

Covenant United Church of Christ

1130 E. 154th Street
South Holland, IL 60473

ENDOWMENT FUND (“the FUND”) POLICY

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MISSION STATEMENT (Purpose)

UNITED CHURCH OF CHRIST DENOMINATION

Never place a period where God has placed a comma.

We believe the church's mission is to change lives — individually, systemically and globally. We work to make transformation possible, but trust in God's grace. This is why we insist that churches must be places of vitality in worship, learning and advocacy. We are committed to working for justice, and we believe that lives are changed through global experiences and friendships. Why? Because God is still speaking.

COVENANT UNITED CHURCH OF CHRIST

Vision

To influence change in our community through effective Christian witness. *1 Corinthians 15:58*

Mission

A people of Afro-sensitive Christian faith empowered by Christ to embrace community through shared ministry. *1 Corinthians 12: 4-7*

Goals

- To be a faith community committed to Bible Study *Psalms 1:2*
- To become dedicated disciples *John 15:5-8*
- To become committed stewards *Acts 2:43-47*
- To be an effectual and fervent praying church *Luke 18:1*
- To build a worship and family life center that meets the growing needs of church and community
- To build a legacy for our children's children to build upon

COVENANT UNITED CHURCH OF CHRIST ENDOWMENT FUND

Purpose: To provide perpetual financial support for the viability, vitality and sustainability of the life, mission and ministries of Covenant United Church of Christ.

The Endowment Fund is created as an unceasing resource for CUCC that will be funded by bequests and other living gifts from CUCC members and friends.

The Endowment Fund will ensure that the building (located at 1103 East 154th, South Holland, IL 60473), ministries, and mission of CUCC will be enduring and expanding by providing monetary support.

The Endowment will provide a financial legacy for current members of CUCC, our children, and children's children to build upon.

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**ENDOWMENT FUND (“the FUND”) POLICY
PLAN OF OPERATION OF THE ENDOWMENT FUND**

1. ESTABLISHMENT OF THE FUND

1.1 To establish the CUCC Endowment Fund requires an affirmative vote by 2/3rds of the members present at a meeting of the CUCC congregation.

1.2 To adopt the CUCC Endowment Fund Policy Document requires an affirmative vote of 2/3rds of the members present at a meeting of the CUCC congregation. Adoption of the policy document is subject to the approval of the congregation to establish the CUCC Endowment Fund.

1.3 The purpose of this policy is to allow the solicitation of new funds to strengthen the financial reserves of CUCC, thereby assuring the orderly continuation of its ministries. Designation of current offerings to the Fund is to be strongly discouraged unless otherwise directed by CUCC Board of Directors.

1.4 All assets of the FUND shall be held in the name of Covenant United Church of Christ, South Holland, Illinois.

1.5 The Board of Directors of CUCC authorizes the acceptance of contributions restricted to the Purpose of endowment as defined by the Mission of the CUCC Endowment stated above.

1.6 The FUND shall solicit and accept contributions to be held in accordance with this Plan of Operations Section. The assets of the FUND shall consist of all such contributions and the investment returns on such income.

1.7 SUB-ACCOUNTS

A. CAPITAL PRESERVATION AND IMPROVEMENTS

(INCLUDES GENERAL FUND)

B. MINISTRY AND MISSION

a. EDUCATION PROGRAMS

b. YOUTH MINISTRY

c. MUSIC MINISTRY

C. SCHOLARSHIPS

2. THE COMMITTEE

2.1 The FUND shall be managed by An Endowment Committee (the “COMMITTEE”) pursuant to the rules outlined in this Plan of Operation Section.

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2.2 The COMMITTEE shall consist of five members, all of whom shall be active members of and pay tithes to the Covenant United Church of Christ, South Holland, Illinois (the “Church”). Except as herein limited, the term of each member shall be three years. The CUCC Board of Directors shall appoint the five members of the COMMITTEE: two for a term of three years; two for a term of two years; and one for a term of one year. Thereafter, at each Annual Meeting, the CUCC Board Of directors shall appoint the necessary number of members to three-year terms to complete the COMMITTEE. No member shall serve more than two consecutive terms. After a lapse of one year, former members of the COMMITTEE may be again appointed by CUCC Board of Directors. The Senior Pastor shall be an advisory member of the COMMITTEE and shall not have the right to vote and nor be counted in determining the presence of a quorum]. In the event of a vacancy on the COMMITTEE, the Senior Pastor shall appoint a CUCC member to fill the vacancy.

