



Second Unitarian Church of Omaha

Endowment Fund Committee (EFC) Implementation Procedures of Articles 13, 14, 15 of the Bylaws

Prepared by: Endowment Fund Committee
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Version No: 2.0 July 27, 2022 (Approved by the Board of Trustees)

1. Purpose and Intent

The purpose of this document is to implement Articles 13, 14, and 15 of the bylaws (Bylaws) of the Second Unitarian Church of Omaha (Church), a copy of which are attached hereto as Appendix A. Articles 13-15 of the Bylaws establish the Endowment Fund.

This document establishes detailed procedures, a project plan, and an annual schedule for the Endowment Fund Committee (EFC) to administer the Endowment Fund. The EFC shall be as defined in Article 14 of the Bylaws. Article 14.2 of the Bylaws provides for how the EFC members are elected, Article 14.3 provides for how nominations to the EFC are to be conducted, and Article 14.4 provides for how vacancies of the EFC are filled.

The intent of these procedures is to provide a consistent and standardized approach for the EFC to administer distributions from the Endowment Fund.¹

2. Distribution Requirements

A. Prohibited Distributions

- i. Except as authorized by subparagraph (ii) hereof, no Endowment Fund distributions shall be made:
 - a. To fund the annual operating budget or support services of the Church; and
 - b. Unless the fair market value of the Endowment Fund over the previous four (4) calendar quarters is greater than or equal to \$250,000.
- ii. Endowment Fund distributions may be made to fund the annual operating budget or support services of the Church if *all* the following conditions are met:
 - a. The Church is experiencing particular, temporary, difficult circumstances;
 - b. The Endowment Fund distribution does not violate any gift restriction as documented in Sections 2(B) or 3(C) below; *and*
 - c. The congregation approves the Endowment Fund distribution by a two-thirds (2/3) majority of the voting members of the Church present at a congregation meeting called to discuss such Endowment Fund distribution (for the particular, temporary, difficult circumstance of funding the annual operating budget or support services of the Church).

¹ Per Article 11.1 of the Bylaws and Article IV.C.7. of the Standing Rules Committee and Board of Trustees of the Church.

B. Authorized Distributions

- i. Endowment Fund distributions may be made for any of the following purposes:
 - a. Bylaws Article 15.3.a. Upkeep of the Church, including, but not limited to, maintenance of buildings, capital improvements or renovations, or debt reduction.
 - b. Bylaws Article 15.3.b. Outreach into the community, including, but not limited to, grants to Church camps and conferences, theological schools, local social service agencies or institutions to which the congregation relates, and to special programs designed for those persons in our community who are in spiritual or economic need.
- ii. Members of the congregation may submit written requests for Endowment Fund distributions to the EFC for consideration in the form of Appendix B, Church Member Application for Endowment Fund Distributions. The EFC will recommend Endowment Fund distributions to the Board of Trustees.
- iii. The Board of Trustees shall select and authorize the Endowment Fund distributions. The Board of Trustees selected recipients shall be approved by a simple majority of the members present at the annual meeting of the congregation.

3. **Distribution Amount Calculations**

A. \$250,000 Threshold, Calendar Quarter Calculation, and Frequency of Distributions

- i. Distributions from the Endowment Fund shall not be made unless the fair market value of the fund over the previous four (4) quarters is at least \$250,000.
- ii. The EFC acknowledges the fair market value of the Endowment Fund changes continuously. For purposes of calculating Endowment Fund distributions, the EFC shall orient to the reasonable, verifiable method of determining the fair market value of the Endowment Fund at the end of each calendar quarter.
- iii. To determine the fair market value of the Endowment Fund over the previous (4) calendar quarters for purposes of evaluating whether an Endowment Fund distribution is authorized, the EFC shall use the calculations set forth on the official statement from the investment firm(s) holding the Endowment Fund. If official statements are provided by the investment firm more frequently than quarterly, the EFC shall use the official statement at the end of each calendar quarter.

- iv. The EFC may evaluate whether Endowment Fund distributions are authorized at any time. If Endowment Fund distributions are authorized, there is technically no limit on the frequency of such distributions. To best convey their recommendations to the Board of Trustees, the EFC shall annually make Endowment Fund distribution recommendations pursuant to Section 4, Distribution Procedures and Schedule, set forth below unless there are exigent circumstances warranting a more frequent analysis.

