

St. Matthew Lutheran Church of Ada Township, Michigan

Constitution

Preamble

We, a people of God, have come together to form a community of believers committed to the mission and ministry of Jesus Christ according to the will of God and under the direction of the Holy Spirit.

We believe that Christ commissioned us to make disciples of the whole world (Matthew 28:18-20). Our mission is not only to ourselves, but also to all. We will seek to extend God's blessings to all people.

Article I: Name

The name of this congregation shall be St. Matthew Lutheran Church of Ada Township, Michigan.

Article II: Mission

The purpose of this congregation is to be God's people, through Christ, with the power of the Holy Spirit, in mission and ministry.

Article III: Confessional Standard

This congregation acknowledges and accepts:

- A. The Scriptures of the Old and the New Testament as the written Word of God and the only rule and norm of faith and practice.
- B. All the Symbolical Books of the Evangelical Lutheran Church as a true and unadulterated statement and exposition of the Word of God, to wit: the three Ecumenical Creeds (the Apostles' Creed, the Nicene Creed, the Athanasian Creed), the Unaltered Augsburg Confession, the Apology of the Augsburg Confession, the Smalcald Articles, the Large Catechism of Luther, the Small Catechism of Luther, and the Formula of Concord.

Article IV: Synodical Membership

This congregation shall be a member of The Lutheran Church - Missouri Synod as long as the Synod conforms to the congregation's confessional standards as set forth in this constitution.

Article V: Membership

1. Membership

The membership of this congregation includes the following:

- A. **Baptized** members are all who have been baptized in the name of the Triune God, whether children or adult, and who are under the spiritual care of the pastor of this congregation.
- B. **Communicant** members are those baptized members who have been instructed and are familiar with the contents of Luther's Small Catechism, have been confirmed in the Lutheran faith, and accept the confessional standard of Article III of this Constitution.
- C. **Voting** members are communicant members who have reached the age of 18 years, and have been received by the voter's assembly.

2. Reception

Baptized and communicant members are received through:

- a) Sacrament of Holy Baptism
- b) Consent of one or both parents in the case of children who have been baptized in another Christian congregation

- c) Rite of confirmation
- d) Transfer from a sister congregation
- e) Through profession of faith or reaffirmation of faith

3. Duties

Members of the congregation shall conform their entire lives to the rule of God's Word and to that end make diligent use of the means of grace, exercise faithful stewardship of God's many gifts and talents, impart and accept fraternal admonition as the need of such admonition becomes apparent, and be readily available for service in the kingdom of Christ within and beyond the congregation. Membership in organizations whose principles and conduct conflict with the Word of God is prohibited.

4. Termination

Membership shall be terminated by:

- a) Transfer to a sister congregation
- b) Death
- c) Joining a congregation outside the fellowship of this congregation
- d) A person's whereabouts is unknown and cannot be established after diligent effort for one year.
- e) Self-exclusion
- f) Communicant members who conduct themselves in a persistent un-Christian manner shall be admonished according to Matthew 18:15-20 (15 "If your brother sins against you, go and show him his fault, just between the two of you. If he listens to you, you have won your brother over. 16 But if he will not listen, take one or two others along, so that 'every matter may be established by the testimony of two or three witnesses.' 17 If he refuses to listen to them, tell it to the church; and if he refuses to listen even to the church, treat him as you would a pagan or a tax collector. 18 "I tell you the truth, whatever you bind on earth will be bound in heaven, and whatever you loose on earth will be loosed in heaven. 19 "Again, I tell you that if two of you on earth agree about anything you ask for, it will be done for you by my Father in heaven. 20 For where two or three come together in my name, there am I with them."). If they remain impenitent after proper admonition they shall be excommunicated. The method by which it would be brought to the church is as follows: Each case shall be presented individually to the Board of Elders for prayerful action. A unanimous vote of 100% of the Church Board, based on the unanimous recommendation of 100% of the Board of Elders, shall be required for recommending excommunication to the congregation. A two-thirds majority of the voter's assembly shall be required for excommunication. (If the person being considered for excommunication sits on either the Church Board or Board of Elders, that person will recuse himself or herself from all voting).

