



Webster Presbyterian Church
201 West NASA Parkway
Webster, TX 77598-5207

Mark L. Cooper, Senior Pastor
Helen P. DeLeon, Associate Pastor
Caressa L. Murray, Associate Pastor

websterpresby.org 281-332-1251

August 7, 2008

To: Gene Fisseler, Clerk of Session
From: Dick Brackett, Chair, Special Funds Committee *RAB*

The Special Funds Committee of WPC is proposing an amendment to the resolution establishing the church's Special Gift and Endowment Funds, and to Exhibit A, a part of this resolution. These amendments reflect the way special gifts and the committee's activities are currently handled in the church

All five members of the Special Funds Committee have approved the amended resolution and are now forwarding it to Session for its review and approval.

The procedures for amending the resolution, as stated in the original resolution, are as follows: "This Resolution and the Special Gift Fund created hereby may be amended at any time only by an affirmative vote of two-thirds (2/3) of the entire voting membership of the Committee, and two (2) concurring affirmative votes of two-thirds (2/3) of the members of the Session present at two (2) consecutive meetings of the latter body held at least twenty (20) days apart. Written notice of the proposed amendment to the Resolution shall be made twenty-eight (28) days prior to the date of the initial meeting at which it is considered by the Session. In addition to the above required affirmative votes of the Committee and the Session, any amendment to the Endowment Fund Plan must also have the approval of three-fourths (3/4) of those active members of the Congregation in attendance at a duly called meeting of the Congregation of the Church, said vote of the Congregation shall be by written ballot. However, no such amendment shall permit any part of the Special Gift Fund or the Endowment Fund to be held, administered or distributed for any purposes other than expanding or sustaining the Christian ministry of this Church; furthermore, no such amendment shall result in a revocation or termination of this Resolution."

We are forwarding the proposed amendment to the Session at this time so that it may be reviewed and approved by Session at its September and October meetings. Once approved by two thirds of the Session members present at each of those two meetings, it could then be presented to the congregation for approval at a later convenient time.

The Chair and Vice-Chair of the Committee would plan to be present at the September Session meeting to discuss the amendment, and to review the status of the Special Gift and Endowment Fund. The proposed amended changes to the Resolution are noted in blue. Please forward the amended resolution to Session members at least 28 days prior to its September meeting.

FIRST AMENDED AND RESTATED RESOLUTION

WEBSTER PRESBYTERIAN
SPECIAL GIFT AND ENDOWMENT FUND

WEBSTER PRESBYTERIAN CHURCH

We, the members of the Webster Presbyterian Church of Webster, Texas, a acknowledge our responsibility to share our time, talents and material possessions in the work of the Church founded in Jesus Christ.

We believe there exists an important need to establish a permanent financial program designated to encourage, seek, receive, manage and dispense special gifts, bequests and devises, made by members of our Congregation and other individuals and entities to the Church for the purpose of expanding and sustaining the Christian ministry.

On the 13th day of March, 1988 the Congregation of the Webster Presbyterian Church of Webster, Texas adopted a Resolution establishing the Webster Presbyterian Church Special Gift Fund and the Webster Presbyterian Church Endowment Fund to be administered by the Special Funds Committee.

The Special Funds Committee has found it advisable to make certain changes to the Plan, and has approved this First Amended and Restated Resolution by affirmative vote of two-thirds (2/3) of the entire voting membership of the Committee.

NOW, THEREFORE, BE IT RESOLVED BY THE CONGREGATION OF WEBSTER PRESBYTERIAN CHURCH OF WEBSTER, TEXAS, IN MEETING ASSEMBLED, AS FOLLOWS:

1. ESTABLISHMENT OF PLAN. A Plan for the allocation and expenditure of all money or property (real or personal) other than annual pledges or other regular Church offerings, received by the Church from it members, or by other individuals is hereby adopted effective immediately.

