

UNITARIAN UNIVERSALIST CONGREGATION OF SALEM

Finance Policy and Procedures

The UNITARIAN UNIVERSALIST CONGREGATION OF SALEM (UUCS) establishes policy and procedures to implement the Bylaws of the congregation (<http://www.uusalem.org/page/Governance>). The following defines the roles of respective parties and the policies and procedures for the conduct, planning, implementation, management and accounting for all UUCS financial matters.

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I. UUCS Finances: Structure and Procedures

A. Organizational Structure

1. **Treasurer:** The Treasurer is elected by the Congregation to a three-year term. Along with the **Finance Team**, s/he is responsible for the financial affairs of UUCS under the direction of the Board. S/he keeps the records of pledges and payments on those pledges, and sends periodic status statements to the UUCS membership.

S/he is responsible for disbursing money from all UUCS accounts. S/he provides monthly reports to the Board that are also available to UUCS members, and keeps the Congregation informed of important financial events and concerns. S/he makes payments of FICA tax, income taxes withheld, etc. associated with our payroll. S/he may delegate tasks to the Office Administrator, contracted Bookkeeper and to Assistant Treasurer(s).

2. **The Board** is ultimately responsible for oversight of UUCS financial health and direction, and thus shares responsibility with the Treasurer and the Finance Team Leader for the overall financial health of UUCS. It approves expenditures from funds not specifically delegated to other teams or committees, directs bequests and special gifts to special funds, and generally guides UUCS financial activities, especially longer-term strategies
3. **Finance Team Leader:** The **Finance Team Leader** is appointed by the Board and shares with the Treasurer responsibility for guiding the finances of UUCS. S/he monitors the UUCS financial affairs and tries to ensure that the Finance Team committees function properly.
4. **Budget Committee: The Budget Committee** – a standing committee – is appointed by the Board. The **Treasurer** and **Finance Team Leader** are ex officio members of the Budget Committee, along with **three other members** appointed to *staggered* three-year terms. It proposes – after gathering information from teams and committees – an operating budget in the spring for the fiscal year beginning the following July 1. The Budget Committee also conducts an annual internal review of the UUCS financial records, unless this task is assigned to another group by the Board.
5. **Investment Management Committee:** The **Investment Management Committee** consists of three people, appointed by the Board for *staggered* three-year terms. Operating under policies adopted by the Board in December 2002, it invests UUCS funds in short-term, intermediate-term, and long-term instruments. The Investment Management Committee has **no** authority to withdraw money from any account. The investments are made to increase the yield to the congregation. Money that the Treasurer judges will likely not be spent within three years or so is to be invested in longer-term instruments like common stocks. Money that will likely be spent within a six month to three year span is invested in intermediate-term instruments, such as short-term government agency bonds. So far, all investments have been in things that can be sold on any business day if needed. Investment money is put to work, but not locked away!
6. **Endowment Committee:** The **Endowment Committee**, appointed by the Board, encourages the development of the UUCS Endowment Fund Perpetual and Development Trusts and recommends policies relating to the endowment.

7. **Stewardship Committee**: The Finance Team appoints the **Stewardship Committee** Chair, preferably by October, to direct the Stewardship Campaign (Canvass) in the spring. The Stewardship Chair gathers a cadre of people to work with him or her on the stewardship campaign.
8. **The Fundraising Committee** is appointed by the Finance Team and approved by the Board. This committee shall consist of three members with adequate experience and knowledge of congregational structure, policies and history to act in a timely and appropriate manner. The purpose of the committee is to review and approve requests for fundraising from internal and external groups consistent with the Vision and Mission of the UUCS and the seven UU Principles and Purposes.

