

Proposed 104(b):

(b) Not later than the last day of each fiscal year of the Church (the “Fiscal Year”), the Board of Trustees shall determine the percentage to be used in calculating the amount of funds in the General Account that will be available for distribution in the next succeeding Fiscal Year (the “Available General Funds”). In determining such percentage, the Trustees shall consider the following factors:

- i. the duration and preservation of the Endowment Fund;
- ii. the purposes of the Church and the Endowment Fund;
- iii. general economic conditions;
- iv. the possible effect of inflation or deflation;
- v. the expected total return from income and the appreciation of investments;
- vi. other resources of the Church; and
- vii. the investment policy of the Endowment Fund.

The percentage to be determined shall be up to five percent (5%) of the average of the fair market value of assets in the General Account on the last day of each of the three most recent Fiscal Years for which final audits (as described in Section 402) are available. (For example, the amount of Available General Funds for the Fiscal Year ending June 30, 2015, will be based on the audits for the Fiscal Years ending June 30, 2011, 2012 and 2013.) The staff member responsible for the financial records of the Church, or another person designated by the Board of Trustees, will calculate the amount of the Available General Funds. The Available General Funds will be distributed in the manner described in Section 105. Amounts required to pay administrative costs incurred in the administration of the Endowment Fund will be spent in addition to the Available General Funds. *[January 2014 and December 2015 Amendments]*

Proposed Section 105:

- (a) The Board of Trustees may distribute monies from Special Accounts and Available General Funds by designating amounts to be used as part of the Church's general operating budget for the current Fiscal year, by delegating distribution decisions to specific Councils and ministry teams and from time to time in the sole discretion of the Board of Trustees. Council chairs and ministry teams will be notified of the amounts delegated for distribution as soon as the budget is approved by the Congregational Board.
- (b) Monies in the Special Accounts will be distributed subject to the provisions of the applicable Special Account.
- (c) Subject to the provisions of Section 104(b), distributions from Available General Funds may be made from the General Account. Any Available General Funds not distributed will remain in the General Account.
- (d) The Board of Trustees may, from time to time, establish written policies with respect to the distribution of funds in the Endowment Fund.
- (e) No portion of the Endowment Funds will be spent for purposes that are not permissible purposes for a corporation that is exempt under Section 501C(3) of the Internal Revenue Code of 1986 or the comparable provisions of the Internal Revenue Code then in effect.

Proposed Section 402. Annual Audit:

Section 402. Annual Audit. The Board of Trustees will cause an audit of the Endowment Fund to be made by a certified public accountant or firm of certified public accountants for each Fiscal Year. Such Audit may be included in the audit of the financial statements of the Church for the same Fiscal year. Upon receipt of the completed audit, it will be submitted to the Congregational Board.