



20
20

ANNUAL MINISTRY REPORT

During this past year,
the LCMS Foundation distributed:

2,950 gifts
for today



totaling **\$27,900,000**

These gifts were distributed to:

940 LCMS ministries
including our congregations and
schools, seminaries, districts and
ministries providing missionary
support, rural and urban outreach,
housing assistance and much more.



The Foundation also assisted LCMS donors in creating:

769 gifts for tomorrow
including bequests, gift annuities,
donor advised funds, charitable trusts,
endowments and beneficiary
designations from individual accounts.

These
gifts
totaled:

\$107,000,000

Dear fellow servants in the Kingdom:

The challenges presented in 2020, while humbling and sometimes daunting, serve as a reminder of the tremendous and wonderful responsibility the LCMS Foundation has been given: to help our members and ministries honor and steward their God-given gifts in a way that provides for future generations of faith.

Today, perhaps more than ever, it's clear how important it is for both LCMS ministries and individual members to have long-term plans and resources available to help overcome times of adversity and other challenges. But it's also clear that our Lord always provides what we need, often years before we even knew a need existed.

Such is the work of gift planning and ministry endowment! Gift plans made twenty years ago are helping congregations bridge gaps in funding today. Endowments established decades ago are helping LCMS schools and ministries continue to serve their communities, even in challenging times.

That's why this year, we feel especially blessed to share this report. Despite the uncertainty within our economy, the reduction in our ability to meet in-person with potential donors, and the challenges presented by having to work remotely, the Foundation still assisted LCMS donors in creating 769 planned gifts totaling nearly \$107 million in future benefit to ministries of our church.

But it's the gifts made years ago—because God's people chose to be wise and forward-thinking—that demonstrate the blessing such choices can have. During FY20, the Foundation distributed 2,950 gifts totaling nearly \$28 million to 940 LCMS ministries. These gifts, often created and planned years ago, are today going to help our congregations, schools, seminaries, districts and other ministries continue with their missions. Missions that include teaching our children, rural and urban outreach, housing assistance, training our future church leaders, and much, much more.

To our current and past donors, thank you for inviting the Foundation to serve you in making gifts that are such a blessing to our church and our faith. And to the ministries that chose us as their investment partner, thank you for your trust and for allowing us to help you build a stronger future for your mission. And to all, may God keep you healthy and safe, and richly bless you in the days ahead.

David Fiedler
President

Russ Harms
Chairman, Board of Trustees

EXECUTIVE STAFF



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President



Tina Clasquin
Sr. Vice President
Trust Administration
and Support



Mark Cannon
Sr. Vice President
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Administration



Rev. Philip Krupski
Sr. Vice President
Gift Planning Services

Gifts Supporting Ministry **TODAY**

Gifts that were distributed during the 2020 fiscal year are the result of the Foundation's core services in planned giving and gift administration. Some were the result of a donor generously writing a check; others were bequests made through a donor's estate plan. The majority of gifts were created years ago and administered by the Foundation, then distributed to ministry when the donor was called to their home in heaven.



Universities and Colleges
156 gifts given
9 institutions benefited

Gifts were used to provide scholarships or other types of financial aid to students in the Concordia University System.



Other Charities
202 gifts given
169 organizations benefited

Gifts were given to charities outside the LCMS at the request of donors in their estate plans or donor-advised funds.



LCMS Districts
165 gifts given
35 districts benefited

Gifts were used to help manage investments and encourage gift plans that assist in strengthening the church.