B. Amount of the Distribution

- i. First and foremost, the EFC acknowledges the guardrails established by the Bylaws which is to only recommend Endowment Fund distributions of the *lesser of* (1) a portion of the net investment income earned by the then-existing principal of the Endowment Fund (including reinvestments); or (2) a portion of the fair market value of the Endowment Fund (comprised of the principal and net investment income on any Calculation Date). These guardrails clearly establish the intent of the drafters to preserve a substantial portion of the Endowment Fund for future use. For example, the first prong of the distribution test (the net investment income prong) requires reinvestment of 50% of the net investment income earned by the Endowment Fund while the second prong of the distribution test (the fair market value prong) requires 95% of the total fair market value of the Endowment Fund to be preserved. In developing its recommendations for the Board of Trustees, the EFC must comply with these well-defined guardrails set forth in the Bylaws for preservation of the Endowment Fund.
- ii. As of any Calculation Date, the amount of the Endowment Fund distribution shall be the *lesser of* the following:
 - a. Income Prong: 50% of the net investment income earned by the Endowment Fund over the previous four (4) calendar quarters; or
 - b. FMV Prong: 5% of the average fair market value of the Endowment Fund over the previous thirteen (13) calendar quarters.
- iii. The Endowment Fund distribution calculation is set forth in Appendix C.
- iv. Net investment income of the Endowment Fund shall mean dividends, interest or distributed capital gains of any investment assets (for example, mutual funds) held by the Endowment Fund. Net investment income shall be determined by the official recordkeeping of the Endowment Fund investment firm – represented by the account statements provided as part of investment account maintenance.
- v. Net investment income shall *not* include unrealized capital gains or losses of the Endowment Fund. The unrealized capital gains and losses of the Endowment Fund are included to calculate the FMV Prong.
- vi. Any net investment income not distributed in an Endowment Fund distribution shall be reinvested.

- vii. Neither the Income Prong nor the FMV Prong of the Endowment Fund calculation shall be modified as a result of an Endowment Fund distribution. After a distribution, the Calculation Date analysis considers the impact of the distribution on the fund by reflecting the lower fair market value (because of the distribution from the fund) and potentially lower income because of such lower fair market value.

C. Restricted and Unrestricted Funds

- i. Both restricted and unrestricted funds shall be included in the Endowment Fund distribution calculation pursuant to Section 3.
- ii. Upon computation of the amount of the Endowment Fund distribution pursuant to Section 3.B., the EFC shall evaluate and determine whether the distribution may be made from restricted funds or must be made from unrestricted funds. A distribution may be made from restricted funds if the distribution complies with the restrictions set forth in the gift. Gift restrictions are set forth in Appendix D Restricted Funds.
- iii. When the EFC provides the Endowment Fund distribution amount to the Board of Trustees for approval, the EFC shall designate to the Board of Trustees whether the distribution amount is recommended from restricted or unrestricted funds.

4. Distribution Procedures and Schedule

A. Distribution Procedures

- i. The EFC shall calculate the Endowment Fund distribution amount (including designation of such distribution amount from unrestricted and/or restricted funds) pursuant to Section 3, Distribution Amount Calculations, above no less frequently (may be more frequently) than annually.
- ii. The Board of Trustees alone has the authority to approve the amount of the Endowment Fund distribution and whether such distribution shall be made from unrestricted and/or restricted funds. The Board of Trustees may be assisted by the EFC's recommendation, but the Board of Trustees shall not be obligated to follow the EFC's recommendation.
- iii. Once the Endowment Fund distribution amount (including designation of such distribution amount from unrestricted and/or restricted funds) is determined as of any given Calculation Date and approved by the Board of Trustees, the distribution amount shall *not* be required to be changed or recalculated even if there are changes in the net investment income or fair market value of the Endowment Fund.
 - a. Nothing herein shall prohibit the EFC from recommending an additional distribution amount from the Endowment Fund so long as any separate distribution amount meets the requirements of these Procedures and is approved by the Board of Trustees.