2. OBJECTIVE OF PLAN. The objective of the Plan is to establish a permanent financial program designated to encourage, see, receive, manage and dispense special gifts, bequests and devises, made by members of our Congregation and other individuals and entities to the Church. The Plan provides for the allocation of gifts between two new funds created by this Plan. One fund shall be known as the Webster Presbyterian Church Special Gift Fund ("Special Gift Fund"). The other shall be known as the Webster Presbyterian Church Endowment Fund ("Endowment Fund"). The Special Gifts Fund and the Endowment Fund shall be administered by the Special Funds

Committee (hereinafter referred to as the "Committee").

3. DESIGNATION OF FUND. All monies or property (real or personal) given as a Special Gift by the donor(s) shall be received and allocated as follows:

A. SPECIAL GIFTS OTHER THAN MEMORIAL GIFTS. Special Gifts other than Memorial Gifts shall be accepted by the Committee subject to the requirements of Paragraphs 6 and 7. Upon acceptance, Special Gifts shall be allocated and managed as follows:

i. Designated. A Special Gift, whether in the form of money or other property (real or personal), specifically designated in writing by the donor(s) to be used or expended solely for a particular purpose or purchase which meets the requirements of Paragraphs 6 and 7, shall be used and expended solely in accordance with such specific designation. If the donor designates the gift be placed in the Endowment Fund, it shall be so placed immediately. If the gift is not designated for the Endowment Fund, it shall be deposited in the Special Gift Fund until the purchase or acquisition of the designate gift. If the gift is to be administered over a period of time exceeding one year from the date of the Gift, the ~~Session~~ Committee shall approve in writing a Plan of Administration for the gift. Said Plan shall include, without limitation, specifications as to the use of the principal and/or income, etc.

ii. Undesignated. A Special Gift, whether in the form of money or property (real or personal), for which the donor(s) does not specifically designate, in writing or otherwise, a particular purpose or purchase, shall be allocated in the following manner:

a) If the gift is in an amount or estimated value of \$500.00 or less, it shall be presumed to be a cash gift in lieu of pledge and shall be placed in the General Operating Fund of the church, subject to expenditure by the Session.

b) If the amount or fair market value of the Special Gift is greater than \$500.00, then the gift shall be placed in the Special Gifts Fund.

B. MEMORIAL GIFTS. Money or property (real or personal) given or bequeathed to the Church in memory of a relative or a friend shall be accepted, allocated and managed as follows:

i. Designated. When the Memorial Gift is specifically designated in writing by the next-of-kin (or the individual donor in the case of an individual donation) to be used or expended for a specific purpose ~~or for a~~

~~purpose established by the Committee pursuant to Paragraph 6, in memorial to an individual, the gift shall be deposited in the Special Gift Fund, until purchase or acquisition of the designated gift. Memorial Gifts specifically designated by the next-of-kin (or the individual donor in the case of an individual donation) to be placed in the Endowment Fund, shall be so placed immediately. If the gift is to be administered over a period of time exceeding one year from the Date of the Gift, the Committee shall approve in writing a Plan of Administration for said gift. Said Plan shall include, without limitation, specifications as to the use of the principal and/or income, etc.~~

ii. Undesignated. When a Memorial Gift is not specifically designated for a particular purpose in writing by the next-of-kin (or the individual donor), such gift shall be placed in the Endowment Fund.

4. USE OF SPECIAL GIFT FUND. Gifts allocated to the Special Gift Fund for designated purposes shall be administered and expended in accordance with the designated purpose or in accordance with the Plan of Administration adopted by the ~~Committee~~Session. Gifts allocated to the Special Gift fund for undesignated purposes shall be expended for any purpose approved by the Session upon recommendation of the Committee. At least annually the committee shall make recommendations to the Session as to any amount, if any, which should be transferred from the Special Gift Fund to the Endowment Fund.

5. USE OF ENDOWMENT FUND. Gifts allocated to the Endowment Fund shall be administered in accordance with the terms of the Endowment Fund Plan adopted contemporaneously with this Plan, a copy of which is attached to this Plan as Exhibit A and by this reference thereto made a part hereof.

