

GRACE ENDOWMENT FUND COMMITTEE

Functions and Policies

I. ORGANIZATION

The Grace Endowment Fund Committee (hereafter referred to as 'the committee') shall consist of voting members of the congregation who have an understanding of Biblical stewardship and fund raising practices and procedures.

The committee shall be the custodian of The Grace Endowment Fund and its official document shall be "The Grace Endowment Fund Plan of Operation" whose contents are herein detailed.

The committee shall consist of five members. The Pastor and the Vice President of the congregation council shall be non-voting members of the committee.

The committee shall meet at least quarterly, or more frequently as deemed by it to be in the best interest of The Grace Endowment Fund (hereafter referred to as 'the fund').

A quorum shall consist of three members. When only three 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 Financial Secretary. The chairperson, or member designated by the chairperson, shall preside at all committee meetings.

The committee may request voting members of the congregation to serve as advisory members and may obtain, at the expense of the fund such professional counseling on stewardship, fund raising or legal matters as it deems in the best interest of the fund.

The Recording Secretary of the committee shall maintain complete and accurate minutes of all meetings and supply copy thereof to each member of the committee. It is recommended that each member shall keep a complete copy of all minutes to be delivered to his or her successor.

The Recording Secretary shall also supply a copy of all meeting minutes to the church office and the congregation council secretary.

The Financial Secretary of the committee shall work with the congregation council's treasurer in maintaining and coordinating complete and accurate accounts of the fund. The Committee Chairperson shall authorize all financial

and investment documents on behalf of the congregation in furtherance of the purpose of the fund.

The books and accounts of the fund shall be audited annually by a certified public accountant or other appropriate person(s) who is not a member of the committee.

The committee shall report on a quarterly basis to the congregation council and at each February semi-annual meeting of the congregation, shall render a full and complete audited account of the administration of the fund during the preceding year.

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 a 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 interests of the fund.

Promotion and solicitations shall be made for both designated and undesignated gifts.

All assets are to be held in the name of The Grace Endowment Fund.

Recommendations to hold, buy, sell, exchange, rent, lease, transfer, hedge, convert, invest, reinvest, pledge for short-term borrowings, and in all other respects to manage and control the assets of the fund, including stocks, bonds, investments, or to make loans, as in their judgment and discretion they deem wise and prudent, are to be made by the committee, with timely subsequent execution by the delegated member of the committee.

The committee shall determine what is principal and what is income according to accepted accounting procedures.

The committee shall have the option to distribute up to 100% of annual earnings.

The fund earnings shall be distributed annually and at such other times as deemed necessary and/or feasible to accomplish the following purposes:

One-third (1/3) for outreach into the community or synod, including, but not limited to, grants to ELCA seminaries, colleges, or students attending such schools, social service agencies, institutions and agencies to which this congregation relates, and to special programs designated for those

persons in our parish area who are in spiritual and/or economic need.

One-third (1/3) for missions worldwide including, but not limited to, grants to the Evangelical Lutheran Church in America for new congregational development in North America, professional leadership, educational ministries, global mission, ecumenism, evangelism, social ministries, and capital financing.

One-third (1/3) for capital improvement debt reduction, until such time that the Grace English Evangelical Lutheran Church capital improvement debt is repaid in full. At that time, these funds shall be redirected at the option of the committee, and with the consent of the congregation council, to other programs in the spirit of this endowment.

Designated income will be distributed as stated by the designate.

Programs for support shall be recommended by the committee and affirmed by the congregation council for funding according to the guidelines established by the congregation.

Annual disbursement of earnings need not occur if earnings are deemed insufficient by the committee.

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 and the fund account balances, the committee may, upon two-thirds majority vote, recommend such authorizing action to the congregation.

In the event Grace English Evangelical Lutheran Church ceases to exist through merger or dissolution, disposition or transfer of the fund balances shall be at the discretion of the congregation council in conformity with the approved congregational constitution and in consultation with the bishop of the synod to which the congregation belongs at such time. Consultation with the Evangelical Lutheran Church in America may be desirable for continuation of Mission Investment Fund mortgage obligations.

II. RESPONSIBILITIES

Promote, advertise and publicize through all available means the advantages of Christian stewardship relating to potential endowment gifts.

Confer on a continuing basis with staff, congregation council, committees and congregation members regarding potential endowment giving.

Prepare and forward appropriate written acknowledgment and thank you to all donors for all gifts received in a timely fashion.

Prepare and distribute to congregation council members a quarterly written report detailing income, expenditures and account balances on hand.

Prepare an annual written report for the congregational annual report including financial activities, account balances and committee activities. Prepare and deliver podium remarks relating to the committee annual report at the February semi-annual congregation meeting.