



Report of the ELCA Foundation

Organization

Board of Trustees

The ELCA Church Council elects the trustees to the Endowment Fund Pooled Trust of the Evangelical Lutheran Church in America who also serve as the advisors to the ELCA Foundation. The Foundation's task is to provide services in the area of major gift and planned giving for all ministries related to the ELCA. The Endowment Pooled Trust is a separately incorporated, Minnesota nonprofit corporation. Its sole purpose is to oversee the Endowment Fund Pooled Trust and to provide investment management services for endowment funds, or funds functioning as endowments. Funds are managed for the ELCA Pooled Trust, and various ministries of this church. The ELCA Board of Pensions serves as investment advisor.

The Endowment Fund Pooled Trust board of trustees and advisors of the ELCA Foundation are:

Ms. Kathryn K. Buchanan, Salem, Va. (2005)
Pr. Kenneth C. Feinour Jr, *vice chair*, Jenkintown, Pa. (2005)
Pr. Marlene Whiterabbit Helgemo, Minneapolis, Minn. (2007)
Mr. Brian F. Hofland, West Harrison, N.Y. (2007)
Ms. Tonia J. Lindquist, Gresham, Ore. (2007)
Pr. P. Gerald Leaf, *secretary*, Lindsborg, Kan. (2005)
Pr. Richard W. Martyn, Fullerton, Calif. (2007)
Mr. Lowell D. Nelson, Omaha, Neb. (2005)
Mr. Athornia Steele, Columbus, Ohio (2005)
Mr. David D. Swartling, *chair*, Seattle, Wash. (2005)

Advisors

Bp. Roy G. Almquist, Southeastern Pennsylvania Synod
Ms. Christina Jackson-Skelton, ELCA treasurer
Pr. Wyvetta Bullock, executive director, Division for Congregational Ministries

Executive Staff

The Foundation has nine full and part-time executive staff and 26 regional gift planners serving ELCA constituency in the area of major cash gifts and generating long-term, planned gifts for all the ministries of this church.

There are 10 support and accounting staff with offices at the Lutheran Center, Chicago.

Executive Director: Pr. Donald M. Hallberg
Associate Director: Pr. Melvin L. Johnson
Associate Director: Pr. Keith T. Nelson
Associate Director: Mr. David P. Novak
Associate Director: Ms. Laura L. Knitt
Associate Director for Support Services: Mr. Dennis G. Prikkel
Associate Director for World Hunger: Mr. Nathan R. Ruby
Controller: Mr. P. Lars Bostrom
Director, Fund for Leaders in Mission: Ms. Cynthia J. Halverson

Regional Gift Planners:

Pr. Robert C. Buschkemper (Iowa)
Ms. Barbara B. Carl (Pa.)
Pr. Daniel J. Carlson (Mass.)

Mr. William R. Elmstrom (Minn.)
Pr. Kris D. H. Ferkin (S.D.)
Ms. Margie P. Fiedler (Wash./Idaho)
Mr. David C. Fuerst (Neb.)
Ms. Julie R. Johnson (N.D.)
Mr. Keith I. Johnston (Wis.)
Mr. Roger A. Knuth (Upper Mich./Wis.)
Pr. Gregory A. Kramer (Pa.)
Ms. Patricia Johnson Larsen (Ore.)
Pr. James C. Leistikow (Colo.)
Pr. David J. Ophus (Mont.)
Ms. Joyce C. Palmer (Mo.-Okla.)
Mr. Allen L. Peckham (Wis.)
Pr. Thomas Pederson (Mich.)
Ms. Désirée G. Quintana (Fla.)
Mr. Stanley Rose (Wash., D.C.)
Pr. Arlyn D. Saathoff (Wash.)
Mr. Wayne A. Sampson (N.C.)
Mr. James L. Schade (S.D.)
Pr. George L. Sims (Va.)
Mr. J. Craig Smith (Calif.)
Pr. Mark A. Wimmer (Pa.)
Pr. Robert G. Wollenburg (N.Y.)

