

Permanent Resolution to Establish the Mission Endowment Fund Of English Lutheran Church

Vision Statement:

Transforming lives by spreading God's love through Christ-Centered generosity.

Whereas, Christian stewardship involves the faithful management of all the gifts God has given to humankind - the created world, the Gospel, life, time, abilities, money, including accumulated, inherited, and appreciated resources; and,

Whereas, the biblical principle of proportionate giving, to return to the Lord a portion of the gifts God has first given to his beloved children, is both a privilege and an appropriate response in all times and circumstances; and,

Whereas, Christians can give to the work of the church through gifts in and from wills, life insurance policies, charitable gift annuities, charitable remainder and other trusts, and transfers of property such as cash, stocks, bonds and real estate; and,

Whereas, it is the desire of English Lutheran Church (herein referred to as Congregation) to encourage, receive and administer these gifts in a manner consistent with the loyalty and devotion to our Lord in accord with the policies of this congregation, now,

It is Resolved, that this Congregation, at a duly called meeting on January 27, 2013, hereby establishes a new and separate fund to be known as The Mission Endowment Fund of English Lutheran Church, (herein referred to as Fund), and,

It is Further Resolved, that the purpose of this Fund is to enhance the mission outreach of English Lutheran Church apart from the general operation of the Congregation so that no portion of the distributions of the Fund shall be used for the annual operating budget of the Congregation, and,

It is Further Resolved, that the mission endowment fund committee (herein referred to as Committee) shall be the custodian of the Fund, and,

It is Further Resolved, that the purpose, governance, administration and management of the Fund and Committee are established and defined by the plan of operation as hereinafter set forth.

Plan of Operation

Committee Membership

The Committee shall consist of seven (7) members, all of whom shall be voting members of English Lutheran Church. Except as herein limited, the term of each member shall be three (3) years. Upon adoption of this resolution by the Congregation, it shall elect seven (7) members to the Committee: three (3)

for a term of three (3) years; two (2) for a term of two (2) years; and two (2) for a term of one (1) year. Thereafter, at each annual meeting, the Congregation shall elect the necessary number for a term of three (3) years. No member shall serve more than three (3) consecutive three (3) year terms. After a lapse of one (1) year, a former Committee member may be re-elected. The Pastor and the President of the Church Council shall be advisory members of the Committee.

The Church Council of the Congregation shall provide for the nomination of potential members of the Committee, and report same to the annual congregation meeting in the same manner as for other offices and committees. In the event of a vacancy on the Committee, the Church Council shall appoint a congregation member to fill the vacancy until the next annual meeting of the Congregation, at which time the Congregation shall elect a member to fill the term of the vacancy.

The Committee shall meet at least biannually, or more frequently as deemed by it in the best interest of the Fund. A quorum shall consist of four (4) members. When only four (4) members are present a unanimous vote shall be required to carry any motion or resolution.

The Committee shall elect from its membership a chairperson, recording secretary and treasurer. The chairperson, or member designated by the chairperson, shall preside at all committee meetings. The recording secretary of the Committee shall maintain complete and accurate minutes of all meetings and supply a copy to each member of the committee. Each member shall keep a complete copy of minutes to be delivered to his or her successor. The recording secretary shall also timely supply a copy of the minutes to the Church Council.

The treasurer of the committee shall maintain complete and accurate accounts for the Fund. The treasurer of the Committee and one other Committee member shall sign checks and all other necessary documents on behalf of the Congregation in furtherance of the purposes of the Fund. The financial records of the Committee shall be audited annually by a certified public accountant, church audit committee or other appropriate person who is not a member of the Committee. The Committee shall report on a biannually basis to the Church Council. Further, at each annual meeting of the Congregation the Committee shall render a full and complete account of the administration of the Fund during the preceding year.

The Committee may request other members of the Congregation to serve as advisory members and, at the expense of Fund, may provide for such professional counseling on investments or legal matters as it deems to be in the best interest of the Fund.

