



THE CHURCH OF THE EPIPHANY

ENDOWMENT FUND

Frequently Asked Questions (FAQ)

1. What is an Endowment Fund?

An Endowment Fund is a pool of money set aside to provide continuing support or maintenance of an organization on a long-term basis. In this case, the organization is The Church of the Epiphany. The money is invested and only a part of the annual earnings are used to support ongoing needs. In this way, the balance continues to grow providing a legacy for future generations.

2. Why did the Church of the Epiphany establish an Endowment Fund?

It was the desire of the church leaders and many parishioners to initiate a program that has the potential to provide long-term support of the church. For parishioners, the Endowment also presents the opportunity to leave a gift to Epiphany that will keep giving beyond their lives or the lives of their loved ones. The Vestry signed the Endowment Fund's charter in December of 2005.

3. Why should I give to the Endowment Fund?

As members of the Epiphany community, we support our parish and are proud of our outreach programs. We respond to these requests to the best of our ability. The goal of the Endowment is to grow the Fund to be a meaningful source of funds for The Church of the Epiphany and its programs. The Endowment Committee holds a campaign each May to raise awareness and to invite donations. The appeal culminates the last Sunday of May during Memorial Day Weekend. No matter what size, all gifts are gratefully appreciated. Together we remember our loved ones, share our sorrows, and honor lives well lived.

4. How can I contribute to the Endowment Fund?

Gifts to the Endowment can be made in several ways and in any amount. The most common type of gift is cash. Just write a check with "Endowment" in the memo line, and put it in the church office or collection plate. Other common ways to give would be a transfer from your IRA, a gift of marketable securities; or as a beneficiary of an insurance

policy, or in your will. Please talk with a member of the Endowment Committee for questions or help in processing your gift.

5. Who makes the decisions regarding the Endowment Fund?

The Endowment Committee provides administrative support for the Fund, strives to build awareness among our parishioners, and solicits funds to grow the Endowment Fund. The Endowment Committee submits recommendations for any procedural changes or financial decisions to the Vestry for approval.

6. How is the Fund invested?

The money is invested in the Pooled Investment Fund of the Diocese of Minnesota. The Trustees of the Pooled Investment Fund provide oversight, and the money is managed by financial consultants at Morgan Stanley Smith Barney. This allows us to invest our smaller balance in a more diverse, professional manner by combining it with funds from other parishes.

7. Who decides what the income is spent on?

To date, none of the earnings of the Endowment Fund dollars has been disbursed. The balance in the Fund was just over \$22,000 at year-end 2012. The goal is to continue to grow the Endowment before any dollars are used. When withdrawals are taken, they will only be a part of the income, not the principal. Disbursements will be allocated at the discretion of the Vestry.

8. How will disbursements be determined?

A portion of the income can be used based on a rolling three-year average of the Fund's balance. Using this type of formula insulates the Fund against the volatility of investment returns that can vary significantly from one year to another. Any withdrawal will be approximately 2% less than the Fund's average earnings to protect against inflation diminishing the Fund's long-term actual value.

9. What is the next step?

Please consider what Epiphany has given you. Count your blessings as a part of this community -- baptisms and marriages, and support when your loved one passed. Consider making a donation to the Church of the Epiphany Endowment Fund in gratitude for all you've been given. Share in providing for future generations.

God Bless,
The Church of the Epiphany Endowment Committee -

Kathy Bjorklund, Wendy Cain, Marie Hayes, Bruce Manthey, Beth Rosenberger, Mathew Vergheze, Maureen Wilson, and Karen Orn, Chair; with professional input from Holly Guncheon

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