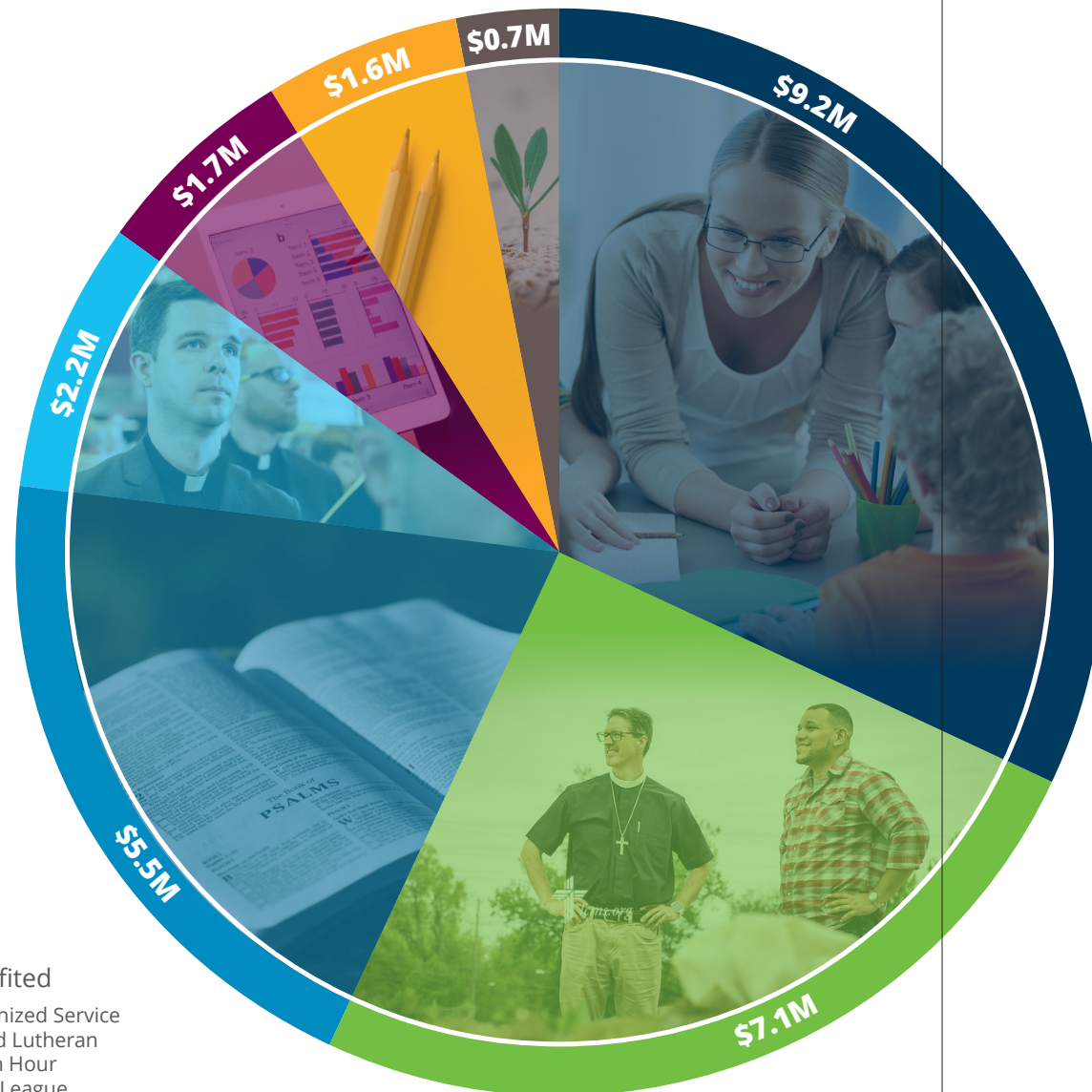
Seminaries
336 gifts given
2 seminaries benefited

Gifts were used for Concordia Seminary in St. Louis, Missouri, and Concordia Theological Seminary in Fort Wayne, Indiana.



Other LCMS ministries
825 gifts given
97 organizations benefited

Gifts were given to ministries including Recognized Service Organizations such as Orphan Grain Train and Lutheran Bible Translators; and the auxiliaries Lutheran Hour Ministries and Lutheran Women's Missionary League.



Gifts Supporting Ministry **TOMORROW**

Gifts that were established during the 2020 fiscal year will be professionally invested and managed by the LCMS Foundation until the time comes in the future for them to be distributed to ministry.



