

**EVANGELICAL LUTHERAN CHURCH IN AMERICA
ENDOWMENT FUND POOLED TRUST**

FINANCIAL STATEMENTS

December 31, 2016, 2015 and 2014

EVANGELICAL LUTHERAN CHURCH IN AMERICA
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FINANCIAL STATEMENTS
December 31, 2016, 2015 and 2014

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INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
Endowment Fund Pooled Trust of the Evangelical
Lutheran Church in America

Report on the Financial Statements

We have audited the accompanying financial statements of the Evangelical Lutheran Church in America Endowment Fund Pooled Trust (the Trust), which comprise the balance sheets as of December 31, 2016, 2015 and 2014, and the related statements of operations and changes in participants' accounts for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

(Continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Evangelical Lutheran Church in America Endowment Fund Pooled Trust as of December 31, 2016, 2015 and 2014, and the results of its operations and changes in its participants' accounts for the years then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "Crowe Horwath LLP". The signature is written in a cursive, flowing style.

Crowe Horwath LLP

Chicago, Illinois
March 22, 2017

EVANGELICAL LUTHERAN CHURCH IN AMERICA
ENDOWMENT FUND POOLED TRUST
BALANCE SHEETS
December 31, 2016, 2015 and 2014

| | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|---------------------------|---------------------------|---------------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 4,170,989 | \$ 9,608,432 | \$ 10,484,584 |
| Accounts receivable | - | - | 20,353 |
| Investments in pools, at fair value (cost of \$408,342,483, \$399,181,902 and \$383,083,622 at December 31, 2016, 2015 and 2014, respectively) | | | |
| Common stocks | 227,405,195 | 205,283,359 | 201,578,243 |
| Non-U.S. stocks | 153,421,290 | 138,347,975 | 140,819,375 |
| Government and corporate bonds | 92,327,593 | 89,736,427 | 86,102,832 |
| Inflation-indexed securities | 30,935,290 | 29,964,685 | 28,270,562 |
| High-yield securities | 63,494,421 | 58,417,326 | 57,468,945 |
| Real estate investment securities | 62,954,529 | 60,067,467 | 57,504,708 |
| Total investments | <u>630,538,318</u> | <u>581,817,239</u> | <u>571,744,665</u> |
| Total assets | <u>\$ 634,709,307</u> | <u>\$ 591,425,671</u> | <u>\$ 582,249,602</u> |
| LIABILITIES AND PARTICIPANTS' EQUITY | | | |
| Liabilities | | | |
| Due to ELCA | \$ 1,718,720 | \$ 1,577,398 | \$ 1,423,222 |
| Accounts payable | <u>13,691</u> | <u>18,112</u> | <u>18,849</u> |
| Total liabilities | 1,732,411 | 1,595,510 | 1,442,071 |
| Participants' equity | | | |
| Capital contribution | 25,000 | 25,000 | 25,000 |
| Participants' accounts (533,091.92, 508,096.58 and 474,140.58 units outstanding at December 31, 2016, 2015 and 2014, respectively) | <u>632,951,896</u> | <u>589,805,161</u> | <u>580,782,531</u> |
| | <u>632,976,896</u> | <u>589,830,161</u> | <u>580,807,531</u> |
| Total liabilities and participants' equity | <u>\$ 634,709,307</u> | <u>\$ 591,425,671</u> | <u>\$ 582,249,602</u> |
| Participants' equity per unit | \$ 1,187.32 | \$ 1,160.81 | \$ 1,224.92 |

See accompanying notes to financial statements.

