



## Lower Susquehanna Synod

### Statement of Policy for the Vision of Mission Legacy Fund

#### Statement of Purpose

An important element of the Church's mission is to be good stewards of time, talent, and treasure and to encourage the Christian stewardship of accumulated, inherited, and appreciated resources. With that in mind the Lower Susquehanna Synod, Evangelical Lutheran Church in America (this synod) established the Vision of Mission Legacy Fund (the fund) to account for contributions from a variety of donors for the long-term support of specific and stated ministries of the Synod.

It is understood that contributions to the fund will not take the place of faithful stewardship of current income. Rather, the fund will enable this synod to continue and extend its mission.

#### Regulatory Consideration

As a non-profit organization headquartered and operating in the Commonwealth of Pennsylvania, this synod acknowledges that Pennsylvania Act 141 of 1998 regulates the administration of the fund. Accordingly, the Synod Council has adopted the "total return investment" policy defined in the act on behalf of this synod. (The "total return investment" policy is described in greater detail in the Distributions section of this policy.)

#### Administrative Policies

The following administrative policies and guidelines are established to insure the fund is administered with care and prudence. The administrative policies, which are more fully described in the document, include:

- Oversight and Administration
- Accounting for the Legacy Fund
- Receipt of Gifts and Donor Recognition
- Investment of Assets
- Distributions
- Developing Approaches for Planned Giving



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### **Oversight and Administration**

The Finance and Budget Committee, under the direction of the Synod Council, shall provide administrative oversight for the fund. Oversight includes:

- Retaining and annually evaluating a professional investment advisor,
- monitoring compliance with this synod's Investment Policy,
- recommending the amount of the annual distribution from the fund within the requirements of Act 141, and
- monitoring regulatory changes relating to the accounting for, administration of, and distribution of Legacy funds.

### **Accounting for the Legacy Fund**

The Treasurer's Office will reconcile brokerage and investment statements, allocate investment income, expenses, and realized and unrealized investment gains and losses to the accounts on a monthly basis.

Fund assets will be classified and reported as permanently restricted net assets in this synod's financial statements. Funds will be reported in the annual financial statements and subject to the annual synod audit.

### **Receipt of Gifts and Donor Recognition**

The Treasurer's Office will maintain, and Synod Council minutes will memorialize, all relevant information regarding contributions to the fund.

Donors will be encouraged to limit the restrictions placed on contributions to the fund. In addition this synod will provide a written acknowledgement to contributors to the fund in accordance with IRS Regulations.

### **Investment of Assets**

This synod will retain a professional investment advisor to manage fund investments which will be governed by the "Synod Investment Policy" adopted by Synod Council on February 21, 2009. That policy provides a clear understanding about the management, investment objectives, goals, and guidelines for the investment of Fund assets.



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### Distribution from the Vision of Mission Legacy Fund

Under the “total return investment” defined in Act 141, “income” is defined as the percentage of the market value of fund assets. Accordingly, this synod’s Finance and Budget Committee will, on an annual basis, recommend a percentage (not to exceed 5 percent) of the “value of fund assets” for distribution.

The “value of fund assets” is the average market value of the fund, as determined on December 31 of each of the preceding three years. The percentage should be “consistent with the long-term preservation of the real value” of the fund. The percentage selection will be authorized by a motion passed by Synod Council and memorialized in Synod Council minutes on an annual basis.

The distributions (based on donor imposed restrictions) will be weighted in the following manner (\*):

Eliminate Hunger Initiatives	32%
Support of Konde Diocese	32%
Seminarian Scholarship Support	18%
Synodical Program Support	12%
Bishop's Discretionary Fund	6%

Oversights of the distributions are delegated to specific committees of this synod. Actual distributions will be made on or before the end of May of each year.

(\*) – Allocations will be revised to reflect new contributions to the Fund.

### Developing Approaches for Planned Giving

It is the responsibility of the Stewardship Education and Mission Support Committee to publicize the existence, benefits, and purposes of the fund. Programs to promote planned giving should be approved by Synod Council.

Adopted by Synod Council

**SC13.02.04.**

February 23, 2013

Thomas E. McKee, *synod secretary*