

**RESOLUTION ESTABLISHING THE GOOD SHEPHERD EVANGELICAL  
LUTHERAN CHURCH ENDOWMENT FUND   UPDATED 11/15/04**

Good Shepherd Evangelical Lutheran Church of Downers Grove has a living endowment of faithful members with rich gifts and varied talents. “As each has received a gift, employ it for another, as good stewards of God’s varied grace...in order that in everything God may be glorified.” (I Peter 1:10-11)

1. Now therefore in order to establish a permanent Endowment Fund within the congregation to enable the further extension of God’s Kingdom both within our congregation, our community and our world,
2. BE IT RESOLVED, that the membership of Good Shepherd Evangelical Lutheran Church establish an Endowment Fund to receive and administer bequests, estates, insurance, memorials and other assets, to be perpetual and perpetuating. And,
3. BE IT FURTHER RESOLVED, that the efforts of Good Shepherd Evangelical Lutheran Church in establishing the Endowment Fund be dedicated to the glory of the Almighty God. And,
4. BE IT FURTHER RESOLVED, that the purpose of the Endowment Fund be to enhance the work of the church by supporting the work of our congregation both at home and at large, in the areas of education, benevolence, church property improvement, and synod budget needs. And,
5. BE IT FURTHER RESOLVED, that the membership of Good Shepherd Evangelical Lutheran Church annually approve through its Voters’ Assembly the Endowment Fund earnings for the following year. And,
6. BE IT FURTHER RESOLVED, that the Good Shepherd Evangelical Lutheran Church establish an Endowment Fund Committee who shall be accountable to the Voters through the Ministry Coordinating Council and shall be custodian of the Endowment Fund. And,
7. BE IT FURTHER RESOLVED, that while Good Shepherd Evangelical Lutheran Church has every intention of using the Endowment Fund as set forth in these resolutions, 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 Endowment Fund as it was intended. Should that situation develop, Good Shepherd Evangelical Lutheran Church or its successors in interest shall then be free to make such other use of the earnings and principal (cf, IV, 3) as is consistent with the charitable and religious purposes of Good Shepherd Evangelical Lutheran Church, in accordance with the provisions of the laws of the State of Illinois 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.
8. Now therefore in order to carry out the purposes of the Endowment Fund and to enable the further extension and stewardship work of our congregation,
9. BE IT FURTHER RESOLVED:

I.       THE COMMITTEE

1. That the Committee consists of ~~five~~ three members, all of whom shall be male communicant members in good standing of Good Shepherd Evangelical Lutheran Church except as herein limited, the term of each member shall be three years. After the adoption of this resolution by the Voters' Assembly, ~~five~~ three members shall be appointed to this Committee by the Ministry Coordinating Council subject to ratification by the Voters – ~~two~~ one for a term of three years; ~~two~~ one for a term of two years, and one for a term of one year. Thereafter the Ministry Coordinating Council shall appoint all vacancies subject to ratification by the Voters. No member shall service more than two consecutive terms. A partial term shall not be counted for this purpose. A former Committee member may be re-appointed after a lapse of twelve months.
2. All vacancies shall be filled within sixty days by appointment of the Ministry Coordinating Council.
3. All Endowment fund Committee members shall endeavor to maintain a high degree of communication with the Ministry Coordinating Council, other organizations within the church and the members of the congregation to nurture the total life and mission of the church and of the Fund. Each committee member must be a member in good standing and no more than two members of the committee may serve concurrently on the Ministry Coordinating Council. The Pastor(s) of the congregation and the congregation's President shall be ex officio members of the Endowment Fund Committee.
4. The Committee shall elect from its membership a chairman, a treasurer and a secretary.
5. 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 therein.
6. A quorum shall consist of ~~three~~ two members. The affirmative vote of a majority present and voting shall carry any motion or resolution.
7. The Committee shall establish written rules and regulations for the conduct of its business. It shall also adopt written standards and goals to guide itself both in the development of proposals for disbursement of the income from the Fund and for the actual expenditure of the income.
8. The Committee shall maintain accounts with such financial institutions as it may by resolution authorize and determine. All checks and other documents transferring or expending any funds or assets in the Fund shall be executed by the treasurer and either chairman or the secretary of the Committee.
9. At the request of the Ministry Coordinating Council, any members of the Committee with check signing authority shall, at the expense of the Fund, provide a corporate fidelity bond in a principal amount to be determined from time to time by the Committee.
10. The Committee may ask other members of the congregation to serve as advisory members and may employ, at the expense of the Endowment Fund income, such professional counseling on investments and legal matters as it deems to be for the best interest of the Endowment Fund.
11. The Committee shall maintain complete and accurate books of accounts on a calendar year basis, and may employ such professional help as it deems necessary in this connection. The books shall be audited annually in time so that an audit report will be on file at the May meeting of the Voters' Assembly or as soon thereafter as practical.