Article VI: Authority of the Congregation

- A. **General** – The voters' assembly shall be the governing body of this congregation and shall be empowered to administer and manage all its affairs. The establishment and conduct of all organizations and societies within the congregation or related directly to it shall be subject to the approval and supervision of the voters' assembly.
- B. **Decisions** – All matters of doctrine and of conscience shall be decided only by the word of God. All other matters shall be decided by a majority vote of the voters' assembly unless otherwise specified by this constitution or by-laws.

- C. **Calling Church Workers** - The voters' assembly of this congregation shall have the exclusive right to call ordained ministers. The right to call commissioned ministers also belongs to the congregation and ordinarily shall not be delegated to a smaller body and never to an individual.
- D. **Election of Officers, Chairman of the Elders and the Church Board** – The voters' assembly shall elect a Chairman, a Vice-Chairman, a Secretary, and a Treasurer, who shall be the officers of the congregation. The voters' assembly shall also elect a Chairman of the Elders, and five (5) other voting members, who with the four officers, and the Senior Pastor shall comprise the Board of Directors of the congregation. The Senior Pastor shall be a non-voting, *ex officio*, member of the Board. The nomination and election of officers and board members shall be as specified in this constitution and accompanying bylaws. Women may serve as officers and members of boards and committees of this congregation which do not call upon them to carry out the specific functions of the pastoral office.
- E. **Removal From Office** – Any ordained or commissioned minister, other called workers, officers or board members may be removed from office by the voters' assembly by a two-thirds majority ballot vote, in a Christian and lawful order, for one of the following reasons: persistent adherence to false doctrine, scandalous life, willful neglect or inability to perform the duties of the office.

Article VII: Called Church Workers

- A. The pastoral office shall be conferred only upon pastors or candidates who profess and adhere to the confessional standard set forth in this constitution, who are qualified for the work of the ministry, and who have been endorsed by and are members of The Lutheran Church—Missouri Synod.
- B. Only those commissioned ministers shall receive a call who adhere to the confessional standard set forth in this constitution, who are qualified for the work of the ministry to which they are called, and who have been endorsed by and are members of The Lutheran Church—Missouri Synod.
- C. When a vacancy occurs in an office of an ordained or commissioned minister, the congregation shall notify the president of the district to receive assistance in temporarily filling the vacancy and to receive his counsel in calling a new pastor. The District office shall be consulted for vacancies of rostered teachers, or other church workers.

Article VIII: Authority of the Church Board

- A. The board of directors shall have the authority to develop and implement policies, procedures, and ministries as necessary to execute the vision and plans approved by the voters' assembly.
- B. Written policies and procedures shall be made available to voting members upon request.
- C. The board of directors shall have no authority beyond that which has been conferred upon it by the constitution, its bylaws, or the voters' assembly, and authority delegated to the board of directors may at any time be altered or revoked by two-thirds vote of the voters' assembly.
- D. The officers of the congregation shall serve as the executive committee of the board of directors, which shall obtain its power and authority for action at the express designation of the full Board.
- E. This congregation shall have such committees as are necessary to assist the called workers, elected leaders, and members of the congregation in carrying out its mission and ministry. These committees may be authorized or created by staff members subject to review by the board of directors. The committees shall meet on an as needed basis.

Article IX: Property Rights and Division

- A. All property of this congregation shall be held in the corporate name as stated in Article I.
- B. If at any time a division should take place for any reason, the property of the congregation and all benefits connected therewith shall remain with those communicant members who continue to adhere in confession and practice to the confessional standards set forth in this constitution.
- C. In the event the congregation should dissolve, the property and all rights connected therewith shall be transferred to that District of the Synod in which the congregation held membership at the time of dissolution.

Article X: Bylaws

This congregation may adopt By-Laws as may be required for accomplishment of its purpose.

