

Presbytery of Des Moines

Living Legacy Fund Policy

Statement of Purpose

The Presbytery of Des Moines established the Living Legacy Fund to empower and support the churches of the Presbytery in growing the mission of the Church of Jesus Christ. The Living Legacy Fund has been built upon the proceeds of the sale of church properties within the Presbytery and with donations directly to the Fund. The Fund therefore is intended to be managed to grow and continue in perpetuity and to stress long-term total return (income and capital gains) that is consistent with a moderate amount of short-term risk of principal. As of December 2020, proceeds from the sale of church properties at Highland Park, Clifton Heights, Colfax, Albia, Pitzer, and Knox Knolls comprise the Living Legacy Fund.

This policy is to provide guidelines on the investment of and the use of income from the Living Legacy Fund.

Donor-restricted endowments – namely the Swan Fund, Walther Fund, and McCahon Fund – are not part of the Living Legacy Fund and shall be kept in separate accounts. The Committee on Living Legacy Fund will oversee the investment of donor-restricted endowments along with the Living Legacy Fund. However, in keeping with donor specifications, disbursement of grants from the Swan Fund will be in the purview of the Committee on Preparation for Ministry. Interest earnings from the Walther Fund shall be used at the discretion of the Camping and Youth Committee of the Presbytery for scholarship aid for children in need to attend youth conferences and activities. Interest earnings from the McCahon Fund shall be used at the discretion of the Commission on Ministry for the benefit of small congregations in south-central Iowa.

Use of the Living Legacy Fund

For definition purposes, the term “investment” means any financial asset owned by the Presbytery of Des Moines that is not cash deposited with a FDIC insured institution (including Certificates of Deposit) or Money Market funds with assets guaranteed by the U.S. government.

1. All investments will be held in accounts with institutions recommended by the Committee on Living Legacy Fund and approved by the Leadership Council.
2. The Presbytery accepts a moderate level of investment risk. This precludes investments in high-risk securities. This requires a balance asset allocation strategy to diversify risk.
3. The Committee on Living Legacy Fund is responsible to review investment performance, risk, and advisor performance (after receipt of the quarterly statement from the Investment Advisor) and make recommendations for changes to the Leadership Council.
4. The Committee on Living Legacy Fund will set aside each year a specified amount to be available for grants. This amount will be 4.5% of the 12-quarter rolling average of the total market value

of the fund. The first grant allocations will begin no sooner than one year after the funds are invested.

Responsibilities for the Committee

The Committee on Living Legacy Fund will oversee the assets of the Fund, new donations to the fund and the distribution of funds. The Committee will manage the fund to conserve capital while obtaining returns that will enable the granting of funds to support requests using established criteria.

The Committee on Living Legacy Fund will also oversee the investment of donor-restricted endowments such as Swan Fund, Walther Fund, and McCahon Fund.

Management of the Account

1. The principal of the fund will be managed by New Covenant Trust Company, subsidiary of the Presbyterian Foundation of the Presbyterian Church (U.S.A.).
2. The social criteria for investing will be met, as much as is feasibly possible, by adhering to the General Assembly guidelines for social responsibility through investment.
3. The Committee on Living Legacy Fund recommends that proceeds from the sale of church properties at Highland Park, Clifton Heights, Colfax, Albia, Pitzer, and Knox Knolls (which are currently in four different accounts) be combined into one account.

Presbytery Reserve

The Presbytery shall maintain at least \$250,000 as reserve. In case of shortfall in presbytery cash, funds from this account shall be available on request of the Committee on Budget and Finance. Replenishment of the reserve account will not be from the Living Legacy Fund.

Categories of Grants from the Living Legacy Fund

1. Congregational Revitalization Grants

15% of the annual allocation will be available for grants for congregational revitalization. These grants will be made in consultation with the Commission on Ministry and are intended to enable and support initiatives toward congregational growth and vitality. Accordingly, these grants cannot be used for property repair or payment of loans and are not intended for cases in which long-term financial support is needed.

2. Leadership Development Grants

10% of the annual allocation will be available for grants for leadership development. Teaching elders and ruling elders pursuing ministry-related continuing education or theological education may apply for grants. (Additional funds are available for leadership development events through the Pastors' Seminar Fund.)

3. Mission Grants

10% of the annual allocation will be available for grants for churches or committees of the presbytery to be used for mission activities or mission trips.

4. Youth Ministries

15% of the annual allocation will be available for camping and youth ministries of the presbytery. Additional funds for camping and youth ministries of the presbytery are available from the Walther Fund. These funds can be accumulated for up to three years to be used as scholarship for Presbyterian Youth Triennium.

5. New Worshiping Communities

50% of the annual allocation will be available to the new church development committee with the approval of the Presbytery for use in starting and supporting new worshiping communities (Manual of Operations 13.5.). These funds can be accumulated for up to five years.

Procedure for Requesting Grants

1. Funds may be requested through an application process established by the Committee on Living Legacy Fund. Application may be made by the session of a local congregation or a committee of the presbytery. Seminary student, teaching elders, and ruling elder may submit applications with the endorsement of the appropriate committee of the presbytery.
2. Congregations applying for a grant must have paid their per capita assessments, thus demonstrating their commitment to the unity and interdependence of the church and their commitment to strengthening the church's witness to the mission of God (G-3.0106).
3. Each application will establish the limit for funds to be requested.
4. Normally application for funds will be for one time only per project.

Review

The Committee on Living Legacy Fund will review this policy at their first meeting every year. A recommendation for any changes or for confirmation of the policy without changes will be made to the Leadership Council and reported to the presbytery at its next regular meeting.

Procedures for Soliciting, Receiving and Acknowledging Gifts

The Living Legacy Fund may receive donations with restrictions from individuals or churches within the Presbytery.

The Committee on Living Legacy Fund will develop a strategy for promoting the Living Legacy Fund within the bounds of the Presbytery of Des Moines. This might include but not be limited by some of the following:

- a. Developing and sending promotional materials to the churches in the presbytery.
- b. Promoting the Living Legacy Fund as a possible recipient of the Wills Emphasis Program.
- c. The Committee on Living Legacy Fund might meet with individual donors or sessions to explain the options available.
- d. Unrestricted donations are always preferred in the interest of administering funds more effectively.
- e. Donations below \$10,000 are not eligible for separate-account treatment.

