



Endowment Fund of the Evangelical Lutheran Church in America (ELCA Foundation)

Board of Trustees

Ms. Kristy L. Albrecht, Fargo, N.D. (2017)
Mr. Eric Brudos, Palo Alto, Calif. (2016)
Ms. Liza Canino, Charlotte, N.C. (2016)
Mr. Keith J. Christensen, Decorah, Iowa (2018)
Ms. Anna L. Geleske, Arlington, Texas (2013)
Mr. Bruce D. George, Westborough, Mass. (2018)
Mr. Eric Golberg, Croton on New York, N.Y. (2016)
Ms. Naomi M. Horsager, Apple Valley, Minn. (2018)
Pr. Ruth Ann Loughry, Cherry Hills Village, Colo. (2013)
Ms. Lauren M. Williams, Washington, D.C. (2013)

Leadership staff

Ms. Christina Jackson-Skelton, *president and chief executive officer*, Chicago, Ill.
Ms. Lori S. Fedyk, *treasurer of the ELCA*, Chicago, Ill.

The ELCA Foundation sustains and grows ministries by offering gift planning services to ELCA members and stewarding and growing assets for all the related organizations of the ELCA. Using a national network of gift planners, the ELCA Foundation supports ELCA members in their call to live as faithful and generous people by providing financial education and resources along with a variety of planned giving tools. Three primary major-gift programs are supported by the ELCA Foundation—endowments, gift annuities and charitable trusts.

The ELCA Foundation has a long history of working in partnership with congregations, synods and related entities to develop gifts to sustain the work of the ELCA long into the future. Throughout the three-year period (2016–2018), \$131.2 million was distributed to support a variety of ministries.

Report of work for 2016–2018

Transition to a separately incorporated ministry

Effective Jan. 1, 2018, by action of the ELCA Church Council, the Endowment Fund of the ELCA assumed expanded responsibilities for all programs and assets associated with the ELCA Foundation and its planned giving vehicles. This action effectively turned the Endowment Fund into a separately incorporated ministry of the ELCA, similar to the ELCA Mission Investment Fund or 1517 Media. The Endowment Fund of the ELCA is now doing business as the ELCA Foundation.

While now financially separate from the churchwide organization and with its own governance, the ELCA Foundation receives operational support from the Mission Advancement unit through a service-level agreement, including database management and strategy, communications services, donor stewardship support, gift processing, etc. The ELCA Foundation and the Mission Advancement unit share a commitment to providing comprehensive and coordinated gift-planning support on behalf of the foundation's constituents.

In recent years, assets under management, total donor plans and the number of outside investors in the Endowment Fund have increased significantly. The Church Council action moved the Charitable Gift Annuity pool and the Charitable Remainder Trusts to the ELCA Foundation. This decision was based on the findings of a Church Council special task force established to determine how best to provide investment oversight and increased governance for all endowment and deferred-gift assets.

A critical component of strengthening the oversight of ELCA Foundation assets has been establishing a robust board with four specialized committees: audit, finance, investment and resource development. All four committees have actively and strategically engaged the work delegated for their review and recommendation.

A service-level agreement for services and functions between the ELCA Foundation and the churchwide organization was executed in 2018.

Regional gift planners

The ELCA Foundation has a network of 21 regional gift planners located across the United States, supported by centralized donor and investor services, that provide members and ministries of the ELCA with complementary assistance, including:

- Assistance in creating wills, estates and other life-giving plans that include a planned or current gift for a ministry of the ELCA.
- Investment management services and gift planning education and resources to support and strengthen ELCA congregations, synods and ministries.
- Opportunities for ministries of the ELCA to invest in the ELCA Endowment Fund Pooled Trust (Fund A).

The gift planning staff also serves ELCA congregations and other ELCA-related institutions by offering:

- Endowment fund guidance to help congregations plan for and steward bequests and planned gifts.
- Gift planning education through seminars on wills, estate plans and charitable gift planning.
- Options for endowment investment through the Endowment Fund Pooled Trust and the Mission Investment Fund.

Throughout the period of 2016–2018, the gift planning network assisted ELCA members in creating \$166 million in planned gifts. In addition, \$16.5 million in charitable remainder trusts and charitable gift annuities were established during this period. The number of gift plans written has also been on the rise. Starting with 98 in 2016, new plans increased to 102 in 2017 and 167 in 2018. Further, during the same period, gift planners stewarded over \$47 million in previously written plans, in some cases increasing the estimated gift size to ministry. The ELCA Foundation gives thanks for the generosity of ELCA members in supporting the ministries of this church.

During the three-year period, 207 new Endowment Fund Pooled Trust accounts were opened for outside participants, including 172 congregations. Net new assets gathered, in both new accounts and additions to existing ones, totaled \$73 million.

Gift planning partnerships

Beginning in 1985 in Nebraska, the ELCA Foundation has supported gift planning partnerships that allow a variety of related entities to share gift planner services. Currently, the ELCA Foundation, in conjunction with the churchwide staff, synodical bishops and development directors from many ELCA-related entities, supports 17 gift planning partnerships, including:

- 14 partnerships sponsored by the ELCA.
- 2 grants in Nebraska and South Dakota.
- 1 joint venture, Lutheran Foundation of the Southwest.

Today, gift planning partners include over 170 ELCA-related entities, including synods, social-service agencies, senior health care facilities, seminaries, schools and colleges, campus ministries and camps.

Annual fees generated from partnerships have grown from \$372,300 in 2016 to \$517,600 in 2018. Total fees generated for the time period equal \$1.4 million.

Gift programs

For the benefit of members and related organizations, the ELCA Foundation supports three charitable-giving programs: Charitable Gift Annuities (\$51.4 million), Charitable Trusts (\$61.1 million) and the Endowment Fund Pooled Trust (\$685.4 million).

Looking ahead

The decision of the ELCA Church Council to establish the ELCA Foundation as a separately incorporated ministry creates opportunity for the foundation's further growth and greater sustainability. Furthermore, the foundation is now positioned to leverage its growth through increased services to congregations and institutions as they seek to grow and steward their financial resources. Each of us has an opportunity to consider how to leave a legacy for ministry, and the ELCA Foundation can help.

Ms. Christina Jackson-Skelton, *president and chief executive officer*