

Legacies of Aloha  
The Planned Giving Program for  
Unity Church of Hawaii

1. Establishment of the Program

1.1 Unity Church of Hawaii hereby establishes Legacies of Aloha to receive, hold, manage, and administer funds and other property acquired by the Church through Planned Giving.

1.2 Definitions

- a. "Board" means the Church's Board of Trustees.
- b. "Bylaws" means the Church's bylaws including all amendments thereto.
- c. "Church" means Unity Church of Hawaii, a Hawaii non-profit corporation, including all successors thereto.
- d. "Gift" means anything of value given to the Church. Gifts include, without limitation, cash, securities, life insurance, and all other real and personal property, whether conveyed by will, trust, or any other means.
- f. "Planned Giving" means every Gift made to the Church which is neither intended to support the current operations of its ministry nor provide for a church-designated purpose.

2. Purpose of the Program

2.1 The Program is established to further the Church's ministry by supporting long term programs including building and other capital improvements. Except in cases of emergency (as defined in Section 7), assets of the Program shall not be used to support the Church's operational expenses including, without limitation, staff salaries, routine building maintenance, etc.

3. Administration of the Program

3.1. Members of the Board shall administer the Program concurrently with their service on the Board.

3.2 The Board shall take every action it determines is necessary or desirable to fulfill the purposes of this Program. Without limiting the foregoing, the Board shall:

- a. take possession of, hold, manage, invest, and reinvest the Program property, including property subsequently received by the Program, in fulfillment of the objectives of the Program, including but not limited to:
  - i. reject any expression of Planned Giving which is inconsistent with the Program's purposes or would in any way interfere with the Program's management or operation;

- ii. invest and reinvest assets in such investments as they deem prudent;
  - iii. register securities in the name of a nominee without qualification;
  - iv. vote securities in person or by proxy;
  - v. purchase, sell, exchange, or lease real or personal property on such conditions as they consider proper;
  - vi. improve real estate;
  - vii. borrow money and pledge, mortgage, or otherwise encumber the Program's assets as security for loans;
  - viii. enforce, compromise, settle, or abandon any debt, claim, or right of action owed to the Program by others; and
  - ix. employ any professional or specialist whose assistance they determine is necessary or desirable to help them manage the trust including, without limitation, accountants, attorneys, custodians, investment advisors, property managers, and real estate brokers.
- b. prepare an annual report of their stewardship which shall be released to the Members at least ten (10) days before the annual Membership Meeting for review at that meeting;
  - c. take all steps necessary to maintain the Church's tax-exempt status; and
  - d. establish and promote programs to educate the Members regarding the Program's existence and purpose and to encourage Planned Giving as an integral and joyful expression of the Church's faith and ministry.

3.3 Prayer: It is important that, in addition to adhering to the formal procedures for legal functioning set forth in this instrument, the spiritual principles taught by Unity be utilized in the execution of this Program. During discussion of any item of business, any Board member may request time for prayer regarding the issue. Upon request, the Chair shall provide a period of prayer and silence.

#### 4. Education and Recognition Programs

4.1 The Board shall strive to make the Program an integral part of the Church's ministry, recognizing the mission, vision, and goals of the Church.

- a. The Board shall develop a program of implementation consistent with the Church's ministry.
- b. The program shall include educational campaigns which explain the Program's purpose, the process of Planned Giving, and the benefits derived for the donor and the Church.
- c. Educational campaigns and publications shall urge donors to make unrestricted Gifts to the Program.
- d. The program shall include procedures for and means by which each person who contributes to the Program shall be recognized and thanked.

4.2 The Program, not individual donors, shall be recognized for specific uses of the trust funds.

## 5. Donations

6.1 Unless Gifts are otherwise designated by the donor, in which case the conditions of the Gift shall control, all Gifts to Unity Church of Hawaii and the Legacies of Aloha shall be presumed to be donations to the Program.

