

FOUNDATION FREQUENTLY ASKED QUESTIONS

What is the purpose of the GSPC Endowment Funds?

The Good Shepherd Presbyterian Church Endowment Funds were established for church members and other donors who wish to leave a financial legacy to the glory of God through the work of the Church. Your gifts can help to provide greater security and hope for tomorrow's Christians. We are called to be faithful stewards and pass on the blessings we have received. Proceeds from the funds will be used to support and strengthen the mission and ministry of the church, locally and globally, and to advance the Kingdom of God.

How many funds are there?

Two regular funds and two endowment funds. (Per By-laws 10.09)

What are the available Funds?

They are:

ENDOWMENT FUNDS:

PERMANENT ENDOWMENT FUND (10.09.1)

The principal of the Permanent Endowment Fund will be invested in perpetuity. The Board shall annually set the percentage of earnings to be distributed—if any—and the percentage of earnings to be reinvested prior to the November congregational meeting. The Board will cause the distributions from this fund to be distributed one-half into the Capital Facilities Fund and one-half into the Program, Mission and Specific Gifts Fund. The Board has the authority to adjust/modify the distribution and reinvestment rates.

DESIGNATED ENDOWMENT FUNDS (10.09.4)

The principal in each of the Designated Endowment Funds will be invested in perpetuity. The Board shall annually set the percentage of earnings to be distributed—if any—and the percentage of earnings to be reinvested prior to the November congregational meeting. The Board shall cause distributions from each individual Designated Endowment Fund to be used only for the specific purpose for which the gift was designated, in accordance with sections 10.01 and 10.02. The Board may request written instructions, which may include utilization of principal, as concerns the specific purpose for which gifts are made into a Designated Endowment Fund. The Board has the authority to adjust/modify the distribution and reinvestment rates.

REGULAR FUNDS:

CAPITAL FACILITIES FUND (10.09.2)

The principal and income from this fund are available to be used for capital projects and other durable items having a life expectancy of not less than five years that enhance the church facility and overall safety of the church building and/or make improvements extending beyond the annual operating budget or other budget programs. The “Foundation Fund” that existed prior to creation of the four funds in section 10.09 shall become part of the Capital Facilities Fund.

PROGRAM, MISSION, AND SPECIFIC GIFTS FUND (10.09.3)

The principal and income from this fund are available to be applied to programs, missions and purposes specifically identified by the donor and approved by the Session of Good Shepherd Presbyterian Church.

NOTE: The original Foundation Fund was the building fund money and has become part of the Capital Facilities Fund. Any monies donated to the “wish list” items will be designated as funds under the PROGRAM, MISSION, AND SPECIFIC GIFTS FUND

What is the difference between endowment funds and the regular funds?

The principal of an Endowment Fund will be invested in perpetuity and only use a percentage of the earnings per the requirements of the fund. In a Regular fund both the principal and income can be used to meet the requirements of the specific fund. Note: Per By-laws 10.11 “Expenditures from the funds for any purpose other than those set forth in Sections 10.09.1 through 10.09.4 must be authorized by 11 of 12 active elders.

Can I request my donation go to a specific purpose?

Yes, this would be a restricted gift and handled as follows:

Restricted Gifts (10.10.1). A donor may designate the specific fund (see 10.09) into which the donor’s gift will be received. The donor may indicate a preference as to the specific use to which the gift will be applied. If the specific use designated no longer exists or if it becomes impossible or impractical to fulfill the wishes of the donor, the remaining funds from the donor will be deposited into the Permanent Endowment Fund.

Where are gifts deposited that are not given for a specific purpose?

These gifts are considered “unrestricted gifts” and handled as follows:

Unrestricted Gifts (10.10.2). Each gift that has not been designated to a specific fund, including unrestricted bequests, unrestricted memorials and unrestricted life income gifts and others, will be allocated as follows:

1. One-fourth (1/4) into the Capital Facilities Fund;
2. One-fourth (1/4) into the Program, Mission and Specific Gifts Fund; and
3. One-half (1/2) into the Permanent Endowment Fund.

What if I prefer to make an anonymous donation?

All transactions will be kept confidential unless the donor allows it to be made public. You can contact any Foundation board member, the pastor, or work through the Presbyterian Church USA Foundation if you prefer to remain anonymous to GSPC. The Presbyterian Foundation phone number is 888-817-6127.

Can you explain in more detail some of the ways to donate?

Memorials:

Cash, stock, securities, or property: These gifts can produce an immediate tax savings which can lower the donors cost of the gift.

Life Insurance, annuity products: Existing Life insurance or annuity products can make a simple, convenient and flexible way to give. Whether you donate a paid-up policy, purchase a new policy, or simply add the church as a beneficiary, all provide a method to make a greater contribution than you may have thought possible.

Charitable gift annuity: This annuity is a contract between you, the donor, and GSPC Foundation. You transfer cash or securities to GSPC and, in return, receive periodic fixed-dollar payments for as long as you (or you and someone you name) live. A charitable gift annuity is an irrevocable commitment to the church while retaining the security of a steady, fixed income for the rest of your life. The donor cannot make additional contributions to the trust after the initial contribution.

Charitable remainder trust: This annuity is a contract between you, the donor, and GSPC Foundation. You transfer cash or securities to GSPC and, in return, receive a fixed percentage of the trust’s value as predetermined

each year. The donor selects the payout rate, which must be at least 5%, when creating the trust. The donor can make additional gifts to the trust at any time. There are variations to this type of trust which can offer unique advantages. Contact a Foundation Board Member for more information.

Bequests from wills: Bequests are simply planned gifts through your will. Through the creation of a will, you can ensure that your family will be cared for, as well as supporting your favorite charity. Any type of bequest in your will can be utilized to support GSPC by specifically naming Good Shepherd Presbyterian Church.

Beneficiary of IRAs, 401(k)s, and mutual funds: These can be part of a retirement account or a separate account. Either way, you can donate all or part of these accounts to the church by naming Good Shepherd Presbyterian Church as a primary or secondary beneficiary for part or all of the remainder.

NOTE: Whatever method you may consider please consult with your attorney, tax or financial advisor. There are also resources available through the Presbyterian Church USA Foundation. Please contact one of the Foundation Board Members for more information. The church can provide you with a list.

How can I get more information to include the GSPC Foundation in my existing will or trust?

Just call the church office (484-8844) and ask to be contacted by a Foundation Board Member.

Is it complicated to include the GSPC Foundation in my existing will or trust?

No. In most cases it only requires adding a simple codicil to your will or trust. If you do not have a will or trust, the Foundation will be happy to work with you and your attorney. Again, just call the church and ask to be contacted by a Foundation Board Member.

What if I don't want the GSPC Foundation board to control the money?

You can set up a donation to the Presbyterian Church USA Foundation with all or part of the proceeds given to GSPC or the GSPC Foundation.