Grace Episcopal Church

Muskogee, Oklahoma

Endowment Fund
Policies and Guidelines

Approved by the Vestry on May 23, 2022

TABLE OF CONTENTS

ART. I **ENDOWMENT COMMITTEE ENABLING RESOLUTIONS & GUIDING PRINCIPLES……..…… 1**

Summary: generally states the purposes, principles, and ideals which prompted the creation of the Endowment Fund. It provides clarification, history, and further explanation of the vision the Vestry had in creating the Endowment Fund. This Endowment Fund was not the first the Church has attempted, but it is our sincere belief that these Policies and Guidelines will ensure that this Fund will survive in perpetuity for the benefit of future generations of our Church and our community.

ART. II **ENDOWMENT COMMITTEE MEMBERSHIP, GOVERNANCE, GUIDELINES & POLICIES……..…… 5**

Summary: outlines the structure and directs operations of the Endowment Committee. We believe it is vital for the Endowment Committee to remain impartial as to matters of annual budgeting for the Church and, instead, to focus on accomplishing our goals, visions, and objectives over a period of many years. The annual budget and matters of daily operation are the responsibility of the Clergy and Vestry. Moving closer to accomplishing long-term goals and ensuring future generations have the resources to continue effectively exercising those duties is the responsibility of the Endowment Committee.

Sec. 1: Composition of Endowment Committee…… 5

Sec. 2: Resignation or Removal of Endowment Committee Members…… 5

Sec. 3: Roles…… 6

Sec. 4: Officers…… 6

Sec. 5: Meetings…… 6

Sec. 6: Quorum; Voting…… 6

Sec. 7: Reports…… 7

Sec. 8: Professional Counsel; Other Expenses…… 7

Sec. 9: Investments…… 7

Sec. 10: Funds for Specific Purposes…… 7

Sec. 11: Liability of Members of the Endowment Committee…… 8

Sec. 12: Titling and Authorization…… 8

Sec. 13: Gift Acceptance…… 8

Sec. 14: Distributions…… 8

Sec. 15: Amendments…… 9

Sec. 16: Disposition or Transfer of Fund…… 10

ART. III **DISTRIBUTION PROCEDURES……..…… 11**

Summary: establishes a procedure for requesting distributions that (i) makes it easy for anyone to request a distribution from the endowment fund; (ii) provides clear steps to request a distribution; (iii) makes it transparent and clear how the Endowment Committee will make decisions; (iv) clarifies the respective roles of the Endowment Committee and the Vestry in this process; and, (v) sets forth the accounting throughout this process.

Sec. 1: Distribution Request Process…… 11

Sec. 2: Endowment Distribution Evaluation Procedures…… 11

ART. IV SPENDING POLICY & FUND PURPOSES…….. 13

Summary: establishes how much may be distributed each year from the endowment fund and outlines related limitations. Accounting rules and principles are also explained.

Sec. 1: Purposes of Fund…… 13

Sec. 2: Spending Policy…… 13

ART. V INVESTMENT POLICY STATEMENT…….. 16

Summary: describes the Endowment Committee's general investment goals and objectives, risk tolerance, target asset allocation in addition to portfolio monitoring, portfolio construction, risk management, cash flow generation to handle spending policy, and related investment principles.

Sec. 1: Investment Objective…… 16

Sec. 2: Investment Guidelines…… 16

Sec. 3: Asset Allocation…… 16

Sec. 4: Rebalancing…… 17

Sec. 5: Performance Measurement Guidelines…… 17

Sec. 6: Responsibilities…… 17

ART. VI DISPOSITION OF PLANNED GIFTS POLICY…….. 20

Summary: establishes in advance how the Church will handle planned gifts in relation to the Endowment Funds, if and when applicable.

ART. VII DONOR-RESTRICTED DESIGNATED FUND POLICY…….. 22

Summary: sets a minimum for any donor-restricted designated funds and defines how they will be managed.

ART. VIII GIFT ACCEPTANCE POLICY…….. 23

Summary: provides guidance to the Vestry, Gift Acceptance Committee (if applicable), and/or Endowment Committee regarding acceptance of cash and non-cash gifts to the endowment fund and Church generally, such as gifts of real estate, life insurance, deferred gifts, and tangible gifts.

Sec. 1: Gift Acceptance Guidelines…… 23

APPENDIX A FUNDS WITHIN THE ENDOWMENT…….. 27

APPENDIX B FUNDING APPLICATION…….. 28

APPENDIX C **CHART OF ENDOWMENT FUNDS**..... **30**

APPENDIX D **DONATIONS BY GIFTS OF SECURITIES OR FROM AN IRA**..... **31**

ARTICLE I:

ENDOWMENT COMMITTEE ENABLING RESOLUTIONS & GUIDING PRINCIPLES

WHEREAS, Grace Episcopal Church (hereafter the "Church") is committed to carrying out the teachings of Jesus within its church and among the greater community and desires to create an endowment fund to provide additional resources for current and future mission, ministry and outreach;

WHEREAS, Grace Episcopal Church is committed to the faithful stewardship of all of God's gifts and desires to encourage current and future gifts of various financial assets to its endowment fund in a manner that reflects the loyalty and devotion to God expressed by donors;

WHEREAS, it is the desire of the Parish of Grace Episcopal Church to encourage, receive and administer these gifts, and to manage and use the endowment fund, in accordance with the intent of its donors, these resolutions, and any applicable law or related policies as well as the canons of the Episcopal Church, the Episcopal Diocese of Oklahoma, and the policies of this Parish;

WHEREAS, various members of the Vestry of Grace Episcopal Church, the Finance Committee, the Planned Giving Committee, and the Wardens (collectively the "Endowment Working Group") have worked to undertake a comprehensive evaluation of all aspects of the Church's current financial situation; the structure of endowment fund governance and management; and, the guidance provided by the Episcopal Diocese of Oklahoma and the Episcopal Church Foundation;

WHEREAS, the Endowment Working Group diligently and carefully read all pertinent endowment fund documents, reviewed the history of the Church's previous endowment funds, met numerous times and throughly discussed all matters pertaining to said endowment funds;

WHEREAS, the Endowment Working Group believes the overall philosophy should be to balance the distribution of available funds each year to support the mission of the Church and to help those in need while simultaneously making efforts to defer distributions and accumulate funds for the future benefit of the Church and community by honoring restricted, temporarily restricted, and unrestricted gifts;

WHEREAS, the Endowment Working Group believes, consistent with most provisions of existing governing documents, that endowment funds' monies, income, and assets should primarily be used for non-operating, non-budgetary purposes;

WHEREAS, the Endowment Working Group intends for its recommendations to be consistent with the *Uniform Prudent Management of Institutional Funds Act* (UPMIFA) as codified in OKLA. STAT. tit. 60, sections 300.11 - 300.20;

WHEREAS, a new endowment fund is believed to be a promising vehicle through which to encourage broad parishioner participation;

WHEREAS, the Endowment Working Group recommends the following *Guiding Principles and Philosophy* intended to be enduring and overarching principles:

- The Church's donor-restricted endowment funds should last forever or until the principal has been exhausted in pursuit of and in accordance with the donor's terms and restrictions. In no event should such funds ever revert to the Church's general operating funds. Any existing, separately named funds, as well as separately named funds created in the future, shall be governed by that funds governing documents.

- The Parish and Vestry should be encouraged to apply for distributions from the endowment funds. The perpetual goal and overarching policy should be to distribute endowment income/earnings for the benefit of the Church's mission but said considerations should be weighed against the potential benefits of accumulating income for continued growth of the endowment funds. An endowment fund cannot last unless there is a proper balance among the spending and investment policies in order that the investment portfolio grows at least enough to offset inflation.

- The Endowment Committee should be the vetting entity for approving or denying distributions from the endowment funds. However, when the Endowment Committee approves a request for distribution from any endowment fund, then that approved request shall be sent to the Vestry as a recommendation from the Committee and must be approved by Vestry before any distributions are made. The Endowment Committee should be a relatively small group with members, to the extent possible, having substantive experience and/or knowledge of fiduciary principles and duties. The Endowment Committee should make decisions consistent with the Vestry's policies and make such decisions in a manner that respects and protects the intent of the donor/ settlor/grantor/benefactor.

- Outreach is and shall continue to be a permitted distribution of endowment funds and the importance of the Church's ability to do work outside its normal operating budget, that it otherwise could not do, should continue to be a consideration of the Endowment Committee. However, endowment funds should never be used as part of the operating budget's allocation of funds to Outreach. Furthermore, capital expenditures and major repairs, while not an ideal purpose for distribution, are nonetheless an unavoidable reality. To balance these considerations, two funds are established by this document: The Grace Ministries Endowment Fund and the Grace Capital Improvements Endowment Fund.

THEREFORE, BE IT RESOLVED that the Parish, through the action of its Vestry, of Grace Episcopal Church in Muskogee, Oklahoma, adopts the foregoing recommendations of the Endowment Working Group, including its Guiding Principles and Philosophy, and acknowledges the establishment of a new endowment fund to be known as the "**Grace Episcopal Church Endowment Fund**." These

resolutions replace any prior resolution creating any former endowment or investment fund(s) and all subsequent amendments.

