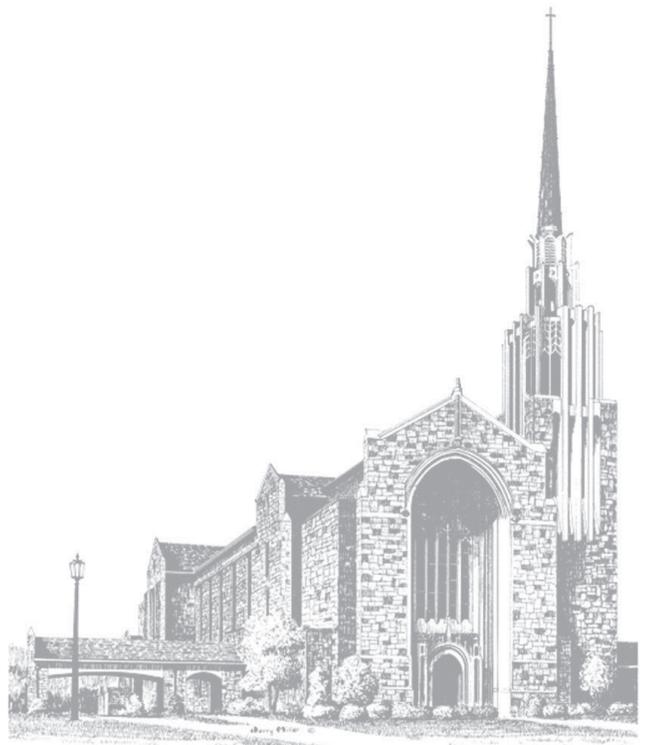


WESLEY MEMORIAL

A UNITED METHODIST CONGREGATION

1225 Chestnut Drive
High Point, North Carolina 27262

ENDOWMENT HANDBOOK



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Introduction

This Wesley Memorial Endowment Handbook has been created to assist the congregation's understanding of the many Endowed and Restricted Funds that have been created to support Wesley Memorial's ministry well into the future. It is also hoped that this Handbook may serve to encourage members and friends of Wesley Memorial to make their contributions to the ongoing legacy of Wesley Memorial through one of the established Funds of our church.

The Board of Trustees - Its Role and Responsibilities

Subject to the direction of the Charge Conference, the Wesley Memorial Board of Trustees receives and administers all bequests made to the church; receives and administers all trusts; and invests all trust funds of Wesley Memorial. (2008 Book of Discipline, p. 720)

All property, money, securities, valuables, collectibles, or assets of any kind given, transferred, and/or bequeathed by any person or organization to Wesley Memorial United Methodist Church must be accepted or rejected by decision of the Board of Trustees of Wesley Memorial United Methodist Church.

The primary Funds that comprise the Endowment are those Funds listed in this document and primarily consist of Permanently Restricted Funds, most commonly known as Endowed Funds. These include but are not limited to the Wesley Memorial Facilities Endowed Fund (formerly known as the Welborn Fund), the Voliva Endowed Fund, Millis Bible Endowed Fund, and Wesley Memorial School Scholarship Endowed Fund.

In addition to Endowed Funds, the Church Council may designate other Temporary Restricted Funds to be cared for by the Trustees as part of the Endowment. Examples of these Temporary Restricted Funds include the Wesley Fund and the Asbury Missions Fund.

Types of Funds

Wesley Memorial United Methodist Church recognizes four major categories of funds received by the church: Unrestricted Funds, Council-Designated Temporary Restricted Funds, Donor-Designated Temporary Restricted Funds, and Permanently Restricted Funds. The definitions for each category are as follows:

- **Unrestricted Funds** – Support received without donor restrictions is reported as unrestricted revenue and will be deposited for use in the general operating budget to support the total ministry of the church. The primary example of an unrestricted gift would be one received as part of an annual pledge to the general operating budget. The Finance Team is responsible for the care of the Unrestricted Funds. The Church Council may decide to use a portion of the Unrestricted Funds for other uses at its discretion.

- **Temporary Restricted Funds** – Funds may be designated as Temporary Restricted either by stipulation from the donor or by action of the Church Council.

Donor-Designated Temporary Restricted Funds – Include all contributions that are restricted as the result of donor stipulations as discussed in paragraph 14 of FASB statement No. 116: *A restriction on an organization’s use of the assets contributed results either from a donor’s explicit stipulation or from circumstances surrounding the receipt of the contribution that make clear the donor’s implicit restriction on use.* These funds are most commonly handled by the Finance Team, but should be cared for by the Board of Trustees if their duration is long-term. Both the Asbury Missions Fund and the Wesley Fund are examples of donor-designated temporary restricted funds because provision has been made to utilize principal in extraordinary circumstances.

