

Endowing the Youth Endowment Fund

**A Campaign
to Raise \$5,000,000 in Principal
to Support Youth Mission and Ministry
at St Marks and Beyond**

Purpose

- **Goal:** Endow an expanded youth mission and ministry at the St Marks with \$5,000,000 in bequest commitments to underwrite programs and opportunities that are beyond the congregation's annual budget
- **Strategy:** 100 endowers committing to \$50,000 bequests to the endowment program
- **Theme:** Celebrating the past 50 years with future endowment bequests for \$5,000,000

About Endowment Funds

- Endowment funds may assume several forms, but their common characteristic is that only the income they generate may be spent, while the principal remains intact.
- When a gift is made to the endowment, the principal is maintained inviolate and in perpetuity. It is invested for the purpose of producing present and future income which may either be expended or added to the principal.
- Endowment income contributes in distinct and meaningful ways to St Marks ability to support programs beyond our
- Capital gifts and bequests are always sought for the general endowment, to establish scholarships and other forms of aid, to provide for future buildings and facilities, and for many special purposes

About Endowment Funds

- Any form of real or personal property, cash or securities may be conveyed to St Marks Endowment Program.
 - Gifts and bequests may be made outright, restricted or unrestricted.
 - Annuity agreements, life income contracts and charitable trusts may be written guaranteeing use of the income by the donor during his or her lifetime.
- Your endowment fund offers many ways to channel your philanthropy to benefit a field of interest or community organization.

Why a \$5,000,000 Campaign?

- The **heart of the campaign** is to obtain an endowment with sufficient principal to generate earnings that would **underwrite the staffing and operation of a youth and family center**—Mikes Place
- The **second major objective** of the campaign is to **foster the development and training of professional youth ministry leaders**, i.e., ministers and associates in ministry, and committed lay leaders
- The **third objective** is to **provide for youth and family/parenting-oriented programs** that are outside the normal operating budget of the congregation
- The **fourth objective** is to **support youth outdoor ministries** by providing both scholarships to youth attendees and grants to Synod outdoor ministry campground and conference facilities

Endowment Usage Plan

<u>PURPOSE</u>	<u>ENDOWMENT OBJECTIVE</u>	<u>PROJECTED ANNUAL EARNINGS AT 6%</u>
Youth Center		
• Mikes' Place Fund	\$3,000,000	\$180,000
Leadership Training		
• Seminarian Fund	\$500,000	\$30,000
• College Fund	\$500,000	\$30,000
• Youth Education Fund	\$100,000	\$6,000
Youth and Family/Parenting Program		
• Neighborhood Fund	\$100,000	\$6,000
• Parents Night Out Fund	\$300,000	\$18,000
• Special Opportunities	\$400,000	\$24,000
Outdoor Ministries		
• Camper Fund	\$50,000	\$3,000
Other		
• Fund Education	\$50,000	\$3,000
	\$5,000,000	\$300,000

College Fund

Objective: \$500,000

Earnings: \$30,000

- Purpose of the College Fund is to provide full and partial scholarships and grants for St Marks youth who will attend one of the Lutheran Colleges, especially:
 - Roanoke College
 - Gettysburg College
 - Theil College
 - Susquehanna University

Seminarian Fund

Objective: \$500,000

Earnings: \$30,000

- Purpose of the Seminarian Fund is to provide both full and partial scholarships/grants for people desiring to pursue a career in youth ministry, either pastoral or AIM, especially those attending one of the following seminaries in the Metro D.C. Synod's region:
 - Lutheran Theological Seminary at Gettysburg
 - Lutheran Theological Seminary at Philadelphia
 - Lutheran Theological Southern Seminary

Campers Fund

Objective: \$50,000

Earnings: \$3,000

- The purpose of the Campers Fund is to provide scholarships / grants to youth and adults attending one of the Metro DC Synod Outdoor Ministry camps. The Fund also supports direct gifts and grants to the Outdoor Ministry camps to assist with program and facility development and maintenance.
 - Mar Lu Ridge
 - Caroline Furnace Lutheran Camp & Retreat Center
 - Hallwood Retreat & Conference Center
- Individual camping scholarships will be named for fund benefactors and their support recognized both in publication of the annual Fund newsletter and public announcement of annual scholarship / grant awards.
- Scholarships / grants to individuals will normally not exceed one camping experience per year.

