

The Grace Church in the Mountains Endowment Fund

Frequently Asked Questions

Why have an Endowment Fund?

The Endowment Fund provides a means for people to express special gratitude to God for blessings they have received. The principal is held permanently and only the earnings may be used, whether restricted or unrestricted. As a result, a gift to the Grace Church in the Mountains Endowment Fund endures forever.

Who created the Grace Church in the Mountains Endowment Fund?

We received several financial gifts to be used to start an endowment fund. A committee was formed in 2014, which included Alyson Nelson, Treasurer, Bob Vogt, Senior Warden, Fred Deeb, Finance Chair and Tony Sexton, parishioner. With the help of the Episcopal Church Foundation, who provided sample endowment policies, we met weekly and discussed what seemed right for our church. We soon expanded our "committee" to include Don Rothermel, Jo Phelps, KG Watson, Sara Tyburski and Melissa Von Noppen. Each person contributed his or her thoughts and ideas.

What were the next steps?

The Finance Committee approved the document. This was followed by Vestry approval. An endowment committee then formed with recommendations by the Finance Committee and approved by the Vestry.

What happens to the money?

It is invested with the idea of creating income and growth. An investment manager under consideration is the Episcopal Church Foundation who currently manages \$136,000,000 (September 2014) for 257 Episcopal accounts throughout the country. Of this number, 116 are accounts of \$10,000 to \$100,000. We would fall into this category. Our Endowment Committee will decide who is to manage our account and where it will be invested, with approval by the Vestry.

How is the income spent?

There are two parts of the Fund, designated and undesignated. No income can be used for operating expenses (with one exception as noted). Distributions from the fund, with one exception noted below, shall be limited to: (i) capital improvements of the PARISH; (ii) outreach ministries and grants; (iii) seed money for new ministries and special one-time projects; and (iv) such other purposes as are specifically designated by donors to the PARISH whose gifts are included in the FUND.

Why is there a minimum of \$15,000 for a designated gift?

Your Vestry and The Episcopal Church Foundation has strongly suggested a minimum designated amount of \$15,000 due to the bookkeeping and managing process costs. We encourage gifts to the Endowment be undesignated.

Who gives to the Endowment Fund?

Anyone and for many reasons. Thanksgivings, remembrances, memorials, bequests and more. Contributions, large and small will have an impact on the future of Grace.

Are gifts tax deductible?

Yes. Gifts to the Endowment Fund qualify as charitable donations. Several kinds of gifts allow you to continue to use the donated property or receive income during your life and still receive a tax donation. A savings in inheritance and estate taxes may also be possible.

How are Contributions Recognized?

The gift, donor and person remembered or honored is recorded in the Endowment records. The honoree or family will be notified of the gift. In addition, our monthly newsletter, *Grace Notes* will recognize persons being honored or remembered

Version prepared 5/05/15