

# **Planned Giving Policy**

## **Community Church at Murphy's Landing**

### **March 14, 2016**

This policy addresses the management of funds received as bequests or beneficiaries of life insurance policies. The goal of this policy is to simplify the process by which such funds are accepted by the church and to allocate those funds to address the needs of the church. A Planned Giving Committee composed of the Pastor, Elder Board Chair, Elder Board Treasurer and one member of the congregation, shall manage these funds.

#### ***I. PLANNED GIVING COMMITTEE***

- A. Unless otherwise stated, all funds received as pertaining to this Planned Giving Policy will be designated as Planned Giving Funds pending the authorized disposition of such funds through the Planned Giving Committee, which will be responsible for depositing such funds under the provisions of this policy.
- B. In determining the distribution of funds received, the Planned Giving Committee shall take into consideration short-range and long-range objectives and income needs of the congregation, possible growth of assets, existing and anticipated assets and earnings.
- C. Each member of the Planned Giving Committee shall have voting rights.
- D. All decisions of the Planned Giving Committee shall be subject to approval by the Elder Board.
- E. Gifts received in forms of property, unless deemed usable by the church, will be converted to cash at fair market value as soon as is practicable, as recommended by the Planned Giving Committee.
- F. The Planned Giving Committee will present the financial status of the Planned Giving Funds, receipts, disbursements and other pertinent information concerning the Funds to the Elder Board on a quarterly basis.
- G. Distribution of the income received from the Planned Giving Funds will be made on an annual basis or more frequently as determined by the Planned Giving Committee and approved by the Elder Board.
- H. If a testator designates a purpose for which a gift is to be used, it must first be approved by the Planned Giving Committee and then the Elder Board.
- I. Designated bequests must apply to one of the following categories:
  - 1) General Fund, including all of the operational expenses of the church including the mortgage on the building. The Elder Board will also encourage that designated gifts address the church's specific needs.
  - 2) Missions Fund, supporting the church's local and global ministries, including short-term missionary service and long-term support of career missionaries.
  - 3) Building Fund, including capital projects, facility improvements, major purchases for the property, or new construction.
  - 4) Living Endowment Fund, as explained in Section II of this Policy.
- J. Undesignated bequests should be disposed of in the following manner:
  - 1) Forty percent (40%) of these funds will be transferred to the Living Endowment Fund as explained in Section II of this Policy.
  - 2) Thirty percent (30%) of these funds will be designated for the Missions Fund.

- 3) Twenty percent (20%) will be designated for either capital assets and improvements or the retirement of outstanding debt(s) on the church's property.
- 4) Ten percent (10%) will be designated to the General Fund.

## **II. LIVING ENDOWMENT FUND**

- A. Assets of the Living Endowment Fund shall consist of funds received as bequests or beneficiaries of life insurance policies designated to the Living Endowment Fund and funds received as a result of the disposition of undesignated bequests, according to said policy.
- B. The Planned Giving Committee shall administer the Living Endowment Fund.
- C. Up to ten percent (10%) of total earnings from the Living Endowment Fund may be applied to the General Fund.
- D. In administering the earnings of the Living Endowment Fund, the Planned Giving Committee shall be encouraged to direct all earnings for purposes appropriate to the goals of the church, including additional staff, salaries and outside services.
- E. The assets of the Living Endowment Fund shall be considered permanent in nature and none of the principal shall be used for any other purpose except in case of extraordinary circumstances as defined by the Elder Board.
- F. All principal and earnings shall be deposited to a separate investment account as it is received.
- G. Distributions will be made upon recommendation of the Planned Giving Committee with approval of the Elder Board.