6.2 In general, the Program shall accept all Gifts.

- a. The Board may refuse any Gift if it determines acceptance would negatively impact the Program financially or administratively.
- b. The Board shall refuse all restricted Gifts if they determine the conditions of the Gift are inconsistent with the purposes of the Program, the Church's ministry, or the principles approved and adopted by the Association of Unity Churches.

## 6. Definition of funds, allocation of Gifts, use of funds

6.1 The program shall consist of two funds: a Special Fund and an Endowment Fund.

a. Principal and income from the Special Fund may be used for any purpose consistent with the purpose of the Program.

b. The Endowment Fund is intended to help assure the Church's financial stability and provide a source of income to it. Income from the Endowment Fund may be applied to any purpose consistent with the Program.

c. In addition, designated funds shall be established with restricted gifts if consistent with the purpose of the Program and the Gift Acceptance Policy of the Church.

6.2 Upon receipt of any Gift, the Board shall endeavor to follow Unity principles regarding tithing. Tithes shall be deducted from the Gift and disbursed to one or more organizations selected and approved by the Board.

a. The balance of the Gift shall be equally divided between the Special Fund and the Endowment Fund. These funds shall be maintained in separate accounts and not comingled.

b. Administrative, investment, and tax preparation expenses shall be borne by the Program.

6.3 Total return of the Special Fund in excess of the the annualized Consumer Price Index (CPI) may be used for any purpose consistent with the Program.

6.4 Income from the Endowment Fund shall be defined as total return above the CPI on an annual basis. Spending policy for the Endowment Fund shall be established by the Board each year.

## 7. Loans from the Program

7.1 During any twelve-month period, no more than 10 percent of the Special Fund's principal may be loaned to the Church for any matter, except an extreme financial emergency, that the Board deems necessary.

a. Before a loan may be made, the Board shall, by resolution, (1) identify the unexpected problem which requires the Program to loan money to the Church, and (2) request a loan from the Program.

b. No loan may be made except upon affirmative vote of six (6) Board members or two-thirds of the Board members then serving, whichever is greater.

7.2 In cases of extreme financial emergency which threaten the Church's continued existence, the Board may loan some or all of the Program's funds to the Church as follows:

a. Only the Board may declare an extreme financial emergency. The Board may not declare an extreme financial emergency unless and until it has exhausted all reasonable alternatives, including pledging the Program's assets to secure a commercial loan.

b. Before a loan may be made from the Program under a declaration of extreme financial emergency, the Board shall, by resolution approved by two-thirds of the members then serving

- i. identify the extreme financial emergency,
  - ii. summarize its efforts to resolve it, and
  - iii. request a loan from the Program.
- c. No loan may be made pursuant to this section unless it is approved by affirmative vote of two-thirds of the Active Members at a special Membership Meeting called for that purpose.
- d. Any loan made pursuant to this section shall be evidenced by a promissory note executed by the Church. The note's terms and conditions shall be appropriate to the emergency which promoted the loan.
- e. The Program's funds shall be loaned in the following order of priority:
  - i. Funds from the Special Fund
  - ii. Funds from the Endowment Fund
- f. Payments on the promissory note shall be credited to the Endowment Fund until the portion of the loan attributable to it is fully paid. Thereafter, payments shall be credited to the Special Fund.

## 8. Expenses

8.1 The Program is intended to be self-supporting. All expenses attributable to its operation, including expenses arising from educational programs, donor recognition, and the Program's management (including activities described in Section 3.3) shall be paid from the Program's income. Should the Program's income prove inadequate, expenses shall be paid from the Special Fund's principal.

8.2 If the Program's income and Special Fund's principal are inadequate to meet its expenses, the Board may loan or grant funds to the Program for that purpose. Loans shall be made under such terms as the Board deems reasonable.

## 9. Amendment, termination, and liquidation of the Program

9.1 The Program may be amended by majority vote of the Board

9.2 The Program may be terminated upon the affirmative vote of two-thirds of the Board. The Trust's assets shall be distributed as directed in the resolution adopted by the meeting and consistent with applicable law.

9.3 Should the Church dissolve, all assets remaining in the Program shall be disposed of in accordance with the Bylaws.