BE IT FURTHER RESOLVED that this Parish, through the action of its Vestry, establishes the policies herein to govern the Grace Episcopal Church Endowment Fund (hereafter referred to as the "Fund"). The term "Fund" shall include all of the sub-funds identified in this document, including, but not limited to the Grace Ministries Endowment Fund and the Grace Capital Improvements Endowment Fund. The Fund shall serve as the endowment fund of the Parish and will be comprised of sub-funds, which include all existing and future funds. The Fund shall consist of the following sub-funds (see **Appendix A** for a more detailed description and definitions):

- **Permanent Endowment Fund** – This fund is considered a donor-restricted, "true"[1] endowment fund. Gifts to this fund will be held in perpetuity and protected by state law under the *Uniform Prudent Management of Institutional Funds Act* (UPMIFA) as codified in OKLA. STAT. tit. 60, sections 300.11 - 300.20. The Permanent Endowment Fund is subdivided into two separate funds: The **Grace Ministries Endowment Fund** and the **Grace Capital Improvements Endowment Fund**.

- **Vestry Directed General Endowment Fund** – Gifts to this fund will be managed as if they were permanent endowment funds but the fund is considered a quasi endowment.[2] However, the Vestry, in times of an emergency, can draw down from the corpus following special votes in accordance with Church policies. At the time of passing this resolution, the Church has no assets in the Vestry Directed General Endowment Fund.

- **Special Purpose Fund** — Money invested by the Endowment Committee at the request of the Vestry and used for such projects and expenditures for the benefit of the Church at the discretion of the Vestry.

- **All Current and Future Donor-Restricted Funds** — These sub-funds are established in accordance with the Donor-Restricted Designated Fund Policy (see **Article VII**) with their identity and designated purpose preserved in perpetuity. Any such existing or future fund documents should be attached to these Endowment Fund Policies and Guidelines.

BE IT FURTHER RESOLVED that this Parish, through the action of its Vestry, establishes the following Articles of policies and procedures as further documented herein:

I. Endowment Committee Enabling Resolutions & Guiding Principles

---

[1] A true endowment is a fund established in accordance with donor restrictions to exist in perpetuity. The principal must be spent in accordance with donor terms and restrictions.

[2] A quasi endowment (sometimes called "board designated") is a fund that functions like an endowment, but without any legal restriction to hold the fund permanently. The principal of a quasi endowment may be spent and/or exhausted.

II. Endowment Committee Membership, Governance, Guidelines & Policies
III. Distribution Procedures
IV. Spending Policy & Fund Purposes
V. Investment Policy Statement
VI. Disposition of Planned Gifts
VII. Donor-Restricted Designated Fund Policy
VIII. Gift Acceptance Policy

BE IT FURTHER RESOLVED that these Endowment Fund Policies and Guidelines and aforementioned policies being adopted herein replace all prior endowment fund policies, including but not limited to all spending, investment, and gift acceptance policies as well as other related Vestry resolutions preceding the adoption of this document and all subsequent amendments.

BE IT FURTHER RESOLVED that the purpose of the Fund is to enable the Parish to fulfill its mission more completely by developing its ministries beyond what is possible through its annual operating funds. Distributions from the Fund therefore shall be limited to: (i) outreach ministries and grants; (ii) seed money for new ministries and special one-time projects; (iii) educational programs or training programs for clergy or parishioners; and, (iv) such other purposes as are specifically designated by donors to the Parish whose gifts are included in the Fund. However, Grace Capital Improvements Endowment Fund, and any other endowment fund containing governing language explicitly authorizing disbursements for capital expenditures and/or property maintenance, shall include capital expenditures among distributions.

BE IT FURTHER RESOLVED that the distributions from ***true*** endowment funds shall not be made for purposes or expenditures of the operating budget of the Parish except in situations where the Endowment Committee determines it is to address one of the purposes previously described.

BE IT FURTHER RESOLVED that the Endowment Committee shall have oversight responsibility of the Fund, and said Committee's composition and duties are described in the following "**Endowment Committee Membership and Governance Guidelines and Policies**."

ARTICLE II:

ENDOWMENT COMMITTEE MEMBERSHIP, GOVERNANCE, GUIDELINES, AND POLICIES

1. Composition of Endowment Committee

1.1. The Committee must have at least three members, or more, provided that the total is an odd number, all of whom must be members in good standing of Grace Episcopal Church (hereafter the "Church"). The Vestry shall appoint the members of the Committee. The Endowment Committee shall recommend to the Vestry a name or names of candidates to be appointed to the Endowment Committee. Any member of the Church or the Rector may nominate a parishioner for consideration as a member of the Endowment Committee. The Vestry should give preference to candidates with experience and/or knowledge of fiduciary concepts, relationships, and regulations such as CPAs, accountants, lawyers, investment professionals, etc. The Rector, Senior Warden, Junior Warden, and Treasurer may be ex-officio members of the Endowment Committee, if they desire, but without voting eligibility.

1.2. In the event of a vacancy on the Endowment Committee, the Vestry shall appoint a new member to fill the unexpired term caused by the vacancy. No member of the Endowment Committee shall be a current member of the Vestry or employed by the Parish, except in an ex-officio capacity as described in Section 1.1. The Vestry shall recognize the importance of ensuring Endowment Committee members focus on long-term interests of the Church and do not have any responsibility for the annual budget.

1.3. Except as herein limited, the term of each appointed member shall be three (3) years. The Vestry will ensure the terms are staggered to maximize the continuity of the Committee. No member shall serve more than two consecutive three (3) year terms. Any Endowment Committee member that has served two consecutive terms, including partial terms by appointment (e.g., appointment to fill a one year vacancy followed by a consecutive full three year term shall constitute two consecutive terms), will not be eligible for serving another term, whether by appointment or by election, until one year after the expiration of their most recent term.

2. Resignation or Removal of Endowment Committee Members

2.1. Any regular member of the Committee may resign at any time by written notice to the Rector or Vestry. Any Endowment Committee member that ceases to be a member in good standing with the Church shall be deemed to have tendered their resignation. A member may be deemed to be no longer in good standing with the Church by a majority vote of the Vestry. Any Endowment Committee member that fails to attend three consecutive meetings of the Committee without acceptable cause shall be deemed to have tendered their resignation.

6.1. A majority of all Endowment Committee members, excluding ex-officio members, shall constitute a quorum. A majority of all Endowment Committee members, excluding ex-officio members, must approve any Endowment Committee resolution or motion. The Endowment Committee secretary must give reasonable notice of the time and place of each meeting to all Endowment Committee members, including ex officio members that have requested such notices and provided the appropriate contact information to the secretary, by e-mail, mail, or phone.

7. Reports

7.1. The Endowment Committee shall report on a quarterly basis to the Vestry. The Endowment Committee shall render a full and complete account of the administration of the Fund during the preceding year at each annual meeting of the Parish. The Vestry shall report on the uses and purposes of expenditures from the Fund each year at the annual meeting of the Parish. The Endowment Committee and Vestry acknowledge the importance of sharing information on distributions from the Fund and their uses and purposes with Parishioners to encourage future gifts and, therefore, shall cooperate in good faith with one another in determining how to present this information to the Parish.

8. Professional Counsel; Other Expenses

8.1. The Endowment Committee may arrange for any professional investment or legal advice or counseling as well as any auditing that it deems to be in the best interest of the Fund. Any such costs shall be considered an expense of the Fund but require approval by the Vestry before the expense is incurred. Endowment Committee members will serve without compensation but reasonable expenses related to the execution of their duties may be paid from the Fund prior to a distribution provided that the expense has been approved by the Vestry.

9. Investments

9.1. All funds shall be invested in accordance with the investment guidelines established in the Investment Policy Statement (see **Article V**).

10. Funds for Specific Purposes

10.1. By approval of the Vestry, the Endowment Committee may establish additional sub-funds within the Fund for specific purposes. Donors may also restrict their gifts to specific purposes. Any donor-restricted gifts must be reviewed by the Endowment Committee and recommended by them to the Vestry for approval or refusal. Such gifts must meet the requirements of the donor-restricted fund policy (see **Article VII**).

11. Liability of Members of the Endowment Committee

11.1. Each Endowment Committee members must act in good faith regarding the investment of the assets in the Fund. Each member will be liable only for their own acts or omissions committed not in good faith or involving intentional misconduct. Each member shall be liable only for his or her own conduct and shall not be liable for the acts or omissions of other members. No member may engage in self-dealing or transactions with the Fund in which the member has direct or indirect financial interest and must at all times refrain from any conduct in which his or her personal interests would conflict with the interests of the Fund.

12. Titling and Authorizations

12.1. All assets are to be held and/or titled in the name of the Endowment Fund of Grace Episcopal Church. All actions to hold, sell, exchange, rent, lease, transfer, convert, invest, reinvest and in any and all respect to manage and control the assets of the Fund, including stocks, bonds, mortgages, notes, and warrants of other securities, are to be made by a designated member of the Endowment Committee on behalf of the Endowment Committee.

13. Gift Acceptance

13.1. Proposed gifts shall be reviewed in accordance with the Gift Acceptance Policy (see **Article VIII**). All gifts shall be approved by the Vestry in accordance with said Policy. Anyone may contribute any amount, during life or at death, to the Grace Ministries Endowment Fund, the Grace Capital Improvements Endowment Fund, the Grace Vestry Directed General Fund, and/or the Special Purpose Fund. Any gift designated to the "Endowment Fund" that does not further specify a specific fund will be divided equally between the Grace Ministries Endowment Fund and the Grace Capital Improvements Endowment Fund.