Article XI: Amendments

Amendments to this Constitution may be adopted at a regular voters' assembly provided:

- A. That they do not conflict with the provisions of Article III of this Constitution.
- B. That the proposed amendment has been submitted to the Board of Directors in writing and published to the congregation at least 30 days prior to being acted upon.
- C. That the proposed amendment is ratified by two-thirds majority of those members present.

St. Matthew Lutheran Church of Ada Township, Michigan

Bylaws

Article 1. Procedure for Calling Ministers of Religion

When this congregation calls a minister of religion, ordained or commissioned, unless otherwise delegated by the voters' assembly, the following procedure shall be followed:

- A. When a pastor or commissioned minister is to be called, every member of the congregation shall be provided opportunity to suggest one or more names for consideration.
- B. A call committee shall be appointed [or an existing board or committee designated] to serve as a screening committee and shall submit all suggested names to the district president for information and evaluation. The committee shall then present to the congregation by public announcement its proposed list of candidates and their biographical sketches.
- C. At a Voters Assembly meeting called for the purpose of calling a new pastor or commissioned minister, the proposed list may be amended by a two-thirds vote of the assembly. When possible, information regarding additional candidates shall be provided by the district president and/or his representative at the meeting.
- D. Ballot voting shall continue until a majority vote determines the disposition of the call.

Article 2. Voters Assembly

- A. The annual meeting of the voters' assembly shall meet in advance of the end of the fiscal year or within two weeks after the end of the fiscal year to:
 1. Elect Congregational Officers, Chairman of the Elders and Board of Directors as required.
 2. Approve the annual budget.
 3. Consider any proposals and other business.
- B. Announcements of the annual meetings shall be made in all services of the two previous weeks. The notification shall contain an agenda of items to be considered as well as the slate of nominees for election.
- C. Special meetings of the voters' assembly shall meet as required to:
 1. Issue a call as necessary.
 2. Consider any proposals or other business.
- D. Announcements of special meetings shall be made in all services of the two previous weeks or in the services of the previous week when accompanied by notification by mail. Such special

meetings may be called at the request of a majority of the Board of Directors, or fifteen (15) voting members. The notice of the special meeting shall contain an agenda of items to be considered. No agenda items may be added once notification of any meeting is publicized.

- E. The Chairman, Vice-Chairman, or a Board member designated by the Chairman shall preside at all Voters' Assembly meetings.
- F. All voting members present at a properly called meeting shall constitute a quorum.
- G. Unless otherwise specified in this Constitution and By-Laws, all matters require a majority vote to pass.
- H. The Chairman may only vote to break ties.

Article 3. Church Board of Directors

A. Duties

- a. Write policies that address general spiritual oversight, governance and organizational decisions and process.
- b. Administer the finances according to the desires of the membership
- c. Have the power to act on behalf of the congregations between Voters' Assemblies.

B. Terms of Office – Officers, Chairman of the Elders and Board members shall be elected for terms of two (2) years. Board members may be elected to three (3) successive terms. The terms shall expire in such a manner that, so far as possible, one half of their number shall be chosen annually.

C. Nominations – The Vice Chairman shall annually appoint a Nominating Committee whose responsibility will be to develop a slate of candidates for each elected and appointed office. The committee shall consist of three voting members who are not members of the Church Board and the Vice Chairman who shall serve as Chairman of the committee. The Church Board Chairman and Pastor shall be ex-officio members. All nominees shall be voting members. No person shall be nominated without his or her consent.

D. Elections –

- a. The Nominating Committee shall make arrangements for and conduct the elections annually.
- b. In addition to the slate of candidates nominated by the committee, nominations may be made from the floor at the election meeting.
- c. Secret ballots shall be used if more than one nominee exists in a position.
- d. Absentee ballots are allowed. Absentee ballots must be received by the Voters' Assembly prior to the vote considered by the Voter's Assembly.
- e. The Nominating Committee shall count the ballots.
- f. A majority of the votes cast shall be required for all elections. Candidates receiving the lowest number of votes shall be eliminated in each succeeding ballot.
- g. The Nominating Committee shall announce the results as soon as all elections have been determined.
- h. The officers and board members elected shall assume their responsibilities on June 1.
- i. In the case of a vacancy in an elective office, the Church Board shall appoint a successor to fill the unexpired term. Service for more than one-half of a term shall constitute a full term.

