

CORNERSTONE LUTHERAN CHURCH FOUNDATION SPENDING POLICY

1. Purpose

- a) This policy establishes the responsibility and protocols for the distribution of contributions to and earnings of the Cornerstone Lutheran Church Foundation (“the Foundation”).
- b) All distributions must be in accordance with Cornerstone Lutheran Church’s (“Cornerstone”) mission “To reach out, care for, and build people toward maturity in Christ.”
- c) All distributions will support programs that encourage spiritual growth, leadership development, staff education, scholarships, mission endeavors, music ministry, capital projects, and other non-operational expenditures.

2. Responsibility

The Foundation’s Board of Trustees (“the Board”) shall:

- a) Determine annual budgets
- b) Establish and use a Distribution Budget (“the budget”) to determine and monitor all distributions
- c) Approve any distribution that will exceed its budgeted amount
- d) Review distributions after the close of the fiscal year to verify they were made in accordance with this policy and the budget

3. Limitations on Distributions

To help ensure the Foundation continues to grow, annual distributions are limited as follows:

- a) Prior year’s earnings: More than 50% requires a 2/3 majority vote of the Board
- b) Principal: Up to 5%, when approved by a 2/3 majority vote of the Board. More than 5% requires a 2/3 majority vote of the Board and approval by Cornerstone’s Governing Board.