EVANGELICAL LUTHERAN CHURCH IN AMERICA
 ENDOWMENT FUND POOLED TRUST
 STATEMENTS OF OPERATIONS
 Years ended December 31, 2016, 2015 and 2014

| | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|-----------------------------|------------------------------|-----------------------------|
| Investment income | | | |
| Interest income | \$ 7,739,009 | \$ 7,220,159 | \$ 6,638,522 |
| Dividend income | <u>11,426,593</u> | <u>9,562,611</u> | <u>10,803,592</u> |
| Total investment income | 19,165,602 | 16,782,770 | 17,442,114 |
| Management fee | <u>(6,054,749)</u> | <u>(5,939,767)</u> | <u>(5,493,340)</u> |
| Investment income, net | 13,110,853 | 10,843,003 | 11,948,774 |
| Net realized and unrealized gains (losses) on investments | <u>24,470,845</u> | <u>(20,159,361)</u> | <u>23,014,536</u> |
| Increase (decrease) in participants' accounts from operations | <u><u>\$ 37,581,698</u></u> | <u><u>\$ (9,316,358)</u></u> | <u><u>\$ 34,963,310</u></u> |

See accompanying notes to financial statements.

EVANGELICAL LUTHERAN CHURCH IN AMERICA
ENDOWMENT FUND POOLED TRUST
STATEMENTS OF CHANGES IN PARTICIPANTS' ACCOUNTS
Years ended December 31, 2016, 2015 and 2014

| | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|---|-----------------------|-----------------------|-----------------------|
| Changes in participants' accounts from operations | | | |
| Investment income, net | \$ 13,110,853 | \$ 10,843,003 | \$ 11,948,774 |
| Net realized and unrealized gains (losses) on investments | <u>24,470,845</u> | <u>(20,159,361)</u> | <u>23,014,536</u> |
| Increase (decrease) in participants' accounts from operations | 37,581,698 | (9,316,358) | 34,963,310 |
| Capital transactions | | | |
| Participant contributions | 47,873,254 | 57,999,414 | 61,604,932 |
| Distribution of endowment income | (23,410,662) | (22,852,006) | (20,164,737) |
| Participant withdrawals | <u>(18,897,555)</u> | <u>(16,808,420)</u> | <u>(15,347,006)</u> |
| Increase in participants' accounts from capital transactions | 5,565,037 | 18,338,988 | 26,093,189 |
| Increase in participants' accounts | 43,146,735 | 9,022,630 | 61,056,499 |
| Participants' accounts at beginning of year | <u>589,805,161</u> | <u>580,782,531</u> | <u>519,726,032</u> |
| Participants' accounts at end of year | <u>\$ 632,951,896</u> | <u>\$ 589,805,161</u> | <u>\$ 580,782,531</u> |

See accompanying notes to financial statements.

EVANGELICAL LUTHERAN CHURCH IN AMERICA
ENDOWMENT FUND POOLED TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2016, 2015 and 2014

NOTE 1 - ORGANIZATION

The Evangelical Lutheran Church in America Endowment Fund Pooled Trust (the Trust) was initially established on October 9, 1995, and restated on January 20, 1999, under a Restated Declaration of Trust by and between the Evangelical Lutheran Church in America (the Church) and the Endowment Fund of the Evangelical Lutheran Church in America (the Endowment Fund). The Church established the Trust to allow for the collective long-term investment of funds belonging to the Church, Endowment Fund, its congregations, synods, seminaries, and other eligible affiliated entities (the Participants). The Endowment Fund is the Trustee of the Trust. The ELCA is the administrator of the Trust. The Board of Pensions, doing business as Portico Benefit Services, an affiliated corporation of the Church, is the Investment Advisor to the Trust. The Trust was established on January 20, 1999, when the Endowment Fund contributed \$25,000 of capital to the Trust. The Trust commenced operations on July 1, 1999, when the Endowment Fund of the Church transferred Participants' accounts of approximately \$190,400,000 to the Trust.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: The accompanying financial statements have been prepared on the accrual basis of accounting.

Cash and Cash Equivalents: Cash equivalents consist primarily of a corporate checking account.

Investments: Investments are carried at fair value.

Purchases and redemptions of investments in pools are recorded on the transaction effective date. Investment income and realized gains and losses are allocated based on proportional investment interests in the pools.

Unrealized gains and losses are reflected in the statement of operations. Realized gains and losses on redemptions are determined on the basis of average cost and are also reflected in the statement of operations.

Management Fees: The Trust pays the Trustee a monthly fee equal to 1/12% of the Trust's net asset value as of the close of business on the last business day of each month. The Trust is not separately charged for the services of the administrator, investment advisor, or custodian. These fees are paid by the Trustee.

