

The Episcopal Church of the Good Shepherd Endowment Fund

Neither death, nor life, nor angels, nor rules, nor things present, nor things to come, nor powers, nor height, nor depth, nor anything else in all creation will be able to separate us from the love of God in Christ Jesus our Lord. (ROMANS 8:38-39)

FREQUENTLY ASKED QUESTIONS

Q. WHAT IS THE ENDOWMENT FUND?

Formed in 1968, the Endowment Fund plays a critical role in supporting the ongoing work of the parish and providing a financial foundation for future parish activities. The Endowment Fund is an investment fund overseen by a Board of Trustees and managed by a third-party advisor. The Endowment Fund is invested prudently to protect its principal and to produce annual income. Available funds may be distributed to the parish pursuant to a plan approved by the Endowment Fund's Board of Trustees. The Endowment Fund's principal is not intended to be distributed, but it may be used when the Board of Trustees believes it is in the best interests of the parish to do so.

Q. HOW DOES THE ENDOWMENT FUND RELATE TO OTHER PARISH FUNDS?

The Endowment Fund, the general operating fund, and other special purpose parish funds, e.g. the organ fund, are intrinsically linked and are all vital to support parish activities. The general operating fund provides resources for the annual budget and is funded by annual stewardship pledges, plate offerings made during the year, and additional unrestricted donations. Some specific programs or needs are provided for through special restricted funds, such as the organ fund. The Endowment Fund is a third source of financial support. It is available to support parish activities and physical needs pursuant to an approved plan (please see "What is the Endowment Fund" above).

Q. WHAT IS THE VALUE OF THE ENDOWMENT FUND?

As of March 31, 2019, the value of the Endowment Fund was approximately \$2.25 million. Under the oversight of the Board of Trustees, the funds are professionally managed by a third-party advisor to achieve investment growth without taking undue risk or incurring significant fees. Investment income is reinvested in the Endowment Fund. Gifts to the Endowment Fund are not spent but rather are invested as described to perpetuate the Endowment Fund and produce income for the benefit of the parish and its ministries.

Q. WHAT IS THE GOAL FOR THE ENDOWMENT FUND?

The goal for the Endowment Fund is to significantly increase its value through increased contributions and investment returns. This will ensure that annual income from the Endowment Fund is available to provide a source of funds to support ongoing and new initiatives (within Good Shepherd and external outreach), including children's ministries and family/youth programs, and to provide a safety net for the general operating fund. If the Endowment Fund's income is not used pursuant to an approved plan, it is reinvested. This is done to help the Endowment Fund continue to grow in perpetuity.

Q. WILL INCREASING CONTRIBUTIONS TO THE ENDOWMENT FUND HAVE AN IMPACT ON ANNUAL GIVING?

No impact is expected. Giving is about far more than money – it's about receiving and sharing the gifts of God. Giving is a spiritual discipline and a personal expression of God's generosity in the world. This implies we must continually work to promote stewardship, and to understand both the continuing budgetary needs of the parish as well as the potential of the Endowment Fund.

Q. HOW CAN YOU GIVE TO THE ENDOWMENT FUND?

There are a large variety of ways to contribute to the Endowment Fund, either as a current gift or a deferred gift, including:

- Cash
- Stocks, bonds and other securities
- Property (personal property or real estate)
- Life insurance (all or part of a policy)
- IRA or retirement plan account designation (all or part)
- Annuities
- Bequests (through a will or living trust of a fixed amount or percentage)

Q. HOW DOES A LIFE INSURANCE GIFT WORK?

Donors can identify Good Shepherd as the beneficiary and owner of all or part of a policy. This provides an immediate tax deduction for the policy's cash value and any future premiums that you pay.

Donors can also purchase a new life insurance policy naming Good Shepherd the owner and beneficiary. The premium payments are made through the church and the donor should receive a tax deduction each year.

Q. ARE THESE GIFTS TAX DEDUCTIBLE?

Yes. A gift to the Endowment Fund qualifies as a charitable contribution. You may be able to take a deduction on your Federal income taxes. Also, gifts to the Endowment Fund are deductible for Federal estate and gift tax purposes.

Q. CAN I MAKE A GIFT IN SOMEONE'S HONOR OR MEMORY?

Yes. In fact, this is a popular way to honor someone living or deceased. Contributions are commonly made in memory of the departed as well as for birthdays, baptisms, wedding anniversaries, adoptions, etc. If you make a memorial or honorary gift, the family or individual you honor will be notified of the gift if you desire. The church may also recognize contributors to the Endowment Fund through church publications or at events; however, if you wish to remain anonymous, the parish will honor your wishes.

Q. ARE THERE GIFT MINIMUMS?

Absolutely not. You can make any size gift. There are no minimum amounts. All gifts of any size are cherished. Each gift is significant to the cumulative impact of the Endowment Fund.

Q. WHO ADMINISTERS THE ENDOWMENT FUND?

The Good Shepherd Endowment Fund is administered according to the terms of a written trust agreement by a seven member Board of Trustees, including five members who are elected to staggered five-year terms by the Vestry. The Rector and the Senior Warden are the other members of the Board of Trustees.

Q. WHAT DO I DO NEXT? HOW DO I GET MORE INFORMATION?

There are many ways to contribute to and benefit from a gift to the Endowment Fund. Only a few have been presented in this brochure.

The best place to start is with the Senior Associate. He will answer your questions or direct you to a member of the Board of Trustees. You should consider talking to your attorney, C.P.A., insurance agent, or financial planner.