

Bloomington Lutheran Church Bylaws

Article VIII: Endowment/Gift Fund



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CONGREGATIONAL BY LAWS

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ARTICLE VIII: ENDOWMENT/GIFT FUND

A. PURPOSE

Bloomington Lutheran Church (also known as “Bloomington Living Hope Lutheran Church”) of Bloomington, Minnesota has a living endowment of faithful members with rich gifts and varied talents. *“Each one should use whatever gift he has received to serve others, faithfully administering God’s grace...so that in all things God may be praised through Jesus Christ.”* 1 Peter 4:10-11 (NIV)

Therefore, the purpose for a permanent Endowment/Gift Fund (the “Fund”) within the congregation is to enable the further extension of God’s Kingdom both within our congregation, and within our community and our world.

The Endowment/Gift Fund shall receive and administer bequests, estates, insurance, undesignated memorials and other assets, to be perpetual and perpetuating.

The Endowment/Gift Fund shall be dedicated to help ensure that future generations will be told about the Lord.

It shall enhance the work of the church by supporting the work of our congregation both at home and at large.

B. DEFINITIONS

Endowment Fund –Any dedicated fund with the word “Endowment” in its title means this fund retains principal as a perpetual gift and may distribute growth.

Gift Fund – Any dedicated fund with the word “Gift” in its title means this fund may distribute both principal and growth.

Growth – Any interest, dividends, capital gains and appreciation in value that has been earned by a sub-account fund in the current year and past years.

C. ORGANIZATION

1. The Endowment/Gift Fund shall be comprised of the following sub accounts:
 - Christian Education Assistance and Youth Endowment Fund
 - Christian Education Assistance and Youth Gift Fund
 - Buildings and Improvements Gift Fund
 - General Endowment Fund
 - General Gift Fund

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2. Donors to the Endowment/Gift Fund may designate the sub-account(s) to which their gifts shall be directed. Any undesignated gifts to the Endowment/Gift Fund shall be directed by the Planned Giving Committee (the "Committee") to the General Endowment Fund sub-account unless specifically directed otherwise by the Elders Council (the "Church Council") and approved by the voters of the Congregation.

D. THE PLANNED GIVING COMMITTEE

1. The Committee shall consist of five members, all of whom shall be members in good standing of Bloomington Living Hope Lutheran Church. Except as herein limited, the term of each member shall be three years. After the adoption of these Bylaws by the congregation, five members shall be appointed to this Committee by the Church Council-two for a term of three years; two for a term of two years; and one for a term of one year. Thereafter the Church Council shall appoint replacement members to fill all vacancies taking into consideration the recommendations of the Planned Giving Committee and the Nominating Committee. All vacancies shall be filled within sixty days. No member shall serve more than two consecutive terms. A partial term shall not be counted for this purpose. A former Committee member may be reappointed after a lapse of twelve months.
2. All Planned Giving Committee members shall endeavor to maintain a high degree of communication with the Church Council, other organizations within the Church and the members of the congregation to nurture the total life and mission of the church and the Fund. Each committee member must be a member in good standing and may not serve concurrently on the Church Council. The Senior Pastor of the congregation, the congregation's Vice President, and the Business Manager shall be advisory members of the Planned Giving Committee, and shall not be allowed to vote.
3. The Committee shall elect from its membership a chairman, treasurer and a secretary.
4. The chairman, or a member designated by the chairman, shall preside at all Committee meetings.
5. The Committee's Treasurer shall maintain complete and accurate books of accounts. The books shall be audited in connection with the audit of the church books. A financial report will be on file at the time of the annual meeting of the congregation.

