

The Church Foundation

Establishing a New Consolidated Fund Instructions:

1. Determine the amount of the initial deposit and the name of the fund.
2. **Determine the Revocability of the Fund:** Investing in the Consolidated Fund is for long-term investors; however, a church may want to ensure the ability to withdraw from the fund if needed. In this case the fund would be considered a quasi-endowment and would be **Revocable**. This option gives participants more freedom, and is preferred.

In the case of a restricted bequest or if the church does not wish to allow the ability to withdraw from the corpus, the fund would be a true endowment and would be considered **Irrevocable**. This option allows for distribution only under PA State law with withdrawals outside of the payout distribution not allowed.

3. **Determine Fund Restrictions:** A church can dictate within the trust specific restrictions for the use of the funds. Examples include churchyard maintenance, youth programs, and mission work. A church may also choose to indicate a generic purpose such as for general purposes of the church.
4. **Payout Distribution Instructions:** The Church Foundation determines a spending rate annually, which is used to calculate a payout distribution. By default, payout distributions are paid out quarterly at the annual spending rate. Alternatively, a church may instruct The Church Foundation to reinvest the payout distribution. A church may also receive bi-annual or annual payout distributions. An alternative spending rate may also be considered if the funds governing documents allow.
5. **Deposit Instructions:** Deposits to the Consolidated Fund be sent by ACH, wire transfer, or through the mail with the check made out to The Church Foundation.

Upon receipt of New Fund form, The Church Foundation will draft a trust document and return to the Church for review, and signatures.