

VUU Special Funds Committee

Policy and Procedures

I. Introduction

The Special Funds Committee of VUU is directed by its Charter to manage the investment funds and other funds of the church. This policy is meant to clarify some of the operational issues relative to carrying out the Committee's tasks.

II. Mission of the Committee [per the Charter.]

The Special Funds Committee shall have four main purposes:

First, it shall promote, by publicity and solicitation, the donation of special contributions to the Church, including endowments, memorials, gifts, and insurance benefits.

Second, it shall keep orderly records of all special funds for reference by the membership.

Third, it shall prudently invest such funds so as to encourage their growth and security in a fiscally and socially responsible manner.

Fourth, it shall make the special funds available (subject to the limitations described herein) when needed by the Church. Funds established by the Church's annual budget shall not be included in the funds administered by the Committee.

III. Receipt of Funds or Assets

1. The Committee shall receive funds or assets from any donor to the church providing these funds are designated for the Endowment or another Special Fund and not for normal operating expenses.
2. The Committee shall, as rapidly as possible, place the funds into a revenue-producing vehicle controlled by the Committee.

IV. Creation of a New Special Fund

1. The Committee shall, if requested by a donor, consider the creation of a new special fund. A new fund shall have a minimum of \$2,500 at all times, shall have a reasonable life-span of more than two years, and shall be subsequently spent on church activities only. These criteria must be specified in writing by the requestor at the time the new fund request is made. Funds not accompanied by any special request shall be presumed to be for the Endowment Fund.
2. The new special fund shall be authorized by the Committee at a regular or special meeting, providing at least four members are present. The Committee shall inform the Board in writing of the new fund, its purpose, and any special restrictions.

V. Discontinuation of a Special Fund

1. The Committee shall have the power to discontinue a Special Fund when the fund falls below \$2,500 in value and there is no reasonable expectation for new donations to the fund, or its purpose is complete
2. The discontinuation of a special fund shall be authorized by the Committee at a regular or special meeting, providing at least four members are present. The Committee shall inform the Board in writing of this decision and, when appropriate,

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request the Board's recommendation for disposing of the remaining money in the fund.

VI. Routine Disbursement of Money from a Fund

1. The Committee shall authorize all disbursement of money from a Special Fund subject to Board approval. The Committee shall provide written notice to the Board and the Board shall provide notice of its approval or disapproval to the Committee before funds may actually be disbursed. Entries in the minutes of the Board/Committee shall constitute written notice.
2. Disbursement of money from a Special Fund for a major capital improvement, repair, or acquisition, or for any purpose, which creates an on-going operating budget expense, shall be initiated only by the Board.
3. The Committee and the Board shall agree on how to disburse the money.

VII. Socially Responsible Investment of the Funds

1. The Committee is directed by the by-laws to invest the Special Funds in a fiscally and socially responsible manner.
2. The congregation is served in its desire to invest responsibly through their direct election of Committee members.
3. The Committee shall consider the following when investing: risk, return, and responsibility. A socially responsible investment is one that is agreed upon by at least three of the Committee members after examining and discussing the various options. In addition to being socially responsible in the opinion of the Committee, the investment shall also be required to provide a reasonable return when compared to other possible investments. The minutes of the Committee meeting shall be the official record of these considerations.
4. The decision of the Committee about the "social responsibility" of an investment is final and shall not be affected, altered, or influenced by anyone outside of the Committee.
5. By definition, cash accounts, money market accounts, and U.S. Government bonds or treasury bills shall be considered neutral investments and not subject to the socially responsible consideration.
6. All new monetary donations received by the Committee after selection of the investment vehicle shall be invested in socially responsible or neutral investments.
7. All pre-existing funds shall be moved incrementally to socially responsible or neutral investments.

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8. Any assets received by the Committee that are not in cash or cash equivalents and are not considered “socially responsible” by the Committee shall be moved to socially responsible investments in a manner that maintains asset value and potential at the discretion of the Committee.
9. The Committee shall address its progress in socially responsible investing in the semi-annual report to the Congregation.

VIII. Acknowledgement of Donations

The Committee shall publicly acknowledge the receipt of gifts over \$5000 in any of the following manners:

- Announcement during regular church service
- Announcement in the monthly newsletter
- Addition of donors name to a recognition plaque in the sanctuary.

The Committee shall personally acknowledge any gift over \$250 in the form of personal letter to the donor(s). This will satisfy the documentation necessary for tax purposes.

Planned Giving statements shall be acknowledged in the form of a personal letter to the donor(s) and addition of donor(s) name to a recognition plaque in the sanctuary (if in an amount \$5000 or larger).

Note: This document shall not supersede the Charter and is subject to change by the majority of the Committee at a properly noticed meeting.