2.3 The Board of Directors shall have the right to dismiss any member of the committee for cause.

2.4 The COMMITTEE shall meet at least quarterly, or more frequently as deemed necessary in the best interest of the FUND. A quorum shall be three members. The vote of a majority of the COMMITTEE at a meeting at which a quorum is present shall be the decision of the COMMITTEE.

2.5 The COMMITTEE shall elect from its membership a Chairperson and Recording Secretary. CUCC CFO will act as FUND Treasurer. The Chairperson, or a designated member, shall preside at all COMMITTEE meetings. The FUND Treasurer shall maintain complete and accurate books of accounts. The Recording Secretary shall maintain complete and accurate minutes of all meetings of the COMMITTEE and supply a copy thereof to each member of the COMMITTEE and to the Chairperson of the Board of Directors.

2.6 The COMMITTEE (in keeping with the Gift Acceptance Policy in Section 3) is empowered to hold, sell, exchange, reject, rent, lease, transfer, convert, invest, reinvest, and in all other respects to manage and control the assets of the FUND, including stocks, bonds, debentures, mortgages, notes, or other securities or real property as in their judgment and discretion they deem wise and prudent. The COMMITTEE may, in its sole discretion, reject gifts of real property and other assets if acceptance of such gifts would subject CUCC to undue risks, hazards, or liabilities (e.g., a gift of real estate that is contaminated or violates federal, state, or local environmental laws). Restrictions and procedures for acceptance of non-cash gifts, as outlined in the Gift Acceptance Policy passed by the Board of Directors, shall also apply to gifts to the FUND. A donor who wishing to make a gift to the FUND and restrict such gift to a

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specific ministry or purpose will be encouraged to include a clause allowing the Board of Directors to redirect the gift to other purposes if the original ministry or purpose ceases to exist. It is important for donors to realize that the COMMITTEE of the FUND, subject to Board approval, must have the freedom to redirect funds if needed.

2.7 The COMMITTEE may request other members of CUCC to serve as advisory members and, at the expense of the FUND, may provide for professional counseling on investments, accounting, or legal matters as it deems to be in the best interest of the FUND.

2.8 The committee shall evaluate and choose investment managers (i.e., professional money managers, bank trust departments, investment managers) to invest endowment funds based on guidelines outlined in the Section, “Investment Policy of The FUND”.

2.9 Members of the COMMITTEE shall not be held liable for any losses which may be incurred upon the investments of the assets of the FUND except to the extent such losses shall have been caused by bad faith or gross negligence. A member shall not be liable for the acts or omissions of any other member. A member shall not engage in any self-dealing or transactions with the FUND in which the member has direct or indirect financial interest and shall at all times refrain from any conduct in which his/her personal interest would conflict with the interest of the FUND.

2.10 Because committee members do not handle Endowment Fund receipts, they will not be required to be bonded. The committee members are covered under the umbrella policy of Covenant United Church of Christ.

2.11 The COMMITTEE shall consult with a qualified CPA firm to classify principal and income of the FUND according to accepted accounting procedures.

2.12 The COMMITTEE shall report to the Church Board of Directors annually prior to the 1st quarterly meeting of each calendar year. Other meetings with the Board of Directors will be held on an as needed basis. The committee will meet with and report to the members of the Church at the Annual Meeting. Reports shall include information about the financial status of the FUND, including investment returns, and distributions from the FUND. Donors may be recognized in the Fund status reports (if permitted by the donor). The Committee’s report to the Annual Meeting may include specific acknowledgement of donors (if permitted by the donor). Donors shall be recognized in the FUND status reports. Donors shall also receive personal acknowledgements of contributions.

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2.13 The COMMITTEE shall have the FUND audited annually as part of the Church Financial audit by a qualified CPA firm for presentation with its reports to the Church Annual Meeting and to the Board of Directors. The audit will focus on three areas: are funds properly accounted for, is the endowment policy being followed, and is the intent of donors being honored.

2.14 In accepting and holding contributions, the COMMITTEE shall follow such rules as outlined in the Gift Acceptance Policy Section concerning restricted gifts and recognition of donors.