14. Distributions

14.1. It is the intent of these resolutions that all sub-funds within the Fund shall be managed in perpetuity as if they were ***true*** endowments, subject to the provisions of OKLA. STAT. tit. 60,

section 300.16.[3] Distributions from the Fund shall not be made to the operating budget of the Church except to fulfill the purposes identified in these resolutions or in the event of an emergency as defined by the Vestry, which shall only permit the Vestry to authorize additional distributions from any ***quasi*** endowment following a two-thirds vote of the Vestry at two consecutive regularly scheduled meetings after informing the congregation prior to action. Distributions from the Fund shall be made using a "total return" spending policy with a designated percentage of the Fund available for expenditure annually. The Endowment Committee shall act in accordance with the policy defining the spending rules and protocols (see **Article IV**) with approval of the Vestry. The policy shall provide for the withdrawal and use of funds consistent with the stated purposes of the Fund as defined in these resolutions. No portion of the Fund shall be borrowed or temporarily transferred/utilized for other, unauthorized needs of the Church.

14.2. Notwithstanding anything to the contrary herein, an exception to the above is the Special Purpose Fund. Any monies directed to the Special Purpose Fund shall be invested by the Endowment Committee, but there shall be no restriction on the uses of the income or principal of the Special Purpose Fund. The Vestry shall have sole discretion regarding the distribution and use of funds in the Special Purpose Fund and said usage shall not be subject to **Articles II, III, V, VI, and VII** of these Endowment Fund Policies and Guidelines.

15. Amendment

15.1. Any amendment to these resolutions including this Endowment Committee Membership and Governance Guidelines and Policies shall be adopted by a vote of at least two-thirds (⅔) of the Vestry at two consecutive, regularly scheduled meetings. Any amendment regarding the

---

[3] OKLA. STAT. tit. 60, section 300.16 provides: (the statute in its entirety is available at **Appendix E**)

(a) If the donor consents in a record, an institution may release or modify, in whole or in part, a restriction contained in a gift instrument on the management, investment, or purpose of an institutional fund. A release or modification may not allow a fund to be used for a purpose other than a charitable purpose of the institution.

(b) The court, upon application of an institution, may modify a restriction contained in a gift instrument regarding the management or investment of an institutional fund if the restriction has become impracticable or wasteful, if it impairs the management or investment of the fund, or if, because of circumstances not anticipated by the donor, a modification of a restriction will further the purposes of the fund. The institution shall notify the Attorney General of the application, and the Attorney General must be given an opportunity to be heard. To the extent practicable, any modification must be made in accordance with the donor's probable intention.

(c) If a particular charitable purpose or a restriction contained in a gift instrument on the use of an institutional fund becomes unlawful, impracticable, impossible to achieve, or wasteful, the court, upon application of an institution, may modify the purpose of the fund or the restriction on the use of the fund in a manner consistent with the charitable purposes expressed in the gift instrument. The institution shall notify the Attorney General of the application, and the Attorney General must be given an opportunity to be heard.

(d) If an institution determines that a restriction contained in a gift instrument on the management, investment, or purpose of an institutional fund is unlawful, impracticable, impossible to achieve, or wasteful, the institution, sixty (60) days after notification to the Attorney General, may release or modify the restriction, in whole or part, if:

(1) The institutional fund subject to the restriction has a total value of less than Twenty-five Thousand Dollars ($25,000.00);

(2) More than twenty (20) years have elapsed since the fund was established; and,

(3) The institution uses the property in a manner consistent with the charitable purposes expressed in the gift instrument.

use of the ***quasi*** endowment shall be handled within the provisions relating to distributions as stated above.

16. Disposition or Transfer of the Fund

16.1. In the event that the Church ceases to exist due to merger, dissolution or any other event, the Vestry shall arrange for the disposition or transfer of the Fund in accordance with the approved congregational constitution, diocesan canons and the Bishop of the Diocese of Oklahoma. It may be appropriate to consult with the Episcopal Diocese of Oklahoma and/or Episcopal Church Foundation to determine the manner in which Fund obligations will be met after the Church ceases to exist.

These resolutions are adopted by the Vestry this 23rd day of ~~April~~ May, 2022.

Grace Episcopal Church
Muskogee, Oklahoma

By:
Alex C. Wilson

Senior Warden

Attest: Fr. Chris Cole

Priest-in-Charge

ARTICLE III:

DISTRIBUTION PROCEDURES

1. Distribution Request Process

1.1. In order to facilitate best accounting practices, the Financial Secretary, Parish Administrator, or other individual(s) designated by the Endowment Committee (hereafter the "Designee"), will record and track (i) all requests for **any distributions from any Fund**; (ii) decisions of the Endowment Committee; (iii) decisions of the Vestry relating to Fund distributions; (iv) distributions from each Fund; and, (v) cumulative distributions from each Fund in the context of spending policy restrictions and annual distribution limits. More specifically, the tracking shall consist of the following:

1.1.1. All requests for **any distributions from any Fund** shall start by submission of the request to the Designee;

1.1.2. The Designee shall develop an application form (see **Appendix B**) to be utilized by individuals and/or entities requesting a distribution from any Fund;

1.1.3. Upon submission of a completed application to the Designee, the Designee shall forward the application to the Endowment Committee to initiate the Step One of the **Endowment Distribution Evaluation Process** (as described below);

1.1.4. After forwarding of the application to the Endowment Committee, the Designee will keep a record of the decisions regarding each request made by the Endowment Committee and Vestry, if applicable;

1.1.5. All recommended, approved, and/or refused distributions from any Funds shall be recorded in the minutes of the Endowment Committee.

1.1.6. The Designee shall make appropriate reports to the Vestry of all the foregoing endowment fund activity to promote transparency.

2. Endowment Distribution Evaluation Procedure

2.1. Step One: The Designee shall submit all applications as described above to the Endowment Committee pursuant to the Distribution Request Process;

2.2. Step Two: The Endowment Committee shall evaluate the applications through the lens of the guiding principles as described in Articles I and II; other governing documents; the Spending Policy; and any other relevant fiduciary considerations.

2.3. Step Three: The Endowment Committee, if they deem appropriate or necessary, shall request additional information, or request additional meetings with the individual(s) or organization(s) requesting a distribution to obtain a better and more thorough understanding of the request and application.

2.4. Step Four: After the Endowment Committee has completed a thorough and appropriate evaluation, they shall make a decision to either (i) approve the request as a recommendation and forward the recommendation to the Vestry for review and final approval, including a statement regarding which Fund(s) the request should be directed to and a brief explanation of how the request relates to the purposes/objectives of the Fund(s); or, (ii) deny the request, in which case it shall not be forwarded to the Vestry for approval. If the request is denied, the Endowment Committee shall inform the applicant of the denial with a brief statement regarding the reason(s) for the denial.

2.5. Step Five: If the Vestry approves a recommendation of the Endowment Committee for a distribution, then the Parish Administrator or other designee of the Vestry shall carry out the execution of the approval as directed by the Vestry. The Vestry may direct the Endowment Committee to supervise the execution of the approval if they so desire.

2.6. Step Six: If a request is denied by the Endowment Committee and therefore not submitted to the Vestry for approval or affirmation, the requestor or any Vestry member, may petition the Vestry for reconsideration. If the Vestry determines that the application should be reconsidered, it shall notify the Endowment Committee and shall include in said notice a specific statement of the reasons why the application should be reconsidered.

ARTICLE IV:

SPENDING POLICY & FUND PURPOSES

1. Purposes of Fund

1.1. The Endowment Committee shall adhere to the guiding principle in evaluating applications/ requests for distributions from any Funds that they shall make distributions whenever appropriate and consistent with the policies set forth herein. The Endowment Committee shall strive to accumulate sufficient investment income and gains to offset inflation but give preference to distributions in furtherance of outreach and the mission of the Church. Generally, distributions from the Fund shall enable the Church to fulfill its mission more completely by developing its ministries beyond what is possible through its annual operating funds.

1.2. Generally, the Grace Ministries Endowment Fund shall primarily be used for the following categories of needs and purposes:

- Outreach not already addressed in the operating budget.
- Grants.
- Seed money for new ministries and special one-time projects.
- Educational or training opportunities for clergy or parishioners.

1.3. Generally, the Grace Capital Improvements Endowment Fund shall be used for capital expenditures of the Church.

1.4. Notwithstanding the above, the governing document of any named fund shall take precedence over these general statements in the event of a conflict between the Spending Policy and the governing document of the named fund.

1.5. A chart of the different Funds, attached hereto as **Appendix C**, may be amended from time to time in accordance with newly created Funds and the creation or modification of governing documents of any Funds.

2. Spending Policy

2.1. Money will be distributed from any endowment fund upon written request of the Endowment Committee to the Parish Administrator or other individual designated pursuant to Art. III, Section 1.1 (the "Designee"), with approval of the Vestry for those uses which conform to the

purposes and restrictions established by donors or incorporated in the Enabling Resolutions and Guiding Principles.

2.2. To balance the preference for making appropriate distributions with the need to offset inflation over long periods of time, a sufficient amount of endowment fund portfolio income and gains must be retained and reinvested. To that end, the annual amount available for distributions from any Fund[4] shall be limited as follows:

2.2.1. The percentage of each fund made available for distribution shall be determined each year by the Endowment Committee with approval by the Vestry and should typically be in the range of 3-5% of the fund's average portfolio value.

2.2.2. Distributions from any endowment fund for any given calendar year shall not exceed 5% of the fund's *average portfolio value*[5].

2.2.3. From this 3-5% annual distribution limit, the following definitions and concepts shall apply:

2.2.3.1. This distribution limitation and related calculation embraces and applies a *total return* and *unitrust* concept; not an *income* concept (i.e., not a concept of only distributing portfolio accounting *income*); and,

2.2.3.2. The annual distribution limit is further subject to accounting rules applied by the Designee regarding the *restricted*, *temporarily restricted*, and *unrestricted* nature of the fund or any part thereof.

