



What is an Endowment Fund and why do we need one?

Emmanuel has always been a vibrant community where people grow in faith, care for one another, and reach out to make an impact on the community. The Endowment Fund will help ensure that our ministry is able to continue this impact into the future, focusing on new opportunities to spread the gospel.

An endowment is a time-honored way for non-profits of all types to establish a consistent and stable source of funding for important objectives, whether it is a specific ministry or for the care of the church facility. An endowment enables a donor's contributed funds to have a lasting and powerful impact because the donated funds are combined with the funds of others to generate income over long periods of time.

Over time, the aspirational and practical benefits of an endowment grow. For example, an endowment allows the church to creatively expand the types of ministries it supports through grants and scholarships. In addition, an endowment enhances the church's flexibility in maintaining, managing, and improving the physical campus, such as financing future technological needs.

The ELC Planned Giving Program

Planned giving refers to structured gifts made either during a donor's lifetime or as a "legacy" or charitable estate gift, effective upon the donor's death. Planned gifts may be either designated for deposit into the ELC Endowment Fund or made directly to ELC without such designation. A planned gift may be either unrestricted (i.e., available for any purposes approved by ELC or its leaders) or restricted (i.e., able to be used only to support those ministries or other activities specified by the donor).

A charitable estate gift is considered a legacy gift expectancy after a living donor has included it in their estate plan and notified ELC.



"This endowment excites me for Emmanuel because it is another great way to support the ongoing ministry of making a real difference in people's lives that God has called us to do together, in the community and the world in the name of Jesus Christ!"

—Pastor Tony Prinsen



"Through our endowment, I expect we will create space for creativity and opportunities to deepen our service and partnerships in the community."

—Pastor Lydia Posselt



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The ELC Endowment Fund

The Emmanuel Lutheran Church Vienna Endowment Fund was established in 2020 with the goal of obtaining planned gifts for the long-term sustainability of Emmanuel's facilities and ministries. The ELC Endowment Fund invests donations to the Fund and uses the income and earnings generated from those donations for specified purposes. The assets donated to the Endowment Fund become the "principal" or "corpus" of the Fund, and generally are not used to support the Fund's purposes. Rather, the principal of the Endowment Fund is designed to grow over time and to generate income and earnings to enable Emmanuel to provide sustained long-term funding for specified purposes without having to rely on Emmanuel's operating funds.

The Purpose of the ELC Endowment Fund

Results of the recent congregational survey indicate that Emmanuel's members prefer a balanced approach to supporting "Community Impact" and "Facility Care" ministries from the Endowment Fund.

Community Impact includes outreach ministries in local, national, and global communities as well as investing in new ministries to grow membership and faith, and supporting certain Evangelical Lutheran Church in America (ELCA) missions in these areas. Facility Care includes recapitalization, ongoing modernization improvements, major upgrades, and maintenance for Emmanuel facilities and surrounding property.

To reflect this balance, unrestricted gifts to the Endowment Fund will be allocated as follows:

- The initial \$1,000,000 in gifts will be allocated equally (50/50) to a Community Impact endowment and a Facility Care endowment.
- The next \$2,000,000 in gifts will be allocated to the Facility Care endowment, to fully fund it at the \$2,500,000 level, after which the Facility Care endowment will be closed to further donations.
- Gifts in excess of \$3,000,000 will be deposited into the general Endowment Fund and used for any eligible ministry or other purpose (other than Facility Care).

Investment income derived from each Endowment "allocation" is available for distributions to support ministry purposes within that allocation area. For example, once fully funded at the \$2,500,000 level, the Facility Care endowment, assuming an annual distribution rate of 4%, would generate \$100,000 annually for care and upgrade of the ELC property and facilities. Similarly, the Community Impact endowment, at its initial target funding level of \$500,000, would generate \$20,000 annually for its various ministries. Unlike the Facility Care endowment, the Community Impact endowment would never be "closed" but could continue to receive gifts in order to grow its annual distributions.

"Like many members, we had originally prepared our estate planning documents with a primary focus of caring for our children upon our deaths. We finally accomplished a long-time goal of including Emmanuel as a primary charitable recipient in our plan."

—Chris and Dennis Moyer





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Endowment Fund Tithing

In addition to the above-described allocations and uses, Emmanuel's Bylaws require that 10% of distributions from the ELC Endowment Fund's "unrestricted fund balance" (including all interest, dividends, and realized/unrealized capital gains on that balance) shall be tithed, with half (5%) going to community ministries supported by ELC and half (5%) for ELCA-related ministries. All distributions of the unrestricted fund balance shall be subject to such tithing, including those designated for Facility Care.

Restricted Gifts to the Endowment Fund

The above-described endowment allocations and tithes affect only the unrestricted portion of the ELC Endowment Fund. Donors are always entitled to make a restricted planned gift, which may be designated for an existing ELC ministry (e.g., the Lamb Center, Hypothermia Prevention Week, the Columbarium) or to start a new ministry (e.g., planting a new church, providing worship services in a language other than English, setting up a scholarship fund for the Emmanuel Preschool). Prior to acceptance, the Endowment Team reviews restricted endowment gifts to assure consistency with ELC's ministry goals and timely implementation.

"Closest to our faith home and our hearts is our long-term ability to plan and pay for recurring capital improvements to our beautiful building and grounds. Equally closest to our faith home and our hearts is that our congregation is full of energetic and enthusiastic disciples who fiercely advocate for the local homeless; housing and food-insecure populations in Fairfax County and across America; and the teachers and children of the Village of Hope in Haiti. Poverty, natural disasters, and COVID reinforce that emergency food and shelter needs emerge without warning—and that these needs endure well beyond fiscal years.

The Endowment Fund offers a new way for members to 'pay it forward' and invest in future generations' abilities to have a fabulous building and an ability to keep being God's well-equipped disciples."

—Paula McGinnis





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Goals for the ELC Planned Giving Program:



By End of 2021

24 Legacy Gift Expectancies and
\$100,000 in Endowment Fund Lifetime Gifts



By June 30, 2024

50 Legacy Gift Expectancies and
\$500,000 in Endowment Fund Lifetime Gifts

Your Planned Giving Gifts to Emmanuel

Your planned giving gifts — lifetime gifts, legacy gifts, or both — to Emmanuel may be designated for the Endowment Fund or the General Fund. They provide long-term stability for Emmanuel and its ministries.

If you are considering a lifetime gift to the Endowment Fund, please fill out an Intent Form (online or paper copy) and return it before June 6, 2021. Intent Forms may be mailed to Emmanuel or left in the Church office marked for the attention of the Endowment Team.

“We have a line item for capital reserves which helps to fund any emergency expenses or needed expenditures for upgrades for the physical building and grounds, but this reserve fund is the last to be fulfilled and the first to be cut. Now, with our gift to the endowment fund we can generate income from our investment that’s distributed on a yearly basis that will go to support the capital reserves. This frees up the regular giving for distribution to where the current congregation wants it to go.”

—Phil Charlwood and Nancy Durso

