

ENDOWMENT FUND POLICY

Effective October 1, 2025

I. PURPOSE

The purpose of the Endowment Fund (the “Fund”) of Crestwood Christian Church 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.

II. TYPES OF GIFTS

Crestwood Christian Church may be the recipient of end-of-life gifts from members or friends of the church. All end-of-life gifts received by the church will be added to the Crestwood Endowment Fund, with 90% in the Cox Endowment Account and 10% in the Legacy Endowment Account, unless otherwise specified by the giver. All Crestwood Endowment Funds will be governed by this policy.

The congregation is legally bound to use or to hold restricted gifts in accordance with the donor’s instructions that are reflected in a will, trust, or other legally-binding gift agreement. In the event the donor’s intended use is no longer feasible (e.g., specific program no longer exists) the Administrative Board may request alternative use from donor, executor, or other donor designee. Donor-restricted end-of-life gifts will be held and accounted for separately from non-restricted Endowment Funds.

The Administrative Board may determine a situation when the church would be well-advised to refuse a gift or bequest. Reasons for this action may include but not limited to the following: (1) the purpose of the restricted gift is not supported by the congregation’s mission priorities, (2) the church is unable to use the gift as intended, or (3) the gift does not seem to be in the best interests of the donor or the church. In such instances, if it is impractical or unwise to seek a modification of the gift restriction, the gift would be returned to the donor or the donor’s estate.

Gifts added to the Fund shall be considered permanent and therefore cannot be spent; only the income generated by the Fund will be spent for ministry. As referenced in Distribution of Income section, 5% of growth in account value including annual investment income (October 1-September 30) from each endowment account (Cox, Legacy, and Paul Hunt Bowman) will be added back to this base and will be unavailable for distribution.

Endowment funds do not generally include memorial funds, reserve funds or building funds. Separate policies govern these gifts.

Gifts to the Endowment Fund may come in a variety of forms, such as bequests, the residual value of charitable trusts and charitable gift annuities, life insurance, beneficiary designations on retirement or investment accounts, and other such end-of-life gift instruments. Assets received in the form of stocks, bonds, real estate, tangible property or in any form other than cash will be

converted to cash at its fair market value as soon as practical.

Once an endowment gift has been accepted, the Endowment Committee will review the gift restrictions, establish appropriate accounts and transfer the gift to a financial institution. Funds received by the Church will be invested as soon as practical at a financial institution serving as a manager of the endowment funds.

III. ENDOWMENT FUND TRUSTEES

The Endowment Fund of Crestwood Christian Church shall be managed by five-trustees, elected by the congregation.

Terms of office shall be for five years. Fund Trustees may be re-elected one time but may not serve more than ten consecutive years. The ministers and the moderator of the congregation will be ex-officio members without vote.

The responsibilities of Endowment Fund Trustees will be to:

- A. Elect their officers each year from the trustees as needed.
- B. Receive, document, and preserve the original gift language of each gift.
- C. Ensure that adequate record-keeping is maintained for all gifts and that all donor restrictions are honored.
- D. Publicize the Endowment Fund to the congregation, sponsor planned giving seminars, contact prospective donors and promote other opportunities which will bring growth in the Endowment Fund.
- E. Faithfully consider making provisions in their own financial planning to provide a gift to the Endowment Fund of Crestwood Christian Church.
- F. Recognize donors and honor those faithful stewards who have included the congregation in their end-of-life estate plans.
- G. Meet at least quarterly to review investment performance.
- H. Review the activity and performance of the Endowment Fund and provide a written annual report to the Administrative Board and Congregation. Such report shall include a list of new gifts received, investment performance, and total value of the Endowment Fund.
- I. Select investment manager(s) to handle the day-to-day investment decisions for the Endowment Fund
- J. Invest the Endowment Fund, subject to confirmation of the Administrative Board, and the donor- restricted endowment fund(s) in accordance with any donor restrictions.
- K. Assure that requests for disbursement of Endowment Fund assets are in compliance with this policy and appropriate application for use of funds has been completed.
- L. Distribute Endowment Fund income per the Fund's spending policy as outlined in Item V. B below.

IV. CONFLICT OF INTEREST

No investment shall knowingly be made in which any Endowment Fund Trustee or employee of the Investment Manager might have or become involved in a conflict of interest. The perception

of a conflict of interest shall be deemed to be an actual conflict of interest. Potential Conflicts of the investment Manager shall be immediately reported to the Endowment Fund Committee and the Administrative Board and be grounds for terminating the relationship. Potential conflicts of a member of the Endowment Committee shall be immediately communicated to the Administrative Board and be grounds for dismissal by the Administrative Board.

V. DISTRIBUTION OF INCOME

The income from the Cox Endowment Fund investments will be withdrawn from the fund on an as requested basis when large missional outreach need is identified by an Outreach Committee or other church committee and approved by the Administrative Board.

- A. The income from restricted gifts will be disbursed according to the donor's instructions. Income from the Legacy endowment account is available for use at the discretion of the Finance Committee.
- B. Income from unrestricted gifts will be disbursed as requested by Local or World Outreach Committee and approved by the Administrative Board. A grant application must be submitted, vetted and approved by the Local or World Outreach committee. The Endowment Committee will review the grant request and forward it to the Administrative Board for its action. None of the funds disbursed to grant recipients nor any other Endowment Fund revenue shall be considered as a part of the regular operating budget for outreach purposes.
- C. The committee that requests a grant will report these expenditures annually to the Administrative Board.
- D. 5% of growth in account value including any investment income generated from October 1 – September 30th of each year will be added back to base investment to enable ongoing growth and perpetuity of each Endowment account.

VI. AMENDING PROCEDURES

The policy may be amended by a 2/3 majority vote of the Administrative Board.

VII. TERMINATION

Should Crestwood Christian Church (Disciples of Christ) cease to be affiliated with the Christian Church (Disciples of Christ) or file Articles of Dissolution with the Kentucky Secretary of State, any remaining assets of the Endowment Fund shall be transferred to the Christian Church Foundation, Inc., of the Christian Church (Disciples of Christ) with instructions concerning future spending.