E. Meetings

- a. The Church Board shall establish regular meeting times to fulfill its responsibilities.
- b. Special meetings may be called by the Senior Pastor, Chairman or any three (3) members at such time and place at least 24 hours in advance.
- c. Meetings, with the exception of executive sessions, are open to the congregation. An executive session of the Board may be called by any member of the Board.
- d. Minutes of all regular Board meeting shall be available to the congregation
- e. Chairman may only vote to break ties.
- f. A majority of voting members of the Board shall constitute a quorum.

Article 4. The Office of the Pastor

- A. Senior Pastor – The Senior Pastor has the responsibility to oversee all aspects of church ministry and operation. The Senior Pastor shall perform the duties, functions and responsibilities described in the Senior Pastor Job Description. The Senior Pastor is responsible for presenting the congregational annual plan to the Church Board. The Senior Pastor is accountable to the Church Board.
- B. Associate Pastor – At times the congregation may determine that it is best to have an Associate Pastor. The Associate Pastor shall perform the duties, functions and responsibilities described in the Associate Pastor Job Description. The Associate Pastor is accountable to the Senior Pastor.

Article 5. Elders

- A. **Membership** - The Elders shall consist of male or female voting members of the congregation who exemplify the Biblical characteristics indicated in 1 Timothy 3:1-8 as a sacred trust required of an Elder. The Chairman of the Elders will coordinate Elders functions, responsibilities and meetings with the Pastoral staff and will represent the Elders on the Church Board.
- B. **Duties**
 - a. Shall be responsible for the spiritual and physical welfare of the pastors.
 - b. The Elders, as assistants to the pastors, under the direction of the Senior Pastor, shall concern themselves with the Spiritual life of the congregation.
 - c. Maintain an orderly worship service with appropriate personnel. (1 Corinthians 14:40)
 - d. In the absence of any Pastor, to care for pulpit supply.
 - e. Bring issues of spiritual concern before the Board.

Article 6. Duties of Officers

- 1. Chairman
 - a. Shall uphold the terms and provisions of the Constitution and By-laws.
 - b. Shall be responsible for oversight of all commissions, task forces and committees.
 - c. Shall be an ex-officio member of all commissions, task forces and committees
 - d. Shall prepare an agenda for and preside over all Congregational Assembly and Church Board meetings.
 - e. Shall have the authority to sign all legal documents. In the absence of the Treasurer is authorized to sign checks.
- 2. Vice Chairman

- a. Shall assume the responsibilities and duties of the Chairman in his absence.
 - b. Shall be the Chairman of the Wage and Salary Committee, Nominating Committee and Human Resources Committee.
3. Secretary
- a. Shall record and preserve a journal of the proceedings of all Congregational Assembly and Church Board meetings and present them at the next meeting of the respective assembly or Board for adoption.
 - b. Shall execute all authorized correspondence and issue all official notifications on behalf of the congregation
 - c. Shall perform other duties as may be delegated by the church Board.
4. Treasurer
- a. Shall maintain an accurate and permanent record of all money collected, disbursed, and maintained by the congregation
 - b. Shall promptly disburse funds in accordance with the budget and as directed by the Church Board.
 - c. Shall be authorized to sign all legal documents for the congregation.
 - d. Shall be a member of the Wage and Salary Committee.

Article 7. Committees and Task Forces

1. Audit Committee

At the end of each fiscal year the Church Board will appoint an audit task force. The task force will have at least two communicant members who do not hold the office of Treasurer, Financial Secretary or who are not involved in the collection, recording or disbursement of the congregation's money.

2. Financial Secretary

Responsible for maintaining an accurate member and non member confidential record of all money collected and pledged.

