



Southwestern Texas Synod
Evangelical Lutheran Church in America
God's work. Our hands.

THE LEGACY WORKBOOK

Congregations all across the synod are going through challenging times. It is possible that your congregation is in this category. This workbook provides basic guidance when you struggle with the reality that the church you love has been slowly losing its capacity to engage the community and sustain effective ministry. Your congregation may be in the final stages of its life cycle. When you reach this time of discernment, contact the Bishop or the Director of Evangelical Mission to discuss how the congregation can begin Legacy conversations. Legacy plans provide dignity and hope as you seek to carry forward your faith in Jesus Christ, and continue to fulfill God's mission to change and save lives.

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Ending with Hope, Beth Ann Gaede, Editor; Alban Institute 2002
Legacy Churches, Stephen Gray and Franklin Dumond; ChurchSmart 2009

INTRODUCTION

The unspoken desire of every congregation is to be a beacon of change and to leave a lasting legacy. No congregation was ever started for the purpose of making a minimal impact on its community. Every congregation wants to leave its mark on the world. Leaving a legacy, however, means more than simply opening the doors on a Sunday morning. For struggling congregations the fight to stay alive is often seen as a badge of honor and an act of final obedience.

In reality, a congregation is a fellowship of the baptized that has a life-cycle...a beginning, middle, and end. The congregations in the Book of Acts have not survived into the present day, but the fruit and seeds of their witness live on today in hundreds of thousands of congregations and millions of Christians in present time. External forces such as changed landscapes, loss of population, aging, and the rapid pace of change make institutions vulnerable. Internal dynamics like resistance to change, long service by the same workers, mismanaged conflict, deficit spending and eroding relationships rob us of sustainability.

The greatest witness that we can share is to trust that God's plan is still in play, even when our congregation struggles against seemingly insurmountable odds. Jesus told the crowds, "Very truly, I tell you, unless a grain of wheat falls into the earth and dies, it remains just a single grain; but if it dies, it bears much fruit." (John 12:24) Seed can be used to produce another glorious fruit tree, if it is planted. God can use the seed found within a closing of a congregation to produce more fruit and enable your congregation to leave a legacy of mission and ministry.

The following matters may seem tedious, but they can ease your frustration and curb your fears while contemplating the end of the visible presence of your congregation.

DECIDING TO BRING THE CONGREGATIONAL MINISTRY TO A CLOSE

When it becomes apparent that the ability of the congregation to remain effectively engaged in ministry is in jeopardy, schedule a consultation with the Office of the Bishop to develop a plan for discernment. This plan will usually include conversation with the Office of the Bishop, leaders from neighboring congregations, and the required notification of the Synod Council. These decisions should be made only after an extended time of prayer, study, and conversation. Due to the seriousness of the action, this will require a properly called special meeting of the congregation. In addition to deciding to close out the ministry of the congregation, plans should be initiated for legacy planning, and for a final worship service and celebration of ministry. Appendix I contains a template for enabling resolutions related to discontinuing ministry.

LEGACY PLANNING

The congregation will contact the Office of the Bishop for assistance in crafting the congregational legacy. The legacy decisions are directed by the congregation when they are made prior to the close of the congregation. The Office of the Bishop will assist in guiding the conversation and assuring that matters are conducted faithfully and with appropriate pastoral care. The legacy plan will consist of several parts:

Care of members: Of primary concern is the care and nurture of the congregation members. Work with members to transfer membership will be an important part of the pastor's role during the final months and days of the congregation life. A "shepherding congregation" will be identified. This shepherding congregation will

receive the membership records of any member who does not indicate their intention to transfer into an alternate congregation. Members of the congregation can call upon the pastor of the shepherding congregation for care and counsel following the final worship service of the congregation.

Care of the pastor: It will be essential that the pastor remain with and among the congregation through the end of the public congregational ministry. In order to assure that the pastor will be cared for, and to provide for the pastor while seeking a subsequent call, it is recommended that the congregation provide three months full salary, housing, and pension beyond the closing worship service and medical benefits for up to 6 months beyond that time, unless she/he receives a call prior to the end of those limits.

Legacy Directives: The congregation will approve legacy directives which will direct the disbursement of the mission assets of the congregation in a fashion that will honor the legacy of the saints who have gone before, prosper the Church, and advance the Kingdom of God. Determining how to direct the church property can be an enormous project.

