Unitarian Universalist Church of the Palouse
Endowment Fund

Name and Purpose: The Unitarian Universalist Church of the Palouse establishes a principal fund of money known as the Unitarian Universalist Church of the Palouse Endowment Fund, hereinafter referred to as the Fund. The purpose of the Fund is to provide a principal or capital monetary fund which will provide a permanent source of income in the form of interest income and principal appreciation.

Management: The Fund shall be managed exclusively by an Endowment Fund Committee, hereinafter referred to as the Committee. The Committee shall consist of three persons appointed by the Board of Trustees to serve three year staggered terms. Committee members may serve more than one consecutive term. The Committee shall manage the Fund for the maximum total return at prudent levels of risk and shall be vested with the power to bargain, sell, convey, transfer, and negotiate assets of the Fund only in the name of the Unitarian Universalist Church of the Palouse Endowment Fund. The Board of Trustees shall endorse, ratify and confirm by corporate resolution any transaction required to be so confirmed necessary for the Committee to fulfill its purposes and to carry out its power. Any and all transfers of all or a portion of the Fund shall be made only upon the signature of two members of the Committee. The Committee is hereby directed to establish a chairperson with decisions of the Committee to be made by majority vote. No portion of the assets of the Fund may at any time be commingled with any other monies and neither the Board of Trustees nor the Committee shall borrow against, or pledge as collateral, any of the assets of the Fund.

Cash Gifts: Cash gifts made to the Fund without restriction as to their use shall be encouraged as the primary form of contribution to the Fund. Cash gifts shall include the following: cash, stocks, bonds, notes and other negotiable instruments and assets of high liquidity. Cash gifts made to the Fund with restrictions as to their use may be accepted or not accepted by the Committee at their discretion, or accepted on such terms as the Committee shall specify to the donor.

Non-cash Gifts: Non-cash gifts, whether restricted or unrestricted, made to the Fund may be accepted or not accepted by the Committee at their discretion, or accepted on such terms as the Committee shall specify to the donor.

Accounting and non-fund giving: The Committee shall not be required to keep individual accountings of the individual gifts and may pool the assets of the Fund as at their discretion they deem advisable. Be it understood that donations, gifts, and contributions of whatsoever kind may be donated directly to the Unitarian Universalist Church of the Palouse as a separate donation and that gifts to the Endowment Fund should so specify.

Disbursements to the Church: In establishing this Fund, the Board of Trustees intends that the principal of the Fund shall not be available to the Church in any way for the general operating expenses. Thus the principal of the Fund shall not be disbursed. Any and all disbursements from the Fund shall come from the Fund income, earnings or capital gains upon vote of the majority of the total Board membership provided, however, that the fund balance is greater than $50,000 and no more than two thirds (2/3) of the cash income in any one calendar year shall be disbursed to the Church. In January of each year the endowment committee will determine how much money is available to be disbursed as grants. Proposals for use of the funds should be submitted by members and committees of the congregation to a committee appointed annually by the board. This committee will recommend to the board at its regular March meeting what proposals to fund. The board will make the final decision as to how the money is disbursed. The money will be available in April of the same year.

Accounting: The Chairperson of the Committee shall be responsible for keeping the account books of the Fund and the account books of the Fund shall be audited at the same time as those of the general account books of the Church. The Committee shall report to the Board once every six months or at such times as the Board shall request, concerning the status of the Fund.

Amendments: The Board of Trustees may amend these provisions of the Fund only by submitting proposed changes to a general meeting of the congregation called according to the By-laws of the Unitarian Universalist Church of the Palouse. A two thirds (2/3) majority vote of the members present at a duly called congregational

meeting shall be required for approval of the proposed changes. However any amendments requested by third parties solely for the purpose of allowing the Committee to carry out its investment purposes and not for disbursement of the Fund assets shall require only approval of the Board of Trustees.

Dire Straits Clause*: Authority to spend the principal of the endowment fund is only granted by unanimous approval of the endowment committee, unanimous approval of the board and at least two thirds (2/3) approval of the congregational members present at a duly called congregational meeting.*

Resolution: Be it resolved that the Unitarian Universalist Church of the Palouse Endowment Fund is hereby created according to the terms and conditions set forth above by consent of the Board of Trustees of the Unitarian Universalist Church of the Palouse meeting at a regularly called meeting with notice on the _____day of _____ 2001.
Signed, _____, President
_____, Secretary

As amended *by the Congregation of the Unitarian Universalist Church of the Palouse at a regularly called meeting with notice on the _____day of _____ 2001.*
Signed, _____, President
_____, Secretary

The following Policy statement is not part of the charter but is the current investment policy set by the endowment committee.

UUCP Endowment Fund Investment Policy
We recognize that in light of the social, environmental and economic challenges of our time, fiduciary responsibility in the coming decades will dictate the integration of prudent financial management practices with principles of environmental stewardship and corporate citizenship. UUCP investment will be consistent with socially responsible investing guidelines, which at the present time preclude investments in entities that derive the preponderance of their income from defense-related activities, the production of weapons, or are engaged in the manufacture or sale of tobacco-based products. In addition, to the extent possible for the endowment committee to monitor and enforce, the UUCP will not invest in firms that engage in practices dangerous to the environment or in business practices that disregard the rights of their employees.