B. Fund Structure

1. **Operating Fund**: The main account is the **Operating Fund** for the current fiscal year (July 1 to June 30). This fund supports the operation of the congregation: salaries and other payroll expenses, utilities, supplies, UUA and PNWD dues, etc. In short, the operating expenses. The annual canvass is for the Operating Fund, and the budget adopted in May or June of each year is for the Operating Fund for the fiscal year July 1 to the next June 30. Pledge payments (except capital fund pledges), plate collection, rental income, investment income, and other contributions not otherwise designated go into the Operating Fund.
2. **Maintenance Reserve**: The Operating budget includes a line item for maintenance. But maintenance expenses are heavier in some years than others. And as our building ages, repairs and equipment replacements will increase. We need to build a reserve so that in years when larger expenses must be made, we will be able to meet them without declaring a crisis. The Maintenance Reserve Fund fulfills that function. Its purpose is to supplement the Maintenance item in the Operating Budget. When maintenance needs arise, they are paid first from the Maintenance line in the Operating Fund. If that fund is exhausted, further expenses can be paid from the Maintenance Reserve. On the other hand, if in a particular year the maintenance line in the Operating Fund is not all spent the remaining balance at the end of the fiscal year should be transferred to the Maintenance Reserve to build it up for use when needed.
3. **Emergency Reserve Fund**: The Emergency Reserve is the “rainy day” fund. In case of significant catastrophes or emergencies, the Board can use money from this fund to sustain operations. There may come a time when a major rift in the congregation or some other event reduces our income, and the Operating Fund cannot cover our

obligations; this is the type of emergency for which the Emergency Reserve was intended. It was built up over years, mostly from surpluses in Operating Fund at the end of a fiscal year, so should not be dipped into lightly. A rough guideline is that a healthy Emergency Reserve should be about half of the annual Operating Budget.

4. **Endowment Funds:** The Fund Management Guidelines of the Endowment Fund Charter, (See attached) established April 23, 1995 provides for the fund to be maintained in at least two trusts as follows:
 - **Endowment Fund Perpetual Trust:** Investment income shall be credited to the **Perpetual Trust** principal until the trust exceeds \$100,000. Only after reaching \$100,000 may the interest and investment income from the Endowment Fund Perpetual Trust be used for Board approved purposes. The Endowment Fund Perpetual Trust principal shall not be used except upon severe emergency as described in the April 23, 1995 charter document. Additional funds given by donors to the Endowment Fund Perpetual Trust shall be accepted with the understanding that the principal shall continue in perpetuity and only the investment income and interest shall be spent.
 - **Endowment Fund Development Trust.** Both the principal and income from the **Development Trust** may be used for special Board approved purposes immediately or at a later time. Undesignated Memorials will be added to the Endowment Fund Development Trust. Designated Memorials (for specific funding activities) shall be tracked by line item within the Endowment Fund Development Trust and be spent as the original donor specifies. If a donor has a specific UUCS Fund (line item) they wish to designate to receive contributions made via the Development Trust and clearly communicate that preference it shall be honored by the Treasurer.
5. **Sabbatical Leave Fund:** This fund enables us to contract with substitute ministers or staff to provide necessary service while our minister takes the sabbatical leave time to which s/he is entitled by contract (one month accrues for each year he is our minister).
6. **Other Funds:** There are several special purpose funds, such as the Landscaping Fund. These funds support specific aspects of UUCS life. Some exist for only a short period of time until their special purpose is fulfilled. Others are held for years. These funds are not affected by the beginning or end of a fiscal year. Expenditures from some are controlled by special groups, like the Landscape Group. Others are spent only by Board authorization.
7. The status, income, and expenditures relating to all funds are reported by the Treasurer every month. Most of the Treasurer's report pertains to the Operating Fund; it has the most activity, and is the usual focus of the Board's fiscal management.

