

The Robert Malette Mission Endowment Fund of Messiah Lutheran Church

Resolutions Adopted [Insert Date]

I. Purpose and Vision

Christian stewardship is the faithful, intentional care of all that God entrusts to us—creation, the Gospel, life, time, abilities, and financial resources, including accumulated, inherited, and appreciated assets. The Robert Malette Mission Endowment Fund of Messiah Lutheran Church is one expression of this sacred trust. It enables members and friends of Messiah to offer legacy gifts that extend the church's mission beyond the bounds of annual giving.

Rooted in the biblical call to return to God a portion of what God has first given us, this Fund embodies our commitment to sustained ministry, prophetic innovation, and justice-centered outreach. It reflects our identity as a Reconciling in Christ congregation—grounded in inclusivity, compassion, and generous stewardship.

Through legacy giving, we proclaim a future shaped by faith. In so doing, we echo the witness of Scripture: *“Like good stewards of the manifold grace of God, serve one another with whatever gift each of you has received”* (1 Peter 4:10), and *“From everyone to whom much has been given, much will be required”* (Luke 12:48).

II. Definitions

- **Fund:** Refers to the Robert Malette Mission Endowment Fund in its entirety, including both the corpus (principal) and any earnings, appreciation, or accumulated income. This term encompasses the total assets under management, unless a more specific term (e.g., corpus) is used.
- **Endowment Committee:** The elected group of Messiah Lutheran Church members that administers the Fund, reviews proposals, and recommends distributions to the Congregation Council.
- **Endowment Fund:** A donor-restricted Fund held in perpetuity under the Uniform Prudent Management of Institutional Funds Act (UPMIFA), as adopted in Michigan under MCL 451.921 to 451.931.
- **Corpus (Principal/Book Value):** The total amount of donor-designated contributions that are legally required to be maintained in perpetuity, including original gifts and any income explicitly designated to be preserved. This value remains constant regardless of investment performance.

- **Market Value:** The current total value of all invested endowment assets, including the book value, accumulated earnings, unrealized gains or losses, and reinvested returns. This value fluctuates with market conditions and is used for calculating allowable distributions.
- **Spending Policy:** The method used to calculate annual distributions from the endowment.
- **Distribution:** The portion of the Fund made available each year for spending, based on a set formula.
- **Restricted Gift:** A donation made with specific instructions from the donor as to how the Funds are to be used.
- **Mission-Restricted Sub-Funds:** Specific-purpose endowment sub-funds created to honor donor intent and support designated areas of ministry.
- **Capital Improvements:** Investments in the physical infrastructure of the church, such as renovations, maintenance, or property upgrades.
- **Mission Support:** Financial assistance provided to ELCA ministries or partner organizations in support of broader church goals such as evangelism, hunger relief, disaster response, and education.
- **Extraordinary Circumstances:** Events or conditions that significantly impact the life and ministry of the church, requiring additional support beyond normal operations.

III. Distribution Categories

Distributions from the Robert Malette Mission Endowment Fund shall support the mission of Messiah Lutheran Church by advancing ministry, outreach, and development goals beyond the scope of the church's annual operating budget. Distributions will be made in accordance with the spending policy outlined in Section VIII-A, and shall be reevaluated by the Endowment Committee and Church Council if thresholds defined therein are triggered.

Distributions shall be used to support the mission of Messiah Lutheran Church in the following three categories, which reflect both donor intent and the church's broader commitments. Distribution percentages are determined annually by the Endowment Committee and approved by the Church Council.

1. **The Kathy Soltwisch Fund for Community Outreach (25–50%)**
Grants and contributions to ministries within the Northern Great Lakes Synod and community partners, including ELCA seminaries, Fortune Lake Lutheran Camp, Lutheran Social Services of Wisconsin and Upper Michigan, other institutions and agencies to which this Congregation relates, and to special programs designed for those persons in our parish area who are in spiritual

and/or economic need.

2. ELCA Mission Support (25–50%)

Support for ELCA ministries at national and global levels, including, but not limited to, grants to the Evangelical Lutheran Church in America for new congregation development, hunger, professional leadership, educational ministries, global mission, ecumenism, evangelism, social ministries, disaster response and capital financing.

3. Congregational Capital and Ministry Projects (25–50%)

Capital improvements, debt reduction, or new ministry ventures¹ that further Messiah's mission and extend its outreach.

The Committee shall determine both the percentage allocated to each category and the specific recipients each year. Final approval is required by the Church Council.

IV. Committee Membership and Structure

The Endowment Committee shall consist of five (5) voting members of Messiah Lutheran Church elected by the Congregation. Initial terms shall be staggered: two members shall serve three years, two members two years, and one member one year. Thereafter, terms shall be three years, with members eligible to serve no more than two consecutive terms. A former member may be re-elected after a one-year lapse.

- The Senior Pastor and the Congregation Council President shall serve as non-voting advisory members.
- In the event of a vacancy, the Congregation Council shall appoint a member to serve until the next congregational meeting, at which point the position shall be filled by election.
- The Committee shall meet no fewer than two times annually. Meeting quarterly is preferred. A quorum shall consist of three members, and a unanimous vote is required when only three are present.
- The Committee shall elect a Chair and a Recording Secretary from among its members. The Chair shall convene and preside at meetings. The Recording Secretary shall maintain accurate minutes, to be distributed to the Committee and shared with the Congregation Council.
- The Committee may consult with professional legal or investment advisors as needed, at the expense of the Fund. Committee members shall serve without compensation.