Council-Designated Temporary Restricted Funds – The Church Council may set up Temporary Restricted Funds to meet a ministry need or mission of the church that is event or need specific and whose accomplishments can be reasonably predicted and defined.

- **Permanently Restricted Funds** - Permanently Restricted Funds are any type of fund that has a stipulation that permanently restricts the use of the principal amount of a gift or contribution. They are most commonly referred to as an Endowed Fund. In most cases the principal amount remains intact in perpetuity, e.g., the Wesley Memorial Facilities Endowed Fund and Durland Music Endowed Fund. Earnings and interest in any of these funds may be used for a specified purpose.

Establishing New Funds

Over the course of many years, the Board of Trustees and Church Council have approved the creation of a number of Funds that provide opportunities for members and friends to provide support to a variety of ministries well into the future. These Funds include:

Milly Marsh Children’s Endowed Fund
Wesley Memorial Youth Ministry Endowed Fund
Grady Adult Education Endowed Fund
Asbury Missions Fund
Wesley Memorial Facilities Endowed Fund
Wesley Fund
Endowed Pledges

Occasionally, the Board of Trustees receives requests to create new Endowed Funds for specific ministry areas. We welcome conversations about these possibilities and provide the following guidelines to help you in creation of such Funds.

To receive approval from the Board of Trustees and Church Council for a new Endowed Fund you must:

1. Write a statement of purpose for the Endowed Fund, including a clear objective and information about who will benefit.
2. State the overall financial goal, who will contribute, how they will contribute (bequest, charitable remainder trust, stock gifts, etc.) and how long it will take to reach the minimum amount for establishing an Endowed Fund. The minimum amount is currently \$25,000. The Trustees reserve the right to increase the minimum amount at any time.
3. Clearly state expectations for use of the principal as well as generated income.
4. Indicate organizations and ministry areas that it would be helpful for the Trustees to consult in oversight of the fund.
5. Indicate another area of the church's ministry where income should be directed in the event your objective ceases to exist. (For example, when a specific Sunday School class ceases to exist, the funds are directed to the Adult Education and Spiritual Formation ministry.)

After all materials have been gathered, the Board of Trustees will consider the proposal and, if approved, will make a recommendation to the Church Council for final approval and establishment.

The current minimum for the establishment of an Endowed Fund has been set at \$25,000 due to work and expense involved in caring for such funds in perpetuity. The Church Council also makes provision for members and friends to create a Donor-Designated Temporary Restricted Fund for specific ministry areas with a minimum of \$5,000 that supports the ministry for up to ten years. (At the conclusion of the ten year period, remaining funds would be distributed to a Fund of the Endowment determined prior to the inception of Donor-Designated Temporary Restricted Fund.)

Termination of an Endowed Fund

In accordance with the Book of Discipline and upon recommendation of the Board of Trustees, the Charge Conference may terminate any Fund of the Endowment due to any valid reason, such as the fund only having a nominal balance or upon request by the donor(s) to the Fund in question. Termination of any Endowed Fund requires consent of the original grantor of the Fund (if such person is still living) and a three-fourths vote of the total members of the Charge Conference. The Board of Trustees, in recommending approval to the Charge Conference, will also recommend another Fund in the Endowment for the remaining funds that is in keeping with the original intent.

Undesignated Bequests and Undesignated Memorials

Undesignated Bequests are received by the Board of Trustees and assigned to existing Funds based on previously determined criteria and objectives. Currently, all undesignated bequests are added to the Wesley Memorial Facilities Endowed Fund until it reaches its principal goal of \$3.6 million. When this goal is realized, all undesignated bequests will be added to the Asbury Missions Fund until it reaches its principal goal of \$1.1 million.

Undesignated Memorials are given by individuals and families in memory of a loved one. They are monitored by the Finance Team. On recommendation of the Finance Team and approval by the Church Council, these funds are used for a variety of current needs at Wesley Memorial.

Designated Gifts or Bequests

Any property designated to a specific existing Endowed Fund shall, upon acceptance by the Trustees, become a part of that Fund and invested in the same manner as the principal of that Fund is then being managed. The Trustees, in their discretion, may agree and, if required, execute any statement, document or agreement to allow the addition to the principal of any Fund in the Endowment.