2.15 The COMMITTEE shall establish a plan to encourage and attract more contributions to the FUND. In establishing this plan, the COMMITTEE shall consult with the CUCC Finance Committee. The plan shall not be controlled or regulated by the CUCC Finance Committee.

2.16 In the event the COMMITTEE directs that an asset of the FUND be disposed of or liquidated, the donor or his/her heirs shall be notified in writing of such disposal. If the donor and his/her heir's address are unknown, notice may be accomplished by publication in a newspaper service in Cook County, Illinois. The intent of the donor shall be honored and respected to the extent such intent is consistent with the goals and objectives of the FUND, as the Purposes of the FUND.

3. GIFT ACCEPTANCE POLICY

CUCC Endowment Committee shall solicit and accept gifts for purposes that will help CUCC further and fulfill its mission. CUCC Endowment urges all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts, including the resulting tax and estate planning consequences. The following policies and guidelines govern acceptance of gifts made to the CUCC Endowment for the benefit of any of its operations, programs or services.

3.1 *Use of Legal Counsel*—CUCC Endowment will seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for:

3.1.1 Gifts of securities that are subject to restrictions or buy-sell agreements.

3.1.2 Documents naming CUCC Endowment as trustee or requiring CUCC Endowment to act in any fiduciary capacity.

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- 3.1.3 Gifts requiring CUCC Endowment to assume financial or other obligations.
- 3.1.4 Transactions with potential conflicts of interest.
- 3.1.5 Gifts of property which may be subject to environmental or other regulatory restrictions.

3.2 *Restrictions on Gifts*—CUCC Endowment will not accept gifts that (a) would result in CUCC violating its corporate charter, (b) would result in CUCC losing its status as an IRC § 501(c)(3) not-for-profit organization, (c) are too difficult or too expensive to administer in relation to their value, (d) would result in any unacceptable consequences for CUCC, or (e) are for purposes outside CUCC Endowment’s mission. Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the COMMITTEE, in consultation with the CUCC Board of Directors.

3.3 Gifts Generally Accepted Without Review—

- 3.3.1 Cash gifts are acceptable in any form, including by check, money order, or credit card. Donors wishing to make a gift by credit card must provide the card type (e.g., Visa, MasterCard, American Express), card number, expiration date, and name of the card holder as it appears on the credit card.
- 3.3.2 Marketable Securities. Marketable securities may be transferred electronically to an account maintained at one or more brokerage firms or delivered physically with the transferor's endorsement or signed stock power (with appropriate signature guarantees) attached. All marketable securities will be sold promptly upon receipt unless otherwise directed by the COMMITTEE. In some cases marketable securities may be restricted, for example, by applicable securities laws or the terms of the proposed gift; in such instances the decision whether to accept the restricted securities shall be made by the COMMITTEE.
- 3.3.3 Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans. Donors are encouraged to make bequests to CUCC Endowment pursuant to their wills, and to name CUCC Endowment as the beneficiary of trusts, life

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insurance policies, commercial annuities and retirement plans.

3.3.4 Charitable Remainder Trusts. CUCC Endowment will accept designation as a remainder beneficiary of charitable remainder trusts.

3.3.5 Charitable Lead Trusts. CUCC Endowment will accept designation as an income beneficiary of charitable lead trusts.

3.4 *Gifts Accepted Subject to Prior Review*—Certain forms of gifts or donated properties may be subject to review prior to acceptance. Examples of gifts subject to prior review include, but are not limited to:

3.4.1 *Tangible Personal Property*. The COMMITTEE shall review and determine whether to accept any gifts of tangible personal property in light of the following considerations: does the property further the organization’s mission? Is the property marketable? Are there any unacceptable restrictions imposed on the property? Are there any carrying costs for the property for which the organization may be responsible? Is the title/provenance of the property clear?

3.4.2 Life Insurance. CUCC Endowment will accept gifts of life insurance where CUCC Endowment is named as both beneficiary and irrevocable owner of the insurance policy. The donor must agree to pay, before due, any future premium payments owing on the policy.