”The Internal Revenue Service has strict guidelines for the disposing of non-profit assets. According to the IRS:

Assets of an organization must be permanently dedicated to an exempt purpose. This means that should an organization dissolve, its assets must be distributed for an exempt purpose described in this chapter or to the federal government or to a state or local government for a public purpose. If the assets could be distributed to members or private individuals or for any other purpose, the organizational test is not met. IRS section 501 (c)(3), chapter 3.

In other words, once something is given to a church, it belongs solely to the church. If a church closes, where the items go is to be determined by the

remaining members. You cannot open the door and allow a free-for-all. No one individual can come back and say, “I bought that for the church, so I want it back.”

Another important aspect of the non-profit tax code is also found in Section 501 (c)(3) in the “Dissolution” clause. If a church decides to close its doors, it is **required** to dispose of the remaining assets by transferring them to other charities with **like charitable purposes**.

You may decide to distribute your assets to another congregation, the Synod, Lutheran Social Services, Global missions, etc. Any choices of this type fit within the boundaries of “like purposes” organizations. However, members, officers, or organizations like the American Red Cross, the United Way, or a local school do not qualify. The services of these organizations may be wonderful, but their purpose is not the same. Care should always be taken to preserve the original intention of the church founders”. (*Legacy Churches*, p. 84-85, Church Smart 2009)

The Office of the Bishop can be very useful in conducting a “Legacy Workshop” in which the congregation can make appropriate and faithful allocations of mission assets that will plant seeds that bear fruit.

Archive Historical Materials: Congregations have massive amounts of “stuff” that is collected over the years. Congregations will want to contact the Southwestern Texas Synod Archivist so that official records and valuable historic materials can be archived and preserved at the Region 4 South Archives at the Lutheran Ministry Center in Seguin. The Synod Archivist will assist in identifying and cataloging this material. A gift provided through the congregation’s closing to the Archive Center for this preservation, cataloging, and archive storage is recommended. After appropriate material is archived, the congregation may distribute memorabilia that is of no particular market value, but may possess great sentimental value.

Property and Buildings: Property and Buildings can be sold by the congregation council or the role of selling assets can be given to the Southwestern Texas Synod. If you choose this route, the congregation council will assure that the allocation of cash from the sale of property will honor the legacy directives established by the congregation.

Continuing Diligence: In order to expedite the transfer of responsibilities and provide for sustained monitoring of the affairs of the congregation after the dissolution of the Congregation Council, please provide the appropriate documents and materials listed on Appendix II to the Office of the Bishop. This material will allow the Southwestern Texas Synod to respond to questions and legal inquiries subsequent to the closing of the congregational ministry.

TIMING

The closing of a ministry happens in phases and in a dedicated sequence.

1. The congregation, at a legally called special meeting of the congregation makes its decision to: bring congregational ministry to a close, establish a legacy plan, prepare for a final celebration, and authorize the Congregation Council to oversee these affairs.
2. After the final worship service, the congregation ceases to function. Members are then under the pastoral care of a shepherding congregation. The pastor moves to “on leave from call” status or into a new called position.
3. The Congregation Council (and corporation) continues in existence. Pastoral presence at council meetings (as required by constitution) is fulfilled by the designee of the Bishop. The Council continues to meet for the purposes of executing the legacy directives established by the Congregation. Without prior established legacy directives set in place by the congregation, asset management and distribution will be directed by the Southwestern Texas Synod.
4. After the legacy directives have been implemented the work of the Council is completed. The corporation is transferred to the Southwestern Texas Synod. The Synod will sustain the corporation in order to assure that there are no lingering legal or financial matters to be finalized. The dissolution of the corporation will be handled by the Synod Council of the Southwestern Texas Synod.

APPENDIX I

Motion to Discontinue Ministry

When it becomes apparent that the ability of the congregation to remain effectively engaged in ministry is in jeopardy, schedule a consultation of the congregation with the Office of the Bishop to develop a plan for discernment. This plan will usually include conversation with the Office of the Bishop, the Director of Evangelical Mission ELCA, leaders from neighboring congregations, and the notification of the Synod Council. Decisions about bringing a ministry to a close will only happen after a time of prayer, study, and conversation. The decision to close a ministry will require a properly called special meeting of the congregation as required by polity and statute.

A sample resolution for discontinuance of ministry follows. After the appropriate resolution is adopted, signed and attested; a copy shall be forwarded to the Bishop of the Synod.

