

Evangelical Lutheran Church in Canada
Minutes of the National Church Council Meeting
March 13-15, 2020
Queen of Apostles Renewal Centre, Mississauga, ON

Present:

Officers:	National Bishop Susan, Johnson Gene Blishen, Treasurer	Sheila Hamilton, Vice-Chair
Council:	Rev. Chris Bishopp Bruce Cook Rev. Jane Gingrich Rev. Dr. James Hendricksen Rev. Íris Kristjánsdóttir Rev. Dr. Kimber McNabb Pat Lovell (<i>NCC rep to CoGS</i>)*	John Nilson Linda Sander Curt Satre Rev. Dr. Murray Still (<i>CoGS rep to NCC</i>)* <i>*attends between NCC & CoGS sessions</i>
Synod Bishops:	Bishop Sid Haugen, SK Synod Bishop Larry Kochendorfer, ABT Synod Bishop Greg Mohr, BC Synod	Bishop Michael Pryse, Eastern Synod Bishop Jason Zinko, MNO Synod
Staff:	Trina Gallop Blank, Assistant to the Bishop, Communications and Resource Generation Rev. Paul Gehrs, Assistant to the Bishop, Justice and Interfaith and Ecumenical Relations Rev. Lyle McKenzie, Assistant to the Bishop, Worship Deacon Gretchen Peterson, Assistant to the Bishop, Youth & Leadership Kyle Giesbrecht, Director of Finance and Administration Desiree Mendoza, Meetings and Communications Coordinator	
Regrets:	Linda Grainger, Secretary & Kathleen Jensen	

FRIDAY, MAR. 13, 2020, 10:40 A.M.

Vice-Chair Sheila Hamilton called the meeting to order.

Approval of Agenda

M/S That NCC approves the revised NCC meeting agenda. **CARRIED.**

Minor changes:

NCC meeting started at 10:40 a.m. on Friday, March 13.

Bible Study will start at 1:20 p.m. on Friday and Saturday.

Saturday a.m. – Dismantling Racism will start at 10:20 a.m.

Under New Business: Letter from ELCJHL and Anxiety Over COVID-19.

Code of Conduct

NCC Covenant

(To be discussed on the following day)

Declaration of Conflicts of Interest

Bishop Susan declared a conflict of interest regarding her application for sabbatical leave.

Approval of September 5-7, 2019 Meeting Minutes

M/S That NCC approves the September 5–7, 2019 NCC meeting minutes. **CARRIED.**

Approval of E-vote Meeting Minutes

M/S That NCC approves the e-vote meeting minutes (October 23 & November 15, 2019; and January 08, 2020). **CARRIED.**

CC-2020-01 That NCC approves the appointment of The Exchange Group as the auditors for the 2019 fiscal year for the Evangelical Lutheran Church in Canada. **CARRIED.**

CC-2020-02 That NCC makes the following appointments *en bloc*:

To reappoint David Schulze for a three-year term on the Board of the Primate's World Relief and Development Fund (PWRDF).

To reappoint Rev. Steve Hoffard for a three-year term on the Church Council on Justice and Corrections Board.

To appoint Rev. Paul Gehrs for a two-year term on the Canadian Council of Churches Governing Board.

To appoint Rev. Paul Gehrs for a two-year term on the Canadian Interfaith Conversation.

To appoint the following persons to the Church Extension and Capital Fund (CECF) Advisory Board for three-year terms, (as per the roles outlined in the CECF Management Handbook:

Bishop Michael Pryse (Eastern Synod), Rev. Tyler Gingrich (MNO Synod), Bishop Sid Haugen (SK Synod), Rev. Dr. Julianne Barlow (ABT Synod), Rev. Erik Krushel (BC Synod, Bishop Susan Johnson (National Staff), and Gene Blishen (Treasurer, ex-officio).

To reappoint Deacon Scott Knarr, Rev. Michael Kurtz, Jeanie Stann, Rev. Dr. Kristine Ruffatto, and to appoint Bishop Sid Haugen, Rev. Dr. Mark Harris, Vanessa Bergeron (lay rep) and Dr. Stephen Martin (ACC representative) for a three-year term on the Faith, Order and Doctrine Committee.

To reappoint Bishop Larry Kochendorfer and appoint Rev. Susan Climo, Rev. Dr. Kayko Driedger-Hesslein, and Kathryn Smith for a three-year term on the Joint Anglican Lutheran Commission.

To reappoint Rev. Paul Gehrs for a three-year term on the KAIROS Steering Committee. To reappoint Karen McKenzie (BC Synod), Terri Coombs (ABT Synod), Kathryn McIntosh (SK Synod), Nancy Meadows (MNO Synod), and Marquise Sopher (Eastern Synod) to the Women of Faith Fund Advisory Committee, for a term ending December 31, 2020.

To reappoint Valerie Hobson to a three-year term on the Board of the Women's Inter-Church Council of Canada.

To appoint Bishop Susan Johnson as the ELCIC Delegate and Rev. Paul Gehrs as the Advisor to the 2021 World Council of Churches Assembly.

CARRIED.

CC-2020-03 That NCC issues a Call to Special Service to Rev. Michael Diegel to serve as a chaplain within the Correctional Service of Canada. **CARRIED.**

CARRIED.

Report of the National Bishop

Bishop Susan Johnson gave an oral report to supplement her written report.

National Office Report – *Reconciled Relationships*

ELCIC National Office Staff comprised of National Bishop Susan Johnson, Rev. Paul Gehrs, Rev. Lyle McKenzie, Deacon Gretchen Peterson, and Trina Gallop-Blank, presented their oral report on *Reconciled Relationships* to NCC.

Reports of the Synod Bishops

The five synod bishops were invited to share any additional information to supplement their written reports.

(Lunch)

(Joint Session: Bible Study)

Reports—

Report of the Conference of Bishops

Bishop Greg Mohr presented a report on behalf of the Conference of Bishops.

Employment Agreement for Non-Rostered Ministers

CC-2020-04 That NCC approve the *Employment Agreement for Non-Rostered Employees* and *Compensation Guidelines Excluding Salary Scale for Non-Rostered Employees of Employers within the ELCIC.* **CARRIED.**

Reimagining Our Church – Public Ministry in the ELCIC

Motion: That NCC approves the following three recommendations:

(from FOD Recommendation #3) *Forms of Address. The titles and forms of direct address for the ordained are bishop, deacon and pastor. Deacons, pastors and bishops may use the honourific “The Reverend”.*

(from FOD Recommendation #4) *Honouring our history. In respect of our history, we honour those who continue to use the title “diaconal minister” or “deaconess” or who prefer to be addressed as “sister.”*

(from FOD Recommendation #6) *Sacraments. Pastors are responsible for the administration of the sacraments of holy baptism and holy communion.*

Friendly amendment:

(from FOD Recommendation #6) *Sacraments. ~~Pastors~~ **Those on the roster of ordained pastors** are responsible for the administration of the sacraments of holy baptism and holy communion.*

CC-2020-05

That NCC approves that the titles and forms of direct address for the ordained are bishop, deacon and pastor. Deacons, pastors and bishops may use the honourific “The Reverend”. **CARRIED.**

CC-2020-06

That NCC approves in respect of our history, that we honour those who continue to use the title “diaconal minister” or “deaconess” or who prefer to be addressed as “sister.” **CARRIED.**

CC-2020-07

That NCC approves that, those on the roster of ordained pastors are responsible for the administration of the sacraments of holy baptism and holy communion.

CARRIED.

On-Leave-From-Call Status

CC-2020-08 That NCC adopts the amended *Guidelines Related to On-Leave-From-Call Status*, version March 2020. **CARRIED.**

(Appendix A: Guidelines Related to On-Leave-From-Call Status, version March 2020)

Guidelines Related to Initial Calls for Deacons and Pastors

CC-2020-09 That NCC approves the amended *Guidelines Related to Initial Calls for Deacons and Pastors*, version March 2020.

CARRIED.

(Appendix B: Guidelines Related to Initial Calls for Deacons and Pastors, version March 2020)

Guidelines Related to Synodically Authorized Lay Ministry of the Word

CC-2020-10 That NCC rescinds the policy “*Guidelines Related to Synodically Authorized Lay Ministry of the Word in the ELCIC (2006).*”

CARRIED.

Report of the ELCIC Officers

Vice-Chair Sheila Hamilton presented the Officers' Report.

Vice-Chair Sheila Hamilton took over the chair.

Exploring the NCC Covenant

The National Office staff presented a skit on the topic of *triangulation*.

(Afternoon break)

Parochial Reports

Kyle Giesbrecht, Director of Finance and Administration gave an oral report to supplement the written Parochial Reports.

(Table group discussions by synod followed)

Task Forces

Rev. Paul Gehrs, Assistant to the Bishop for Justice and Interfaith and Ecumenical Relations, presented the report on how to *mandate the task forces on issues of inclusion*.

(Table group discussions followed)

Motion:

That NCC establishes three task forces, as per National Convention motion NC-2019-26:

1. A task force addressing *Ableism*, comprised of people with disabilities or professionals with experience in working with people with disabilities.
2. A task force addressing *Racism, White Supremacy, and issues of Racial Injustice* comprised of people of colour.
3. A task force addressing *Homophobia, Biphobia, and Transphobia* comprised of persons who identify as LGBTQ2SIA+ or other identities not listed but known within the community.

Mandate

Each task force will:

- Collect and identify resources to encourage conversation and deeper understanding of these issues across the ELCIC.
- Recommend ways to gather and share stories of people with lived experiences of these realities.
- Name ELCIC policies and practices that create barriers to full inclusion.
- Propose to NCC amendments to their task force's mandate as may be needed to more effectively live out the goals expressed by the national convention.
- Report regularly to NCC and prepare a formal report for the March 2022 NCC meeting, in preparation for reporting to the 2022 National Convention. The formal report may include recommendations for convention action and for future work.

Membership

Each synod is invited to name one person with lived-experience for each task force.

- The officers will identify a chairperson for each task force.
- Each task force may recommend up to two additional people to serve on the task force.
- The National Bishop will appoint the task force members, for terms that conclude with the end of national convention in July 2022.
- Appointments will seek a balance of gender and age.
- Each task force will identify a recorder, who is responsible for preparing written reports to NCC.

Meetings

- Most meetings will be via video and/or telephone conferencing.
- Budget is allocated for each task force to have one in-person meeting before the next national convention. The task force is responsible for determining the most effective timing of this meeting.

Relationship with other task forces

- Each task force is responsible for its own mandate.
- Each task force is asked to communicate with the other task forces.
- Recorders are asked to share their reports with each other. They may wish to consult with each other as part of the process of preparing reports.

Staff support

- The national bishop will identify staff support for each task force.
- It is the role of staff to provide administrative and program support to the taskforce, and an effective channel of communication with the national bishop. The staff person is not a member of the task force.
- Recognizing the goal of hearing voices that have too often been marginalized and ignored, the staff is understood to be in listening mode, except when called upon to carry out their role.

NCC's commitment

- NCC recognizes the complexity, depth and systemic nature of the issues being lifted up.
- NCC recognizes that this work will continue beyond 2022. Long term commitment is required. What is learned through the current processes will be used to craft a strategy going forward. The task forces may need to continue after the next convention, with updated mandates.
- NCC acknowledges that it is not the responsibility of marginalized people to do all of the education and hard work of seeking justice. People with privilege need to take responsibility for changing their own behaviour and ending systemic oppression.
- NCC affirms the ELCIC's strategic goals of *practicing Courageous Innovation* for *systemic change* and *nurturing Reconciled Relationships* by being *challengers of racism and privilege*.
- NCC will pray for the work of these task forces.