6. NON-BUDGETED SPECIAL NEEDS. ~~The committee, together with the operations and resources committee of the Session, shall, subject to session approval,~~ establish a yearly list of special needs and opportunities beyond the reach of the Church's annual budget for which donor(s) who desire to specifically designate gifts shall be encouraged to designate special Gifts. ~~The general categories of these special gifts shall include (but not be limited to):~~

- Endowment Fund
- Music/Organ maintenance
- Youth Programs/Activities
- Equipment/Furniture
- Other (as desired/required)

7. AUTHORITY TO REFUSE DONATIONS. Donations to either the Special Gift Fund or the Endowment Fund may be made by any person, persons or entity, but the Committee may refuse to accept as a donation any item of property or monetary donation

which it deems inadvisable or improper to accept due to the type of property or the terms and/or restrictions of the donation.

8. ESTABLISHED VALUE OF GIFTS. The value of the principal of all monetary gifts shall be determined to be the value as of the date of receipt and acceptance by the Committee. The value of the principal of all other gifts (real or personal property) shall be determined to be the appraised value as of the date of receipt by the Committee. The appraisal shall be done by a recognized service.

9. DISPOSITIONS AND ADMINISTRATION OF GIFTS OTHER THAN CASH. Any real estate, corporate stocks or bonds, or other property designated to the Webster Presbyterian Church of Webster, Texas or Special Gift Fund or the Endowment Fund shall be sold, redeemed, or otherwise converted to cash at the earliest time practicable and the proceeds deposited in the appropriate Fund. Notwithstanding the above directive, in certain extraordinary circumstances, at the discretion of the Committee, said real or personal property may be retained in its existing form provided that said gift has been accepted.

Any sale, redemption or other disposition of real or personal property shall be accomplished in such a manner as determined by the Committee. If the property is retained in the Special Gift Fund or the Endowment Fund pursuant to the conditions specified above, the committee shall have broad authority and powers to hold and administer said property, including, without limitation, the power to receive, collect, manage, invest, convert, sell for cash or credit (or part cash and part credit) exchange, hold, improve, repair, partition, operate, release or use any and all of the funds and property constituting from time to time either the Special Gift Fund or the Endowment Fund; vote shares of stock in person or by proxy, with or without power of substitution, alone or with others, exercise and perform any and all rights, privileges, and powers inuring to the holder of any stock or security comprising at any time a part of either Fund; retain, carve out, farm out, sell, convey, lease, sublease, enter pooling agreements, enter unitization agreements, and otherwise deal with any oil, gas and other minerals and mineral rights or royalty which have become a part of either Fund.

10. INVESTMENT OR CHANGE IN PORTFOLIO. The Committee shall report all proposed investments and changes in portfolio to the Session except that deposits and transfers of cash (including the purchase or renewal of certificates of deposits) in Banks, Savings and Loans Institutions and transfer of Endowment Funds to and from recognized financial institutions approved by the Session, ~~shall not require such approval.~~ Such recognized funds shall include the Presbyterian Church (USA) Foundation or other similar foundation sponsored by the Presbyterian Church (USA) or any successor denomination or a recognized public trust fund in a recognized financial institution approved by the Session.

11. SEPARATION OF FUNDS. The Committee shall ensure that all funds of the

~~Special Gift Fund and the Endowment Fund~~ are maintained in separate accounts and not co-mingled with other Church funds. The Committee shall ensure that all funds of the Special Gift Fund are separately accounted for, but may be deposited in an account with other Church funds. Any bank account maintained for the Special Gift Fund or the Endowment Fund shall require the signature of two voting members of the Committee.

12. COMMITTEE ORGANIZATION.

A. COMPOSITION. The Committee shall be comprised as follows:

1. Three Trustees of Webster Presbyterian Church
2. Two qualified members elected from the Congregation-at-large by the Session (See Paragraph B below for qualifications and election requirements.)
3. Senior Pastor (ex officio, without vote)

B. QUALIFICATION, NOMINATION, ELECTION AND TERM OF REPRESENTATIVES FROM THE CONGREGATION-AT-LARGE. The Church Nominating Committee shall present a slate of nominees for Elder Representatives to the Committee for the Congregation-at-large. The nominees shall be, at the time of nomination, either (i) a former Trustee of the Church, or (ii) an ordained Elder of the Church but shall not currently be serving or nominated to serve as an active Elder. The Session shall select one Elder Representative from the slate of nominees at its first regularly scheduled Session meeting of each fiscal year in which an Elder Representative term expires. Each duly elected Elder Representative shall serve a term of three years and shall not serve successive terms.

