

## Highlights | June 2016



*Placing memorial stones  
by the River Jordan.  
(Joshua 4:4-9)*

### Our calling

WELS Foundation exists to help God's people support gospel ministry through WELS. It provides planned giving services and administrative support for gifts benefiting WELS congregations and ministries.

Established in 1965, WELS Foundation, Inc. is one of seven Support Services entities of WELS. As a WELS subsidiary corporation, WELS Foundation serves God's kingdom by providing gift administration for complex gifts that ultimately benefit WELS congregations and ministries. WELS Foundation does not

receive financial support from the synod's operating budget but instead relies primarily on unrestricted gifts and administrative fees to cover its operating costs.

WELS Foundation is the foundation of choice for members, entities, and affiliates of WELS. It is the only foundation whose purpose is to facilitate donor's desires to support WELS ministries. During the calendar year 2015, WELS Foundation had the privilege to administer and distribute \$7.1 million in donor directed gifts.

# Our current situation

WELS Foundation provides various giving opportunities including charitable gift annuities, charitable remainder trusts, donor advised funds, and endowment funds. It currently administers more than 900 charitable gifts on behalf of WELS members.

As of December 31, 2015 the total assets were \$100.6 million with net assets of \$48.0 million. The net assets held by WELS Foundation are managed for the benefit of the WELS ministries as designated by the donor. These ministries include WELS synodical ministries (i.e. Missions, Ministerial Education Schools—WLS, MLC, LPS, MLS), congregations, and numerous affiliated ministries such as area Lutheran high schools.

## Charitable gift annuities

A charitable gift annuity is a contract between a WELS member and WELS Foundation, by which the member makes a gift of cash or securities in exchange for fixed quarterly annuity payments for life. After the Lord calls them home, the remainder of the gift annuity will be distributed to the congregation or ministry as designated. Income payments from a charitable gift annuity

may begin immediately, may be deferred until a specific date in the future, or may be deferred until an unspecified date in the future.

As of December 31, 2015 WELS Foundation administered 658 charitable gift annuities with a total market value of \$9.7 million.

## Charitable remainder trusts

A charitable remainder trust is created when a donor transfers cash, securities, or real estate into a charitable trust, but keeps a specified income interest—usually for life. When the trust ends per the donor's designation, the assets in the trust pass to the designated beneficiaries such as the church and/or synod.

As of December 31, 2015 WELS Foundation serves as trustee for 160 charitable remainder trusts with a combined market value of \$29.5 million.

## Donor advised funds

A donor advised fund is a charitable giving vehicle wherein an individual, family, or corporation makes an irrevocable, tax-deductible contribution of cash, securities, or other property to WELS Foundation and at any time thereafter can recommend grant distributions to qualified WELS ministries. The fund can be established with current gifts, deferred gifts (i.e. charitable gift annuities, charitable remainder trusts), and testamentary gifts (i.e. wills, living trusts, beneficiary designations of life insurance policies, or retirement accounts).

The WELS Foundation donor advised fund program provides an alternative to a private family foundation. WELS members can accomplish many of the same goals, but with far less administrative work and expense.

As of December 31, 2015 WELS Foundation administered 48 donor advised funds with a total market value of \$2.2 million.

## Endowment funds

Endowment funds are permanently restricted funds established to receive and administer all gifts that are designated by the donor(s) for an endowment from sources such as cash, stocks, bonds, mutual funds, bequests, life insurance, charitable gift annuities, insurance policies, trusts, real estate, personal property, or any other gift, whether current or deferred.

Lord willing, expenditures from endowments further the work of the church by providing ongoing financial support for ministry until the Lord returns.

Donor designated endowments can be established through the WELS Foundation for the benefit of WELS congregations, area Lutheran high schools or other WELS affiliated ministries. WELS Foundation also administers synodical endowment funds for WELS Home and World Missions, Wisconsin Lutheran Seminary, Martin Luther College, Luther Preparatory School, and Michigan Lutheran Seminary.

As of December 31, 2015 WELS Foundation administered 59 endowment funds with a total market value of \$40.0 million.



## Other gift administration services

The WELS Foundation also provides gift administration for letters of instruction, gifts of securities, IRA charitable rollovers, real estate gifts, life insurance contracts, agricultural crops, and other donor designated gifts.

## Educational webinars

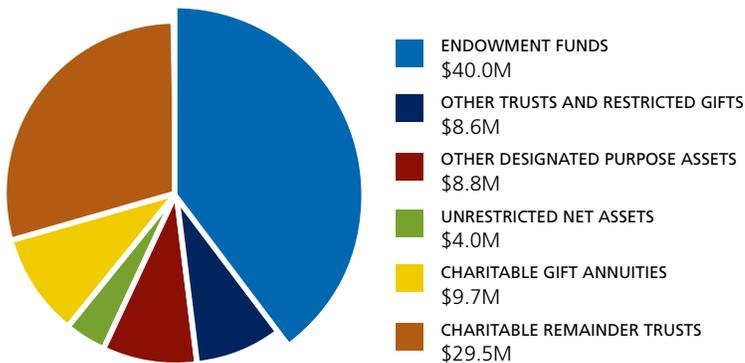
In 2015, WELS Foundation hosted a series of 12 educational Webinars. The monthly Webinars were timely presentations on various planned giving topics and made available by WELS Foundation at no cost to WELS Christian giving counselors, advancement officers, and congregational planned giving committee leaders. Contact WELS Foundation for recordings of past Webinars or to participate in future session.

# A look ahead

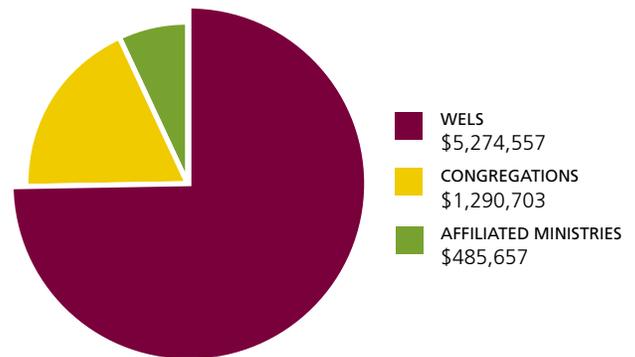
To carry out its mission WELS Foundation will continue to identify the most cost effective means to:

- Provide knowledgeable planned giving support to members through WELS Christian Giving Counselors and other WELS advancement representatives.
- Provide various planned giving opportunities including charitable gift annuities, charitable remainder trusts, donor advised funds, and endowment administration.
- Provide printed and online educational material regarding various planned giving opportunities benefiting WELS ministries.

TOTAL ASSETS OF \$100.6M  
AS OF DECEMBER 31, 2015



DISTRIBUTIONS TO MINISTRIES OF \$7.1M  
JANUARY 1, 2015 - DECEMBER 31, 2015



**WELS Foundation**  
Wisconsin Evangelical Lutheran Synod

**In Memoriam:** Director Donald F. Schuppe fell asleep in Jesus on February 12, 2016. We are grateful for his nearly 12 years of faithful service as a member of the WELS Foundation board of directors.

**Board of Directors:** Mr. James Brenn, *chairman* · Mr. Donald Schuppe, *vice chairman*  
Mr. Mark Schulz, *secretary* · Mr. Paul Beitlich · Mr. Nathan Birkholz · Mr. Tim Boerneke  
Mr. Kurt Sames · Rev. Kurt Lueneburg · Rev. Paul Prange

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