First Presbyterian Church
Tallahassee, Florida

# Legacy and Gifts Plan

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## Introduction

Christian stewardship involves the faithful management of all the gifts God has given us - time, talents, the created world, even our money. For many people, the stewardship of money means current income and its use. Stewardship is concerned equally, however, with accumulated, inherited and appreciated resources.

Those who came before us have provided a meaningful heritage of religious experiences and physical facilities. We have been entrusted with the continuing duty of the benevolent, educational and mission work of the Christian Church. It is also our obligation to provide for the continued care and upkeep of the structures erected and paid for by our predecessors. These buildings that serve us today are a tribute to their vision, faith and sacrifice.

To aid in expanding our work and mission as Christians, to provide perpetual care and upkeep for the physical facilities of the First Presbyterian Church of Tallahassee, Florida, and to seek and receive gifts, bequests, memorials and other contributions for these purposes, we therefore create, adopt and establish a Legacy and Gifts plan.

This plan is to be administered in such a way that it does not diminish responsible continued support and involvement of church members.

## Article I: Establishment of Plan

Because Presbyterians are called to be Stewards of all the gifts of God, a Legacy and Gifts Plan for the First Presbyterian Church of Tallahassee (the “Church”) is hereby established effective May 1, 1996.

## Article II: Objective Of Plan

The objective of the Plan is to encourage gifts, bequests, and other planned giving to First Presbyterian Church and to provide a mechanism for the use of such gifts to further the mission of the Church and the work of Jesus Christ.

## Article III: Creation Of Funds

First Presbyterian Church hereby creates six separate Funds, as described below. Except for the Emergency Operation Fund and the Strategic Fund, these Funds shall be used by the Session for needs beyond the normal operating budget of the Church. They shall be held separate from all other Church funds. The Funds are not intended to exist and be maintained in competition with the normal stewardship programs of the Church, and it is not contemplated that the assets of the

Funds will be used in discharging current budgeted operating expenses of the Church. Separate accounts may also be established within each Fund for a specific purpose(s).

**3.1 Facilities Reserve Fund**. The principal and income from the Facilities Reserve Fund shall be used to provide perpetual care and upkeep for the physical facilities of First Presbyterian Church. The expenses related to routine maintenance and normal housekeeping are not intended to be the subject of Fund disbursement since these items should be included in the normal annual operating budget. In addition, the annual Church budget should make a substantial contribution to the Facilities Reserve Fund. The Facilities Reserve Fund should be used only for major repair items (even if they could reasonably be routinely anticipated) such as replastering and/or repainting the sanctuary, repairs and refurbishing of buildings; air conditioning or heating system repair or replacement, roofing, painting, construction or landscaping projects. The Session shall, in its sole and absolute discretion, determine and direct the use of this Fund in accordance with this paragraph.

**3.2 Outreach Fund**. The principal and income from the Outreach Fund shall be used by the Session for First Presbyterian Church's extended mission and outreach work. Potential uses might include, but are not limited to: Christian education; special outreach programs to ethnic, elderly, disadvantaged or homeless people in the Church's ministry; mission-oriented and evangelistic projects; ecumenical projects; and causes of First Presbyterian Church, the Presbytery, the Synod, and the General Assembly of the Presbyterian Church U.S.A. The Session shall, in its sole and absolute discretion, determine and direct the use of this Fund in accordance with this paragraph.

**3.3 Endowment Fund**. The principal of the Endowment Fund shall be invested in perpetuity for growth and income. One-half of the annual income from the Endowment fund shall accrue to the Facilities Reserve Fund and one-half to the Outreach Fund, unless specifically requested otherwise by the donor. The purpose of the Endowment Fund is to expand and enrich the mission of the Church, not to support the annual budget.

**3.4 Christian Education Fund**. Established by an anonymous donor in 1997, this Fund is to be invested for both growth and income. The income from this Fund is designated to provide additional resources for special projects or events that could help a child (or group) learn the joys of Christian living and enhance the Church's effectiveness in its youth programs. It is to be used for "people" oriented activities in areas not normally associated with the regular Church budget. Examples suggested by the donor include sending a needy child to a church camp, making an unusual one-time purchase for the youth program, assisting a child that lives in an abusive household, and helping give people Christian experiences. The donor specifically requested the Fund not be used to purchase routine curriculum packages or a vehicle.

