

MICHIGAN EQUITY AND ENDOWMENT BOARD – MEEB
MICHIGAN DISTRICT, Church of the Brethren

ORGANIZATION, POLICIES AND PROCEDURES

A. MISSION STATEMENT:

The Michigan Equity and Endowment Board is a special resourcing ministry in and for the Michigan District of the Church of the Brethren. Its mission is to serve the Michigan District and the congregations located in the District as follows:

1. By serving as a conduit for raising and disbursing funds that provides financial income for the operational cost of the Michigan District Board. **(Equity Fund Account.)**
2. By serving as a conduit for raising and disbursing funds for special ministries and resources directly affecting the membership of the Michigan District. **(Endowment Fund Account)**
3. By serving as a consulting agency on financial matters for the Michigan District congregations.
4. By serving as an oversight agency for investments related to the funds in its care and keeping.

B. BOARD COMPOSITION:

1. Three at-large members are elected by the District Conference, one member every two (2) years. The at-large members are elected for one (1) six (6) year term. Board members elected in this manner cannot serve consecutive terms, but must wait for a period of two (2) years before being re-elected to serve on the Board.
2. The **District Financial Secretary** shall serve as a member of the **Michigan Equity and Endowment Board**.
Additionally, the District Financial Secretary shall deposit all funds coming to the Board into the appropriate accounts, transfer funds to the Michigan District Church of the Brethren in accordance with the Equity Fund guidelines, disburse funds according to the established Endowment Fund guidelines and as approved by the Board, and may function as the recording secretary for all Michigan Equity and Endowment Board actions.
3. The **District Board Vice Chair** shall serve as a member of the Michigan Equity and Endowment Board during his/her term. If the Vice Chair is already serving as an at-large member or is ineligible to serve, the District Board Chair will appoint another person as the District Representative.
4. The **District Minister/Executive** shall serve as an ex-officio member of the **Michigan Equity and Endowment Board**.

C. BOARD FUNCTION:

1. Initial funds for the Michigan Equity and Endowment Board were received from the District's Endowment funds; the Bethany Discretionary Funds; and the Innovative Ministries Funds. Future funds for the Michigan Equity and Endowment Board may be received from designated and undesignated estates, bequests, and endowment gifts; all funds received from the sale of District properties (all or any portion legally belonging to the District); and all monies earned in interest and dividends on investments from the Equity and Endowment Funds.
2. The Michigan Equity and Endowment Board will invest all the monies received consistent with the limitations established by the District Conference and make regular reports to the District Conference and the District Board regarding the investment and disbursement of funds.
3. The Michigan Equity and Endowment Board will create an **Equity Fund Account** in the principle amount of \$40,000 from the funds initially received (see C. 1 above). The **Equity Fund Account** shall be a non-liquid asset and shall provide a monetary base to assure future financial stability for the Michigan District, Church of the Brethren. The principle amount maintained in the **Equity Fund Account** may be increased through receipt of gifts, through the sale of District properties (all or any portion legally belonging to the District), or by action of the District Conference.

The principle amount of the **Equity Fund Account** shall not be decreased or made available for any use (including collateral for any loan) until a proposal for use has had a reading and discussion at a District Conference and the use for disbursement is approved by the majority of delegates at the following regular District Conference meeting.

Interest from the **Equity Fund Account** will be placed into the District Board's Operating Budget **at least** twice a year. **6/8/07**

4. The Michigan Equity and Endowment Board will create an **Endowment Fund Account** with the balance of the initial funds less the \$40,000 for the **Equity Fund Account**. The **Endowment Fund Account** shall be a financial resourcing ministry for the Michigan Equity and Endowment Board to be used to fund special ministries and programs that promote the work of Christ in Michigan.

Additional funds for the **Endowment Fund Account** may be solicited funds and gifts; designated or undesignated estates, bequests, and endowment gifts; and all monies earned as interest and dividends on this account. The Michigan Equity and Endowment Board can approve a grant request or matching funds up to an amount of \$1,500. Amounts over \$1,500 must have District Conference approval before disbursement.

Interest and principle may be used for disbursements so long as a minimum **Endowment Fund Account** balance of \$3,500.00 is maintained.

Interest earned from various Endowment investment instruments are allocated as follows:

- Interest earned from Church Extension Loans or similar instruments is transferred in total to the **MEEB** General Ministry Use Fund Account.
- Interest earned from Savings Accounts is to be pro-rated on the appropriate percentage basis in relation to the dollar level of the Fund Accounts maintained in the Saving Account.

Within the **Endowment Funds Account**, the following accounts shall be maintained:

- a. The **Camp Brethren Heights Endowment Fund** – shall be used to provide funding source for camp land, for facility development, and for special year-around programming intended to make Camp Brethren Heights a more marketable facility. The Camp Brethren Heights Endowment Fund is initially funded at a level equal to twenty-five percent (25%) of the Endowment Fund Account’s original funding.