Statement of Purpose

The purpose of the ELCA Foundation, and the Endowment Fund Pooled Trust of the Evangelical Lutheran Church in America, is defined in provision 17.30. and following of the ELCA constitution, printed in Section X of this volume.

Report of Work 2003-2005

The primary objective of the ELCA Foundation is to motivate and educate the baptized members of this church to extend their stewardship to a life-long commitment, to all of life, and to all of our accumulated assets. Further, the ELCA Foundation provides the opportunity for individuals to make major cash gifts to identified ministries. Planned gifts are accomplished through educational seminars in congregations and with other ministry expressions, through personal one-on-one contact with those interested in making a life-long or planned gift to their selected ministry(ies) and through other vehicles of education and motivation.

Significant emphasis is placed on remembering the ministries of the church in one's will; the use of a final testament (Christian preamble) and other opportunities such as: charitable gift annuities, charitable trusts, donor advised funds, gifting of stock, life insurance policies and the use of qualified retirement plans as a gift vehicle.

During the past biennium, members of the ELCA have made stewardship decisions regarding ultimate personal contributions, via the Foundation, totaling approximately \$66 million. Other millions have been designated in wills that one day will support ELCA ministries in every expression of this church. The Congregational Report suggested ever growing number of

bequests received by congregations. Gift planners, in *Leave a Legacy* seminars, stress the importance of remembering ministries of this church in one's will.

ELCA planned gift staff, representing all the ministries of the ELCA, assist individuals and ministries with charitable planning. All donor visits are done without obligation or cost on the part of the donor or the ministry expression.

As presented in the graph that follows, \$234 million has been distributed to ELCA ministries since 1988. As of January 1, 2005, an additional \$183 million has been committed as future gifts that now provide lifetime income from current gift annuities, pooled income funds, and charitable trusts for individual beneficiaries. The majority of all gifts, through the ELCA Foundation, return to ministries at the local and synodical level. Vital to the worldwide ministries of the church are those gifts given to permanent endowments that support in perpetuity global and domestic mission: World Hunger Appeal, Lutheran Vespers, Lutheran World Federation, Lutheran World Relief to name a few.

The ELCA Foundation has 5,083 charitable gift annuities and 416 trusts under management. These are the *gifts you give today that give back to you for a lifetime* and then support ministries of choice.

Other endowment assets include life insurance policies owned by this church, perpetual trusts managed by others, and endowments within the Mission Investment Fund total \$18 million.

The Fund for Leaders in Mission, established by the churchwide assembly in 1997, continues to receive good support from individuals, congregations, and synods throughout this church. The Fund endowment balance reached \$10 million in January 2005 and there is currently an additional \$12 million in documented deferred gift and pledged commitments.

Since the first scholarships were awarded in 2000, 72 ELCA seminary students have received full-tuition support and another 26 have received partial scholarships. A total of \$1.2 million in scholarships has been awarded. Thirteen synods have entered into a partnership with the Fund and established synodical named Fund for Leaders in Mission endowments. In 2005, eight of these synods will award scholarships to candidates from their synods. We anticipate that through the Fund and Synod partnerships, approximately 100 ELCA seminary students will receive scholarship support in the 2005-2006 academic year.

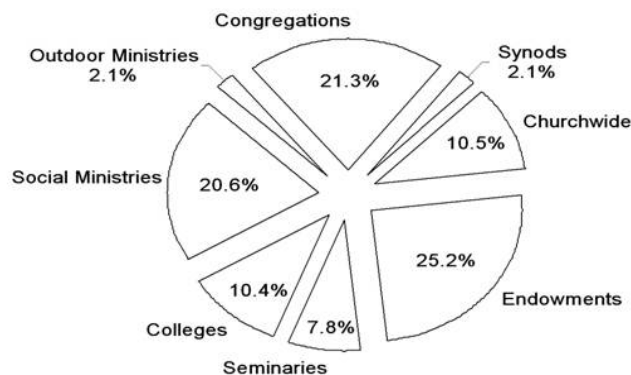
At this Churchwide Assembly, we will extend our public thanks to the Thrivent Financial for Lutherans Foundation for the \$1 million challenge to build this endowed scholarship resource. In two and one-half years, the Fund received over \$2.6 million from individuals, congregations and synods which more than met the Thrivent Foundation Challenge. The ELCA is grateful for the significant gift of \$1 million to the Fund for Leaders in Mission.