2.3. The 3-5% annual distribution limit is a guideline, not a required distribution. Nothing herein shall be construed to require a distribution each year unless the governing documents of a Fund require it. The Endowment Committee shall take into account existing market conditions in determining the appropriate amount of a distribution, if any.

2.4. To encourage requests for distributions, any unexpended funds from those available for distribution in a given year shall not be carried over to the following year unless otherwise designated by the Endowment Committee with approval from the Vestry. Expenses related to the management and administration of the Funds will be deducted from the monies available for distribution.

---

[4] Said annual distribution limit shall be applied to each fund individually and not in the aggregate of all Funds.

[5] *Average portfolio value* for the 3-5% value shall be calculated as follows:
1. Calculate the average of the prior 20 calendar quarter-end endowment fund portfolio values.
2. Multiply that average by the percentage available for distribution (e.g., 3%).
3. The result shall be the maximum distribution from a given endowment fund for a given calendar year.

Example: *Average of last 12 quarter's endowment fund value = $150,000*
$150,000 x 3% = $4,500 ➜ $4,500 is maximum distribution from that fund for the year.

2.5. The governing document of any Fund shall take precedence over these general statements in the event of a conflict between this Spending Policy and the governing document of any Fund.

2.6. The Endowment Committee shall act in good faith with the care that an ordinary prudent person in a like position would exercise under similar circumstances and shall consider if relevant the standards set out in the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). At no time shall the Endowment Committee recommend, nor should the Vestry approve, a spending rate that creates a presumption of imprudence under UPMIFA.

ARTICLE V:

INVESTMENT POLICY STATEMENT

Grace Episcopal Church has established an Endowment Fund (the "Fund") for its long-term endowment and investment assets. The Endowment Committee of Grace oversees the Fund and has developed and approved this Investment Policy Statement ("IPS") for ratification by the Vestry of Grace.

The purpose of this IPS is to (1) set out the investment objectives and guidelines for the Fund and (2) assist the Endowment Committee with the investment, oversight and evaluation of the Fund. The Endowment Committee will administer the Fund in accordance with this IPS and the Spending Policy contained in Article IV. The Endowment Committee may employ an outside investment manager ("Investment Manager") and must review this IPS at least annually with the Investment Manager. For those investments held at the Episcopal Diocese of Oklahoma (the Diocese), the Diocese will be considered the investment manager.

1. Investment Objective

1.1. The investment objective of the Fund is to provide long term growth in the value of the Fund without undue exposure to risk so that the Fund provides a total return over time that allows for both current and future spending in accordance with the spending policy set out below. The assets of the Fund are to be invested with the same care, skill and diligence that a prudent investor would exercise in investing institutional endowment funds. The Fund is appropriate for long term endowment and investment funds.

2. Investment Guidelines

2.1. Time Horizon. The investment objectives and strategic asset allocation of the Fund are based on a long-term time horizon.

2.2. Risk Tolerance. With a long-term time horizon, the Fund can tolerate some interim fluctuation in market value and rates of return in order to achieve the investment objectives. High levels of risk and volatility should be avoided.

2.3. Permissible and Prohibited Investments. The Investment Manager shall invest the Fund in mutual funds, exchange traded funds, common trust funds or other commingled investment vehicles. The Investment Manager may not directly invest in private placements, restricted stock or other illiquid issues and may not directly engage in short sales, margin transactions or other similar specialized investment activities. Investment funds that use these activities are permitted.

3. Asset Allocation

3.1. Strategic Asset Allocation. The Fund shall be invested in a broadly diversified portfolio that includes equities (including but not necessarily limited to U.S. and international as well as large-, and small-capitalization) and fixed income securities (which may include cash equivalents) in an asset allocation that is conducive to participation in rising markets while permitting adequate protection in falling markets. The asset allocation must also account for the spending policy of the Fund as set out below. The Endowment Committee shall review the strategic allocation of the Fund with the Investment Manager at least annually.

3.2. Based upon the underlying needs and circumstances of the Fund, the Committee may determined the asset allocation targets.

4. Rebalancing

4.1. The Diocesan Committee intends to maintain the asset class allocations within the target ranges outlined above. Allocations will be reviewed at least on a quarterly basis to determine if rebalancing transfers between asset classes are necessary.

5. Performance Measurement Guidelines

5.1. The primary measure of the investment performance of the Fund will be comparison to a custom-designed benchmark based on the strategic asset allocation of the Fund. An additional goal is providing protection against inflation. The current benchmark for the Fund should be available from the Investment Manager (the most recent are attached hereto as **Appendix F)**. The Investment Manager will notify the Endowment Committee of any change in the benchmark.

6. Responsibilities

6.1. Endowment Committee. The Endowment Committee oversees and administers the Fund in accordance with this IPS. It is responsible for:

6.1.1. Establishing investment objectives and guidelines for the Fund and preparing and approving an IPS. The objectives and guidelines will reflect a prudent investment standard.

6.1.2. Selecting a qualified Investment Manager for the Fund using prudent due diligence procedures and overseeing the ongoing performance of that Investment Manager.

6.1.3. Setting the strategic asset allocation of the Fund in accordance with the investment objectives and guidelines set out in the IPS and in consultation with the Investment Manager.

6.1.4. Monitoring the Fund on a regular basis to ensure compliance with the investment objectives and guidelines of the IPS.

6.1.5. Reviewing the performance of the Fund with the Investment Manager at least quarterly.

6.1.6. Evaluating the performance of the Investment Manager at least annually.

6.1.7. Taking appropriate action if the Investment Manager does not meet the investment objectives or follow the investment guidelines.

6.1.8. Communicating with the Investment Manager in a structured, ongoing manner.

6.1.9. Reporting periodically to the Vestry. Said report may contain, for each fund, the following: current value; securities owned; diversification; interest income received; dividend income received; realized gains and losses; fees paid, including fees inside mutual funds; and, rate of return information since the funds inception and YTD.

6.1.10. Meeting at least quarterly to carry out its responsibilities.

6.2. Additionally, the Endowment Committee is responsible for recommending a prudent spending rate for the Fund for Vestry approval as set forth in the Spending Policy in Article IV, communicating with the Investment Manager about any distributions, and overseeing distributions from the Fund in accordance with the Spending Policy in Article IV, as well as the purposes of the Fund and any applicable sub-fund.

6.3. Investment Manager. The Investment Manager shall invest and manage the assets of the Fund in conformity with this IPS unless in the Investment Manager's opinion to do so would be clearly imprudent. The Investment Manager is responsible for:

6.3.1. Designing an investment strategy that complies with this IPS and any related policies in consultation with the Endowment Committee.

6.3.2. Implementing the investment strategy, including fund selection and tactical asset allocation, within the guidelines of this IPS and any related policies.

6.3.3. Providing timely written quarterly performance reports to the Endowment Committee.

6.3.4. Providing quarterly statements to the Endowment Committee and investment materials so that the Endowment Committee can review investment objectives, strategy and performance.

6.3.5. Notifying the Endowment Committee in writing of any material deviation from this IPS.

6.4. Custodian. The assets of the Fund shall be held by a custodian that is a reputable, well-established financial institution. The custodian is responsible for:

6.4.1. Safekeeping the assets of the Fund.

6.4.2. Providing timely written quarterly statements of balances and transactions to the Endowment Committee.

6.4.3. Fulfilling all regular fiduciary duties required of a custodian by pertinent state and federal laws and regulations.

ARTICLE VI:

DISPOSITION OF PLANNED GIFTS POLICY

1. This policy governs the disposition of planned gifts, which, for the purposes of this policy, shall include any type of gift in which assets are transferred upon the death of the donor. The assets may be in any form, including but not limited to cash, securities, personal property, real property, etc.

2. Planned gifts typically identify the beneficiary in one of two ways: **Grace Episcopal Church** or the **Grace Episcopal Church Endowment Fund**. While some variation of these names may occur, the intended beneficiary is either (1) the Church, or (2) the Endowment Fund or its sub-funds.

3. Planned gifts identifying **Grace Episcopal Church** that are not accompanied by a designation or restriction of any kind shall be placed in the General Memorial Fund, Reserve Fund, or in the endowment fund as part of the Grace Vestry Directed General Endowment Fund (quasi). The default position of the Church shall be that all such planned gifts below $25,000.00 shall go into the General Memorial Fund; and, all planned gifts of $25,000.00 or more shall require the first $25,000.00 to go into the General Memorial Fund and the remainder shall be placed in the Grace Vestry Directed General Endowment Fund (quasi). This general position shall be followed unless the Rector and Senior Warden request an exception to the policy from the Vestry identifying an extraordinary need and showing no other financial resources of the Church are available or are expected come available in sufficient time to fulfill that need. The Vestry shall determine whether the requested exception is appropriate or, if not, that the general position should be followed.

4. If a donor has identified a specific purpose for a planned gift, the Vestry will guarantee that the funds received shall be used in accordance with the donor's wishes. The funds may be directed to their designated/restricted purpose either as an endowment, in which case they would become a designated fund within the Endowment Fund; or, if the funds should be placed elsewhere for direct expenditure by the Treasurer as directed by the Vestry. In making this determination, the Vestry shall consider (1) the amount of funds being received and the potential for earning interest via placement in the Endowment; (2) the specific purpose, designation, or restriction desired by the donor; and, (3) the amount of time between receipt of the funds and there anticipated expenditure. Depending on the nature of the specific purpose, designation, or restriction, the Vestry shall consult with any Committee and/or individual(s) (including relatives and close friends of the donor) that may have relevant, clarifying information on how the donor wished the funds to be utilized and what available programs/projects would benefit most by the funds.

