

## BYLAWS

### **B1. IMPLEMENTING THE ASLC ENDOWMENT FUND**

**B1.A Statement of Purpose/Intent.** The All Saints Lutheran Church Endowment Fund (the “Fund”) has been created to offer an opportunity to fulfill the mission of All Saints Lutheran Church (the “Church”) apart from the Church’s operating budget.

**B1.B Endowment Fund Committee.** The Fund shall be administered by an Endowment Fund Committee (“Committee”).

- (i) Selection of Committee Members – There shall be five (5) Committee members who are selected from the congregation of the Church. Each person serving on the Committee shall be a voting member of the Church. Three (3) Committee members shall be selected by vote of the Church’s membership at its annual meeting with the other two (2) Committee members being a Pastor of the Church and a member of the Church’s congregational council (“Council”).
- (ii) Term of Office – The term of each non-pastor Committee member shall be two (2) years, and the terms shall be staggered. Thereafter, at each annual meeting, the Church’s congregation shall elect Committee members to fill the positions of those members whose terms will expire and elect a new member to fill the remaining term of any member whose position was not expired and whose vacancy was filled by the Council, as set forth below. No Committee member shall serve more than three (3) consecutive two (2) year terms. After a lapse of one (1) year, former Committee members may be re-elected.

- (iii) Vacancies – In the event of a Committee vacancy, the Council shall appoint a voting member of the Church’s congregation to fill such vacancy until the next annual meeting of the Church’s congregation.
- (iv) Removal – In the event any Committee member is no longer a voting member of the Church or otherwise fails to participate in the operation and administration of the Fund, the Council shall have the absolute authority in its sole discretion, on a case by case basis, to remove such person from the Committee.
- (v) Meetings – The Committee shall meet at least quarterly or more frequently as deemed necessary in the best interest of the Fund. A special meeting may be called by at least three (3) Committee members. Proper notice must be given for all meetings as provided below.
- (vi) Notice – Each Committee member shall receive written or electronic notice of all Committee meetings at least ten (10) calendar days prior to any regular or special meeting. In an emergency, such notice requirement may be waived by unanimous written or electronic consent of all Committee members.
- (vii) Quorum and Voting – At least three (3) Committee members must be present in order to have a quorum to hold a Committee meeting and the affirmative vote of at least three (3) Committee members shall be required to carry any motion or resolution.
- (viii) Chairperson & Officers – The Committee shall elect from its membership a chairperson, vice-chairperson, recording secretary, and financial secretary. The chairperson, or other Committee member designated by the chairperson, shall preside at all Committee meetings.

- (ix) Minutes – The Committee’s recording secretary shall be responsible for preparing and maintaining complete and accurate notices and minutes of all Committee meetings. Each set of minutes shall be approved by the Committee at its next regularly scheduled meeting as its first order of business. After approval, a copy of each meeting’s minutes shall be delivered to each Committee member and to the secretary of the Council.
- (x) Accountings – The Committee’s financial secretary shall maintain complete and accurate records for the Fund, and shall submit a financial report to the Committee at each regularly scheduled meeting for review and inclusion in the meeting minutes. The accounting records shall be maintained on a September 30 fiscal year-end basis to facilitate the completion of an annual report and related review prior to each annual congregational meeting. On at least an annual basis, the Church’s audit committee shall review and report to the Council on the Fund’s operations and recordkeeping. Such review shall include an analysis of the annual report for the fiscal year which shall be presented for approval to the Church’s congregation at its annual meeting.
- (xi) Reporting to Council and Congregation – The Council member serving on the Committee shall report to the Council as requested by the Council. The Committee’s chairperson shall file an annual report for approval by the Church’s congregation at its annual meeting.
- (xii) Indemnification and Hold Harmless – Committee members shall be indemnified and held harmless from any liability for any losses which may be incurred upon the investments of Fund assets, except to the extent such losses shall have been caused by intentional acts, bad faith, or gross negligence. No Committee member shall be liable for the acts or omissions of any other Committee members. No Committee member shall engage in any

self-dealing or transactions with the Fund in which the member has direct or indirect financial interest and shall at all times refrain from any conduct in which their personal interests would conflict with the interests of the Fund.

**B1.C Acceptance of Fund Contributions.**

- (i) The Committee shall develop and distribute informational materials for the Church's congregation concerning the purpose, benefits and utilization of the Fund and shall assist all interested persons in understanding and making contributions to the Fund.
- (ii) To the extent possible, each Fund contribution shall provide sufficient written instructions to enable the Committee to fulfill the donor's intent. The Committee may develop a sample form of instructions for donors to utilize and, to the extent necessary, to interpret and administer each Fund contribution.
- (iii) The Committee shall review and approve all Fund contributions prior to acceptance and shall act as advisor to the Council on any non-monetary contributions to the Fund that are undesignated. The Committee shall encourage donors to have the Committee review and pre-approve the instructions relating to their Fund contribution.

