

Upper Susquehanna Synod

Endowment Funds Policy

500 Reitz Blvd., Lewisburg, PA

Approved Synod Council – September 15, 2018

Amended – February 16, 2019

As the baptized people of God, we, the Upper Susquehanna Synod of the Evangelical Lutheran Church in America (herein, “this synod”), are called to be faithful caretakers of all gifts God has entrusted to us. As a synod of the Evangelical Lutheran Church in America, we recall that

Through human decisions and actions, God is at work in economic life. Economic life is intended to be a means through which God’s purposes for humankind and creation are to be served.¹

To that end, we have created the Endowment Funds (the Funds) for the purpose of holding funds from both current and planned gifts, from which distributions are made for ministry. The Funds may include separate accounts, as individually approved by the synod council, with individual purposes and indications managed under this policy. Specifications for such accounts will be attached to this policy.

This document describes how this synod defines ministry, and outlines the overall management of the Fund. The primary objective of this Fund is to provide ministry income. The secondary object is capital appreciation.

Operation

1. Endowment Committee
2. Investment Policy
3. Distribution Policy

Endowment Committee (“the Committee”)

1. The Committee will be comprised of 6 members, plus the Synodical Bishop. Effort will be taken to ensure representation from the geographical diversity of this synod. The Synod Treasurer shall act as a consultant to the Committee.
2. Members of the Committee, except for the Bishop, will each serve terms of 3 years.
3. No member may serve more than 2 consecutive terms for a total of six consecutive years.
4. After a lapse of 1 year, a former committee member may be re-appointed.
5. The Bishop will recommend to the Synod Council members for appointment.
6. The Committee members will be appointed at a regular meeting of the Synod Council.
7. If there is a vacancy on the Committee, the Synod Council can appoint someone to complete the term.
8. The Committee will meet at least annually.
9. A majority of members shall constitute a quorum.

¹ ELCA A Social Statement on “Sufficient, Sustainable, Livelihood for All”, August 6-12, 1999.

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10. When only 4 members are present, a unanimous vote shall carry a motion or resolution.
11. The Committee will elect from its membership a chairperson, secretary and vice chair.
12. The Committee will report to the Synod Council at least annually.
13. The financial records of the Fund will be included as part of the annual audit of this synod.
14. Members of the Committee will not be held liable for any investment losses, but will be held liable for his or her own willful misconduct.
15. A member of the Committee must recuse her/himself from decisions involving transactions in the Fund in which he or she has a direct or indirect financial interest.
16. The Bishop, Treasurer and Synod Council Vice President will act as the signatories of the accounts related to the Fund.
17. This policy will be reviewed every three years from the date of adoption by the Synod Council. A recommendation to amend this policy will be made according to the Constitution, Bylaws and Continuing Resolutions of the Upper Susquehanna Synod.

Investment Policy

1. Transactions of more than 10% of the value of the Funds at the time of the transaction must be approved by the Synod Council, including a transfer from the current custodian to a new custodian, a purchase of a new asset, or a liquidation of a current asset.
2. The synod may withdraw the principal of the Funds in emergencies only. An emergency will be defined by the Synod Council.
3. The Committee will seek outside professional advice for investment management.
4. The Funds can be held in the ELCA Endowment Fund Pooled Trust – Fund A, the ELCA Mission Investment Fund, a state bank, a federal bank, a FINRA registered broker-dealer, trust company, or a foundation.

Distribution Policy

1. Normally, the annual distribution is limited to 5% of the Funds balance, defined by the account balance as of January 31 of the previous fiscal year, which includes all interest, dividends, realized/unrealized capital gains from that year. Any distribution that is larger, must be approved by Synod Council, unless otherwise stipulated in the account specifications.
2. Distributions will be allocated according to the specifications for each fund. The Committee will make recommendation to the Synod Council regarding the funds available for distribution.

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3. In the event our Synod ceases to exist either through merger or dissolution, disposition or transfer of the Fund shall be at the discretion of the Synod Council in conformity with the Synod Constitution and Bylaws, and in consultation with the Presiding Bishop of the Evangelical Lutheran Church in America.

Resource

ELCA Foundation: 800-638-3522 elca.org/foundation