

ENDOWMENT FUND POLICY OF THE PRESBYTERY OF GENEVA

1. Theological Rationale.

I Chronicles praises God, saying, "All that is in the heavens and on the earth is yours; yours is the kingdom, O Lord, and you are exalted as head above all. Riches and honor come from you, and you rule over all." (I Chr.29:11b,12a,NRSV)

Clearly, all that we have comes from God, and we are meant to be good stewards; that is, we are to be caretakers, managers, investors or administrators -- not owners.

In Matt. 25:14-30 Jesus tells the kingdom parable of the one who entrusted different servants with five talents, two talents, or one talent. Two doubled their money, but one buried it. Clearly those of us who are blessed with greater possessions have greater responsibilities. We are meant to use the differing gifts we have. If we learn to use our talents well, we will be given greater tasks; if we do not try, we will lose our gifts. The master receives the results of our enterprise when we are called for an accounting of how the gifts (talents) have been used. Wm. Barclay summarizes "The only way to keep a gift is to use it in the service of God and . . . of our fellow (beings)." Christian Stewardship involves the faithful management of all the gifts God has given to humankind - time, talents, the created world, and money. For many people the stewardship of money means current income and its use. Stewardship is concerned equally, however, with accumulated, inherited, and appreciated resources.

2. Mission Rationale

The Presbytery of Geneva seeks to carry out its Biblical and constitutional mandate by supporting and encouraging the ministry and mission of its congregations. The Endowment Fund is an essential part of providing financial support for such mission.

3. Property to be Received.

The Endowment Fund shall be authorized to receive property of all types and nature including, but not limited to, cash, stocks, bonds, in kind contributions, and real property, which shall come to it by way of gift, grant, transfer in trust, by will or transferred in any other way acceptable to the Presbytery Endowment Committee.

4. Conditions under which gifts will be received.

The Endowment Committee shall be entitled to refuse to accept any property offered to the fund if in the sole discretion of the said Committee, acceptance of the property would not be in the best interests of the Presbytery of Geneva for any reason whatsoever.

5. Commitment to honor donor designations.

The Presbytery commits itself to honor the investment and use of gifts it receives as designated by the donor. Presbytery may not accept such gifts if Presbytery believes such designations do not support the mission purpose of the Presbytery or that stipulations are contrary to our investment guidelines or are contrary to the interests of the Presbytery.

Upon the receipt of any property which is not then in cash, the Endowment Committee shall make a determination whether or not to convert the same into cash or to convert it into other forms of investment.

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6. Investment Goals.
The Endowment Fund shall be administered by the General Council through the Endowment Committee or its successor, which shall monitor, control and direct the investment of the Endowment Fund in investment vehicles as may be determined to provide the appropriate place for its funds. It shall be the policy of the Presbytery to invest its Endowment Funds in a manner that will produce both long term growth in capital and current income. To ensure capital growth, the committee may direct up to 30% of interest and dividends to be reinvested. The total return may be made available at least annually to the operating accounts of the Presbytery as needed for their designated purposes.

7. Use of Principal and Interest.
Undesignated gifts to the Endowment Fund shall, in their entirety, become a part of the Endowment Fund, and shall not be spent or used in any other way. Each individual gift shall be identified by name and original amount. Annually, each gift shall be credited with its share of the total growth.

If borrowing from the Fund is ever considered, it shall be with interest at a rate to be established by the Endowment Committee at the time the loan is made.

8. Use of Income.
Available undesignated income from the Endowment Fund may be used to support the work and mission of the Presbytery in a manner determined by Presbytery on recommendation of Council.

9. Use of religious and ethical guidelines in investing.
The Presbytery shall follow the Guidelines of General Assembly.

10. Avoidance of conflict of interest.
No person who is a member of the Endowment Committee shall receive any compensation for his or her services except that reasonable and ordinary expenses related to the voluntary work on the Committee shall be authorized. No investment of funds shall be made through any investment broker in which a member of the Committee has an interest and no investment of funds shall be made in any business operation in which a member of the Committee has more than one-half of one percent ownership or other type of interest. This conflict of interest clause is not intended to prevent investments in securities which are publicly held and of which a member of the Committee might own a number of shares. [If a member of the Committee owns shares of stock in a public corporation, it shall not prevent the fund from investing in the same corporation.]

11. Commitment to annual audit and full report to Presbytery.
The General Council of the Presbytery shall cause an audit of the Endowment Fund to be made on an annual basis which shall include as part of the audit a comparison of the investment of funds and the use of funds and their conformance with the requirements set forth in the Endowment Fund policy statement, in conformance with good accounting practices.

12. The Endowment Fund Committee.
The Finance Committee of the General Council shall be the Committee on Endowment. The Finance Committee shall report on the Endowment Fund at least annually to the Council and to the Presbytery. The report shall show the value of the Endowment Fund, receipts and disbursements, and gifts received during the previous year. The Finance Committee shall be guided in its work by the Endowment Fund Policy of the Presbytery of Geneva.

13. Disposition of Endowment Fund in the event of merger or dissolution of the Presbytery.
All assets of the Endowment Fund shall be deemed assets of the Presbytery of Geneva and shall become assets of any successor Presbytery or merged Presbytery or otherwise disposed of in the manner set forth in the Book of Order of the Presbyterian Church, (U.S.A.), or its successor.