C. Bank & Investment Accounts

1. The financial assets are now kept in two places: an account at **Keudell/Morrison Wealth Management**, and our checking account at **Pioneer Trust**. The Keudell/Morrison Wealth Management account contains a money market fund, and also contains stocks and bonds managed under supervision of the Investment Management Committee. At all times, the total assets of the Keudell/Morrison Wealth Management account and the Pioneer Trust account should equal the totals in the funds (Operating, Capital, Endowment, and other) described in Section 1 above. Pioneer Trust required that UUCS maintain its checking account with them when we took our first building mortgage in 1997; they have been exceptionally good to work with, and pay interest on our checking account. Keudell/Morrison Wealth Management generally pays a higher interest rate on its money market fund, so UUCS should keep money we do not expect to spend quickly at Keudell/Morrison Wealth Management (where it is available any business day when needed, but not as conveniently as our checking account).

D. Budget Process and Operating Fund Expenditures

1. **Generating the Budget:** Each December, the Budget Committee solicits from teams and committees their ideas and requests for the coming fiscal year. After the canvass is completed and the Budget Committee can estimate the Operating Fund income for the coming year, it drafts a budget with proposed expenditures that approximately matches expected income.
2. **Approving the Budget:** The Budget Committee proposes a budget to the Board. The Board may amend the budget. The Board provides a balanced budget to the congregation for review prior to a regular or special meeting (see Bylaws, Article VI, Sections 1, 4 and 5). Congregational approval and amendment normally occur at the Annual Meeting in May. This allows time for a special congregational meeting in June, if necessary.
3. **Living with the Budget:** Many expenses, like salaries, utility bills, office expenses, UUA and PNWD assessments, are paid by the Treasurer. Others are under the control of teams and committees; members request payments (preferably using voucher forms available in the UUCS office) which are approved by the Team or Committee chair, then paid by the Treasurer. Each month the Treasurer reports the income and expenditures for the month and the status of all Operating Fund line items and other funds to the Budget Committee and the Board. It is the responsibility of the Budget Committee to monitor the performance and report to the Board via Treasurer reports on a monthly basis; if particular line items in the Operating Fund are in danger of serious overcharge, or if income lags significantly, the Board should take action. Actions may include amending the budget, requesting teams and committees to pare expenses, or taking steps to augment income. It is the responsibility of each Team or Operating Fund line item recipient to live within their allocation, the simple act of exceeding their allocation will not automatically result in an increase in budget.

II. Fundraising

A. Purpose

UUCS raises funds to support the Congregation's Mission and Vision in Salem and the greater community. With those resources UUCS principally finances: 1) fair and living wages for our staff; 2) stewardship, operation and development of our congregational facilities; 3) spiritual development and enrichment and the fellowship of our community of members and friends from which volunteers and spokespeople come, 4) charitable outreach programs for social justice and to meet our community's needs, 5) projection of our mission and vision into the community at-large, and 6) development and maintenance of our relationship with UUA and the greater Unitarian Universalist movement worldwide

B. Pledges, Stewardship Campaign Dedicated to Operating Budget Funds

1. **The Stewardship Committee** solicits pledges from UUCS members in order to anticipate the annual contributions available for the Operating Budget. Working backwards from the bylaws mandated at the May Annual Meeting, the annual pledge campaign MUST be finished early enough (March) to allow for the development of the Operating Budget and (April) for Board approval of the Operating Budget in preparation for publication in the newsletter and approval at the May annual meeting.
2. The Stewardship Committee Chair serves at the pleasure of the Finance Team and the Budget Committee Chair. When there is no Chair for the Stewardship Committee, the Finance Team Chair must develop an emergency, timely and adequate Pledge Campaign with the Budget Committee. The following procedures are in place to avoid that situation—with multiple year planning.
3. The Chair is identified in September and agrees to serve for the year as the leader of the Pledge Campaign. As noted below, ideally this person has been in training for the two prior years, so is knowledgeable about the process.
4. This Committee Chair is responsible for:
 - a. **Developing a Committee of Solicitors willing to make direct contact with UUCS members asking for pledges to fund the Operating Budget.** UUCS Board members are expected to participate as leaders of a solicitor team. Ideally there should be one Stewardship Committee member for every five members of UUCS. If the congregation is 200, with 40 solicitors, each need only contact five members to ask for pledges. If only 20 solicitors are recruited, then each is responsible for direct contact with 10 members of UUCS—that's rather overwhelming for most volunteers.