3. Other Task Forces

Other task force either individually or committee in nature, shall be subject to approval by the Church Board. Task forces that have an extended tenure shall be subject to re-approval by the Church Board on a biennial basis.

Article 8. Rules of Order

In addition to principles laid down in Scripture and in the constitution and bylaws of this congregation, accepted parliamentary procedures such as Robert's Rules of Order shall be followed.

Article 9. Indemnification

- 1. Those members duly elected or appointed to or by the Board of Directors who do not receive anything of value from this congregation for serving as a Board members other than reasonable per diem compensation and/or reimbursement for actual, reasonable and necessary expenses incurred by such board member in service of the capacity as a board member shall be deemed a "volunteer" for all purposes hereunder.

2. A volunteer board member shall not be personally liable to the congregation or its membership and/or member for monetary damages for any breach of Board member's fiduciary duty except for liability arising from or relating to:
 - a. A breach of the duty of loyalty to the congregation or its members;
 - b. Acts or omissions not in good faith or the involvement of intentional misconduct or a knowing violation of law;
 - c. An act in violation of the provisions of Michigan Law, specifically MCLA 450.2551(1);
 - d. Any transaction from which a board member derives an improper personal benefit;
 - e. Any act or omission resulting in liability occurring before the date of the adoption and filing of this provision;
 - f. Any act or omission that is grossly negligent.
3. The congregation shall assume all liability to any person or entity other than the congregation or its members for all acts or omission of a volunteer board member occurring on or after the date of adoption and filing of this provision.
4. The congregation by adoption of a resolution in accordance with its Articles of Incorporation and By Laws, and pursuant to the provisions of Public Act 170 of the Michigan Public Acts of 1987, shall have the power to indemnify those persons serving in the position of or at the request of the corporation, as an officer, trustee, non-director volunteer, employee or agent against expenses, including attorney fees, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by a person in connection with any actions, suits or proceedings, formal or informal, relating to the service of said individual on behalf of the congregation if such person acted in good faith and in a manner that the person reasonably believed to be in or not opposed to the best interest of the congregation or its members, or other respect to any criminal action or proceeding if the person had no reasonable cause to believe that the conduct engaged in was unlawful. The congregation, through its Board of Directors, shall have such further or other authority to indemnify officers, employees or agents consistent with the provisions of Michigan Law and specifically consistent with the provisions of Public Act 170, Michigan Public Acts of 1987, as amended.

Article 10. Endowment Fund

1. NAME

St. Matthew Lutheran Church of Ada Township, Michigan (hereafter in article 10, "St. Matthew" or "the congregation") shall have a congregational endowment fund administered by the Board of Directors of the congregation. The fund shall be called the ST. MATTHEW LUTHERAN CHURCH ENDOWMENT FUND (hereafter in article 10, "Endowment Fund," "Endowment," or "the Fund").

2. GENERAL PURPOSE

A. The Endowment Fund's purpose shall be to receive, manage, and distribute funding for: missions, disaster relief, and humanitarian aid; pastor and church worker scholarships; and improvements to St. Matthew's property.

MISSIONS, DISASTER RELIEF, and HUMANITARIAN AID shall focus on:

1. Lutheran or Christian international missions, disaster relief, and humanitarian aid
2. Lutheran or Christian missions, disaster relief, and humanitarian aid within the United States

3. Inner city mission outreach within the Michigan District of the Lutheran Church Missouri Synod (LCMS)
4. Rural mission outreach within the Michigan District of the LCMS
5. Mission trips and servant events organized or sponsored by St. Matthew regardless of location
6. Providing resources to launch or enhance a special or unique ministry

PASTOR AND CHURCH WORKER SCHOLARSHIPS shall focus on:

1. Current or former members of St. Matthew who intend to become a Lutheran Church-Missouri Synod (hereafter, "LCMS") pastor or full-time church worker and currently attend a LCMS Seminary, University or College.
2. The LCMS Joint Seminary Fund or any LCMS Seminary then existing.

PROPERTY IMPROVEMENTS shall focus on:

Improving and maintaining property of St. Matthew and purchasing equipment for that purpose.

