

**Volume**

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UNITARIAN UNIVERSALISTS OF SANTA FE  
UU Santa Fe Manual

Permanent Endowment Fund  
Managed by the Permanent Endowment Committee  
Handbook

Version 2.0

Approved by PEC March 22, 2021

Approved by the UU Santa Fe Community May 23, 2021

## Revision History

Date	Version	Comments
July, 2011	1.0	Version approved by Board of Trustees and in use since July, 2011
April 2, 2012	1.1	Re-formatted to standard; minor wording changes (e.g., church to congregation). Inserted current funding application in Appendix B.
January 14, 2013	1.2	Reduce PEC size (also grants and quorum numbers)
March 22, 2021	2.0 draft	Changes made to Permanent Endowment Fund disbursement guidelines and reporting requirements and approved by PEC.
May 23, 2021	2.0	Approved by the UU Santa Fe Community at the Annual Meeting of UU Santa Fe

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## **Archive**

### **Implementing the Endowment**

BE IT NOTED, that this congregation, in annual meeting assembled on November 17, 1991, approved and established on the records of the congregation a separate fund to be known as The Permanent Endowment Fund (PEF) administered by the Permanent Endowment Committee (PEC). Funds may be expended only upon a vote of a two-thirds majority of those present and voting at a congregational meeting.

### **Bylaws**

Refer to the *UU Santa Fe Bylaws*, Article XIII, Section 3, concerning the PEF.

Refer to the *UU Santa Fe Bylaws*, Article IX, Section 3, a, iv concerning designation of the PEC as an elected committee.

### **UU Santa Fe Congregational Manual, Volume 2**

For procedural matters see the UU Santa Fe Manual, Volume 2, under Bylaws—Designated UU Santa Fe Committees

# Permanent Endowment Committee and Permanent Endowment Fund

## Policies

### ***Mission Statement***

UU Santa Fe maintains a separate Permanent Endowment Fund (PEF) to provide for the long-range financial security of the Community while helping to support UU Santa Fe's mission in the short term. The PEF is also available to help mitigate financial emergencies.

### *Responsibilities*

The investment of the PEF monies is the responsibility of the Permanent Endowment Committee (PEC). The PEC acts as the wise and prudent trustee of the PEF, overseeing its performance and distribution for the long-term benefit of the Community. Current policy, approved by UU Santa Fe, is to invest all funds in the UUA Common Endowment Fund. The PEC is tasked with:

- Increasing the PEF through memorial gifts and bequests.
- Leading educational campaigns to inform the Community about the PEF and opportunities to donate to it.
- Respecting the integrity of any restrictions placed on gifts to the PEF.
- Supporting the mission of UU Santa Fe by distributing funds as available.
- Maintaining records of all donors and any restrictions on their gifts.

In the event of dissolution of UU Santa Fe, all properties and other assets of said community will become the property of the Unitarian Universalist Association (UUA).

### ***Governance***

The PEC meets at least quarterly, and a quorum consists of 3 members. A majority, present and voting, shall carry any motion or resolution.

The PEC reports to the Community annually on the value of the endowment. Any proposed disbursements for the upcoming year must be approved by a two-thirds majority of the members present and voting at that meeting. Likewise, any significant changes to the policies and procedures governing the PEF must be approved by a two-thirds majority of the members present and voting.

### ***Membership***

The PEC:

- Numbers four voting members of UU Santa Fe.
- Are nominated by the Nominating Committee, and in case of a vacancy, the Nominating Committee may suggest replacements to the Board for approval.
- Serves only four consecutive years. Filling the remainder of an unexpired term does not count in the total of four consecutive years. After sitting out for a year, a member may volunteer to serve again.

- Members of the PEC may not simultaneously serve on the elected board of UU Santa Fe.
- A PEC member serves as an *ex officio* member of the Finance Team.
- A member of the Finance Team serves as an *ex officio* member of the PEC.

### **Documentation, Record Keeping and Legacy Gifts**

The PEC shall record all donations (memorials, tributes, unrestricted gifts, and legacies) keeping a record of the giver, restrictions of the gift (if any), and the honoree (if any). Unless requested by an individual donor, these records shall be available for the Community to review.

Members and Friends who have made pledges of money or property to the PEF that will be realized after their death are automatically members of the Nancy and Webster Kitchell Legacy Society. Legacy donors are kindly asked to inform the PEC that they have made these arrangements through their will, trust or other estate plan.

There are also circumstances in which an individual or couple has made multiple significant gifts during their lifetime to the PEF. If, in the judgment of the PEC, these accumulated donations approximate the value of a legacy gift, and the donor requests membership in the Nancy and Webster Legacy Society, it will be granted.

The Nancy and Webster Kitchell Legacy Society is composed of members and friends who have made pledges of money or property to the PEF. A Legacy member is usually an individual (or couple) who has made a pledge of money or property to the PEF which will be fulfilled after their death through their will, trust or other estate plan. There are circumstances where donations may be made in the donor's lifetime.

### **Reporting**

The PEC reports to the Community on an annual basis, and the Vice President for Finance includes the PEF yearly financial summary in the Annual Financial Report to the Community.

### **Process for Acknowledging Gifts and Memorials**

- When a gift arrives, the office and/or the VP of Finance notifies the PEC as soon as possible.
- The gift is recorded in the PEC financial reports.
- In the case of a memorial, the PEC shall send a written acknowledgement to the family or responsible party.
- In the case of a gift honoring an individual, the PEC shall send a written acknowledgment to the donor and to the individual honored.
- In the case of a legacy gift, and unless the donor desires anonymity, the PEC shall send a written acknowledgement to the family of the donor (if possible), and the donor is added to the public list of legacy society members.
- The PEC will publicly honor those donors wishing to be recognized, unless anonymity is requested.
- A complete and accurate list of donors, donations, and purpose of the donation must be kept in the archives of the PEF.

## **Procedures**

### ***PEF Disbursements***

There are two types of disbursements: annual and emergency. Annual disbursements may be made only when the PEF has a value of \$250,000 or more. All disbursements from the PEF must be approved by a two-thirds majority of those present and voting at a congregational meeting.

### ***Annual Disbursements***

The PEC will determine the amount of the annual disbursement, based on the value of the PEF at the end of the most recent calendar year and the end of the year before that. The total amount disbursed may vary from 0% to 8%, depending on the increase (or decrease) in the PEF over that time. In the absence of extraordinary growth or decline, the disbursement will be 5%. By February 1st of each year, the PEC will apprise the Board of Trustees (BoT) of the amount available for disbursement.

Disbursements will be allocated as follows: Up to 1% may be set aside in a fund to support the growth of the PEF and the development of the Nancy and Webster Kitchell Legacy Society. The balance of the disbursement will be allocated into three funds: 25% for justice-related expenditures; 35% for building expenditures; and 40% for unrestricted expenditures. Unspent monies in these funds may be carried over from one year to the next. As stated above, these disbursements must be approved annually by the Community by a vote of two-thirds of those present and voting.

The BoT, working with the Program Council, the Justice Council and the Facilities Committee, will determine the best use of these funds in supporting the mission of UU Santa Fe and will incorporate these decisions into its annual budget-making process. Disbursements may be used for any type of expenditure, including operations.

No later than two weeks prior to the annual meeting, the BoT will report to the PEC how the money in each fund, including the unrestricted fund, was spent so that the PEC can maintain its responsibility to report on the use of the PEF to the Community.

### ***Emergency Disbursements***

Provisions for emergency distribution can be found in the Bylaws, Article XIII, Section 3.