

13.10 REPORT 2 – DEPUTIES FOR ADVICE ON ALLOWANCES FROM THE INTEREST OF THE SUSTENTATION FUND – REGULATION (Art 222)

- A. Rev CA Jansen tables the Report.
- B. The Report will be concluded during the Synod session.

C. REPORT

1. Mandate

- 1.1 Acta 2009:260.
- 1.2 The Deputies have reflected on an alternative method of allocations so that the practical application can better answer to CO, articles 41 and 49. The most important plenary assembly is the Classis. Neighbouring churches are better informed about and attuned to the needs of each other, and are responsible for “assistance (from the Classis) for the correct management” in churches. The approach to date tends too much towards Collegialism.
- 1.3 In light of the decision of 2009 and the reconsideration of approach, it is essential that the Rules should also be revised.

Decision: Points 1.1 to 1.3 noted.

2. Matters that the Synod take note of

- 2.1 The Regulation has its own numbering.
- 2.2 The parts/words that are additions or amendments are in **bold**.
- 2.3 The parts/words that have been crossed out are to be deleted.
- 2.4 Motivations are in *italics* in brackets.

Decision: Points 2.1 to 2.4 noted.

3. Matters that the Synod decide on

- 3.1 (The Regulation has its own numbering.)

REGULATION OF THE SUSTENTATION FUND OF THE REFORMED CHURCHES IN SOUTH AFRICA

The underlined parts/words are amendments/additions to the current Regulation, while the scratched out parts/words must be deleted.

1. Synodal mandate

- 1.1 According to a decision of the National Synod 1997 the Centenary Ministry Fund (Acta 1942) and the Duvenage fund (Acta 1936) is added to the GKSA SUSTENTATION FUND in which the original purposes for both funds are taken up.
- 1.2 The GKSA SUSTENTATION FUND is a Synodal Fund that was brought into existence with a specific purpose and that is controlled by the General Synod by the Deputies appointed to it.

2. Name of the Fund

GKSA Sustentation Fund.

3. Purpose of the Fund

- 3.1 Financial help and advice to churches in the performance of the assignment of Christ to minister the gospel to people. The primary focus is the expansion of the kingdom of God and the building and extension of the church according to Matt 28.

- 3.2 Financial bridging helps and advises churches that cannot persevere in their Ministry of the Word because of leaving church members or socio-economical circumstances. This aid will be given after the Classis assisted the church according to CO, articles 41 and 44 to find alternatives, amongst others combination, ministry agreement or co-operation agreement.
- 3.3 Financial help and advice to churches in order for churches to grow through the ministry of the Word to financial independence under the leadership of the Classis according to CO, art 38.
- 3.4 Financial help and advice to churches for which no alternative (e.g. combination, ministry agreement, cooperation) forms of Word ministry exist and it is imperative that a church exists there.

4. Control

4.1 *Deputies*

- 4.1.1 The General Synod appoints the Management of the Administrative Bureau to fulfil Synod assignments with regards to the purposes of the fund, to meet the requirements of the Regulation and to make serious attempts to build the fund.

4.2 *Compilation of Deputies*

- 4.2.1 The Management of the Administrative Bureau appoints 3 knowledgeable persons from the Bureau after each Synod 3 to serve as Deputies for the fund with one Deputy from each Regional Synod.
- 4.2.2 The task of the Deputies is also the advice of Classes and churches with regards to all financial aspects concerning sustentation.
- 4.2.3 ~~Some of the staff Executive Manager of the Administrative Bureau and some of his staff~~ serve ex officio on the Deputies.
- 4.2.4 An Executive Committee from the Deputies is appointed by the Deputies.

4.2.5 The Executive Committee consists of the three experts who are appointed from among its members plus one of the Regional Synod's Deputies Sustentation from whose jurisdiction the relevant interim application for sustentation comes.

4.3 *Task of the Executive Committee*

- 4.3.1 To handle inordinate sustentation requests in highly exceptional instances as is explained in 8.7.
- 4.3.2 To coordinate advice to churches and Classes.

4.4 *Term of Deputies*

- 4.4.1 The term of the Deputies stretches from General Synod to General Synod.

5. Funds

~~5.1 *Contributions*~~

- 5.1.1 Funds are obtained via contributions (includes amongst others offertories, voluntary contributions of churches and members, donations, estate bequests) or as decided by the Synod.
- ~~5.1.2 Contributions that are received, are equally divided between the Capital Fund and Interest Fund or as decided by the Synod.~~

~~5.2 *Capital Fund*~~

- ~~5.2.1 The Capital Fund only grows through the contributions that are invested in the trust.~~
- ~~5.2.2 The interest income is transferred to the Interest Fund.~~
- 5.2.3 The Capital Fund may not be used for Sustentation. The Management of the Administrative Bureau determines, in consultation with the Deputies, a reserve amount that will not be used for sustentation, so that the ministry needs can be met and the growth of churches can be provided for.**

~~5.3 *Interest Fund*~~

- ~~5.3.1 The Interest Fund grows from contributions received and interest income of the Capital Fund.~~
- ~~5.3.2 Only the money in the Interest Fund is utilised for sustentation to churches.~~

- 5.4 The financial year is from the 1st of July to the 30th of June.