_____ **Lutheran Church**
_____, **Texas**
Congregation Meeting

Be it resolved that: We the members of _____ Lutheran Church declare our intention to discontinue ministry and dissolve the congregation in _____, TX.

After extensive and prayerful deliberation, we are saddened to cast our votes for dissolution and discontinuance. The changing context of our ministry and the diminished human and financial resources available to us make it extremely difficult to conduct a sustainable ministry in this location.

In order to responsibly carry out this decision, we further direct our congregation council to work in partnership with the Southwestern Texas Synod and the Office of the Bishop to:

- Identify a date for a closing worship service and celebration of ministry.
- Schedule a congregation workshop prior to the closing worship service at which we will shape a legacy, which directs the mission assets of the congregation in a fashion that will honor the legacy of the Saints who have gone before us, prosper the church, and advance the Kingdom of God.
- Provide pastoral care and leadership for the unique needs of our members during this time of special need and transition to new venues for ministry and membership.
- Oversee the affairs of the congregation and the orderly disposition of property and assets according to the legacy agreements.

Attested: _____ Congregation Council President

_____ Congregation Secretary

Date: _____

APPENDIX II

CONGREGATIONAL CLOSING CHECKLIST

PART 1

Convene a special meeting of the congregation, properly called in accordance with the requirements for such a meeting, as specified in the congregation's Constitution and in the State corporation statutes.

Adopt a resolution to discontinue ministry which enables the Congregation Council to work in partnership with the Office of the Bishop to:

- Identify a date for a closing celebration of ministry
- Schedule a Legacy Workshop (in advance of the closing worship service) at which the congregation will shape a legacy, directing the mission assets of the congregation in a fashion that will honor the legacy of the saints who have gone before us, prosper the church, and advance the Kingdom of God.
- Provide for continuing pastoral care of congregation members.
- Establish authorization for the appropriate officers to carry out the proper transfers or disposition of real and personal property.
- (Please note the distinction between the discontinuing the congregation and the dissolving of the corporation. It will be essential that the corporation continue beyond the time when the congregation continues to meet and engage in active ministry.)

PART 2

Provide for the Southwestern Texas Synod with copies of pertinent legal documents and other critical information including:

- Names, addresses, telephone and email contact information for all officers and Council members.
- Copies of all resolutions related to the dissolution of the congregation.
- Copy of End of Call documents filed with ELCA Board of Pensions.
- List all cash assets (checking, savings, and time deposit accounts) including bank and account number.

- List all investment accounts (bonds, stocks, etc.).
- Provide tax ID number and incorporation papers. DO NOT sign a Dissolution paper. Leave this to the Synod.
- List all designated funds and assets along with restrictions.
- List and provide copies of all loans or legal obligations/agreements.
- All tenants and lessees should be listed with copies of contracts and contact persons.
- Itemize any monies owed the pastor and other employees with copies of contracts/agreements agreed upon by the congregation. Have any verbal agreements made into written agreements.
- Complete and provide copies of all tax related forms such as W2s for employees, etc.
- List contracts and service providers with copies of contracts and agreements i.e. cleaning service, photocopier service.
- List occasional service providers: piano tuner, sound system, heat/air, fire extinguisher, plumbing, etc.
- Inform the Synod of phone service/directory listing agreements.
- List all credit cards and account numbers and balances.
- Insurance contracts and agents including type of insurance, coverage, fees, and renewal date.
- Copies of property tax exemption filings.
- Copies of permits (fire, use, etc.--varies by municipality)
- Copies of easements or other reciprocal arrangements with neighbors.
- Copies of Deeds, Titles, and Surveys
- Make an inventory listing items and fixtures in the church property. Secure, sell, donate, or discard materials as appropriate. Work with the Southwestern Texas Synod and convey any pertinent information specifically related to memorial gifts.
- Change mailing addresses and give neighbors and police information on a contact name.
- Complete the sale of property and liquidation of all assets. Distribute the Mission Assets of the congregation in accordance with the established Legacy Proposal. Provide the Southwestern Texas Synod with copies of distribution letters and checks.

Consult regularly with the Office of the Bishop and formally notify the office that all these steps have been properly completed.