- b. If the fair market value of the Endowment Fund decreases after the Calculation Date, the distribution amount approved by the Board of Trustees may nonetheless be distributed.
- c. Nothing herein prohibits the Board of Trustees from modifying the distribution amount for market changes (increases or decreases) occurring after the Calculation Date.
- iv. After approval of the recipient(s) of an Endowment Fund distribution by the Board of Trustees (whether such recipient(s) were identified by virtue of a congregational application or otherwise by the Endowment Fund Committee), a simple majority of the congregation present at the annual meeting (or a congregation meeting called to discuss such Endowment Fund distribution) shall approve recipients of such distributions.

B. Schedule

An outline of the schedule of implementation for the Endowment Fund distributions is as follows:

- | | |
|---------------|---|
| By January 31 | <p>EFC performs the Endowment Fund distribution calculation set forth in Appendix C to determine the distribution amount.</p> <p>EFC advises the Board of Trustees of the distribution amount from the Endowment Fund, including if the distribution amount is zero.</p> <p>Quarterly reporting to the Board of Trustees on the financial records of the Endowment Fund (end of December calendar quarter). EFC continues to track net investment income and fair market value of the Endowment Fund each calendar quarter.</p> |
| February | Board of Trustees approves the Endowment Fund distribution. |
| March | EFC advises the congregation of (1) the distribution amount; and (2) procedures for the congregation to make application to the EFC for uses for the distribution amount. The procedures published to the congregation shall include the prohibited and authorized distributions for Endowment Funds and a deadline for response. |
| April | <p>EFC reviews congregation applications in the form of Appendix B for Endowment Fund distribution amounts.</p> <p>Quarterly reporting to the Board of Trustees on the financial records of the Endowment Fund (end of March calendar quarter). EFC continues to track net investment income and fair market value of the Endowment Fund each calendar quarter.</p> |

May	<p>EFC recommends use of Endowment Fund distribution amount to the Finance Coordinating Council and the Board of Trustees.</p> <p>Board of Trustees authorizes the Endowment Fund distribution in amount and purpose.</p>
June	<p>Simple majority of the voting members of the congregation present at the annual meeting approve the Board of Trustees' Endowment Fund distribution uses.</p> <p>In written minutes, the Board of Trustees authorizes EFC to take all actions necessary to implement the Endowment Fund distribution for the approved uses.</p>
July	<p>Quarterly reporting to the Board of Trustees on the financial records of the Endowment Fund (end of June calendar quarter). EFC continues to track net investment income and fair market value of the Endowment Fund each calendar quarter.</p> <p>As required, EFC conducts Audit.</p> <p>Report EFC distribution, if any, in the Church's annual report.</p>
October	<p>Quarterly reporting to the Board of Trustees on the financial records of the Endowment Fund (end of September calendar quarter). EFC continues to track net investment income and fair market value of the Endowment Fund each calendar quarter.</p>
December	<p>On an ad hoc basis or at the request of the Board of Trustees or the congregation, the EFC may evaluate out-of-cycle Endowment Fund distribution requests.</p>
January (subsequent year)	<p>Begin Endowment Fund distribution calculation process again (see above).</p> <p>Quarterly reporting to the Board of Trustees on the financial records of the Endowment Fund (end of December calendar quarter). EFC continues to track net investment income and fair market value of the Endowment Fund each calendar quarter.</p> <p>[SCHEDULE CONTINUES PER ABOVE]</p>

5. Powers and Duties

A. Audit, Recordkeeping and Reporting

- i. Audit means the biannual audit performed by a certified public accountant or other appropriate person who is *not* a member of the EFC as set forth in Article 14.6 of the Bylaws.
- ii. Beginning in the fiscal year² following the first fiscal year of distributions from the Endowment Fund (expected to be FY ending June 30, 2022), the Endowment Fund's first biannual Audit shall be conducted. The cost of the Audit, if any, shall be paid from the funds of the Endowment Fund. The first Audit is expected to be conducted for the period July 1, 2021 through June 30, 2023.
- iii. Beginning in the fiscal year following the first fiscal year of distributions from the Endowment Fund (expected to be FY ending June 30, 2022), the EFC shall report the financial records of the Endowment Fund to the Board of Trustees no less frequently than calendar quarterly (may be more frequently).
- iv. Following an Audit, the EFC shall render a full and complete audited account of the administration of the Endowment Fund during the previous two years to (1) the Board of Trustees; and (2) to the congregation at the annual congregational meeting. In years where an Audit is *not* performed, the EFC is only required to render a full and complete account of the administration of the Endowment Fund during the previous one year.
- v. The EFC shall keep a permanent record of the terms and restrictions of all gifts made to the Endowment Fund.
- vi. The EFC shall account for the Endowment Fund according to generally accepted accounting principles applicable to the Church.
- vii. All assets of the Endowment Fund shall be held in the name of the Church.

