
CHARTER OF THE PERMANENT ENDOWMENT
for
First United Methodist Church, Westborough, MA

ARTICLE ONE

PURPOSE:

The Permanent Endowment Fund of First United Methodist Church, Westborough, MA, is established for the purpose of providing members and friends the opportunity to make charitable gifts to First United Methodist Church that will become a permanent endowment of financial support and living memorial. The principal of all gifts to the Permanent Endowment Fund shall be restricted and the distributed income only shall be used for the purposes specified by the Charge Conference.

ARTICLE TWO

ADMINISTRATION:

- A. The Permanent Endowment Fund shall be administered by The Permanent Investment Fund Subcommittee to be appointed by the Board of Trustees but part of and reporting to the Finance Committee. This Subcommittee, because it reports to the Finance Committee, shall follow Finance Committee direction and is hereinafter referred to collectively with the Finance Committee as, "the Committee." The Subcommittee shall be comprised of the church pastor, two finance committee members and a member at large.
- B. The records of the Committee shall be audited at least as often as annually and an annual report made to the Charge Conference.
- C. The Committee shall be accountable to the Charge Conference for the proper application of the distributed income of the Permanent Endowment Fund, and shall provide a report at least annually to the Charge Conference.
- D. The Committee shall act as the representative of the Charge Conference and all decisions or actions shall be in accordance with the vote of the Charge Conference.

ARTICLE THREE

INVESTMENT OF ENDOWED FUNDS:

- A. The Permanent Endowment Fund investment objectives are:
 - 1. Conservation of principal for the effective maintenance of purchasing power;
 - 2. Regular income at a reasonable rate;
 - 3. Growth of income and principal over and above that necessary to offset rises in the cost of living (inflation);
 - 4. Investment of assets in institutions, companies, corporations, or funds which make a positive contribution toward the realization of the goals outlined in the Social Principles of the United Methodist Church.

- B. The assets of the Permanent Endowment Fund shall be invested in the Endowment Fund administered by the United Methodist Foundation of New England (the Foundation) or its successors representing the Annual Conference or area to which this church belongs, subject to article Four.

- C. The Committee shall keep appropriate permanent records of the identity of donors of bequests, if available, and special gifts and of any persons for whom a gift is made.

ARTICLE FOUR

CHANGE IN INVESTMENT POLICY:

Any transfer of the Fund assets for investment with an agency other than the United Methodist Foundation of New England must be approved by a majority vote of the Charge Conference, at which a quorum is present on recommendation of the Committee, the Board of Trustees and the Administrative Council of First United Methodist Church, Westborough, MA.

ARTICLE FIVE

LIMITATION ON THE USE OF PRINCIPAL:

If the laws of this state permit expenditure of the principal of the endowment fund in certain circumstances, then in addition to any approval for such action required by state law, approval must be obtained from the Charge Conference by a two-thirds vote of the members present and voting at a meeting duly called for such purpose at which a quorum is present.

ARTICLE SIX

GIFTS TO THE FUND:

- A. Having in mind that overly-detailed restrictions on purposes may be impractical to administer, prospective donors shall be encouraged to add their gifts to the unrestricted Endowment Fund, permitting use of the income for broadly defined programs of the church.

- B. Undesignated estate or planned gifts, including gift annuities and charitable trusts, shall be considered gifts to the unrestricted Endowment Fund.
- C. Accounts for more restricted purposes may be established by the Committee. Funds accepted into these accounts, apart from the Endowment Fund, shall be used for the purposes specified by the donors, may not involve the spending of principal, and a minimum of \$10,000 is required to establish this fund. (i.e., a restricted endowment fund).

The Charge Conference may from time to time specify the minimum amount that may be allocated to any account restricted as to income.

ARTICLE SEVEN

LIABILITY OF MEMBERS OF THE COMMITTEE:

No member of the Committee, the Board of Trustees, the Administrative Council or the First United Methodist Church, Westborough, MA shall be liable for any investment made in any fund administered by the Foundation. All donors including their respective estates remise, release, and waive all negligence claims against any and all members of the Committee, the Board of Trustees, the Administrative Council or the First United Methodist Church, Westborough, MA, and those entities collectively, arising from or related to any management, investment, and expenditure of donated funds. The First United Methodist Church will defend, indemnify and hold all members harmless from all claims asserted against them related to their service on the Committee, the Board of Trustees, and/or the Administrative Council, except for claims of conversion or other malfeasance.

ARTICLE EIGHT

MERGER, CONSOLIDATION OR DISSOLUTION OF WESTBOROUGH UNITED METHODIST:

If at any time First United Methodist Church, Westborough, MA is lawfully merged or consolidated with any other church, all the provisions hereof in respect to the Fund shall be deemed to have been made on behalf of the merged or consolidated church which shall be obligated to administer the same in all respects and in accordance with the terms thereto. If First United Methodist Church, Westborough, MA should ever be dissolved without any lawful successor thereof, the Fund, including both principal and interest to date, shall be deemed the responsibility of the New England Annual Conference Trustees with the continued distribution of income while maintaining the preservation of endowment principal and authorizing a successor United Methodist Church or institution to assume the powers afforded to First United Methodist Church, Westborough, MA.

ARTICLE NINE

AMENDMENTS:

The provisions of Articles One and Eight shall constitute a contract between First United Methodist Church, Westborough, MA and the respective donors. Any amendment of Article One shall apply only to gifts made after the effective date of the amendment.

Subject to the foregoing, this Charter may be amended by a two-thirds vote of the members present and voting at a Charge conference duly called for such purpose at which a quorum is present.

THE UNDERSIGNED CERTIFY THAT THIS CHARTER WAS APPROVED BY A VOTE OF:

_____ FOR _____ AGAINST _____ ABSTAINED,

AT A DULY CALLED MEETING OF THE CHARGE CONFERENCE OF FIRST UNITED METHODIST CHURCH, WESTBOROUGH, MA HELD AT THE CHURCH ON FEBRUARY 23, 2009 NOTICE OF THE PROPOSED ACTION HAVING BEEN GIVEN IN THE CALL OF THE MEETING.

Recording Secretary

District Superintendent

Pastor