Members of the Committee shall not be liable for any losses which may be incurred upon the investments of the assets of the Fund except to the extent such losses shall have been caused by bad faith. No member shall be personally liable as long as he or she acts in good faith. Each member shall be liable only for his or her own willful misconduct or omissions, and shall not be liable for the acts or omissions of any other member. No member shall engage in any "self dealing" or transactions with the Fund in which the member has

direct or indirect financial interest, and shall at all times refrain from any conduct in which his or her personal interests would conflict with the interest of the Fund.

Decisions to hold, sell, exchange, rent, lease, transfer, convert, invest, reinvest and in all other respects to manage and control the assets of the Fund (including stocks, bonds, mutual funds, debentures, real estate, mortgages, notes or other securities) up to 50% shall be made in the discretion of the Committee. However, the congregation shall approve each decision/transaction involving an amount in excess of 50% of the value of the fund. A special meeting of the congregation will be called as needed. The Fund assets shall not be used for loans to the Congregation or its members. Members of the Committee shall be bonded under the Congregation's insurance policy.

Defining Principal and Income

The Committee shall determine what is principal and income, and shall have the discretion to include all appreciation of the assets of the fund within the definition of income.

An account, or accounts, shall be established to receive gifts from all sources. The Fund shall accumulate until a principal amount of \$25,000.00 is achieved, after which the income generated from the investment of the principal shall be distributed annually as provided below.

Distributions

Income from the Fund shall be distributed annually, or at such other times as is deemed necessary or feasible to accomplish its purposes through the following distributions:

- A. Zero (0%) percent to fifty (50%) percent may be used for missional purposes, not to include normal operating expenses, of the English Lutheran Church congregation, as mutually agreed upon by the Mission Endowment Fund Committee and the Church Council.
- B. Ten (10%) to fifty (50%) percent shall be used for local mission work of the congregation. (*i.e. Backpack project, Garage No Sale, Ellsworth Food Pantry, etc.*)
- C. Ten (10%) percent to fifty (50%) percent shall be used for regional and national ministries. (*i.e. Bible camp, Lutheran Disaster Relief, Seminaries, colleges, etc.*)
- D. Ten (10%) percent to fifty (50%) percent shall be used for global ministries; (*i.e. Lutheran World Relief, Malawi companion synod, World Hunger, Malaria, Missionaries, etc.*)

The Committee shall determine both the percentage of available funds per category to be distributed annually and the recipients of the annual distribution within any category.

When a gift originally in excess of \$25,000 has remained in the fund for 30 years, the Committee may distribute the remaining principal of the gift pursuant to the rules applicable to annual distributions. Such a distribution may be made only in an amount that it does not reduce the fund assets below 50% of its pre-distribution value. The determination of what constitutes the balance of an "aged gift" shall be within the sole discretion of the Committee.

Emergency Distributions

When, in the opinion of the Committee, circumstances are so dire and of such an emergency nature that the future of the congregation is at stake, and that the only recourse seems to be the use of the Fund principal beyond any portion distributable under the foregoing provisions, the Committee may, upon a unanimous vote, recommend such authorizing action to the Congregation. Such an emergency distribution of principal shall require a two-thirds ($\frac{2}{3}$ s) vote of the members present at a duly convened meeting of the Congregation.

Amending of Resolution

Be it further resolved, that any amendment to this resolution which will change, alter or amend the purpose for which the Fund is established, and/or its distributions, shall be adopted by a two-thirds ($\frac{2}{3}$ s) vote of the members present at an annual meeting of the Congregation, or at a special meeting of the Congregation called specifically for the purpose of amending this resolution.

Disposition or Transfer of Fund

In the event English Lutheran Church ceases to exist either through merger or dissolution, disposition or transfer of the Fund shall be at the discretion of the Church Council in conformity with the Congregation Constitution and Bylaws, and in consultation with the Bishop of the synod of the Evangelical Lutheran Church in America to which this congregation belongs.

Adoption of Resolution

This resolution, recommended by the Church Council and considered by the Congregation at a duly convened meeting, is hereby adopted this 27th day of January, 2013.