B. Advisory Members

- i. Advisory Members of the EFC means investment advisors or legal advisors as authorized by Article 14.7 of the Bylaws.
- ii. If the EFC deems it to be in the best interest of the Endowment Fund, the EFC may hire Advisory Members for (1) financial counseling on investment; or (2) legal matters. Advisory Members shall be paid from the funds of the Endowment Fund.

² The fiscal year of Second Unitarian Church of Omaha is July 1 to June 30.

6. Liability and Conflict of Interest Statement

A. Liability

- i. The Board of Trustees shall have sole authority to hold, sell, exchange, rent, lease, transfer, convert, invest, reinvest, and in all other respects, manage and control the assets of the Endowment Fund, including stocks, bonds, debentures, mortgages, notes, or any other security. The Board of Trustees shall exercise such authority by applying judgment and discretion as they deem prudent and in accordance with the religious values of the congregation.
- ii. For financial transactions set forth in Section 6, subparagraph (A)(i), the EFC may:
 - a. make recommendations to the Board of Trustees (applying the same standard applicable to the Board of Trustees); and
 - b. take all actions necessary to execute any financial transaction approved by the Board of Trustees.
- iii. Members of the EFC shall not be liable for any loss that may be incurred upon the investment of the assets of the Endowment Fund except to the extent that such loss shall have been caused by bad faith or gross negligence. No member shall be personally liable if they act in good faith and with ordinary prudence. Each member shall be liable only for their own willful misconduct or omissions and shall not be liable for the acts or omission of any other member. No member shall engage in any self-dealing or transactions with the Endowment Fund in which the member has a direct or indirect financial interest and shall always refrain from any conduct in which their personal interests would conflict with the interest of the Endowment Fund.

