The Eastern Synod Lutheran Leaders' Edition

September 2019

74 Weber St. West
Kitchener, ON
N2H 3Z3

Phone: 519-743-1461
1-877-373 5242

A Church in Mission for Others

* **We will practice Spirited Discipleship.**
* **We will pursue Compassionate Justice.**
* **We will strive to be a Healthy Synod.**
* **We will build Effective Partnerships.**

Inside this issue:

From Riitta's Desk

Communication is vital in any relationship. **The Leaders' Edition** is one of the communication tools in our synod. Its purpose is to support congregational leaders in their daily ministry. It appears three to four times a year, depending on the amount of information that needs to be shared.

I would appreciate your feedback. Has the Leaders' Edition served you well? Do you read the whole newsletter when it appears? Do you go back to previous issues when you need information? Who in your congregation is reading the Leaders Edition?

In our **monthly electronic newsletter**, we share your ministry stories, advertise upcoming events and ministry opportunities as well as the news from Martin Luther University College and around the synod. Please, send your stories to us: ezehr@elcic.ca

Canada Lutheran, our national church magazine, opens a window to other synods and beyond. Along with synodical news (three pages each), Canada Lutheran offers well-written articles about theology and other topical issues.

All the stories that we publish in our newsletters and Canada Lutheran magazine can be found on our website www.easternsynod.org Previous Leaders' Edition can be found here. Canada Lutheran has an online version as well: http://canadalutheran.ca/

Again, I'd like to remind you of the importance of updating your and your congregational leaders' contact information. We'd like to keep in touch with you.

Riitta

rhepomaki@elcic.ca

Healthy Boundaries training

We have one more Healthy Boundaries training day to come, and it will be in Halifax later this month. Some pastors have asked if this training will be available next year as well. We will certainly offer one or more training events depending on the need. I will inform you in the next Leaders' Edition in December. Stay tuned.

Riitta Hepomaki

Rules We Live by Constitutions and Bylaws:

by Wendell Caron Grahlman

Mergers, Amalgamations and Resolutions – Oh My!

Wendell Caron Grahlman
Secretary
of the Synod

In the realm of organizational transformations that our congregations may be considering as part of the on-going life of ministry, some will be exploring the option of joining forces, in other words, a merger or an amalgamation.

What's the difference, you ask? Well, a *merger* describes the process in which one or more congregations transfer or become integrated into one surviving congregation, the latter normally continuing to operate according to its existing name, status, and structure. An *amalgamation* describes the process where two or more congregations join to become a brand new congregation, resulting in a new name and organizational structure.

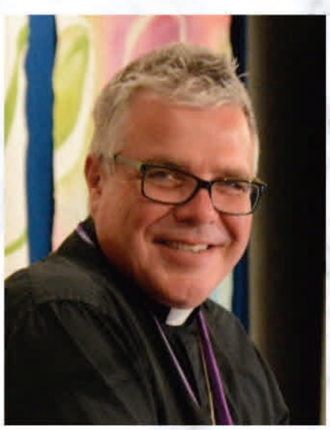
You've got other questions? Well, I have some reading and resources for you for which you may follow up at your discretion.

On the synod website, you can find a document called "Steps in a Merger or Amalgamation of Congregations." It's intended as a resource for congregations to follow some general steps when beginning the stages of merging or amalgamating. It's a guide with information for a journey that will include work with partner congregations, congregational meetings and resolutions, suggestions for consideration, and a number of good points to keep in mind when working through this kind of process.

- Along with this "Steps…" document are a number of accompanying resources, some already having been in place and some new, that will further assist congregations navigate various questions and aspects of organizational transformation, including:
  - Congregational Resolutions Related to Merger or Amalgamation
  - Requesting Voluntary Revocation of a Registered Charity
  - Deeming a Congregation Defunct Policy
  - Steps in the Dissolution of a Congregation
  - Disbursement of Congregational Assets Policy
  - Congregational Fixed Asset Distribution Policy
  - CRA Amalgamations, Mergers and Consolidations

Just as a congregational journey towards merger or amalgamation won't be bug-free, neither will these documents offer a foolproof process. Much appreciation is due to those congregations who have already undergone these kinds of transformations, and from whom much has been learned. Undoubtedly with the uniqueness of every situation, the "Steps…" will be clarified, contextualized, and even corrected! Oh my!

You're welcome to read, mark, learn and inwardly digest according to your interest and need. If you need further assistance or have questions, please email me (wgrahlman@elcic.ca) or any of the Bishop or the Assistants to the Bishop for more information.



Save the Date
Saturday, October 5
12:00 noon
DoubleTree by Hilton (formerly Holiday Inn)
30 Fairway Road South
Kitchener, ON N2A 2N2

Bishops' Company Luncheon

For more info see page 6-7.

Dear Synod Treasurer,

by Keith Myra

Keith Myra
Treasurer
of the Synod

Question: *There have been reports in the news about churches and other charities that have been victimized by internal fraud. What measures should our congregation take to protect ourself?*

Response: My response to this question is based on an article posted on the Eastern Synod website, Are Your Congregational Finances Protected? that Jeff Pym, Stewardship and Resource Ministry Director for the Eastern Synod, and I co-authored several years ago.

Although we may like to believe differently, unfortunately experience tells us that the church, like any human institution, is not immune from fraudulent activities. In fact, over the last few years, fraudulent activities in three Ottawa, Halifax and London (non-ELCIC) congregations have resulted in internal theft totalling over a million dollars! Unfortunately, the Eastern Synod is not immune. Over the past couple of decades, at least four congregations in our Synod have also been victims of "insider activity". When fraud occurs in a congregation there is obviously financial loss. Furthermore, in many cases, trust between congregational members can also be severely damaged. You may be interested in reading about this recent real-life example, a (non-ELCIC) Lutheran congregation in Ottawa: St. Luke's Treasurer Convicted of Fraud.