Motion to amend on the first bullet point:

M/S

- Collect and identify resources to encourage conversation and deeper understanding of these ~~issues~~ **concerns, issues and experiences** across the ELCIC.

CC-2020-11 That NCC establishes three task forces, as per National Convention motion NC-2019-26:

1. A task force addressing *Ableism*, comprised of people with disabilities or professionals with experience in working with people with disabilities.
2. A task force addressing *Racism, White Supremacy, and issues of Racial Injustice* comprised of people of colour.
3. A task force addressing *Homophobia, Biphobia, and Transphobia* comprised of persons who identify as LGBTQ2SIA+ or other identities not listed but known within the community.

Mandate

Each task force will:

- Collect and identify resources to encourage conversation and deeper understanding of these concern, issues, and experiences across the ELCIC.
- Recommend ways to gather and share stories of people with lived experiences of these realities.
- Name ELCIC policies and practices to candidacy and first call that create barriers to full inclusion.
- Propose to NCC amendments to their task force's mandate as may be needed to more effectively live out the goals expressed by the national convention.
- Report regularly to NCC and prepare a formal report for the March 2022 NCC meeting, in preparation for reporting to the 2022 National Convention. The formal report may include recommendations for convention action and for future work.

Membership

Each synod is invited to name one person with lived-experience for each task force.

- The officers will identify a chairperson for each task force.
- Each task force may recommend up to two additional people to serve on the task force.
- The National Bishop will appoint the task force members, for terms that conclude with the end of national convention in July 2022.
- Appointments will seek a balance of gender and age.
- Each task force will identify a recorder, who is responsible for preparing written reports to NCC.

Meetings

- Most meetings will be via video and/or telephone conferencing.
- Budget is allocated for each task force to have one in-person meeting before the next national convention. The task force is responsible for determining the most effective timing of this meeting.

Relationship with other task forces

- Each task force is responsible for its own mandate.
- Each task force is asked to communicate with the other task forces.
- Recorders are asked to share their reports with each other. They may wish to consult with each other as part of the process of preparing reports.

Staff support

- The national bishop will identify staff support for each task force.
- It is the role of staff to provide administrative and program support to the taskforce, and an effective channel of communication with the National Bishop. The staff person is not a member of the task force.
- Recognizing the goal of hearing voices that have too often been marginalized and ignored, the staff is understood to be in listening mode, except when called upon to carry out their role.

NCC's commitment

- NCC recognizes the complexity, depth and systemic nature of the issues being lifted up.
- NCC recognizes that this work will continue beyond 2022. Long term commitment is required. What is learned through the current processes will be used to craft a strategy going forward. The task forces may need to continue after the next convention, with updated mandates.
- NCC acknowledges that it is not the responsibility of marginalized people to do all of the education and hard work of seeking justice. People with privilege need to take responsibility for changing their own behaviour and ending systemic oppression.
- NCC affirms the ELCIC's strategic goals of *practicing Courageous Innovation* for *systemic change* and *nurturing Reconciled Relationships* by being *challengers of racism and privilege*.
- NCC will pray for the work of these task forces.

CARRIED.

CC-2020-12 That NCC directs the National Bishop to appoint a task force to investigate what would be required for the ELCIC to be carbon neutral by 2050.

The task force will:

- Prepare a definition of “carbon neutral” and identify the way or ways that the ELCIC might measure carbon emissions.
- Gather resources and ideas for reducing carbon emissions.
- Describe what would be required for the ELCIC to be carbon neutral by 2050, including options for how to move forward.
- Follow up with Citizens for Public Justice (CPJ) regarding their offer to help the ELCIC animate our convention motions on climate justice; and communicate with other key partners regarding potential input, synergy and ideas.

- prepare a formal report for the March 2022 NCC meeting, in preparation for reporting to the 2022 National Convention. The formal report may include recommendations for convention action and for future work.

The membership of the task force will consist of 3 to 5 persons who collectively have the following:

- Expertise in the science of climate change
- Skills for organizational planning and adaptation
- At least one youth under 30 years of age at the time of appointment

Members will be appointed for terms that conclude with the end of National Convention in July 2022.

CARRIED.

SATURDAY, MARCH 14, 2020, 2:00 P.M.

Vice-Chair Sheila Hamilton called the meeting to order.

Code of Conduct Amendments

CC-2020-13 That NCC approves the following amendment to the *ELCIC Code of Conduct*, page 3, under *ELCIC Preparation for all events*:

ELCIC Preparation for all events

- For face-to-face events, before the start of the ELCIC event, a minimum of two people, preferably of different genders and with an understanding of and sensitivity to diversity, are appointed by the event organizer to form the Complaint Handling Committee (CHC). The CHC members will receive instructions from the event organizer on this Code of Conduct and the procedures to follow.
- For online events, it is impractical for a CHC to function due to time and space constraints. Participants shall be provided with an electronic copy of the ELCIC Code of Conduct prior to the meeting and be advised that, following the meeting, complaints may be filed according to Procedure 5 below.
- At the beginning of the event, the organizers shall remind all participants about the Code of Conduct. The CHC should be introduced at the first session. The attention of the participants shall be drawn to the Code of Conduct principles and the commitment of the ELCIC to uphold them.

CARRIED.

(Appendix C: Code of Conduct for Participants in Events Organized by the ELCIC, version March 2020)

Candidacy Manual Amendments

Motion: That NCC amends Section A-5 of the *Candidacy Manual*, A Summary of the Steps to Ordination, as follows:

Two years of active membership in an ELCIC congregation is required prior to endorsement.

CC-2020-14 That NCC refers the motion “That NCC amends Section A-5 of the *Candidacy Manual*, A Summary of the Steps to Ordinations, as follows: **Two years of active membership in an ELCIC congregation is required prior to endorsement**” back to PCLM for further consultation with the synods committees and COB. **CARRIED.**

CC-2020-15 That NCC amends Section B.5-2 of the *ELCIC Candidacy Manual*, Lutheran Formation Year, as follows:

B-5.2 Lutheran Formation Year

~~A candidate who studies at another seminary is required to complete an equivalent of one year of study at an ELCIC/ELCA seminary for Lutheran formation. Lutheran formation study normally includes full-time course work at an ELCIC/ELCA seminary resulting in at least the equivalent of five courses for each of the two terms.~~

~~The candidate must also complete a unit of supervised pastoral education.~~

~~The Lutheran formation year may be waived by the Candidacy Committee in consultation with the affiliate ELCIC seminary. If the Lutheran formation year is waived, the Candidacy Committee shall make every effort to ensure adequate Lutheran formation occurs in the candidate's training. The annual fee is set by the ELCIC Program Committee for Leadership for Ministry, in consultation with the seminaries.~~

~~This period of Lutheran formation study may be taken at any point during a student's M.Div. program or it may follow the completing of an M.Div. program at a non-ELCIC/ELCA seminary. It must be completed before internship.~~

~~The Lutheran Formation Year has the following purpose and objectives:~~

- ~~• to provide the candidate with a solid grounding in Lutheran systematic theology and the Lutheran Confessions, and to enable the candidate to articulate a Lutheran theological perspective. This happens not only in the study of theology but in the study of church history, Bible, worship, preaching, education, pastoral care and ethics;~~
- ~~• to provide the candidate with a sound understanding of ministry in a Lutheran context: a clear sense of the centrality of Word and Sacrament; an appreciation of the relationship between lay and ordained ministries; a familiarity with policy and practice associated with approval, call and mobility; and the hopes and visions of the ELCIC for its ordained ministers; and~~

~~• to enable the candidate to become part of the seminary community, to participate in the worship life of the seminary, and to establish relationships with future colleagues in ministry which are marked by mutual support and accountability.~~

~~ELCIC seminaries which accept students for a Lutheran formation requirement are responsible for providing a program by which the objectives of the requirement can be met. They are encouraged to make available to Candidacy Committees and candidates a description of such a program and to individualize the program to fit the needs and experience of the candidate. It may be possible for a candidate with an M.Div. degree from another seminary to work toward or earn an advanced degree while fulfilling the objectives of the Lutheran formation year of residency.~~

B-5.2 Lutheran Formation

A candidate who studies at another seminary is required to study at an ELCIC/ELCA seminary for Lutheran formation. The Candidacy Committee, the candidate, and the seminary will work together throughout the candidacy process to assess the candidate's adherence to Lutheran Theology as outlined in the Standards for Ordained Ministry.

Lutheran formation may be taken at any point during a student's M.Div. program or, if necessary, it may follow the completion of an M.Div. program at a non-ELCIC/ELCA seminary.

Lutheran formation will equip the candidate with the following competencies. The candidate will be able to:

- articulate a Lutheran, theological perspective based upon a working knowledge of the Lutheran Confessions, including the ability to critically discuss how this perspective informs the study of church history, Bible, worship, preaching, education, pastoral care, and ethics;
- articulate an understanding of ministry in a Lutheran context, including the ability to discuss the centrality of Word and Sacrament, the relationship between lay and ordained ministries, and a theology of call;
- exhibit a familiarity with policy and practice associated with approval, call, and mobility;
- exhibit a familiarity with the hopes and visions of the ELCIC.

~~ELCIC seminaries which accept students for Lutheran formation are responsible for providing a program by which the objectives of the requirement can be met. They are encouraged to make available to Candidacy Committees and candidates a description of such a program and to individualize the program to fit the needs and experience of the candidate. It may be possible for a candidate with an M.Div. degree from another seminary to work toward or earn an advanced degree while fulfilling the objectives of Lutheran formation.~~

Lutheran formation may be waived by the Candidacy Committee in consultation with the affiliate ELCIC seminary. If Lutheran formation is waived, the Candidacy Committee shall make every effort to ensure that the candidate is able to demonstrate adherence to Lutheran Theology as outlined in the Standards for Ordained Ministry.

CARRIED.

(Note: Candidacy Manual, version March 2020 to follow)

National Bishop Application for Sabbatical

Bishop Susan left the room.

CC-2020-16 That NCC approves the requested Sabbatical Leave from the National Office.

CARRIED.

LCBI Request for NCC Advisory Member

Motion: That NCC approves for an ELCIC advisory member to be on the board for Lutheran Collegiate Bible Institute (LCBI).

(Table this motion and bring it to “Unfinished Business”)

NCC members John Nilson and Curt Satre to draft a motion. Bishop Susan Johnson to check on the current constitution and bylaws of the LCBI.

(Break)

Committee Reports— CECF Advisory Committee

CC-2020-17 That NCC approves the 2019 Synod Investment Rebate as follows:

Synod	Baptized Membership at 31-Dec-18	Percentage of Total	50% Baptized 385,174.85	50% Split Equally \$385,174.85	Total Allocation
ABT	16,324	17.22%	\$ 66,329.73	\$ 77,034.97	\$ 143,364.70
BC	6,585	6.95%	\$ 26,757.00	\$ 77,034.97	\$ 103,791.97
EASTERN	40,550	42.78%	\$ 164,767.87	\$ 77,034.97	\$ 241,802.84
MNO	11,676	12.32%	\$ 47,443.39	\$ 77,034.97	\$ 124,478.36
SASK	19,658	20.74%	\$ 79,876.86	\$ 77,034.97	\$ 156,911.83
Totals	94,793	100.00%	\$ 385,174.85	\$ 385,174.85	\$ 770,349.71

CARRIED.

