

MINISTRIES AS *Responsible Recipients* OF MAJOR GIFTS

Many donors considering significant gifts to ministries, or planning to distribute assets through a will or trust at their death, want to be confident that the organization can responsibly receive, manage and implement use of those gifts. A properly established and promoted endowment fund can provide the tool needed for donor confidence. We can provide a checklist of things for a ministry to consider in developing an endowment fund.

The LCMS Foundation is able to provide LCMS ministries access to sophisticated, diversified investment models at low cost, with no commissions. Organized in 1958, the LCMS Foundation embraces its role of serving the church to make it stronger today, tomorrow and forever.

Excerpts from the Investment Services booklet

Preference FUNDS

INVESTMENT OPTIONS

- Blue Bond:** A fixed income fund that invests primarily in government issues, mortgage backed securities and investment grade corporate bonds with a wide range of maturities. The fund is designed to provide exposure to the broad domestic fixed income market as represented by the *Bloomberg Barclays Aggregate Index*.
MANAGER: J.P. MORGAN, DIVERSIFIED
- High Yield Bond:** A fixed income fund that invests in bonds that are lower in quality and pay interest rates that are higher than investment grade bonds. Bonds in this fund are primarily rated BB and fit the two grades immediately below the lowest investment grade bonds, with some grade ratings of BBB with a focused exposure to COO. These assets consist primarily of corporate bonds, with some exposure to bank loans.
MANAGER: FORT WASHINGTON, CALVERT STREET, NEWCASTLE
- Domestic Equity:** An equity fund that invests in common stock issued by domestic corporations and traded on domestic exchanges. The fund is designed to provide exposure to the entire domestic equity market as represented by the *Russell 3000 Index*, with some weighting of size (large capitalization versus small/midcapitalization) and style (value versus growth).
MANAGER: JAMES LEVIN, INVESTIC, BROADVIEW SQUARE, 1000 BROADVIEW, TAMARCO
- International Equity:** An equity fund that invests in common stock issued by foreign corporations and traded on foreign exchanges. The fund invests in securities of both developed and emerging markets. Fund performance is reported not only by the securities held, but also by the domestic and foreign exchange rates.
MANAGER: BLACKROCK, MANHATTAN, MIFX, ONE, AMSTERDAM, AQR
- Money Market:** This is a fund holding short-term securities.

Standard FUNDS

INVESTMENT OPTIONS

- Fixed Income:** 100% Fixed Income
80% Core Bond, 20% High Yield
- Conservative Balanced:** 25% Fixed Income, 25% Equity
50% Core Bond, 15.75% High Yield, 11.25% Domestic Equity, 11.25% International Equity
- Moderate Balanced:** 80% Equity, 20% Fixed Income
60% Core Bond, 10% High Yield, 27.5% Domestic Equity, 22.5% International Equity
- Aggressive Balanced:** 70% Equity, 30% Fixed Income
30% Core Bond, 6% High Yield, 41.25% Domestic Equity, 33.75% International Equity
- Equity:** 100% Equity
95% Domestic Equity, 5% International Equity

FIXED INCOME: A fund whose portfolio includes a broad range of investment grade bonds and higher quality non-investment grade bonds. The portfolio has a high exposure to fixed income. Income primarily on income generation with a limited potential for growth.

CONSERVATIVE BALANCED: A blended portfolio that holds both fixed income and equity securities. The portfolio has a high exposure to fixed income. Income primarily on income generation with a limited potential for growth.

MODERATE BALANCED: A blended portfolio that holds both fixed income and equity securities. The portfolio is more evenly balanced between fixed income and equity securities, with a moderate exposure to growth.

AGGRESSIVE BALANCED: A blended portfolio that holds both fixed income and equity securities. The portfolio has a high exposure to equity, focusing primarily on potential for growth, with limited income generation.

EQUITY: An equity portfolio holding both US, stocks and international equities. The portfolio tracks an emerging market. The long term growth.

Properly managed endowments are a source of confidence in receiving and distributing significant resources. Our new Investment Services booklet is now available to help guide you through establishing an invested endowment fund to strengthen ministry growth potential. Stop by our booth in the exhibit hall for a free copy of the Investment Services booklet, or contact us.



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