¹ New ministry ventures may include pilot programs, outreach initiatives, innovative worship formats, community partnerships, digital ministry tools, or other efforts that extend Messiah's mission in response to emerging needs or opportunities.

- The Congregation's parish accountant shall coordinate all financial accounting related to the Fund. Disbursement authority requires the signature of the Congregation Treasurer and one Committee member.
- The Committee shall report activity to the Congregation Council following each meeting and present a full annual report to the Congregation at its annual meeting.

V. Proposal and Disbursement Process

1. Submission

- Messiah members, staff, or ministry teams may submit a written proposal using a standard form.
- Proposals must include:
 - Description of the initiative and its alignment with Messiah's mission
 - Amount requested and total project budget
 - Other sources of funding considered or secured
 - Evaluation and impact plan

2. Review

- The Endowment Committee evaluates proposals for alignment, feasibility, and adherence to distribution policy.
- The Committee may return proposals for revision or clarification.

3. Approval

- Proposals recommended by the Committee shall be submitted to the Congregation Council for final approval.

4. Reporting

- All fund recipients must submit a written report within six months of receiving funds, detailing the use and impact.
- The Committee shall compile a summary of distributions for the annual Congregation meeting.

VI. Gift Acceptance Policy

Messiah Lutheran Church gratefully receives gifts offered in faith and generosity. Gifts designated to the Fund shall be managed as follows:

- Undesignated gifts shall be allocated to the general endowment.

- Donor-restricted gifts may be accepted if aligned with the purpose of the Fund; the Committee reserves the right to consult with the donor or decline a gift inconsistent with Messiah's mission.
- Designated gifts shall be independently accounted for and not commingled with general funds.
- Gifts intended to establish new sub-funds must be accompanied by written donor instructions and approved by the Congregation Council.
- The Committee may seek legal or financial counsel at the Fund's expense when reviewing complex gifts (e.g., securities, real estate, trusts).

While donor generosity is deeply appreciated, the Endowment Committee discourages the creation of multiple designated sub-funds. Such gifts may fragment fund management, reduce flexibility, and complicate long-term mission alignment. Donors are encouraged to contribute to the general endowment or existing sub-funds to ensure sustainable impact and administrative efficiency.

VII. Emergency Distributions

In the event of a crisis that endangers the future viability of Messiah Lutheran Church, and if no other financial alternatives exist, the Endowment Committee may recommend use of principal beyond ordinary distribution limits. Such a recommendation must:

- Clearly document the nature and scope of the emergency
- Demonstrate that no alternative resources are available
- Receive a two-thirds vote of the Endowment Committee
- Be approved by a two-thirds vote of the Congregation at a duly called meeting
- Be reviewed within a year or tied to a sunset clause.

Emergency use of principal shall be considered only in rare and exceptional circumstances.

VIII. Investment Policy Overview

- Assets shall be invested for long-term total return.
- Investment practices shall reflect Messiah's commitment to ethical, sustainable, and socially responsible stewardship, including consideration of ELCA social responsibility guidelines.
- All investment and spending policies shall be administered in accordance with the Michigan Uniform Prudent Management of Institutional Funds Act (MCL 451.921–451.931).
- Strategic allocation reviewed annually by the Committee in consultation with advisors.

- Quarterly performance monitoring required.

VIII-A. Spending Policy

The fund follows a conservative and sustainable spending policy designed to preserve the long-term strength of the corpus while providing meaningful support to the ministry of Messiah Lutheran Church. Annual spending will be phased in beginning in 2026, with gradual increases to allow for continued principal growth and long-term sustainability. The phased disbursement shall be calculated as follows:

- At minimum, 1% of annual returns shall be retained to support long-term growth of the corpus.
- **2026:** Up to 2% of the average market value of the Fund over the prior four calendar quarters
- **2027:** Up to 3%
- **2028** and beyond: 4%, in accordance with the long-term policy

The value will be assessed at the end of Messiah Lutheran Church's fiscal year (calendar year), as certified by the parish accountant.

- **Evaluation Threshold:** The average market value of the Fund shall be certified by the parish accountant based on year-end statements. Should the value of the corpus fall below \$1,000,000, all distributions shall be suspended. The Endowment Committee must then reassess Fund performance, forecast long-term sustainability, and recommend any adjustments to the Congregation Council before resuming disbursements.
- **Review:** The spending rate and evaluation threshold shall be reviewed by the Endowment Committee every three years and may be revised with Congregation Council approval.

This policy is intended to align with prudent investment principles and the Michigan Uniform Prudent Management of Institutional Funds Act (MCL 451.921–931), ensuring intergenerational equity and mission continuity.

VIII-B. Prohibited Uses

To ensure the long-term integrity of the Robert Malette Mission Endowment Fund:

- The corpus (as defined in Section II) of the Fund shall not be pledged, loaned, or otherwise encumbered.

- Fund assets shall not be used to support the general operating expenses of Messiah Lutheran Church, except in accordance with emergency provisions outlined in Section VII.

IX. Disposition or Transfer of Fund

In the event Messiah Lutheran Church ceases to exist either through merger or dissolution, disposition or transfer of the Fund shall be at the discretion of the Church Council, in conformity with the Congregation Constitution and Bylaws, and in consultation with the Bishop of the Northern Great Lakes Synod of the Evangelical Lutheran Church in America to which this congregation belongs.

X. Amendments and Review

This Resolution shall be reviewed every three years. Amendments require a majority vote at a duly called congregational meeting.

CERTIFICATION

This resolution was duly adopted by the Congregation of Messiah Lutheran Church on [Insert Date] and remains in effect until amended or rescinded.

Signed:

Council President

Secretary