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6. The treasurer shall maintain accounts with the WELS Investment Funds, Inc. and such financial institutions as it may request by resolution authorized by the Church Council. All checks and other documents transferring or expending any funds or assets in the Fund shall be executed by the treasurer and chairman of the Committee. (Two signatures required.)
7. The secretary shall maintain complete and accurate minutes of all meetings of the Committee and shall supply a copy thereof to each member (including advisory members) and to the church office to be kept as a record..
8. The Committee may ask other members of the congregation to serve as advisory members and may employ, at the expense of the Endowment/Gift Fund growth, such professional counseling on investments and legal matters as it deems to be for the best interest of the Endowment/Gift Fund.
9. The Committee shall meet as often as necessary for the best interest of the Fund. Special meetings may be called on twenty-four hour written or oral notice to the members of the Committee by the chairman or any two members. Each member is charged with the knowledge of the contents of the minutes. The minutes as adopted shall constitute approval of the actions reflected in them.
10. A quorum shall consist of three voting members. The affirmative vote of a majority present and voting shall carry any motion or resolution.
11. The Committee shall establish a written gift acceptance policy and a distribution policy for the conduct of its business.
12. No member of the Committee shall engage in any self dealing or transactions (other than their own charitable contributions to the Fund) with the Endowment/Gift Fund in which the member of the Committee has direct or indirect financial interests and shall at all times refrain from any conduct in which his personal interest would conflict with the interests of the Fund. Failure to comply with this article shall result in the dismissal of the member from the Committee. The Church Council shall name a replacement member taking into consideration the recommendations of the Planned Giving Committee and the Nominating Committee.

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E. COMMITTEE DUTIES

1. The Planned Giving Committee shall have responsibility for investing the available assets of the Endowment/Gift Fund. Endowment/Gift Fund assets available for longer term investment are initially to be invested with WELS Investment Funds, Inc, in the WELS Balanced Allocation of 60% in the Equity Fund and 40% in the Income Fund. The committee has the fiduciary responsibility to monitor the investments and if it deems necessary, make changes that would continue to limit risk to a balanced allocation approach.
2. The Planned Giving Committee shall determine in its Distribution Policy the funds available for distribution and present its disbursement proposals to the Church Council. The Committee may use growth to add to the corpus principal of the Fund to the extent it is not distributed. This will enable the Fund to grow with inflation.
3. As the congregation receives gifts it shall follow the Gift Acceptance Policy. Gifts designated for this Fund and undesignated memorial, bequests, wills estates, insurance benefits or any other property which is acceptable to them, shall be transferred to the Planned Giving Committee by the Church Treasurer or other church financial representative within 30 days of receipt together with the names of the donors and any restrictions. All funds and property transferred to the Planned Giving Committee by the congregation shall be administered in accordance with the articles of this document.
4. The Planned Giving Committee shall in no event be required to make physical segregation of the assets of the Endowment/Gift Fund in order to conform to the directions of any individual donor, but may establish separate accounts in its own accounting records.
5. The Committee is to plan and carry out an annual program to inform the members of the congregation of the benefits of planned giving and the purposes of the Endowment/Gift Fund. It will periodically arrange for members of the congregation to meet with professional counselors in the areas of charitable giving, wills, bequests, insurance, etc. The Committee will utilize the resources of WELS Gift Planning Counselors and make their services available to members who desire such counsel.
6. All new members of the Planned Giving Committee are to receive a copy of the Endowment/Gift Fund bylaws and all written policies and procedures.

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F. COMMITTEE POWERS

In the administration of the Endowment/Gift Fund, the Planned Giving Committee shall have all power and authority necessary to carry out the Purposes of the Fund in accord with the policies adopted by the Voters of the congregation including, but not limited to the following powers and authority on behalf of Bloomington Living Hope Lutheran Church:

1. To take those gifts it deems sound, i.e., no strings attached, to have, hold, sell, exchange, rent, lease, transfer, convert, invest, divest, reinvest and in all other respects to handle and manage and control the Endowment/Gift Fund, or any part thereof, as they in their judgment and discretion shall deem wise and prudent:
2. To retain any property in the form in which it was received; to convert and reconvert the Endowment/Gift Fund or any part thereof, into other kinds of property, real or mixed; and to invest or reinvest the fund or assets herein, or any portion thereof in funds such as the WELS Investment Funds, Inc., or other investments as the Committee shall deem wise and prudent, including in such common or preferred stocks, bonds, debentures, mortgages, notes or other securities, investments of property whether real or personal, which they in the absolute discretion may select or determine, and including without limitations, saving deposits of any bank, mutual savings bank, federal home loan bank, or savings bank, or in the Church Extension Fund of the Wisconsin Evangelical Lutheran Synod or other funds, or in any common trust fund, mutual fund, or any like fund subject to the usual standards of prudence required by trustees of similar funds;
3. To receive the income, earnings, profits, rents and proceeds of the Endowment/Gift Fund and to collect and receipt for the same, and pay all administrative and necessary expenses in connection with it. Such expenses are to be paid from the Endowment/Gift Fund growth, if available, or from Church Budgetary Funds recommended by the Committee for its Programs and approved by the Church Council.
4. To make, execute and deliver all instruments necessary for or proper for the accomplishment of the purposes of the Bloomington Living Hope Lutheran Church Endowment/Gift Fund or any of the forgoing powers, including deeds, bills of sale, transfers, leases, mortgages, assignments, conveyances, contracts, purchase agreements, waivers, releases and settlements;
5. To determine what is principal, appreciated value and income according to generally accepted accounting procedures;
6. To hold investments in the name of Bloomington Lutheran Church Endowment/Gift Fund on behalf of the congregation and to sign checks

