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ANNUAL MINISTRY REPORT



LCMS Foundation
TODAY | TOMORROW | FOREVER

LCMS
Foundation
Executive
Staff



David Fiedler
President



Tina Clasquin
Sr. Vice President
Trust Administration
and Support



Mark Cannon
Sr. Vice President
Finance and
Administration



Rev. Philip Krupski
Sr. Vice President
Gift Planning Services

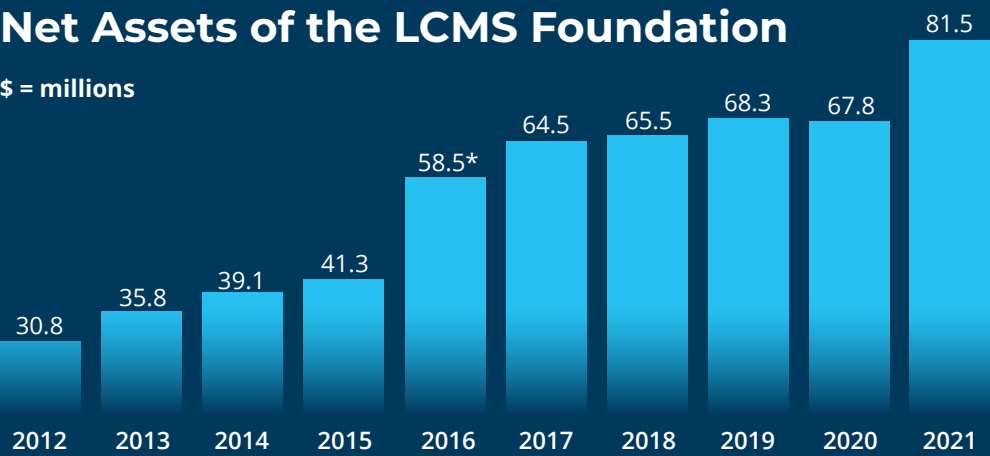
Financial Position of the LCMS Foundation

\$ = thousands

ASSETS	2021	2020
Cash and cash equivalents	19,764	15,158
Accrued interest and dividends receivable	1,811	1,680
Investments	1,111,136	865,924
Real estate held for sale	913	1,028
Notes and loans receivable	520	543
Land, building, and equipment, net of accumulated depreciation and amortization	1,008	1,125
Real estate held in custody	5,828	5,829
Beneficial interest in charitable trusts	1,451	1,170
Other assets	6,561	7,649
	1,148,992	900,106
LIABILITIES AND NET ASSETS	2021	2020
LIABILITIES		
Accounts payable and accrued expenses	719	748
Trust and other liabilities due to:		
Life income	166,017	138,695
Gift annuity	18,411	18,372
Held in: Endowment	204,878	159,204
Custodial	675,460	513,797
Agency	1,964	1,457
Total trust and other liabilities	1,066,730	831,525
Total Liabilities	1,067,449	832,273
NET ASSETS		
Without donor restrictions		
Undesignated	14,160	12,488
Foundation designated	40,278	34,237
Total without donor restrictions	54,438	46,725
With donor restrictions		
Time/event restrictions	12,619	6,903
Perpetual funds	14,486	14,205
Total with donor restrictions	27,105	21,108
Total Net Assets	81,543	67,833
	1,148,992	900,106

Net Assets of the LCMS Foundation

\$ = millions



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

Greetings in
the name of our
Lord and Savior,
Jesus Christ!

The LCMS Foundation exists to help LCMS members and ministries steward God’s gifts so that the abundance He provides today can fund ministry tomorrow.



It may seem odd to talk about abundance when our world remains shaken by this pandemic, and yet, over the past year, we’ve seen incredible generosity and support continue for the work of the church.

Our gift planning counselors often reference the story from Genesis in which Joseph interprets Pharaoh’s dream as God’s message that Egypt will have seven years of abundance followed by seven lean years. It would be quite easy to assume we are living in “lean” times, and that now is the time to fall back on the abundance we set aside in previous years.



But God is so much greater than this! Even as we struggle to overcome the pandemic, we are also living in a time of abundance. At the Foundation, we see this in the \$122.7 million in planned gifts made in 2021. We also see it in the record number of ministries that are working with us to invest funds, create endowments or take other steps to set aside current blessings so as to be prepared for leaner times that may come.

In short, God’s faithful people are still seeing great abundance in their lives and proactively seeking opportunities to turn today’s blessings into future gifts to support Christ’s church here on Earth.

