

## **President's Mercy Grant Fund Guidelines**

### 1) Purpose

- a. Even as Jesus' ministry was characterized by acts of mercy and compassion toward those experiencing various physical needs (cf. Matthew 9:27f; 9:35f; 14:14; 15:21f; 15:32f; 17:14f; 20:29f; etc.), the President's Mercy Grant Fund is established by The South Dakota District of The Lutheran Church—Missouri Synod as a means of extending Jesus' ministry of mercy and compassion to rostered (commissioned and ordained) workers in The South Dakota District.
- b. The President's Mercy Grant Fund provides emergency "Mercy Grants" in the event of extraordinary or catastrophic circumstances experienced by workers either when other emergency funds or resources are not available or when a condition of relief assistance from another source is such that The South Dakota District provide matching funds or some other level of financial assistance.

### 2) Eligibility

Rostered (commissioned and ordained) workers who currently hold membership in The South Dakota District and are living within the District may apply for Mercy Grants. Such rostered workers include those who either:

- a) are serving under a call within The South Dakota District; or,
- b) have formerly served under a call within The South Dakota District.

### 3) Conditions

- a) Mercy Grants are approved and distributed only when extraordinary or catastrophic circumstances have been experienced by the worker or by a worker's dependent spouse or child(ren). Determination of what constitutes extraordinary or catastrophic circumstances is the responsibility of the president of The South Dakota District in consultations with the District's executive secretary and vice-presidents.
- b) Application for Mercy Grants shall be made only after the worker has sought assistance from other available resources, including the worker's congregation, and is able to demonstrate that without the assistance of a Mercy Grant, the worker will not be able to maintain financial solvency.
  - 1) A detailed financial worksheet will be required from the worker when applying for a Mercy Grant.
  - 2) The worker's participation in consumer credit counseling may be required as a condition for receiving a Mercy Grant.
- c) Mercy Grants shall consist of a portion that is given without the expectation of repayment and a portion which the worker shall repay

without interest to the President's Mercy Grant Fund. The portion to be repaid shall not be less than ten percent (10%) nor may it exceed fifty percent (50%) of the total grant amount. No grant will be provided in which there is no expectation of the repayment of a portion of the Mercy Grant.

- 1) Determination of the percentage of the Mercy Grant to be repaid is the responsibility of the president of The South Dakota District in consultation with the District's executive secretary and vice-presidents after reviewing the worker's financial worksheet.
- 2) Repayment of amounts totaling \$2,500 or less shall be pro-rated with annual payments made over a period of five (5) years or less. Repayment amounts exceeding \$2,500 shall be pro-rated with annual payments made over a period not to exceed ten (10) years.

#### 4. Funding

a) Initial funding shall be as follows:

- 1) The South Dakota District Board of Directors grants \$20,000 from the District's Board Designated Funds to the President's Mercy Grant Fund.
- 2) Matching funds shall be solicited through grant requests, articles in The Lutheran Witness, *SD District Supplement*, and direct donor contact.

b) Ongoing funding:

- 1) Following the initial Board of Directors' grant, the President's Mercy Grant Fund shall be funded entirely through grant requests, donor gifts, and grant repayments. It shall not be funded through the District's unrestricted work program funds.
- 2) The president of The South Dakota District and/or his representatives are authorized by the Board of Directors to include periodic articles in The Lutheran Witness, *SD District Supplement* as well as send direct mail (hard copy or electronic copy) solicitations, and make direct donor contact.

#### 5. Administration

- a) No Mercy Grants shall be authorized or distributed until the fund has attained a total of \$40,000. A minimum balance of \$40,000 available for Mercy Grants normally will be maintained. The president of The South Dakota District is authorized to solicit donations whenever the fund is

below the minimum balance. Financial administration of the President's Mercy Grant Fund will be done by The South Dakota District Business Office with consultation with the District Treasurer. The fund shall be identified as a temporary restricted fund of The South Dakota District, with the fund's balance regularly reported with the District's other temporary restricted funds.

- b) The president of The South Dakota District shall have general oversight over the President's Mercy Grant Fund and the distribution of grants. Prior to authorizing and distributing Mercy Grants, he shall consult with the District's executive secretary and vice-presidents.
- c) Applicants for Mercy Grants must complete the required application forms and financial worksheets available from the president of The South Dakota District. Responses on the application forms must document clearly the need for the requested grant. Application forms must have the signed approval of a representative of either the church council, board of elders, or voters' assembly of the worker's congregation. Applicants must state their willingness to participate in consumer credit counseling services in the event that such participation is a condition of the grant.
- d) No single Mercy Grant may exceed one-half of the available balance of the fund.
- e) Only one (1) Mercy Grant normally shall be given to any worker. In the event that a worker finds it necessary to apply for a second grant, approval may be granted only by the Board of Directors of The South Dakota District upon recommendation by the president of the District after consultation with the District's executive secretary and vice-presidents. Under no conditions may a worker apply for a second grant prior to full repayment of that portion of the first grant which was to be repaid.
- f) In the event that a worker who has received a Mercy Grant accepts a call to service in a different district, the worker shall be given one year from the last date of service in The South Dakota District to repay the entire portion of the grant which was to be repaid.
- g) In the event of the death of a worker who has received a Mercy Grant but who has not repaid the portion of the grant which was to be repaid, that amount will be forgiven without the need for repayment by the worker's survivors.

(Board of Directors, June 9-10, 2013)