

ENDOWMENT FUND PLAN FOR DISTRIBUTION:

- I. The purpose of the Endowment Fund is to provide annual distributions beyond the operating budget of this congregation to ministry expressions as stated below:
 - A. Minimum of 15 percent for outreach into the local community;
 1. for social service agencies, institutions, and agencies;
 2. for special programs designed for those persons in our community who are in spiritual and/or economic need;
 3. for temporary shelter, food, and clothing;
 - B. Minimum of 20 percent for special ministries within the Minneapolis Area Synod, ELCA and/or ELCA church-wide ministries such as:
 1. World Hunger
 2. Global Missions
 3. Mission Outreach
 4. Partnership Ministries
 5. Educational Ministries
 6. Congregational Ministries
 7. Lutheran Vespers
 8. (Other)
 - C. Minimum of 15 percent for extraordinary programs or other ministry initiatives within this congregation such as:
 1. for the purpose of attending a Lutheran College or Lutheran Seminary;
 2. for other training which enables members of this congregation to grow in their Lutheran faith and service to God's people;

3. for church-related camping or leadership conferences;
 4. for the funding of church youth outreach programs outside of the current operating budget.
 5. (Other)
- D. Minimum of 5 percent distributed for capital improvements such as roof repair, structural or aesthetic improvement.
 - E. Remaining 45 percent distributed through any or all of the above categories in any proportion as decided by the Endowment Fund Investment Committee, recommended by the church council, and accepted by the congregation at an annual or special called meeting.
- II. The Endowment Fund Investment Management Committee shall make annual distributions. These contributions may include interest and dividends received, realized gains, and/or unrealized gains.
 - III. The Endowment Fund Investment Management Committee will distribute five (5%) percent of the average balance of the Endowment Fund (average balance determines for a stated period of time . . . the last 36 months or since inception) over the next 12-month period. This basic premise supports a "Total Return" philosophy. However, at no time will the Distribution in any fiscal year be greater than the total return for the previous period.
 - IV. Causes and programs for the Endowment Fund Investment Management Committee to consider for outreach ministry shall be recommended by the Church Council through the advisory of the appropriate committee per the Endowment Fund request forms.
 - V. Should the Endowment Fund Investment Committee determine that the congregation is in dire need of the assets in the Endowment Fund or has an emergency of such a nature that the future of the congregation is at stake, and the only recourse is to use the Endowment Fund's assets, the Endowment Fund Investment Committee may, upon a two-thirds majority vote, recommend to the Church Council for recommendation to the congregation that a loan be given to the congregation for this emergency with set rules for the pay back of the loan to the Endowment Fund. The congregation must then approve such use by two-thirds majority vote at a properly called congregational meeting.
 - VI. Gifts such as bequests life insurance proceeds and remainders from life income agreements that are otherwise undesignated shall be automatically placed in the Endowment Fund. Ten (10%) percent of each such gift will be distributed immediately beyond the operating budget. The remaining portion of the gift will be added to the Endowment Fund.
 - VII. Request for distributions must be submitted on the paper request form by December 31st of each year.

**ENDOWMENT FUND INVESTMENT MANAGEMENT COMMITTEE
DISTRIBUTION REQUEST REVIEW**

Date Reviewed by FUND Committee: _____

Action Taken: Accepted _____ **Denied** _____

Amount of Grant Approved: \$ _____ **Date to be Paid:** _____

If Denied, Reason for Denial: _____

Signature of Secretary: _____

Signature of Treasurer: _____

Date Reviewed by Church Council: _____
(Attach Minutes)