**B1.D Administration of the Fund**

- (i) Title to Fund Assets – All money received by the Committee for the Fund shall be deposited into one or more financial accounts, as authorized by the Committee, which are separate and apart from the Church's general or memorial funds, and any non-monetary assets received by the Committee for the Fund shall be titled in the Fund or otherwise restricted from use or commingling with the Church's general or memorial assets, as authorized by the Committee.

- (ii) Disbursements - All disbursements from any Fund account shall be made in accordance with the donor's instructions or as authorized by the Committee or Council, as applicable. All disbursements shall be made with dual signatures as authorized by the Committee and registered with the applicable financial institutions or entities. All legal instruments to be executed on behalf of the Fund shall be first authorized by the Committee in accordance with the donor's instructions and in furtherance of Fund purposes.
- (iii) Investment Decisions - Except as may be otherwise provided by a donor's request, all recommendations to hold, sell, exchange, rent, lease, transfer, convert, invest, reinvest, and in all other respects to manage and control the Fund assets, including stocks, bonds, debentures, mortgages, notes, or other securities, as in their judgment and discretion they deem wise and prudent, are to be made by the Committee.
- (iv) Use of Advisors – The Committee is authorized to retain and pay for the services of one or more investment, legal or accounting advisors to assist with the Committee's operations.

#### **B1.E Fund Growth**

- (i) Distribution of Accumulation of Growth
  - (a) Specific Instructions – Growth from Fund investments shall be disbursed or accumulated in accordance with the donor's specific instructions to the extent practicable.

**Note:** The Committee reserves the right to interpret and modify the beneficiary intent consistent with the legal concept of "cy pres", or to otherwise delay disbursement of income from any donor's contribution in the event such intent

cannot be satisfied due to unanticipated or unforeseen circumstances (i.e. the intended beneficiary (or program) is no longer in existence or the intended beneficiary (or program) cannot effectively utilize the specified total income available), or if in the judgment of the Committee, total annual disbursement of growth to a particular program is not recommended.

- (b) Unspecified – If a donor does not specify the manner in which growth from a particular Fund contribution is to be disbursed or whether the growth is to be accumulated, growth from the Fund shall be disbursed or accumulated by the Committee. The Committee shall establish a written plan for the distribution of unspecified growth. Programs for support by the Fund shall be recommended by the Committee and approved by the Council.

**Note:** Growth from the Fund shall not be disbursed to satisfy general Church operations without congregational authorization. Such authorization shall be limited to unanticipated or unforeseen circumstances which seriously jeopardize the existence or continuation of the Church entity after other reasonable efforts have failed.

- (ii) Identification and Allocation of Principal and Growth – The Committee shall determine what is principal and growth according to accepted accounting procedures.

#### **B1.F Fund Principal or Corpus**

- (i) Specific Instructions – Principal (or corpus) of any Fund contribution shall be disbursed in accordance with a donor's specific instructions, to the extent practicable.

**Note:** The Committee reserves the right to modify the beneficiary intent, consistent with the legal concept of “cy pres”, or to otherwise delay disbursement of principal from any donor’s contribution in the event such intent cannot be satisfied due to unanticipated or unforeseen circumstances (i.e. the intended beneficiary (or program) is no longer in existence or the intended beneficiary (or program) cannot effectively utilize the specified total principal available), or if in the judgment of the Committee total or specified disbursement of principal to a particular program is not recommended (i.e. requisite programs have not been approved by the Committee in a manner sufficient to utilize principal available), or if in the judgment of the Committee disbursement of principal is not recommended.

- (ii) Unspecified – If a donor does not specify the manner or if principal from a particular Fund contribution is to be disbursed, principal from the Fund shall be disbursed by the Committee. The Committee shall establish a written plan for the distribution of unspecified principal. Programs for support by the Fund shall be recommended by the Committee and approved by the Council.

**Note:** Principal from the Fund shall not be disbursed to satisfy general Church operations without congregational authorization. Such authorization shall be limited to unanticipated or unforeseen circumstances which seriously jeopardize the existence or continuation of the Church entity after other reasonable efforts have failed.

**B1.G Disposition or Transfer of Entire Fund** - In the event the Church ceases to exist either through merger or dissolution, disposition or transfer of the existing Fund shall be made to its successor or to such other entity which can fulfill the Fund’s intent.

**B1.H Adoption and Amendment** - This Fund implementation plan may be amended from time to time by majority vote of the congregation at any annual meeting or special meeting called for that purpose. However, no amendment shall either substantially change the duties and responsibilities of the Committee without its consent or frustrate any donor's intent or be materially inconsistent with the Fund implementation plan at the time a contribution was made.