**3.5 Emergency Operation Fund**. This Fund is to ensure the stability of the mission, programs, employment, and ongoing operations of the Church. It is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. A target minimum size of the Fund is three months operational budget and shall be kept available in cash or cash equivalent funds. Annual Church budget contributions to support and maintain the Fund are encouraged. If the Fund is used, efforts should be taken to replenish it within a reasonably short period of time. Expenditures from the Fund shall be determined and authorized by the Session. To be clear, the

purpose of this fund is to allow the Church to subsist through unforeseen revenue shortfalls or one-time expenses, e.g., a natural disaster or pandemic.

**3.6 Strategic Fund**. This fund is created to help the Church grow in service and membership. It may also serve as a holding fund for other Church monies until needed.

## Article IV: Endowment Management Committee

There is hereby established an Endowment Management Committee (Committee) that shall advise the Session on the management and investment of the three Funds.

**4.1 Additional Responsibilities**. The Committee shall also have the following responsibilities:

**4.1.1** Acquaint Church members and friends with the opportunity of making gifts and bequests to these Funds.

**4.1.2** Present to the Session for its approval a current financial report, no later than the first of March of each year, on the status of the Funds for the previous calendar year.

**4.1.3** Annually report to the congregation on the status of the Funds and their uses for the previous calendar year.

**4.1.4** Regularly review the allocation of the investment of the Funds to assure appropriate growth and income objectives that are commensurate with the long term mission of the Church and advise the Session of any problems or significant changes to any of the Funds. The Session, after consultation with the Committee, shall make decisions concerning changes in investment allocation.

**4.1.5** Seek professional advice as needed.

**4.1.6** Assume responsibility for the safekeeping, management, investment and transfer of all funds and properties comprising the Funds.

**4.1.7** Review gifts of unusual nature or ones that may impose a liability to the Church and make recommendations to the Session on whether to accept or refuse such gifts.

**4.1.8** Discharge other responsibilities related to the Funds as may be assigned to the Committee by the Session.

**4.1.9** Periodically review the Plan and make recommendations on amendments if appropriate.

**4.2 Membership**. The Management Committee shall consist of seven active members of First Presbyterian Church. The Committee will include the Chair of the Stewardship Council, or similar position and one other representative each from the Session and Trustees, appointed annually by each respective body. The four other members shall serve a standard term of six years and be elected by the congregation at the time of annual elections of the Session and Trustees. The Trustees shall be responsible for recommending nominees for the Management Committee to the Church's Nominating Committee. Members may serve no more than two consecutive terms. Persons elected to serve on the Committee should have a genuine interest in the present and future ministries of First Presbyterian Church. Church members with investment, legal, tax and financial expertise should be prime candidates for this Committee. Vacancies on the Committee shall be filled by special election or appointment, whichever is appropriate, as

provided above. The Committee shall elect its own chair and other officers as it determines appropriate.

**4.3 Meetings**. Management Committee meetings involving election of officers, decisions on financial investments, and recommendations to the Session shall have a quorum present consisting of at least five members. Proxies may be used to constitute a quorum for a specific issue only if a written proxy is given to another member of the Committee.

**4.4 Liability**. No member of the Management Committee shall be liable hereunder for any matter or action, except for his or her own bad faith, gross negligence, or willful misconduct.

## Article V: Assignment of Gifts Received

Although prospective donors should be encouraged to place as little restriction as possible on the gift in order that long-range goals set forth in the Plan may be achieved, gifts to the Plan may be either undesignated or designated.

**5.1 Undesignated**. These funds shall be allocated one-half to the Endowment Fund and one-half to the Facilities Reserve Fund.

**5.1.1** If an undesignated gift greater than $20,000 in value is received by the Church, the financial needs of the Church shall be evaluated by the Management Committee as to whether the provisions of Paragraph 5.1 are appropriate for this gift, and make a recommendation for use of this gift to the Session. If the Session determines that the provisions of Paragraph 5.1 are not appropriate for the gift, the Session shall, at its discretion, use the gift as it deems most appropriate.

