Overview

This program has been designed to assist parishes with start-up or small endowments in achieving high quality professional investment management at lower fees than the local endowment would otherwise be able to achieve on its own.

To participate, the local parish must adopt or establish an Endowment Policy Document that is substantially similar to the Diocesan Endowment Policy Document, including the following identical provisions:

- The endowment is to be managed as a “true” endowment fund, with annual distributions subject to a spending rule. There must be restrictions on distributions from the principal of the endowment so that any such distribution is generally prohibited and can only occur in truly extraordinary circumstances.

- The Investment Policy Statement (IPS) must be identical to the IPS adopted by the Diocese.

The CFO of the Diocese and the Diocesan Endowment Fund Board are available to assist in the creation or amendment of the local parish’s Endowment Fund Policy Document to meet these criteria.

Terms of the Agreement

To participate in this program, the congregation agrees to:

- Delegate all investment decision-making authority to the Diocesan Endowment Fund Board as long as the agreement is in effect.

- Delegate the annual spending rule decision to the Diocesan Endowment Fund Board as long as the agreement is in effect.
• Share pro-rata in the investment management fee of the Diocesan endowment, as negotiated by the Diocesan Endowment Fund Board and any third party investment manager it hires.

In assuming investment responsibility of the local congregation’s endowment, the Diocese agrees to:

• Invest the local parish endowment according to the Diocesan Investment Policy Statement.

• Maintain the local congregation endowment as a separate restricted fund within the Diocesan endowment, titled “Congregation Endowments”, with congregation-level sub accounting. The Diocese agrees not to charge an administrative fee for this accounting.

• Transfer to the local congregation’s operating account on a monthly basis a regular distribution from the endowment fund, as approved by the Diocesan Endowment Fund Board in its annual spending rule determination.

• Allow members of the endowment fund board of the local congregation to participate via videoconference in the quarterly investment review report of the regularly scheduled meetings of the Diocesan Endowment Fund Board. Within reason and subject to time constraints, local parish endowment fund board members will be allowed to ask questions of the investment managers.

Both parties agree that they retain a fiduciary duty for all endowment funds subject to this agreement.

The agreement can be terminated by either party at the end of any calendar quarter, subject to advance written notice of two weeks prior to the end of any calendar quarter.

The Diocese reserves the right to terminate the agreement at any time without prior written notice if the congregation requests a partial withdrawal of principal for any reason.