\$122.7
million
in planned
gifts were
made in 2021

So, on behalf of the LCMS Foundation, we want to thank our current and past donors, as well as the ministries that chose us as an investment partner. Your faith in God’s everlasting abundance is an inspiration and your gifts and investments are truly a blessing to our church.

May God bless you and keep you healthy and safe in the days ahead.

David Fiedler

David Fiedler
President

Russ Harms

Russ Harms
Chairman, Board of Trustees



3,138 gifts for today
totaling **\$32.2** million

were distributed by the LCMS Foundation
this past year.

Gifts that were distributed during the 2021 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, while 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.



LCMS, Inc.

522 gifts distributed
6 ministries benefitted

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.



Churches and Schools

917 gifts distributed
646 ministries benefitted

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



Other LCMS Ministries

815 gifts distributed
102 organizations benefitted

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.



Seminaries

369 gifts distributed
2 seminaries benefitted

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



Other Charities

196 gifts distributed
162 organizations benefitted

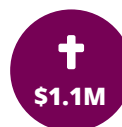
Gifts were given to charities outside the LCMS at the request of donors in their estate plans or donor-advised funds.



Universities and Colleges

155 gifts distributed
8 institutions benefitted

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



LCMS Districts

164 gifts distributed
35 districts benefitted

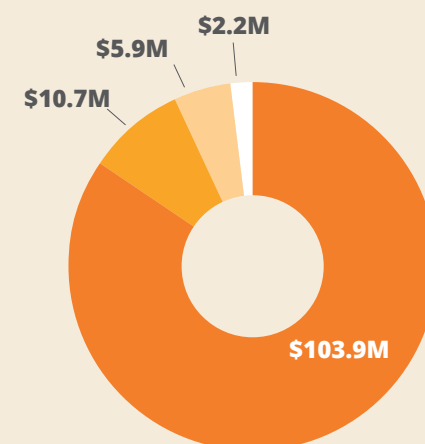
Gifts were used to help manage investments and encourage gift plans that assist in strengthening the church.



853 gifts for tomorrow
totaling **\$122.7** million

were created this past year by donors with
the assistance of the LCMS Foundation.

Gifts that were established during the 2021 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.



Split Interest Gifts

170 gifts created

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.

Endowment Funds

231 gifts created

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.

Gift Plans

338 gifts created

Each year, LCMS 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 and/or pay-on-death designations from insurance policies or retirement plans.

Donor-Advised Funds

114 gifts created

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.



Our school was blessed with our first gift from a donor who wanted to start an endowed scholarship fund. The LCMS Foundation helped guide us through the process of creating an investment fund that reflected the donor's wishes and provided an opportunity for future financial growth for our school. We were so thankful to work with a trusted partner who understood the importance of incorporating our mission and vision in our financial planning.

Jen Pawlitz
Director of Mission Advancement
Christ Community Lutheran School
Saint Louis, Missouri



\$1.1 billion

total assets under management.

Using NEPC as our investment advisor and 14 well-known, industry-leading fund managers, the LCMS Foundation stewards the investments of more than 500 LCMS ministries, including congregations, seminaries, schools, universities and Registered Service Organizations (RSOs). These ministries invest with us because we offer highly professional, low-cost investment services that quite often outperform funds managed by commercial companies.

Universities and Seminaries

8 total | \$316.1M*

The Foundation is trusted by higher education organizations across the LCMS to manage their endowments or investment funds.

Churches and Schools

395 total | \$130.3M

The Foundation is the investment partner for hundreds of LCMS congregations and many LCMS elementary schools.

Other LCMS Ministries

51 total | \$115.1M

Dozens of LCMS ministries, including RSOs, have endowments or invest their funds with the Foundation.

The Lutheran Church—Missouri Synod

\$67.9M

The LCMS Foundation is an official entity of the Synod and manages its long-term investments.

Districts

26 total | \$29.1M

The majority of LCMS districts use the Foundation as their investment partner. Each year, we're assisting more districts across the Synod.