Participant Contribution and Withdrawal: The Trustee has established, for accounting purposes, an initial unit value for the Trust and the Trust assigns units to Participants based on the Participants' contributions divided by the unit value. At all times, the total value of the Trust's net assets divided by the total of all Participants' units will equal the unit value. The value of a unit in the Trust will be determined on each valuation date. The Trustee has determined the valuation date to be the last business day of each calendar month. The valuation of the assets of the Trust is based on the fair value of the Trust's investments as of the valuation date.

Participant contributions received by the Trustee since the prior valuation date are divided by the current unit value to determine the number of units that will be allocated to the Participant's account.

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EVANGELICAL LUTHERAN CHURCH IN AMERICA
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NOTES TO FINANCIAL STATEMENTS
December 31, 2016, 2015 and 2014

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Withdrawals from the Trust may be made by Participant request. Withdrawal amounts are divided by the unit value as of the previous valuation date to determine the number of units withdrawn. Closing withdrawals are made only as of the next future valuation date using the unit value as of that valuation date.

Income Tax: The Church received a group ruling determination letter from the Internal Revenue Service in 1988 recognizing the exemption from federal income taxes on income related to its exempt purpose under Section 501(c)(3) of the Internal Revenue Code. In 1993, the Endowment Fund of the Evangelical Lutheran Church in America was included in the group ruling. Accordingly, no provision for income taxes has been made in the financial statements.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of increases and decreases in Participants' accounts from operations during the reporting period. Actual results could differ from those estimates.

Recent Accounting Pronouncements: In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. 2016-14 (ASU 2016-14), *Not-for-Profit Entities: Topic 958*. The amendments in this update affect not-for-profit entity's (NFP's) and the users of their general purpose financial statements. The amendments in this Update make certain improvements to the current net asset classification requirements and the information presented in financial statements and notes about a NFP's liquidity, financial performance, and cash flows. The amendments in the ASU are effective for annual financial statements issued for fiscal years beginning after December 15, 2017. The Trust has not yet implemented ASU 2016-14 and is in the process of assessing the effect on the Trust's financial statements.

NOTE 3 - INVESTMENTS

Return Objectives and Risk Parameters: The Trust's investment objective is to provide Participants with a stable stream of distributable investment income with long-term capital appreciation, while assuming a moderate level of investment risk. In accordance with guidelines approved by the Trustee, the Trust's assets are invested in a manner that is intended to produce results that exceed the investment's benchmark by 35 basis points annually, net of investment management fees, over rolling five-year time periods. Actual returns in any given year may vary from this objective.

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EVANGELICAL LUTHERAN CHURCH IN AMERICA
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NOTES TO FINANCIAL STATEMENTS
December 31, 2016, 2015 and 2014

NOTE 3 - INVESTMENTS (Continued)

Strategies Employed for Achieving Objectives: The Investment Advisor endeavors to achieve long-term return objectives within prudent risk constraints by investing the Trust's assets in a diversified portfolio that places a greater emphasis on equity-based and fixed-income investments. Investments are selected in accordance with the criteria of social responsibility that is consistent with the values and programs of the Church. The Trust's target asset allocation ranges are displayed in the following chart. Actual allocations varied from targeted levels by modest amounts.

| | Range | Target | December 31, 2016 | Difference |
|--|----------|--------|-------------------|------------|
| U.S. Equity Securities | 30-40% | 35% | 36.1% | 1.1% |
| Non-U.S. Equity Securities | 20-30% | 25% | 24.2% | -0.8% |
| Investment Grade Fixed Income Securities | 10-20% | 15% | 14.5% | -0.5% |
| High-Yield Fixed Income Securities | 5-15% | 10% | 10.1% | 0.1% |
| Global Real Estate Securities | 5-15% | 10% | 10.0% | 0.0% |
| U.S. Inflation-Indexed Securities | 0-10% | 5% | 4.9% | -0.1% |
| Cash and cash equivalents | Residual | 0% | 0.2% | 0.2% |

