

20
22

ANNUAL MINISTRY REPORT



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

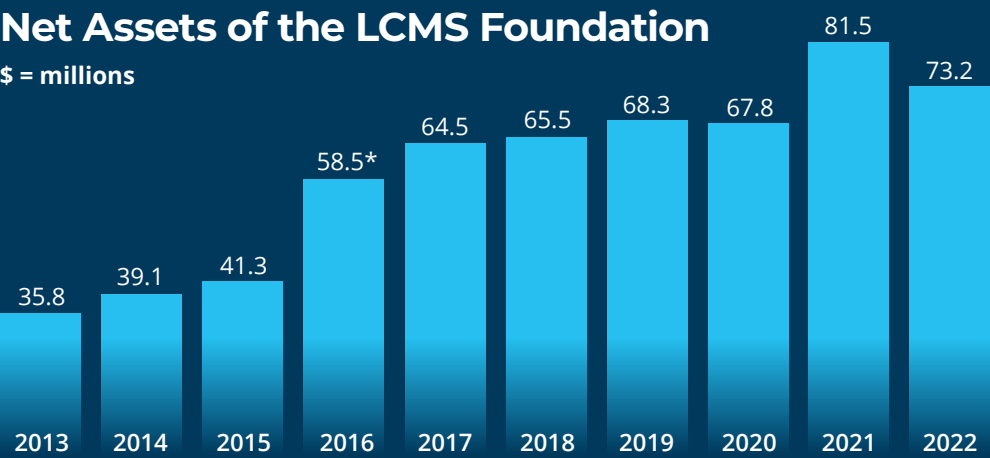
Financial Position of the LCMS Foundation

\$ = thousands

ASSETS	2022	2021
Cash and cash equivalents	22,382	19,764
Accrued interest and dividends receivable	2,088	1,811
Investments	1,086,189	1,111,136
Real estate held for sale	3,775	913
Notes and loans receivable	501	520
Land, building, and equipment, net of accumulated depreciation and amortization	962	1,008
Real estate held in custody	5,683	5,828
Beneficial interest in charitable trusts	1,422	1,451
Other assets	5,979	6,561
	1,128,981	1,148,992
LIABILITIES AND NET ASSETS	2022	2021
LIABILITIES		
Accounts payable and accrued expenses	670	719
Trust and other liabilities due to:		
Life Income	140,678	166,017
Gift Annuity	14,658	18,411
Held in: Endowment	175,896	204,878
Custodial	719,129	675,460
Agency	4,789	1,964
Total trust and other liabilities	1,055,150	1,066,730
Total Liabilities	1,055,820	1,067,449
NET ASSETS		
Without Donor Restrictions		
Undesignated	13,272	14,160
Foundation Designated	37,007	40,278
Total without donor restrictions	50,279	54,438
With Donor Restrictions		
Temporarily Restricted	7,609	12,619
Permanently Restricted	15,273	14,486
Total with donor restrictions	22,882	27,105
Total Net Assets	73,161	81,543
	1,128,981	1,148,992

Net Assets of the LCMS Foundation

\$ = millions



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

Greetings,
friends in
Christ!

Back in 1958, Synod leaders made the wise decision to establish an organization to provide gift planning services to LCMS members. I wonder what those leaders would say now if they could see how that decision is such a blessing to the church today.

For example, last year, praise be to God, the Foundation had the honor of distributing nearly \$46 million of donor gifts to the hundreds of LCMS congregations, schools, districts, RSOs and other ministries named in these donors' gift plans.

This is a tremendous blessing which causes us to rejoice, for God has given His people the gifts they need to spread the Gospel. And His people continue to heed the call to do great things with the gifts He has provided in their lives.

As wonderful as it is to be able to distribute \$46 million last year, fulfilling the wishes of faithful donors from years past, that's just a glimpse of what God has planned. Hundreds of additional donors stepped forward last year and created new charitable estate plans containing more than \$137.9 million in future gifts. These are gifts that will be distributed to support the work of the LCMS in coming years, according to the wishes of these donors.