12. The secretary shall maintain complete and accurate minutes of all meetings of the committee and shall supply a copy thereof to each member and to the church office. Each member shall keep a complete copy of minutes to be delivered to his successor.
13. The chairman, or a member designated by the chairman, shall preside at all Committee meetings.
14. No member of the Committee shall engage in any self dealing or transactions with the Endowment 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 these personal interests would conflict with the interest of the Fund.

## II. COMMITTEE DUTIES

1. The Endowment Fund Committee shall have responsibility for investing the available assets of the Fund. (cf. III,3)
2. The Endowment Fund Committee, at the November meeting of the Voters' Assembly or as soon thereafter as practical, shall render a full and complete account of the administration of the Endowment Fund of the preceding year.
3. The Endowment Fund Committee shall determine the Fund earnings available for distribution and present its distribution proposals to the Ministry Coordinating Council. The Committee may use earnings to add to the corpus of the Fund.
4. The Endowment Fund Committee may receive funds, as authorized in written procedures, through gifts, memorials, bequests, wills, estates, etc., from any individual or corporation, or organization or from any other source in cash or in other property acceptable to them. All Endowment Funds and property shall be kept and maintain separate, distinct and independent from the funds and property otherwise belonging to the congregation.
5. The Endowment Fund Committee shall be required to make physical segregation of the assets of the Endowment fund, if requested, in order to conform to the directions of any individual donors, in accordance with established policies of the Voters' Assembly.
6. The Committee is to inform the members of the congregation of the purposes of the Endowment Fund, and may periodically arrange for members of the congregation to meet with professional counselors in the areas of charitable giving, wills, bequests, insurance, etc. The WELS Gift Planning Counselors are available to members who desire such counsel.
7. All new members of the Endowment Fund Committee are to receive a copy of the Endowment Fund format and all written policies and process.

## III. COMMITTEE POWERS

1. In the administration of this Endowment Fund, the Endowment Fund 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 power and authority on behalf of Good Shepherd Evangelical Lutheran Church;