Any congregation, regardless of its size, can be the victim of theft or fraud. As such, it is important that even small congregations implement simple, common-sense practices that reduce the possibility of financial malfeasance or misrepresentation. Real-life examples show that personal relationships can sometimes provide a false sense of security which unscrupulous or troubled individuals have exploited to their advantage.

As a leader in your congregation, I encourage you to review, and where necessary revise, your financial practices regularly. The following list of basic procedures and controls applies to all congregations, regardless of size. How does your congregation measure up?

1. Are at least two (unrelated) persons always present when offerings and other cash receipts are counted/handled?
2. Are your offerings counted on church property?
3. Are cash and other receipts taken directly to the bank (or placed in safe-keeping)?
4. Are all cheques signed by two (unrelated) persons?
5. Do you prohibit cheques from being signed in advance and left blank?
6. Prior to signing cheques, are supporting invoices reviewed and initialed by cheque signatories?
7. Are annual financial statements prepared in a timely fashion and reviewed by persons not involved in the day to day administration of congregational finances? Does this review include cheques, monthly bank reconciliations, bank statements and signed counting records, as well as a comparison of actuals on a line by line basis to the previous year's actuals and the current year budget amounts?

The one common denominator in almost all cases where internal fraud has been discovered, is that one individual, frequently a trusted congregational member or employee, has been given too much control over the congregation's financial affairs. It is always disturbing to hear about situations whereby a congregation requires only one signature on a cheque. Just as troublesome is the case when two signatures are required, but one of the signatories signs several blank cheques in advance. Implementing basic procedures and controls, such as those identified in the previous list, will prevent most internal financial fraud problems from occurring, or at least detect them much earlier.

In the next issue of *Leaders' Edition*, I'll identify other recommended controls, over and above these minimums.

If you have a question related to regulations or other congregational financial issues, feel free to email me (kmyra@elcic.ca). In addition to responding to you individually, I will publish (anonymously) the most common questions/answers in future issues of Leaders' Edition.

Coming up….

Together in Mission is a 14-month series of slides and accompanying information about our common mission in the Eastern Synod, ministries that none of us can accomplish alone.
One slide with a written piece (around 100 words) will be sent to you by email starting in November.
It is our sincere hope that you will share this information with your parishioners and friends. It is thanks to their generosity, and yours, that our mission happens. Thank you for your benevolence gifts!

Has Your Congregation Filed a 2018 Charity Information Return? by Keith Myra

One of CRA's most important requirements for registered charities is that each charity complete and file its annual Registered Charity Information Return (T3010) within six months following the charity's fiscal year-end. If your congregation is similar to most congregations and has a December 31st fiscal year-end, this means that your T3010 for 2018 should have been received by CRA by June 30th, 2019. Congregations failing to file by the deadline risk fines, possible loss of suspension of their tax-receipting privileges, or in more extreme situations, revocation of their charitable registration status.

Have you checked with your congregational chairperson or treasurer to determine the status of your 2018 return? For more information pertaining to the T3010, refer to the article on page 3 in the June 2015 issue of Leaders' Edition. Note that due to recently implemented legislation, the reference in this article about reporting political activities is no longer applicable and has been replaced by less onerous provisions covering Public Policy Dialogue and Development Activities (PPDDAs).

Have you filled out your 2020 mission grant application?

Applications are due September 27th, 2019.
For more information go to https://www.easternsynod.org/content/mission-committee

Training for Treasurers

Taking on responsibilities for congregational financial matters isn't easy! This job is even tougher if you haven't received any recent training or if you aren't aware of a variety of resources that are available to assist you.

Help is on the way! Through funding provided by the Lay Ministry Education Fund, the Eastern Synod is offering a series of regional workshops in Ontario (Ottawa, Toronto, Hamilton, and Stratford) and Nova Scotia (Bridgewater) this fall that will cover a wide variety of financial matters.

CONGREGATIONAL TREASURERS, FINANCIAL SECRETARIES, FINANCE COMMITTEES CHURCH COUNCILS PASTORS, AND OTHERS

For details on the four Ontario workshops click on the following link *2019 Regional Treasurer Workshops*. For more information and to register for the Nova Scotia workshop scheduled for St. Paul's, Bridgewater on November 9th, contact the Synod Treasurer, Keith Myra (email: kmyra@elcic.ca).

BISHOPS' COMPANY LUNCHEON

KEY NOTE SPEAKER
THE REV DR. SUSAN JOHNSON

Saturday, October 5, 2019
12:00 noon
Double Tree by Hilton
30 Fairway Road South,
Kitchener, ON

Click here for tickets.

SEE YOU AT THE LUNCHEON!

I am delighted to tell you that the speaker for the October gathering will be our national bishop and good friend, the Rev. Dr. Susan Johnson. Bishop Susan served for seven years on the governing Council of the Lutheran World Federation (LWF) and as vice president for its North American Regional Committee. She has travelled extensively on behalf of both the ELCIC and the LWF, visiting churches in many countries.

Because part of your donation to the Bishops' Company is used to fund the Eastern Synod's Global Mission Companion program, we invited Bishop Susan to describe how we as a "medium-sized church" accompany and support our partners in the Global South.

Cordially, Bishop Michael

For more information about the Eastern Synod, please visit our website at www.easternsynod. org