Finally, God is blessing His Church in yet another way. Even when there is general concern about the broad outlook for church finances, some ministries still find themselves in a season of plenty. When this happens,



they are able to use the investment services of the LCMS Foundation to prepare for the lean years that may come. These investments not only provide funds for current needs, but with the Lord's blessing, and a steady, long-term approach, we expect these can also grow further, to become substantial, ongoing sources of funding for these ministries for generations to come.

HIS PEOPLE CONTINUE TO HEED THE CALL TO DO GREAT THINGS WITH THE GIFTS HE HAS PROVIDED IN THEIR LIVES.

have entrusted them to us. That's a record amount for our organization, but more importantly, it should be a source of encouragement to those who are concerned about the future finances of the church.

But we couldn't do our work without God's grace, or without the trust both donors and ministry partners place with us. Thank you! Together, we are answering God's call to care for and grow the gifts He has provided.

May God bless you in the coming year!

David Fiedler

David Fiedler
President

Russ Harms

Russ Harms
Chairman, Board of Trustees



3,189 gifts for today
totaling **\$45.8** million

were distributed by the LCMS Foundation
this past year.

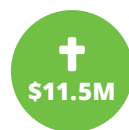
Gifts that were distributed during the 2022 fiscal year are the result of the Foundation's core services in planned giving and gift administration. Some were the result of a donor generously writing a check; others were bequests made through a donor's estate plan. The majority of gifts were created years ago and administered by the Foundation, then distributed to ministry when the donor was called to their home in Heaven.



Churches and Schools

933 gifts distributed
686 ministries benefited

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



LCMS, Inc.

474 gifts distributed
1 ministry benefited

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



Other LCMS Ministries

867 gifts distributed
105 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.



Seminaries

358 gifts distributed
2 seminaries benefited

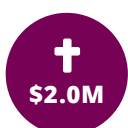
Gifts were given to Concordia Seminary in St. Louis, Missouri, and Concordia Theological Seminary in Fort Wayne, Indiana.



Universities and Colleges

163 gifts distributed
10 institutions benefited

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



LCMS Districts

175 gifts distributed
35 districts benefited

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



Other Charities

219 gifts distributed
162 organizations benefited

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



CHURCHES AND SCHOOLS



LCMS, INC.



SEMINARIES



OTHER LCMS MINISTRIES



UNIVERSITIES AND COLLEGES



LCMS DISTRICTS



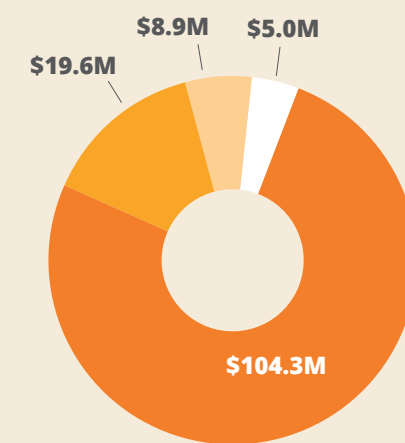
OTHER CHARITIES



964 gifts for tomorrow
totaling **\$137.9** million

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

Gifts that were established during the 2022 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

301 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

228 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

284 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

151 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.



“The help that we receive from the LCMS Foundation is critical. We don’t have professionals on staff that can manage our funds or look at the financial indicators that could impact us. We can’t put into words how appreciative we are for their help in managing God’s resources so that we can focus on ministering to our students.