The Investment Advisor, at its option, may appoint one or more investment advisors to carry out certain responsibilities with respect to the Trust, including investment advisory responsibilities subject to the approval of the Trustee. The investment advisors as of December 31, 2016, are:

The U.S. equity securities portfolio is invested in the Investment Advisor's Social Purpose U.S. Equity Pool, which is managed by the following investment advisors:

| Asset Class | Target % | Investment Advisor | Target % |
|---------------------|----------|---------------------------------------|----------|
| SP U.S. Equity Pool | 35% | State Street Global Advisors | 33-39% |
| | | Martingale Asset Management | 12-16% |
| | | Los Angeles Capital Management | 10-14% |
| | | Jackson Square Partners | 13-17% |
| | | Hotchkis and Wiley Capital Management | 13-17% |
| | | LSV Asset Management | 3-5% |
| | | State Street Global Advisors | 3-5% |

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EVANGELICAL LUTHERAN CHURCH IN AMERICA
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NOTES TO FINANCIAL STATEMENTS
December 31, 2016, 2015 and 2014

NOTE 3 - INVESTMENTS (Continued)

The Non-U.S. equity securities portfolio is invested in the Investment Advisor's Social Purpose Non-U.S. Equity Pool, which is managed by the following investment advisors:

| Asset Class | Target % | Investment Advisor | Target % |
|-------------------------|----------|----------------------------------|----------|
| SP Non-U.S. Equity Pool | 25% | State Street Global Advisors | 28-32% |
| | | AQR Capital Management | 11-21% |
| | | Mondrian Investment Partners | 18-22% |
| | | Baillie Gifford Overseas Limited | 18-22% |
| | | Acadian Asset Management | +/-2% * |
| | | T. Rowe Price | +/-2% * |

* (+/-2% of half of the small cap weight in the Morgan Stanley Capital International All-Country World ex-U.S. Investable Market Index (Index) or generally 5% to 9%); and T. Rowe Price (+/-2% of half of the small cap weight in the Index or generally 5% to 9%). The small cap weight in the previously mentioned Index floats with the changes in the market cap of small cap stocks relative to large cap stocks.

The fixed income securities portfolio is invested in the Investment Advisor's Social Purpose Investment Grade Bond Pool.

| Asset Class | Target % | Investment Advisor | Target % |
|-------------------------------|----------|--|----------|
| SP Investment Grade Bond Pool | 15% | Portico Benefit Services | 40-50% |
| | | State Street Global Advisors | 30-40% |
| | | State Street Global Advisors, transition manager | 15-25% |

The inflation-indexed securities portfolio is invested in the Investment Advisor's Inflation-Indexed Bond Pool, which is managed by the following investment advisor:

| Asset Class | Target % | Investment Advisor | Target % |
|-----------------------------|----------|------------------------------|----------|
| Inflation Indexed Bond Pool | 5% | State Street Global Advisors | 100% |

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EVANGELICAL LUTHERAN CHURCH IN AMERICA
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NOTES TO FINANCIAL STATEMENTS
December 31, 2016, 2015 and 2014

NOTE 3 - INVESTMENTS (Continued)

The high-yield portfolio is invested in the Investment Advisor's Social Purpose High Yield Pool, which is managed by the following investment advisors:

| Asset Class | Target % | Investment Advisor | Target % |
|-------------------------|----------|------------------------------------|----------|
| SP High Yield Bond Pool | 10% | Allianz Global Investors U.S., LLC | 35-45% |
| | | T. Rowe Price Associates, Inc. | 35-45% |
| | | Loomis, Sayles & Company, LP | 15-25% |

The Global Real Estate Securities portfolio is invested in a diversified portfolio of securities of U.S. and non-U.S. real estate companies that own income-producing properties or land. The real estate portfolio will be comprised principally of equity-related real estate securities, and will be invested in stocks that are listed on national exchanges or traded in the over-the-counter market. The Global Real Estate Securities pool is managed by:

| Asset Class | Target % | Investment Advisor | Target % |
|------------------------------------|----------|--------------------------------------|----------|
| Global Real Estate Securities Pool | 10% | Duff & Phelps | 55-65% |
| | | BlackRock Financial Management, Inc. | 35-45% |

Standish Mellon Asset Management Company, LLC (Standish Mellon) is responsible for managing a short-term cash portfolio to be invested in short-term debt securities of government, corporate and structured asset issuers with a significant portion invested in repurchase agreements. The Investment Advisor anticipates that Standish Mellon will manage substantially all of the cash and cash equivalents of the Trust's investments. At December 31, 2016, 2015 and 2014, Standish Mellon managed 100% of the cash and cash equivalents, excluding operating accounts.