Trustees Reporting Requirements

At the first meeting of the Church Council following the February meeting of the Board of Trustees, a member of the Trustees (or the previous year's Chair of the Trustees) shall make a report of the Endowment including the beginning balances, a summary of the transactions for the year, the net income (or loss) for the year, and the year-ending balances. They will also report funds available for use by the various ministry areas as a result of the prior year's net income (or loss). In the event a Fund's income provisions are not based on yearly performance, the report of available funds will reflect use of the appropriate calculations for the particular Fund.

This annual report shall include a listing of any property received into the Endowment and to which Fund any such property was designated. This report may include any other information the Trustees deem appropriate. The Trustees shall also report to any called Charge Conference any such information requested by the Church Council.

WMUMC Endowment Investment Policy and Procedures

In accordance with the Book of Discipline, the Board of Trustees, in their sole discretion, may retain the services of an investment firm or manager or any other financial organization to manage, invest, and administer the Funds in a financially sound and ethically conscious manner. The Trustees shall approve an investment policy for the Endowment and for any Fund of the Endowment in accordance with any particular requirement of a Fund. Funds may be commingled with one another for investment purposes provided a separate accounting can be provided in a timely manner for each Fund separately. It is also possible that all or any particular Fund of the Endowment can be managed independently of the other Funds of the Endowment.

Expenses of the Funds

Any fees or expenses incurred as a result of the investment, administration, or management of the Funds shall be paid from the Funds' income.

IN SUPPORT OF WESLEY MEMORIAL'S OVERALL MINISTRY:

Voliva Endowed Fund

The **Voliva Endowed Fund** is a Permanently Restricted Fund generously established through the estate of Lucy Neal Carr Voliva. It is meant to support the general ministries of the church but cannot be used for any purpose that is otherwise provided for in the general operating budget. It cannot be utilized to balance the church's budget.

Distribution of income is at the discretion of the Board of Trustees. Currently, 80% of the income from the Voliva Endowed Fund is being utilized to grow the Wesley Memorial Facilities Endowed Fund toward its target of \$3.6 million. At the time that target has been reached, 80% of the income will be utilized to build the Asbury Missions Fund to its goal of \$1.1 million. Other income, when not distributed, is accumulated year to year.

Wesley Fund

The **Wesley Fund** is a Temporarily Restricted Fund created to support the general ministry of Wesley Memorial with a focus on supporting any purpose not customarily provided for in the general operating budget of the church. It may be utilized to enhance and extend Wesley Memorial's existing ministries; provide extra support for deserving ministry partnerships or emphases of the church; or a major facility repair, expansion, or renovation.

Customarily, only the accumulated income shall be available for use. In the event of an extraordinary need the principal may be expended from the Wesley Fund upon a 2/3 vote of the Board of Trustees.

Restricted and Endowed Pledge Funds

Members of Wesley Memorial have created Restricted and Endowed Funds that provide ongoing support to the general operating budget equal to their pledges in past years.

Currently, two Endowed Pledge Funds exist:

J.C Moore

Grace and P.J. Neal

Annually, the Board of Trustees allocates the income from these Funds to the general operating budget and the amounts are shared with the Finance and Stewardship Teams.

TO CARE FOR WESLEY MEMORIAL'S BUILDINGS & GROUNDS:

Wesley Memorial Facilities Endowed Fund

The **Wesley Memorial Facilities Endowed Fund** was created by a generous estate gift from Cadia B. Welborn. Long known as the Welborn Fund, this Permanently Restricted Fund has grown substantially over the years, particularly with gifts contributed during the God's Future Church campaign. Its purpose is to provide resources for the repairing, remodeling, renovating, and maintaining of the Wesley Memorial's physical properties, particularly those expenses that are the result of physical wear and tear.

Distribution of income is at the discretion of the Board of Trustees. For needs in excess of \$5,000, the approvals of the Finance Team and Facilities Team are also required.

Columbarium Fund

The **Columbarium Fund** is a Temporarily Restricted Account used for the repair, expansion, and maintenance of the Columbarium at WMUMC. The income and principal of this fund may be used at the discretion and with the approval of the Columbarium Committee and the Trustees subject to the rules and regulations of the Columbarium.