5. Planned gifts designating as beneficiary the **Grace Episcopal Church Endowment Fund**, or any variation of the name "Endowment," shall automatically be transferred to the Permanent Endowment Fund upon receipt. Any planned gift designating as beneficiary the Endowment

Fund without specifying a particular sub-fund, shall be divided equally between the Grace Ministries Endowment Fund and the Grace Capital Improvements Endowment Fund. If the planned gift designating as beneficiary the Endowment Fund identifies specific purposes, designations, or restrictions for the gift, it shall be used to establish a donor-restricted designated fund within the Permanent Endowment Fund provided that the gift is at least $25,000.00 or more and, if it is less than $25,000.00, the Vestry shall determine the appropriate placement of the gift as described in Section 4, above.

ARTICLE VII:

DONOR-RESTRICTED DESIGNATED FUND POLICY

1. A separate, designated fund within the Endowment Fund may be established for gifts in the sum of $25,000.00 or more. The Vestry shall vote to either accept the gift subject to the purposes, designations, or restrictions described by the donor, or it may reject the gift.

1.1. If accepted, the gift assets shall be merged with other assets of the Fund for investment purposes, but the identity and purposes, designations, or restrictions of each fund shall be preserved in accounting practices and honored.

1.1.1. Any such fund shall be established effective the last day of the quarter in which the gift is received. The value shall be determined either by the actual value (if received in cash), or the market value of the assets as determined on the date the fund is established.

1.1.2. Income, realized gains or losses, and unrealized gains or losses shall be allocated quarterly to each fund based on its market value relative to the total market value of the Endowment Fund at the end of the previous quarter. New gifts shall be added and withdrawals subtracted to arrive at the new value of the designated fund on the last day of the quarter. Expenditures shall be subject to the purposes specified in the designation and are governed by the Fund's Spending Policy or related governing documents, if applicable.

ARTICLE VIII:

GIFT ACCEPTANCE POLICY

Grace Episcopal Church has established an Endowment Fund (the "Fund") for its long-term endowment and investment assets. The Endowment Committee of Grace oversees the Fund and has developed and approved these Gift Acceptance Policies for ratification by the Vestry of Grace.

The purpose of these Gift Acceptance Policies is to provide guidance to the Vestry, Endowment Committee, and any other relevant committees, as appropriate, in connection with the review and acceptance of new gifts to the Fund.

1. Gift Acceptance Guidelines

1.1. Purpose

1.1.1. These gift acceptance guidelines are intended to guide representatives of the Church, potential donors, and any outside advisors in connection with gifts to the Church or its endowment or other funds. These guidelines are not intended as professional advice. The Vestry, Endowment Committee, or any other relevant committee should follow any review procedures described below, but the Vestry has the discretion to accept or reject any specific gift. Donors are encouraged to obtain their own legal, tax and financial advice before completing a gift.

1.2. Ad Hoc Gift Review Committee or Endowment Committee Roles

1.2.1. The Vestry may establish an Ad Hoc Gift Review Committee when it deems it necessary or may establish permanently if circumstances justify. Alternatively, the Vestry may delegate review of any gift(s) to the Endowment Committee, in which case they will be responsible for performing the functions of the Gift Review Committee as identified herein. The Committee, whether formed temporarily or permanently, shall consist of the members of the Endowment Committee, including ex-officio members without votes, unless otherwise established by the Vestry. On behalf of the Church, the Vestry must review and approve or reject all gifts to the Church or any endowment, investment or other fund. The Gift Review Committee shall provide information, advice or recommendations to the Vestry as set out in these guidelines or otherwise requested. The Vestry shall refer all questions relating to the review and acceptance of gifts to the Gift Review Committee during any term in which it is established and may consult with the Gift Review Committee as needed or desired.

1.3. Cash

1.3.1. The Vestry shall accept all gifts made by check without regard to amount. All checks must be payable to *Grace Episcopal Church* and in no event may be payable to an individual who represents Grace in any capacity.

1.4. Publicly Traded Securities

1.4.1. The Vestry may accept readily marketable securities, such as those traded on an exchange. The value of a gift of such securities is the average of the high and low prices on the date of the gift. Typically, a gift of such securities is liquidated immediately.

1.4.2. A gift of securities to the Church is usually liquidated immediately. However, if the form or designation of the gift allows the possibility that it will be directed to the Endowment Fund or any sub-fund therein, a decision regarding liquidation of the securities will be deferred until that determination is made. If the funds are to be directed to the Endowment Fund or sub-funds, the certificates will be given to the Fund's Investment Manager who shall then act on the Endowment Committee's decision whether to sell, transfer or hold the securities. (See **Appendix D**).

1.5. Closely Held Securities

1.5.1. The Vestry may accept non-publicly traded securities after consultation with the Gift Review Committee or the Endowment Committee. The value of a gift of such securities is the value used by the donor in preparation of the donor's tax return. *Prior to acceptance*, the Gift Review Committee or Endowment Committee shall explore methods for the liquidation through sale or redemption and shall try to determine (a) any restrictions on transfer and (b) if and when an initial public offering is expected. No commitment for the repurchase of closely held securities may be made prior to the completion of the gift of such securities.

1.6. Real Estate

1.6.1. The Vestry must refer any gift of real estate to the Gift Review Committee or Endowment Committee. All gifts of real estate must be appraised by an independent professional, typically at the expense of the donor. The appraisal must be based on a personal visit and internal and external inspection and, if possible, include documented values of comparable properties in the same area. The appraisal should contain photographs of the property, the tax map number, the assessed value, the current asking price, a legal description of the property, the zoning status, and complete information regarding all mortgages, liens, litigation, or title disputes as well as, if requested, an environmental assessment.

1.6.2. If the Vestry accepts the gift of real estate, it must be transferred to Grace before any formal offer or contract for purchase. The Vestry may ask the donor to pay in full or in

part the cost of maintenance, insurance, real estate taxes, and broker's commission or any other cost of sale. The value of the gift is the appraised value of the real estate, which may be reduced by the cost of maintenance, insurance, real estate taxes, broker's commission, and other expenses of sale.

1.7. Life Insurance

1.7.1. The Vestry must refer any gift of a life insurance policy to the Gift Review Committee or Endowment Committee. The Vestry may accept a gift of ownership of a life insurance policy only if Grace is named both the owner and beneficiary of 100% of the policy. If the policy is fully paid up, the value of the gift is the replacement cost of the policy. If the policy is partially paid up, the value of the gift is the policy's cash surrender value or interpolated terminal reserve value. Grace may also be named a full, partial or contingent beneficiary of a life insurance policy.

1.8. Tangible Personal Property

1.8.1. The Vestry may accept gifts of tangible personal property after review by the Gift Review Committee or Endowment Committee. Tangible personal property may include jewelry, artwork, collections, equipment or software, among other examples. The Gift Review Committee or Endowment Committee must assess the value to Grace of any such property, which may be sold or used by Grace in connection with its exempt purpose. The Gift Review Committee or Endowment Committee may ask a qualified outside appraiser to determine the value of a gift of tangible personal property. The Vestry shall adhere to all IRS requirements relating to the value and disposition of gifts of tangible personal property and will provide appropriate forms to the donor and the IRS.

1.9. Deferred Gifts

1.9.1. The Vestry encourages deferred gifts to Grace or any endowment, investment or other fund. Deferred gifts may be made in various ways including:

- Bequests
- Beneficiary designations
- Retained life estates
- Charitable gift annuities
- Pooled income funds
- Charitable remainder trusts
- Charitable lead trusts
- Donor advised funds

1.9.2. The Church, or any agent of the Church, shall not act as executor or personal representative for a donor's estate. A staff member serving as personal representative for

a member of the Church does so in a personal capacity and not as an agent of the Church. The Church, or an agent of the Church, shall not act as trustee of any charitable remainder trust.

1.9.3. The Church may invite donors to consider gift vehicles offered by the Episcopal Church Foundation, including charitable gift annuities, pooled income funds, charitable remainder trusts and donor advised funds. Gift illustrations or form documents are provided at no cost.

1.9.4. The following disclaimer should be included in any materials, documents, illustrations, letters or other correspondence related to deferred or planned gifts:

> **Grace Episcopal Church strongly urges you to consult with your attorney, financial advisor and/or tax advisor to review this information provided without charge or obligation. This information in no way constitutes legal, financial or tax advice.**

1.9.5. The Church, its staff, the Vestry, the Gift Committee, the Endowment Committee, and volunteers shall hold in strictest confidence all information from or about donors and potential donors. The name of any donor, as well as the amount or conditions of any gift, will not be published without the express written or oral approval of the donor and beneficiary.

1.9.6. The Vestry may seek qualified professional counsel in connection with the consideration and execution of all deferred or planned gift agreements and will offer appropriate remuneration for professional services.

1.9.7. The Vestry, upon the advice of the Gift Review Committee or Endowment Committee, may decline any deferred or planned gift that does not further the mission of the Church or that would impose an unreasonable administrative burden or require the Church to incur excessive expenses.

APPENDIX A:

FUNDS WITHIN THE ENDOWMENT

1. Permanent Endowment Fund

The Permanent Endowment Fund is subdivided into two separate funds: The Grace Ministries Endowment Fund and the Grace Capital Improvements Endowment Fund.

