

**GOVERNING DOCUMENTS
FOR
THE MINISTRY ENDOWMENT FUND OF GLORIA DE CRISTO LUTHERAN CHURCH
YUMA, ARIZONA**

CHAPTER 1

NAME

- 1.01 The name of this fund shall be The Ministry Endowment Fund of Gloria de Cristo Lutheran Church.
- 1.02 Hereafter, the Ministry Endowment Fund is designated as “the fund” and Gloria de Cristo Lutheran Church is designated as “this congregation”.

CHAPTER 2

PURPOSE

- 2.01 The purpose of the fund is to promote responsible Christian stewardship of people’s accumulated assets and to enhance and expand the ministry and outreach objectives of this congregation.
- 2.02 The fund Board of Directors will be responsible to receive gifts through bequests, wills, transfers of real property, etc., and to serve as custodians of the fund. The Board shall be responsible to invest and re-invest the fund estate and to distribute its income. The power to purchase real property remains with this congregation.
- 2.03 Examples of uses of the fund include but are not limited to:
1. On-going state of the art outreach in Yuma, Arizona.
 2. New ministry program start-up costs.
 3. Sponsor youth programs.
 4. Seminary scholarships.
 5. Sponsor missionaries.
- 2.04 The fund will be held, managed, administered, accounted for, reported, invested and expended separately from the General Fund of this congregation, and neither investments nor bank accounts will be comingled.

CHAPTER 3

GOVERNING BODY

- 3.01 The governing body of the fund shall be a Board of Directors (Board) consisting of five (5) persons who are Voting Members of this congregation.
- (a) The Pastor’s term shall coincide with the terms of his/her call and shall terminate when his/her call is terminated,
 - (b) The Treasurer’s term shall coincide with his/her term of office,
 - (c) The Congregation Council shall nominate three (3) persons to serve on the Board to be elected by this congregation at the Annual General Meeting.
- 3.02 The term of office for each elected director of the Board shall be three (3) years. Upon initial formation of the Board, one director shall be elected for a term of three (3) years, one director for a term of two (2) years, and one director for a term of one. Thereafter, at each annual meeting this congregation shall elect one director for a term of three (3) years. Directors may serve two terms consecutively. In the event of a vacancy on the Board, the Council shall appoint a director to fill the vacancy until the next annual

meeting of this congregation, at which time this congregation shall elect a director to fulfill the term of the vacancy.

- 3.03 Decisions of the Board require four (4) votes for approval.
- 3.04 The Board will meet at least annually, or more frequently as deemed in the best interest of the fund.
- 3.05 The Board shall not be liable for any losses which may be incurred upon investments of the fund except to the extent such losses shall have been caused by bad faith or gross negligence of the Board members. No member shall be personally responsible as long as he/she acts in good faith and with ordinary prudence in discharging the duties of the office. Each Board member shall be liable only for his/her own willful misconduct or omissions in bad faith. No Board member shall be liable for the acts or omissions of any other Board member, or of any accountant, agent, attorney or custodian selected with reasonable care.
- 3.06 The Board members shall not receive any compensation, but may be reimbursed by the fund for expenses reasonably incurred.

CHAPTER 4 OFFICERS

- 4.01 The officers of the fund shall be a Chairperson, Treasurer and Directors (2).
- 4.02 The Chairperson (excluding the Pastor) will be elected by other members of the Board and will:
 - (a) Call and preside over meetings of the Board;
 - (b) Record minutes of meetings of the Board and distribute copies to members;
 - (c) Co-sign all disbursement checks.
- 4.03 The Treasurer will:
 - (a) Maintain an accounting record of Board financial matters separate from the General Fund of this congregation;
 - (b) Keep a permanent record of legal documents which accompany gifts;
 - (c) Keep a permanent record of all investment transactions;
 - (d) Be the liaison between the Board and its Advisors;
 - (e) Sign all fund documents;
 - (f) Report to the Board and Congregation Council monthly of all accounting activity;
 - (g) Report to this congregation quarterly and annually of all accounting activity.
- 4.04 The Directors will:
 - (a) Director (1) will be responsible to lead a program to educate this congregation on the benefits of the fund for end-of-life giving and tax reduction purposes, and implementing a marketing plan to encourage large-amount giving to the fund.
 - (b) Director (2) will be responsible to lead a program to allow our various ministries or other entities to request support for activities within the scope of the fund's purpose.
- 4.05 Each member of the Board shall keep a complete copy of all minutes to be delivered to his/her successor.
- 4.06 The officers will be covered by a Fidelity Bond written by **Church Mutual Insurance Co.**