B. Financial Conflict of Interest Statement

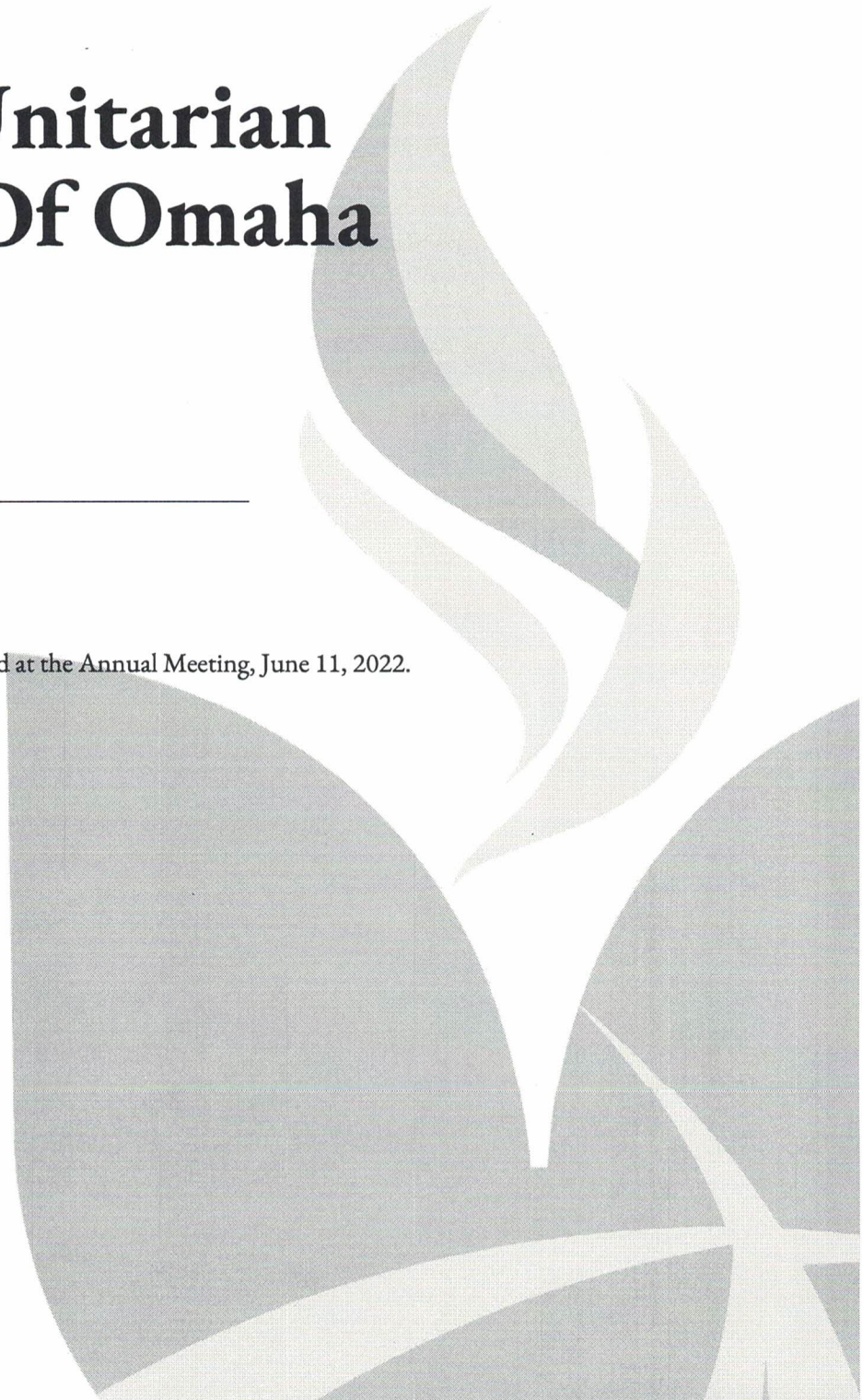
- i. A Financial Conflict of Interest (COI) Statement shall be the statement required by Article 14.2 of the Bylaws.
- ii. Each fiscal year, the Secretary of the Board of Trustees shall collect a COI Statement in the form of Appendix E from the following individuals: (1) the minister; (2) the Chair of the Board of Trustees; (3) all members of the Finance Committee that serve as Advisory Members of the EFC; and (4) all members of the EFC.

Approved by the Board of Trustees
July 27, 2022

APPENDIX A
ARTICLES 13, 14 AND 15 OF THE BYLAWS

Second Unitarian Church Of Omaha Bylaws

These revised Bylaws were approved at the Annual Meeting, June 11, 2022.



30. The Treasurer shall have custody of all church funds, and shall ensure deposit of all funds in a bank designated by the Board of Trustees to the credit of the Second Unitarian Church of Omaha. The Treasurer shall oversee receipt and disbursement of funds in accordance with the annual budget as directed by the Board of Trustees, and shall keep an accurate account of such. The Treasurer shall make this accounting open to inspection by any member, shall make periodic reports to the Board of Trustees and to the Finance Coordinating Council, and shall make a report to the annual meeting.

Section 12.2. Authorization to Sign Checks.

The Board Chairperson, the Vice Chair and the Treasurer shall be authorized to sign checks. Signatures of two of these officers are required on all checks.

Section 12.3. Budget Limits.

At the beginning of the budget year each Committee Chairperson is authorized to spend the amount approved at the Annual Meeting within their budget request. Expenditures outside the budget request require prior approval by the Board of Trustees. The Board of Trustees has authority to spend up to a maximum of \$10,000 outside of the Congregation's approved annual budget before Congregational approval is required.

Section 12.4. Audits.

An audit of all fiscal operations of the church shall be conducted at least bi-annually and when changing treasurers. The audit may be conducted by an independent CPA or by an audit committee made up of at least three members from the congregation, at least one of whom is a Board member, as the Board chooses. The Board shall review all audits.

Section 12.5. Protection of Non-Profit Status.