- b. Developing an informational and marketing brochure or newsletter offering data on the previous year pledges and Operating Budget and how pledges might be anticipated to be Budgeted to meet fixed costs including building costs, building maintenance, building utilities, ministers' contracted expenses (including salary, housing and other allowances), staffing expenses for the UUCS office, UUCS music programs, UUCS Children's Religious Exploration and other fixed expenses based on the prior year and anticipated priorities of the Budget Committee. The actual Operating Budget cannot exceed funds raised.
- c. Encouraging the Committee Solicitors to build rapport and connections with their assigned UUCS members early in the congregation year in a variety of ways that might include: connections during coffee hour, individual conversations, a group dinner or social event, an appreciative engagement exercise to build value for UUCS future based on appreciation. Ideally the Stewardship Committee Solicitor will have several opportunities over the fall months to connect with each person on their Stewardship list.
- d. Utilizing the latest in technology and communication tools while at the same time maximizing personal contact between members and between solicitors and their assigned members. The goal is to find a balance between the efficiency of email, website, and other electronics communications to "get the word out" and then follow-up so that members have an opportunity to provide appreciative engagement feed-forward information that will strengthen relationships and reinforce best practices and human connections representative of UU Principles, our UUCS Mission and Vision.
- e. Offering training, role play, support, and materials needed to support each member of the Stewardship Committee Pledge Solicitors. Continuing to build a spirited and collegial connection with the Committee through social events, phone calls, emails, and other connections.
- f. Seek and distribute "best practice" materials for Stewardship developed by UUA and other UU congregations.
- g. Continually updating and communicating with the Chair of the Budget Team, the Finance Team, the Board and other groups on the timeliness of the Stewardship Committee, the materials utilized for solicitation including projected or anticipated budgets and any issues requiring their attention or advice.
- h. Informing the minister and the Life Lines Lay Ministry when there is concern for the health or safety of any UUCS member as identified during the Stewardship campaign.
- i. Keep accurate and timely records of the pledged amounts committed by members during the Stewardship Campaign—reporting these to the Budget Committee and the Treasurer.
- j. Coordinate a process whereby each UUCS member pledging receives thank you notes or letters—one from their Committee Solicitor and a later one from the minister.
- k. Continue to follow-up in the months after the concentrated Stewardship Campaign to contact any stragglers, to identify pledging members' commitments to the

Treasurer in a timely manner so that the new finance year beginning July 1 will have accurate records of anticipated pledges for the coming year.

- l. Identify and train at least one (ideally two) heir apparent Stewardship Committee Chairs for the coming cycle. In an ideal scenario an experienced Stewardship Committee Chair will first have one year in a beginning role, a second year in an active co-leader role, and then one year as the senior Chair if the Committee. With this three years rotation, an experienced person is waiting in the wings with competent skills and the rotation cycle.

C. Share-the-Plate Collections

1. Twelve 501c3 recipient charitable organizations (“Designees”) shall be chosen each calendar year, in a democratic process facilitated by the fundraising committee based upon:
 - a. Input from the UUCS membership,
 - b. Suggestions from the Finance Team and the Senior Minister,
 - c. Their history of service to the community, and
 - d. Designee’s reflection of UUCS’ principles.
2. These designees will then be assigned a specific month of the year. During the month, the designee will be invited to present, to the congregation through a newsletter and Sunday bulletin announcement, a coffee-hour tabletop display, including their mission and vision, their benefit to the community, their operations, and links to the UUCS membership.
3. The plate offering (cash and specific “share the plate” designated checks) will be split as follows:
 - 45% to the designee,
 - 45% to the UUCS General Fund, and
 - 10% to the UUCS Maintenance Reserve Fund.Designated pledge checks, and those the Treasurer or Bookkeeper assume to be pledge checks or check designated for other specific UUCS line item funds such as the Minister’s Discretionary Fund will be exempt from this split, and will instead be attributed wholly to the intended UUCS account. At the end of each month the 501c3 charitable designee will receive their share of the month’s total plate offering via a mailed UUCS check.
4. Share the Plate contributions shall be reported monthly in the Treasurer report to the Budget Committee and Board.

