

C14.01.02  
St. Mark Lutheran Church  
Endowment Bylaws Document  
454 Fieldstone Rd, Mooresville, NC 28115

**Purpose**

An Endowment Fund (“the Fund”) is an account that can hold funds from both current and estate gifts from which distributions are made for ministry. This document outlines the overall management of the Fund by St. Mark Lutheran Church (SMLC). Ideally, the principal of the Fund grows over time, primarily from additional gifts but also from investment returns as distributions are made from the earnings of the fund. The Fund’s purpose is to provide financial sustainability to SMLC’s present and future ministry and mission.

**Operation**

1. Endowment Committee
2. Investment Policy
3. Distribution Policy

**Endowment Committee (“the Committee”)**

The responsibility of managing the Fund will be assigned to SMLC’s Endowment Committee. The Committee will be comprised of 5 members: 3 members at large and 2 ex officio members, the Pastor and Council President. For the first election, the 3 members at large of the Committee will serve as follows: 1 member for 1 year, 1 member for 2 years and 1 member for 3 years. No member may serve more than 1 continuous terms of 3 years. After a lapse of 2 years, a former committee member may be re-elected. Should a member not be able to fulfill their term, council will appoint another member for remainder of that member’s term.

Any member of the congregation can nominate someone to serve on the Committee. Committee members will be elected at the congregational meeting.

The Committee will meet semi-annually. A quorum shall consist of at least 3 members and can carry any motion or resolution with a unanimous vote of at least 3 members present. The Committee will elect from its membership, beyond ex officio members, a chairperson, secretary and treasurer.

The Committee will report to the Congregation’s Council at least semi-annually.

Members of the Committee will not be held liable for any investment losses nor will they be allowed to provide services to the Fund for fees. Members of the Committee will not be able to engage in transactions of the Fund in which he or she has a direct or indirect financial interest.

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At least two signers are required for all transactions of the Fund. Authorized signers for the Fund include St. Mark's Fiduciary Signers.

Endowment By-laws will be reviewed every 2 years. 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 majority vote of council and 2/3 majority vote of congregation at a duly called congregational meeting.

### **Investment Policy**

The *primary* investment objective is income with the *secondary* objective being preservation of capital. We never plan on withdrawing the principal.

The Fund can be held in the ELCA Endowment Fund Pooled Trust – Fund A or the ELCA Mission Investment Fund.

### **Distribution Policy**

The Committee is limited to an annual distribution of 5% of the Fund balance as defined by the 3 year rolling average account balance as of December 31 of the previous year and will include all interest, dividends, realized/unrealized capital gains from the previous year. Any distribution that is larger than 5% may be approved by Congregational Vote.

The Committee will distribute a mandatory minimum of 3% of the balance as defined by the 3 year rolling average account balance as of December 31 of the previous year and will include all interest, dividends, realized/unrealized capital gains from the previous year.

Grants will be applied for through a St. Mark's Grant Application.

### **Disposition of Fund**

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

### **Resource**

ELCA Foundation: 800-638-3522 [elca.org/foundation](http://elca.org/foundation)