

What is an Endowment?

According to Wikipedia “A **financial endowment** is a donation of money or property to a nonprofit organization for the ongoing support of that organization. Usually the endowment is structured so that the principal amount is kept intact while the investment income is available for use, or part of the principal is released each year, which allows for the donation to have an impact over a longer period than if it were spent all at once. An endowment may come with stipulations regarding its usage.

How was the ELC Mission Endowment created?

In 2013 the ELC Mission Endowment was established with the Evangelical Church of America's(ELCA) Foundation. It became possible when the Mary Ames and Evelyn Swanson estates donated money to English Lutheran Church. Mary Ames bequeath was for \$15,000 and was designated specifically for Children's education. Therefore a separate Children's Education Account was established as part of our endowment. Evelyn Swanson's bequeath of \$10,00 did designate a specific use and was used to establish the General Account. A minimum of \$25,000 is required to establish an ELCA Foundation Endowment, so the combination of the Ames and Swanson donations allowed us to do that.

How is the ELC Mission Endowment managed?

There are two ELCA financial instruments used to managed our endowment. The first is the ELCA Foundation Pooled Trust A is where our ELC Mission Endowment is invested and managed as part of a very large fund made up of many smaller endowments from churches like ours. They have a governing board and professional financial managers. For more information about the ELCA Foundation Pooled Trust go to <http://www.elca.org/Give/ELCA-Foundation/endowment-investing>.

The second ELCA financial instrument used to manage our ELC Mission Endowment is the ELCA Mission Investment Fund (MIF). For more information about the MIF go to <http://www.mif.elca.org/aboutmif>. It is similar to a checking account. We can move funds between the ELCA Pooled Trust and the ELCA MIF. When we want to add money to our endowment (minimum of \$2000) it is deposited in the MIF and then transferred to the specific account we designate in our ELC Mission Endowment at the ELCA Pooled Trust. Conversely as our invested funds grow there is an established percentage that is distributed quarterly from the ELCA Pooled Trust by transferring those funds to our Mission Investment Fund (MIF).

How are the ELC Mission Endowment Funds distributed locally?

From our ELCA Mission Investment Fund account we can use these funds to satisfy requests received from the congregation. A request form is available in the church office. These requests are reviewed quarterly by the ELC Mission Endowment Committee. This committee was established as part of the ELC Permanent Resolution approved by the congregation at the January 2013 Annual Meeting. The committee is made up of seven members who have staggered three year terms. Typically 2 or 3 vacancies need to be filled at each annual meeting. As these requests for funds are received they are reviewed to see if they meet the requirements for the categories defined in the Permanent Resolution. Fund requests are not to be used for normal operating expenses of ELC.

What are examples of ELC Mission Endowment Fund requests that have been approved?

The Malawi Chileka Mission Area Well Fund has submitted a number of requests between \$100-\$200 that have been approved by the committee. These came from the ELC General Endowment Account. A number of requests have been received for Sunday School, Vacation Bible School etc. Examples are; Easter Baskets for Shut-Ins, VBS 5K Run for Water and Pool Party, Packages for Military Members, School Supplies for a Global Ministries Backpack Project and the Bundles of Love project.