Neighborhood Fund

Objective: \$100,000

Earnings: \$6,000

- The purpose of the Neighborhood Fund is to support outreach programs and opportunities for youth in the neighborhoods and schools surrounding St Marks Church.
 - Programs
 - ESL
 - Computers for Kids
 - Camp Friendship
 - Thanksgiving and Christmas Food Baskets
 - Food for Others
 - Others.....
 - Schools
 - Lynbrook
 - Garfield
 - Crestwood

Mikes' Place Fund

Objective: \$3,000,000

Earnings: \$180,000

- The purpose of Mikes' Place Fund is provide funding for the core operations of Mike's Place to include staff, program and facility support operations.



Youth Education Fund

Objective: \$100,000

Earnings: \$6,000

- The purpose of the Youth Education Fund is provide funds for instructors and programs oriented on youth and family/parenting matters, including laity and clergy wishing to attend leadership seminars and conferences, and for associated publications, multi-media presentations, etc.
 - The Luther Institute
 - Crime & Violence Prevention Task Force of the Metro D.C. Synod

Parents Night Out

Objective: \$300,000

Earnings: \$18,000

- The purpose of the Parents Night Out Fund is to provide free babysitting service two nights a week for congregation and neighborhood parents
- Provides 4 hours of free babysitting service one night a week, once each month with a fee for extended (late pickup) sitting
- Provided 30 weekends a year
- Estimated 1-3 staff per shift
- \$12-20 per hour per staff member (\$2,880 to \$14,400) for salaries
 - \$12 per hour X 240 hours = \$2,880
 - \$20 per hour X 240 hours = \$4,800
- Funds for supplies, toys/games/entertainment, furniture, etc.

Special Opportunities Fund

Objective: \$400,000

Earnings: \$24,000

- The purpose of the Special Opportunities is a fund to seize youth outreach opportunities that come along. Example opportunities may include:
 - Special need scholarships/grants
 - Special or unique training opportunities
 - Support to youth activities such as mission trips, gatherings, assemblies, etc.
 - Computers for youth training
 - Synod campus ministry support at
 - American University
 - Georgetown University
 - Howard University
 - University of Maryland at College Park
 - George Mason University

Fund Education

Objective: \$50,000

Earnings: \$3,000

- The purpose of the Fund Education Fund is to support the public awareness of the Endowment Program, promote its work and benefits, and explain how to become a Fund participant.
 - Support development, printing and distribution of Fund newsletter
 - Provide honorariums for speakers on endowment fund programs, planned giving, etc.
 - Assist potential donors with cost of estate planning
 - Purchase marketing materials, including multi-media, printed, radio/television, internet, etc.

How You Can Participate in "Endowing the Endowment" Fund

- Complete an St Michaels Endowment Fund "I Intent to Donate / Gift / Bequest" form
- Do necessary estate planning to provide the basis, authority and means for an estate donation / gift/ bequest
- Allow the Endowment Fund to use your name as a Endowing the Endowment sponsor
- Help spread the good news of Endowing the Endowments campaign

St Michaels Youth Endowment Fund Notice of Intent to Donate / Gift / Bequest

- I, _____, want to become a benefactor of St Marks youth by making this notice of intent to provide a donation, gift or bequest to the St Michaels Endowment Fund as part of my estate plan.
- The intended value of my donation, gift or bequest will be about \$ _____.
- My named can be used as sponsor of the Endowing the Endowment campaign.

Signed Name: _____
Printed Name: _____
Date: _____

Undesignated Bequests, Contributions & Donations

- Gifts which are not earmarked to a particular fund or purpose are used by the St Michaels Board to provide seed money to fund innovative programs within the community.
- The Board meets quarterly to review proposals for funding and makes allocations from income earned on undesignated funds.
- As a permanent resource, endowment funds guarantee our financial security and help ensure that no matter what happens in the world, our community will have the resources necessary to sustain Lutheran learning, culture and quality of life.

Designated Bequests, Contributions & Donations

- Designated or "thematic" giving allows you to support a personal concern or express your gratitude to those agencies that have enriched your life, by endowing funding for community needs, programs and services that matter to you most.
- Whether it's programs or scholarships for our youth, Lutheran education or health and social services for our elderly, we'll show you how your individual contribution can make an impact forever, as you watch your endowment dollars at work.

Scholarship Funds

- Many donors do just that - by designating their fund to further the education of young people in our community.
- The St Michaels Board administers scholarship funds supporting various fields of endeavor.
- Applications are accepted every February.