- B. Both the principal and income from undesignated or unrestricted gifts and bequests to the Endowment Fund are to be used ultimately for the purposes, projects and programs recommended by the Endowment Committee and approved by a simple majority of the Board of Directors. The Endowment Committee and the Board of Directors shall seek the Holy Spirit's guidance and wisdom in carrying out their respective duties under the Endowment Fund.
- C. Undesignated or Unrestricted Gifts - None of the income or principal from undesignated or unrestricted gifts shall be distributed to the congregation's operating budget.
- D. Designated or Restricted Gifts - Designated or restricted gifts and bequests may be given by a donor(s) with special terms or conditions as to the use of the gift and/or of the income, provided that such designated or restricted use is consistent with one or more of the stated purposes of the Endowment Fund.
- E. When a designated or restricted gift or bequest is made to the Endowment Fund, the principal and any income from that gift or bequest is to be used only for the uses, projects, and programs designated by the donor(s), except as otherwise provided herein.
- F. Donors may attach a Letter of Direction in the files of any contribution made to this Endowment Fund to direct the use of gifts and bequests for purposes which meet the requirements of the Endowment Fund. Said Letter of Direction may include, but is not limited to the following:
 1. Name and address of the donor(s)
 2. Statement of purpose
 3. Restrictions, if any, on invasion of principal
 4. Conditions for termination of gift restrictions
- G. The Endowment Committee shall exercise good stewardship in deliberating over projects in which the Endowment Fund can best be used to the Glory of God. The Endowment Committee shall

adopt an application process whereby other boards, committees, or members of St. Matthew Lutheran Church may apply for grants from the St. Matthew Endowment Fund.

- H. Acceptance of all gifts is subject to the conditions set forth in the Endowment Fund Gift Acceptance Policy which shall be approved by the Board of Directors.

3. EXCEPTIONS TO RESTRICTIONS ON USES OF UNRESTRICTED AND RESTRICTED GIFTS

None of the principal or income from unrestricted or restricted gifts shall be used to meet the congregation's operating budget, or for any purpose other than those stated under paragraph 2 above. The Endowment Committee may recommend and the board approve use of a restricted gift for a purpose other than stated if it is determined that one of the following conditions exist:

- A. The special terms and conditions of any restricted gift cannot be met due to changes in the law;
- B. The administrative upkeep of any property, whether real or personal, tangible or intangible, is excessive;
- C. The donor's original purpose in making a gift or bequest is rendered of no value to the church because of changes in the church strategy, structure or purpose. Any gift not useable after a 10 year period will revert back to an unrestricted status.

4. DURATION

The Endowment Fund shall continue in existence and be used as provided above, so long as the congregation shall continue to exist. Otherwise, the Endowment Fund shall be dispersed as all other property of the church according to Article IX of the Constitution.

5. GOVERNING BODY AND OFFICERS

- A. The Endowment Committee operating under the Board of Directors shall promote and manage the Endowment Fund. The Committee's membership shall be:
 - 1. The Chairman, appointed by the Board of Directors for a three-year term and subject to re-appointment for not more than two additional consecutive terms. The Chairman of the Endowment Committee may not serve concurrently on the Board;
 - 2. The Treasurer of the congregation will also be a member of the Endowment Committee and serve as the Treasurer of the Endowment Fund;
 - 3. Three other members of the congregation, appointed by the Board of Directors for a three-year term and subject to re-appointment by the Board for not more than two additional consecutive terms. These three members of the Endowment Committee may not serve concurrently on the Board.
- B. The Endowment Committee may recommend that the assets of the Endowment Fund be delivered to The Lutheran Church--Missouri Synod Foundation for investment management or to any other qualified investment management institution. Any agreement entered into for the management of

the Endowment Fund shall be valid only if approved by a simple majority of the Board of Directors.

