

ADDENDUM TO GOVERNING DOCUMENT 4.2.2

When a gift of \$25,000 or greater is received, and the gift is separate from the donor's ordinary giving or is received as an estate gift, the gift shall be deemed a legacy gift, and the following procedures shall govern:

Receipt Of Legacy Gifts

A gift shall be accepted upon receipt if it meets Lutheran standards (i.e. the type of gift, its manner of conveyance, its intent, etc.).

The Congregation Treasurer in concert with the Special Gifts and Memorials Fund Chairperson shall instruct the Business Management Committee Chairperson to promptly deposit a cash gift, or to convert a non-cash gift to cash for deposit as is appropriate for the financial instrument or property donated.

The Congregation Treasurer in concert with the Special Gifts and Memorials Fund Chairperson shall instruct the Business Management Committee Chairperson to establish new Balance Sheet Restricted Funds line item(s) with descriptive narrative and responsibility assigned to the Congregation Council.

Designated Gifts

If the donor expresses a specific intent for the gift, then the gift shall be classified as a designated gift.

The donor's designation(s) shall be honored in all respects upon distribution.

Undesignated Gifts

If the donor expresses no specific intent for the gift, then the gift shall be classified as an undesignated gift.

The Legacy Gift Task Force chairperson or its designated representative shall present recommendations for use of undesignated gifts to Church Council. After consideration, using its best judgement, Church Council shall approve distribution of undesignated gifts.

List Of Missions, Ministries And Church Planning Goals

The Special Gifts and Memorials Fund Committee shall maintain and regularly update an on-going list of the congregation's missions, ministries and church planning goals. This list at minimum serves three purposes:

1. The list defines the congregation's longer term vision for mission, ministry and planning.
2. The list offers potential legacy donors suggestions on how a gift might be used.
3. The list provides guidance when determining how best to use undesignated legacy gifts.

The committee is encouraged to seek out and be receptive to ideas from the broader congregation for inclusion on the list.

Legacy Gift Special Task Force

Upon the congregation accepting an undesignated legacy gift, the Congregation Council shall form a legacy gift special task force. The task force shall recommend to Council a list of specific proposed expenditures aligning with the missions, ministries and planning goals of Grace Lutheran Church. The list shall include specific amounts of the undesignated gift for future distribution.

This task force shall consist of the following:

- Pastor
- Congregation Treasurer
- Church Council Vice President
- Business Management Committee Chairperson or representative
- Special Gifts and Memorials Chairperson or representative
- Endowment Fund Committee Chairperson or representative
- Donor or donor's representative (unless anonymous)

Congregation Council shall provide the congregation with three Sundays of advance notice prior to convening the task force to solicit suggestions for use of the legacy gift.

Congregation Council shall dissolve the legacy gift special task force upon successful completion of its tasks.

Final Approval

The Congregation Council shall have final authority to approve, amend or disapprove any of the recommendations put forth by the legacy gift special task force. If required by constitutional provisions, the congregation shall then vote to approve the final recommendations as presented by the Congregation Council at a special Congregation Meeting or at the next regularly scheduled Congregation Meeting.

Upon approval, the Congregation Treasurer in concert with the Special Gifts and Memorials Fund Chairperson shall instruct the Business Management Committee Chairperson to expand the previous authorized and established Balance Sheet Restricted Fund line item(s) to the appropriate lines required to identify the individual approved expense amounts with descriptive narrative and responsibility assigned to the Congregation Council.

Upon distribution the Congregation Council shall honor all approved expenditures.

This addendum may be modified by the Congregation Council by future action.