3.4.3 Real Estate. All gifts of real estate are subject to review by the COMMITTEE. Prior to acceptance of any gift of real estate other than a personal residence, CUCC Endowment shall require an initial environmental review by a qualified environmental firm. In the event that the initial review reveals a potential problem, the organization may retain a qualified environmental firm to conduct an environmental audit. Criteria for acceptance of gifts of real estate include, but not limited to: Is the property useful for the organization’s purposes? Is the property readily marketable? Are there covenants, conditions, restrictions, reservations, easements, encumbrances

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or other limitations associated with the property?
Are there carrying costs (including insurance, property taxes, mortgages, notes, or the like) or maintenance expenses associated with the property?
Does the environmental review or audit reflect that the property is damaged or otherwise requires remediation?

4. ACCUMULATION OF DONOR FUNDS (INITIAL DONOR CONTRIBUTION & APPRECIATION)

4.1 All bequest, memorials and charitable remainder interests will be held and invested in the FUND. The income from these investments will support Church ministries and new or expanded program services, and the principal will remain untouched, unless a dire emergency is declared by the CUCC Board of Directors.

4.2 Gifts to the Fund, the income of which is designated to a specific purpose other than subaccounts defined Section 1.5 of this document, may be accepted only with the approval of the CUCC Board of Directors.

4.3 The principal of gifts to the Fund will be maintained in perpetuity or until such time or such occurrence as specified or agreed to in writing by the donor at the time of the gift.

4.4 Gifts and bequests to the FUND, unless otherwise specified by donors, shall be accumulated until the principal amount of \$500,000 is achieved, after which the income of the FUND may be expended annually or at such other times in furtherance of the Church’s Statement of Purpose and Mission and in accordance with this Plan of Operation.

4.5 The COMMITTEE shall review the terms of all existing special gifts indicated in CUCC records concerning restrictions and directions of the donor. Such records should be reviewed annually to assure the donor’s wishes and/or intent is being honored. Unrestricted gifts may be transferred to the FUND if the CUCC Board of Directors approves such transfer.

4.6 Any gift of less than \$25,000 shall be placed in the FUND as a general asset. For gifts above \$25,000 but less than \$100,000.00, the benefactor will be given the option of continuing to make contributions until such time as the total mount reaches \$100,000 at which time the name account can be designated.

4.7 Donors of gifts of \$100,000 or more shall be given the privilege of naming a separate book keeping account within the FUND in memory of a

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loved one or family member and may designate a specific approved subaccount(s) to be the recipient of the income (designated use).

(1) All Named Accounts will be permanently listed in the Church’s annual report, unless they cease to exist due to the passage of a specified period of time or the occurrence of a specified event, as designated or agreed to by the donor in writing at the time of the gift.

(2) Any donor who makes a significant gift of \$50,000 to the FUND shall be informed about the Church’s offer to keep open an endowment account so future contributions can be made to this account until it reaches the desired gift level of \$100,000 for naming the account.

5. DISTRIBUTION OF FUNDS

5.1 The COMMITTEE shall insure that all activities of the FUND (including distributions from the FUND) are in accordance with IRS regulations and federal, state, and local laws.

5.2 The COMMITTEE shall use existing committees, ministries, staff positions, etc. of CUCC to receive and process requests prior to submitting them to the COMMITTEE for distribution.

5.3 The COMMITTEE shall evaluate all requests for program support directed to the FUND and may consult with the Board of Directors in determining the programs and purposes for which income shall be distributed from the FUND. Distributions of income from the FUND shall be within the sole discretion of the COMMITTEE; provided, however, that such distributions shall be made in the following proportions and for the following purposes:

(1) One half (1/2) of the income distributed each year shall be for capital improvements, debt reduction, or a building program of the Church or the school of the Church, and/or for people and programs of the Church, Christian Education, Evangelism, scholarships or grants to members of the Church for the purpose of attending seminary or such other training which enables members of this congregation to grow in Christian faith and service to God’s people.

(2) One fourth (1/4) of the income distributed each year shall be for outreach to the community in support of the benevolences and mission interests of the Church and/or for the wider mission of the United Church of Christ at home and abroad

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(e.g., U.C.C. colleges and universities, new church development, educational ministries, disaster relief, etc.); any such distributions shall be in addition to the Benevolence budget of the Church.

(3) One fourth (1/4) of the income distributed each year shall be for the goals of the Board of Directors, including, but not limited to, the Operating Budget of the Church; however, distributions from the FUND are not to exceed 20 percent of the annual Operating Budget for any given fiscal year.

