

***Policy on Assets Received at the Closing of a Congregation
Adopted by Synod Council on Sept. 17, 2021***

**Virginia Synod, ELCA Policy:
Assets Received at the Closing of a Congregation**

PURPOSE

This policy provides guidance for the Virginia Synod, ELCA for the management of assets received at the closing of a Congregation.

APPLICABILITY

This policy applies to congregational assets received by the Virginia Synod, ELCA with no specified guidance for how the assets should be handled.

Should the Virginia Synod, ELCA elect to receive congregational assets with restrictions or designations, then the Virginia Synod will abide by those restrictions or designations.

POLICY

When congregational assets are received by the Virginia Synod with no specified guidance for how the assets should be handled, the assets will be managed as outlined below:

1. Items of historical significance (membership records, etc.) will be sent to the Region 9 Archive and financial assets from the closed congregation will be used to pay the archiving fees.
2. The assets will be evaluated by the Bishop in consultation with other Synod staff and/or by a task group appointed by the Synod Council to determine if those assets can be used for new or existing ministries in their current form.
 - a. Could the congregational building and land be used for a new ministry start?
 - b. Could equipment or worship related items be used by other congregations?
3. The assets will be evaluated by the Bishop in consultation with other Synod staff and/or by a task group appointed by the Synod Council to determine if those assets carry any associated liabilities or restrictions.
 - a. Does the congregation have restricted funds?
 - b. Can the restricted funds be used by the Synod for a similar purpose?
 - c. Do restricted funds or property deeds require the assets to revert to an original owner if the designated use is no longer possible?
 - d. Are there any outstanding legal judgments against the congregation or are there any outstanding bills to be resolved?
 - e. Does the congregation have an obligation requiring the perpetual care of a cemetery or columbarium?
4. If the assets cannot be used in their current form for new or existing ministries, then the real property will be sold and the proceeds distributed as follows:

- a. Reimburse the Office of the Bishop of the Virginia Synod, ELCA for any expenses incurred in receiving, managing, and disposing of the assets.
- b. Establish and fund a mechanism to provide perpetual care for a cemetery or columbarium, if such is owned or operated by the congregation which has closed.
- c. Once “a” and “b” are fulfilled or determined not to apply, then:
 - i. 10 % of the proceeds will be invested in a ministry in the same geographic area where the congregation was located. Appropriate local ministry to be identified by the Bishop in consultation with other Synod staff and the Synod Council Executive Committee and/or Synod Council appointed task group.
 - ii. 10 % will be invested in existing Virginia Synod ministries (current or future) identified by the Bishop in consultation with other Synod staff and the Synod Council Executive Committee and/or Synod Council appointed task group
 - iii. 15% will be available for special projects within the Virginia Synod identified by the Bishop in consultation with other Synod staff and the Synod Council Executive Committee for future development or expansion of existing ministries.
 - iv. 15% will be added to the “Virginia Synod Fund for Mission” Investment (Known internally as ‘Account 10155 – Virginia Synod Messiah/All Saints’).
 - v. 15% will be added to the Virginia Synod Fund for Leaders to create a seminary scholarship for VA Synod candidates for ministry, in honor of the congregation that closed.
 - vi. 10% will be added to an existing endowment or future endowments created by the Virginia Synod.
 - vii. 25% will be invested in new mission starts within the Virginia Synod.
 - viii. Note: All fees and costs associated with the distribution of funds in ‘c’ will be covered within the percentage allocated
- d. In the allocation and distribution of funds received from the closing of a congregation, the Virginia Synod is committed to investing in ministries which are run by, in support of, or in partnership with communities of color and/or other marginalized communities.

updated Sept. 1, 2021