TO SUPPORT WESLEY MEMORIAL MINISTRIES THAT CONNECT PEOPLE TO JESUS CHRIST AND EACH OTHER THROUGH WORSHIP AND MUSIC:

Durland Music Endowed Fund

The **Durland Music Endowed Fund** was established in 1984 by Dr. Philip Bibb Davis and Betsey Durland Davis to honor Oscar C. and Bess Durland. Its purpose is to enhance and grow Wesley Memorial's music ministry. It has been most commonly utilized to support organ recitals, special music concerts and educational programs, outstanding musicians for church events, as well as additions and improvements to the carillons.

Distribution of income is at the discretion of the Durland Committee which consists of the Director of Traditional Music and the Arts, Chair of the Board of Trustees, Senior Pastor, Chair of the Music Team, and Chair of the Church Council.

McAnally Music Endowed Fund

The **McAnally Music Endowed Fund** was established in 1996 to honor Wesley Memorial's long time organist Wanna McAnally at the time of her retirement. This Permanently Restricted Fund is used to enhance Wesley Memorial's music ministry through concerts, organ recitals, special concerts, cantatas, and other performances.

Distribution of the income is at the discretion of the Director of Music and the Arts, Music Team, and Senior Pastor.

Odelle P. Marsh Music Endowed Fund

The **Odelle P. Marsh Music Endowed Fund** provides support for needs of the music ministry extending beyond the general operating budget.

Distribution of income is at the discretion of the Director of Traditional Music and the Arts, Music Team, and Senior Pastor.

Rail and Sarah Brinson Contemporary Worship Fund

The **Rail and Sarah Brinson Contemporary Worship Fund** was created by the Board of Trustees with an undesignated bequest from the estate of Rail and Sarah Brinson. It is used to support any need related to Wesley Memorial's contemporary worship services.

The balance of the Fund should be maintained at \$74,000. Use of available income is at the discretion of the Board of Trustees.

Wesley Memorial (WM) Wesley Singers Endowed Fund

The WM Wesley Singers Endowed Fund is a temporarily restricted fund established through the generous principal gifts from **Jane & James K. Marlowe**, and **Ruby Stanford**. Income from this fund may be used to support the Wesley Singers program at Wesley Memorial United Methodist Church. The purpose of the Wesley Singers program is to provide opportunities for voice and music students attending area colleges and universities to develop their gifts by singing in the Chancel Choir and to ensure the quality of the music offered in worship at Wesley Memorial. Income from the Fund will be used to pay stipends to the singers. In rare cases that qualified students are not available, the Director of Music Ministries may use income from the fund to pay non-students to fill key positions. In the event that the Wesley Singers program is discontinued or otherwise ceases to exist at Wesley Memorial, income from this fund may be used to support the music ministries of the church.

Each year, 80% of the income available for distribution may be used in support of the Choral Scholars program with 20% being reinvested into principal until the principal balance reaches \$700,000. With approval by the Church Council, the Board of Trustees may recommend a change (increase or decrease) in the \$700,000 principal balance goal based on changes in the Wesley Singers program.

Distribution of income is at the discretion of the Director of Music Ministries.

TO SUPPORT WESLEY MEMORIAL MINISTRIES OF GROWING AND SUSTAINING SPIRITUALLY HEALTHY FOLLOWERS OF JESUS CHRIST:

Grady Adult Education Endowed Fund

The **Grady Adult Education Endowed Fund** supports the church's Adult Sunday School program including special services and events, as well as recruitment and retention of teachers.

Distribution of income is at the discretion of the Associate Pastor for Adult Education and Spiritual Formation.

The Grace F. and P. J. Neal Endowed Fund

The **Grace F. and P. J. Neal Endowed Fund** provides funding for programming and equipment needs of Wesley Memorial's children's ministry and youth ministry not provided for in the general operating budget.

Annually 50% of the income may be used at the discretion of the Director of Children and Family Ministry and 50% may be used at the discretion of the Director of Student Ministries.

Wesley Memorial Youth Ministry Endowed Fund

The **Wesley Memorial Youth Ministry Endowed Fund** supports the church's ministry to youth. The Fund now also includes Funds previously known as the Wesley Memorial Children's Ministry Endowed Fund and the Wesley Memorial Outreach Fund.

Distribution of the income is at the discretion of the Director of Student Ministries.

Milly Marsh Youth Endowed Fund

The **Milly Marsh Youth Endowed Fund** supports needs of the church's youth ministry that are not provided for in the general operating budget.

Distribution of income is at the discretion of the Director of Student Ministries.

