

# Continuing Resolutions

## Geneva Evangelical Lutheran Church

### Geneva, Illinois

#### Continuing Resolution 2021-01 – Geneva Lutheran Endowment Fund

Whereas, the Constitution of Geneva Evangelical Lutheran Church establishes a “goal of this congregation to have a mission endowment fund that will operate as specified in this congregation’s continuing resolutions,” and provides that the “purpose of the mission endowment fund is to provide for mission work beyond the operational budget of this congregation.” (C5.05)

Whereas, the Congregation Council of Geneva Evangelical Lutheran Church has approved in principle the attached document describing the purposes, form and function of the Geneva Lutheran Endowment Fund. Said document is incorporated by reference in this resolution.

Whereas, the creation of the Geneva Lutheran Endowment Fund requires the adoption of a continuing resolution (C\*18.02) creating the Fund and authorizing the legal actions necessary to constitute the Geneva Lutheran Endowment Fund.

In consideration of these premises, it is therefore resolved by the Congregation of Geneva Evangelical Lutheran Church that:

1. The Congregation approves the creation and formation of the Geneva Lutheran Endowment Fund in the form and for the purposes specified in the attached document describing the Geneva Lutheran Endowment Fund.
2. The Congregation authorizes the Congregation Council or its designee, including but not limited to the Endowment Fund Committee, to engage in the actions necessary to ensure that the Geneva Lutheran Endowment Fund is formed and constituted so as to lawfully accept and disburse funds for the purposes stated on a tax-free basis in conformance with all laws.
3. The Geneva Lutheran Endowment Fund will conduct its activities in conformance with the attached document and the documents that will constitute the formation of the Geneva Lutheran Endowment Fund.

**Geneva Lutheran Endowment Fund**  
**Geneva, Illinois**  
**Attachment: Continuing Resolution 2021-021**

[Presented for approval at the Annual Meeting of the Congregation October 17, 2021]

**Why an Endowment Fund?**

The Geneva Lutheran Endowment Fund (the Fund) enables past, current, and future members of the congregation as well as those within and outside of our local community, with a connection to Geneva Lutheran Church, to continue to “Live a Generous Life in Christ” and to support the Mission Ministry now and beyond their lifetimes.

**What is the Endowment Fund?**

The congregation of Geneva Evangelical Lutheran Church (GLC) established the Fund to enhance the outreach of GLC. The Fund receives gifts and bequests that enable support for mission programs that are beyond what is possible through GLC resources.

All assets are to be held in the Name of Geneva Lutheran Church Endowment Fund which is a separate entity from Geneva Evangelical Lutheran Church.

The Fund is separate and distinct from GLC finances, and no Fund monies may be used to pay any GLC expense.

**What Type of Gifts can be made to the Endowment Fund?**

**Current Gifts**

1. **Cash Donations:** Cash gifts may be made as a one-time donation, or cash contributions may be given on a period basis.
2. **Marketable Securities:** Stocks, bonds, mutual funds, exchange-traded funds and any marketable security may be donated, in-kind, to the Fund.
3. **Real Property & Collectibles:** Real estate, antiques, collectibles and certain other real property may be given, in-kind, to the Fund in consultation with and after the approval of the Endowment Committee.

## **Planned Gifts**

1. **Bequests:** Cash, Marketable Securities and/or Real Property & Collectibles (with prior approval) may be bequeathed to the Fund by way of will or trust.
2. **Life Insurance Beneficiary :** The Fund may be named as full or partial beneficiary of a life insurance policy.
3. **IRA, Retirement Account, or Retirement Annuity Beneficiary :** The Fund may be named as a full or partial beneficiary of any retirement account.
4. **Transfer on Death Beneficiary (TOD) :** The Fund may be named as a full or partial TOD beneficiary of a non-retirement investment account.
5. **Power on Death Beneficiary (POD) :** The Fund may be named as a full or partial beneficiary of a bank savings, checking, or CD account.
6. **Split Interest Trust:** The Fund may be named as a full or partial beneficiary of a charitable gift annuity or split interest trust including Charitable Remainder Unit Trust (CRUT) and Charitable Lead Annuity Trust (CLAT) in consultation with the Endowment Committee.

## **How Is the Endowment Fund Governed?**

### **Initial Governance**

During the first year the Fund will be managed by an Initial Start-up Team of three (3) people appointed by the Church Council for a one (1) year term following the Annual Meeting in October of 2021. The Initial Start-up Team's term will expire October 31, 2022. The responsibility of the Initial Start-up Team will be to establish the Fund as a corporation, establish tax free credentials, handle all other start-up requirements so that the Fund Committee will inherit a running operation. The Initial Start-up Team will also serve as the initial Nominating Committee.

