

**AMENDMENT TO RESOLUTION ESTABLISHING
ST. JAMES LUTHERAN CHURCH ENDOWMENT FUND**

St. James Lutheran Church Gettysburg, PA

WHEREAS, the congregation of St. James Lutheran Church adopted a resolution establishing an endowment fund on March 24, 1996 and now desires to amend the previous resolution in its entirety as hereinafter set forth;

WHEREAS, Christian mission involves the faithful management of all the gifts God has given to humankind -the created world, the gospel, life, time, abilities, money, including accumulated, inherited and appreciated resources;

WHEREAS, the Scriptural principle of proportionate giving, to return to the Lord a portion of the gifts God has first given to his beloved children, is both a privilege and an appropriate response in all times and circumstances;

WHEREAS, Christians can give to the work of the church through bequests in wills, assignment of life insurance charitable gift annuities, charitable remainder and other trusts, assignment of certificates of deposit, and transfers of property (cash, stocks, bonds, real estate);

AND WHEREAS, it is the desire of St. James Lutheran Church to encourage, receive and administer these gifts in a manner consistent with the loyalty and devotion to our Lord expressed by the donors and in accord with the policies of this congregation.

THEREFORE, IT IS RESOLVED that this congregation in annual meeting assembled on February 13, 1997, approve and establish on the records of the church a separate fund to be known as the St. James Lutheran Church Endowment Fund (hereafter called the "**Fund** ") of St. James Lutheran Church, Gettysburg, PA.

IT IS FURTHER RESOLVED that the purpose of this **Fund** is to establish a capital fund for the long-term support of St. James Lutheran Church and its mission.

IT IS FURTHER RESOLVED that the Endowment Fund shall consist of gifts made outside the regular contributions to the existing funds of the church and shall be segregated and used for the specific purpose designated by the donor if so designated.

IT IS FURTHER RESOLVED that the St. James Lutheran Church Endowment Committee (hereinafter called the "Committee") shall be the custodian of the **Fund**.

IT IS FURTHER RESOLVED that the following Plan of Operation sets forth the administration and management of the **Fund**.

I. Membership

- A. The committee shall consist of at least five members, all of whom shall be voting members of St. James Lutheran Church. The term of each member shall be three (3) years. The congregation shall elect the necessary number for a term of three (3) years. The term of an elected member shall commence immediately after the Congregation meeting in which the member is elected.
- B. 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.
- C. A called pastor of the Congregation shall serve as a voting member.
- D. The president of the Congregation Council, or the President's Designee, (who shall be a member of the Congregation Council), and the Congregation's Treasurer, shall be advisory members of the Committee.
- E. The Congregation Council shall nominate members of the Committee and report at the annual congregation meeting in the same manner as for other offices and committees.
- F. In the event of a vacancy on the Committee, the congregation council shall appoint a member to fill the vacancy until the next annual meeting of the congregation, at which time the congregation shall elect a member to fulfill the term of the vacancy.

II. Duties

- A. The Committee shall meet as needed in the best interest of the **Fund**.
- B. 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.
- C. The Committee shall elect from its membership a chairperson and a recording secretary. The chairperson, or member designated by the chairperson, shall preside at all committee meetings.
- D. 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 Congregation Council.
- E. The congregation's treasurer shall maintain complete and accurate accounts for the **Fund** and shall prepare a year-end report to be included in the treasurer's report to Congregation Council. The report should include a balance sheet and statement of activities, and any other information the Committee feels relevant.
- F. The books shall be available for review and audit to coincide with the St. James financial review annually by a certified public accountant or other appropriate person who is not a member of the Committee.
- G. 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**.
- H. 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/she acts in good faith and with ordinary prudence. Each member shall be liable only for his/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/her personal interests would conflict with the interest of the **Fund**.
- I. All assets are to be held in the name of St. James Lutheran Church Endowment Fund.
- J. Recommendations to hold, sell, exchange, rent, transfer, convert, invest, reinvest, and in all other respects to manage and control the assets of the **Fund**, including stocks, bonds, debentures, mortgages, notes, or other securities, as in their judgment and discretion they deem wise and prudent, are to be made by the Committee with a majority vote.