Milly Marsh Children's Endowed Fund

The **Milly Marsh Children's Endowed Fund** supports needs of church's children's ministry that are not provided for in the general operating budget.

Distribution of income is at the discretion of the Director of Children and Family Ministry.

Millis Bible Endowed Fund

The **Millis Bible Endowed Fund** is used annually to purchase Bibles for third grade children who are attending Wesley Memorial. These Bibles are distributed each year on Promotion Sunday in coordination with descendants of the Millis Family.

Income only is utilized by the Director of Children and Family Ministry for the purchase of Bibles.

Victoria Qubein Educational Endowed Fund

The **Victoria Qubein Educational Endowed Fund** is used to provide partial or total funding for educational and/or inspirational programs supporting the mission of Wesley Memorial, and serving the people of the congregation and the greater High Point community. Each calendar year, the Fund shall support or partially support up to two programs. Distributions from available income are at the sole discretion of the Victoria Qubein Fund Committee. Up to 75% of available funds may be used by the Fund Committee in any year.

TO SUPPORT THE MINISTRY OF THE WESLEY MEMORIAL SCHOOL:

Dorothy Jean Bowman Scholarship Endowed Fund

The **Dorothy Jean Bowman Scholarship Endowed Fund** was established with a bequest from the estate of Dorothy Jean Bowman, long-time director of Wesley Memorial's school. It is used to provide scholarship support for students in the Wesley Memorial School.

Income is designated each year by the Board of Trustees for scholarship support. Selection of the recipient and distribution of available funds is at the sole discretion and responsibility of the Weekday Ministries Board.

Wesley Memorial School Scholarship Endowed Fund

The **Wesley Memorial School Scholarship Endowed Fund** was established in 2012 to provide a means for members and friends of Wesley Memorial's School to endow scholarship support for students of the school.

To date, the following people have been honored and memorialized with a gift of at least \$2,500 to the Wesley Memorial School Scholarship Endowed Fund: Pat Anderson.

Income is designated each year by the Board of Trustees for scholarships. Selection of the recipient and distribution of available funds is at the sole discretion and responsibility of the Weekday Ministries Board.

TO SUPPORT WESLEY MEMORIAL'S GOAL OF SERVING AS THE HANDS AND VOICE OF JESUS CHRIST AT WESLEY MEMORIAL, IN HIGH POINT AND BEYOND:

Asbury Missions Fund

The **Asbury Missions Fund** was established in 1988 with a gift from Bishop Tom Stockton and his wife Jean. This Restricted Fund provides support for the needs of Wesley Memorial's missions ministries not customarily provided for in the general operating budget.

Annually, the Local Missions Team will have discretion to distribute 50% of the income and the Global Missions Team will have discretion to distribute 50% of the income. In the event of an extraordinary need, the principal may be distributed from the Asbury Fund upon a 2/3 vote of all members of the Church Council.

ADDITIONAL FUNDS:

Anthony Harris Scouting Scholarship Fund

The **Anthony Harris Scouting Scholarship Fund** is used to provide scholarship support for active Girl Scouts and Boy Scouts attending a Girl Scout or Boy Scout event.

Income or principal of this Fund may be distributed for such purposes but in no event may funds be distributed to the extent there is less than \$100 in principal remaining.

The scholarship is administered by a committee composed of the leaders of the Scouting units, the Senior Pastor, the Director of Administration & Finance, Chair of the Trustees, Director of Children and Family Ministry and the Director of Student Ministries.

Brame Cemetery Fund

The **Brame Cemetery Fund** is used to purchase and deliver Easter lilies on the graves of J.D. Brame and his parents. Coordination of these activities and use of this Fund are handled by the Director of Administration & Finance.

Hathaway Scholarship Fund

The **Hathaway Fund** was established in 1977 by Bruce and Betsy Hathaway in memory of their son Bruce E. Hathaway, Jr. It is used to provide an annual scholarship for an outstanding senior at Wesley Memorial.

Income only may be distributed and only upon recommendation of the Director of Student Ministries.

Macedonia Family Resource Center

Established with funds remaining after the construction of the Macedonia Family Resource Center was completed. This Restricted Fund is used for care of the Center's facilities.

The entire Fund is available for appropriate needs at the discretion of the Board of Trustees as requested by the Macedonia Center Board of Directors.

Moore Flower Fund

The Moore Flower Fund was established in 2001 with a gift from the estate of Grady R. Moore to provide flowers in the Chapel in memory of the family. When possible, the flowers are to be given on All Saints Sunday.