

THE LAURA STERN HERITAGE ENDOWMENT FUND: FREQUENTLY ASKED QUESTIONS

Soapstone UMC is pleased to announce the creation of the Laura Stern Heritage Endowment Fund to provide long-term financial support for our buildings, grounds, and facilities. The intent of this endowment is to relieve the stress to the General Budget for much-needed capital improvements. In addition, the fund provides an opportunity for a long-lasting blessing to Soapstone UMC through one-time and estate planning gifts from members, friends, and families.

Stewardship is a way of life. All that we have comes from God. Gifts to the church are a way of giving back to God in response to His grace in our lives.

Endowment funds are an excellent way for churches to act as good stewards, because they help ensure that the gifts received will continue to benefit the church for years to come.

Consider what is important to you about Soapstone UMC. Supporting the Laura Stern Heritage Endowment Fund is one of the best ways you can ensure that our church's mission and vision will thrive for years to come.

Frequently Asked Questions

Q: What is an endowment?

A: An endowment is a donation of money or property to a non-profit organization, which uses the resulting investment income for a specific purpose.

Q: What is the purpose of the Laura Stern Heritage Endowment Fund?

A: To provide long-term financial support for the buildings, grounds, and plant (HVAC, etc.) of the Soapstone UMC properties well into the future. To relieve the stress to the general budget of much-needed capital improvements. To provide an opportunity for a long-lasting blessing through a legacy gift to Soapstone UMC.

Q: How will the Laura Stern Heritage Endowment Fund be funded?

A: The endowment was initially funded in March 2018 with an investment of \$10,000. Members and friends of Soapstone UMC may contribute additional gifts to the fund at any time. These gifts can be in the form of bequests in Wills or Trusts, retirement accounts, real estate (if approved by the Board of Trustees), gift annuities, and other forms of gifts that can be readily converted to cash.

Q: Who will oversee the Laura Stern Heritage Endowment Fund?

A: The newly-formed Legacy Giving and Permanent Endowment Committee, which is presently comprised of six members; four from each of the Trustee, Mission, Stewardship and Finance Committees and two at-large members. As with other SUMC committees, the endowment committee will be nominated by the Lay Leadership (nominations) Committee annually.

Q: How will the funds be invested and managed?

A: The Laura SternHeritage Endowment will be invested in the Balanced Fund with the United Methodist Foundation. Soapstone's Finance Committee will be responsible for monitoring the performance of the fund and for making any investment decisions and changes related to the fund through the United Methodist Foundation.

Q: What is the United Methodist Foundation's Balanced Fund?

A: The objective of the Balanced Fund is to obtain the greatest possible return on invested funds at the lowest possible risk; additionally, through expert professional management, to maximize a balanced return of current income and growth through a portfolio diversified between equities, fixed income, and cash equivalent investments. The United Methodist Foundation invests all funds according to the Social Principles of The United Methodist Church as described in The Book of Discipline and the Statement of Investment Guidelines published by the General Council on Finance and Administration. To learn more, please [click here](#).

Q: Who makes the decisions about distributions from the Laura Stern Heritage Endowment Fund?

A: Soapstone's Board of Trustees will be responsible for determining where and how the funds will be allocated. These decisions must be made annually.

Q: For what purposes can distributions from the Laura Stern Heritage Endowment Fund be made?

A: Funds must be allocated to capital improvements for buildings, grounds, and plant. These allocations can include projects for the main building, the Old Chapel, the cemetery and surrounding grounds. Earnings cannot be used to support the operating expenses of the church.

Q: Can the principle of the Laura Stern Heritage Endowment Fund be distributed?

A: No, only the earnings (interest and dividends) of the fund can be distributed. The amount to be distributed will be designated annually by the Finance Committee and distributed by the Board of Trustees. The Legacy Giving and Permanent Endowment Fund Committee will provide oversight, management and annual reporting.

Q: When will earnings from the Laura Stern Heritage Endowment Fund be distributed?

A: Earnings from funds should be distributed in February of each year. Funds to be distributed will be from earnings from the prior year. For example, February 2019 distributions will be made based on December 31 (year-end) 2018 earnings.

Q: Will 100% of the Laura Stern Heritage Endowment Fund's earnings be distributed each year?

A: No more than 80% of earnings can be distributed each year. A minimum of 20% of earnings must be re-invested back into the endowment. Less than 80% can be distributed if more than 20% is held for re-investment. Example, if the fund earns \$100 during the calendar year, in January a minimum of \$20 must be reinvested back into the principal of the endowment. No more than \$80 can then be withdrawn from

the fund and distributed based on the earlier requirements. (note: endowments require only earnings can be withdrawn from the fund).

Q: How can I contribute to the Laura Stern Heritage Endowment Fund?

A: Individuals who wish to make one-time, on-going, or estate planning contributions to the fund can do so by contributing to Soapstone UMC and specifying that it be directed to the Laura Stern Heritage Endowment Fund. Any level of contribution will be accepted for being invested in the endowment fund. Contributions for the endowment must be made to Soapstone UMC so they can be recognized as tax-deductible gifts. Contributions will not count towards an individual's pledge. All contributions go to the principal of fund and are tax deductible.

Q: Can gifts be made in honor of, or in memory of any person?

A: Contributions, especially from estate plans, may be made in honor of or in memory of a loved one, friend, or family member. Contributors' names (not amounts) and the names of those dedicated in memory of the contribution will be published annually, unless anonymity is requested, in the Laura Stern Heritage Fund Annual Report.

Q: What is the Laura Stern Heritage Endowment Fund Annual Report?

A: Each year, Soapstone's Finance Committee will be responsible for building the Laura Stern Heritage Fund Annual Report, reporting on fund performance, listing contributors and their dedications (if they have so chosen) and including a brief description of the projects selected for funding. The annual report is to be published to the congregation at least one time per year. The Board of Trustees is to provide input and support in building the annual support.