Investments at December 31, 2016, 2015 and 2014, are comprised of the following:

| | 2016 | | 2015 | | 2014 | |
|-----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | <u>Cost</u> | <u>Fair Value</u> | <u>Cost</u> | <u>Fair Value</u> | <u>Cost</u> | <u>Fair Value</u> |
| Investments in pools | | | | | | |
| Common stocks | \$ 119,875,840 | \$ 227,405,195 | \$ 118,508,696 | \$ 205,283,359 | \$ 113,428,434 | \$ 201,578,243 |
| Non-U.S. stocks | 119,629,043 | 153,421,290 | 110,629,043 | 138,347,975 | 109,512,787 | 140,819,375 |
| Government and corporate bonds | 71,481,199 | 92,327,593 | 71,538,089 | 89,736,427 | 67,928,463 | 86,102,832 |
| Inflation-indexed securities | 28,227,168 | 30,935,290 | 28,397,860 | 29,964,685 | 26,522,860 | 28,270,562 |
| High-yield securities | 33,161,798 | 63,494,421 | 34,140,779 | 58,417,326 | 31,563,643 | 57,468,945 |
| Real estate investment securities | 35,967,435 | 62,954,529 | 35,967,435 | 60,067,467 | 34,127,435 | 57,504,708 |
| Total investments | <u>\$ 408,342,483</u> | <u>\$ 630,538,318</u> | <u>\$ 399,181,902</u> | <u>\$ 581,817,239</u> | <u>\$ 383,083,622</u> | <u>\$ 571,744,665</u> |

Fair Value Hierarchy: Governing accounting principles define fair value as the price that would be received for an asset (an exit price) in the Trust's principal or most advantageous market in an orderly transaction between market participants on the measurement date.

(Continued)

EVANGELICAL LUTHERAN CHURCH IN AMERICA
ENDOWMENT FUND POOLED TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2016, 2015 and 2014

NOTE 3 - INVESTMENTS (Continued)

Accounting principles require an entity maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Three levels of inputs may be used to measure fair value:

- Level 1: Quoted prices (unadjusted) for identical assets in active markets that the Trustee has the ability to access as of the measurement date.
- Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3: Significant unobservable inputs that reflect the Trustee's own assumptions about the assumptions that market participants would use in pricing an asset.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

Investments in Pools: The Trust's investments in the asset categories shown above are invested in the Investment Advisor's investment pools. The fair value of each of the Trust's portfolios is measured using the same unitization method, with values differing according to the underlying securities of each pool. On the first business day of each month, the Trust may purchase or redeem units in the investment pools based on the pools' prior month-end closing unit prices. Units in these pools are not exchanged and do not have quoted prices in active markets. Prices for underlying securities in the investment pools are based on quotes that are obtained from an independent pricing service. Fair values of securities for which market prices are not readily available are determined based upon quoted market prices for similar issues, dealer quotes, or pricing models utilizing market observable inputs from comparable securities. This total fair value is divided by the total number of units in the pool to determine the per-share value that is assigned to the Trust's units. As a result, the Trust's investments in pools, in accordance with Accounting Standards Codification Topic 820, are not required to be classified with the fair value hierarchy.