This Share-the- Plate Collection policy is proposed for a one year trial period with selected 501c3 organizations beginning January 2014, and requires recommendation from the Finance Team and re-authorization by the UUCS Board before continuing beyond the first anniversary. During this trial period, the following guidelines clarify

the designation of plate contributions at the request of the Treasurer for clarity: All cash is subject to a share the plate split unless in an envelope designated as a pledge.

- a) Undesignated checks are assumed to be pledges.*
- b) Checks made to UUCS with COMMENT lines written as "share the plate" OR "specific charity" are subject to a share the plate percentage split.*
- c) Checks with the TO or PAYEE line designated to a "specific charity" shall be forwarded directly to that charity at the end of the month along with a check from UUCS with the charity's 45% proceeds from share the plate.*

D. Requests for Fundraising

1. The Board has directed the Finance Team to oversee this activity through the Finance Team's Fundraising Committee. This committee shall consist of three members with adequate experience and knowledge of congregational structure, policies and history to act in a timely and appropriate manner (for example an immediate past president, a former Board member, the Board Vice President). One of the three members of the Fundraising Committee should be a current member of the Budget Committee. While the nominating committee may suggest participants the three individuals must be approved by the Finance Team.
2. The purpose of the committee is to review and approve fundraising requests from internal and external groups consistent with the Vision and Mission of the UUCS and the seven UU Principles and Purposes.
 - a. The Committee shall meet or make decisions via e-mail at the call of the chair at least monthly.
 - b. The Committee has no responsibilities or role related to the annual stewardship campaign that is part of the budget process.
 - c. The Committee has an advisory role for committees related to endowment, memorials, planned giving or other legacy gifts.
 - d. The Committee has authority to approve or deny other fundraising proposals. It may approve its own proposals.
 - e. The Committee should approve or deny proposals within one month of receipt. It shall e-mail a report of all approvals, denials and deferrals to the Board ten days before each monthly Board meeting, with a copy to the Finance Team leader.
3. **Approval process:** In order to facilitate and coordinate requests for fundraising, each event shall be calendared only after, the appropriate? Fundraiser Approval Form is completed and approved by the Fundraising Committee.
4. **Finance Team's Role:** The Fundraising Committee shall operate under the Finance Team and shall submit a quarterly report to the Finance Team about fundraising activities including: fundraiser requests received during the past month, fundraiser activities approved/rejected during the past month/quarter, the amount of money raised, expenses paid, and money deposited in the UUCS Line Item account for the designated fund raiser. The Finance Team shall make quarterly reports to the Board of fundraiser status.

5. **Treasurer's Role:** The Treasurer shall deposit funds from each event in the designated Line Item account. The Treasurer shall record the net proceeds from the event to the specified UUCS Line Item Account.
6. **Event Organizers' Role:** The fundraiser organizers shall complete a request form to gain approval from the Fundraising Committee in a timely manner. They shall oversee the event to assure that it is congruent with UUCS Mission, Purpose, and the Seven UU Principles. They shall utilize appropriate monetary records and complete the Treasurer's voucher form to show the expenses incurred in coordinating the event, the gross receipts from the event, and the net revenues from the event that were deposited with the Treasurer to support the specified UUCS line item account activity.