2. To take, have, hold, sell, exchange, rent, lease, transfer, convert, invest, divest, reinvest and in all other respects to handle and manage and control the Endowment Fund, or any part thereof, as they in their judgment and discretion shall deem wise and prudent;
3. To retain any property in the form in which received, to convert and reconvert the Endowment Fund, or any part thereof, into other kinds and forms of property, real or personal or mixed; and to invest or reinvest the fund or assets herein, or any portion thereof, as they shall deem wise and prudent, including in such common or preferred stocks, bonds, debentures, mortgages, notes or other securities, investments or property whether real or personal, which they in the absolute discretion may select or determine, and including, without limitations, savings deposits of any bank, mutual savings bank, federal home loan bank or savings and loan association, or in the Wisconsin Evangelical Lutheran Synod Church Extension Fund 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;
4. To receive the income, earnings, profits, rents and proceeds of the Endowment Fund and to collect and receipt for the same, and pay all administrative and necessary expenses in connection with it. The expenses are to be paid from the Endowment Fund earnings;
5. To make, execute and deliver all instruments necessary for or proper for the accomplishment of the purposes of the Good Shepherd Evangelical Lutheran Church Endowment Fund or any of the forgoing powers, including deeds, bills of sale, transfers, leases, mortgage, assignments, conveyances, contracts, purchase agreements, waivers, releases and settlements;
6. To determine what is principal and income according to accounting procedures;
7. To hold investments in the name of the Good Shepherd Evangelical Lutheran Church Endowment Fund on behalf of the congregation and to sign checks or necessary documents on behalf of the congregation for furtherance of the Endowment Fund purposes;
8. To employ and reasonably compensate from the Endowment Fund earnings accountants, agents and attorneys to assist and advise in the execution of the Endowment Fund, without liability for their omissions or neglect, but using reasonable care in their selection, and to rely on the advice of the persons so employed.
9. Neither the Endowment Fund Committee nor any of its members shall be liable for losses which may be incurred upon the investments of the Endowment Fund, except to the extent that such losses shall have been caused by bad faith, gross negligence or willful misconduct. No Committee members shall be liable for the acts or omissions of any other Committee member, or of any accountant, agent, attorney or custodian selected with reasonable care.
10. The Endowment Fund Committee members shall not receive any compensation, but shall be reimbursed from the earnings of the Endowment fund for expenses reasonably incurred.

#### IV. THE VOTERS' ASSEMBLY

1. The Voters' Assembly shall, at least annually, select, by majority vote of those present from the options presented by the Ministry Coordinating Council, the use of the Endowment Fund earnings.

2. The Voters' Assembly may upon recommendation by the Endowment Fund Committee decide by a majority vote of those present at a legally called meeting of the Voters' Assembly, when, and if, any Fund principal, or corpus, shall be used. This holds true only if the principal, or corpus, is ever needed in the event of a catastrophe or dire emergency.
3. The Endowment Fund Committee shall supply the Voters' Assembly with sufficient information to make the best use of the Endowment Fund according to its purposes.
4. The Endowment Fund resolution may not be altered or amended except by a majority vote of the members present at a regular meeting of the Voters' Assembly or at a special meeting called specifically for the purpose of amending this resolution.

## V. TAX EXEMPTIONS

1. Any gifts given to the Endowment Fund, as well as all income derived therefrom, shall be used exclusively for religious, charitable and educational purposes in accordance with Section 501(c)(3) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States Internal Revenue Service Law. This Endowment Fund is created and shall be operated exclusively for church purposes. No part of the income or property of this Fund shall insure to the benefit of or to be distributable to any member, director or officer of the church or any other private person, except that the Endowment Fund Committee is authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein. No part of the activities of the Endowment Fund shall be the carrying on of propaganda or otherwise attempting to influence legislation, and it shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this document, the Endowment Fund shall not (a) carry on any activities not permitted to be carried on by an entity exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States Internal Revenue Service Law or (b) do any act which would render contributions to the Fund non-deductible under section 170(c)(2) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States Internal Revenue Service Law.

This Endowment Fund may be dissolved in accordance with the laws of the State of Illinois. Upon dissolution of this Endowment Fund and after the payment of all liabilities, obligations, costs and expenses incurred by this Fund, any remaining assets shall be distrusted to such entities organized and operated exclusively for one or more purposes described in Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States Internal Revenue Service Law.

This Endowment Fund Resolution, accepted by the Voters' Assembly, via recommendations by the Ministry Coordinating Council, at a legally called Voters' Assembly meeting is hereby made an Addendum to the By-laws of the Constitution

of Good Shepherd Evangelical Lutheran Church and all members are made privy to its content and uses.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

Good Shepherd Evangelical Lutheran Church

By: \_\_\_\_\_  
(President)

And: \_\_\_\_\_  
(Treasurer)