High Schools

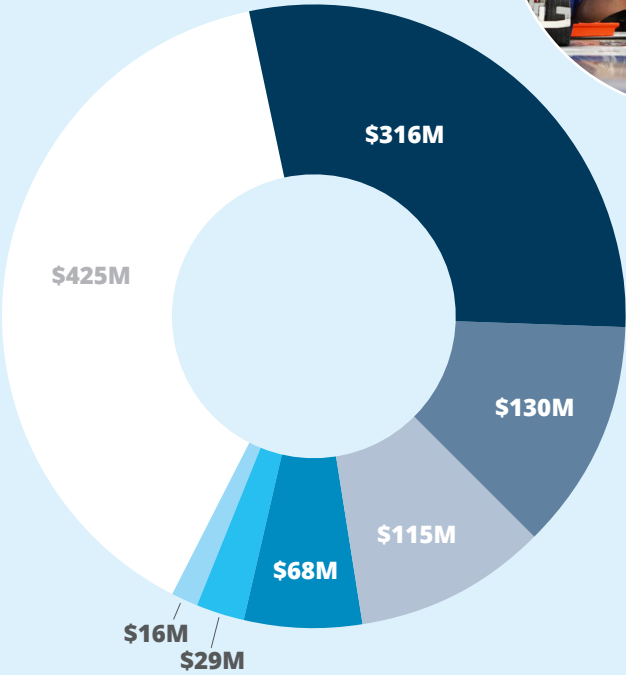
15 total | \$16.1M

High schools often have substantial development efforts and each year more high schools are choosing the Foundation to be their investment partner.

Funds Created from Planned Gifts

\$425.4M

The Foundation also manages the funds created after individual donors create gift plans that include personal endowments, trusts or donor-advised funds.



Investment Performance Summary

PREFERENCE FUNDS	1 year	3 year	5 year	Inception	Since
Domestic Equity Fund Index	45.43%	16.84%	16.63%	7.84%	Nov-99
	45.39%	17.26%	16.74%	7.75%	Nov-99
International Equity Fund Index	38.22%	10.47%	11.39%	5.45%	Nov-99
	36.53%	9.38%	11.32%	5.08%	Nov-99
Core Bond Fund Index	1.57%	5.87%	3.60%	4.89%	Nov-99
	-0.33%	5.03%	2.88%	4.78%	Nov-99
High Yield Bond Fund Index	13.51%	5.98%	6.08%	6.64%	Nov-99
	12.75%	5.93%	6.08%	6.77%	Nov-99
Money Market Fund Citi 3mth Treasury Bill	0.01%	0.92%	0.85%	1.59%	Nov-99
	0.08%	1.31%	1.14%	1.63%	Nov-99

STANDARD FUNDS	1 year	3 year	5 year	Inception	Since
Equity Policy Index	41.74%	13.92%	14.23%	7.51%	Jan-97
	41.88%	13.85%	14.43%	8.15%	Jan-97
Fixed Income Policy Index	3.80%	5.80%	4.04%	4.64%	Jan-97
	2.17%	5.27%	3.56%	5.36%	Jan-97
Conservative Balanced Policy Index	12.69%	8.12%	6.76%	5.88%	Dec-01
	11.16%	7.68%	6.39%	5.87%	Dec-01
Moderate Balanced Policy Index	21.97%	10.20%	9.30%	6.50%	Jan-97
	20.75%	9.89%	9.13%	7.13%	Jan-97
Aggressive Balanced Policy Index	31.76%	12.17%	11.82%	7.26%	Dec-01
	30.98%	11.96%	11.83%	7.48%	Dec-01

TRUST FUNDS	1 year	3 year	5 year	Inception	Since
Income Short Policy Index	2.63%	5.29%	3.52%	4.48%	Dec-02
	0.91%	5.15%	3.22%	4.41%	Dec-02
Income Intermediate Policy Index	12.55%	6.85%	6.13%	6.35%	Dec-02
	11.21%	6.96%	6.13%	6.49%	Dec-02
Income Long Policy Index	15.68%	7.26%	6.94%	6.94%	Dec-02
	14.66%	7.12%	6.90%	7.29%	Dec-02
Total Return Short Policy Index	10.67%	7.47%	6.05%	5.88%	Dec-02
	8.97%	6.89%	5.63%	5.73%	Dec-02
Total Return Intermediate Policy Index	23.53%	10.33%	9.63%	7.36%	Dec-02
	22.06%	9.93%	9.38%	7.35%	Dec-02
Total Return Long Policy Index	31.66%	11.66%	11.59%	8.04%	Dec-02
	30.81%	11.58%	11.62%	8.22%	Dec-02

All performance returns are as of 6/30/2021.

LCMSFoundation

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The LCMS Foundation was created in 1958 by the Lutheran Church—Missouri Synod to assist LCMS members in the creation of charitable estate plans, and to help LCMS ministries invest the assets they possess, whether received as estate gifts from members or through other sources.