The ELCA Gift Planners work with congregations in the establishment of congregational mission endowment funds using guidelines as recommended by the ELCA Foundation. As of November 31, 2004, the Endowment Fund Pooled Trust had \$229 million under management representing 1,189 various accounts. The Endowment Fund Pooled Trust provides professional management (Board of Pensions), and good stewardship for congregational mission endowment funds. Detailed suggested guidelines for a congregational mission endowment fund are available through the ELCA Foundation offices, or at www.elca.org/fo.

ELCA FOUNDATION

Donald M. Hallberg, *executive director*

**ELCA Deferred Gift Fund Charitable Beneficiaries
\$183 Million - Jan. 1, 2005**



Gift Annuities, Charitable Trusts & Pooled Income Funds



Exhibit A: ELCA Foundation Report on Giving

ELCA Foundation Giving Report *February 1, 2003 thru January 31, 2004*

Type of Gifts coming to the ELCA Foundation	Number	Total (\$) to Date
Current Major & Special Gifts		
Outright Endowments	3826	3,887,138.79
Outright Div. Unres	91	153,626.12
Outright CWO Others	135	171,933.30
Outright ELCA Unres	25	10,166.85
Outright Pass Thru	194	909,293.70
Insurance Premiums	95	239,268.71
SUBTOTAL		<u>5,371,427.47</u>
Current Income from Matured Bequests, Trusts & Life Insurance		
Trust—ELCA Unres	19	94,483.53
Trust—Div. Unres	49	110,222.13
Trust—CWO Others	21	18,257.51
Trust—Local Mins	34	233,072.28
Bequests—ELCA Unres	19	558,480.99
Bequests—Div. Unres	36	877,755.66
Bequests—CWO Others	24	481,024.52
Bequests—Local Mins	8	288,942.32
Bequests—Endowments	68	6,562,113.23
Insurance Payouts	22	484,381.91
SUBTOTAL		<u>9,708,734.08</u>
Life Income Agreements for Future Benefit of ELCA Ministries		
Gift Annuity 1-Life	316	5,631,138.15
Gift Annuity 2-Life	114	2,642,198.61
Def. Annuity 1-Life	29	212,934.21
Def. Annuity 2-Life	26	347,872.99
Pooled Inc. Fund #1	0	0.00
Pooled Inc. Fund #2	1	406.73
Annuity Trust	1	354,400.00
Unitrust	15	3,021,564.87
Life Estate	2	273,200.00
SUBTOTAL		<u>12,483,715.56</u>
CUMULATIVE TOTAL		<u><u>27,563,877.11</u></u>