~~Immediately upon adoption of this Special Gift and Endowment Fund Resolution, the Church Nominating Committee shall present a slate of nominees to the Session from which it shall choose two (2) Congregation-at-large Representatives to the Committee. The term of the two (2) initial Congregation-at-large Representatives to the committee shall expire, one at the end of fiscal year 1989, and one at the end of fiscal year 1990. In the event a Congregation-at-large Representative to the Committee shall be elected to active service on the Board of Elders or is otherwise unable to complete his or her term of office, said vacancy shall be filled by election by the Session from a slate of nominees submitted by the Church Nominating Committee.~~

C. QUORUM. There shall be a minimum of three voting members of the Committee for a quorum and before business can be legally transacted. The act of the majority of the members present at a meeting at which a quorum is present shall be the act of the Committee as a whole.

D. VOTING AND PROXY. Each member of the Committee shall be entitled to one vote except for the Senior Pastor, who shall serve without vote.

At any meeting of the Committee, no member shall be entitled to vote by proxy.

E. FISCAL YEAR. The fiscal year of the Special Gift Fund and the Endowment Fund shall terminate on the 31st day of December each year and the books shall be closed on midnight of that date.

F. REPORTS REQUIRED. The Committee shall render a semi-annual report to the Session and an annual report to the Congregation each year. Said reports shall be made at the Session meetings of February and August, or in the case of the annual report, ~~within sixty (60) days after the end of the Church's fiscal year~~ at the annual meeting of the Church.

G. MEETINGS. The Committee shall meet within at least thirty (30) after the first regular Session meeting of each fiscal year, for the purpose of electing a Chairman, a Vice-Chairman, and Secretary, as well as to conduct other Committee business. The Committee Chairman shall schedule other meetings throughout the year as deemed necessary and appropriate. ~~Notice of meetings shall be mailed to Committee Members not later than seven days prior to the meeting and notice shall be placed in the Church bulletin on the Sunday preceding said scheduled meeting.~~

H. CHAIRMAN and VICE-CHAIRMAN. The Chairman of the Committee shall be responsible for conducting the meetings of the committee. The Vice-Chairman shall serve in the absence of the Chairman.

I. SECRETARY. A Secretary shall be elected at the first meeting of the Committee each fiscal year and shall be responsible for keeping full and accurate records of the actions of the committee and to conduct the necessary communications as requested.

J. PERSONS AUTHORIZED TO REPRESENT COMMITTEE. If any written instrument is required to be signed or if any action is required to be taken by the Committee, such written instrument may be signed and such action may be taken on behalf of the Committee by any person or persons authorized by the Committee to sign such written instruments or to take such actions on behalf of the Special Gift Fund or the Endowment Fund. Any such authorized person need not be a member of the Committee.

13. OTHER COMMITTEE RESPONSIBILITIES. The Committee shall have the following additional responsibilities:

B. To acquaint Church members with the opportunity of making gifts and bequests to the Special Gift Fund and the Endowment Fund.

C. To acknowledge, or to arrange to have another party acknowledge, gifts appropriately.

D. To assume responsibility for the safekeeping, management, investment and transfer of all funds and properties comprising the Special Gift Fund and the Endowment Fund (subject to limitations set forth more specifically in the Endowment Fund Plan) of the Webster Presbyterian Church.

E. To authorize an audit annually of the Special Gift Fund and the Endowment Fund by a credentialed professional auditor.

F. Such other responsibilities related to the Special Gift Fund and the Endowment Fund as may be assigned to the committee by the Session.

14. USE OF FUNDS AS COLLATERAL. No individual representative or organization of the Church shall pledge the principal of either the Special Gift Fund or the Endowment Fund as collateral against any loan for any reason. Money shall not be borrowed from either Fund except as specifically provided for in the Endowment Fund Plan. See Paragraph 3(C) of the Endowment Fund Plan.