6. Administration

- 6.1 The administration of the fund is assigned to the Administrative Bureau of the GKSA that manages the fund according to the imposed financial policy and reports to the General Synod.
- 6.2 The Deputies receives an exposition of the state of the funds yearly and the amount that is available for sustentation allotment in the next year.

7. Application of the funds

- 7.1 The Sustentation fund is a ~~trust fund~~ **specific fund** that is managed by the Administrative Bureau. Money from these funds can be made available as loans to churches, subject to the approval of the full Management of the Administrative Bureau.
- ~~7.2 The income on the capital will not be added to the Capital Fund, but paid in the Interest Fund for sustentation.~~

8. Requests

8.1 *Procedure for the request for sustentation at the GKSA Sustentation fund:*

- 8.1.1 A Church Council hands in an application at the Classis (according to the applicable provisions of the Regulation) and on the prescribed application form that has to be obtained from the Administrative Bureau annually.
- 8.1.2 The application must be fully completed and handed in electronically.
- 8.1.3 Motivation and definition of the specific circumstances must accompany the request. Churches applying must have a clear strategic plan ahead which control objectives within the goal of this fund and the ways in which the Church Council intends to achieve these goals. The ministry plan must be connected to a time frame.
- 8.1.4 Motivation and definition of the needs of the congregation in which the Church Council demonstrates what efforts they have made to solve the needs, by amongst others forming of combinations, ministry or cooperation agreements and fundraisings.
- 8.1.5 A detailed statement of accumulated funds and trust funds, the statement must contain funds on investments, as well as outstanding or overdue "*ramings*" and other debts.
- 8.1.6 If the church is in combination with a church(es) not asking for help, the statements of both are required and a breakdown of mutual financial obligations in the combination. A time distribution of the functions of the minister in the combination is also required.
- 8.1.7 Deputies of the Classis should handle the application(s) **before the session** of the Classis (according to the Rules) so that ~~it can be complete during the Classis~~ **responsible advice can be given to the Classis for the handling and completion of the application.**

(Deputies have no decision-making power)

- 8.1.7.1 Check and ensure that all motivations and figures are correct.
- 8.1.7.2 Treat the request by subtracting non-sustainable items.
- 8.1.7.3 **Guidelines for uniform handling of applications within which certain items are indeed considered for sustentation**
 - 8.1.7.3.1 **Trust Funds are not taken into account when assessing for sustentation, but the proceeds thereof are.**
 - 8.1.7.3.2 **Such trust funds must be clearly indicated and justified why the capital may not be used.**
 - 8.1.7.3.3 **Audit costs may form part of sustentation to ensure audited accounts that contain correct figures.**
 - 8.1.7.3.4 **Other items that are clearly declared will be judged on its merits according to the available funds.**
 - 8.1.7.3.5 **Bank charges and interest on debt may form part of sustentation.**