CC-2020-18 That NCC approves that *CECF Management Handbook* Section C, Subsection 1 to include Part 5 - “the allocation amount and the formula for allocation to the synods shall be reviewed at a maximum of every 4 years.” **CARRIED.**

(Appendix D: CECF Management Handbook, version March 2020)

CC-2020-19 That NCC approves the 2019 CECF mortgage rebate of \$10,531.44 to Glory, Sherwood Park as per CECF recommendations. **CARRIED.**

CC-2020-20 That the ELCIC accepts the offer from Glory Lutheran Church 22577 Highway 16, Strathcona County, Alberta to settle the obligation of the congregation to the ELCIC, by December 31, 2020, as per their congregation’s motion of August 11, 2019 which reads; “*Glory proceed with settling our obligation under the contract dated May 26, 2010 with the Evangelical*

*Lutheran Church in Canada (National Church) by purchasing the remaining land for fair market value of \$300,000.” **CARRIED.***

Constitution Committee Report

No report.

Finance Committee Report

CC-2020-21 That NCC approves the revised 2020 Operating budget with a planned deficit of \$69,126, and CECF budget with a planned net income of \$1,650 and the LIFE budget with a planned deficit of \$10,000. **CARRIED.**

CC-2020-22 That NCC approves an update to *Appendix Two: Permitted Investments* in the *ELCIC Investment Policy Guidelines* to allow for up to 5% private debt as well as up to 5% private equity and to *Appendix Three: Prohibited Investments*, where land and real property be changed to only prohibit land and real property in a one off investment. **CARRIED.**
(*Appendix E: ELCIC Investment Policy Guidelines, version March 2020*)

Task Force for Creating a Single Rite of Ordination

\$10,000 budget over a period of two years was approved by NCC.

Governance Committee Report

Sheila Hamilton gave an oral report on behalf of the Governance Committee. She mentioned that there are two new things since the last revised and approved *Governance Manual (March 2019)*: Inclusion of the *Code of Conduct* and the *NCC Covenant*. The Committee will work on these until September. The Committee also recommends an *after the meeting evaluation* (evaluating the content of the work) which will include a mid-term evaluation and another one after March 2022.

Dismantling Racism

NCC spent time in sharing their reflections and feedback from the *Dismantling Racism* presentation/workshop, facilitated by Bernadette Arthur during the joint session.

(Hospitality)

(Dinner)

Committee Reports—

Task Force on Strategic Planning

NCC member Rev. Jane Gingrich on behalf of the Strategic Planning Task Force presented the report *Outline for a Strategic Planning Process*.

(Discussion: SWOT – Change ‘Threats’ to ‘Challenges’; C.3. should be revised)

CC-2020-23 That NCC refers the *Outline for Strategic Planning Process* to the Governance Committee for implementation. **CARRIED.**

Letter from ELCJHL

CC-2020-24 That NCC approves \$50,000 be designated for support to the Evangelical Lutheran Church in Jordan and The Holy Land (ELCJHL) in response to COVID-19. **CARRIED.**
(*Appendix F: COVID-19 Appeal Letter from ELCJHL*)

New Business—

COVID-19

NCC discussion took place.

Unfinished Business—

LCBI

M/S That NCC approves for an ELCIC advisory member to be on the board for Lutheran Collegiate Bible Institute (LCBI). **DEFERRED.**

Bishop Susan will work with John and Curt on this matter and will propose a motion to be attended to, by NCC through an e-vote. More research will be done on what the request is all about.

(*Evening Prayer*)

(*Evening Social*)

SUNDAY, MARCH 15, 2020, 9:15 A.M.

Sheila Hamilton called the meeting to order.

Unfinished Business

Talking Points

Next Meetings:

September 10-12, 2020 (Thursday-Saturday)

Chaplain – Rev. Dr. Kimber McNabb

Bible Study – Rev. Dr. James Hendricksen

Complaints Response Team: Rev. Jane Gingrich and Bruce Cook

(2021)

March 5-7 (Friday-Sunday)

September 9-11 (Thursday-Saturday)

Closing Eucharist

Members of NCC and CoGS gathered at the chapel for the Closing Eucharist. Archbishop Linda Nicholls gave the sermon. At the conclusion of the service, members walked outside singing towards a tree previously planted as a symbol of the full communion relationship between the Evangelical Lutheran Church in Canada and the Anglican Church of Canada. Both church leaders led a prayer around the tree and expressed gratitude for the growth of both the tree and the ongoing full communion between the two churches, and hoped that God would continue to bless and nurture relationships “among us and around us.”

(Lunch and NCC Departures)

Meeting Adjourned.

The Evangelical Lutheran Church in Canada

Guidelines Related to On-Leave-From-Call Status

(ELCIC Administrative Bylaws Part IV, Section 11 and Part V, Section 9)

1. Definition and Criteria for On-Leave-From-Call Status

- A. At the termination of a call of a pastor or deacon, and the pastor or deacon has not received and accepted a subsequent call, the following procedure is to be followed:
 - 1) At the termination of a call the synod bishop will write to the rostered minister, providing information and guidelines for on-leave-from-call status. A rostered minister seeking on-leave-from-call status must make a written request to the synod bishop. The granting of leave from call is not automatic or a right. It must be requested and a rationale provided by the rostered minister as to why the status should be granted. Failure to apply for on-leave-from-call status within a year of the termination of a prior call may result in removal from the roster.
 - 2) A rostered minister on leave from call must be an active member of a congregation of this church.
 - 3) A rostered minister on leave from call is accountable to the synod bishop and must be willing to meet the criteria and standards of this church for its rostered ministers.
 - 4) Action granting or denying on-leave-from-call is to be taken by the Synod Council.
 - 5) The effective date for on-leave-from-call status shall be determined by the Synod Council. Synod Council action related to a rostered minister's leave from call is reported as information to the next Synod Convention in the report of the bishop or Synod Council.
 - 6) Written notification of Synod Council action is sent to the rostered minister requesting leave from call.
 - 7) ELCIC Groups Services Inc. is notified of the action of Synod Council granting on-leave-from-call status. Similar notification is made when such status is ended.
 - 8) Prior to each anniversary of the effective date of the Synod Council's decision granting on-leave-from-call status, the rostered minister on leave will need to request renewal of the request for leave from call. Annual action by Synod Council is necessary for the continuation of that status.
- B. On-leave-from-call status normally terminates at the end of three years.
- C. A rostered minister engaged in graduate study, or specialized ministry training, in a field that will enhance service in the rostered ministry of this church, may be retained on the roster of this church for an additional five consecutive years by annual action of Synod Council
- D. A rostered minister wishing to take parental leave may be retained on the roster of this church for an additional five consecutive years by annual action of Synod Council
- E. With the approval of Synod council, the synod bishop may place restrictions or limitations upon the availability of service of a rostered minister who is on leave from call.
- F. Prior to the end of the third year of on-leave-from-call status, the synod bishop will contact the rostered minister on leave from call to review:
 - 1) the implications and expectations of being in a non-rostered status;
 - 2) the criteria for continuation of on-leave-from-call status beyond three years; and
 - 3) the process for reinstatement to the roster.

- G. Ordinarily, a rostered minister may not be transferred to another synod while on leave from call. In the case of a married minister, whose spouse becomes employed on the territory of another synod, the transfer of a rostered minister who is on leave from call may be authorized upon mutual agreement by the two respective bishops. Notification is made to ELCIC Groups Services Inc. when rostered minister on leave from call is transferred to another synod.

2. Criteria for Continuation of On-Leave-From-Call Status Beyond Three Years

- A. A rostered minister who seeks to remain on leave from call beyond three years, for study or parental leave, must provide a written request to the synod bishop and Synod Council for continuation of that status. This request should be received prior to the end of the third year of on-leave-from-call status.
- B. Study: The request for continuation beyond three years, for a program of studies, must indicate clearly the educational goals of the rostered minister, the time line for anticipated completion of study, and a statement of commitment that the rostered minister intends to be available for a letter of call within this church upon completion of the program.
- C. Parental Leave: The request for continuation beyond three years for parental leave must indicate clearly the circumstances and anticipated time line when the rostered minister intends to be available for a letter of call within this church.
- D. Action by the synod bishop and Synod Council:
- 1) The synod bishop reviews the request for continuation beyond three years of on-leave-from-call status and forwards the request to Synod Council.
 - 2) Synod Council action related to a rostered minister's continuing leave from call is reported as information to the next Synod Convention in the report of the bishop or of Synod Council.
 - 3) Written notification of Synod Council's action is sent to the rostered person requesting extended leave from call.
 - 4) ELCIC Group Services Inc. is notified of the action of Synod Council granting extended on-leave-from-call status. Similar notification is made to ELCIC Group Services Inc. when such status is ended.
 - 5) A rostered minister on extended on-leave-from-call status must provide an annual, written request to the synod bishop for recommendation to Synod Council for continuation of that status.
 - 6) Synod Council must review and act annually on requests for continuance of on-leave-from-call status beyond three years.
- E. Prior to the end of the last year of extended on-leave-from-call status, the synod bishop will contact the rostered minister on leave from call to review:
- 1) the implications and expectations of being in a non-rostered status; and
 - 2) the process for reinstatement to the roster.

Adopted by the ELCIC National Church Council March 13, 2020

Guidelines Related for Initial Calls For Deacons and Pastors

Initial calls for pastors shall ordinarily be issued by congregations, in support of congregationally based ministries. A Call to Specialized Ministry is not normally intended as an initial call for pastors and may only be issued as such, by a Synod Council, upon approval by the Conference of Bishops.

Initial calls for deacons may be issued by a congregation or by Synod Council as a Call to Specialized Ministry. In the latter case, permission by the Conference of Bishops is not required.

Compensation for all initial calls shall ordinarily be at a level that allows for participation in the ELCIC Pension and Benefits Plan. Compensation for all initial calls shall be at a level that allows for participation in the ELCIC Pension and Benefits Plan. Exceptions to this rule must follow the policy for non-stipendiary calls and receive approval by the Conference of Bishops as requested by a Synod Council.

Approved by National Church Council March 13, 2020



Code of Conduct

for Participants in Events Organized by the ELCIC

Code of Conduct for Participants in Events Organized by the ELCIC¹

“Code of Conduct”

In the Evangelical Lutheran Church in Canada (ELCIC), we are committed to being a church that welcomes all of God’s people in a safe and accepting environment.

In the context of 2019, we are increasingly aware of sexual harassment as a result of the *#metoo* movement along with its *#churchtoo* counterpart. We are also aware of the systemic racism in our country as expressed through government programs such as Residential Schools and the *Sixties Scoop*. We are conscious of other forms of racism as expressed through movements like *#BlackLivesMatter*. We are aware of ageism towards both the young and the old and ableism that is focused towards a wide range of different abilities. We are aware of ongoing discrimination towards members of the LGBTQ2+ community and we have a growing awareness of diversity in gender identity and gender expression. As we seek to work with our neighbours of other faiths we are aware of the discrimination that they face.

Our church has adopted the following understanding of our commitment to upholding dignity.

This church upholds the dignity of all people. We recognize the image of Christ in every person and serve that person as Christ himself. In meeting diverse people, we begin with a core sense of respect for the value of each person as a unique child of God.²

This is why we are creating this Code of Conduct for all ELCIC events including task force and committee meetings, council meetings, conventions and other national events.