E. Fellowship Fundraising

1. The Fellowship Team may propose to organize fundraising events. Fundraising Committee approval is required for these events. Unlike other fundraising events, the Fellowship Team's fundraisers should focus first on community-building through prolonged interpersonal exchanges among attendees, rather than money. Additionally, where possible, Fellowship fundraisers should also include the community at-large, and as such, raise awareness of UUCS' unique role in the Willamette Valley. Fellowship fundraisers should strive to make it possible for those unable to afford entry to the events, by presenting them with opportunities to volunteer their services instead. At the discretion of the Fundraising Committee, proceeds from Fellowship fundraisers may be directed to any designated UUCS group, purchase, or project. Projections of revenues from Fellowship fundraisers should not be used in the UUCS budgeting process, and the proceeds of Fellowship fundraisers should not be counted upon to pay for ongoing expenses (e.g., salaries or utilities).
2. **Annual schedule:** An annual schedule of "fellowship fundraisers" shall be developed and submitted to the Finance Team by March of each year for the following fiscal year. The congregation-wide series of "fellowship fundraisers" shall have priority over any individual group fundraisers submitted later in the year. The annual schedule of "fellowship fundraisers" may include an Auction and many seasonal or monthly activities as proposed annually.

F. Fund-A-Need

3. **Introduction:** In other UU congregations, more fundraising takes place outside the annual stewardship campaign among members who may have the financial flexibility and the spiritual willingness to contribute more on a one-time-only basis to a special non-reoccurring purchase. This is a viable second contribution resource. UUCS has done this, on a very limited basis before 2013 through the Ministers Discretionary

Fund, and through some individual donations designated to youth donations, religious exploration supplies, music risers and other music related expenses, and a few other discreet donations funded through designated checks.

4. **Approval process:** Individual members and friends of UUCS may continue, as they have historically done, to write checks in support of individual accounts maintained by the Treasurer that are not tied to the Operating Budget—such as the Ministers Discretionary Fund, the Partnership Church Fund, and others.
5. When a campaign to raise specific FUNDS for an item will include letters sent to congregants, newsletter articles or announcements in the Sunday Bulletin the Fundraising Committee shall oversee the process.
6. In order to facilitate and coordinate requests for FUND-A-NEED that shall utilize broad-based requests to the congregation through letters, emails, the newsletter, the Sunday Bulletin and/or the Web Site, a FUND A NEED proposal shall be completed, signed by at least three UUCS members of the congregation and reviewed by the Fundraising Committee *is there a separate or different Fundraising Committee?*. The Fundraising Committee shall review, edit and approve these communications (in conjunction with the Communications Team).
7. The Fundraising Committee shall be the Gatekeeper of publicized FUND A NEED in order to assure that the NEED is congruent with UUCS mission, purpose and the seven UU principles. Items approved for FUND A NEED shall **not** be routine Operating Budget Expenses associated with payroll and benefits since it is unsound to fund these Operating Budget Expenses on unsecured funds.
8. No group or individual is authorized to take a draw from the Treasure in anticipation of future revenues from an upcoming or scheduled FUND A NEED campaign. Authorized expenditures from the Treasurer shall occur only after monies have been raised for the designated purpose.

G. Endowment Committee

The Endowment Committee's purpose is to increase the awareness of these funds and to encourage contributions to build the monetary value of the Endowments. The Endowment Committee reports to the Finance Team. This is a marketing, awareness and solicitation effort operating in a proactive yet confidential manner to seek support from UUCS members in estate planning, wills, trusts, legacy gifts, and other funding mechanisms. This committee does not have the authority to spend these funds because that authority rests with the Board.

The Endowments Chair shall be appointed by the Finance Team. The Chair shall develop marketing and solicitation materials and activities to be reviewed and approved by the Finance Team and the Communications Team.

In all cases, UUCS may NEVER give legal advice. A statement: "This information is not intended to be legal or financial advice, and it is not intended to replace the work of an attorney or financial advisor" should appear on all information and marketing material and on any forms.

III. UUCS Investment Management Policies

A. Introduction.

UUCS currently commingles operating and other monies in the Pioneer Trust checking account and an investment account at Keudell/Morrison Wealth Management. These monies are reported in the treasurer's balance sheet every month. The following policies establish a framework within which the Investment Management Committee, under direction of the UUCS Board, can manage and invest all our funds so that they will be available when needed but also earn a return. The Investment Management Committee's intent is to keep the policies and operations simple while the amounts involved are relatively small. In future, other steps could include placing funds under professional management and broadening the scope of permitted investments. Any such steps would require Board action.

