).

All gifts received by the Legacy Giving Program shall be invested through the establishment of accounts with the East Ohio United Methodist Foundation, Inc. (the Foundation). The Committee will establish the purpose and investment style for each account and shall establish separate accounts as necessary to administer the investment, disbursement and administration of donor-designated funds.

The Committee shall monitor the performance of the Foundation in adhering to three overall investment objectives—preservation of principal, competitive return on investments consistent with risk management objectives, and adherence to stated investment management style.

Change in Investment Policy

Any transfer of the Legacy Giving Program assets to a fiduciary other than the East Ohio United Methodist Foundation, Inc., or its successor must be approved by a majority vote of a duly-called Church Conference, upon recommendation of the Committee.

Gifts to the Legacy Giving Program

All gifts made to the Legacy Giving Program shall be accepted subject to the terms and limitations set forth in this document. The Committee shall have the authority and responsibility to accept or reject any and all gifts to the Legacy Giving Program in keeping with the authority granted by the Church Conference. The Committee also shall have the authority to establish minimum initial gift amount or other reasonable parameters for the separate classification and maintenance of gifts for donor-designated purposes.

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The Legacy Giving Program shall establish the following permanent funds that donors may direct their legacy gifts without additional donor direction:

- Ministry Fund -- for ministry in and beyond the local church and community
- Facilities Fund -- for additions to and maintenance of the facilities of WUMC, including the church building and grounds, capital equipment and furnishings

The Legacy Giving Program also shall maintain certain existing Funds that donors may also direct their legacy gifts without additional donor direction:

- Library Fund – for expanding the knowledge and related technology resources of WUMC
- Scholarship Fund – for providing scholarships for pursuit of post-high school education
- Mission Fund – for mission work in and beyond the local church and community

The Committee may establish additional fund categories as it determines necessary; however it may not eliminate or consolidate permanent funds without approval of a duly-called Church Conference.

Limitation on Use of Principal

The objectives of the Legacy Giving Program are to preserve the legacy gifts (principal) and to make distributions only from accumulated investment earnings (interest, dividends, net capital gain distributions) as determined by the Committee. Investment earnings may accumulate until needed, but do not become part of the principal unless so determined by the Committee. Only in the case of a special emergency (as determined by two-thirds majority of a duly-called Church Conference) may the principal be spent.

Distributions from the Legacy Giving Accounts

Distributions from accounts of the Legacy Giving Program shall be made at the direction of the Committee or as directed by the donors at the time of their gift or as directed by will or other gift document if such direction is in conformity with the general purposes set forth herein.

With the exception of the Facilities Fund, donor-designated funds, and other Funds as determined by a duly-called Church Conference, the Committee shall direct annual distributions to WUMC from accumulated earnings of each respective Fund. Such distributions from accumulated earnings may not exceed 5% of the principal balance of each Fund determined at the beginning of the fiscal year. The Leadership Council of

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WUMC may make written request that the Committee defer or reduce annual distributions from one or more Funds. Any amounts deferred remain in the respective Fund and may be requested at a later date irrespective of any other distributions.

Because additions to and maintenance of the facilities, grounds, equipment and furnishings of WUMC are less frequent, investment returns of the Facilities Fund will be allowed to accumulate until needed. Leadership of WUMC may make written request to the Committee for disbursement of accumulated investment returns of the Facilities Fund.

The Committee shall direct distributions to WUMC from accumulated investment returns of donor-designated funds either based on the direction of the donors at the time of their gift or as directed by will or other gift document or in response to written request from the Leadership of WUMC. The Committee, in its sole discretion, will determine if such requests are consistent with the direction of the donors.

As the leadership body of WUMC, Leadership Council is recognized by this Policy as the body with authority to identify and prioritize the ministerial, facilities and other needs of WUMC.

Liability of Members of the Committee

In the absence of gross negligence or fraud, no member of the Committee shall be personally liable for any action made or omission with respect to the Legacy Giving Program.

Investment of Other Funds

From time to time WUMC may entrust to the Committee other funds not part of the legacy giving funds. These funds may fall under the investment purview of the Committee but may not share the same restrictions as funds of the Legacy Giving Program.

Merger, Consolidation, or Dissolution of WUMC

If at any time WUMC is lawfully merged or consolidated with any other church, all provisions hereof in respect to the Legacy Giving Program shall be deemed to have been made on behalf of the merged or consolidated church which shall be authorized to administer the same in all respects and in accordance with the terms thereto.

If WUMC should ever be dissolved without any lawful successor thereto, the funds, including both principal and interest to date, shall be entrusted to the East Ohio United Methodist Foundation, Inc.

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Amendments

Technical corrections and amendments to the Legacy Giving Program which do not alter the stated purpose of the Legacy Giving Program may be made by the Committee. Other amendments may be made by a two-thirds (2/3) affirmative vote at a duly called Church Conference of WUMC.

Severability

If any provisions or any application of any provisions of the Legacy Giving Program shall be held or deemed to be illegal, inoperative, or unenforceable, the same shall not affect any other provisions, or any application of any provisions, herein contained or render the same invalid, inoperative, or unenforceable.

The Legacy Giving Program Policy was adopted this _____ day of _____, 2009 in a duly called and authorized Church Conference of Westlake United Methodist Church, Westlake, Ohio.

THIS POLICY WAS APPROVED BY A VOTE OF:

_____ For _____ Against _____ Abstained

Recording Secretary

District Superintendent

Pastor