

TRINITY ENGLISH EVANGELICAL LUTHERAN CHURCH

SECTION VIII OF BYLAWS

MISSION ENDOWMENT FUND

Resolution approved February 4, 2001

Revisions approved February 24, 2008

Revisions approved February 16, 2014

Revisions approved February 26, 2017

8.1 ESTABLISHMENT

8.1.1 A Mission Endowment Fund, whose purpose, governance and operational procedures shall be defined by special resolution adopted by the congregation, is established.

8.2 COMMITTEE MEMBERSHIP

8.2.1 The committee shall consist of five members, all of whom shall be voting members of Trinity English Evangelical Lutheran Church. Except as herein limited, the term of each member shall be three (3) years. The initial Committee shall consist of five (5) voting members whose term consists of: two (2) for a term of three (3) years; two (2) for a term of two (2) years; and one (1) for a term of one (1) year. Thereafter, at each special meeting, the congregation shall elect the necessary number for a term of three (3) years. No member shall serve more than two consecutive three (3) year terms. After a lapse of one (1) year, former COMMITTEE members may be re-elected. A pastor of Trinity and a designated member of the church council shall be non-voting advisory members of the COMMITTEE. The church council of the congregation shall report at the annual congregational 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 member to fill the vacancy until the next special meeting of the congregation, at which time the congregation shall elect a member to fill the term of the vacancy.

8.2.2 The Committee shall meet at least quarterly, or more frequently as deemed by it in the best interest of the Fund.

8.2.3 A quorum shall consist of three (3) members. When only three (3) members are present a unanimous vote shall be required to carry any motion or resolution.

8.2.4 The Committee shall elect from its membership a chairperson, recording secretary, financial secretary, first vice chairperson and a second vice chairperson. The chair person, or member designated by the chairperson, shall preside at all Committee meetings.

8.2.4.1 The chair person shall preside at all meetings, prepare agendas for meetings, prepare annual reports, sign and finalize award letters.

8.2.4.2 The recording secretary of the Committee shall maintain complete and accurate minutes of all meetings and supply a copy thereof to each member of the committee. The recording secretary shall also supply a copy of the minutes to the Church Council. Other responsibilities include coordinating with Administrative Assistant at church and chair person to get award letters and rejection letters written and ready for chair person to sign and be mailed to recipients.

8.2.4.3 The financial secretary of the Committee shall work with the Congregation's treasurer in maintaining and coordinating complete and accurate accounts for the Fund and provide a quarterly report to the committee. The books shall be audited annually by a certified public accountant or other appropriate person who is not a member of the Committee.

8.2.4.4 The 1st vice chair responsibilities include developing and implementing ideas to sustain and potentially increase the Fund through congregational support.

8.2.4.5 The 2nd vice chair responsibilities include coordinating with the Pastor for Award Recognition and assisting in this service.

8.2.5 The Committee shall report on a quarterly basis to the Church Council and, at each annual or duly called special meeting of the congregation, shall render a full and complete audited account of the administration of the Fund during the preceding year.

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

8.2.7 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 or gross negligence. No member shall be personally liable as long as he or she acts in good faith and with ordinary prudence. 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.

8.3 Fund Objective

8.3.1 The objective of the Fund is: 1) Provide a device for the receipt of gifts including cash, securities, real estate, life insurance, bequests and other types of endowments; 2) Encourage bequests and gifts promoting faithful Christian stewardship; 3) Distribute the income of the Fund annually to include:

8.3.1.1 Mission and outreach at large (global outreach)

8.3.1.2 Community outreach and ministry (local outreach)

8.3.1.3 Educational and scholarship outreach (for religious career opportunities)

8.3.1.4 Capital or building fund needs of Trinity Lutheran Church (may include prepayment of mortgage)

and other religious

8.3.2 Priority shall be given to new applications over repeat recipients.

8.4 RECEIPT OF GIFTS

8.4.1 Undesignated bequests and gifts of less than \$5,000 will not be placed in the Fund. If an immediate and urgent need for an undesignated bequest or gift does not exist, the gift shall be directed to the Fund. However, for any undesignated gift over \$5,000, at least fifty percent (50%) shall be placed in the Fund. The Church Council can place additional bequests and gifts in the Fund. Designated gifts and bequests will always be placed as directed by the giver.

8.5 INVESTMENT POLICY

8.5.1 The investment policy of the Fund will follow the guidelines established by the ELCA and will place the Fund moneys in the ELCA Endowment Fund Pool. All assets are to be held in the name of the Evangelical Lutheran Church in America, for the benefit of Trinity English Evangelical Lutheran Church Mission Endowment Fund. The Fund will have an initial minimum balance of \$25,000.

8.6 DISTRIBUTION OF FUNDS

8.6.1 Yearly Fund Income shall not be distributed until the Fund reaches the sum of \$100,000. When the Fund has moneys at or above \$100,000, the Yearly Fund Income and two percent (2%) of the principal balance will be distributed annually. Distributions will be based on the fourth quarter ELCA Investment Report of Principal Balance and Yearly Fund Income. (See paragraph 8.6.2 below). No distribution shall be made which will reduce the value of the Fund below ~~\$100,000~~. The distributions of the Fund will be directed to each of the four (4) designated categories of Paragraph 8.3.1 in 20% increments each. The remaining 20% of Fund annual distributions will be directed to one or more of the four (4) designated categories, in a ratio determined by the Committee. \$300,000

8.6.2 The percentage of the principal to be distributed will be determined after the Yearly Fund Income is subtracted. ~~Yearly Fund Income is defined as the sum of~~ 'Income Distributed' and any positive ~~Change in Market Value~~ or negative as stated in the ELCA Mission Endowment Fund Pooled Trust quarterly reports.

8.6.3 The total amount to be distributed annually shall be rounded to the nearest one-hundred (\$100) dollars.

8.7 FUND STRUCTURE REVIEW

8.7.1 The Fund structure will be reviewed once each five years. The purpose of the review will be to ensure bequests and gifts, distribution and distribution categories meet the purposes and goals of the Endowment Fund and Trinity Lutheran Church. The Committee will conduct the review.