15. CHURCH CONSOLIDATION, MERGER OR DISSOLUTION. If at any time the Webster Presbyterian Church of Webster, Texas be lawfully merged or consolidated with any other church, all of the provisions hereof in respect to the Webster Presbyterian Church of Webster, Texas shall be deemed to have been made for in behalf of such merged or consolidated church, which shall be entitled to receive all of the benefits of said Special Gifts Fund and Endowment Fund, and shall be obligated to administer the same in all respects in accordance with the terms thereof. In the event of dissolution of Webster Presbyterian Church of Webster, Texas, the Presbytery of jurisdiction shall be entitled to the benefits and obligated to administer the Funds in similar fashion.

16. INDIVIDUAL LIABILITY. No member of the Committee shall be liable hereunder for any matter or action, except for his or her own bad faith, gross negligence or willful misconduct.

17. AMENDMENTS TO THIS PLAN. This Resolution and the Special Gift Fund created hereby may be amended at any time only by an affirmative vote of two-thirds (2/3) of the entire voting membership of the Committee, and two (2) concurring affirmative votes of two-thirds (2/3) of the members of the Session present at two (2) consecutive meetings of the latter body held at least twenty (20) days apart. Written notice of the proposed amendment to the Resolution shall be made twenty-eight (28) days prior to the date of the initial meeting at which it is considered by the Session. In addition to the above required affirmative votes of the Committee and the Session, any amendment to the Endowment Fund Plan must also have the approval of three-fourths

(3/4) of those active members of the Congregation in attendance at a duly called meeting of the Congregation of the Church, said vote of the Congregation shall be by written ballot. However, no such amendment shall permit any part of the Special Gift Fund or the Endowment Fund to be held, administered or distributed for any purposes other than expanding or sustaining the Christian ministry of this Church; furthermore, no such amendment shall result in a revocation or termination of this Resolution.

18. EFFECTIVE DATE. ~~This Resolution establishing the Special Gift Fund and the Endowment Fund shall become effective upon its original formal adoption by the Congregation on March 13, 1988, and the initial members of the Committee shall take office as soon as possible after such adoption and their appointment.~~ Upon adoption of this First Amended and Restated Resolution, the acting Clerk of the Session shall give written acknowledgement of the same by his or her execution hereof.

CONGREGATIONAL ADOPTION HEREOF IS HEREBY ACKNOWLEDGED
on the _____ day of _____, 2008.

By: _____
Clerk of the Session of
Webster Presbyterian Church of Webster, Texas

EXHIBIT A

to the

FIRST AMENDED AND RESTATED RESOLUTION OF THE WEBSTER
PRESBYTERIAN CHURCH OF WEBSTER

RE: SPECIAL GIFT FUND AND ENDOWMENT FUND

ADOPTED ~~March 13, 1988~~ _____, 2008

FIRST AMENDED AND RESTATED ENDOWMENT FUND PLAN

1. NAME AND ESTABLISHMENT. An Endowment Fund Plan for the Webster Presbyterian Church of Webster is hereby adopted and a fund to be known as the "Endowment Fund" is hereby established.

2. OBJECTIVE OF THE PLAN. This Plan sets forth the terms and conditions whereby monies and in certain instances other property received by the Webster Presbyterian Church of Webster and which has been designated to the Endowment Fund, shall be maintained in perpetuity and placed for long term investment as allowed under this Endowment Fund Plan; and to expend the income of said fund for general mission purposes and capital maintenance and improvement projects of the church and to reinvest a portion of the income to insure the continued growth of the Endowment Fund, as set forth below.

3. ADMINISTRATION OF FUND.

A. Committee. The Special Fund Committee of the Church (the "Committee") shall administer the Endowment Fund in accordance with the terms and conditions of the First Amended and Restated Congregational Resolution adopted ~~March 13, 1988~~ _____, 2008 regarding the Special Gift Fund and the Endowment Fund.