Beneficiaries of ELCA Foundation Gifts
February 1, 2003 through January 31, 2004

Beneficiary	Outright Gifts	Bequests & Trusts	Matured Contracts	Life Income Gifts
ELCA Unrestricted	10,166.85	818,606.57	307,123.58	166,187.00
Div. for Congregational Mins.	0.00	0.00	1,940.22	5,000.00
Division for Church in Society	115.00	5,416.00	3,318.60	1,000.00
Division for Global Mission	564.98	639,728.60	50,790.56	177,413.49
Division for Outreach	4,036.68	279,893.37	226,191.98	70,127.96
ELCA Foundation	2,239.00	16,104.18	0.00	0.00
ELCA Vision for Mission Fund	11,721.65	0.00	0.00	750.00
Fund for Leaders in Mission	0.00	0.00	0.00	4,500.00
National Lutheran Campus Min.	0.00	0.00	3,130.77	0.00
ELCA Churchwide Unrestricted	28,844.16	1,759,748.72	592,495.71	424,978.45
Board of Pensions	0.00	0.00	31,518.22	0.00
Division for Global Mission	24,921.18	18,078.48	0.00	0.00
ELCA Life Insurance Premiums	239,268.71	0.00	0.00	0.00
Fund for Leaders in Mission	28,880.41	0.00	0.00	0.00
ELCA Churchwide Restricted	293,070.30	18,078.48	31,518.22	0.00
ELCA Endowments	3,887,138.79	6,829,568.89	842,440.68	3,016,184.32
Lutheran Disaster Internationa	4,550.00	0.00	0.00	0.00
Lutheran Disaster Response	25,175.22	79,250.00	0.00	65,000.00
Lutheran Laity Movement	1,000.00	60,507.90	0.00	0.00
Lutheran Men in Mission	1,063.80	7,785.26	1,940.22	0.00
Lutheran Vespers	1,813.00	130,727.23	0.00	1,000.80
Lutheran World Relief	5,600.00	0.00	24,408.77	10,000.00
WHA-Stand with Africa	51,522.00	0.00	0.00	0.00
Women of the ELCA	1,241.57	150,399.62	33,535.90	10,750.00
World Hunger Appeal	166,814.93	314,769.25	121,399.34	142,074.45
ELCA Churchwide Others	4,145,919.31	7,573,008.15	1,023,724.91	3,245,009.57
ELCA Seminaries	3,926.11	60,947.28	536,422.49	829,082.97
ELCA Colleges	3,099.25	62,469.35	709,384.23	823,441.74
ELCA Soc. Min. Orgs.	129,863.21	177,729.65	2,837,358.71	3,222,609.29
ELCA Congregations	725,600.36	1,521.87	1,209,785.11	3,089,655.36
ELCA Synods	10,413.14	23,027.57	92,292.65	588,395.71
Non-ELCA Charities	30,691.63	32,203.01	139,797.75	260,542.49
SUB TOTALS	5,371,427.47	9,708,734.08	7,172,779.78	12,483,715.58
Total of New Gifts Received (Columns 1, 2, & 4)	in fiscal 2002	29,038,391.79	in fiscal 2003	27,563,877.13
Total of Distributions Made (Columns 1, 2, & 3)	in fiscal 2002	15,619,889.59	in fiscal 2003	22,252,941.33
Unrestricted to Budget (Columns 1, 2, & 3 – top section)	in fiscal 2002	2,855,513.35	in fiscal 2003	2,381,088.59

ELCA Foundation Giving Report
February 1, 2004 thru January 31, 2005

Type of Gifts coming to the ELCA Foundation	Number	Total (\$) to Date
Current Major & Special Gifts		
Outright Endowments	3619	4,035,514.00
Outright Div. Unres	255	278,226.25
Outright CWO Others	341	167,788.86
Outright ELCA Unres	21	27,791.41
Outright Pass Thru	224	1,212,652.79
Insurance Premiums	95	292,399.36
SUBTOTAL		<u>6,014,372.67</u>
Current Income from Matured Bequests, Trusts & Life Insurance		
Trust—ELCA Unres	21	109,749.92
Trust—Div. Unres	51	150,173.13
Trust—CWO Others	18	16,071.94
Trust—Local Mins	35	247,198.16
Bequests—ELCA Unres	19	900,412.14
Bequests—Div. Unres	35	1,482,192.82
Bequests—CWO Others	31	474,348.96
Bequests—Local Mins	4	22,498.71
Bequests—Endowments	53	4,187,741.68
Insurance Payouts	13	237,499.30
SUBTOTAL		<u>7,827,886.76</u>
Life Income Agreements for Future Benefit of ELCA Ministries		
Gift Annuity 1-Life	304	8,928,546.63
Gift Annuity 2-Life	108	2,462,476.04
Def. Annuity 1-Life	38	302,082.04
Def. Annuity 2-Life	18	177,571.45
Pooled Inc. Fund #2	2	24,921.29
Annuity Trust	1	250,000.00
Unitrust	18	6,223,914.80
SUBTOTAL		<u>18,369,512.25</u>
CUMULATIVE TOTAL		<u><u>32,211,771.68</u></u>