- C. The Endowment Committee shall meet at least once each calendar quarter.
- D. The Endowment Committee shall establish such written rules and regulations as may be necessary for the conduct of its business subject to approval by the Board. It shall adopt standards and goals to guide in the expenditure of the income from the Fund, which it may amend, all within the stated purposes of the Fund.
- E. Policies for the distribution of income from the corpus of the Endowment Fund shall be established by the Endowment Committee, subject to relevant laws and regulations and subject to approval by the Board. The spirit of the Endowment Fund is to refrain from spending down the corpus (or principal) of the Fund, especially with regard to unrestricted funds.
- F. The Endowment Committee shall maintain accounts with such financial institutions as it may by resolution authorize and determine, subject to Board of Directors approval. All checks and other documents transferring or expending any funds or assets in the Endowment Fund shall be executed by the Treasurer or Chairman of the Board of Directors.
- G. The Endowment Committee may employ and reasonably compensate from Endowment Fund income, accountants, agents, investment advisors, and attorneys to assist and advise in the execution of the Endowment Fund. Reasonable care is to be used in the selection and in the reliance of the advice of the persons so employed. However, the Endowment Committee shall not employ, engage for services, or pay commissions to members of the Endowment Committee, members of the Board of Directors, or any other individual(s) whose service might be deemed a conflict of interest.
- H. The Endowment Committee shall maintain complete and accurate books of account and may employ such professional help as it deems necessary in this task.
- I. The Secretary, appointed by the Chairman, shall maintain complete and accurate minutes of all the meetings of the Endowment Committee and make available a copy thereof to each Endowment Committee member and the Administrative Manager of the congregation.
- J. The Chairman, or a member of the Endowment Committee designated by the Chairman, shall preside at all meetings of the Endowment Committee.
- K. No member of the Endowment Committee shall engage in any self-dealing or transactions with the Endowment Fund in which the member of the Committee has direct or indirect financial interest and shall at all times refrain from any conduct in which his/her personal interests would conflict with the interest of the Endowment Fund.
- L. The Endowment Committee, in accordance with its written policies and procedures, shall make recommendations no less often than annually to the Board of Directors for the distribution of

income and principal from the Endowment Fund. The Board of Directors may accept, amend, or reject the recommendations of the Endowment Committee.

6. FISCAL YEAR

- A. For tax, accounting, distribution, or other purposes, the fiscal year of St. Matthew shall be the fiscal year of the Endowment Fund.

7. DUTIES

- A. Within two months after the close of each of the Endowment Fund's fiscal years, and at such other time(s) as is deemed convenient, an itemized written statement accurately reflecting the position of the Endowment Fund's income and corpus accounts shall be submitted to the Board and made available to the congregation. The report will include the receipts, disbursements and changes therein since the previous accounting,
- B. Gifts and contributions from any individual, family, firm or corporation, in money, in securities, or in any other form of property, including, by way of explanation and not in limitation, direct gifts for the purpose of the Endowment Fund, gifts in memory of any deceased person or in appreciation or recognition of any living person, gifts in the form of a devise or bequest under will or trust instrument, and gifts or proceeds or portions of proceeds of insurance, annuities, or endowment policies or contracts, may be received by the Endowment Fund at any time, subject to the Endowment Fund Gift Acceptance Policy.
- C. Means for formally acknowledging the receipt of each gift and contribution shall be established and maintained, including, whenever feasible, a designation of the value ascribed to each gift.
- E. All Funds and property in the Endowment Fund shall be kept and maintained separate, distinct, and independent from the funds and property otherwise belonging to St. Matthew. However, the Endowment Committee shall in no event be required to make physical segregation of the assets of the Endowment Fund in order to conform to the directions of any individual donors, but may establish separate accounts in its accounting records.
- F. The Endowment Committee is to inform the members of the congregation at least annually of the purpose of the Endowment, and may periodically arrange for members of the congregation to meet with professional counselors in the areas of charitable giving, wills, bequests, insurance, etc.
- G. All new members of the Endowment Committee are to receive a copy of the Bylaws in order to become acquainted with the function and purposes of the Endowment Fund.

