

THE SAINT LUKE'S ENDOWMENT FUND

How the Fund was Set-up and How it Works



*To Know Christ and to
Make Christ Known*

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WHAT IS AN ENDOWMENT?

Strictly speaking, an “endowment” is a gift restricted by the donor in such a way that the principle can never be spent, but what the original gift earns in income, and usually appreciation, can be used.

WHAT IS A QUASI-ENDOWMENT?

A “quasi-endowment” is a gift that is unrestricted by the donor and which the Vestry decides to invest and treat as an endowment.

For practical reasons to avoid confusion and for investment purposes, the Vestry has determined that the Saint Luke's Endowment Fund will include both endowed and quasi-endowed funds.

WHAT ARE THE ORIGINS OF THE SAINT LUKE'S ENDOWMENT FUND?

In 2001, the Parish Articles of Incorporation were amended to create a Trust Fund. The amendment was filed with the Arizona Corporation Commission on February 19, February 10, 2002. Our Parish attorney subsequently advised the Parish that the Trust had never been properly established.

So in 2012, with assistance of our attorney and the Diocese of Arizona, the Vestry approved an Enabling Resolution to establish an Endowment Fund. A subsequent amendment of the Parish Articles of Incorporation dissolved the Trust. The Endowment Fund and its governing policies were adopted by the Vestry. All funds from the dissolved Trust were then transferred, intact, into the new Saint Luke's Endowment Fund where they still reside today.

WHO MANAGES THE ENDOWMENT FUND?

The Endowment Fund is managed by a five-member Endowment Committee, appointed by the Vestry. Terms are for three years, with a maximum of two terms. The Committee has the fiduciary responsibility to oversee the management and administration of the Fund.

The assets of the Fund are to be invested with the same care, skill and diligence that a prudent person would exercise in investing institutional endowment funds. The primary

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objective is to provide long-term growth of principal and income without undue exposure to risk.

The Endowment Committee has an excellent track record of investing and managing the Fund.

WHAT IS THE CURRENT STATUS OF THE ENDOWMENT FUND?

Since the original Trust was established in 2002, there has been a “learning curve.” Some original structural weaknesses in the Trust were present and missteps were made by the several Vestries over the years. During 2014 the Vestry worked diligently to clarify the terminology used and established additional guidelines for the Vestry and the Endowment Committee in order to assure your trust.

Rest assured that bequests and gifts to the Endowment Fund will be used in accordance with the wishes of the donors as expressly stated in Wills, Trusts, or other document

BEQUESTS & GIFTS TO THE ENDOWMENT FUND

To avoid any ambiguity and misunderstanding, it is very important that any donor who intends to make a bequest or give a gift to the Endowment Fund, clearly identify it as an Endowment and specify how the proceeds are to be used.

Did you know that an estimated 50% of Americans will die without a will or trust!

If you want the proceeds of your endowed bequest or gift to be used for specific purposes, such as for youth ministries, the music program, mission outreach, building maintenance, landscaping, or other specific purposes, you can so specify.

If you want your endowed gift to be used for the general on-going work of the church, you can so designate it for that purpose.

Please watch the various Parish information media for details.

ADDITIONAL INFORMATION

If you would like additional information, you may contact the Rector, Fr. Pierre-Henry Buisson, or any member of the Endowment Committee. The current members are:

- Ron Davis
- Ed Hume
- Rosaleen Runnalls

ADDITIONAL RESOURCES

Additional printed materials about wills, trusts, and various methods of planned giving will soon be available from the Stewardship Commission.

The Stewardship Commission will also be scheduling sessions at Saint Luke's with attorneys and financial planners who can provide you current information and answer your questions.