5.4 Total Return Payout Policy

With no exception, payout will at a minimum be in compliance with IRS regulations, federal, state, and local laws. Also, with recommendation of the COMMITTEE and the approval of the Board of Directors,

- At \$0 to 500,000 there will be no payout.
- At \$500,001 to \$1M, the payout will be up to 100% of average income (which is defined as dividends and interest) at the end of the previous three years.
- Above \$1,000,001 the payout will be up to 100% of average income, 3% to 5% of average capital appreciation or growth in the account at the end of the previous three years.

The payout will be calculated at the beginning of each year and paid out quarterly from the funds to the Covenant United Church of Christ for distribution in accordance with the directions of the original donors. This distribution will be permitted to the extent that such distributions do not exceed a level that would erode the FUND’s real assets over time (see Section 4.1 & 4.5). The Endowment Committee will review its spending assumptions annually for the purpose of deciding whether any changes necessitate amending the FUND’s spending policy, its target asset allocation, or both. (Note: Bottom line is that all payouts will cease should the FUND value decline to the accumulated value of principal.)

6. DISPOSITION OR TRANSFER OF FUNDS

6.1 In the event the Covenant United Church of Christ ceases to exist through merger within the UCC Community, the Endowment fund(s) shall be transferred in their entirety to the newly merged church.

6.2 If the Covenant United Church of Christ ceases to exist through dissolution or through transfer outside the UCC Denomination, the Endowment Fund(s) shall be transferred to a qualified not-for-profit organization which will be determined by the Board of Directors.

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7. AMENDMENT OF THE POLICY

Any amendment to this policy which will change, alter, or amend the purpose for which the investments and endowment are established shall be adopted by a 2/3 of the members present at a special meeting of the CUCC congregation called specifically for the purpose of amending this policy.

8. INVESTMENT POLICY OF THE FUND

The Endowment Committee shall be governed by the following policy guidelines in its recommendations and decisions regarding the invested funds of the Covenant United Church of Christ. The Endowment Committee shall act in a fiduciary capacity with respect to the portfolio and is accountable to the CUCC’s Board of Directors for overseeing the investment of all assets owned by, or held in trust for the portfolio. This investment Policy Statement sets forth the investments objectives, distribution policies, and investment guidelines that govern the activities of the Endowment Committee and any other parties to whom the COMMITTEE has delegated investment management responsibility for portfolio assets.

8.1 Objectives

The portfolio is to be invested with the objective of preserving the long-term, real purchasing power of assets while providing a relatively predictable and growing stream of distribution in support of CUCC. The original principal shall be invested in a portfolio using the asset allocation deemed most appropriate, and only the income and small portion of any accumulated appreciation shall be expended. Every effort will be made to see that the directions and intent of donors are observed. However, we will encourage unrestricted giving to help alleviate accounting headaches and eliminate obstacles to CUCC’s ability to respond to changing needs and times.

8.2 Investment Management

Investment management shall be by professional money managers, bank trust departments, or by the use of mutual funds (including the United Church Funds, and Cornerstone Funds). The Endowment Committee shall monitor the managers and funds for performance and for their adherence to these guidelines and any other instructions given to them. The performance of the professional portfolio management shall be judged against:

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1. A market-based index appropriately selected to the manager’s agreed-upon investment objective and the normal investment characteristics of the manager’s portfolio.
2. The performance of other investment managers having similar investment objectives.

The Committee shall review the investment management and investment policy at least once a year.

8.3 Portfolio Investment Policies

The Committee should understand the strategic allocation of portfolio assets across broadly defined financial asset categories. Varying degrees of risk return and return correlation will be the most significant determinant of long-term investment returns and portfolio value stability.

8.4 Asset Allocation

The portfolio asset allocation percentages for the endowed trust funds shall be maintained within the following ranges: equities 40% to 70%, fixed income securities 30% to 70%, and cash equivalents 5% to 15%. Alternatives 10%-15%. The expected role of equity investments will be to maximize the long-term real growth of Portfolio assets, while the fixed income and cash equivalents will be to generate current income, provide for more stable periodic returns and provide some protection against a prolonged decline in the market value of Portfolio equity investments. Alternative investments provide a non correlated asset class which potentially will offset the volatility of equities and fixed income in the portfolio.

