

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

### **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 of the Administrative Bureau 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

- 5.1.1 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 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.
- 5.2 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.

## 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 responsible advice can be given to the Classis for the handling and completion of the application.
    - 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.
- 8.1.7.4 Complete the parts that have to be completed by the Classis.
- 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 justification for why alternatives (see 8.1.4) for the congregation are not possible.
    - 8.1.9.1.5 The Classis shall 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.

- 8.2.7 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, 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.
- 8.3.4 The Regional Synod is allowed to continue to sustentate churches.
- 8.4 *Completion by the respective plenary meetings*
- 8.4.1 The Regional Synod
- 8.4.1.1 The Regional Synod decides, on the advice of its Deputies, about the allocation of sustentation to each Classis.
- 8.4.1.2 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.
- 8.4.2 The Classis
- 8.4.2.1 the Classis makes the final decision about the allocation of sustentation to each congregation.
- 8.4.2.2 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.
- 8.4.2.3 the final allocation to each congregation may differ from the allocation made by the Regional Synod, which the Classis accounts for.
- 8.5 *Disbursements from the Sustentation fund to Regional Synods*
- 8.5.1 Disbursements to the Regional Synods are quarterly made in advance by the Administrative Bureau.
- 8.5.2 "Ramings" are deducted according to the Synod decision and directly paid in the name of the church to the respective institutions.
- 8.5.3 The Administrative Bureau manages the payments to churches, if necessary.
- 8.5.4 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.
- 8.5.5 With the departure of a minister, payments will only be made for the time in which he was associated with the church or combination.
- 8.5.6 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.
- 8.6 *Extraordinary or interim applications for sustentation*
- 8.6.1 Extraordinary or interim applications for sustentation are not a shortcut or late application to obtain sustentation.

- 8.6.2 The extreme need and sudden unexpected change of a church's financial condition must be CLEARLY motivated.
- 8.6.3 Such an interim application is dealt with by the Executive Committee and the Regulations will be applicable under all circumstances.
- 8.6.4 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.
- 8.6.5 The involved Regional Synod Deputy on the Deputies of the GKSA Sustentation Fund must be involved by the specific Classis for such an application.
- 8.6.6 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.