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according to Section D or necessary documents on behalf of the congregation for furtherance of the Endowment/Gift Fund purposes;

7. To employ and reasonably compensate (from the Endowment/Gift Fund growth or from approved budgetary funds) accountants, agents and attorneys to assist and advise in the execution of the Endowment/Gift Fund, without liability for their omissions or neglect, but using reasonable care in their selection, and to consider the advice of the persons employed.
8. Bloomington Living Hope Lutheran Church shall indemnify a former or present Planned Giving Committee member against judgments, penalties, fines, settlements and expenses, including attorneys fees incurred. The Planned Giving Committee shall not be liable for any losses which may be incurred upon the investments of the Endowment/Gift Fund except to the extent those losses shall have been caused by bad faith or gross negligence on the part of the Committee members. No member shall be personally liable as long as he acts in good faith with ordinary prudence in discharging the duties of the office. In accordance with Minnesota Statutes, an act is done "in good faith" when it is done honestly, whether it be done negligently or not. Each Committee member shall be officially liable only for their own willful misconduct or omissions in bad faith. No Committee members shall be liable for the acts or omissions of any other Committee member, or of any accountant, agent, and attorney or custodial selected with reasonable care.
9. The Planned Giving Committee members shall not receive any compensation, but shall be reimbursed from the growth of the Endowment/Gift Fund or from approved Church Budgetary Funds for any expenses reasonably incurred.

G. THE CONGREGATON

1. The congregation at a meeting shall approve, by majority vote of those present, the use of the undesignated General Endowment/Gift Fund disbursements in excess of \$25,000 recommended by the Committee and approved by the Elder Council. Disbursements of \$25,000 or less will be approved only by the Elder Council.
2. In the event of a catastrophe or dire emergency the congregation may upon recommendation by the Planned Giving Committee decide by three-fourths majority vote of those present at a legally called meeting of the Voters' Assembly, when, and if, any undesignated General Endowment Fund principal shall be used. .

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3. While Bloomington Living Hope Lutheran Church has every intention of using the designated Endowment/Gift Fund principal as set forth in these bylaws, it does recognize that with the passage of time and changing circumstances, there may be a time when it is not feasible to utilize the designated Endowment/Gift Fund principal as was intended. Should that situation develop, Bloomington Living Hope Lutheran Church or its successors in interest shall by a three-fourths majority vote make such other use of the growth and principal as is consistent with the charitable and religious purposes of Bloomington Living Hope Lutheran Church in conformity with its constitution and bylaws and in accordance with the provisions of the State of Minnesota and preserving, where prudent in the sole discretion of the Committee, the principal of those gifts designated to be perpetual, carrying out the donors' wishes to the extent possible.
4. The Planned Giving Committee shall supply the congregation with sufficient information to make the best use of the Endowment/Gift Fund according to its purposes.
5. These Endowment/Gift Fund Bylaws (Article VIII of Church Bylaws) may not be altered or amended except by a three-fourths majority vote of the members present at a meeting of the congregation.

ADOPTION

The Endowment/Gift Fund Bylaws (Article VIII of the Church Bylaws) as stated on the previous pages were last adopted or amended by the Congregation on the date listed below as signed by its officers.

Dated this _____ day of _____ 200__

Bloomington Lutheran Church of Bloomington, Minnesota

By _____, President

And _____, Secretary

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