Expected Behaviors by Participants in Events Organized by the ELCIC

- Treat all persons fairly and with respect, courtesy, and dignity during events including break and meal times.
- Behave respectfully towards others and do not misuse personal or professional relationships.
- Be sensitive to cultural and social differences and practices, and careful in your use of language that may be disrespectful or demeaning.
- Do not cross boundaries set by others regarding their personal space. If someone indicates “No,” even without words, respect it.
- Do not engage in behaviors such as bullying, harassment, sexual abuse, or sexual harassment.
- Do not make false accusations against people for your own advantage.
- Commit to working with the process outlined even if you are the subject of a complaint.

¹ This Code of Conduct does not supersede existing policies for Rostered Clergy such as *Sexual Abuse or Harassment* or *Manual on Discipline*.

² ELCIC Social Statement on Human Sexuality 2011

ELCIC Preparation for all events

- For face-to-face events, before the start of the ELCIC event, a minimum of two people, preferably of different genders and with an understanding of and sensitivity to diversity, are appointed by the event organizer to form the Complaint Handling Committee (CHC). The CHC members will receive instructions from the event organizer on this Code of Conduct and the procedures to follow.
- For online events, it is impractical for a CHC to function due to time and space constraints. Participants shall be provided with an electronic copy of the ELCIC Code of Conduct prior to the meeting and be advised that, following the meeting, complaints may be filed according to Procedure 5 below.
- At the beginning of the event, the organizers shall remind all participants about the Code of Conduct. The CHC should be introduced at the first session. The attention of the participants shall be drawn to the Code of Conduct principles and the commitment of the ELCIC to uphold them.

What action should be taken when someone violates the code of conduct?

The procedures to follow are in harmony with Matthew 18:15–17. In the case of criminal behavior the matter should be referred directly to the police.

Procedure:

1. An individual who experiences or witnesses a violation of the Code of Conduct should speak directly to the subject of complaint in as timely a manner as possible, pointing out the violation in a reasonable manner and requesting that it stop/not be repeated.
 2. If there is no resolution, or if the complainant is not comfortable speaking directly to the subject of complaint, the complainant (including a third party complainant) should speak to a member of the CHC, who will discuss with them potential next steps.
 3. If the complainant decides to begin a formal complaint process, the complainant should fill out the Complaint Form available at the event. The Complaint Form is also available at "<http://elcic.ca/Documents/documents/ELCICEventComplaintFormFILLABLE.pdf>."
 4. During the event the complainant should hand the completed Complaint Form to a member of the CHC.
 5. After the event, the complainant should send the Complaint Form to the ELCIC Complaints Response Team (CRT) at complaints@elcic.ca. Complaints may be registered up to 60 days following the completion of an Event organized by the ELCIC.
- All complaints will be carefully investigated in a time-sensitive manner. Wherever possible, the CHC or the CRT will meet privately and separately with the subject of complaint and the complainant. Complaints will be dealt with in a confidential manner.
 - For the complainant, pastoral care and support should be made available. In cases where the complainant wishes to consider reporting the incident to the relevant legal and/or ecclesial authorities, they shall be offered support and assistance in considering such report. However, if the complainant decides to pursue legal action against the subject of complaint, it shall be done by the complainant independent of the ELCIC.
 - For the subject of complaint, pastoral care and support should be made available. The CHC may remove the subject of complaint from the meeting or from positions where the offense could be repeated if the CHC determines it is reasonable to do so.

Working Definitions

(Adapted from the Lutheran World Federation (LWF) Code of Conduct)

Bullying

Bullying is the use of force or coercion to abuse or intimidate others. The behavior can be habitual and involve an imbalance of social or physical power. It can include verbal harassment or threat, physical assault or coercion and may be directed repeatedly towards particular victims, perhaps on grounds of race religion, gender, sexuality, or ability.

Complainant

The person making a complaint of a violation of the Code of Conduct by the ELCIC. This may include a third party, someone who has witnessed a violation.

Complaint Handling Committee (CHC).

The individuals appointed at an event organized by the ELCIC to receive and review complaints.

Discrimination

Discrimination means exclusion of, treatment of, or action against an individual based on social status, race, ethnicity, color, religion, gender including gender identity and gender expression, sexual orientation, age, marital status, national origin, political affiliation or disability.

ELCIC Complaints Response Team (CRT)

The team at the National Office appointed to handle complaints after events organized by the ELCIC have completed.

Event organizer

Usually a National Office Staff Person or an Officer of this church.

Harassment

Harassment means any unwelcome comment or behavior that is offensive, demeaning, humiliating, derogatory, or any other inappropriate behavior that fails to respect the dignity of an individual.

Sexual harassment

Sexual harassment means any unwelcome sexual advance, comment, expressed or implied sexual demand, touch, joke, gesture, or any other communication or conduct of a sexual nature, whether verbal, written or visual, by any person to another individual within the scope of work. Sexual harassment may be directed at members of any gender and includes harassment based on sexual orientation and gender identity.

Sexual abuse

Sexual abuse is actual or threatened physical intrusion of a sexual nature, including inappropriate touching, by force or under unequal or coercive conditions.

Subject of Complaint

The person about whom a complaint is made for violating the Code of Conduct.

Zero tolerance

The principle and practice of not tolerating any instance of sexual abuse, harassment, bullying and discrimination in all of our meetings and conferences and applying a clear procedure for breaches or violations.

Guidelines for Members of the Complaint Handling Committee

1. Individuals or groups of individuals may come to you with concerns about how to handle a violation of the Code of Conduct. Your initial response is to listen to the complainant or to arrange a mutually agreeable time and place for a meeting. Such meetings should be conducted in private but in a public space.
2. Options for you to consider in dealing with a complaint are:
 - a. To encourage the complainant to speak directly to the subject of complaint.
 - b. To be willing to go with the complainant to speak directly to the subject of complaint.
 - c. To encourage the complainant to fill in a Confidential Complaint Form, and then to speak in private with the subject of complaint.
3. You will need to exercise your caring discretion to help the complainant choose which avenue to pursue.
4. In cases involving what you know to be or which might be criminal behavior the matter should be reported by the complainant directly to the police.
5. Remember you are part of a team. Use the other CHC team member(s) as a sounding board. You may decide which one of you will speak to the subject of complaint or you may go together. You may also speak to the event organizer for assistance.
6. In any case, do your best to provide pastoral care and support to both the complainant and the subject of complaint. With the permission of the complainant or the subject of complaint you may ask others at the event to provide pastoral care or support.
7. Keep written notes of the actions you take and submit them, along with the original complaint form to the event organizer for confidential management.
8. If the event ends before the matter is settled, forward the Complaint Form and your notes to the ELCIC Complaint Response Team for follow up.

CONFIDENTIAL COMPLAINT FORM

For Events Organized by the ELCIC

This form should be completed by a person wishing to lodge a complaint. All information will be held securely and confidentiality will be maintained at all times.

A. General data

Name of the person lodging the complaint: _____

Address: _____

Tel.: _____ Email: _____

Name of the person you wish to lodge a complaint against (if known) _____

Date of incident: _____

Time of incident: _____

Title of Event: _____

Place of incident: _____

Date of reporting: _____ Time of reporting: _____

B. Brief description of the incident or concern:

State what happened, trying to follow the sequence of events from start to finish. If the incident location is not well known, describe the location based on your memory of it. Give a description of the "subject of complaint" if you do not know their name.

C. Name of witnesses: (if any)

Supply the names of witnesses and how they can be contacted, if known.

EVANGELICAL LUTHERAN CHURCH IN CANADA
CHURCH EXTENSION AND CAPITAL FUND
MANAGEMENT HANDBOOK

PREAMBLE

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I. OPERATING PRINCIPLES

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APPENDIX I – APPLICATION FOR CHURCH EXTENSION FUNDS

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APPENDIX I – APPLICATION FOR NATIONAL INITIATIVE FUNDS

First Approved by National Church Council (NCC), September 1997

Revised by NCC March 2020

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

PREAMBLE

The Church Extension and Capital Fund was created from the previous Church Extension Capital Fund which was managed by the former Division for Canadian Mission, ELCIC. This change was a result of the renewal and restructuring process that the ELCIC was engaged in during the biennium 1995-1997. As of January 1, 1997 this fund was capped at \$14 million for capital purposes based on the assumption that this amount is sufficient to meet the foreseeable capital requirements of the fund. The balance in excess of this amount, plus the interest and investment income, will be allocated according the policies and procedures of this fund.

The National Church Council has appointed an Advisory Board, which includes the Treasurer of the ELCIC, to manage this fund. The Advisory Board will monitor investments, determine annual synodical allocation, update and maintain policy, develop criteria for grant allocations in the synods, and review annual synodical reports on the use of funds. The Advisory Board will also have the responsibility to assess the future capital needs of the Church and make adjustments to the fund.

The policies for this fund assume that each synod has a committee with responsibility for Canadian Mission and an identified Canada Mission Consultant.

This fund is the responsibility of the National Church Council and any changes to these policies and procedures would require their approval.

ADVISORY BOARD

Voting Members

Treasurer, ELCIC (appointed ex officio)
Assistant to the Bishop, ELCIC (national staff person)
Canadian Mission Consultant, Eastern Synod
Canadian Mission Consultant, Synod of Alberta & Territories
Canadian Mission Consultant, Manitoba/Northwestern Ontario Synod
Canadian Mission Consultant, Saskatchewan Synod
Canadian Mission Consultant, British Columbia Synod

Non-voting Members

Director of Finance and Administration, ELCIC (administration)
Real Estate Consultant

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

A. ADMINISTRATION

1. The establishment of, and revision to Church Extension and Capital Fund policy is the responsibility of National Church Council according to constitutional provisions of the Evangelical Lutheran Church in Canada.
2. The administration of the Church Extension and Capital Fund is the responsibility of an Advisory Board appointed by the National Church Council. The Advisory Board is comprised of the Treasurer of the ELCIC, a national staff person appointed by the National Bishop, and five persons, one from each synod, nominated by the synod bishops and appointed by the National Church Council. Advisory Board members are appointed to terms of two years, renewable. Each year term, the Advisory Board shall elect a Chair of the Advisory Board, renewable. The Advisory Board is responsible to administer the Church Extension and Capital Fund according to the policies of this management handbook as established by the National Church Council.
3. The Advisory Board of the CECF shall approve expenditures from the CECF that are at an arms length relationship and from which individuals on the Advisory Board cannot be perceived to receive a personal benefit.
4. Under the direction of the Advisory Board, the Director of Finance and Administration of the ELCIC is responsible for the day to day financial management of the Church Extension and Capital Fund in accordance with the policy of the fund as outlined in the Management Handbook.
5. The Church Extension and Capital Fund assumes the formal establishment of a Canadian Mission Committee and a Canadian Mission consultant in each of the five synods. The Canadian Mission Committee and consultant in each synod assume the responsibility of managing the funds forwarded to each synod in accordance with Part C of the Management Handbook.
6. On an annual basis, it is estimated that the administrative costs of the Church Extension and Capital Fund will be approximately 10% of total gross revenue of the fund. The annual administrative costs of the fund include such items as national office staff time, bi-annual Advisory Board meetings, fund-related travel, legal fees, grandfathered incentive grants, and consultant fees.

