

**CHARTER
OF
ST. PETER'S FUND FOR SPECIAL MINISTRY**

PURPOSE

The St Peter's Fund for Special Ministry is an independently managed fund, established to enable extended ministries by St. Peter's people. It shall establish or support significant ministry extensions that the congregation could not support through regular benevolence.

ADMINISTRATION

Organization: The Fund is a ministry of the people of St. Peter's congregation. It is responsive to the needs and opportunities for service of the congregation, but separate and distinct from the congregational organization. It is administered by a Board of Directors that is composed of five Lutherans, each of an age legal to do business in the State of New York. A majority of the board shall be members in good standing of St. Peter's congregation. The members of the Board of Directors receive no compensation for their service on the board. All ordained ministers under call to St. Peter's congregation are ex-officio members of the board without vote; no such minister may be a voting member of the board. Each board member is elected to a three year term by the Congregational Meeting during the Congregational Meeting at which elections are normally held. Board elections must be from a slate of at least two nominees per vacant position.

Relationship to St. Peter's: All projects shall provide appropriate fiscal accounting to the Board of Directors of the Fund, who shall be responsible solely to the Congregational Meeting of St. Peter's. The Board of Directors of the Fund must make annual reports to the Congregational Meeting. No board member may serve concurrently as a board member and as either the President, Treasurer or Assistant Treasurers, Financial Secretary or assistants, or in any other elected congregational office charged with preparation of the congregational budget.

The Fund may be dissolved for good and proper cause by an affirmative vote of at least four of the five directors. The Board of Director's meeting at which such a vote is taken must be open to the congregation. The Fund must give public notice of the meeting time, place, and intent to consider the question of dissolution of the Fund, according to the manner and timing specified in the congregation constitution for notification of meetings where constitutional amendments will be considered. Upon dissolution, the Fund's remaining assets shall be distributed to the Evangelical Lutheran Church in America and it's agencies or their successors. The Fund's assets shall be distributed to projects that reflect the four broad categories of ministry described in this charter, divided as equally as possible while respecting any constraints of the donations.

These Fund regulations may be amended by a 3/4 affirmative vote of the Congregational Meeting at two consecutive Congregational Meetings, at least one of which must be a regular Congregational Meeting. A quorum is the same as the congregation constitution specifies for amending the constitution.

FUND DISBURSEMENTS

Selecting Projects: Funds disbursements are made to four broad categories of ministry.

Proclamation -- support of specific missions or missionaries intended to spread the Gospel of Jesus Christ, commissioning of printed or other resources to proclaim the Gospel, etc.

Worship -- support of special worship events, worship space improvements (at St. Peter's or other congregations), commissioning of worship materials, etc.

Educational Ministry -- support of schools, of educational events, of the education of church workers or congregational members, etc.

Service -- efforts to heal the brokenness of body and soul through care of the homeless, the elderly, victims of violence or oppression, etc.

The examples within the categories above are illustrative, not restrictive.

The Fund shall provide public notice of the process and deadlines for applying for support. Applications may be made by any interested party, in writing, with appropriate justification of the merits of the proposed ministry. The Fund shall use good judgment examining all requests and shall select projects for funding at a meeting open to the congregation on or before three months prior to the close of the congregational fiscal year. Once committed, disbursements to the projects will be as appropriate to the project needs without constraint by fiscal year boundaries. Project support can be rescinded for good and proper cause at the discretion of the Fund. The Fund may commit to a specified level of support of any project for up to five years, with no more than one renewal for an additional five years.

Constraints on Project Selection: Donors may, but need not, indicate which categories of ministry that their funds should support, in whole or in part. Except for such restrictions, the Fund shall accept no other restrictions on the ultimate disposition of funds entrusted to its care.

The Fund shall ensure, respecting the constraints of the donations, that no category of ministry is neglected in any five year interval. The Fund is intended to provide support

for significant ministry extensions. Accordingly, no new project may receive less than 15% of the disbursed funds in any one year.

The Fund shall support ministry opportunities that St. Peter's congregation could not support through regular benevolence. The Fund shall not be a direct or indirect subsidy of the congregation budget, nor shall it provide persistent funding for programs that have or ought to have a continual funding source. No existing budgeted and allocated programs within St. Peter's congregation, or programs that received budgeted and allocated congregational funds within the preceding three years, shall receive funding. No staff devoted exclusively or primarily to St. Peter's congregation shall be supported. No support of the Fund can be considered, reported as, or implied to be part of the fiscal responsibilities of the congregation.

FUNDS MANAGEMENT

Accepting Donations: The Fund is established to receive irrevocable donations and gifts to support ministry. It may provide such financial instruments, subject to prudence, that the donor may find suitable. The Fund shall not accept the donation of real property with

constraints upon such property that extend beyond the lifetime of the donor. Only gifts without constraints or encumbrances shall be accounted as part of the funds capital.

Allocating Income: All distributable income shall be disbursed to appropriate ministries. Annual distributable income is defined as the sum of all dividend, interest, and rental income, and realized and unrealized gains and losses on cash and securities during a fiscal year that is derived from fund capital. The five year average annual disbursement commitments must equal or exceed the five year average annual distributable income, except that distributable income may be transferred annually to the capital of the Fund in an amount not to exceed the average Cost of Living percentage change for the continental United States times the capital of the Fund at the close of business on the last business day of the fiscal year. Such income transference to capital may not be retroactive and must be made no later than three months after the close of the fiscal year.

Asset Management: The Fund will provide an approximately stable resource for extended ministry. All Fund holdings in cash and securities that are not accumulated distributable income are capital. No annual disbursement commitments can reduce the capital more than 4%. In addition, the maximum five year average annual distributable income of the Fund is limited to one half the five year average annual congregational budget. Should the five year average annual distributable income increase beyond this limit, annual disbursement commitments must reduce the capital to achieve the required income limit within five years, irrespective of the 4% limitation above.

The Fund's capital and distributable income holdings are restricted to investment in publicly traded securities, money market funds, bank accounts and projects that the Board of Directors may deem as propagating the Christian faith. The Fund's asset management shall reflect prudent management to achieve maximum ministry effectiveness within a decade. Social and ethical responsibility should be a factor in determining investments.

No Fund resources may be commingled with congregational resources.

Administrative expenses, if any, shall be paid by the Fund and accounted as part of the annual disbursements. All Fund policies and procedures shall be written and available upon request.

10/15/93