Grace Ministries Endowment Fund

- *Type of Fund*: True, donor-restricted
- *Purpose*: Outreach ministries and grants, seed money for new ministries and special one-time projects, educational or training opportunities for clergy or parishioners.
- *Spending Policy*: A prudent amount of total **return**, typically 3-5% each year of a rolling 12-quarter average fund value.
- *Protection of Corpus*: To be held in perpetuity, protected by UPMIFA

Grace Capital Improvements Endowment Fund

- *Type of Fund*: True, donor-restricted
- *Purpose*: Capital expenses
- *Spending Policy*: A prudent amount of total **return**, typically 3-5% each year of a rolling 12-quarter average fund value.
- *Protection of Corpus*: To be held in perpetuity, protected by UPMIFA

2. General Endowment Fund

Grace Vestry Directed General Fund

- *Type of Fund*: quasi, Vestry-designated
- *Purpose*: Outreach ministries and grants, seed money for new ministries and special one-time projects, educational or training opportunities for clergy or parishioners.
- *Spending Policy*: A prudent amount of total return, typically 3-5% each year of a rolling 12-quarter average fund value.
- *Protection of Corpus*: Corpus may be spent down pursuant to Art. II, Section 14, requiring a two-thirds vote of the Vestry at two consecutive, regularly scheduled meetings and informing the congregation prior to taking action.

3. Special Purpose Fund

Special Purpose Fund

- *Type of Fund*: Special purpose
- *Purpose*: As directed or otherwise restricted
- *Spending Policy*: At the discretion of the Vestry
- *Protection of Corpus*: None.

APPENDIX B

GRACE EPISCOPAL CHURCH ENDOWMENT FUND
FUNDING APPLICATION

Date of Application:_____

Section 1: Information Regarding Requestor

1. Name of Individual(s)/Entity Requesting Funding:

_____

Address:_____

Telephone:_____

E-mail:_____

Name and Title of Representative (if Entity):

_____

Section 2: Information Regarding Request

1. Amount of Request:_____

2. Please describe in detail how the funds being requested will be used: (attach additional pages if necessary):_____

_____

_____

3. If the Amount of Request is not the total budget for the proposed project/program, please provide the following:

Total Project/Program Budget:_____

Project/Program Funding Already Raised:_____

Project/Program Funding Already Pledged:_____

Who Will and/or Has Provided the Additional Funding:_____

_____

4. Who Will Supervise Project/Program Expenditures:_____

5: Time Frame for Expenditure of Funds: Beginning _____(month/year) and projected project completion by _____(month/year).

6. Location(s) Where Project/Program Will Take Place:_____

7. If more than one individual and/or entity will supervise the project/program/expenditures, please identify who those individuals and/or entities will be and what their qualifications are; If those individuals and/or entities have not been selected but will be, please identify what qualifications will be required of the individual(s)/entities that will participate:_____

_____

Section 3: Identifying Goals/Measuring Outcomes

1. What is the goal of the project/program?_____

_____

2. Are you requesting support from a specific Fund? If so, identify the Fund and describe how your goal(s) satisfy the purpose of that Fund._____

_____

3. Who do you anticipate will benefit from this expenditure of funds?_____

_____

4. How will you measure outcomes of this project/program/expenditure in relation to the goals you have identified and anticipated beneficiaries?_____

_____

Section 4: Additional Information

If there is any additional information you would like the Grace Episcopal Church Endowment Committee to consider in reviewing your application, please attach it to this application. The Endowment Committee meets quarterly during the calendar year and will make any recommendations for approval of distributions to the Vestry at that time unless special circumstances exist. The Endowment Committee may request additional information regarding this request for the individual(s) or representative(s) identified above.

NO REQUEST WILL BE CONSIDERED BY THE COMMITTEE WITHOUT A COMPLETED APPLICATION

ONCE COMPLETED, PLEASE SUBMIT TO THE FRONT OFFICE:

GRACE EPISCOPAL CHURCH
218 N. 6TH STREET
MUSKOGEE, OK 74401

APPENDIX C

THE ENDOWMENT FUNDS OF GRACE EPISCOPAL CHURCH

Anyone may contribute any amount, during life or at death, to the Grace Ministries Endowment Fund, the Grace Capital Improvements Endowment Fund, the Grace Vestry Directed General Fund, and/or to the Special Purpose Fund.

	Grace Ministries Endowment Fund	Grace Capital Improvements Endowment Fund	Grace Vestry Directed General Fund (quasi endowment)	Special Purpose Fund (non-endowment)
General purposes of Fund (see Note 1, below)	Outreach, ministries, education, grants(1), other appropriate purposes even if not considered outreach	Capital improvements to buildings/facilities/ properties	Unrestricted at Vestry's discretion	Designated purposes (e.g., roof replacement)
Fund primarily intended for:	See Note 1, below	Capital improvements	See Note 5, below	As defined by Funds' governing documents
Permits distributions for capital improvements and major maintenance?	No, unless special circumstances exist (see Art. II, section 14)	Yes	Yes, if Finance Committee and Vestry authorize	Yes, if consistent with designated purposes
Who makes distribution decisions? (see Note 2, below)	Endowment Committee with Vestry approval	Endowment Committee with Vestry Approval	Finance Committee and Vestry	Finance Committee and Vestry
Who makes investment decisions?	Endowment Committee	Endowment Committee	Endowment Committee	Endowment Committee
Amount distributable in a calendar year (See Note 3, below)	3-5% of average fund value	3-5% of average fund value	As determined by Finance Committee	As determined by Finance Committee
Contributions permitted during donor lifetime?	Yes	Yes	Yes	Yes
Contributions permitted at time of or following donor's death?	Yes	Yes	Yes	Yes
Minimum contribution established? (See Note 4, below)	No minimum	No minimum	No minimum	No minimum
Duration of Fund	Perpetual	Perpetual	Vestry's discretion	Life of Project/Exhaustion of Funds
NOTES:	1. Unless Fund's governing document specifies otherwise, Grace Ministries Endowment Fund and other permanent Funds shall primarily be used for outreach, education, seed money for new ministries, and grants; but not capital expenditures. The Outreach Committee shall be consulted when appropriate. 2. The Endowment Committee interprets applicable governing documents and decides on propriety of distributions but no distributions shall occur without Vestry approval. 3. Amount distributed is determined by applicable governing documents and Endowment Committee. Generally, annual distribution should be 3-5%. 4. Generally, no minimum contribution is required. However, if a donor wishes to establish a new Fund with such a limitation, a minimum of $100,000 shall be required.			

APPENDIX D
DONATIONS BY GIFTS OF SECURITIES

Your financial advisor may suggest that it would be advantageous for you to donate through a gift of stock, mutual fund, exchange traded funds (ETF) or other securities. If that is your desire, please notify your stock broker/financial service provider, with the following information. The church may not initiate the contact; it must come from the donor/stock broker.

Your representative will need to following information:

Name of security: _____ Ticker Symbol: _____
Number of shares/amount you wish to donate _____
Church's broker/financial institution _____
Church's account number _____

DONATION FROM AN IRA

If you are 70 ½ or older, you can make a contribution to <your parish> directly from your traditional IRA simply by instructing the plan administrator to make the transfer directly to <your parish>. Called a Qualified Charitable Distribution (QCD), you are allowed to transfer up to $100,000 a year* to the charities of your choice and not pay taxes on the distribution. It will also count toward your Required Minimum Distribution (RMD) once assigned, normally after you are 72.

Please check with your financial advisor before completing any gift. If that is your desire, please notify your IRA provider, with the following information. The church may not initiate the contact, it must come from you.

Your representative will need to provide the following information:

Amount you wish to give as a QCD: $_____

Church's Official Name and Address: _____

If an electronic transfer is possible
Name of Church's financial institution: _____
Church's account number: _____

***As may be adjusted if you continue to make contributions to your IRA.**

APPENDIX E

Oklahoma Statutes Annotated
Title 60. Property
Chapter 6. Personal Property
Uniform Prudent Management of Institutional Funds Act

60 Okl.St.Ann. Ch. 6, Refs & Annos
Currentness

Footnotes
* Date of approval.

60 Okl. St. Ann. Ch. 6, Refs & Annos, OK ST T. 60, Ch. 6, Refs & Annos
Current with emergency effective legislation through Chapter 44 of the Second Regular Session of the 58th Legislature (2022). Some sections may be more current, see credits for details.

End of Document

© 2022 Thomson Reuters. No claim to original U.S. Government Works.

Oklahoma Statutes Annotated
Title 60. Property (Refs & Annos)
Chapter 6. Personal Property
Uniform Prudent Management of Institutional Funds Act (Refs & Annos)

60 Okl.St.Ann. § 300.11

§ 300.11. Short title--Uniform Prudent Management of Institutional Funds Act

Currentness

SHORT TITLE.

Sections 1 through 10 of this act[1] shall be known and may be cited as the "Uniform Prudent Management of Institutional Funds Act."

Credits

Laws 2007, c. 91, § 1, eff. Nov. 1, 2007.

Footnotes

1 O.S.L.2007, c. 91, §§ 1 through 10 [Title 60, §§ 300.11 through 300.20].

60 Okl. St. Ann. § 300.11, OK ST T. 60 § 300.11

Current with emergency effective legislation through Chapter 44 of the Second Regular Session of the 58th Legislature (2022). Some sections may be more current, see credits for details.

End of Document

© 2022 Thomson Reuters. No claim to original U.S. Government Works.

Oklahoma Statutes Annotated
Title 60. Property (Refs & Annos)
Chapter 6. Personal Property
Uniform Prudent Management of Institutional Funds Act (Refs & Annos)

60 Okl.St.Ann. § 300.12

§ 300.12. Definitions

Currentness

DEFINITIONS.