Neither the Board of Trustees nor any officer or employee of the Church shall take any action or allow any activity or use of church property which shall jeopardize the tax-exempt status of the Church or its property. Nothing in these Bylaws shall be construed to allow a violation of this section.

Section 12.6. Insurance.

The buildings and contents owned by the Church shall be adequately insured and the Church shall carry Management Liability, Legal Defense, Workers' Compensation, and other forms of insurance in amounts and with such carriers as determined by policy of the Board of Trustees.

Article 13 The Second Unitarian Church of Omaha Endowment Fund

Section 13.1. Name.

The Church shall establish and maintain a fund known as The Second Unitarian Church of Omaha Endowment Fund, hereafter called the “Endowment Fund.”

Section 13.2. Purpose.

The purpose of the Endowment Fund (1) to enhance the mission of Second Unitarian Church of Omaha and (2) to promote Unitarian Universalist Principles in the Community. No distributions from the fund will be made until it surpasses \$250,000.

Article 14. The Endowment Fund Committee (EFC)***Section 14.1. Custodian.***

Endowment Fund Committee (hereinafter called the “EFC”) shall be the custodian of the Second Unitarian Church of Omaha Endowment Fund.

Section 14.2. EFC Membership.

The Endowment Fund Committee shall consist of three (3) members, all of whom shall be voting members of the Second Unitarian Church of Omaha for a minimum of one (1) year prior to the start of their term on the committee. One member will be elected each year at the Annual Meeting. The term of each member shall be three (3) years. No member of the EFC shall serve more than two (2) consecutive three (3) year terms. After a lapse of one (1) year, former EFC members may be re-elected. The Minister, the Chair of the Board of Trustees, and a representative from the Finance Coordinating Council shall be advisory, non voting members of the EFC. All members will complete a financial conflict of interest (COI) statement each year to file with the board secretary.

Section 14.3. Nominations.

The Nominations and Leadership Development Committee shall nominate new members for the EFC.

Section 14.4. Vacancies.

In the event of a vacancy on the EFC, the Board of Trustees shall appoint a qualified member of the Congregation to fill the vacancy until the next annual meeting, at which time the Congregation shall elect a member to fulfill the term of the vacancy.

Section 14.5. Meetings.

The EFC shall meet at least quarterly, or more frequently as deemed by it in the best interest of the Endowment Fund. A quorum shall consist of three (3) members. A majority present and voting shall carry any motion or resolution.

Section 14.6. Audit.

Starting the year following the first year when distributions can be made from the Endowment Fund, the financial records of the Endowment Fund shall be audited biannually by a certified public accountant or other appropriate person who is not a member of the EFC. Costs of the audit shall be paid from the proceeds of the Endowment Fund, independent of the normal distribution requirements. The EFC shall report on a quarterly basis to the Board of Trustees and, at each annual meeting of the Congregation following each audit, shall render a full and complete audited account of the administration of the Endowment Fund during the previous two years. In years when an audit is not performed, the Committee shall report a full and complete account of the administration of the fund during the previous year at the annual congregational meeting.

Section 14.7. Advisory Members.

The EFC may request other persons vetted by the EFC serve as advisory members and, at the expense of the Endowment Fund, independent of the normal distribution requirements, may provide for such financial counseling on investment or legal matters as it deems to be in the best interest of the Endowment Fund.

Section 14.8. Liabilities.

Members of the EFC shall not be liable for any loss that may be incurred upon the investment of the assets of the Endowment Fund except to the extent that such loss shall have been caused by bad faith or gross negligence. No member shall be personally liable as long as they act in good faith and with ordinary prudence. Each member shall be liable only for his/her own willful misconduct or omissions and shall not be liable for the acts or omissions of any other member. No member shall engage in any self-dealing or transactions with the Endowment Fund in which the member has direct or indirect financial interest and shall at all times refrain from any conduct in which her or his personal interests would conflict with the interest of the Endowment Fund.

Section 14.9. Assets.

All assets are to be held in the name of the Second Unitarian Church of Omaha Endowment Fund.

Section 14.10. Financial Recommendations to Board.

