

Chatham United Methodist Church
Endowment Fund Spending Plan

A. General Information:

The Chatham United Methodist Church Endowment Fund Committee hereby adopts this Statement of Spending Policy. The Committee operates as part of the committee structure of Chatham United Methodist Church. The Endowment Fund provides support for current and future ministries of the Chatham United Methodist Church and the broader United Methodist community.

B. Purpose

The purpose of the Spending Policy is to establish a consistent plan that will enable the Endowment Committee to approve and to disburse funds that fulfill the ministry and designation of the endowments received and to further strengthen the financial base of the Endowment Fund of Chatham United Methodist Church.

C. Problems to Avoid:

This Spending Policy is adopted in order to minimize the problems that may occur without such policy, including, but not limited to:

1. Erratic spending that may place the future of the Fund in jeopardy.
2. Disregard for the effect of inflation, thus decreasing the financial power of the fund.
3. Lack of disbursements from the Fund resulting in a disinterest in future contributions and bequests to the Fund.
4. Investing too conservatively causing low growth of the Fund, or investing too aggressively placing the Fund at high risk.

D. Terminology and Definitions

This Spending Plan is governed by the definitions and terminology contained in the Chatham United Methodist Church Endowment Policy (see Article II - Definitions).

E. Policies

Except for those funds that both principal and interest can be made available as needed for specific purpose (Futures Fund and Shields Scholarship Fund), amounts to be spent under this Spending plan shall be calculated annually and limited to no more than 3% of the average market value of the remaining funds for the previous eight quarters, as of September 30th each year.

The resulting amount shall be available during the following calendar year for distribution as gifts or grants as follows:

General Fund - subject to approved application, disbursed as needed. Any unspent funds at the end of the year may be directed at the discretion of the Endowment Committee.

Trustees Fund - automatically distributed on January 1st.

Mountain Top Fund - subject to approved application, disbursed as needed.

Brad Barton Mission Fund - subject to approved application, disbursed as needed.