

AMENDMENT TO CEF POLICY STATEMENT

The Centennial Endowment Committee and Church Council has approved shifting the timing of the CEF grant-making process as shown in the chart below in order to align it with the timing of the church budgeting process. CEF now seeks approval of Church Conference to amend the CEF Policy Statement, Article VIII, per the Motion set forth below the chart and the attached redlined copy of the Policy Statement.

	Current Policy	Proposed
<b>Grant Amount Calculated</b>	January	July
<b>Grant Applications Open</b>	February 1	August 1
<b>Grant Applications Due</b>	March 15	September 15
<b>CEF Committee Approval / Recommendation to Church Council</b>	by April 15	by October 15
<b>Church Council Approval</b>	late April	late October
<b>Charge Conference Approval</b>	late May	before end of December
<b>Funds Available</b>	June thru December	January thru December

**Motion to Shift the Annual CEF Grant Process Timetable to Complement the Church Operating Budget Process:**

Given that the church operating budget currently requires, and may continue in the future to require, CEF grants to cover a shortfall in revenue, Article VIII of the Centennial Endowment Funds Policy Statement is amended to coordinate the annual Centennial Endowment grant making process with the church budget process, as follows:

VIII DISTRIBUTIONS

Distributions from the Centennial Endowment Funds will normally be made on an annual basis, usually by ~~June~~ **January** 1 of ~~each~~ the year **following the grant making process**, on the basis of the following procedure.

A. The percentage of the endowment paid out annually will be based on the rolling average of the endowment's market value at the end of each of the prior 3 years and will usually not exceed 4% of that average. All returns in excess of this payout will be reinvested to preserve the purchasing power of the principal. This should result in a relatively dependable source of funding for church programs approved by the Endowment Committee. In no case will the cumulative amount paid out bring the asset balance below the value of the original gifts except in the instance of specifically designated gifts when donor instructions apply.

B. By ~~February~~ **August** 1, each year, the Endowment Committee will prepare grant application forms for the distribution of Centennial Endowment Funds. These grant application forms, together with an indication of the amount available for distribution from

each fund, will be distributed to all administrative groups within the church (councils, boards, committees) including the Fijian Fellowship.

C. Any administrative church group may submit an application for a grant from the Centennial Endowment Funds. Individuals may make recommendations for grant requests to the appropriate council, board, committee or other administrative group. All grant applications must be in the hands of the Endowment Committee by ~~March~~ **September** 15.

D. Between ~~March~~ **September** 15 and ~~April~~ **October** 15, the Endowment Committee will consider all grant applications. The Committee must make every effort to ensure that grant money is distributed honoring the full intent of this policy document. Grants of restricted funds must comply with all donor instructions. In the event that the Finance Committee, through the Church Treasurer, represents to the Endowment Committee that the church operating budget cannot accommodate expenditures necessary to sustain the church, grants of up to 90% of unrestricted funds may be made for such expenses.

Grants are not intended to consistently fund groups or organizations outside the church, with the exception from time to time of grants falling within the Program and Mission Endowment category. Outside of this exception, grant requests intended for the same group, inside or outside the church, or for the same purpose will not normally be approved for more than three years. During the time when the Endowment Committee is formulating its recommendations for the distribution of earnings, the following persons shall be invited to attend all such meetings: the Chairperson of the Committee on Finance and the Chairperson of the Church Council. For purposes of preparing recommendations to the Church Council, these persons shall be full voting members of this expanded Endowment Committee.

By ~~April~~ **October** 15, the Endowment Committee shall forward to the Church Council for consideration at their ~~April~~ **October** meeting the Committee's recommendations for the distribution of the earnings from the Centennial Endowment Funds for the previous year. The majority of the proposals that are funded are likely to be one-year grants. Some of the funded proposals may extend beyond one year, but in no case will a proposal be funded for longer than three years. Multi-year proposals will be reviewed on an annual basis. The Endowment Committee may recommend that funds be disbursed on a scheduled basis, rather than in one lump sum.

E. After careful consideration of the Endowment Committee's recommendations, the Church Council shall present to the Church Conference, at a meeting ~~during the month of May~~ **before the end of December**, the Endowment Committee's recommendations for the distributions from each Endowment Fund together with such adjustments as the Church Council deems advisable. Information on the Endowment Committee's recommendations, together with the recommendations of the Church Council, shall be made available to all church members not less than ten days prior to the Church Conference at which action is to be taken.

F. As soon as practicable after the Church Conference, usually before ~~June~~ **January** 1, the Endowment Committee shall notify all committees requesting grants of the decision of the Church Conference whether their grant was approved. And, if approved, this notification shall also include instructions as to how the grant may be collected.

G. From time to time, the Endowment Committee will request and approve a grant from the Funds to cover stationery, postage, printing, donor reception, and other expenses. The amount requested during a year will not exceed 3 percent of the monies granted, nor more than 0.001 (10 basis points or 1/10<sup>th</sup> of 1 percent) of the market value of the portfolio at the previous year-end.