Donor Recognition

- A recognition certificate and letter from the St Michaels Endowment Fund
- An annual luncheon invitation
- A special Legacy League donor ribbon to wear on your badge at Fund events
- Yearly recognition in the Fund Annual Report
- Naming on a permanent wall display
- Recognition in the Fund Newsletter, an annual publication sent to all benefactors
- Acknowledgement of Endowment status at the spring and fall Endowment Fund Luncheon meetings
- Alliance with others who share your compassionate vision for Lutheran youth
- An annual progress report of your investment in the Fund

Fund Gift History and Status

- In August 2003, the St Michaels Endowment Fund corpus was nearly \$65,000
 - A stock gift of over \$16,000 from the Mower family in 1996 provided the endowment its initial seed funds
 - A bequest distribution from the estate of Rita Wood in the amount of \$7,916 was received in August 2002
 - A bequest distribution from the estate of Maryjo Carlson family in the amount of \$18,086 was received in August 2003
- The endowment funds are invested with Legg Mason in a mix of five low to moderate risk mutual and bond funds and a money market account which have been selected based on an investment objective to provide regular income for program distribution while offering the potential for fund value growth
 - Washington Mutual Investors – Objective: Growth and Income
 - Calamos Convertible & High Income Fund – Objective: Income
 - Cohen & Steers Quality Income Realty Fund – Objective: Income and Growth
 - Gabelli Equity Trust Inc. – Objective: Growth and Income
 - Western Asset Premier Bond Fund – Objective: Income
 - Legg Mason Cash Reserve Money Market – Objective: Income
(Funds Deposit, Transfer & Holding Account)

What has the St Michaels Endowment Fund Done to Date

Annually, since its inception in 1996, the St Michaels Endowment Fund typically earns income of \$3-5K for distribution. Since 1996, the Fund has distributed over \$20,000 in support of youth ministries. For example:

- Over \$1,000 in Camper Scholarships since 1997
- Over \$500 in grants to Camp Caroline Furnace & Mar Lu Ridge
- \$1,000 scholarship to a needy student to attend Roanoke College
- \$1,000 grant to Jackie Stellar for music scholarship
- \$1,000 grant to support purchase of Friendship House
- \$250 grant to support Andrea Dobberman's Seminarian Fund
- \$900 grant for the youth group's 2002 New Hampshire Mission Trip
- \$500 matching fund grant to support World Vision Famine youth project
- \$100 grant to purchase College Care Packs for 9 students
- \$500 grant to sponsor youth group's Presidential Classroom participant
- \$350 grant for sports equipment for youth group trip to Croatia

The Benefits of Giving

- **Simplicity:** You can easily create and add to your own unique charitable fund. Many people conveniently manage all of their charitable giving through the Foundation.
- **Maximum Tax Advantages:** As a public charity, the Endowment Fund offers donors the highest benefits for charitable giving allowed by law.
- **Professional Investment Management:** The Endowment Fund currently manages nearly 2 separate endowment funds. Individual gifts and bequests are invested as a family of funds, achieving significant economies of scale in both investment and administration.
- **Informed Philanthropy:** The Endowment Fund can help connect donors with projects that will have a positive impact on the community.

The Benefits of Giving

- **Permanence:** If the original purpose of a fund becomes impossible, incapable of fulfillment, or inconsistent with the charitable needs of the community, the Fund Committee has the legal authority through its variance power to redirect the fund to the most closely related use. This assures donors that their original intent will be honored despite changing circumstances.
- **Recognition:** Through our Report to the Congregation and receptions held throughout the year, donors receive thanks and acknowledgement for their stewardship-minded generosity.

How To Give

- Many people give to the Endowment Fund in honor of a special occasion such as a birthday, anniversary, wedding, or memorial. You may support a specific cause or the broadest range of community needs.
- **Bequests**
The simplest gift is a bequest that directs specific amounts or assets, or a percentage of your estate to create a fund or add to an existing fund. A simple designation in your Will is all that is needed.
- **Assets You Can Give:**
 - Cash
 - Appreciated securities
 - Closely held stock
 - Mutual funds
 - Real estate
 - Tangible personal property
 - Insurance policies
 - Qualified retirement plan assets
 - Variations or combinations of the above

OUTRIGHT GIFTS

Cash Gifts
Matching Gifts
Appreciated Assets
Closely-Held Stock
Real Property
Personal Property
Endowment Gifts

DEFERRED OR PLANNED GIFTS

LIFE INCOME GIFTS

Pooled Income Fund
Charitable Gift Annuity
Charitable Remainder Trust

ADDITIONAL PLANNED GIFTS

Bequest
Charitable Lead Trust
Life Insurance
Retirement Plan Assets

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