In the Uniform Prudent Management of Institutional Funds Act:

(1) "Charitable purpose" means the relief of poverty, the advancement of education or religion, the promotion of health, the promotion of a governmental purpose, or any other purpose the achievement of which is beneficial to the community.

(2) "Endowment fund" means an institutional fund or part thereof that, under the terms of a gift instrument, is not wholly expendable by the institution on a current basis. The term does not include assets that an institution designates as an endowment fund for its own use.

(3) "Gift instrument" means a record or records, including an institutional solicitation, under which property is granted to, transferred to, or held by an institution as an institutional fund.

(4) "Institution" means:

(A) a person, other than an individual, organized and operated exclusively for charitable purposes;

(B) a government or governmental subdivision, agency, or instrumentality, to the extent that it holds funds exclusively for a charitable purpose; or

(C) a trust that has both charitable and noncharitable interests, after all noncharitable interests have terminated.

(5) "Institutional fund" means a fund held by an institution exclusively for charitable purposes. The term does not include:

(A) program-related assets;

(B) a fund held for an institution by a trustee that is not an institution; or

 © 2022 Thomson Reuters. No claim to original U.S. Government Works.

(C) a fund in which a beneficiary that is not an institution has an interest, other than an interest that could arise upon violation or failure of the purposes of the fund.

(6) "Person" means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, public corporation, government or governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.

(7) "Program-related asset" means an asset held by an institution primarily to accomplish a charitable purpose of the institution and not primarily for investment.

(8) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

Credits

Laws 2007, c. 91, § 2, eff. Nov. 1, 2007.

60 Okl. St. Ann. § 300.12, OK ST T. 60 § 300.12

Current with emergency effective legislation through Chapter 44 of the Second Regular Session of the 58th Legislature (2022). Some sections may be more current, see credits for details.

End of Document

© 2022 Thomson Reuters. No claim to original U.S. Government Works.

Oklahoma Statutes Annotated
Title 60. Property (Refs & Annos)
Chapter 6. Personal Property
Uniform Prudent Management of Institutional Funds Act (Refs & Annos)

60 Okl.St.Ann. § 300.13

§ 300.13. Standard of conduct in managing and investing institutional fund

Currentness

STANDARD OF CONDUCT IN MANAGING AND INVESTING INSTITUTIONAL FUND.

(a) Subject to the intent of a donor expressed in a gift instrument, an institution, in managing and investing an institutional fund, shall consider the charitable purposes of the institution and the purposes of the institutional fund.

(b) In addition to complying with the duty of loyalty imposed by law other than the Uniform Prudent Management of Institutional Funds Act, each person responsible for managing and investing an institutional fund shall manage and invest the fund in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

(c) In managing and investing an institutional fund, an institution:

(1) may incur only costs that are appropriate and reasonable in relation to the assets, the purposes of the institution, and the skills available to the institution; and

(2) shall make a reasonable effort to verify facts relevant to the management and investment of the fund.

(d) An institution may pool two or more institutional funds for purposes of management and investment.

(e) Except as otherwise provided by a gift instrument, the following rules apply:

(1) In managing and investing an institutional fund, the following factors, if relevant, must be considered:

(A) general economic conditions;

(B) the possible effect of inflation or deflation;

(C) the expected tax consequences, if any, of investment decisions or strategies;

 © 2022 Thomson Reuters. No claim to original U.S. Government Works.

(D) the role that each investment or course of action plays within the overall investment portfolio of the fund;

(E) the expected total return from income and the appreciation of investments;

(F) other resources of the institution;

(G) the needs of the institution and the fund to make distributions and to preserve capital; and

(H) an asset's special relationship or special value, if any, to the charitable purposes of the institution.

(2) Management and investment decisions about an individual asset must be made not in isolation but rather in the context of the institutional fund's portfolio of investments as a whole and as a part of an overall investment strategy having risk and return objectives reasonably suited to the fund and to the institution.

(3) Except as otherwise provided by law other than the Uniform Prudent Management of Institutional Funds Act, an institution may invest in any kind of property or type of investment consistent with this section.

(4) An institution shall diversify the investments of an institutional fund unless the institution reasonably determines that, because of special circumstances, the purposes of the fund are better served without diversification.

(5) Within a reasonable time after receiving property, an institution shall make and carry out decisions concerning the retention or disposition of the property or to rebalance a portfolio, in order to bring the institutional fund into compliance with the purposes, terms, and distribution requirements of the institution as necessary to meet other circumstances of the institution and the requirements of the Uniform Prudent Management of Institutional Funds Act.

(6) A person that has special skills or expertise, or is selected in reliance upon the person's representation that the person has special skills or expertise, has a duty to use those skills or that expertise in managing and investing institutional funds.

Credits

Laws 2007, c. 91, § 3, eff. Nov. 1, 2007.

60 Okl. St. Ann. § 300.13, OK ST T. 60 § 300.13

Current with emergency effective legislation through Chapter 44 of the Second Regular Session of the 58th Legislature (2022). Some sections may be more current, see credits for details.

End of Document

© 2022 Thomson Reuters. No claim to original U.S. Government Works.

60 Okl.St.Ann. § 300.14

§ 300.14. Appropriation for expenditure or accumulation of endowment fund--Rules of construction

Currentness

APPROPRIATION FOR EXPENDITURE OR ACCUMULATION OF ENDOWMENT FUND; RULES OF CONSTRUCTION.

(a) Subject to the intent of a donor expressed in the gift instrument, an institution may appropriate for expenditure or accumulate so much of an endowment fund as the institution determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established. Unless stated otherwise in the gift instrument, the assets in an endowment fund are donor-restricted assets until appropriated for expenditure by the institution. In making a determination to appropriate or accumulate, the institution shall act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, and shall consider, if relevant, the following factors:

(1) the duration and preservation of the endowment fund;

(2) the purposes of the institution and the endowment fund;

(3) general economic conditions;

(4) the possible effect of inflation or deflation;

(5) the expected total return from income and the appreciation of investments;

(6) other resources of the institution; and

(7) the investment policy of the institution.

(b) To limit the authority to appropriate for expenditure or accumulate under subsection (a), a gift instrument must specifically state the limitation.

(c) Terms in a gift instrument designating a gift as an endowment, or a direction or authorization in the gift instrument to use only "income", "interest", "dividends", or "rents, issues, or profits", or "to preserve the principal intact", or words of similar import:

 © 2022 Thomson Reuters. No claim to original U.S. Government Works.

(1) create an endowment fund of permanent duration unless other language in the gift instrument limits the duration or purpose of the fund; and

(2) do not otherwise limit the authority to appropriate for expenditure or accumulate under subsection (a) of this section.

Credits

Laws 2007, c. 91, § 4, eff. Nov. 1, 2007.

60 Okl. St. Ann. § 300.14, OK ST T. 60 § 300.14

Current with emergency effective legislation through Chapter 44 of the Second Regular Session of the 58th Legislature (2022). Some sections may be more current, see credits for details.

End of Document

© 2022 Thomson Reuters. No claim to original U.S. Government Works.

Oklahoma Statutes Annotated
Title 60. Property (Refs & Annos)
Chapter 6. Personal Property
Uniform Prudent Management of Institutional Funds Act (Refs & Annos)

60 Okl.St.Ann. § 300.15

§ 300.15. Delegation of management and investment functions

Currentness

DELEGATION OF MANAGEMENT AND INVESTMENT FUNCTIONS.

(a) Subject to any specific limitation set forth in a gift instrument or in law other than the Uniform Prudent Management of Institutional Funds Act, an institution may delegate to an external agent the management and investment of an institutional fund to the extent that an institution could prudently delegate under the circumstances. An institution shall act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, in:

(1) Selecting an agent;

(2) Establishing the scope and terms of the delegation, consistent with the purposes of the institution and the institutional fund; and

(3) Periodically reviewing the agent's actions in order to monitor the agent's performance and compliance with the scope and terms of the delegation.

(b) In performing a delegated function, an agent owes a duty to the institution to exercise reasonable care to comply with the scope and terms of the delegation.

(c) An institution that complies with subsection (a) of this section is not liable for the decisions or actions of an agent to which the function was delegated.

(d) By accepting delegation of a management or investment function from an institution that is subject to the laws of this state, an agent submits to the jurisdiction of the courts of this state in all proceedings arising from or related to the delegation or the performance of the delegated function.

(e) An institution may delegate management and investment functions to its committees, officers, or employees as authorized by law of this state other than the Uniform Prudent Management of Institutional Funds Act.

 © 2022 Thomson Reuters. No claim to original U.S. Government Works.

Credits

Laws 2007, c. 91, § 5, eff. Nov. 1, 2007.

60 Okl. St. Ann. § 300.15, OK ST T. 60 § 300.15

Current with emergency effective legislation through Chapter 44 of the Second Regular Session of the 58th Legislature (2022). Some sections may be more current, see credits for details.

End of Document

© 2022 Thomson Reuters. No claim to original U.S. Government Works.

60 Okl.St.Ann. § 300.16

§ 300.16. Release or modification of restrictions on management, investment, or purpose

Currentness

RELEASE OR MODIFICATION OF RESTRICTIONS ON MANAGEMENT, INVESTMENT, OR PURPOSE.

(a) If the donor consents in a record, an institution may release or modify, in whole or in part, a restriction contained in a gift instrument on the management, investment, or purpose of an institutional fund. A release or modification may not allow a fund to be used for a purpose other than a charitable purpose of the institution.