Interest and principle may be used for disbursements so long as a minimum Camp Brethren Heights Endowment Fund balance of \$1,000.00 is maintained as a portion of the total \$3,500.00 floor of the Endowment Fund.

- b. The **Seminary Training Endowment Fund** – shall be used to provide financial assistance to Michigan students attending Bethany Theological Seminary. Funds can be used to defray the costs of tuition, books, housing, and other necessary expenses. Funding is limited to \$1,500.00 per student per year up to three (3) years. Students are encouraged to repay up to fifty percent (50%) without interest. The initial funding was established by the District Conference at \$3,500.00. A Fund raising goal of \$10,000.00 was set for the first year of the program with \$1,500.00 for all subsequent years. A floor of \$500 is established for this endowment fund.
- c. The **Trained Licensed Ministers Endowment Fund** (i.e. EFSM, TRIM) – is a special fund for training programs for Church of the Brethren licensed ministers. Funds may be granted on a 50/50 matching basis to cover education costs (i.e. tuition, and registration costs, and not for travel, lodging and meals). (6/8/07) The initial funding was established by District Conference at \$1,000.00. Additionally, funds may be generated by the District Commission on Ministry, through designated gifts to the fund, and any fun raising program. Interest and principle may be used for disbursements so long as a minimum Endowment Fund for Training Licensed Ministers balance of \$500.00 is maintained as a portion of the total \$3,500.00 floor for the Endowment Fund.

On August 12, 2004, MEEB set a funding limit of \$750 per student per year with the requirement of equal matching funds from personal or congregational support.

- d. **General Ministry Use Endowment Fund** - is a general use fund for proposal areas already approved by District Conference. These general ministries include matching funds for special interim and short term ministries for congregational growth and renewal, matching funds for District wide nurture and celebration programs, matching funds for leadership development, and co-funding special programs that are designed to provide reconciliation and healing work among congregations and members within the District, and in the communities of which they are a part.

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On August 12, 2004, MEEB set a funding limit of \$200 per person per year with the requirement of matching equal funds from personal or congregational support. On June 10, 2006, the limit was changed to \$500 per person per year.

The Michigan Equity and Endowment Board, with the approval of the District Conference, shall determine other areas, programs, and ministries that can make proposals for uses of funds from the Endowment Fund Account. Such proposals must be presented to the Michigan District Board and, if approved, presented to District Conference for final approval.

5. The Michigan Equity and Endowment Board will develop guidelines for managing the funds under its stewardship.
6. The Michigan Equity and Endowment Board will develop fund management guidelines congregations can use when dealing with investments, gifts and reserve funds. The guidelines must incorporate wise and prudent financial practices.
7. The Michigan Equity and Endowment Board shall not make loans or grants for personal and private use of crisis situations.
8. The Michigan Equity and Endowment Board will be available to counsel persons and congregations regarding the management of bequest and planned gifts to a Church of the Brethren congregation within Michigan or to the Michigan District or the Michigan Equity and Endowment Board.

D BOARD PROCESS:

The investments of **MEEB** funds shall adhere to the guidelines presented in the **MEEB Guidelines for Receiving, Managing and Disbursing Planned Funds** reports.

Both the **Equity Fund Account** and the **Endowment Fund Account** will receive attention for earning the best interest possible. Earnings shall come from investments that meet the social concerns of the Church of the Brethren.

Solicitation for the **Endowment Fund Account** will be an ongoing ministry performed in concert with the District Minister/Executive. Individuals will be encouraged through appeals, articles, letters, materials, personal contacts and the District Conference programs to put the MEEB Equity and/or Endowment Fund Account into their will. Attention will be given to soliciting special gifts and memorials. All such income will be a matter of public record using the names of contributors, unless an 'anonymous' designation is requested.

D. APPLICATION PROCESS:

Persons and/or churches interested in receiving **MEEB** Funds must complete a **MEEB** application. Such an application enables the requestor to describe the project, provide related facts and figures, identify local church involvement, establish a time line and supply other appropriate information.

Proposal for areas requiring matching funds shall include information of where the other 50% of funding will be derived.

The **MEEB** Board will review the applications and reach a determination on the request. IF approved the District Treasurer shall be directed to write the check for disbursing all approved MEEB funds. If denied, the **MEEB** Board will write a letter notifying the appropriate parties giving reasons for the denial.

The **MEEB** Board will see all disbursements as grants, but shall encourage all recipients to repay part of or the entire grant to enable future Michigan Equity and Endowment Board ministries. All intents to repay shall be incorporated into the final approved agreement.

Application for Seminary students for Fall disbursement of funds is due by District Conference of that year.

Application forms are available from the District Office.

E. PROCEDURE AND POLICY CHANGES:

The Michigan Equity and Endowment Board shall develop guidelines for investments and shall develop internal work procedure, reportable at District Conference and at the District Board meeting.

Any change in current composition and function of the MEEB will require a 2/3rds vote of District Conference before implementation. All additional funding areas and funding relationships requires a 2/3rds vote of District Conference before implementation.

Revised August 1993
August 2001
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