

**CHARTER**  
NOLENSVILLE FIRST UNITED METHODIST CHURCH  
NOLENSVILLE, TENNESSEE  
**THE ENDOWMENT PROGRAM**

**THE PURPOSE**

The Endowment Program of Nolensville First United Methodist Church, Nolensville, Tennessee, hereafter referred to in this document as “the Endowment Program,” is established for the purpose of providing members and friends opportunities to make charitable gifts to Nolensville First United Methodist Church that will become a permanent endowment of financial support and a living memorial. The Endowment Program is intended to supplement the Church’s established programs which are funded through the annual operating budget of the church and the regular giving of its members and also for purposes that are not a part of the church’s programs funded through the annual operating budget of the church and the regular giving of its members.

**ADMINISTRATION**

The Endowment Program will be administered by the Permanent Endowment and Planned Giving Committee of Nolensville First United Methodist Church, hereinafter in this document referred to as the “Committee,” under authority granted by the Charge Conference. The members of the Committee and its chairperson shall be elected by the Charge Conference and shall serve until their successors have been elected.

The Members of the Committee shall be as follows:

1. The Pastor
2. The Chairperson of the Committee on Finance (or representative of the committee)
3. The Church Treasurer
4. Chairperson of the Board of Trustees (or representative from the Board of Trustees named by the Board of Trustees).
5. Six persons nominated by the Committee on Lay Leadership. *(These members are elected to serve a one-year term, a two-year, or a three-year term. In succeeding elections, terms are for three years, and nothing shall prohibit a person from being nominated and elected to serve a second term on the Endowment Fund Committee.)*

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

The Committee shall cooperate with the Committee on Finance in assuring that the annual audit process (as stated in ¶ 258.4d of *The Book of Discipline – 2008*) is followed. The Committee shall make a full report no less frequently than once a year to the Church Council.

#### INVESTMENT OF ENDOWMENT FUNDS

The Endowment Programs investment objectives are:

1. Preservation of principal for the effective maintenance of purchasing power.  
Principal is defined as original contributions plus all appreciation of and capital gain distributions from invested assets.)
2. Regular income at a reasonable rate.  
Income is defined as dividends and interest generated from investments.)
3. Growth of income and principal over and above that necessary to offset cost of living increases.
4. Investment of assets in institutions, companies, corporations, or funds which make a positive contribution toward the realization of the goals outlined in the Social Principles of the Church.

All gifts received by the Endowment Program shall be invested through the establishment of one or more accounts with The Nashville Area United Methodist Foundation, Inc. with the investment approval of the Committee. The specific purpose of each account authorized by the Committee shall be stated in order to fulfill the wishes of the donor and thereby to segregate and maintain gifts for their stated purposes.

#### CHANGE IN INVESTMENT POLICY

Any transfer of the Endowment Program assets for investment with another institution, other than The Nashville Area United Methodist Foundation, Inc. must be approved by a majority vote of the Church Conference at which a quorum is present, upon recommendation of the Committee and Church Council of Nolensville First United Methodist Church.

### LIMITATION ON USE OF PRINCIPAL

The objectives of the Endowment Program are to preserve principal. The Committee shall determine, record in minutes and in account files, and inform the Church Council of any restrictions regarding principal. For some accounts only the income will be available for distributions, and for others the distributions available will be determined by the Committee.

When the principal of an account in the Fund is protected, any part of the principal may be withdrawn only in extreme and overwhelming circumstances, bordering on the survival of Nolensville First United Methodist Church. Any withdrawal of protected principal must be approved by a two-thirds (2/3) vote of the Church Conference of Nolensville First United Methodist Church.

### DISTRIBUTIONS FROM THE ENDOWMENT PROGRAM

Distributions of income from accounts in the Endowment Program shall be made by the Committee in conformity with the general purposes set forth herein. The amount of distributions from accounts in the Endowment Program shall be determined by the Committee which shall keep in mind the Endowment Program investment objectives set forth herein. Distributions from accounts in the Endowment Program shall be made by the Committee as directed by the donors at the time of their gift or as directed by a will or other gift document if such direction is in conformity with the general purposes set forth herein.

### GIFTS TO THE FUND

Gifts to the Endowment Program shall be classified as “designated” by the donor(s) or by the Committee to one or more of the following categories:

- a. General Endowment Fund (for special needs and ministries determined by the Committee)
- b. Property Fund (for maintenance, repair, and improvements of physical facilities)
- c. New Construction Fund (for new physical facility construction)
- d. Dot Arnold Scholarship Fund (for college scholarships for those who have participated in NFUMC music department)
- e. Children’s Fund (provide programs for children aged birth through 6<sup>th</sup> grade)
- f. Youth Fund (provide programs for youth aged 7<sup>th</sup> through 12<sup>th</sup> grades)
- g. Mission Funds (for missions in and beyond the local church and community)

h. Jacob's Ladder Cooperative Christian Preschool Fund

When "undesigned" contributions are made to the Endowment Program, the Committee will transfer the funds into the General Endowment Fund. Notwithstanding the preceding sentence, when "undesigned" contributions are made to the Endowment Program upon the death of some person in or related to the Church, the family of the deceased shall be granted the privilege to select from among the designated categories if the donor has not so designated.

The Committee shall have the authority and responsibility to accept or reject any and all gifts to the Endowment Program in keeping with the authority granted by the Charge Conference. Gifts of any size may be accepted for "undesigned" contributions or contributions "designated" to one of the categories listed above. Additional categories may be created by the Committee and reported to the Charge Conference. Gifts of any size may be accepted upon the establishment of an additional category.

All provisions of the Endowment Program as to investment of funds, administration of funds, and limitation of use of distributions shall be applicable to both designated and undesigned gifts, and all gifts made to the Fund shall be accepted subject to the terms and limitations set forth in this document.

LIABILITY OF TRUSTEES AND MEMBERS OF THE COMMITTEE

In the absence of gross negligence or fraud, no member of the Board of Trustees of Nolensville First United Methodist Church or of the Endowment Fund Committee of said church shall be personally liable for any action made or omission with respect to the Endowment Program.

MERGER, CONSOLIDATION, OR DISSOLUTION OF (NAME) CHURCH

If at any time Nolensville First United Methodist Church is lawfully merged or consolidated with any other church, all the provisions hereof in respect to the Endowment Program shall be deemed to have been made in 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 Nolensville First United Methodist Church should ever be dissolved, the Fund, including both principal and interest to date, shall entrusted to The Nashville Area United Methodist Foundation, Inc. with making distributions in keeping with the purposes of the Fund and the account, while maintaining the principal as an endowment.

AMENDMENTS

Technical corrections and amendments to the Endowment Program which do not alter the stated purpose of the Endowment Program may be made by a two-thirds (2/3) affirmative vote at a duly called Charge Conference of Nolensville First United Methodist Church at which a quorum is present.

SEVERABILITY

If any provisions or any application of any provisions of the Endowment Program shall be held or deemed to be or shall 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.

**This Endowment Program Charter was adopted this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ in a duly authorized Charge Conference of Nolensville First United Methodist Church, \_\_\_\_\_, \_\_\_\_\_, by a vote of \_\_\_\_\_ For, \_\_\_\_\_ Against, and \_\_\_\_\_ Abstained.**

\_\_\_\_\_  
**Recording Secretary**

\_\_\_\_\_  
**District Superintendent**

\_\_\_\_\_  
**Pastor**