APPENDIX III

LEGACY PLANNING WORKSHOP

A Legacy Planning Workshop is an exercise in stewardship. Three principle purposes are served in this process:

1. Defines and interprets the conditions and opportunities for mission and ministry through and beyond the life of the congregation.
2. Shapes a plan for the care of the congregation members during the time leading to the ending of the congregational ministry and beyond.
3. Crafts a statement of the congregation's historic goals and aspirations as well as the identification of a plan for allocation of mission resources after the dispersal of the congregation.

The Legacy Workshop takes the form of a congregational retreat and involves voting members of the congregation and representatives from the Office of the Bishop.

The following is an outline for conducting a Legacy Workshop

- 10:00 Start with devotions and prayer
- Share the reason for the meeting and parameters surrounding the legacy decisions.
 - Provide for pastoral care of members
 - Testimony to the Impact of this congregation
 - Review of the history of the congregation
 - Compilation of historic themes, characteristics, and passions for ministry
 - Writing and revision of a Legacy Statement
- 11:30 Lunch
- 12:00 Becoming a Legacy Church
 Establish Legacy Directives
 Plan for the management, and disbursement of legacy assets
- 1:30 Close with sharing and prayer

APPENDIX IV

LEGACY PLANNING PARAMETERS

The Legacy Directives prepared by the congregation will need to honor certain parameters. Closing a congregational ministry is painful. There is no way to soften the impact of this decision. It will take time to process the closure decisions in such a way that enable the development of new ministries through the wise allocation of congregational assets. By honoring this process, however, the history and vision of the founding and sustaining members can be honored. The strategic investment of the mission assets from your congregation can help catapult congregational ministry, Synod, Churchwide, and Global initiatives and the important work of ministry partners forward with the Gospel of Christ. Do not allow the assets to be frittered away or invested in inconsequential venues and projects. God doesn't need us to bury those talents, but to use them.

In addition, the Internal Revenue Service has strict guidelines for the disposing of non-profit assets. According to the IRS:

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required to dispose of the remaining assets by transferring them to other charities with **like charitable purposes**.

You may decide to distribute your assets to support congregational ministry in Texas, The Southwestern Texas Synod, ELCA Churchwide, Global Mission, or our Ministry Partners. Any choices of this type fit within the boundaries of “like purposes” organizations. However, members, officers, or organizations like the American Red Cross, the United Way, the local Fire Department or school do not qualify. The services of these organizations may be wonderful, but their purpose is not the same. Care should always be taken to preserve the original intention of the church founders. (*Legacy Churches*, p. 84-85, Churchsmart 2009 and Rules for IRS section 501(c)(3) organization, chapter 3)

A starting point for conversation related to allocation may begin with:

- 10% (Tithe) to ELCA Churchwide or ELCA Global ministry initiatives
- 60% Supporting Congregational Ministry Development in the Southwestern Texas Synod (This may include support of new mission congregations, transforming ministries, or other strategic mission initiatives.)
- 30% Supporting Ministry Partners and other strategic ministries.

Structuring your congregation’s gifts to form “named gifts or endowments” is always an option. By not placing narrow restrictions on your allocations, recipients can be nimble and innovative in finding effective ways to invest your gifts for ministry.

The Office of the Bishop will help to establish the mechanisms for sharing your legacy and can make concrete suggestions how your resources might most effectively support the ministry that we share together.

Final Legacy Directives will be approved by a majority of voting members present at a properly called congregation meeting. The Council President will sign and forward three copies of the Directives to the Bishop. After the Bishop attests the Directives, a copy will remain in the Office of the Bishop, a copy will be returned to the Congregation President, and a copy will be placed in the Congregation Archives.

APPENDIX V

WORSHIP AT THE OCCASION OF THE CLOSING OF A CONGREGATION

- B Bishop
AB Assistant to the Bishop
C Congregation
AM Assisting Minister (Includes: Communion Assistants, bearers of vessels, lectors, etc.)