B. Investment Guidelines

1. Quarterly, the Treasurer – in consultation with the Budget Committee – will designate what portion of our funds should be considered short-term, intermediate-term, and long-term. Short-term money includes the Operating Fund and other funds that are expected to be used within six to nine months. Intermediate-term money is defined to have a life expectancy of nine months to five years. Long-term monies (such as endowment and reserves) are expected to remain for at least five years.
2. Any short-term money in excess of that which needs to be kept in our checking account shall be placed in money-market funds or certificates of deposit.
3. Intermediate-term money may be invested in:
 - Money market funds (*to accumulate dividend and interest payments and as a temporary vehicle*)
 - Certificates of deposits

- Government agency bonds with short maturities, directly or through mutual funds
 - High quality short-term corporate instruments, directly or through mutual funds
4. Long-term money shall be invested conservatively, with an eye towards total return:
 - Preservation of principal, including appreciation to offset inflation
 - Income
 - Socially responsible principles
 5. While our long-term funds are less than \$100,000, appropriate vehicles can include:
 - Money market funds (*to accumulate dividend and interest payments and as a temporary vehicle*)
 - Certificates of deposit
 - Government agency bonds, directly or through mutual funds
 - High quality corporate bonds, directly or through mutual funds
 - Diversified pool of conservative equities paying significant dividends, directly or through mutual funds
 6. Other instruments may come into play – with Board approval – when our long-term funds exceed \$100,000.
 7. Investment decisions are made by the Investment Management Committee, following guidelines (such as this document) approved by the Board. The Investment Management Committee, working with the Treasurer, may transfer funds between investment vehicles, but has no authority to withdraw funds or write checks. The Investment Management Committee will report to the Board quarterly.
 8. When UUCS receives any donation of marketable securities, it will sell the securities immediately.
 9. The Investment Management Committee is prohibited from entering any transaction that includes pledging collateral, purchasing on margin or short selling, trading commodities, or purchasing letter stock, private placements, limited partnerships, or unregistered securities.
 10. The Investment Management Committee will review these policies for possible changes as circumstances warrant. Any recommended changes must be submitted to and approved by the UUCS Board before they can take effect.

IV. UUCS Gift Acceptance **Policy and Procedures**

UUCS establishes policy and procedures to implement the Bylaws of the congregation (<http://www.uusalem.org/page/Governance>). The following policy and procedure define how and which gifts are accepted by UUCS.

Bylaw:

Article XI. Endowment and Gifts, Section 4, Gifts:

Gifts of cash, real or tangible property are accepted by a vote of the Board. Restricted gifts of cash, or the proceeds from the sale of real property may be accepted provided there are no limitations attached to the gift that are in conflict with UUA principals, UUCS mission, vision and values, or goals of the congregation. The Board may adopt policies regarding the conditions and/or criteria to determine if restricted gifts are to be received by the congregation. [Adopted by UUCS 2013 Annual Meeting]

Gift Policy:

The Unitarian Universalist Congregation of Salem solicits and accepts gifts for purposes that will help the organization further and fulfill its mission and vision. The Unitarian Universalist Congregation of Salem urges all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts, including the resulting tax and estate planning consequences.

Procedure:

The following procedures govern acceptance of gifts made to The Unitarian Universalist Congregation of Salem for the benefit of any of its operations, programs or services.

Use of Legal Counsel—The Unitarian Universalist Congregation of Salem will seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for:

- A. Gifts of securities that are subject to restrictions or buy-sell agreements, or
- B. Documents naming The Unitarian Universalist Congregation of Salem as trustee or requiring The Unitarian Universalist Congregation of Salem to act in any fiduciary capacity, or
- C. Gifts requiring The Unitarian Universalist Congregation of Salem to assume financial or other obligations, or
- D. Transactions with potential conflicts of interest, or
Gifts of property that may be subject to environmental or other regulatory restrictions.