- 8.1.7.3.6 If churches show a surplus at the end of the financial year, it should be taken into consideration along with the budgeted figures for the last six months of the current calendar year.
- 8.1.7.4 The items that may not form part of sustentation include the following, unless it is indicated as a need for the sake of the ministry of the Word:
- 8.1.7.4.1 Donations.
 - 8.1.7.4.2 Maintenance and repair of buildings.
 - 8.1.7.4.3 Gardener.
 - 8.1.7.4.4 Honoraria.
 - 8.1.7.4.5 Affiliation fees.
 - 8.1.7.4.6 Depreciation.
 - 8.1.7.4.7 Shortages of previous years.
 - 8.1.7.4.8 Contributions to funds such as Bible Distribution, "Emeritaatsfonds", Emergency Situations, entertainment allowance, study allowance; book purchases, "Kerkblad" subscription.
 - 8.1.7.4.9 Overdue "ramings".
 - 8.1.7.4.10 Capital expenditure.
 - 8.1.7.4.11 Repayment of loans or other debt liabilities.
- (The ultimate responsibility for the allocation of sustentation to a congregation lies with the Classis. The congregation fills in all information on the sustentation form, so that the Classis can form a complete picture of the finances of the congregation. These items that may not form part of sustentation are mentioned here in the Rules to help the Classis in its assessment process)
- 8.1.7.4 Complete the parts that have to be completed by the Classis. ~~Deputies of the Classis report to the Classis.~~
(is already contained in point 8.1.7.5)
- 8.1.7.5 A full Report with working methods and application of the Regulation must be submitted to the Classis with recommendations.
- 8.1.8 Classis evaluates the application and submits a Report with recommendations to the Regional Synod Deputies.
- 8.1.9 The Classis's responsibility is fulfilled by doing the following:
- 8.1.9.1 The Classis must define its own grounds which contain the following:
 - 8.1.9.1.1 The reasons and description of the needs of the church and the viability and sustainability of the ministry plan.
 - 8.1.9.1.2 The Classis shall take note of the need of the church in question and address it.
 - 8.1.9.1.3 The duration of the need and the possibility of moving to financial independence must be completely defined.
 - 8.1.9.1.4 The Classis must supply ~~reasons for the absence of combination forming.~~ **justification for why alternatives (see 8.1.4) for the congregation are not possible.**
 - 8.1.9.1.5 The Classis shall ~~indicate and justify~~ **provide justification for himself** how and why the application by a particular church complies with the provisions of the: **Purpose of the fund (3)**. It should especially be noted here that it is the church's task **to preach the gospel to all people (3.1)**. To this extent, attention must be given to the following three requirements of the church: **bridging help (3.2); growth to financial independence (3.3); essential survival (3.4)**.
 - 8.1.9.1.6 Indicate whether the minister(s) are cared for with proper support (CO, art 11).
 - 8.1.9 The Classis must indicate **in the applications** how much from their own funds will be made available for the sustentation.
- 8.1.10 All of the abovementioned Classis decisions must be submitted in a minute extract.
- 8.1.11 A full report with actions and application of the Regulation is submitted to the Deputies of the Regional Synod with the recommendations by the Classis.
- 8.2 Deputies of the Regional Synod handle the requests with the Deputies of all his Classes.

- 8.2.1 Treat the application according to the Regulation and make sure that the application meets the requirements.
- 8.2.2 The Deputies of the Regional Synod check everything and ensure that motivations and figures are correct.
- 8.2.3 Complete the applicable parts on the application form.
- 8.2.4 The Regional Synod must define its own motivation.
- 8.2.5 The Regional Synod must indicate how much will be made available from own funds for the sustentation **and indicate this in the applications.**
- 8.2.6 ~~A full Report with functions and application of the Regulation are submitted with the recommendations as First Report to the Regional Synod.~~
(each plenary assembly shall determine its own procedure)
- 8.2.7 Deputies of the Regional Synod submit a Report with recommendations to the Deputies of the General Synod and send the applications to the Deputies GKSA Sustentation electronically.
- 8.3 *Procedure for treatment of the applications for sustentation by the Deputies GKSA Sustentation*
- 8.3.1 Treat all applications on merit according to the Regulations and make grants from available funds from the GKSA Sustentation fund to the different churches.
- 8.3.2 Each application is treated on merit, ~~Therefore it is necessary that the Sustentation Deputy of each Classis from which an application comes, must attend the meeting of the Deputies GKSA Sustentation. This Deputy of each Classis must get the opportunity to explain and motivate the different applications from the Classis on this meeting.~~ **within which the motivations of the respective Classes and Regional Synods are offset.**
- 8.3.3 **If necessary, amendments are made in the applications according to the Rules.**
- 8.3.4 The Deputies GKSA Sustentation **make the allocations according to the available funds:**
- 8.3.4.1 **for calculation purposes divide equally among all the congregations that have applied for sustentation.**
- 8.3.4.2 **allocate to the congregations who requested less than the average amount.**
- 8.3.4.3 **to reckon the remainder of the amount that is less than the average with the remaining available funds and divide it equally between the congregations that have applied for more than the average.**
- 8.3.4.4 **in this allocation responsibly offset particular needs of congregations (as reflected in the motivations of the Classes and Regional Synods).**
- 8.3.4.5 **supply to the Regional Synods the allocated amount per congregation and the total for the congregations in the jurisdiction of the Regional Synods.**
~~send a Report to the Regional Synods in which a Report is given and awards are motivated.~~
- 8.3.4 The Regional Synod is allowed to continue to sustentate churches.
- 8.3.5 ~~After the final decision of the Deputies GKSA Sustentation, the church receives a budget from the Deputies Sustentation of the Regional Synod according to which they have to handle budgets and apply discipline. The Regional Synod also gives feedback to each Classis in his resort.~~
- (this tends too much towards Collegialism)
- 8.4 ~~Guidelines for uniform handling of applications~~
- 8.4.1 ~~Sustentation must meet the **Purpose of the Fund** as defined in 3.~~
- 8.4.2 ~~Trust funds are not considered for evaluation of sustentation, but for the return of it.~~
- 8.4.3 ~~Such trust funds, however, must clearly indicate and justify why the capital shall not be used.~~