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

B. CAPITAL FUND

I. OPERATING PRINCIPLES

1. The Advisory Board shall manage the Capital Fund under procedures approved by the National Church Council.
2. The Capital Fund shall be used for capital expenditures only (i.e. the purchase of church property, parsonages, church facility loans, and equipment purchases) as authorized by the Advisory Board.
3. The Capital Fund shall be a revolving fund. Loan policies shall enable maximum use of this fund for development of the church in its continuing mission in Canada. It is the goal to revolve this fund on a ten-year cycle.
4. Funds to support the financing requirements of the Capital Fund will be set at \$14 million effective January 1, 1997. The Advisory Board is responsible to assess the future capital needs of the church and make adjustments to the fund.
5. Financing shall be appropriate to local conditions and resources and the ability of the local group to repay the loan.
6. Local mission leadership shall participate in planning and resource development.
7. Joint ownership and/or joint development of capital projects may be considered only under exceptional circumstances upon the approval of the Advisory Board.
8. Sound business practices and policies as determined by the Treasurer and Director of Finance and Administration shall be used to manage and secure the resources of the Capital Fund.
9. The Director of Finance and Administration shall receive and disburse the Capital Fund.
10. The Treasurer shall engage qualified consultants as required for individual projects.
11. Signing authority involving legal claim, mortgages, discharges, contracts, credit obligations, land transfers, etc., shall be held by the officers of the ELCIC. The Treasurer shall be authorized to initiate transactions according to Capital Fund policy.
12. The Advisory Board shall approve borrowing and credit line limits.

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

B. CAPITAL FUND

II. OPERATING POLICIES

A. General Statements

1. The Capital Fund may be used to provide facilities for developing new missions through new construction, purchase of existing facilities or renovation of existing facilities.
2. The Capital Fund may be used for the purchase of equipment essential to the functioning of developing missions.
3. The Capital Fund shall not be used for loans or mortgages to individuals.
4. Loans to congregations shall be granted only upon formal application.
5. All requests for purchase of property, church building programs, loans and mortgages to the CECF Advisory Board shall be recommended in writing by authorized personnel as determined by each synod and endorsed by the committee responsible for Canadian Mission in each synod using the forms provided in the Canadian Mission Synod Consultants Handbook. The written request shall include the CECF Request for Real Estate Acquisition, the Financial Analysis and Trends, and the Church Building Proposal forms along with the required supporting attachments.
6. Requests for services and resources from the Capital Fund shall be made through the authorized person in each synod.
7. The approval of loans by the Advisory Board will be based on a simple majority of the voting members, that is, 4 out of 7 votes.
8. Through an incentive program, congregations are encouraged to repay the principal on loan amounts.
9. The Director of Finance and Administration shall suggest alternate sources of credit to congregations to assist congregations to refinance.

B. Criteria for Loan Limits

1. The document on criteria for loan limits (Appendix 1) shall provide the guideline for financing church building projects. Programs in excess of this guideline shall require the approval of the Advisory Board.
2. Limits to church building loans shall be determined by the projected ability of the developing congregation to finance.

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

C. Purchase or Sale of Church Site Property

1. The Capital Fund shall be used for purchases of property for use as church sites.
2. The minimum size of a church site shall normally be one acre. If local conditions require, a larger site shall be purchased to satisfy the minimum zoning requirements. The size of the site shall be determined by the developing congregation/synodical missions committee in consultation with the CECF Real Estate consultant.
3. Land in excess of the amount needed for facility development shall be so described and held “for sale” in the name of the ELCIC or its assignee.
4. Title for land held by the ELCIC for development of church facilities shall be transferred at the time the legal purchaser secures a registered mortgage or provides acceptable securities.

When a loan is secured using the Capital Fund, no sale or partial sale of said property may occur without the written permission of the Treasurer.

5. Proceeds from the sale of any congregational property shall be used to reduce indebtedness to the Capital Fund.
6. Property held by the ELCIC as part of its Capital Fund may be sold as follows:
 - i) to Canadian Mission congregations at the original cost, which shall include legal fees, taxes, insurance, utility services, improvements and maintenance.
 - ii) to other congregations, institutions or non-ELCIC related purchasers; with the selling price reflecting the current market value. Any profit realized on the sale of such property is to the credit of the Capital Fund.
 - iii) in the event that a Canadian Mission congregation participated financially in the purchase of property which was deemed to be larger than the required church site, the congregation shall be entitled to receive an amount of the (excess property) sale's net profit which shall be equal to their proportional financial percentage investment in that property.
7. If the property purchased for a specific Canadian Mission Congregation has not been developed within four years of the date when first purchased, the Synod Mission Consultant shall send a letter to the Canadian Mission congregation to advise them of the policy for property development as outline in Clause B.II.8. below. A copy of this letter to the congregation shall also be forwarded to the Director, Finance and Administration at the ELCIC National Office.
8. Property held by the ELCIC as part of its Capital Fund, and held for a specific Canadian

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

Mission congregation, shall be declared surplus by the Advisory Board:

- i) if the property is not being developed by that Canadian Mission congregation as a church site within eight years of the date when first purchased,
- ii) if however, a request for an extension of time is received from the Synod, which has responsibility for that Canadian Mission congregation, the matter of declaring the property surplus shall be reviewed by the Advisory Board every 12 month after the initial eight year period has expired, with only a maximum of two such reviews possible.
- iii) The church site property shall not be held as part of the Church Capital Extension Fund for a period longer than ten years.
- iv) If it is deemed advisable to appeal the Advisory Board's decision to declare the property surplus, representation shall be made by all interested parties to the National Church Council of the ELCIC for a final ruling; such ruling shall have a finite time line.

D. Purchase of Parsonage

- 1. The purchase of a parsonage shall be considered only where local conditions make it advisable. In the purchase of a parsonage, a minimum investment shall be made from the Capital Fund with the balance to be financed through conventional sources. If a parsonage is purchased for a mission congregation, the synod shall pay the mortgage payments as part of the pay package of the pastor.
- 2. If a parsonage is purchased using the Capital Fund, interest rates shall be at the TD Commercial Banking prime commercial rate, with a five-year term, amortized over twenty-five years.
- 3. Under unusual circumstances and at the discretion of the Advisory Board, the parsonage may be financed through the Capital Fund under the same terms as church buildings.
- 4. Upon incorporation and organization of the congregation as a member of the ELCIC, the congregation shall be provided with the opportunity to purchase the parsonage property, if owned by the ELCIC, upon securing a registered loan and mortgage. Such purchase shall be facilitated through commercial financing and/or the Capital Fund.

E. Loan Security

- 1. Loans up to \$50,000 for periods of up to three years may be secured by a promissory note. All other loans shall be secured by a registered mortgage.
- 2. Mortgage loans are to be registered at land titles in the name of the Evangelical Lutheran Church in Canada.

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

F. Borrowing

1. Adequate borrowing to assure cash flow requirements shall be arranged; maximum borrowing shall not exceed 10% of the assets of the Capital Fund.

G. Financing

1. Mortgage loans from the Capital Fund shall be for terms not to exceed ten years; at maturity, refinancing through commercial or private loans shall be required.

H. Administration of the Capital Fund

1. The Treasurer shall be the custodian of the Capital Fund and provide timely accounting and reports to the National Church Council.
1. Personnel authorized by the Treasurer shall provide instruction with respect to the timely receipt and disbursement of funds relating to Capital Fund accounts.
3. The Director of Finance and Administration shall receive loan repayments to the Capital Fund in the form of postdated cheques held on file for each fiscal period, by pre-authorized chequing or direct transfer. All cheques are to be deposited on monthly due date or next legal banking day.
4. The Director of Finance and Administration shall prepare monthly reports for each loan account indicating payments received, loan maturity dates and status of fire insurance.
5. The Director of Finance and Administration shall provide storage security for all mortgages, deeds, titles, notes, extension agreements, fire insurance policies and any other security documents on each loan account.
6. The Director of Finance and Administration shall prepare quarterly a balance sheet of the Capital Fund.
7. The Director of Finance and Administration shall process all loan and extension applications for financing ensuring that congregations provide abstracts or legal certificates of securities, that insurance is in place and assigned, and that the congregation is advised of the loan amount, interest rate, repayment schedules and renewal dates prior to the loan being extended.
8. The Director of Finance and Administration shall prepare annually a catalogue of existing loan and mortgage agreements, which shall be used to prepare an annual determination of cash flow resources and requirements.

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

9. The Director of Finance and Administration shall prepare and catalogue an inventory of surplus property for annual review.
10. The Director of Finance and Administration shall annually review the loan repayment schedules of each loan account whereby informing congregations of the payment schedule covering the period of the next twelve months, and identifying any change in interest rate. This is to be done at least forty-five days prior to the effective date.
11. An annual Capital Fund budget of income and expenses shall be prepared by the Director of Finance and Administration.
12. The Director of Finance and Administration shall prepare budgetary projections of the Capital Fund in cooperation with synods.
13. The annual Capital Fund budget and budgetary projections shall be reviewed and approved by the Advisory Board.
14. Congregations holding CECF mortgages are to provide on an annual basis in February of each year, two copies of their annual financial statements to the synod mission consultant who will forward one of these copies to the National Office.
15. That the congregation is responsible for costs incurred relative to securing adequate insurance coverage. The property is to be insured for replacement value. Proof of coverage is required on an annual basis from the insurance company indicating a mortgage clause with loss payable to the ELCIC and a minimum 30-day notice of cancellation.

I. Interest Rates

1. Interest rates for an initial Capital Fund loan shall be established by the Board on an annual basis, calculated semi-annually not in advance for years one (1) to five (5) respectively for a five-year term amortized over twenty-five years. The percentage increase will be one percent over the previous year for the first five years of the initial mortgage.
2. Mortgage draws for the purpose of construction payments shall be charged interest calculated on a per diem basis from the time of the draw. Accumulated interest in excess of authorized mortgage amount shall be repaid prior to commencement of first scheduled repayment date.
3. When a loan has matured after five or seven years, the interest rate on any new term approved shall bear interest at a rate not to exceed one percent above the TD Commercial Banking prime commercial lending rate on that date.
4. In the event of financial crisis in a Canadian Mission-related congregation holding a

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

Capital Fund loan, the Treasurer on recommendation of the synod Canadian Mission consultant, may authorize the suspension of Capital Fund interest for up to one year to allow the payment of the principal only. To extend this no-interest payment period beyond one year requires the successful completion of a Ministry Review by the synod personnel, the development of a financial plan to repay the loan and the approval of the Treasurer on the recommendation of the CECF Advisory Board. In any case, the no-interest payment period shall not exceed a period of three years.

5. In the event that a Canadian Mission related congregation who had received a no-interest payment exemption sells their property, all unpaid interest becomes due on the date of closing of sale.

J. Capital Reduction Incentive Program

1. A mortgage interest rebate to congregations will be based on mortgage interest revenue received in a calendar year and allocated by March 31st of the following year provided that all mortgage repayments have been made in full by the congregation and have been received on time by the ELCIC as per the schedule set out in the mortgage documents. An acknowledgment certificate will be sent by the ELCIC national office to the synod office outlining the amount of the mortgage rebate approved by the Advisory Board. The synod will forward these certificates to the respective congregations. An entry will be made to the congregations mortgage account by March 30th to record the amount of the rebate for the purpose of reducing the principal.

For the first five years from the date of the original mortgage, every congregation with a mortgage shall receive a rebate of 90% of the mortgage interest paid by that congregation in the previous calendar year.