Restrictions on Gifts—The Unitarian Universalist Congregation of Salem will not accept gifts that:

- A. Would result in The Unitarian Universalist Congregation of Salem violating its corporate charter, or
- B. Would result in The Unitarian Universalist Congregation of Salem losing its status as an IRC § 501(c)(3) not-for-profit organization, or
- C. Are too difficult or too expensive to administer in relation to their value, or

- D. Would result in any unacceptable consequences for The Unitarian Universalist Congregation of Salem, or
- E. Are for purposes outside The Unitarian Universalist Congregation of Salem's mission.

The Board of Directors in consultation with the Finance Team and the Minister(s) shall make all decisions on the restrictive nature of a gift, and its acceptance or refusal.

Gifts Generally Accepted Without Review

Cash gifts are acceptable in any form, including check, money order, PayPal.

Marketable Securities: Marketable securities may be transferred electronically to an account maintained at Keudell/Morrison Wealth Management or delivered physically with the transferor's endorsement or signed stock power (with appropriate signature guarantees) attached. All marketable securities will be sold promptly upon receipt unless otherwise directed by UUCS Investment Committee consulting with Keudell/Morrison Wealth Management. In some cases marketable securities may be restricted, for example, by applicable securities laws or the terms of the proposed gift; in such instances the decision whether to accept the restricted securities shall be made by the UUCS Board.

Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans:

Donors are encouraged to make bequests to The Unitarian Universalist Congregation of Salem under their wills, and to name The Unitarian Universalist Congregation of Salem as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.

Charitable Remainder Trusts: The Unitarian Universalist Congregation of Salem will accept designation as a remainder beneficiary of charitable remainder trusts.

Charitable Lead Trusts: The Unitarian Universalist Congregation of Salem will accept designation as an income beneficiary of charitable lead trusts.

Gifts Accepted Subject to Prior Review:

Certain forms of gifts or donated properties may be subject to review prior to acceptance. Examples of gifts subject to prior review include, but are not limited to:

Tangible Personal Property: The Board shall review and determine whether to accept any gifts of tangible personal property in light of the following considerations: does the property further the organization's mission? Is the property marketable? Are there any unacceptable restrictions imposed on the property? Are there any carrying costs for the property for which the organization may be responsible? Is the title/provenance of the property clear?

Life Insurance: The Unitarian Universalist Congregation of Salem will accept gifts of life insurance where The Unitarian Universalist Congregation of Salem is named as both beneficiary and irrevocable owner of the insurance policy. The donor must agree to pay, before due, any future premium payments owing on the policy.

Real Estate: All gifts of real estate are subject to review by the Board. Prior to acceptance of any gift of real estate, The Unitarian Universalist Congregation of Salem shall require an initial environmental review by a qualified environmental firm. In the event that the initial review reveals a potential problem, the organization may retain a qualified environmental firm to conduct an environmental review. Criteria for acceptance of gifts of real estate include: Is the property useful for the organization's purposes? Is the property readily marketable? Are there covenants, conditions, restrictions, reservations, easements, encumbrances or other limitations associated with the property? Are there carrying costs (including insurance, property taxes, mortgages, notes, or the like) or maintenance expenses associated with the property? Does the environmental review or audit reflect that the property is damaged or otherwise requires remediation?

Other UUA Resources Considered:

- General info about planned giving/types of planned gifts:
<https://www.uua.org/giving/planned/index.shtml>
- Planned giving brochures: <https://www.uua.org/giving/planned/100780.shtml>
- Modifiable inserts to use in your own publicity:
<https://www.uua.org/finance/fundraising/plannedgiving/resources/copy/index.shtml>
- Interactive presentations about different types of planned gifts:
<https://www.uua.org/giving/planned/121290.shtml>
- A longer, more detailed guide for congregations setting up planned giving programs:
<https://www.uua.org/documents/stew-dev/plannedgivingguide.pdf>

UUA Gift Policy Contact

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