**5.1.2** If the Session so determines, it may assign some or all undesignated gifts made after January 1, 2022 to the Emergency Operation Fund or the Strategic Fund.

**5.2. Designated**. A donor may designate bequests or gifts into one or more of the Funds.

**5.2.1** Although undesignated gifts are encouraged, a donor may restrict the uses of the gift. The Church will make every reasonable attempt to comply with the donor's restrictions, and may establish a Special Projects Account, if appropriate, subject to the Church's existing policies. Special Project Accounts are generally intended to be short term in nature, and should, whenever possible, last no longer than one year.

**5.2.2** The Management Committee may counsel with any donor who has indicated an intention to make a designated gift, if the donor's restrictions, conditions, form, or uses do not appear to be consistent with the Church's existing policies or missions. The Session, has the power to decline a gift if the restrictions, conditions, form, or uses are deemed inappropriate.

**5.2.3** If a donor has designated a gift for a particular purpose, and if that purpose is or becomes contrary to the policies or missions of the Church, or if the amount of the gift is substantially greater than the need of the Church for that particular purpose, the Church shall attempt to use the gift, or the amount in excess of the need of the Church, for a purpose as close as possible to that designated by the donor. If no such use can in good faith be found, the principal, the balance, or the income from the gift shall be placed in the Endowment Fund. Similarly, if the unused balance of the designated gift is reduced to a level that limits the gift's effectiveness, this balance

shall be placed in the Endowment Fund. If reasonably possible, the donor's approval will be requested and obtained prior to movement of these monies.

**5.3 Disposition of Cash**. All cash gifts shall be invested monthly with the appropriate investment managers.

**5.4 Disposition of Gifts Other Than Cash**. Unless the donor has specifically requested otherwise, or if the Management Committee recommends otherwise to the Session, real estate, stocks, bonds, or other property will be sold as soon as is practical and the proceeds invested as an unrestricted gift in the appropriate Fund.

## Article VI: Investment of the Funds

The Committee shall establish an investment objective for each Fund created by this Plan. The Committee shall consider the purpose of each Fund and the plans of the Session for using the Funds in implementing an investment program. Also, the Committee shall determine one or more of the following goals for each Fund as it deems appropriate: safety of principal, income, or capital appreciation.

**6.1 Fiscal Year**. The fiscal year of each Fund shall coincide with the Church's operating budget fiscal year.

**6.2 Investments**. All Funds created by this Plan will initially be fully invested with the Investment Management Service of the Presbyterian Church (U.S.A.) Foundation. As the Plan matures other registered investment management agencies may be considered at the recommendation of the Management Committee and discretion of the Session.

**6.3 Accrual of Income**. The income, defined as interest and dividends, from the Endowment Fund will be permitted to accumulate and be added to the Facilities Reserve and Outreach Funds at the end of each calendar year. Any growth of the Endowment Fund shall remain with that Fund.

**6.4 Inter-Fund Transfers**. The Session may approve the transfer of all or any portion of the Facilities Reserve Fund or the Outreach Fund, or both, exclusive of principal and income of designated gifts to those Funds, between each Fund or to the Endowment Fund. The principal of the Endowment Fund, however, cannot be transferred or borrowed.

**6.5 Annual Audit**. The books and records of the Funds will be audited annually as part of the Church audit. The costs of the audit related to the Endowment and Gifts Plan shall be charged against the income from the Endowment Fund.

## Article VII: Amendments

The provisions of this Plan may be amended only at a regularly scheduled monthly Session meeting at which 75% of the Session members are present and only by an affirmative vote of two-thirds of those present. Amendments shall be effected by such vote only after readings of the proposed amendment(s) at the preceding two consecutive regularly scheduled monthly Session meetings. Amendment action by the Session is to be preceded by notice to the congregation, in the newsletter and by posting on the bulletin board, of the text of any proposed amendment(s) and the rationale therefor; such notice is to be provided concurrently with the readings called for

above. Notwithstanding any amendment, all gifts and bequests to the Funds shall be administered for the purposes in effect at the time such contribution was made.

Adopted by the Session of First Presbyterian Church of Tallahassee, Florida this 28th day of April, 1996 and amended May 19, 2002, March 20, 2022, and June 14, 2026.