Churches and Schools
826 gifts given

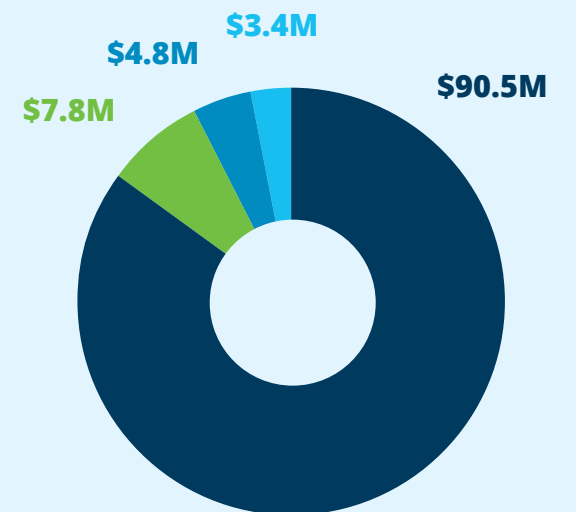
617 ministries benefited

Gifts were used for promoting long-term growth and outreach in congregations, elementary and high schools.



LCMS, Inc.
440 gifts given
7 ministries benefited

Gift were given to ministries such as National and International Missions, Rural and Small Town Mission, the Global Mission Fund and the Joint Seminary Fund.



263 Gift Plans

Each year Foundation Gift Planning Counselors assist donors in establishing plans to make the very best gifts to ministry. These often include gifts that will be made through estate plans including bequests or pay-on-death designations from insurance policies or retirement plans.

182 Split Interest Gifts

Many donors use highly appreciated assets, such as publicly traded securities and real property, to fund split interest gifts that provide income to family, but also include a gift to ministry.

200 Endowment Funds

LCMS ministries receive significant funding from traditional endowment and donor-advised funds each year. Individuals and families choose how to set up an endowment fund and how it will benefit ministry (or multiple ministries). Endowments may be perpetual or for a term of years.

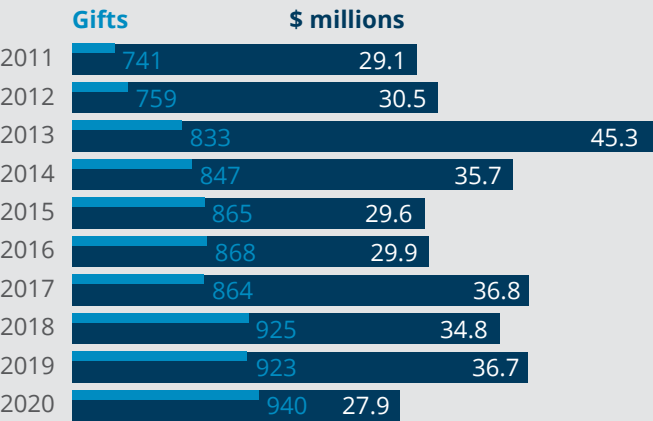
124 Donor-Advised Funds

Donor-advised funds are a type of endowment that provide individuals and families the flexibility of ongoing direction over the amount, timing and recipient ministry of distributions.