(b) The court, upon application of an institution, may modify a restriction contained in a gift instrument regarding the management or investment of an institutional fund if the restriction has become impracticable or wasteful, if it impairs the management or investment of the fund, or if, because of circumstances not anticipated by the donor, a modification of a restriction will further the purposes of the fund. The institution shall notify the Attorney General of the application, and the Attorney General must be given an opportunity to be heard. To the extent practicable, any modification must be made in accordance with the donor's probable intention.

(c) If a particular charitable purpose or a restriction contained in a gift instrument on the use of an institutional fund becomes unlawful, impracticable, impossible to achieve, or wasteful, the court, upon application of an institution, may modify the purpose of the fund or the restriction on the use of the fund in a manner consistent with the charitable purposes expressed in the gift instrument. The institution shall notify the Attorney General of the application, and the Attorney General must be given an opportunity to be heard.

(d) If an institution determines that a restriction contained in a gift instrument on the management, investment, or purpose of an institutional fund is unlawful, impracticable, impossible to achieve, or wasteful, the institution, sixty (60) days after notification to the Attorney General, may release or modify the restriction, in whole or part, if:

(1) The institutional fund subject to the restriction has a total value of less than Twenty-five Thousand Dollars ($25,000.00);

(2) More than twenty (20) years have elapsed since the fund was established; and

(3) The institution uses the property in a manner consistent with the charitable purposes expressed in the gift instrument.

 © 2022 Thomson Reuters. No claim to original U.S. Government Works.

Credits

Laws 2007, c. 91, § 6, eff. Nov. 1, 2007.

60 Okl. St. Ann. § 300.16, OK ST T. 60 § 300.16

Current with emergency effective legislation through Chapter 44 of the Second Regular Session of the 58th Legislature (2022). Some sections may be more current, see credits for details.

End of Document

© 2022 Thomson Reuters. No claim to original U.S. Government Works.

Oklahoma Statutes Annotated
Title 60. Property (Refs & Annos)
Chapter 6. Personal Property
Uniform Prudent Management of Institutional Funds Act (Refs & Annos)

60 Okl.St.Ann. § 300.17

§ 300.17. Reviewing compliance

Currentness

REVIEWING COMPLIANCE.

Compliance with the Uniform Prudent Management of Institutional Funds Act is determined in light of the facts and circumstances existing at the time a decision is made or action is taken, and not by hindsight.

Credits
Laws 2007, c. 91, § 7, eff. Nov. 1, 2007.

60 Okl. St. Ann. § 300.17, OK ST T. 60 § 300.17
Current with emergency effective legislation through Chapter 44 of the Second Regular Session of the 58th Legislature (2022). Some sections may be more current, see credits for details.

End of Document

© 2022 Thomson Reuters. No claim to original U.S. Government Works.

Oklahoma Statutes Annotated
Title 60. Property (Refs & Annos)
Chapter 6. Personal Property
Uniform Prudent Management of Institutional Funds Act (Refs & Annos)

60 Okl.St.Ann. § 300.18

§ 300.18. Application to existing institutional funds

Currentness

APPLICATION TO EXISTING INSTITUTIONAL FUNDS. The Uniform Prudent Management of Institutional Funds Act applies to institutional funds existing on or established after November 1, 2007. As applied to institutional funds existing on November 1, 2007, the Uniform Prudent Management of Institutional Funds Act governs only decisions made or actions taken on or after that date.

Credits

Laws 2007, c. 91, § 8, eff. Nov. 1, 2007.

60 Okl. St. Ann. § 300.18, OK ST T. 60 § 300.18
Current with emergency effective legislation through Chapter 44 of the Second Regular Session of the 58th Legislature (2022). Some sections may be more current, see credits for details.

End of Document

© 2022 Thomson Reuters. No claim to original U.S. Government Works.

Oklahoma Statutes Annotated
Title 60. Property (Refs & Annos)
Chapter 6. Personal Property
Uniform Prudent Management of Institutional Funds Act (Refs & Annos)

60 Okl.St.Ann. § 300.19

§ 300.19. Relation to Electronic Signatures in Global and National Commerce Act

Currentness

RELATION TO ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT. The Uniform Prudent Management of Institutional Funds Act modifies, limits, and supersedes the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. Section 7001 et seq., but does not modify, limit, or supersede Section 101 of that act, 15 U.S.C. Section 7001(a), or authorize electronic delivery of any of the notices described in Section 103 of that act, 15 U.S.C. Section 7003(b).

Credits

Laws 2007, c. 91, § 9, eff. Nov. 1, 2007.

60 Okl. St. Ann. § 300.19, OK ST T. 60 § 300.19
Current with emergency effective legislation through Chapter 44 of the Second Regular Session of the 58th Legislature (2022). Some sections may be more current, see credits for details.

End of Document

© 2022 Thomson Reuters. No claim to original U.S. Government Works.

Oklahoma Statutes Annotated
Title 60. Property (Refs & Annos)
Chapter 6. Personal Property
Uniform Prudent Management of Institutional Funds Act (Refs & Annos)

60 Okl.St.Ann. § 300.20

§ 300.20. Uniformity of application and construction

Currentness

UNIFORMITY OF APPLICATION AND CONSTRUCTION. In applying and construing the Uniform Prudent Management of Institutional Funds Act, consideration must be given to the need to promote uniformity of the law with respect to its subject matter among states that enact it.

Credits

Laws 2007, c. 91, § 10, eff. Nov. 1, 2007.

60 Okl. St. Ann. § 300.20, OK ST T. 60 § 300.20
Current with emergency effective legislation through Chapter 44 of the Second Regular Session of the 58th Legislature (2022). Some sections may be more current, see credits for details.

End of Document

© 2022 Thomson Reuters. No claim to original U.S. Government Works.

APPENDIX F

Refers to Section VII: Investment Program Return Parameters

A. External Market Benchmarks used to evaluate ongoing Total Fund, Capital Appreciation Segment, and Capital Preservation Segment performance include but are not limited to:

Current Market Benchmark	*Total Fund (%)*	*Capital Appreciation (%)*	*Capital Protection (%)*
Russell 3000 Index	39%	49%	--
MSCI ACWI ex-US Index	8%	10%	--
MSCI EAFE Small Cap Index	4%	5%	--
MSCI Emerging Markets Index	4%	5%	
DJ UBS Commodity Index	5%	7%	--
NCREIF Open End Diversified Core Index	8%	11%	
BC Aggregate Bond Index	22%	--	100%
Blended Global Allocation Benchmark	10%	13%	0%
Total Portfolio	100%	100%	100%

B. The Market Benchmarks serve as a proxy for capital market performance based on the asset allocation policy. The Market Benchmarks may not necessarily reflect the Investment Program's actual asset allocation structure due to capital market movements.

C. Weighted Index Benchmarks used to evaluate ongoing Total Fund, Capital Appreciation Segment, and Capital Preservation segment performance represent each of the Program's investment manager's benchmarks weighted by the target allocations within the Total Program.

Refers to Section VIII: Investment Style Diversification

Long-Term Capital Appreciation Style Guidelines		
Capital Appreciation Style	% of Capital Appreciation	% of Total
U.S. Equity Large-Cap	37%	29%
U.S. Equity Small-Cap	12%	10%
Non-U.S. Equity Large-Cap	10%	8%
Non-U.S. Equity Small-Cap	5%	4%
Emerging Markets Equity	5%	4%
Global Allocation	13%	10%
Real Assets	7%	5%
Private Real Estate	11%	8%
Total Capital Appreciation	100%	78%
Long-Term Capital Protection Style Guidelines		
Capital Protection Style	% of Capital Protection	% of Total
Fixed Income	100%	22%
Total Capital Protection	100%	22%

Note: The capital appreciation and capital preservation style allocations are intended to serve as guidelines for diversification purposes but are not strict investment policy mandates. The Investment Program's actual allocations will likely fluctuate based upon capital market conditions.

Refers to Section VIII: Investment Manager Benchmarks

Capital Appreciation Managers		
Equity	Style	Benchmark
John Hancock Disciplined Value	U.S. Large Cap	Russell 1000 Value Index
Primecap Odyssey Growth	U.S. Large Cap	Russell 1000 Growth Index
Edgewood Growth	U.S. Large Cap	Russell 1000 Growth Index
Hotchkis and Wiley Small Cap	U.S. Small Cap	Russell 2000 Value Index
William Blair SMID Cap Growth	U.S. Small Cap	Russell 2000 Growth Index
Dodge & Cox International	Non-U.S. Large Cap	MSCI ACWI ex-U.S. Index
Grandeur Peak International Opps.	Non-U.S. Small Cap	MSCI ACWI ex U.S. Small Index
DFA Emerging Markets Value	Emerging Markets	MSCI Emerging Markets Index
Real Assets		
Principal Diversified Real Assets	Real Assets	DJ UBS Commodity Index
Global Allocation		
Balentine Balanced	Global Tactical Allocation	60% MSCI ACWI / 40% Barclays Global Aggregate Bond Index
Private Real Estate		
Harrison Street Real Estate	Opportunistic Real Estate	NCREIF Open End Diversified Core Index
TA Associates Realty	Value Added Real Estate	NCREIF Open End Diversified Core Index
Rockwood Fund X	Value Added Real Estate	NCREIF Open End Diversified Core Index
Blackstone Europe Fund V	Opportunistic Real Estate	NCREIF Open End Diversified Core Index
Capital Protection Managers		
Fixed Income	Style	Benchmark
PIMCO Total Return	Intermediate Bonds	BC Aggregate Bond Index
Blackrock Strategic Income	Opportunistic Bonds	BC Aggregate Bond Index
Templeton Global Bond	Global Bonds	BC Global Aggregate Bond Index