

November 5, 2025

The Permanent Endowment Program
Ebenezer United Methodist Church Inc.
Knoxville, Tennessee

Purpose

The Permanent Endowment Program of Ebenezer United Methodist Church Inc., Knoxville, TN, hereafter referred to in this document as “the Endowment Program,” is established for the purpose of providing members and friends opportunities to make charitable gifts to Ebenezer United Methodist Church Inc., Knoxville, TN, hereafter referred to in this document as “the Church” or “Church,” that will become a permanent endowment of financial support and a living memorial.

The Endowment Program is intended for Church purposes that are not funded through the annual operating budget; however, gifts that are intended to supplement programs and ministries are appropriate. The Endowment Program is meant to help carry out the mission of the Church to make Disciples of Christ.

This document, upon execution, amends and replaces any and all previous documents establishing an endowment fund committee for the Church.

Administration

The Endowment Program shall be administered by the Endowment and Planned Giving Ministry Committee of the Church hereinafter in this document referred to as the “Committee,” under authority granted by the Charge Conference pursuant to ¶12534 of *The Book of Discipline of the United Methodist Church, 2020/2024*. The Committee shall assume responsibility to receive and administer all bequests and trusts and invest all trust funds of the church in conformity with the laws of the United States and the state of Tennessee. The Committee will promote the endowment program and planned giving among the church members. All committee decisions will be decided by two-thirds (2/3) affirmative vote of the Committee at which a quorum is present.

The following persons will constitute membership of the Committee:

- A. The Pastor
- B. The Chairperson or representative of the Committee on Finance
- C. The Local Church Treasurer
- D. A representative from the Board of Trustees named by the Board of Trustees
- E. The Church Council Chair

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F. Three to six At-Large members nominated by the Committee on Lay Leadership.

The At-Large members are elected by the Charge Conference and are divided into three classes in order to secure experience and stability. The Chairperson of the Committee shall be nominated by the Committee on Lay Leadership from the membership established above and shall be elected by the Charge Conference. The Committee shall elect its own Secretary, and such other officers and sub-committees, as it deems necessary.

The Committee shall cooperate with the Finance Committee in assuring that the annual audit process (as stated in ¶258.4d of *The Book of Discipline, 2020/2024*) is followed. The Committee shall make a full report at least once each year to the Church Council.

Investment of Endowment Funds

The purpose of any endowment is to provide a long-term stable and secure source of financial support in order to facilitate the mission of the organization. To that end, the policy that governs the management of the endowment requires the conservation of principal for the effective maintenance of purchasing power and a regular income at a reasonable rate. This is essential to provide current income and growth of income for future needs to carry out the mission and to ensure the preservation and growth of principal to maintain purchasing power against the effects of inflation.

The Committee will seek investment of assets in institutions, companies, corporations, or funds, which make a positive contribution toward the realization of the goals outlined in the Social Principles of the United Methodist Church (¶160-164 of *The Book of Discipline, 2020/2024*).

All gifts received by the Endowment Program shall be invested through the establishment of one or more accounts with the Holston Conference of the United Methodist Church Foundation Inc., as determined by the Committee. The specific purpose of each account authorized by the Committee shall be stated in writing in order to fulfill the wishes of the donor(s) and thereby to segregate and maintain gifts for their stated purpose.

Change In Investment Policy

Any transfer of the Endowment Program assets for investment with another institution, other than the Holston Conference of the United Methodist Church Foundation Inc., must be approved by a majority vote of a properly called Charge Conference, at which a quorum is present, upon recommendation from the Committee and the Church Council.

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Limitation On Use of Principal

The objectives of the Endowment Program are to conserve principal and make use of only the income from the Fund unless the donor specifically designates the use of principal in the Gift Agreement. Withdrawal of any part of the principal is permissible only in extreme and overwhelming circumstances bordering on survival of the Church. Any withdrawal of principal must be approved by a two-thirds (2/3) vote of the Charge Conference of the Church at which a quorum is present.

Borrowing Or Pledging Assets

Borrowing from the Endowment Fund is not permitted for any reason. Endowment Fund assets shall not be pledged as collateral for any reason.

