

ALL SAINTS FOUNDATION PROSPECTUS

PURPOSE:

The Mission of the All Saints Foundation (“Foundation”) is to build permanent and non-permanent funds to maintain long-term sustainability for the future of All Saints Episcopal Church.

The Pelican Society recognizes those who have made a current or future endowment commitment.

The Foundation is administered by a seven person Foundation Board according to bylaws of the Foundation. Board members are elected to staggered three year terms at the All Saints Episcopal Church annual meeting. The rector and treasurer of the church and an emeritus advisor, if any, are ex-officio members of the Foundation Board.

STRUCTURE:

Two distinct funds make up the All Saints Foundation: the Permanent Fund and the Non-Permanent Fund. A donor may designate that his or her gift go to either the Permanent Fund or the Non-Permanent Fund. Without a donor designation, a donor's gift to the Foundation will go to the Non-Permanent Fund.

Permanent Fund:

The Permanent Fund is like a true endowment. Distributions coming out of the Permanent Fund come from the income of the fund according to UPMIFA (Uniform Prudent Management of Institutional Funds Act) regulations that apply to endowments and foundations. These regulations aim to protect the donor's original gift.

Non-Permanent Fund:

The Non-Permanent Fund does not require protection of the donor's original gift. The vestry of All Saints Episcopal Church may use the corpus (the donor's original gift) of the non-permanent fund when a need arises or at any point in time.

However, the Foundation Board invests both the Permanent Fund and the Non-Permanent Fund similarly and sets annual distribution amounts from each fund using the same set of rules.

RESTRICTED GIFTS:

Nearly all gifts to the foundation are unrestricted, in that the donor has not identified a purpose for the distributions.

However, a donor may designate a gift (inside either the Permanent or Non-Permanent Fund) to be used for a specific purpose. Common restricted gifts might be to: outreach or mission, youth programs, music, buildings & grounds, capital projects, endowing clergy salary or any other purpose. The Foundation Board may return restricted or certain types of gifts that do not align with church priorities.

INVESTMENT OBJECTIVE:

The investment objective of the Foundation is to provide a sustainable and increasing level of income to support the current and future ministries of All Saints Episcopal Church in accordance with the wishes of donors to the Foundation. In order for the real (inflation-adjusted) annual distributions of the Foundation to grow, the total return rate of growth for the foundation should exceed the annual distribution plus the rate of inflation.

Total Rate of Return (5-8%) > Annual distribution (3.75%) + Rate of Inflation (1-4%)

Currently the Foundation Board has selected the Episcopal Church Foundation advisor State Street Global Advisors as the manager for both the Permanent and Non-Permanent Funds. Both funds are invested with a 60% equity and 40% fixed income mix.

DISTRIBUTIONS:

The Foundation Board sets the annual allowable distribution amount. Currently the Board has approved an annual distribution equal to 3.75% of the average the year end fund balance of the preceding five years. The Board may change the annual distribution rate as necessary.

The vestry approves how the annual distribution will be allocated. Currently (upon recommendation from the finance committee) distributions are not being used for normal operating purposes. Current uses that have been considered are: (1) outreach or mission; (2) capital or building projects; (3) reserve funds; or (4) start-up initiatives or one-time projects.

The distribution in 2021 was designated to the Building Maintenance Reserve to build up the reserve in anticipation of coming projects.

It is possible that, in the future, annual distributions may be used for regular operating purposes. The fund balances would need to show substantial growth in order to provide for meaningful support of annual operations.

Annual distributions must also proportionately support any donor restricted uses of designated funds.

SOME EXAMPLES OF WAYS TO GIVE

Giving Now: Outright gifts are a simple, convenient way and offer you the pleasure of seeing your charitable dollars in action during your lifetime. Cash and appreciated securities, RMD's (IRA required minimum distributions), Donor Advised Funds, are ways to make a current gift.

A family may also designate that memorial gifts for a deceased family member be directed to either the

Permanent or Non-Permanent Fund.

Future Gifts: Bequests of cash or property are made easily through your will and are free of estate taxes. You can also name the Foundation as beneficiary of your IRA.

Other Giving Techniques: You can also make a gift now that will continue to benefit both you and the Foundation by using: Charitable Gift Annuities, Charitable Remainder Trusts, Charitable Lead Trusts, Life Insurance Policies, Donor Advised Funds, etc.

The Episcopal Church Foundation has a giving page describing these techniques at:

<https://www.episcopalfoundation.org/give/planned>

Foundation Board:

Lesley Gilbert, Chair
Caroline McVitty, Vice Chair
Don Hendrickson, Recording Secretary
Randy Harrison
Warren Harkness
Elizabeth Loda
Jim Titus

Ex-Officio Members:

Rector, The Reverend Denise Trogdon
Financial Administrator, Jack Case

2/1/2023

ALL SAINTS EPISCOPAL CHURCH FOUNDATION

Non-Permanent Fund

	2020	2021	2022	
Beginning Balance	91,226	132,118	152,952	
Gifts	32,009	10,300	50,019	
Distributions	(2,719)	(3,320)	(3,896)	
Appreciation/ Depreciation	11,603	13,764	(22,720)	13.1% 10.7% -15.2%
Ending Balance	132,118	152,952	176,355	
Unrestricted Balance	132,118	152,952	176,355	
Restricted Balance	-	-	-	
Original Gifts	115,602	125,902	175,921	

Permanent Fund

Beginning Balance	450,522		488,424		522,850	
Gifts	-		300		31,213	
Distributions	(15,437)		(16,397)		(17,200)	
Appreciation/ Depreciation	53,339	12.3 %	50,523	10.7 %	(78,157)	-15.5%
Ending Balance	488,424		522,850		458,706	
Unrestricted Balance	488,424		522,850		458,706	
Restricted Balance	488,424		-		-	
Original Gifts	412,509		412,809		444,022	