Chris Nelson
Executive Director
N.E.W. Lutheran High School
Green Bay, Wisconsin



\$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 550 LCMS ministries, including congregations, seminaries, schools, universities and Recognized 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 all of the Synod’s 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

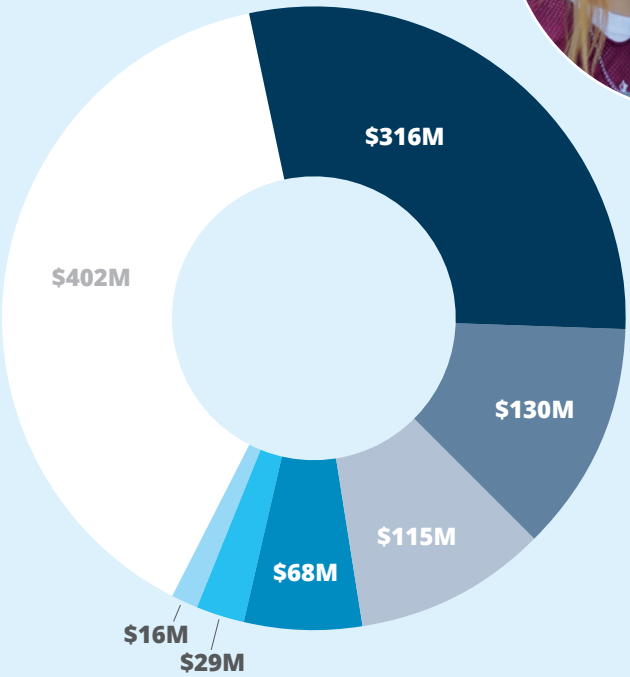
15 total | \$16.1M

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

\$402.4M

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	Return	Inception Date
Domestic Equity Fund Index	-12.37% -13.41%	8.92% 8.80%	9.89% 9.70%	6.85% 6.72%	Nov-99 Nov-99
International Equity Fund Index	-23.51% -20.68%	0.56% 1.07%	1.98% 2.27%	3.97% 3.78%	Nov-99 Nov-99
Core Bond Fund Index	-10.44% -10.29%	-0.38% -1.05%	1.31% 0.79%	4.16% 4.06%	Nov-99 Nov-99
High Yield Bond Fund Index	-8.56% -8.44%	1.09% 0.77%	2.25% 2.27%	5.92% 6.05%	Nov-99 Nov-99
Money Market Fund FTSE T-Bill 3 Months TR	0.00% 0.19%	0.36% 0.61%	0.76% 1.09%	1.51% 1.56%	Nov-99 Nov-99

STANDARD FUNDS	1 year	3 year	5 year	Return	Inception Date
Equity Policy	-16.73% -16.33%	5.49% 5.60%	6.48% 6.53%	6.43% 7.07%	Jan-97 Jan-97
Fixed Income Policy	-9.95% -9.90%	-0.10% -0.63%	1.46% 1.13%	4.02% 4.71%	Jan-97 Jan-97
Conservative Balanced Policy	-11.43% -11.43%	1.65% 1.16%	2.98% 2.69%	4.97% 4.96%	Dec-01 Dec-01
Moderate Balanced Policy	-13.19% -13.01%	3.10% 2.78%	4.25% 4.09%	5.65% 6.26%	Jan-97 Jan-97
Aggressive Balanced Policy	-14.84% -14.65%	4.47% 4.26%	5.48% 5.38%	6.06% 6.28%	Dec-01 Dec-01

TRUST FUNDS	1 year	3 year	5 year	Return	Inception Date
Income Short Policy	-10.25% -10.10%	-0.79% -0.84%	1.11% 0.96%	3.67% 3.61%	Jan-03 Jan-03
Income Intermediate Policy	-9.50% -10.21%	1.32% 0.96%	2.61% 2.49%	5.47% 5.57%	Jan-03 Jan-03
Income Long Policy	-10.06% -9.77%	1.67% 1.36%	2.81% 2.82%	6.00% 6.34%	Jan-03 Jan-03
Total Return Short Policy	-10.96% -10.62%	1.16% 0.69%	2.56% 2.27%	4.94% 4.82%	Jan-03 Jan-03
Total Return Intermediate Policy	-13.26% -12.56%	3.22% 2.97%	4.35% 4.25%	6.19% 6.23%	Jan-03 Jan-03
Total Return Long Policy	-14.37% -13.71%	4.18% 4.22%	5.25% 5.34%	6.76% 6.97%	Jan-03 Jan-03

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.

LCMSFoundation
TODAY | TOMORROW | FOREVER

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