Congregations with mortgages held for more than five years shall receive a rebate each year as follows: year 6 at 75%; year 7 at 60%; year 8 at 45%; year 9 at 30%; and year 10 at 15%. After year 10, congregations will receive no mortgage interest rebate.

A transition period will start January 1, 2004 whereby every congregation holding a mortgage for more than 5 years will be treated as a 6 year mortgage congregation in 2004 and follow the reduction policy for four subsequent years.

K. Extension of Mature Capital Fund Loans

1. If a congregation is unable to transfer to commercial financing from an existing Capital Fund loan, the following steps shall be taken:
 - a. The request for renewed and extended Capital Fund financing shall be presented to the Treasurer in advance of the existing Capital Fund loan maturity date.

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

- b. The request for renewed and extended Capital Fund financing shall provide evidence of adequate fund raising programs within the congregation.
- c. Capital Fund financing shall be renewed and extended on an annual basis or until alternate approved financing has been secured. Extensions up to a term of three years may be considered where an authorized directed funding campaign covers the term of the extension.
- d. Extended Capital Fund agreements shall continue to have an incremented annual interest rate (with the intent of approaching market rates), but in no case will exceeding one percent above the TD Commercial Banking prime commercial lending rate on the date of extension.
- e. Financial arrangements outside of the Capital Fund are the responsibility of the local congregation.
- f. Capital Fund loans shall have first position in the repayment of indebtedness unless otherwise agreed to by the Treasurer.

L. Directed Fund Raising

- 1. Each building program to be funded shall be preceded by a capital fund raising program approved by the Synod missions committee.
- 2. Where a Capital Fund loan has been extended through a subsidized directed funding appeal, all funds received through the appeal which are in excess of the required mortgage payments for the first year, shall be paid, as a lump sum payment for the reduction of the principal.

M. Congregations Transferring to Other Church Bodies

- 1. When a congregation chooses to transfer from the ELCIC to another church body, the indebtedness of the congregation becomes due and payable prior to the transfer.

N. Bequests and Special Income

- 1. Funds received from estates designated for Canadian Mission shall be placed in the Capital Fund unless they are specifically designated for program development.

O. Canada Board of American Missions

- 1. The assets in the name of the Canada Board of American Missions, held in the Church

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

Extension and Capital Fund and managed according to the policies of the Church Extension and Capital Fund, shall be transferred to the Evangelical Lutheran Church in Canada as soon as it is feasible and practical.

P. Guaranteed Loans

1. Prior to the ELCIC providing a loan guarantee to a Canadian Mission related congregation, the ELCIC shall enter into an agreement with the subject congregation with respect to the terms and conditions that such a guaranteed loan will be repaid and adequate securities be provided.
2. Loans guaranteed by the ELCIC shall be secured by a note and resolution by the congregation. Adequate insurance coverage shall be in place. In case of default on interest and where the ELCIC has covered the default, interest shall be charged at prime rate. At that time, a plan and consultation relative to the management of the debt shall take place between the congregation and the Treasurer or Director of Finance and Administration.

Q. Exceptions

1. Circumstances requiring a mortgage review by the Advisory Board, such as in the case of mortgage default, will be determined on an individual basis.
2. When sale of property to a congregation is not feasible, short-term leasing may be negotiated. The leasing rate should reflect the interest rate established for the Capital Fund.

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

B. CAPITAL FUND

APPENDIX 1. CRITERIA FOR LOAN LIMITS - CAPITAL FUND

The following criteria shall be the basis upon which the maximum loan limits are determined:

1. Congregations shall have a minimum twenty-five percent (25%) equity in the project (land and building) at the time of beginning the building project and be able to demonstrate the required growth potential to meet the fiscal responsibility at the end of the Capital Fund loan period. These funds are to be accumulated in the congregation's bank account until applied against the project costs.
2. Financing limits shall be determined by the capability of the congregation to support the financing repayment schedule outlined in the initial five-year term of the loan. The level of giving to current and benevolence shall be at a minimum three percent (3%) of average household effective buying income (EBI). Furthermore, the capital funding appeal shall increase giving by an additional one point five percent (1.5%) of average household effective buying income for the purpose of debt reduction during the term of the loan.
3. Annual debt reduction shall not exceed thirty-five percent (35%) of total congregational giving.
4. Limits to the amount of the loan may be extended in amount of advance equity in excess of the initial twenty-five percent (25%) available at effective date of the loan.
5. A minimum of five percent (5%) of congregational giving shall be designated to church wide benevolence.

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

C. CHURCH EXTENSION FUND

I. OPERATING PRINCIPLES

1. The Advisory Board shall manage the Church Extension Fund under procedures approved by the National Church Council.
2. The Church Extension Fund consists of net investment income earned on the Church Extension and Capital Fund cash balances that are invested according to the investment policy of the ELCIC. The net investment income earned will vary from year to year depending upon the amount of the cash balance.
3. The Advisory Board shall allocate approximately 90% of the earned interest by April 30th of the following year to the synods through committees with responsibility for Canadian Mission.
4. The formula for allocation shall be based on 50% split equally among the synods and 50% allocated on the baptized membership of synods using the most recent statistical year-end report.
5. The allocation amount and the formula for allocation to the synods shall be reviewed every 4 years.
6. A reserve will be established for the purpose of helping give a minimum payment to synods on years when the investment income is poor. The reserve will be built up to \$500,000 on years when the rebate would be above \$250,000. On poor investment years, the synods will receive \$200,000 from the reserve as a minimum. Once the reserve balance reaches \$500,000, the rebate calculation will determine the payout.
7. These funds which are allocated to each synod shall be restricted for “Canadian Mission” initiatives at the synodical level.
8. Synodical committees shall be required to account for the expenditure of these funds by means of an annual report to the Advisory Board. The purpose of this report is to insure that funds allocated to the synods are being used in a manner consistent with criteria established nationally and contained in these policies.
9. Annual reports shall provide information to the Advisory Board in order to assist the Advisory Board in revising and updating criteria and policies.
10. The Advisory Board shall also serve as a communication link with synods, sharing ideas and initiatives across the church.

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

II. OPERATING POLICIES

A. Criteria

1. Funds are to be used for Canadian Mission initiatives in the synod or in cooperation with other synods.
2. Canadian Missions Initiatives are activities, carried out through congregations, areas, ministries, or other bodies (hereinafter “ministries”), that seek to explore what God is up to in local communities and neighbourhoods and learn what it means to participate in God’s mission in the world today.
3. Applications are expected to meet one or more of the following criteria:
 - a. are exploratory and experimental in nature;
 - b. seek to address a challenge you are facing in your context in relation to the Church’s mission for which a way forward is not easily discernible;
 - c. seek to develop relationships with others in local communities and neighbourhoods;
 - d. encourage participation in God’s mission in local communities and neighbourhoods.

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

II. OPERATING POLICIES (continued)

B. Examples

Some examples of Canadian Missions Initiatives are:

- a. holding events that enable ministries to explore relationships with, and learn about, their communities and neighbourhoods;
- b. exploring new and creative ways of starting and supporting faith communities;
- c. joining in, participating in, and cooperating with other groups in the neighbourhood or community for a common purpose;
- d. exploring public attitudes and perceptions of the church through interaction with neighbours and community members;
- e. forming, educating and/or preparing laity and rostered leaders for the work of discerning and participating in God's mission in the world;
- f. providing staffing to create, lead, and guide missional transformation processes;
- g. providing internship placements in ministry sites that provide good opportunities for mentoring missional leaders;
- h. supporting and equipping ministry areas to be discerning and learning communities which seek to join God's Spirit at work;
- i. telling stories of Canadian Mission Initiatives using various media.

C. Responsibilities

- 1. Grant recipients are expected to report learnings to the synod and synods will report to the CECF Advisory Board.
- 2. The report will include a financial accounting for grant funds used and any unused funds are to be returned to the synod.

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

D. Guidelines for Synod Committees

1. Funds received by synod committees shall be kept in a separate fund for accounting purposes and any interest accrued to be credited to that account for future development.
2. If a synod's allocation for any particular year is not completely used, it may be carried over. The synod mission committee shall maintain a three year rolling plan for any carried over funds.
3. The synod committee responsible for Canadian Mission shall insure that the Church Extension and Capital Fund Management Handbook is made available to and reviewed with each committee member.
4. The synod Canadian Mission consultant and a representative of the synod committee shall participate with the Advisory Board in an annual consultation for training, support, communication and joint planning. Synods shall be expected to cover the registration fee for each participant.
5. All requests for funds shall be submitted to the synod committee using the forms provided. (Appendix I)
6. Synod committees shall provide an annual report to the Advisory Board by February 15th, using the forms provided. (Appendix II)

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

APPENDIX I. APPLICATION FOR CHURCH EXTENSION FUNDS

Submitted to _____
(Synod)

1. Submitted by: _____

2. Project Title: _____

3. Description of Project:

4. Rationale for Project:

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

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5. Project Criteria Addressed:

6. Objectives of Project:

7. Target Audience of Project:

8. Administrative Relationships:

a) Who is responsible to administer the project and complete reporting requirements?
Provide name, address, phone number, fax and e-mail.

b) Who will be involved in carrying out the project? (i.e. individuals, congregations, synod, committees, etc.)

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

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9. Project Budget: \$_____ (Attach budget detail)
Include other sources for funding in place or pending approval.

10. Timeline: (How long will this project take from start to finish? When will the project begin?
When will project funds be required?)

11. Evaluation:
 - a) What are the criteria for evaluating this project?

 - b) Who will be responsible for submitting the project evaluation to the synod Canadian Mission Committee? Provide name, address, phone number, fax and e-mail.

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

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12. Project Application Date: _____

13. Signature of Applicant: _____

Submitted by: (Please print)

Signature

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

APPENDIX II. SYNOD REPORT ON CHURCH EXTENSION FUNDS

Following the initial allocation of funds to the synods in the fall of 1997, all synods must provide an annual report to the Advisory Board by February 15 of each year. This report, completed on the form provided, is required by the due date. Any synod not providing an annual report will not be eligible for further allocation of funds until a report is received and approved by the Advisory Board.

Report from _____ Synod submitted by _____
(Canadian Mission Consultant)

A. Funding Allocation

1. For the calendar year: _____

e. Funds remaining for future project allocation carried over
from previous year: \$ _____

3. Project funds received in calendar year: \$ _____

4. Interest received from carried over funds: \$ _____

5. Value of projects approved in calendar year: \$ _____

6. Funds remaining for future project allocation: (2+3-4) \$ _____

State of the Synod

What general priorities or emphases have been approved in your Synod that have a bearing on Mission?

Budget

Your synodical budget for Mission for this year: \$

This is _____% of the total synodical budget.

Projects Funded in 20XX

Attach a list of projects which your Missions Committee has approved from CE-CF interest during the past year. On the first line, cite the project, amount approved and identify which priority was related to this request (see page 15-16 of the CE-CF Policy).

Future Projects on reserve

Identify any projects on reserve, following the same format as projects approved.

Small and Struggling Congregations

Identify any projects approved for funding.

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

The amount remaining to be allocated from this bequest is: \$_____.

Opportunity to Comment on CECF Objectives and Goals

What is happening in your synod regarding:

1. Creating ownership and accountability for mission in congregations
2. Facilitate new faith communities and ways of building community
3. Nurture missional leadership
4. Review our policies, practices and procedures to reflect the mission needs of this church

B. Projects Approved

1. For all approved projects which have been completed, please attach copies of project evaluations received as at the end of the calendar year.
2. Attach a listing of approved projects which have been completed, for which project evaluations are outstanding as at the end of the calendar year.
3. Attach a listing of approved projects which remain in progress as at the end of the calendar year.