8.5 Diversification

Diversification across and within asset classes is the primary means by which the COMMITTEE expects the Portfolio to avoid undue risk of large losses over long time periods. The COMMITTEE will take reasonable precautions to avoid excessive investment concentrations. It is expected that the portfolio’s actual asset allocation will vary from its target asset allocation as a result of the varying returns earned on its investments in different asset classes. The portfolio may be rebalanced to be closer to the asset allocation of the target portfolio at least once a year.

8.6 Social Responsibility

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The investment of CUCC funds is to be made with sensitivity to the social responsibility concerns of the Christian faith. Actions of the UCC General Synod and the CUCC in this regard shall be taken into account in making investment decisions. The two areas of main accountability include: Corporate social responsibility (CSR), and Environmental, Social and Governance Issues (ESG).

8.7 Reporting

The Chair of the Endowment COMMITTEE shall report to the CUCC Board or Directors and meet with the Board of Directors upon request. The Chair shall report to that CUCC membership as often as may be appropriate. The Endowment COMMITTEE and the CUCC Chief Financial Officer will provide a written commentary and financial report for the Annual Report of the CUCC each year.

8.8 Authority

The Endowment COMMITTEE operates with the authority given it by the CUCC Board of Directors of the CUCC as defined in this document. Major changes to this document, in the investment manager, or in the investment policy shall be recommended to the CUCC Board of Directors for approval before implementation.

9. DISPUTE RESOLUTION

9.1 The parties (donors, families of donors, and the CUCC Endowment agree to attempt to resolve any dispute, claim or controversy arising out of or relating to this Agreement by mediation, which shall be conducted under the then current mediation procedures of The CPR Institute for Conflict Prevention & Resolution or any other procedure upon which the parties may agree. The parties further agree that their respective good faith participation in mediation is a condition precedent to pursuing any other available legal or equitable remedy, including litigation, arbitration or other dispute resolution procedures.

9.2 Either party may commence the mediation process by providing to the other party written notice, setting forth the subject of the dispute, claim or controversy and the relief requested. Within ten (10) days after the receipt of the foregoing notice, the other party shall deliver a written response to the initiating party's notice. The initial mediation session shall be held within thirty (30) days after the initial notice. The parties agree to share equally the costs and expenses of the mediation (which shall not include the expenses incurred by each party for its own legal representation in connection with the mediation).

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REVISIONS:

Adopted 10/25/16 at CUCC Quarterly Meeting:

Proposed changes to CUCC Endowment By-Laws

1. Meeting with Board of Directors. Suggested language - "A meeting with Board of Directors will be held at least annually before the 1st quarterly meeting of each year. Other meetings will be held on an as needed basis." Existing Endowment Policy language 2.12 The COMMITTEE shall report to the Church Board of Directors quarterly and to the members of the Church at the Annual Meeting. Reports shall include information about the financial status of the FUND, including investment returns, and distributions from the FUND. Donors may be recognized in the Fund status reports (if permitted by the donor). The Committee’s report to the Annual Meeting may include specific acknowledgement of donors (if permitted by the donor). Donors shall be recognized in the FUND status reports. Donors shall also receive personal acknowledgements of contributions.
2. Bonding of Endowment Committee Members. Suggested language - "Because committee members do not handle Endowment Fund receipts, they will not be required to be bonded. The committee members are covered under the umbrella policy of Covenant United Church of Christ." Existing Endowment Policy language 2.10 Members of the COMMITTEE shall be bonded or covered by Errors & Omissions Insurance Liability as an operating expense of the FUND.
3. There is a void that needs to be filled for gifts between \$25,000.00 and \$100,000.00 dollars. Suggested language is -"Gifts that are \$100,000.00 or greater can be named or designated. For gifts above \$25,000 but less than \$100,000.00, the benefactor will be given the option of continuing to make contributions until such time as the total mount reaches \$100,000 at which time the name account can be designated. "..... Existing Endowment Policy language: 4.6 Any gift of less than \$25,000 shall be placed in the FUND as a general asset. 4.7 Donors of gifts of \$100,000 or more shall be given the privilege of naming a separate book keeping account within the FUND in memory of a loved one or family member and may designate a specific approved sub-account(s) to be the recipient of the income (designated use).