B. Powers and Investments. In addition to all the powers and authority granted to the Committee in the Congregational First Amended and Restated Resolution dated ~~March 13, 1988~~ _____, 2008 referred to above, the Committee is directed to place for long term investment with the Presbyterian Church (USA) Foundation or other similar foundation sponsored by the Presbyterian Church (USA), or its predecessor or successor denominations or with a public trust fund in a recognized financial institution approved by Session all cash and other "liquid" assets of the Endowment Fund, except the Committee shall be allowed to maintain deposits (including Purchase and renewal certificates of deposits) in banks, and savings and loan institutions for Endowment Fund assets on a short-term basis (reviewed at least annually) prior to transfer to the Presbyterian Church (USA) Foundation or other approved trust

fund.

C. Loans to Church. The Committee, with the prior approval of the Session of the Church may loan Endowment Funds to the Church for the sole purpose of funding capital improvements, subject to the following conditions:

i. The total amount loaned at any time shall not exceed the greater of Ten Thousand and No/100 Dollars (\$10,000.00) or ten percent (10%) of the total principal amount of the Endowment Fund.

ii. Any loan to the Church shall be repaid over a period not to exceed thirty-six (36) months and sufficient equal monthly payments shall be made so that the loan is fully amortized within said thirty-six (36) month period.

iii. An interest rate shall be charged which is comparable to that rate which would normally be charged by local financial institutions.

4. TRANSFER OF SPECIALLY RESTRICTED FUNDS. The primary purpose of the Endowment Fund is to establish a perpetual principal fund, the income of which shall be used for the general mission projects of the Church as well as capital maintenance and improvement projects. In the event a gift is made to the Endowment Fund which specifies special restrictions or conditions as to the expenditure of the principal and/or income ("Specially Restricted Gifts"), the Session, if it believes the purpose of the gift may be better achieved, and acting upon the recommendation of the Committee, after twenty-eight (28) days prior written notice, may, by vote of a two thirds (2/3) majority of members in attendance, transfer the "restricted gift" to the Special Gift Fund to be administered based on an approved Plan of Administration. If the Session does not approve the transfer of the gift, then the restricted gift shall be administered in the Endowment Fund in accordance with a Plan of Administration approved by the Committee in a manner that will in the opinion of the Committee fulfill the purpose for which it was given irrespective of the restrictions on expenditures of principal or income which are imposed on all other Endowment Funds.

5. USE OF FUND PRINCIPAL. Except for the Specially Restricted Gifts to the Endowment Fund, the principal of the Fund shall be held in perpetuity with only income derived from the principal used as authorized below.

6. USE OF FUND INCOME. Income derived from the principal of the Endowment Fund shall be used as follows:

D. Mission. A minimum of one third (1/3) of the earned annual income will be used each year in support of Christian mission efforts which have been recommended by the Mission Committee and approved by the Session.

E. Capital Repairs and Improvements. A maximum of one-third (1/3)

of the earned annual income will be used each year for necessary capital repairs and improvements of church property as determined by the Session. At the option of the Session, any amount which has been so allocated during any year and which is not then needed, shall be accumulated in a special fund for the Church to be used in future years as required for capital repairs and improvements.

F. Reinvested as Principal. A minimum of one-third (1/3) of the earned annual income will be redesignated and added to the principal of the Endowment Fund each year to ensure growth of the Fund.

G. Annual Report and Application of Income. ~~Within sixty (60) days after the end of the Church's fiscal year~~ At the annual meeting of the Church, the Committee shall render an annual report to the congregation. Said report shall indicate the amount of annual income earned during the applicable fiscal year and the allocation of said income to Mission, capital repairs and improvements and reinvestment as principal. After such report is rendered, the Session shall be allowed to expend the portion allocated to Mission and capital repairs and improvements. No commitment of said funds shall be made by the Session prior to receiving the annual report.

7. EFFECTIVE DATE. ~~This Endowment Fund Plan shall become effective upon its original formal adoption by the Congregation on March 13, 1988. -and the initial members of the Committee shall take office as soon as possible after such adoption and their election-~~ Upon adoption of this First Amended and Restated Endowment Fund Plan, the acting Clerk of the Session shall give written acknowledgement of the same by his or her execution hereof.

CONGREGATIONAL ADOPTION HEREOF IS HEREBY ACKNOWLEDGED
on the _____ day of _____, 2008.

By: _____
Clerk of the Session of
Webster Presbyterian Church of Webster, Texas