Recommendations to hold, sell, exchange, rent, lease, transfer, convert, invest, reinvest, and in all other respects to manage and control the assets of the Endowment Fund, including stocks, bonds, debentures, mortgages, notes, or other securities, as in their judgment and discretion they deem wise,

prudent and in accordance with the religious values of the congregation, are to be made by the EFC for approval by the Board of Trustees, with subsequent execution by the EFC.

Article 15. Distributions From The Endowment Fund

Section 15.1. Gift and Accounting Records.

The EFC shall abide by and keep a record of the terms and restrictions of all gifts to the Endowment Fund and shall determine the principal and income of the Endowment Fund according to accepted accounting procedures.

Section 15.2. Restriction on Use for Operating Budget.

No portion of distributions from the Endowment Fund shall be used for the annual operating budget or support services of the Congregation except only in particular, temporary, difficult circumstances, where integrity of gift restrictions permit, and with the approval by a two-thirds (2/3) majority of the voting members present at a congregational meeting.

Section 15.3. Distribution Requirements.

Distributions from the Endowment Fund shall not be made unless the fair market value of the fund over the previous four (4) quarters is at least \$250,000. Upon meeting this condition, distributions may be made from the Endowment Fund annually and at other such times as deemed necessary and/or feasible, with the total annual distributed amount not to exceed 50% of the interest earned by the Endowment Fund over the previous four (4) quarters, or not to exceed 5% of the average fair market value of the Endowment Fund over the previous thirteen (13) quarters, whichever is least, to accomplish the following purposes, with the remaining interest being added to the principal through reinvestment:

- 15.3.a. Upkeep of the physical plant of Second Unitarian Church, such as but not limited to maintenance of buildings, capital improvements or renovations, or debt reduction;
- 15.3.b. Outreach into the community, including, but not limited to, grants to UU camps and conferences, theological schools, local social service agencies or institutions to which this congregation relates, and to special programs designed for those persons in our community who are in spiritual or economic need;

Section 15.4. Congregational Approval of Distributions.

Programs for support shall be suggested by members of the Congregation, recommended by the EFC, and approved by the Board for funding. The Committee will review the status of the Endowment Fund by January 31 of each year. At such time that it is determined that distributions may be made from the Endowment Fund, the EFC will, through the newsletter to be published the following March, notify the Congregation of the approximate amount available for distribution, remind the

Congregation of the allowed purposes, and identify the date by which the EFC must receive written requests for Endowment Fund distribution recipients. The EFC will review the submitted requests and make recommendations for funding to the Board of Trustees by the May meeting. The Board of Trustees will announce selected recipients and amounts of the distribution(s) during the annual meeting of the Congregation, at which time the Congregation will act on the selections. Congregational approval of recipients of distributions will require a simple majority of members present. Any funds remaining from the allowed distribution amount shall be added to the principal of the Endowment Fund.

Article 16. Stewardship Committee

Section 16.1. Selection and Terms of Stewardship Chair.

- 16.1.a. There shall be a Stewardship Committee with leadership by a Chair and Vice Chair. Each year at the annual congregational meeting, a Vice Chair will be elected for a 2 year term, the second year of which the Vice Chair assumes the duties of Chair. Should the Chair or Vice Chair positions become vacant, the vacancy may be filled by the Board of Trustees, such appointment to last until the next annual meeting.
- 16.1.b. The Nominations and Leadership Development Committee shall recruit a Vice Chair candidate for the slate of nominees presented to the congregation at the annual meeting. All members of the congregation shall be considered eligible for nomination.
- 16.1.c. The Vice Chair will rotate to Chair of the committee their second year. The Chair is expected to mentor the Vice Chair on philosophy, procedures and processes of stewardship as well as committee responsibilities
- 16.1.d. The Stewardship Chair and Vice Chair shall invite individual members, committees and/or teams to perform roles and tasks to conduct the duties of the Committee as set forth in this article.

Section 16.2. Congregational Involvement.

- 16.2.a. Stewardship of congregational resources involves more than fundraising. All members of the congregation are expected to support and participate in stewardship events and activities.
- 16.2.b. All committees and task teams of Second Unitarian Church shall assist the Stewardship Campaign as appropriate and requested. The Stewardship Chair and Vice Chair shall direct and coordinate the congregational stewardship campaign.