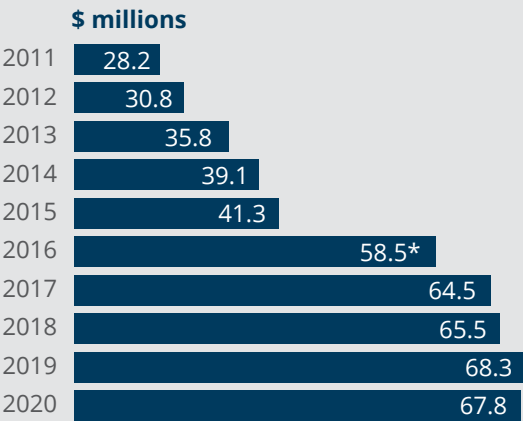
Statements of Financial Position

ASSETS	2020	2019
Cash and cash equivalents	15,158	10,951
Accrued interest and dividends receivable	1,680	1,539
Investments	865,924	830,769
Real estate held for sale	1,028	403
Notes and loans receivable	543	592
Land, building, and equipment, net of depreciation	1,125	1,207
Real estate held in custody	5,829	5,829
Beneficial interest in charitable trusts	1,170	1,266
Other assets	7,649	8,350
(\$ thousands)	900,106	860,906
LIABILITIES AND NET ASSETS	2020	2019
LIABILITIES		
Accounts payable and accrued expenses	748	669
Trust and other liabilities due to:		
Life income	138,695	147,583
Gift annuity	18,372	19,212
Held in: Endowment	159,204	155,258
Custodial	513,797	469,175
Agency	1,457	737
Total trust and other liabilities	831,525	791,965
Total liabilities	832,273	792,634
NET ASSETS		
Without donor restrictions		
Undesignated	12,488	12,345
Foundation designated	34,237	34,143
Total without donor restrictions	46,725	46,488
With donor restrictions		
Time/event restrictions	6,903	7,719
Perpetual funds	14,205	14,065
Total with donor restrictions	21,108	21,784
Total net assets	67,833	68,272
(\$ thousands)	900,106	860,906

Ministry Distributions



Net Assets



* Endowments valued at \$20.4 million were reclassified from liabilities to net assets in 2016.

Investment Performance Summary

STANDARD FUNDS		1 year	3 year	5 year	Inception	Inception Date
Equity	Actual Index	-0.54% -0.72%	5.07% 4.98%	5.99% 5.97%	6.25% 6.91%	Jan 1997
Fixed Income	Actual Index	6.66% 6.59%	4.78% 4.74%	4.30% 4.14%	4.67% 5.49%	Jan 1997
Conservative Balanced	Actual Index	5.23% 5.18%	5.09% 5.07%	4.88% 4.80%	5.53% 5.59%	Dec 2001
Moderate Balanced	Actual Index	3.50% 3.40%	5.15% 5.19%	5.40% 5.31%	5.88% 6.58%	Jan 1997
Aggressive Balanced	Actual Index	1.61% 1.45%	5.17% 5.17%	5.66% 5.71%	6.07% 6.35%	Dec 2001
As of June 30, 2020						
PREFERENCE FUNDS		1 year	3 year	5 year	Inception	Inception Date
Domestic Equity	Actual Index	1.39% 2.30%	7.94% 8.07%	8.66% 8.88%	6.29% 6.20%	Nov 1999
International Equity	Actual Index	-3.83% -4.45%	1.42% 1.17%	2.66% 2.37%	4.08% 3.77%	Nov 1999
Core Bond Fund	Actual Index	8.69% 8.37%	5.46% 5.18%	4.55% 4.16%	5.05% 5.03%	Nov 1999
High Yield Bonds	Actual Index	-0.49% -0.88%	2.50% 2.73%	3.57% 3.95%	6.32% 6.49%	Nov 1999
Money Market	Actual Index	1.06% 1.56%	1.26% 1.73%	0.90% 1.15%	1.66% 1.70%	Nov 1999
As of June 30, 2020						

Charitable Remainder Trusts

TRUST FUNDS		1 year	3 year	5 year	Inception	Inception Date
Income Short	Actual Index	5.99% 7.49%	4.69% 4.96%	4.10% 4.15%	4.59% 4.61%	Jan 2003
Income Intermediate	Actual Index	2.11% 3.08%	3.74% 4.24%	4.14% 4.43%	6.01% 6.23%	Jan 2003
Income Long	Actual Index	1.02% 0.67%	3.35% 3.57%	4.10% 4.30%	6.47% 6.88%	Jan 2003
Total Return Short	Actual Index	5.05% 4.83%	4.81% 4.74%	4.62% 4.53%	5.61% 5.55%	Jan 2003
Total Return Intermediate	Actual Index	2.64% 2.31%	4.91% 4.89%	5.28% 5.22%	6.50% 6.56%	Jan 2003
Total Return Long	Actual Index	0.31% 0.29%	4.63% 4.74%	5.44% 5.48%	6.83% 7.06%	Jan 2003

As of June 30, 2020

LCMSFoundation

TODAY | TOMORROW | FOREVER

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The LCMS Foundation is the only LCMS organization that offers comprehensive charitable expertise and services to help plan and direct your passion for giving to family and all ministries of the church today, tomorrow and forever.