- ~~8.4.4 Audit costs are sustentative in order to ensure properly audited statements containing figures.~~
- ~~8.4.5 Other items that are clearly stated will be judged on merit according to available funds.~~
- ~~8.4.6 Bank costs and interest on debt are sustentative.~~
- ~~8.4.7 Should churches have a surplus at the end of the financial year, it should be considered in conjunction with the budgeted figures for the last six months of the current calendar year.~~
- ~~8.4.8 No sustentation is paid for:~~
- ~~8.4.8.1 Donations.~~
- ~~8.4.8.2 Maintenance and repair of buildings.~~
- ~~8.4.8.3 Gardener.~~
- ~~8.4.8.4 Honoraria.~~
- ~~8.4.8.5 Affiliation money.~~
- ~~8.4.8.6 Depreciation.~~
- ~~8.4.8.7 Shortages of previous years.~~
- ~~8.4.8.8 Contributions to funds such as Bible distribution, Retirement fund, Emergencies, entertainment allowance, study allowance, book purchases, *Kerkblad* subscription.~~
- ~~8.4.8.9 "Ramings" in arrear.~~
- ~~8.4.8.10 Capital expenditures.~~
- ~~8.4.8.11 Payments of loans or other debt liabilities.~~
- ~~8.5 *Provisions on the allowances from the GKSA Sustentation fund*~~
- ~~8.5.1 After applications have been dealt with:~~
- ~~8.5.1.1 The Deputies determine the amounts that the Classes and Regional Synods can contribute from own funds.~~
- ~~8.5.1.2 The Deputies then attempt to make allowances from the Interest Fund in order to sustentate the whole amount that has been promised.~~
- ~~8.5.1.3 If there are insufficient funds to the Deputies' disposal, a percentage of the amounts allocated will be sustentated with regard to the ability of each Regional Synod to help.~~
- ~~8.5.1.4 If the financial position of a church that received sustentation suddenly and unexpected takes a positive turn during the year (e.g. through a bequest or donation), the church must notify the Sustentation Deputies in order for a possible *adjustment of the original amount by the Deputies to be made.*~~
- 8.5 Completion by the respective plenary meetings**
- 8.5.1 The Regional Synod**
- 8.5.1.1 The Regional Synod decides, on the advice of its Deputies, about the allocation of sustentation to each Classis.**
- 8.5.1.2 The Regional Synod's allocation to each Classis may differ from the allocation made by the Deputies of the General Synod, for which the Regional Synod must account for.**
- 8.5.2 The Classis**
- 8.5.2.1 the Classis makes the final decision about the allocation of sustentation to each congregation.**
- 8.5.2.2 the Classis' decision can be made in one of the following ways: by summoning a Classis, by deciding at the previous Classis on a classis contracta for completion of the matter or by appointing Deputies with a well defined assignment (CO, art 49) to finalize the matter.**
- 8.5.2.3 the final allocation to each congregation may differ from the allocation made by the Regional Synod, which the Classis accounts for.**
- (The final decision lies with the Classis. The Classis, as a meeting of neighbouring churches, should have the best knowledge of each congregation's particular situation and should grant the assistance accordingly.)

8.6 *Disbursements from the Sustentation fund to Regional Synods*

8.6.1 Disbursements to the Regional Synods are quarterly made in advance by the Administrative Bureau.

8.6.2 "Ramings" are deducted according to the Synod decision and directly paid in the name of the church to the respective institutions.

8.6.3 The Administrative Bureau manages the payments to churches, if necessary.

8.6.4 Churches that are vacant, usually do not receive sustentation from the Sustentation Fund for the time of vacancy, except if the ministry plan is going to fail.

8.6.5 With the departure of a minister, payments will only be made for the time in which he was associated with the church or combination.

8.6.6 If a church received sustentation for some time after the church's obligation towards the maintenance of the minister ended, that church must reimburse the named amount.

8.7 *Extraordinary or interim applications for sustentation*

8.7.1 Extraordinary or interim applications for sustentation are not a shortcut or late application to obtain sustentation.

8.7.2 The extreme need and sudden unexpected change of a church's financial condition must be CLEARLY motivated.

8.7.3 Such an interim application is dealt with by the Executive Committee and the Regulations will be applicable under all circumstances.

8.7.4 The Classis or in a case of no other option, a Classis Contracta, must be clearly informed of the necessity of such a interim application and the application must be as fully motivated.

8.7.5 The involved Regional Synod Deputy on the Deputies of the GKSA Sustentation Fund must be involved by the specific Classis for such an application.

8.7.6 The involved Regional Synod Deputy on the Deputies of the GKSA Sustentation Fund will deal with the application with the Executive Committee and must be submitted to the Management of the Administrative Bureau.

Decision: Point 3 approved.