Please submit this report with all required attachments by February 15 to:

Attention: Advisory Board
Church Extension and Capital Fund
600 – 177 Lombard Avenue
Winnipeg, MB R3B 0W5

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

D. NATIONAL CANADIAN MISSION INITIATIVES

I. OPERATING PRINCIPLES

A. General Statements

1. The Advisory Board shall manage the National Initiatives portion of the Church Extension and Capital Fund.
2. This fund is comprised of approximately \$170,000 as of January 1, 1997 and is restricted within the Church Extension and Capital Fund to fund national Canadian Mission initiatives.
3. National Initiative projects may be jointly sponsored with participating synods, with other ministries of this church or with ecumenical partners.
4. This fund shall cover the costs in excess of the registration fee for each participant at the annual Canadian Mission consultation involving the synod Canadian Mission consultants and one representative from each synod committee with responsibility for Canadian Mission.
5. Project requests to access the National Initiatives portion shall be made to the Advisory Board for approval on the recommendation of the annual Canadian Mission Consultation.

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

NATIONAL CANADIAN MISSION INITIATIVES

APPLICATION FOR CHURCH EXTENSION NATIONAL CANADIAN MISSION INITIATIVES FUNDS

Managed by the Advisory Board of the Church Extension and Capital Fund, this fund is restricted for national Canadian Mission initiatives which are national in scope, or jointly sponsored with participating synods, or with other ministries of this church, or with ecumenical partners. Project requests shall be made to the Advisory Board for approval on the recommendation of the annual Canadian Mission Consultation. Requests from congregations or groups on the territory of a synod shall come with the recommendation of the synod committee for Canadian Mission.

PLEASE TYPE OR PRINT LEGIBLY

Submitted to _____ Synod

1. Submitted by: _____

2. Project Title: _____

3. Description of Project:

Please attach any publicity, registration or other material, if applicable.

4. Rationale for Project:

Project Benefit for the ELCIC national and the synods.

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

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5. Project Criteria Addressed:

6. Objectives of Project:

7. Target Audience of Project:

8. Administrative Relationships:

a) Who is responsible to administer the project and complete reporting requirements?
Provide name, address, phone number, fax and e-mail.

b) Who will be involved in carrying out the project? (i.e. individuals, congregations, synod, committees, etc.)

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

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9. Project Budget: \$_____ (Attach budget detail)

Include other sources for funding applied for, pending approval or in place.

10. Timeline: (How long will this project take from start to finish? When will the project begin?
When will project funds be required?)

11. Evaluation:

a) What are the criteria for evaluating this project?

b) Who will be responsible for submitting the project evaluation to the CECF Advisory Board? Provide name, address, phone number, fax and e-mail.

CHURCH EXTENSION AND CAPITAL FUND – MANAGEMENT HANDBOOK

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12. Project Application Date: _____

13. Signature of Applicant: _____

Submitted by: (Please print)

Signature

Project applications must be submitted for review to the Canadian Mission Committee of the synod by the date(s) that the synod has established to review such applications. Project application will be reviewed and forwarded with a recommendation to the Canadian Mission Consultation which meets annually in February. The Canadian Mission Consultation will make a recommendation to the CECF Advisory Board which has final approval for funding of National Initiatives projects.

Application Received by: _____
(Canadian Mission Consultant) (Date)

Reviewed by Synod Committee: _____
(Date)

Approved: \$ _____
(Date)

Funds Forwarded \$ _____
(Date)

Evaluation Received: _____
(Date)

Evaluation forwarded to the Advisory Board: _____
(Date)

EVANGELICAL LUTHERAN CHURCH IN CANADA INVESTMENT POLICY GUIDELINES

Approved by National Church Council: March 14, 2020

A. Objects:

It is understood that Article II of the Constitution, “Confession of Faith”, constitutes the articles of religion for the Evangelical Lutheran Church in Canada.

Article IV of the Constitution, “Mission of the Church”, outlines the range of activities ELCIC undertakes in seeking to achieve its mission. The revised document ELCIC National & Synodical Responsibilities (NC95-11) and the Evangelical Declaration are the practices of what we follow today.

The Evangelical Lutheran Church in Canada (ELCIC) is a non-profit organization whose national office is located in Winnipeg. ELCIC is called to exercise stewardship over the resources that God has entrusted to us for the mission of the church. The investment policy is therefore rooted in the principles of responsible stewardship. It is not merely an entrepreneurial vehicle that seeks to maximize return on investment. Rather, it seeks to strengthen the ELCIC’s mission and ministry.

In order to be faithful to our calling as stewards, we acknowledge that this investment policy must also uphold the biblical and ethical standards of justice. Therefore, the investments shall conform to investing in a socially and ethically responsible manner.

B. Authority:

ELCIC derives its authority to receive and administer invested funds from its Constitution, Article XVI, Section 1(f) and the Administrative By-laws, Part XIV, Section 1 (c). The responsibility for overseeing the investments is delegated to the Department of Finance and Administration (DFA).

The DFA shall carry out its activities in conformity with all applicable legislation in the Province of Manitoba, particularly *The Trustee Act (Manitoba)* (<http://web2.gov.mb.ca/laws/statutes/ccsm/t160e.php>). However, it is understood that where funds are donated with donor conditions that confer special investment powers, restrict the spending of principal, or specify the purpose of a gift, the ELCIC will honour those conditions.

C. Nature and Purpose of Funds Invested:

All of ELCIC’s investments shall be managed subject to the investment criteria in Section E. The emphasis for the funds shall be placed on capital preservation, generating income with a low degree of risk and modest prospects for capital growth, subject to liquidity issues.

The investments include the following categories:

ELCIC Investment Policy Guidelines

1. General Operating Fund: income from the General Operating Fund helps to support budgeted ministries of ELCIC.
2. Church Extension & Capital Fund (CECF): these funds are available to be used to provide financing for Canadian development including but not limited to purchasing land and funding the construction of church buildings for new congregations. Investment income from CECF fund is used to pay for administration of the CECF program, Synod Mission activity and national mission initiatives.
3. Lutheran Investment Funds and Endowments (LIFE): these funds are used to provide financing to existing congregations for capital expansion. Income from LIFE is used to support the expenses of this program as well as funding interest paid to investors in the program and funding special programs of ELCIC.

Endowments: most of the income from Endowments helps to support the ministries of ELCIC from year to year.

D. Investment Manager(s):

1. The DFA, under the direction of the National Church Council (NCC) Finance Committee, has the power to engage one or more investment managers as agents of ELCIC and to delegate to that manager(s) day-to-day investment decisions, subject always to this investment policy.
1. The investment manager(s) shall adhere to the following professional standards and code of ethics:
 - a) the investment manager(s) must have corporate policies for conflict of interest in place;
 - b) the portfolio manager(s) must have the Chartered Financial Analyst (CFA) designation or an equivalent designation;
 - c) the portfolio manager(s) must sign an annual affidavit stating they have not been the subject of any securities investigations in the prior year;
3. The DFA, under the direction of the NCC Finance Committee, shall engage a manager(s) subject to the following conditions:
 - a) that the manager make investment decisions subject to this entire Investment Policy Guidelines, in particular the investment criteria set out below;
 - b) that the term of the appointment not exceed a period of five years, with the possibility of renewal of the appointment after review;
 - c) that the contract may be terminated by the DFA, under the direction of the NCC Finance Committee, with thirty days notice.
 - d) that the manager discuss any contemplated change in investment style or portfolio manager with the DFA;
 - e) that the manager report to the DFA all investment transactions in a monthly written report;
 - f) that the manager submit to the DFA a quarterly report that includes:

ELCIC Investment Policy Guidelines

- i) a summary of all transactions and supporting rationale in the period;
- ii) information on portfolio performance relative to the agreed-upon benchmarks;
- iii) rate of return information for the consolidated investment portfolio and the relevant benchmark returns, comprised as follows:

<i>Sector</i>	<i>Index</i>	<i>Benchmark Weight</i>
Fixed Income	DEX Universe Bond Index	70%
Equity	S&P TSX 60 – CDN	25%
	S&P 100 - US	
Cash	DEX 91 Day T-Bill Index	5%

The benchmark weight for each asset class is the mid-point of the range for each asset class.

- iv) verification that all investment activity meets the criteria of this policy, and documentation of any instance of non-compliance;
- g) that the manager immediately report to the DFA any developments that might, in the manager's opinion, cause the DFA, under the direction of the NCC Finance Committee, to revise any aspect of this investment policy;
- h) that the manager meet, either in person or electronically, with the DFA a minimum of two times per year;
- i) that these terms of reference be included in a written contract between the parties.

E. Investment Criteria:

In all its decisions concerning the assets entrusted to its care, the ELCIC through its DFA and NCC Finance Committee shall act in accordance with the principles of Biblical stewardship. Investments shall be selected subject to the requirements of *The Trustee Act (Manitoba)* in establishing a prudent investor standard, unless the terms of a trust or donor conditions vary the investment powers granted to ELCIC for the funds included in the trust or gift.

Consistent with the Objects in Section A, the investment philosophy of ELCIC is premised on four main principles: safety, expected rates of return, liquidity, and diversification:

- safety refers to the degree of security of principal, or preservation of capital. Through the use of credit ratings, thorough analysis and sound underwriting, the investment portfolio shall maintain a high degree of safety;
- expected rates of return bear an inverse relationship to safety. That is, the higher the expected rate of return, the greater the risk assumed;
- the investments of ELCIC shall take into consideration liquidity factors, such that requirements for funds can be met in an orderly and timely fashion;

ELCIC Investment Policy Guidelines

- diversification reduces risk and has positive attributes to overall yield and liquidity.

The following criteria must be considered in planning the investments, in addition to any others that are relevant to the circumstances:

1. general economic conditions;
2. the possible effect of inflation or deflation;
3. the role that each investment or course of action plays within the overall trust portfolio;
4. the expected total return for income and the appreciation of capital:
 - the expected total return shall be a key consideration in all investments but shall not take precedence over safety.
5. need for liquidity, regularity of income and the preservation or appreciation of capital:
 - a) the investments of ELCIC shall take into consideration liquidity factors, such that requirement for funds can be met in an orderly and timely fashion. These factors shall be reflected in the asset allocation and mix targets. The DFA shall recommend, from time to time, the minimum portion of the portfolio that must be held in short-term investments, up to the maximum cash asset mix guidelines, that can be quickly converted into cash. This amount will be communicated to the investment manager(s);
 - b) unless explicitly authorized by the DFA, under the direction of the NCC Finance Committee, all fixed-income securities shall have a credit rating of “BBB” or better, consistent with industry standard Investment Grade debt rating criteria, as specified by a recognized debt rating agency;
 - c) given the importance of investment income in ELCIC’s operating budget, the portfolio shall place greatest emphasis on the stability of the income stream. Capital preservation is more important than capital appreciation unless explicitly authorized by the DFA, under the direction of the NCC;
 - d) Finance Committee, no securities may be purchased on margin and there will be no use of derivative securities are permitted for speculative purposes that may increase risk.

In addition:

6. diversification of the trust property to an extent that is appropriate to the requirements of the trust and general economic and investment market conditions.