Gifts To the Permanent Endowment Program

Gifts to the Endowment Program shall be directed into one or more of the following funds:

- A. Undesignated – The General Endowment Fund (unrestricted needs and ministries as determined by the church leadership)
- B. Designated – The Mission Endowment Fund (for missions in and beyond the local church and community)
- C. Designated – The Maintenance and Property Improvement Endowment Fund (for maintenance, care, improvements, or additions to, or construction of physical facilities)
- D. Designated – A named Endowment Fund that is named by the donor (for specific use such as Scholarship, Youth, Music, Library, Evangelism, Food Pantry, etc.)

The Committee shall have the authority and responsibility to accept or reject any and all gifts to the Endowment Program in keeping with authority granted by the Charge Conference. All provisions of the Endowment Program as to investment of funds, administration of funds, and limitation of use of distributions shall be applicable to both designated and undesignated gifts. All gifts made to the Endowment Program shall be accepted subject to the terms and limitations set forth herein and the Gift Acceptance Policy which is included as part of this document.

Distributions From the Endowment Program

In the case of the General Endowment Fund (undesignated), the amount of all distributions shall be determined by the Committee, which shall keep in mind the Endowment Program investment objectives stated above in this document. Distributions from each

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endowment fund will start when an adequate cushion exists in order for distributions to begin as decided by the Committee.

Distributions from donor-designated accounts in the Endowment Program shall be made by the Committee as directed by the donors at the time of their gift, or as directed by will or other document, if such direction is provided, and is in conformity with the general purposes set forth herein.

Liability Of Trustees and Members of The Committee

In the absence of gross negligence or fraud, no member of the Board of Trustees of Ebenezer United Methodist, Inc. or of the Committee of said church shall be personally liable for any action made or omission with respect to the Endowment Program.

Merger, Consolidation, Or Dissolution of Ebenezer United Methodist Church Inc.

If at any time Ebenezer United Methodist Church Inc. is lawfully merged or consolidated with any other church, all the provisions hereof in respect to the Endowment Program shall be deemed to have been made in behalf of the merged or consolidated church, which shall be authorized to administer the same in all respects and in accordance with the terms thereto. If Ebenezer United Methodist Church Inc. should ever be dissolved without any lawful successor thereto, Endowment Program funds, including both principal and interest to date, shall be turned over to the Holston Conference of the United Methodist Church Foundation Inc., as a Permanent Endowment bearing the name of Ebenezer United Methodist Church Inc., with the request that the earnings be used for missions and church development within the Holston Annual Conference. (§2549.6-7 of *The Book of Discipline, 2020/2024*).

Amendments

Technical corrections and amendments to the Endowment Program, which do not alter the stated purpose of the Endowment Program, require a two-thirds (2/3) affirmative vote at a properly called Charge Conference at which a quorum is present. The purpose of this Endowment Program is irrevocable.

Severability


If any provisions or any application of any provisions of the Endowment Program shall be held or deemed to be or shall be illegal, inoperative, or unenforceable, the same shall not affect any other provisions or any application of any provisions herein contained or render the same invalid, inoperative, or unenforceable.

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This Endowment Program was adopted this 9th day of November 2025
in a duly authorized Charge Conference of Ebenezer United Methodist Church Inc., Knoxville,
Tennessee by a vote of:

23 For Against Abstained

 Recording Secretary

 District Superintendent

Rev. Michael J. Sluder Pastor

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Gift Acceptance Policy
Ebenezer United Methodist Church Inc.
Knoxville, TN

Purpose

The purpose of this Gift Acceptance Policy is to define the type of gifts that can be accepted and the manner in which they can be accepted.

Introduction

In order to protect the interest of Ebenezer United Methodist Church Inc., Knoxville, TN, hereinafter referred as “the Church” and the persons and other entities that support its programs, these policies are designed to assure that all gifts to the Church, or for the use of the Church, are structured to provide maximum benefit to both parties.

