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\_\_\_\_\_ United Methodist Church  
Motion to Establish and Endowment

I met with (Finance/Trustees) regarding the legality of putting the (named) money into an Endowment for the purpose of \_\_\_\_\_. The (Finance/Trustees) approved using the funds by investing the money and using the principle at the discretion of the Board of Trustees.

The scholarship/grant/etc. from this investment will begin in 2016.

Please let me know if you approve of this motion and the scholarship percentage.

A motion has been made by \_\_\_\_\_ that has a second by \_\_\_\_\_, regarding the (Named) Endowment Fund:

1. The funds will be withdrawn from the current (location) and reinvested with The Virginia United Methodist Foundation.
2. This will be accomplished by adopting the Uniform Prudent Management of Institutional Funds Act, a Virginia state law.
3. As required by the donor, (Insert Donor's special instructions, if there are any).
4. The Treasurer, the Finance Chairperson, and the Trustee Chairperson shall have signatory approval for fund usage. Two of the three signatures shall be required for the dispersal of these funds.

Stephen Clark, CEO of The Virginia United Methodist Foundation, recommends the scholarship/grant/etc. be 5% of the total investment including earned income from the investment. The Uniform Prudent Management of Institutional Funds Act allows for a mixed percentage distribution from the account instead of a net interest or net earnings on the account. The implication of this law is that, during some years, the distribution could invade corpus or use some of the original principal for the scholarship payout. However, the Trustee Committee can chose to defer a gift if the funds are low or change the percentage amount for the gift.