

The Global Episcopal Mission Network

Endowment Fund Report – May 2023

The GEMN Endowment Fund was established by the Board of Directors in 2022 and funded in January 2023 from two gifts. Mr. Timothy Skimina, Diocese of Northern Indiana, donated funds in an earlier year, especially to encourage the planning for and implementation of such an Endowment Fund for GEMN. In 2022, at the unexpected death of the Rev. Beth Frank, Diocese of Ohio, GEMN found out that she had given a very large donation to GEMN for the furthering of GEMN's mission and ministries with no restrictions.

Creating the Endowment Fund

At the Board of Directors request, an ad hoc committee was formed to identify the steps for establishing and funding an Endowment. The Rev. David Kendall-Sperry was appointed Convener of the committee which then contacted the Episcopal Church Foundation (ECF) – a manager of over \$400 million in portfolios in the Episcopal Church. ECF supplied templates of documents by which the GEMN Board of Directors can manage and direct the Endowment Fund with an Endowment Committee that reports to the Board of Directors.

After the standardized templates were reviewed and customized for GEMN by the ad hoc committee including the Rev. Titus Presler, Executive Director, and Mr. Bill Kunkle, Treasurer, the Board approved the documents and appointed the Rev. Meredith Crigler, the Rt. Rev. Alan Scarfe, and the Rev. David Kendall-Sperry to serve terms on the Endowment Committee. The Committee voted to have Alan Scarfe as Secretary and David Kendall-Sperry as Chair. The GEMN President, Treasurer, and Executive Director also serve ex officio on the Committee.

Investments

The GEMN Board approved several recommendations of both the ad hoc committee and of the Endowment Committee, including investing of over 80% of the funds into long-term investments with a moderately aggressive asset allocation based in a competitive ESG (Environmental, Social, and Governance) portfolio. ESG investing screens companies based on criteria related to being pro-social, environmentally friendly, and with good corporate governance. State Street Global Advisors is the institution brokering these endowment funds.

The remaining 20% of the Endowment Funds (\$150,000) are being kept in more liquid investments like interest-bearing FDIC Insured Certificates of Deposit (CD) accounts.

Funds Recovery

The Endowment Committee and GEMN officers and staff are actively pursuing the recovery of over \$90,000 that was incorrectly sent to the IRS as automatic withholding by the government agency controlling the disbursement to GEMN as the beneficiary of Beth Frank's account. It is intended that when this money is received it will be added to the GEMN Endowment Fund.

Respectfully Submitted,

David Kendall-Sperry, Chair