This document focuses on both current and deferred gifts, with special emphasis on various types of deferred gifts and gifts of non-cash property. The goal is to encourage funding a Permanent Endowment Fund (hereafter referred to as “The Fund”) without encumbering the Church with gifts which may prove to generate more cost than benefit, or which are restricted in a manner, which is not in keeping with the goals of the Church.

In order to optimize funding from individuals and other entities, the Church must be capable of responding quickly, and in the affirmative where possible, to all gifts offered by prospective donors. Except where stated otherwise, these policies are intended as guidelines only. Flexibility must be maintained since some gift situations can be complex and decisions only made after careful consideration of a number of interrelated factors. Therefore, these policies may in some instances require that the merits of a particular gift be considered by the Endowment and Planned Giving Ministry Committee (hereafter referred to as “the Committee”) and a final decision be made only after a recommendation by the Committee.

The Committee reserves the right to decline or otherwise refuse any gift offered to the church, with or without cause. Reasons for which a gift may be declined include, but are not limited to the following:

1. The Committee does not believe it is in the best interest of the Church or the Fund to abide by the restrictions placed on the gift by the donor.
2. The costs to maintain the gift or to meet the restrictions placed on the gift by the donor are considered to be excessive for the Fund.
3. The gift is considered to be inappropriate or unrelated to the tax-exempt purposes of the Church or the Fund.

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4. The gift is designated to benefit or to be channeled to a specific individual.

Gift Acceptance Terms and Conditions

All gifts will be acknowledged by written confirmation of the gift and of any terms and conditions of the gift acceptance. The Church will abide by any request of the donor to remain anonymous.

The Committee may establish donor-designed Named Endowment Funds provided that there is a commitment to fund said account to a minimum level of \$25,000 either through outright or planned gifts. New designated accounts will require a signed donor agreement, will, or other document that clarifies its use, etc. Donors wishing to establish a designated Named Endowment Fund account of less than \$25,000 will be encouraged to make their gift to one or more of the other existing accounts. Alternatively, it may be recommended that such gifts be placed in the Memorials Fund of the Church (administered by the Memorial Committee) rather than in the Endowment Fund. Funds cannot be designated to establish a sub-account within a previously established account, regardless of the amount of the proposed gift.

Principal and income of donor-designed accounts will be used in accordance with the written directives provided by the donor(s) at the time of making the gift. The donor(s) or their family members may not change such directives at a later date.

The Church recognizes that many times the intent of a gift used to establish a donor-designated account is for a benefit to be derived for an indefinite period of time. However, the Church further recognizes that the passage of time, or other circumstances, may make the conditions of the designation impossible or impractical. Therefore, by unanimous vote of the Endowment and Planned Giving Ministry Committee, any such gift that has become impossible or impractical to administer may be transferred without condition or reservation to another existing account, which has similar purposes. If an account with similar purposes does not exist, the funds will be placed in the undesignated account (General Endowment Fund).

Any individual or entity making a gift, bequest, or devise to the Endowment Program is to be advised of this Gift Acceptance Policy. Therefore, no such gift shall fail or revert because of changed circumstances, which makes the continued administration of any particular donor designated account impossible or impractical.

I. Outright Gifts

A. Cash

1. Gifts in the form of cash and checks shall be accepted at any amount.

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2. All checks are to be made payable to Ebenezer United Methodist Church, with the memo indicating "Endowment Fund" as the designated purpose. Checks are not to be issued to any employee, agent, or volunteer on behalf of the Church.

B. Securities

1. Securities that are traded on the exchanges shall be accepted by the Church. The Committee shall make the decision to keep or sell the security.
2. Non-publicly traded securities may be accepted upon approval by the Committee. The Committee shall make the decision to keep or sell the security.

C. Real Property

1. All gifts of real property must have the approval of the Committee and the Board of Trustees.
2. Prior to approval, the Committee shall make a recommendation for accepting or rejecting the real estate and shall include a report on (but not limited to) the following:
 - a. Current title and ownership
 - b. Current zoning
 - c. Any and all restrictions
 - d. Any encumbrances, including an Affidavit of Lien signed by the Donor.
 - e. An independent qualified third-party appraisal
 - f. An environmental assessment
 - g. A recommendation on marketability
3. Upon the recommendation of the Committee, the Board of Trustees shall make the final decision to keep or sell the property.