NOTE 4 - DISTRIBUTIONS

Distributions are made quarterly at a rate established annually by the Trustee. The distribution rate reflects the Trustee's consideration of the anticipated returns of the Trust and anticipated changes in the purchasing power of the Trust. The rate established for 2016 was 4.00%. The rate for 2015 and 2014 was 4.25%. These rates are normally less than the anticipated total return of the Trust. The distribution unit value is equal to the average of the unit values on December 31 of the five preceding years multiplied by the annual distribution rate. Earnings in excess of the distribution rate are allocated among the Participant accounts in proportion to the number of units assigned to each account as undistributed earnings. If the quarterly distribution exceeds the actual dividend, interest, and net realized gains earned in the quarter, the excess is distributed from accumulated undistributed earnings or participant capital.

The Trustee-approved distribution for the year 2017 is 4.0% of the average December 31 unit values of the five preceding years.

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EVANGELICAL LUTHERAN CHURCH IN AMERICA
ENDOWMENT FUND POOLED TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2016, 2015 and 2014

NOTE 5 - RELATED-PARTY TRANSACTIONS

The ELCA churchwide organization is the beneficiary of endowment accounts with a fair value of approximately \$231.0 million, \$222.8 million and \$229.9 million at December 31, 2016, 2015 and 2014, respectively.

The Trust paid administrative expenses and management fees to the Trustee totaling \$6,054,749, \$5,939,767 and \$5,493,340 in 2016, 2015 and 2014, respectively. The Trustee pays investment management fees to the Investment Advisor on behalf of the Trust. The Trust had balances payable to the Church of \$1,718,720, \$1,577,398 and \$1,423,222 at December 31, 2016, 2015 and 2014, respectively.

NOTE 6 - CONCENTRATION OF BUSINESS

The Trust's Participants are the Church and related organizations. The Church has invested assets in the Trust totaling \$339.0 million, \$328.0 million and \$338.8 million at December 31, 2016, 2015 and 2014, respectively. The Church's invested assets represent approximately 53.6%, 55.6% and 58.3% of Participants' accounts at December 31, 2016, 2015 and 2014, respectively. No other participant represented more than 5% of Participants' accounts.

NOTE 7 - SECURITIES LOANED

The Trust's investment pools participate in a securities lending program, whereby securities are lent to borrowers in exchange for a fee. The securities lending program specifies that the custodian is responsible for the lending of securities and obtaining adequate collateral from the borrower. The Trust's beneficial interest in fees earned by the investment pools totaled \$768,302, \$331,254 and \$260,893 for the years ended December 31, 2016, 2015 and 2014, respectively.

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EVANGELICAL LUTHERAN CHURCH IN AMERICA
ENDOWMENT FUND POOLED TRUST
NOTES TO FINANCIAL STATEMENTS
December 31, 2016, 2015 and 2014

NOTE 8 - FINANCIAL HIGHLIGHTS

The following table summarizes the Trust's financial highlight ratios as of December 31:

| | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|------------------------|------------------------|------------------------|
| Per share operating performance | | | |
| Net asset value, beginning of period | \$ 1,160.81 | \$ 1,224.92 | \$ 1,191.83 |
| Income from investment operations | | | |
| Net investment income | 24.64 | 22.93 | 27.23 |
| Net realized and unrealized gains (losses) | <u>46.80</u> | <u>(40.30)</u> | <u>50.41</u> |
| Total income (loss) from investment operations | 71.44 | (17.37) | 77.64 |
| Distributions | <u>(44.93)</u> | <u>(46.74)</u> | <u>(44.55)</u> |
| Net asset value, end of period | <u>\$ 1,187.32</u> | <u>\$ 1,160.81</u> | <u>\$ 1,224.92</u> |
| Average net assets as a percentage of: | | | |
| Net investment income (i.e., interest and dividends) to average participants' accounts | 2.13% | 1.84% | 2.14% |
| Expenses to average participants' accounts | 0.98% | 1.01% | 0.99% |

The Trust calculates average net assets based on the quarterly ending Participants' account balances.

NOTE 9 - SUBSEQUENT EVENTS

Management has performed an analysis of the activities and transactions subsequent to December 31, 2016, to determine the need for any adjustments to and/or disclosures within the audited financial statements for the year ended December 31, 2016. Management has performed their analysis through March 22, 2017, the date the financial statements were available to be issued. Activities subsequent to this date have not been evaluated by management.