

## **The Cornerstone Endowment: What It Is. What It Does.**

### ***Why does St. David's have an Endowment?***

An endowment provides continuing income for the future. Long-range planners at St. David's discussed the desirability of having an endowment for many years. About nine years ago, Maryann Witkop bequeathed an initial seeding gift for an endowment to St. David's. This gift was the call to action leading to the creation of the Cornerstone Endowment.

### ***What is the official name of the Endowment?***

The official name is "**Cornerstone Endowment.**"

**St. David's Cornerstone Endowment** is the name of the separate *fund* established to act as the church's Endowment. Funds contributed to the Cornerstone Endowment are subject to the Endowment's Enabling Resolution restrictions. The name is essential because it helps us know whether a gift is for the Endowment or the church's general funds.

The **Legacy Society** is the name we use to describe those donating to the Cornerstone Endowment. Anyone who has made a gift or pledged to do so is a member of the Legacy Society.

The **Founding Members** of the Legacy Society are a specific group within the Legacy Society. Founding Members are those who made or pledged to make a gift before Ascension Day 2016 (May 5, 2016). These donors helped get the Endowment off the ground and recognized as such.

### ***What is the purpose of money given to the Cornerstone Endowment?***

St. David's Vestry passed a special Enabling Resolution to create the Cornerstone Endowment. The resolution specifies that the Endowment is to operate separately from St David's annual operating budget. In addition, the Endowment has specific rules and governance in place to ensure it functions as intended, with distributions limited to:

1. Capital improvements to the church;
2. Outreach ministries and grants;
3. Seed money for new ministries and special one-time projects;
4. Special purposes as specified by donors.

Most importantly, the Endowment's operating plan requires that any distributions come from the income only and not the principal.

### ***Can endowment funds ever be used for other purposes?***

In general, the endowment funds are used solely for the purposes specified in the Enabling Resolution. However, if the continued viability of St. David's is in doubt, provisions exist for using the income and principal. Invoking these provisions requires a two-thirds supermajority

vote at two consecutive Vestry meetings and a two-thirds vote by the congregation at an annual meeting or special meeting.

***What is the Endowment Committee? What is its purpose?***

The Endowment Committee provides oversight for the funds held by the Endowment. We meet at least quarterly but often more frequently to review the status of the Cornerstone Endowment, including investments and gift totals. The Committee also discusses if and how much income might be distributed for projects should a request come up.

***What may we expect for the future?***

To date, the Cornerstone Endowment has not funded any projects. In the future, the Endowment Committee may decide to make funds available. The Vestry would decide its exact use, subject to the restrictions noted above. The Committee makes the final determination of the amount made available from the Endowment income, a critical governance mechanism to ensure their intended use.

An endowment is, by its nature, a long-term endeavor. Although the Cornerstone Endowment has been around for nearly nine years and closed its founding period six years ago, it's still relatively young. It's not unusual for endowments to take years to launch and more years to mature through future gifts. Ideally, these gifts will show their rewards decades into the future. As the Endowment itself aspires to on the plaque: **"like trees planted by streams of water, bearing fruit in due season"** (Psalm 1:3).

If you're interested in participating in the Endowment Committee, please contact a committee member. We are looking for potential new committee members and welcoming anyone thinking of participating in giving to the Endowment.