ELCIC Investment Policy Guidelines

Diversification reduces risk and has positive attributes to overall yield and liquidity. The investments of ELCIC shall be diversified by type of investment, by issuer, by location, by industry, and by maturity date.

- a) Following are the asset categories and percentage of the total portfolio that may be invested in each:

	Minimum	Maximum
Cash	0%	10%
Equity	15%	35%
Fixed Income	65%	75%

Permitted investments for each category are listed in Appendix Two.

- b) No more than 10% (at market value) of the total portfolio may be invested in any one fixed income holding, with the exception of:
1. holdings of the federal and provincial governments;
 2. holdings backed or guaranteed by the federal or provincial governments where no limit is set.
- c) No more than \$500,000 may be invested in any one short term or temporary fixed income investment, with the exception of:
1. holdings of the federal and provincial governments;
 2. holdings backed or guaranteed by the federal or provincial governments where no limit is set.
7. investments shall be selected subject to the social and ethical criteria which emerge from the ELCIC's understanding of the Confession of Faith and Mission, as noted in Section A. Recognizing that no government, corporation or investment is totally "ethically pure", investment decisions will be made in an ethically responsible manner, taking into account the considerations contained in Appendix 3;
8. foreign investments are permitted. Wherever two investments are of equal merit on other criteria, a Canadian investment is preferred over a foreign investment.

F. Performance Expectations:

1. Following are the minimum acceptable performance standards for the investment portfolio:
 - a) performance of the bond portfolio shall be measured by comparing its return against the DEX Universe Bond Index.
 - b) the short term portfolio shall be measured against the DEX 91 Day T-Bill Index.
2. Performance shall be measured annually and on a rolling three-year basis, in conjunction with ELCIC's fiscal year end. (As indicated in Section D 3 (f), performance will be reported and reviewed quarterly.)

ELCIC Investment Policy Guidelines

3. The investment manager shall submit reports with sufficient detail to measure performance as outlined above.

G. Conflict of Interest:

Members of the DFA and the ELCIC Finance Committee and the Investment Manager(s) shall adhere to the following Conflict of Interest policy:

1. Any party must disclose any direct or indirect association, material interest, or involvement in aspects related to their role with the regard to ELCIC investments that would result in any potential, actual or perceived, conflict of interest.
2. Without limiting the generality of the above, a conflict of interest arises when one of the parties governed by these guidelines receives a direct or indirect benefit on account of any transaction made on behalf of ELCIC, or a benefit from any actual or proposed contracts with the issuer of any securities which are or may be included in the investment portfolio, or if the individual is a member of the board of directors of any corporation or has significant holdings in the securities issued by any corporation. The best interest of ELCIC is the primary consideration in resolving all such conflicts.

Disclosure Procedures:

1. Any party listed above who is confronted with a conflict of interest must disclose the nature and extent of the conflict to the Treasurer in writing, or request to have entered in the minutes of the meeting of the Finance Committee at the earliest of:
 - a) first becoming aware of the conflict;
 - b) the first meeting in which the matter in issue is discussed;
 - c) the first meeting in which the person knows or ought to have known that the party had an interest in the matter that required disclosure.

For the purposes of b) above, the disclosure must be made verbally if knowledge of the conflict arises in the course of a discussion at a meeting.

2. If the person does not have voting power on decisions affecting the Plan, that person may elect not to participate in the activities related to the issues in conflict, or may continue their activities with the approval of the Treasurer.
3. If the person disclosing the conflict does have voting power, that person may continue in their activities with respect to the issue in conflict only with the approval of the other participants with voting rights. In this situation the person may elect not to participate with respect to the issue in conflict. The notification made may be considered a continuing disclosure on the issue, subject to any future notification, for the purpose of obligations outlined by these guidelines.

ELCIC Investment Policy Guidelines

H. Safekeeping:

The actual security instruments (ie: bonds, debentures, certificates, etc.) shall be held in a recognized custodial facility. Fees for such custodial services shall be payable from income of the fund.

I. Review and Amendment:

The investment policy may be amended at any time by resolution of the ELCIC National Church Council on recommendation of the Finance Committee.

This policy shall be reviewed at least once every two years by the DFA, under the direction of the NCC Finance Committee. The results of this review shall be reported to the next meeting of NCC and will include any recommendations for amendment.

ELCIC Investment Policy Guidelines

APPENDIX ONE

TERMS OF REFERENCE

The Department of Finance and Administration shall:

- a. Oversee and direct the investment funds owned or held in trust by ELCIC, as authorized by the Constitution and By-laws. The DFA shall also engage one or more investment managers as agent of ELCIC and to delegate to the manager, or managers, day-to-day investment decisions, subject always to the investment policy of ELCIC.
- b. Recommend to NCC, under the guidance of the finance committee, an investment policy that conforms to the church's ethical guidelines and all relevant legislation;
- c. Review the investment policy at least once every two years, report and recommend amendments to NCC as the ELCIC finance committee deems necessary;
- d. Meet as often as necessary to administer the investment policy of ELCIC according to the standards of a prudent advisor;
- e. Recommend one or more investment managers to NCC and, when necessary, a replacement or replacements;
- f. Regularly monitor and supervise the performance of the investment manager(s) and its conformity to the investment policy;
- g. Document its decisions and reasons for them;
- h. Report regularly to the finance committee and NCC.

ELCIC Investment Policy Guidelines

APPENDIX TWO

PERMITTED INVESTMENTS

Asset Category	Permitted Investments
Short term	Deposit accounts Term deposits Treasury bills Banker's acceptance Commercial paper
Fixed Income	Government bonds (federal, provincial, or municipal) Guaranteed investment certificates Investment grade corporate bonds
Equity	Shares of Canadian Large Cap companies Shares of International Large Cap companies (US and Non- North American)
Alternative Investments	Target Return Funds Private Debt (to a maximum of 5%) Private Equity (to a maximum of 5%)

Any investment instrument(s) not listed above must be approved by DFA, under the direction of the NCC Finance Committee, as an exception.

APPENDIX THREE

PROHIBITED INVESTMENTS

Asset Category	Prohibited Investments
Short term	Asset-backed Commercial Paper
Fixed Income	Subprime Mortgages Segregated High Yield Bonds or Funds
Other	Land and Real Property in a one off investment

ELCIC Investment Policy Guidelines

APPENDIX FOUR

SOCIAL AND ETHICAL ISSUES TO CONSIDER WHEN SELECTING INVESTMENTS

1. Human Dignity:

Favourable Activities:

- Company strengthens family or community life
- Company has favourable policy towards minority groups

Unfavourable Activities:

- Company operates in a country recognized as a gross and systematic violator of basic human rights and strengthens position of oppressive regimes.
- Company operates in a country where there are restrictions on religious freedoms.
- Company makes sales to police/military in an oppressive country

2. Economic Justice:

Favourable Activities:

- Company pays adequate wages and provides benefits to ensure a decent standard of living
- Company provides safe workplace
- Company provides job security
- Company recognizes rights of workers
- Workers participate in decision-making processes of company
- Company has favourable impact on the poor or those on the margins of community life
- Company reinvests in the community or local economy

Unfavourable Activities:

- Company produces only luxury products (compared to necessary commodities)
- Company produces military weapons, components, or facilities
- Company produces harmful goods (e.g. tobacco products, alcohol)

3. Integrity of Creation:

Favourable Activities:

- Company recognizes the community's right to control its own natural resources

Unfavourable Activities:

- Company uses technology or production methods that lead to environmental damage (e.g. pollution, deforestation)
- Company holds large tracts of agricultural land that is inadequately used for food production.

*The Evangelical Lutheran Church
in Jordan and the Holy Land*



الكنيسة الإنجيلية اللوثرية
في الأردن والأراضي المقدسة

Dear Sisters and Brothers in Christ,

Salaam and grace to you in the name of our Lord Jesus Christ.

As the highly contagious COVID-19 spreads around the world, the leaders and members of the ELCJHL are praying for the health of all the people around the world as this pandemic spreads. We know that you also are continuing to pray for the people in the Holy Land, who already face political and economic problems and often lack the basic health facilities to deal with this kind of epidemic.

The State of Israel and the Palestinian Authority are struggling to contain a local outbreak that has virtually halted air traffic in and out of the country, and has led to tens of thousands of people being quarantined, with 100+ people diagnosed with the illness in Israel and 30+ among Palestinians in the West Bank. These figures are increasing by the hour.

Across the West Bank, East Jerusalem, and Gaza, 2,900 Palestinians are being held in self-quarantine.

In the West Bank (and particularly in the Bethlehem district) schools, universities, banks, and government offices have remained closed, and hotels, restaurants, and dozens of souvenir shops across the city have voluntarily ceased operation.

This virus is having a huge impact on an already fragile and vulnerable economy. The Palestinian economy mainly depends on tourism. With the decisions taken to evacuate all tourists, to cancel all hotel reservations and to close churches and most major tourist attractions, the Palestinian economy is being hit hard already, and the devastating impact will last for few years to come. We know that pilgrims are not only canceling current trips but are also not making plans for future travel at this time.

These times are very difficult indeed. We fear they will become more urgent in the coming weeks and months. This situation has paralyzed life in Palestine and Israel. Every Palestinian home and business has been directly affected, and the people and institutions of the ELCJHL are no exception. As the ELCJHL runs 3 schools and 2 guest houses, we are expecting significant financial shortfalls as a result of this crisis. These shortfalls are due to expected decreases in local income (school fees, guesthouse revenues, and congregational contributions) due to:

- The complete shutdown of Bethlehem district and the shutdown of schools, as well as hotels, restaurants, souvenir shops where many people have lost sources of their livelihood.
- The stopping of most major airlines flights and all tourists have cancelled their reservations to the Holy Land for this year and part of next year. The whole economy is facing severe setbacks. Many shops in the Old City of Jerusalem are closed. Those that remain open are not receiving business.
- The cost of living has drastically increased as a result of the above.

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Furthermore,

- Parents cannot pay the tuition fees of their children.

We are deeply concerned that this will force us to shut down some of our institutions and lay off people if we don't manage to compensate for this loss.

Your assistance in this regard will mean that we can continue to keep our educational, ecclesiastical and Diaconal institutions open.

We appeal to you to pray for us as well assist the ELCJHL financially in this crisis. Your accompaniment is now needed more than ever before. The expected shortfall that we will face is as follows:

On the immediate run:

- During March & April 2020, we open the registration for our students the 2020/2021 scholastic year. The amount expected to be collected is: 650 students X \$230 = 149,500 USD (amount needed for our cashflow).
- During March & April 2020, we have the unrealized income from our guest houses estimated to be \$80,000 (amount needed for our cashflow).

On the medium term:

- From May till August: the church collects tuition fees from parents representing \$180,000 from our schools. We also expect shortfall in collecting this amount.
- It's also expected to have the same shortfall from the guest house income.

Any financial aid collected will be used in two directions:

1. To provide humanitarian aid to 100 families in the West Bank, particularly the Bethlehem district. The assistance will be an in-kind assistance by providing food kits. \$200 per household x 100 family x 3 months = \$60,000
2. To provide 50% of the employees' salary for a period of 2 months at least. It would be around \$200,000

We are trying to keep hope alive and increase the steadfastness of our people. We are fully aware that you're facing difficult times as well and we pray for you and for all people around the world to overcome this crisis.

Your Brother in Christ,

Sincerely,


Bishop Sani Ibrahim Azar



The Evangelical Lutheran Church in Jordan and the Holy Land