- K. The Committee will endeavor to inform members of the congregation to the advantage of Planned Giving.

III. Endowment Fund Investment Policies, Objectives, Guidelines and Restrictions

- A. The primary investment strategy shall be the realization of total investment return from the assets invested.
- B. It shall be the policy of the **Fund** to invest the available assets in the ELCA Endowment Fund Pooled Trust using the Ministry Growth Fund asset in accordance with the published policies of said fund.
- C. The cash portion of the **Fund** will be maintained in the congregation's checking account at a level established annually by the Congregation Council. This cash shall be held in an "Undesignated Bequests" fund and portions of this fund shall be transferred to the ELCA Endowment Fund Pooled Trust upon recommendation of the Endowment Committee and approval by Congregation Council.
- D. The assets of the **Fund** shall not be invested in non-authorized investments and specifically not be invested in personal loans to church members and staff.
- E. The Endowment Committee shall invest in a socially conscientious manner taking into account the mission and principles of St. James Lutheran Church, and the investment guidelines established by the ELCA and Ministry Growth Fund.

IV. Distribution of Income and Principal of the Ministry Growth Fund

- A. The annual distribution of income (paid quarterly) shall be reinvested in the ELCA Endowment Fund Pooled Trust using Ministry Growth Fund
- B. Congregation Council may set up restricted subaccounts attached to specific committees, with records kept by the Congregation's Treasurer. Initially, these subaccounts are *Mission* attached to the Mission Fund Committee, *Youth* attached to the Youth Committee, *Building* attached to the Property Committee, *Music* attached to the Worship and Music Committee, and *Good of the Church* attached to the Congregation Council.
- C. The Congregation's Treasurer shall keep records that credit the income distributions from Paragraph A into the subaccounts from Paragraph B using percentages established by Congregation Council. Initially, these percentages are 30% to *Mission*, 30% to *Youth*, 25% to *Building*, 10% to *Music*, and 5% to *Good of the Church*.
- D. A committee to which a subaccount from Paragraph B is attached may, with Congregation Council's approval, elect to use a portion of the balance of that subaccount in consultation with the Congregation's Treasurer. Any utilization of that subaccount is restricted to that committee.
- E. If the Congregation Council desires to withdraw an amount from the unrestricted portion of the ELCA Endowment Fund Pooled Trust for the mission of the church, it shall have the right to do so without congregation approval, provided the total withdrawal from the unrestricted portion in any calendar year does not exceed the ELCA Endowment Fund Pooled Trust's reported percentage of the average change in market value of the five (5) year ends.
- F. Withdrawals from the unrestricted portion of the ELCA Endowment Fund Pooled Trust Ministry Growth Fund in excess of the amount set forth in Paragraph E, must be approved by a two-thirds vote of members present at the annual congregation meeting or a special congregation meeting called for this purpose.
- G. The Congregation's Treasurer shall maintain an ongoing record using a restricted subaccount of any designated gift or designated bequest that is invested in the ELCA Endowment Fund Pooled Trust.
- H. Withdrawals from any restricted portion of the ELCA Endowment Fund Pooled Trust Ministry Growth Fund may only be made in accordance with the restrictions attached to that portion.
- I. All transactions and records within the subaccounts are kept only by the Congregation's Treasurer and not by the ELCA Endowment Fund Pooled Trust.

V. Amending the Resolution

Any amendment to this resolution shall be adopted by a two-thirds vote of the members present at an annual meeting of the congregation or at a special congregation meeting called specifically for the purpose of amending this resolution.

VI. Disposition or Transfer of the Fund

In the event St. James Lutheran Church ceases to exist either through merger or dissolution, disposition or transfer of the **Fund** shall be at the discretion of the congregation council in conformity with the approved congregation constitution and in consultation with the bishop of the synod to which this congregation belongs at such time.

Approved by Congregation Council: 9/18/2019

Approved at Annual Congregation Meeting: 11/17/2019

Approved by Congregation Council: 4/20/2022 (changing Fund A → Ministry Growth Fund)

Approved at Annual Congregation Meeting: 11/20/2022