Beneficiaries of ELCA Foundation Gifts
February 1, 2004 through January 31, 2005

Beneficiary	Outright Gifts	Bequests & Trusts	Matured Contracts	Life Income Gifts
ELCA Unrestricted	27,791.41	1,036,241.39	380,210.27	307,928.82
Div. for Congregational Mins.	190.00	0.00	0.00	0.00
Division for Church in Society	100.00	4,936.00	18,896.78	3,000.00
Division for Global Mission	20,600.00	1,138,459.42	39,488.09	693,702.32
Division for Higher Education	0.00	25,525.21	3,928.77	0.00
Division for Outreach	2,313.28	429,666.58	168,466.72	0.00
ELCA Foundation	11,760.00	0.00	2,400.75	2,056.97
ELCA Vision for Mission Fund	86,031.03	4,000.00	18,891.11	12,000.00
Lutheran Student Movement	50.00	0.00	0.00	0.00
National Lutheran Campus Min.	0.00	0.00	0.00	10,000.00
ELCA Churchwide Unrestricted	148,835.72	2,638,828.60	632,282.49	1,028,688.11
Division for Global Mission	24,916.92	45,205.79	0.00	0.00
Division for Outreach	6,076.29	0.00	0.00	0.00
ELCA Foundation	1,050.00	0.00	0.00	0.00
ELCA Life Insurance Premiums	292,399.36	0.00	0.00	0.00
Fund for Leaders in Mission	3,380.00	0.00	0.00	0.00
ELCA Churchwide Restricted	327,822.57	45,205.79	0.00	0.00
ELCA Endowments	4,046,116.35	4,582,498.07	1,156,338.00	5,013,525.94
Lutheran Disaster International	44,226.36	0.00	0.00	0.00
Lutheran Disaster Response	12,911.57	11,381.30	0.00	56,000.00
Lutheran Men in Mission	2,220.08	7,579.82	0.00	0.00
Lutheran Vespers	1,895.00	86,675.00	0.00	0.00
Lutheran World Relief	6,042.29	0.00	79,902.92	210,494.35
WHA-Stand with Africa	69,620.80	0.00	0.00	3,333.00
Women of the ELCA	250.00	34,516.32	122,431.41	124,000.00
World Hunger Appeal	163,423.78	387,551.89	25,590.34	316,712.87
ELCA Churchwide Others	4,346,706.23	5,110,202.40	1,384,262.67	5,724,066.16
ELCA Seminaries	14,032.28	0.00	351,585.67	882,123.53
ELCA Colleges	3,171.04	0.00	396,633.52	1,007,255.18
ELCA Soc. Min. Orgs.	342,280.87	33,649.97	2,115,163.23	5,309,008.66
ELCA Congregations	672,106.38	0.00	1,063,569.02	3,445,954.31
ELCA Synods	101,108.64	0.00	109,099.11	437,472.94
Non-ELCA Charities	58,308.94	0.00	160,591.64	534,943.48
SUB TOTALS	6,014,372.67	7,827,886.76	6,213,187.35	18,369,512.37
Total of New Gifts Received (Columns 1, 2, & 4)	in fiscal 2003	\$27,562,877.13	in fiscal 2004	\$32,211,771.80
Total of Distributions Made (Columns 1, 2, & 3)	in fiscal 2003	\$22,252,941.33	in fiscal 2004	\$20,055,446.78
Unrestricted to Budget (Columns 1, 2, & 3 – top section)	in fiscal 2003	\$2,381,088.59	in fiscal 2004	\$3,419,946.81

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