Processional Hymn

Greeting

Responsive Reading

- AB For everything there is a season,
C and a time for every matter under heaven:
- AB a time to be born, and a time to die;
C a time to plant, and a time to pluck up what is planted;
- AB a time to kill, and a time to heal;
C a time to break down, and a time to build up;
- AB a time to weep, and a time to laugh;
C a time to mourn, and a time to dance;
- AB a time to throw away stones, and a time to gather stones together;
C a time to embrace, and a time to refrain from embracing;
- AB a time to seek, and a time to lose;
C a time to weep, and a time to throw away;
- AB a time to reap, and a time to sew
C a time to keep silence, and a time to speak;
- AB a time to love, and a time to hate;
C a time for war, and a time for peace. (Eccl 3:1-8)

Declaration of Intent:

B We are here to celebrate the life of _____ Lutheran Church, to give thanks to God for the gifts that have come to us and to others through this ministry, to acknowledge our sadness at the close of this ministry, and to affirm again our faith in Jesus Christ. Let us be grateful for God's gifts, honest about our sorrow, open in our love, trusting in Jesus Christ the only head of the church. The service today marks a passage for this congregation. A ministry is coming to a close; something new is about to be born. God is calling the members of this congregation to a new ministry. Congregations are formed and congregations are disbanded, but the Lord our God reigns forever.

Thanksgiving for Ministry

AB Throughout the years, God has blessed _____ Lutheran Church, using the gifts of pastors, and members to bring help and healing, changing lives in the name of Christ. We celebrate this! Listen now to the story of God's people.

AM Brief History of _____ Lutheran Church

AB How can we thank you, O God, for the ministry of this congregation over these past ____ years? For every person who has shown the love of Christ to another, for every quiet act of service which helped another, for every song of praise offered to you from the depths of a grateful heart, for every prayer uttered here which gave you honor and glory, for all the ways in which you have guided and directed these your people for all these gifts of ministry

C We give you thanks and praise!

AB Remember, O Lord, your church,
to deliver her from all evil,
and make her perfect in your love;
and gather together from the four winds
the sanctified church into your Kingdom,
which you have prepared for her.

For yours is the power and the glory evermore!
C Amen.

Hymn

The First Reading...Post Communion Prayer

Passage to New Forms of Ministry

- B It is time for the ministry of this congregation to come to an end. It is also time to look at the new thing God is doing, as the people of _____ Lutheran Church journey forward to offer gifts for ministry in new ways and in other places.
- AM These historic records symbolize the joys and sorrows of the people of God in this place. Receive and preserve them so that the ministry of this congregation may be known and remembered. (The Parish Register is received by the Bishop.)
- AM We entrust our membership list to Pastor _____, with gratitude to the congregation at _____ Lutheran Church in _____ for promising to hold our members in faithful care as we search for new church homes. (A membership list and directory is shared with the Pastor of the Shepherding Congregation.)
- AM We share these legacy directives which convey the mission assets of our congregation in a manner which honors the saints who have gone before us, and prospers the work of the Church and advances the Kingdom of God. (A copy of the Legacy Directives attested and dated by the Congregation Officers is shared with the Bishop)
- B Inasmuch as this congregation of has chosen to end its public ministry, we give thanks to God for the work accomplished here and commend to God the legacy bestowed this day; asking that the Lord of the Church who has blessed and guided _____ will continue to bless, guide, and prosper its legacy of gifts and faithful people.

I declare this congregation to be closed in the name of the Father, and the Son and of the Holy Spirit. May the witness of its people continue undiminished and empowered by Jesus Christ, the Lord of the Church.

C Amen.

(People prepare to move in procession taking select worship appointments.)

AM (At the paschal candle) May we continue to be “a light to the nations, to open the eyes that are blind, to bring out prisoners from the dungeon, from the prison those who sit in darkness” (Isa 42:6, 7).

AM (At the baptismal shell, bowl, and ewer) We were buried therefore with him by Baptism into death, so that as Christ was raised from the dead by the glory of the Father, we too might walk in newness of life. (Rom. 6:4)

AM (At the paten and chalice) As often as we eat of this bread and drink of this cup, we proclaim the Lord’s death, until he comes. (1 Cor. 11:26)

AM (At the Bible) The grass withers the flower fades; but the word of our God will stand forever. (Isa. 40:8)

B You are a chosen race, a royal priesthood, a holy nation, and God’s own people, that you may declare the wonderful deeds of him who called you out of darkness into his marvelous light. (1 Peter 2:9)

Almighty God, the Father, Son, and Holy Spirit bless you now and forever.

C Amen.

BA Go in peace. Serve the Lord.

C Thanks be to God.

(As the closing hymn is sung, the procession leaves the church. The worship appointments are carried in procession, followed by visiting clergy, assisting ministers, the Pastor and the Bishop. The congregation may follow the Bishop at the direction of his assistant.)

Postlude