D. Tangible Personal Property

1. All gifts of personal property must have the approval of the Committee.
2. Prior to approval, the Committee shall make a recommendation for accepting or rejecting the personal property and shall include a report on (but not limited to) the following:
 - a. Current title and ownership
 - b. An independent qualified third-party appraisal
 - c. A recommendation on marketability
3. The Committee shall make the decision to accept and to keep or sell the property.

E. Tax Deferred Assets

1. Gifts from tax deferred assets such as 401(k) plans and IRAs shall be accepted at any amount, including Required Minimum Distributions (RMDs).
2. It is the responsibility of the donor to ensure compliance with IRS requirements regarding tax benefits of Qualified Charitable Distributions.

F. Other Property

1. The Committee shall make the decision to accept and to keep or sell any other property that it may deem to be in the interest of the Church.

II. Planned (Deferred) Gifts

A. Bequests

1. Gifts through wills (bequests) shall be actively encouraged by the Church.
2. Upon inquiry by a prospective donor, all representations as to the future acceptability of various properties to be left to the Church in a will or other deferred gifts shall be made in accordance with the terms and provisions of Sections I and II of this document.
3. Gifts of property that are not acceptable from estates shall be rejected by the Committee, and that decision shall be communicated to the legal representatives of the estate.

B. Revocable Living Trusts and Charitable Trusts

1. The committee will recommend as fiduciary The Holston Conference of the United Methodist Foundation Inc.
2. The fees for management of a Charitable Remainder Trust will not normally be paid by the Church, however, upon approval by a majority of the Committee, the Church may pay these fees. The fees for management of a Revocable Living Trust will not be paid by the Church under any circumstances.
3. Revocable Living Trusts and Charitable Remainder Trusts and all other deferred gifts shall be encouraged as a method of making gifts to the Church while retaining income which may be needed by the donor for personal purposes. Such trusts shall not be marketed as tax avoidance devices or as

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investment vehicles and it is understood that no activity will be conducted that will violate Federal and / or State security regulations.

4. No representations as to the manner in which trust assets will be managed or invested shall be made by any employee or other person acting on behalf of the Church.

C. Life Estate Gifts

1. The committee may accept such gifts provided that there has been a full disclosure of the possible ramifications of the transaction to the donor.

D. Life Insurance Policies

1. The Church will encourage donors to name the Church as beneficiary of life insurance policies that they have purchased.
2. The Church will not accept gifts from donors for the purpose of purchasing life insurance on the donor's life. Exceptions to this policy may be made only when the Church has an insurable interest and is in compliance with all State and Federal statutes.
3. No insurance products will be endorsed for use in funding gifts to the Church.
4. In no event shall lists of Church donors' names be given to anyone for the purpose of marketing life insurance for the benefit of donors and / or the Church.

E. Gift Annuities

1. The Church will accept Charitable Gift Annuities bought from the Holston Conference United Methodist Foundation.

III. Payment of Fees Related to Gifts to The Church

A. Finder's Fees or Commissions

1. No fees shall be paid to anyone as consideration for directing a gift to the Church.

B. Professional Fees

1. In general, the donor shall pay any fees associated with the gift.
2. No fees shall be paid to anyone as compensation for any sale of any products to the donor.

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IV. Restrictions

- A. Any restrictions on the use of any gift must be approved by the Committee prior to acceptance of the gift.

V. Gift Use

- A. The use of undesignated gifts to the Church, other than those gifts intended for undesignated use within the operating budget of the Church, shall be determined by the Church Council. If the gift is more than \$1,000, the Church Council will entertain suggestions on the use of the gift from local church bodies prior to making a decision on its use.
- B. The Church should maintain a “wish” list of projects and items that can be supported or purchased with undesignated gifts.
- C. The Church may direct that a percentage of all undesignated gifts to the church be placed automatically in a Permanent Endowment Fund.