

Southport Christian Church (Disciples of Christ) dba "Tapestry Church"
Legacy Fund Policy
(Revisions approved by Board 6-17-19)

I. PURPOSE:

In scripture there is a clear affirmation that all things belong to God. Throughout the Old Testament, emphasis is placed upon the passing on of land and possessions to future generations. In the New Testament, Jesus emphasizes money and possessions as a means of fulfilling one's citizenship in the kingdom of God. Paul, in several of his letters, affirms that love always expresses itself in joyful generosity.

In the firm belief that our accumulating resources are a part of that affirmation, we strive through this legacy fund ministry to provide a means by which each person's faith may find expression in the stewardship of accumulated resources.

The primary purpose of the Southport Christian Church (Disciples of Christ), dba "Tapestry Church," Legacy Fund (hereinafter referred to as the "Legacy Fund") is to expand the witness and mission of Jesus Christ in the world, serving human needs in our community and around the world. It is not intended to compete with the regular annual giving of members or to diminish the opportunities for responsible stewardship by present or future members. *At all times herein, a reference to "Southport Christian Church" in the policy shall be construed to include "Tapestry Church," even when it is not stated as such.*

All assets received by the Legacy Fund shall be considered permanent. Each year the fund's income shall be distributed according to the terms of this policy. The definition of income for this fund shall be 4% of the value of the fund calculated monthly (1/12 of 4% of the monthly value of the fund).

II. TYPES OF GIFTS:

Legacy funds (also sometimes described as "permanent" or "endowment" funds) are usually not memorial funds, reserve funds or building funds. A separate policy shall govern these gifts. All gifts to the Legacy Fund shall be considered permanent and cannot be spent.

Gifts to the Legacy Fund will come in a variety of forms, including stocks, bonds, real estate, tangible property and cash. All bequests and end of life gifts to Southport Christian Church (Disciples of Christ), such as beneficiary designations, remainder portions of life income gifts and gifts received in any form other than cash shall immediately become the property of the Legacy Fund and shall be converted to cash at its fair market value as soon as practical and placed in the Legacy Fund investment portfolio. On some rare occasions, the Legacy Fund Trustees may want to refuse an inappropriate gift or bequest. This should be done by the Legacy Fund Trustees after seeking advice and counsel from the Board (note: see the Southport Christian Church (DOC) Gift Acceptance Policy).

III. PERMANENT FUND TRUSTEES:

The Legacy Fund shall normally be managed by at least five trustees nominated by the Leadership Development Team and elected by the congregation for three year staggered terms. Trustees may be re-elected one time, but cannot serve for more than six consecutive years. The senior minister and chair of the board of the congregation will be ex-officio members without vote.

The Responsibilities of the Legacy Fund Trustees will be to:

- A. Meet as needed but at least quarterly (such as on the second Monday of the months of February, May, August and November). They shall elect their officers each year (Chair, Vice Chair, Secretary/Treasurer) from the trustees as needed.
- B. Publicize the fund to the congregation and educate members of opportunities to give, sponsor regularly scheduled planned giving seminars, contact prospective donors and promote other activities which will bring growth in the Legacy Fund ministry.
- C. Provide a written annual report to the Board and Congregation which shall include a list of new gifts received, investment transactions, amounts spent for ministry and the total value of the Legacy Fund at year end.
- D. Allocate Legacy Fund spending to the appropriate church entity of the congregation annually for expenditure according to Item IV. Annual Spending for Ministry.
- E. Invest the Legacy Fund, subject to confirmation of the Board. It is recommended that the Christian Church Foundation, Inc. be considered to manage all or part of the Legacy Fund investments. Other appropriate long term investment institutions should also be considered.
- F. The trustees must exercise good faith in all transactions involving their duties with the Legacy Fund and they shall not in any way knowingly use their positions for personal benefit to themselves, their family members, their employers or any other company or organization in which they have interest. The interests of the Legacy Fund must be the first priority in all their decisions and actions.
- G. Although it is not required, trustees are encouraged to make provisions in their own financial planning to provide gifts to the Legacy Fund.

IV. ANNUAL SPENDING FOR MINISTRY:

A. Annual spending of income from designated gifts will be according to the donor's instructions.

B. Annual spending of income from unrestricted funds will be as follows:

1. 10% will be spent according to the decision of the Board. However, never more than 10% of the church's annual operating budget may ever be underwritten by income from the Legacy Fund. Use of these funds for general operating expenses is discouraged. Any funds remaining at the end of the fiscal year shall be transferred to the Oversight Committee.
2. 10% will be distributed to the Disciples Mission Fund or its successor fund in the Christian Church (Disciples of Christ).
3. 20% will be distributed to Outreach ministries to be determined by the Oversight Committee. Outreach ministries are defined as any ministries whose primary purpose is to do mission and ministry to benefit people and mission projects beyond Southport Christian Church.
4. 30% will be distributed to capital projects and debt reduction. 1/3rd of this distribution shall be put in the church's Replacement Fund. With the remaining 2/3rds of this distribution, priority shall be given by the Board to current projects not underwritten by the annual budget of the congregation. The next priority shall be reducing debt of the church for projects already completed. If no current projects need additional funding and if there is no current debt, the money shall be placed in a capital projects fund for future building and grounds needs.
5. 30% shall be distributed annually for new ministries as determined by the Oversight Committee. As a general rule, new ministries are defined as ministries birthed or renewed over a three to five year period of time. It is recommended that strong consideration be given to the plan to help these ministries become funded by themselves or by the church so that they do not remain dependent upon Legacy Fund income beyond the initial period of time. Any unused funds at the end of the fiscal year may be carried forward to the next year.

It shall be an annual responsibility of the Oversight Committee and the Board to provide detailed reports to the Legacy Fund Trustees of the use of the funds provided for the intended ministries supported by the Fund. This report shall be due by February 1st for the previous year.

V. AMENDING PROCEDURES:

This policy may be amended by a 3/4 majority vote of the Board at two successive meetings, upon published written notice of proposed changes, along with the reasons for those changes, to the board members and congregation at least two weeks prior to the first meeting.

VI. TERMINATION:

Should Southport Christian Church (Disciples of Christ), terminate its ministry or cease to be a part of the Christian Church (Disciples of Christ), the assets of the Legacy Fund shall be transferred to the Christian Church Foundation, Inc., of the Christian Church Disciples of Christ) with instructions concerning future spending.