Section 16.3. Duties.

- 16.3.a. The Stewardship Committee shall plan, coordinate, and implement the annual budget drive campaign that reflects the congregation's mission, vision and priorities.

APPENDIX B
CHURCH MEMBER APPLICATION FOR
ENDOWMENT FUND DISTRIBUTIONS

Instructions:

1. Please complete this form in its entirety. Incomplete forms may not be considered by the Endowment Fund committee.
2. Endowment Fund distributions may *only* be made for Authorized Distributions (two criteria set forth below). Endowment Fund distributions may *not* be made to fund the annual operating budget or support services. *See, e.g.*, Endowment Fund Committee Implementation Procedures, Section 2. Examples of prohibited Endowment Fund distributions include but are not limited to: support staff or minister salaries, insurance expenses, other periodic recurring expenditures (postage, IT, lawn mowing, snow removal, heat/air/water expenses, etc.), Applications made to apply Endowment Fund distributions to items that are part of the annual operating budget or support services may be rejected by the Endowment Fund Committee.
3. The Endowment Fund Committee respectfully asks that you perform due diligence to determine the estimated amount of any expenditure before requesting an Endowment Fund distribution.
4. The Endowment Fund Committee is charged with the responsibility to recommend the recipient(s) of Endowment Fund distributions to the Board of Trustees for approval. The Endowment Fund Committee hereby reserves the right to reject any application received that does not comport with the religious values of the congregation.

Church Member Name: _____

Address: _____

Phone: _____

Email: _____

Are you a member of the Second Unitarian Church of Omaha? Yes No (select one)

Part I.

Please indicate which one (or more) of the two criteria below applies to your Endowment Fund distribution request:

Criteria	Application Meets Criterion?
<u>Bylaws Article 15.3.a.</u> Upkeep of the Church, including, but not limited to, maintenance of buildings, capital improvements or renovations, or debt reduction.	<input type="checkbox"/> Yes <input type="checkbox"/> No (select one) (If yes, complete Part II. below)
<u>Bylaws Article 15.3.b.</u> Outreach into the community, including, but not limited to, grants to Church camps and conferences, theological schools, local social service agencies or institutions to which the congregation relates, and to special programs designed for those persons in our community who are in spiritual or economic need.	<input type="checkbox"/> Yes <input type="checkbox"/> No (select one) (If yes, complete Part II. below)

If “No” is selected for both of the two criteria above, then your Endowment Fund request will not be considered.

Part II.

Please explain the details of your application and how it meets the above criteria. Include any relevant information for the Endowment Fund Committee to evaluate your application. These help us understand your goals and application further! (If you prefer, you may submit a separate document)

What is the total dollar amount of your requested Endowment Fund application? (round to the nearest dollar) \$ _____
(format XX,XXX)

Please include an itemized list and detailed estimate for how you derived the total dollar amount reported above.
[allow submission of estimate]

Thank you for your passion for our shared faith! We look forward to reviewing your application!

Endowment Fund Committee

APPENDIX C – ENDOWMENT FUND DISTRIBUTION CALCULATION

[Contact Endowment Fund Committee for current calculation]

APPENDIX D
RESTRICTED FUNDS

Contact Endowment Fund Committee for
Restricted Funds Information

APPENDIX E
CONFLICT OF INTEREST POLICY

The Bylaws of the Second Unitarian Church of Omaha with respect to conflicts of interest requires that (1) the minister; (2) the Chair of the Board of Trustees; (3) all members of the Finance Committee that serve as advisory members of the Endowment Fund Committee (EFC) and (4) all members of the EFC (collectively referred to herein as the “Financial Parties”), avoid any conflict between their own interests and the interest of the Second Unitarian Church of Omaha, which specifically includes but is not limited to, the Endowment Fund (collectively referred to herein as the “Church”). Moreover, all Financial Parties should avoid any conflict between their own interests and the interests of any affiliated person or legal entity having a business relationship with the Church.

The Conflict of Interest Policy, periodically updated from time to time, is located on the Church website: [Governing Documents | Second Unitarian Church of Omaha \(2uomaha.org\)](https://www.2uomaha.org/governing-documents)