### **Ongoing Governance**

The Fund will then be governed by a five (5) member group called the Endowment Fund Committee (the Fund Committee). The Fund Committee's five (5) members may include a member outside of the GLC Congregation.

The responsibility of the Fund Committee is to manage the funds and to make annual distributions.

An Endowment nominating committee shall be established and elected by the congregation. This nominating committee shall present a slate of candidates for GLC's Annual Meeting. Members of the Fund Committee shall be elected at GLC's Annual Meeting.

The Fund Committee members will be elected for three (3) year terms on a rotating basis. Members may serve two (2) terms and then be off one (1) year before returning for two (2) more three (3) year terms.

The Fund Committee shall meet at least quarterly or more frequently as deemed necessary.

The Fund Committee shall elect from its membership a Chairperson, a Treasurer, and a Recording Secretary.

The Chairperson, or a member designated by the Chairperson, shall preside at all Fund Committee Meetings.

The Recording Secretary shall maintain complete and accurate minutes of all meetings of the Fund Committee and supply a copy thereof to each member of the Fund Committee.

The Treasurer shall maintain complete and accurate books of accounts for the Fund. The Treasurer shall also establish a separate bank account for the Fund and shall sign checks and all other necessary documents on behalf of the Fund in furtherance of the purposes of the Fund.

The books shall be audited annually by a certified public accountant or other appropriate person appointed by the Fund Committee who is not a member of the Fund Committee. The Fund Committee shall report to the Congregation at each Annual Meeting of the Congregation and shall render a full and complete audited account of the administration of the Fund during the preceding year.

The Fund Committee shall have the ability to obtain the services of a Lawyer and a Financial Advisor to assist in the management of the Fund. The costs for management assistance and to cover promotional and operating expenses may be taken from Fund assets.

The Fund shall acquire and maintain separate liability insurance to protect the members of the Fund Committee.

No member shall be personally liable as long as they act in good faith and with ordinary prudence. Each member shall be liable only for their own willful conduct and shall not be liable for the acts of omission of any other member. No member shall engage in any self-dealing or transaction with the Fund in which a member has direct or indirect financial interest and shall at all times refrain from any conduct in which their personal interest would conflict with interest of the Fund.

### **How will the Assets of the Endowment Fund be Managed?**

The assets of the Fund will be managed by an independent Financial Advisor chosen by the Fund Committee. The Fund Committee will work with the Financial Advisor's firm to develop an investment policy statement that anticipates consistent distributions out of the Fund while concurrently maintaining or increasing the principal balance.

## **Distribution from the Endowment Fund**

Distributions from the Fund shall be used to enhance mission projects in the following three (3) categories...

1. Outreach in the Community  
Community being defined as Geneva and the Greater Fox Valley.  
This would include, but not be limited to, gifts to organizations to support local programs, Social Service Agencies, and projects to benefit community life.
2. Mission Beyond Community  
Mission Beyond Community being defined as all Mission projects not included in the Outreach in the Community category. These would include, but not be limited to, projects that include Foreign Missions, Disaster Relief and Support of Missionaries.
3. Learning and Personal Growth  
Learning and Personal Growth being defined as any support to an individual or entity that fosters personal growth of an individual, by faith or learning.  
These would include, but not be limited to, support for scholarships, gifts to Lutheran Universities or Seminaries and camperships.

Distributions shall be made each year by the Fund Committee. The Fund Committee will distribute equal amounts to each category (one-third (1/3) of the distributions to each category). The Fund Committee may choose to distribute more to one (1) category than the other two (2) in any given year but on a ten (10) year rolling average the total amount distributed in each category shall be similar.

Distribution will be determined by the Fund Committee by the first Sunday of August and will be published as a report in the GLC's Annual Meeting booklet along with the past fiscal year's results and distribution amounts by category.

### **How Can an Organization or an Individual Apply for a Distribution?**

Fund Application forms for individuals and for organizations are available by contacting any Fund Committee member, the Pastor or from the church office.

### **Dissolution of the Fund**

The dissolution of the Fund shall occur when the congregation of GLC decides to no longer assemble as a congregation. Upon dissolution, given that the Fund is separate and apart from the GLC congregation, the Fund Committee shall distribute the total assets of the Fund pursuant to the distribution outlined in the section "Distribution from the Endowment Fund" above.

## **How Can You Get More Information About the Fund?**

Information about the Fund and answers to any questions may be obtained by contacting a Fund Committee member, the Pastor, or the church office.

A Fund Committee member or the Pastor will contact you and gladly assist you to answer your questions or aid with gifting that you may be contemplating.