CHAPTER 5 GIFTING POLICY

- 5.01
- (a) Gifts to the fund must be from sources consistent with these Governing Documents and the principles of this congregation and the ELCA, and be unrestricted as to use. (See Chapter 6 regarding restricted gifts)
 - (b) Gifts must be payable to “The Ministry Endowment Fund of Gloria de Cristo Lutheran Church”.
 - (c) Gifts of cash or personal property are not acceptable.
 - (d) Checks made payable to the fund will be deposited timely with the designated **Investment Advisor** (see Appendix).
 - (e) Gifts of stock or other securities must be initially deposited with the designated **Brokerage Firm** (see Appendix) to be sold, and the proceeds deposited with the designated **Investment Advisor**.
 - (f) Gifts of real property will be deeded to the designated **Real Estate Professional** (see Appendix) to be sold, and the proceeds deposited with the designated **Investment Advisor**.

CHAPTER 6 GIFTING POLICY, RESTRICTED

- 6.01
- (a) Proposed gifts to the fund that are restricted in any ways that are inconsistent with these Governing Documents and the principles of this congregation and the ELCA, must be rejected.
 - (b) Acceptable restricted gifts must be in excess of \$25,000.
 - (c) If the gift meets these tests, the gift will be treated as at 5.01 (b) through (f) above, except that the Treasurer will establish separate investment and banking accounts for all activity involving this gift, appending a separate designation (II, etc.).

CHAPTER 7 INVESTING POLICY

- 7.01
- The **Investment Advisor** will be tasked with creating and managing an investment portfolio with the following objectives:
- Long-term growth and capital preservation,
 - Conservative risk profile,
 - No short-term liquidity needs,
 - Long-term rate of return expectation of 6%.
- 7.02
- After the close of the market each December 31, the **Investment Advisor** will cause 5% of the ending principal balance of the investment account to be converted to cash and transferred to the fund **Checking Account** (see Appendix).

CHAPTER 8 DISBURSING POLICY

- 8.01
- Requests for financial support may be submitted to the Board at any time, with grants being awarded by January 31 for requests made prior to December 31.
- 8.02
- Requests should contain the following information:
- The mission of the requesting ministry or entity,
 - The purpose of the request,

- The name and address of the person responsible for the request,
- The amount requested (not less than \$250),
- The goal expected as a result of the support.

The Board expects to be notified of the results of the support granted.

- 8.03 The Board may spend reasonable amounts from the fund proceeds to pay its reasonable expenses.
- 8.04 The Board may hire investment and other advisors as deemed necessary.
- 8.05 Grants shall not be used for the annual operating budget of this congregation.
- 8.06 Disbursements from the fund need not occur annually in the event causes and programs have not been approved by the Board, or if in the judgement of the Board annual disbursement is not recommended.

CHAPTER 9

SUBSEQUENT EVENTS

- 9.01 Any amendment to this bylaw which will change, alter, or amend the purpose for which the fund is established shall require two thirds vote of Voting Members present at the Annual Meeting of this congregation, or a special meeting called for this purpose.
- 9.02 In the event the principal of the fund becomes so small that it is burdensome or expensive to continue administering the fund, the fund may be terminated by action of the Board, with the approval of the Congregation Council and this congregation, with the remaining funds to be disbursed as mutually agreed upon by the parties.
- 9.03 In the event this congregation ceases to exist either through merger or dissolution, disposition or transfer of the fund will conform with Chapter 7 PROPERTY OWNERSHIP of this congregation's Constitution.
- 9.04 In the event this congregation ceases to exist either through merger or dissolution, and the Board fails to make disbursement of the final balances, any remaining balance will be disbursed to the Grand Canyon Synod to support mission churches.

APPENDIX

Investment Advisor

Thrivent Trust Company
4321 N Ballard Road
Appleton, WI 54919-0001

Brokerage Firm

Edward Jones, Inc
11361 S Foothills Blvd, Suite 4
Yuma, AZ 85367

Real Estate Professional

InFaith Community Foundation
625 Fourth Avenue, Suite 1500
Minneapolis, MN 55415

Checking Account

Mission Investment Fund