8. POWERS

The provisions of this Article shall govern the management of the Endowment Fund:

- A. The property constituting the corpus of the Endowment Fund shall be invested and reinvested in any kind of property, (whether real or personal, tangible or intangible, and/or domestic or foreign),

including, but not limited to, securities, real estate, oil, gas, and other natural resources and/or accounts or certificates of banks or other lending institutions, and each investment shall be managed and protected in accordance with the principles herein established. In exercising the authority granted in this Section, the decisions with respect to investment shall be guided by the concept of a prudent investor whose investment purpose includes both income and capital appreciation. It is further understood that any part or all of the Endowment Fund may be invested in obligations of the Michigan District Church Extension Fund, Lutheran Church--Missouri Synod, Ann Arbor, Michigan. In amplification, but not limitation, of the foregoing, authority is granted:

1. To acquire interests in property by purchase, lease, rental or other method; to sell, option, exchange, redeem or convert any property interests; and to rent or lease property of the Endowment Fund;
 2. To exercise all rights and privileges accruing to a holder of securities, including all voting, conversion, subscription, and preemptive rights; to deposit any securities with, delegate discretionary power to, and participate, cooperate and contract with, as a member or otherwise, any protective committee or security holders; and to effectuate any merger, consolidation, dissolution, reorganization or financial adjustment of the issuer of any securities and/or any transfer, demise, or encumbrance of any of its properties;
 3. To manage and/or develop any real property owned, leased or otherwise held by the Endowment Fund; to erect, repair, remodel, reconstruct, demolish or remove buildings or other improvements on it; to partition or subdivide it; to dedicate all or any part of it to public or semi-public use, and to grant easement or other charges with respect to it;
 4. To abandon any property interest deemed worthless or of insignificant value;
 5. To borrow money from any source, to encumber property of the Endowment Fund and to repay any loan due by the Endowment Fund provided it incurs no acquisition indebtedness;
 6. To foreclose any mortgage, lien, or other encumbrance, and to purchase the encumbered property, whether through foreclosure or private arrangement;
 7. To establish and maintain, out of income, depreciation, depletion and/or amortization reserves;
 8. To maintain a portion or all of the property constituting the Endowment Fund in liquid or nearly liquid form, even though little or no income is earned thereon;
 9. To use income or unrestricted corpus funds (irrespective of their derivation) for any purpose of the Endowment Fund and with respect to any property of the Endowment Fund (irrespective of the income, of any, it produces) even if such funds are derived from the sale of or income from other property of the Endowment Fund or from a loan (from income or an outside source) using such other property as security.
 10. To receive or reject gifts, both designated or restricted and undesignated or unrestricted.
- B. Without limiting the authority otherwise conferred, additional authority is hereby granted to be exercised as is believed to be in the best interest of the Endowment Fund:
1. To accept and receipt for any inter vivos, testamentary or other transfer of property to the Endowment Fund;
 2. To hold property, and to negotiate and execute documents on behalf of the Endowment Fund;
 3. To allocate between income and corpus in equitable proportions, any money or other property received, and any loss or expenditure incurred;
 4. To vote, or refrain from voting, securities having voting privileges, and to give any type of proxy (with or without directions) to vote the same;

5. To make division and distribution of property held in the Endowment Fund (whenever directed to do so) either in kind or in cash, or partly in kind and partly in cash and for such purpose to set values upon any property of the Endowment Fund;
6. To protect the Endowment Fund and its property by insurance against damage, loss or liability;
7. To establish checking account(s) in which may be deposited income and/or corpus cash; and
8. To employ, at the expense of the Endowment Fund, attorneys, investment counsel, brokers, custodians of assets, and other agents and employees.

Article 11. Amendments

Amendments to these By-Laws may be adopted at a regular voters' assembly provided:

- A. That they do not conflict with the provisions of Article III of this Constitution.
- B. That the proposed amendment has been submitted to the Board of Directors in writing and published to the congregation at least 30 days prior to being acted upon.
- C. That the proposed amendment is ratified by two-thirds of those members present.