

Lutheran Mission cooperation Tanzania
38th LMC Board Meeting
19th – 20th February 2014
New Safari Hotel, Arusha

1. Introduction

1.1 Morning Devotion

Bp. Isaya Mengele led the morning devotions on the first day. He read the word of God from Luke 8:16. He said that we have to put our light on a stand so people can see it. The light gives transparency and nothing can be hidden in the light.

Mr. Lasse Lampinen led morning devotions on the second day. He read the word of God from Mathew 5:3. He asked, why do we need the poor? There are both financially and spiritually poor. The church is for the poor and in 1 Corinthians 1:28-29 we can read that God has deliberately made his chose.

1.2 Opening of the 38th board meeting

The LMC chairperson opened the meeting by welcoming all board members.

1.3 Roll-Call

Bp. Dr. Israel-Peter Mwakyolile, LMC Chair
Rev. Manfred Scheckenbach, LMC Associate Chair
Bp. Isaya Mengele, LMC Planning Chair
Mr. Lennart Andreasson, LMC Finance Chair
Mr. Abel Mrema, ELCT DSG Finance and Administration
Ms. Barbara Hinderlie, ELCA
Mr. Lasse Lampinen, FELM

LMC Secretariat

Mr. Peter Karlsson, LMC Secretary
Ms. Byera Herman, LMC Interim Coordinator
Mr. Sireli Pallangyo, Administrative Officer
Sr. Flaviana Temba, Financial Officer

1.4 A minute of silence in memory of Rev Imelda Kissava

The meeting held a minute of silence in memory of former board member Rev. Imelda Kissava. Manfred Scheckenbach led us into prayer.

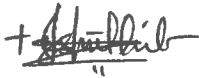

➤ A letter of condolence will be sent to the Diocese of Iringa and to ELCT.

1.5 Acceptance of agenda and timetable

The agenda was accepted as presented.

1.6 Greetings and updates.

Lennart Andreasson gave greetings from the Church of Sweden and the new Director for Africa, Ms. Eva Eklund.


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Lasse Lampinen gave greetings from FELM and Mission Director Rev. Seppo Rissanen who was currently visiting Tanzania.

Manfred Scheckenbach gave greetings from Neuendettelsau and informed about the bishop consultation that will follow the LMC meeting.

Isaya Mengele gave greetings from the new diocese in Ruvuma and welcomed all to the bishop consecration on the 27th of July.

1.7 Confirmation of Minutes of 36th and 37th board meeting

1.7.1 The minutes of the 36th LMC board meeting were confirmed as the correct records of the proceedings of the meeting.

1.7.2 The minutes of the 37th LMC board meeting were confirmed as the correct records of the proceedings of the meeting.

1.8 Matters arising from previous meetings

1.8.1 Financial Manual

The Financial Manual was discussed.

- The Financial Manual will be reviewed by the secretariat and presented at the June board meeting.

1.8.2 Medical Loan Scheme

The Medical Loan Scheme was discussed.

- The secretariat shall contact the ELCT Health Department and ask for a thorough and sustainable report for the Medical Loan Scheme.

1.8.3 Consultation on Land Justice for Sustainable Peace

Abel Mrema, ELCT DSG Finance and Administration, presented an audited report of the 'Conference on Land Justice for Sustainable Peace in Tanzania' and a report of the allocation of unspent funds on the consultation.

1.8.4 Handover

The LMC Secretary informed about the handover. The incoming Secretary has had the full financial responsibility of LMC from the 1st of January 2014 and the final handover will be when a clean audited Financial Statement as of 31st of December 2013 is ready.

1.8.5 LMC Staff Regulation Manual

The work with the revised LMC Staff Regulation Manual was not ready.

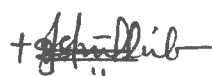
- The LMC Secretary will revise the Manual and present it at the June Board Meeting.

1.8.6 TUMA and CBF bridging period

The fund for training of church ministers and CBF were discussed. The Board was informed about the information sharing after the decision at the Round Table in October 2013. To be able to make a calculation of the costs of the TUMA and CBF bridging period the secretariat will ask from TUMA a list of current students with support from LMC and prepare a complete list of CBF students

1.8.7 Program and Project fund

The board discussed the outcome of the decision to have an equal amount of TZS 30 million for core programs to every diocese and TZS 190 million to ELCT CW.

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According to the 'Program Fund Policy' in LMC Manual 2014 in the note LMC requested all units to submit their plans latest January 2014 so the funds could be released in March 2014. The time has passed and there are no requests due to misunderstandings.

- The secretariat shall write and remind the dioceses to send the Core program and an Administration plan to the LMC office before 31 March 2014.
- ELCT CW will distribute the TZS 190 million as earlier years.
- Write to ELCT to ask how the 'ELCT contribution of TZS 10 million' that is deducted from core program will be handled in the future.

1.8.8 ELCT Finance Department Retreat

The board received the information that the retreat for the ELCT Finance Department will be financed by Danmission. New dates for the retreat are not set.

1.8.9 Retirement Scheme Fund

Abel Mrema informed that the Board of the Retirement Scheme Fund will have their meeting at the end of February. On the agenda there is the question if ELCT needs LMC to continue being the custodian of the Fund. The outcome will be reported at the June LMC Board.

Mrema informed that the Retirement Scheme Fund will be audited by external auditors and the report will be taken to the June LMC Board.

The sales of Tumwabudu Mungu Wetu hymnal books is reported that TZS 1 billion has been repaid to the Retirement Scheme Fund and leaving a balance of TZS 789 million.

1.8.10 ELCT Strategic Plan Workshop Request

A revised request from Mr. Mallumbo, DSG Planning and Development Directorate, for 'ELCT Strategic Plan Workshop' was presented.

- The LMC Board agreed on to support with TZS 20 million out of the proposed budget of TZS 25.6 million. The remaining TZS 5.6 million has to be an ELCTs contribution to the workshop.

1.8.11 Outcome of Accompaniment Team Report

The LMC Board voted on the outcome of the Accompanied Team report on 25th November 2013. There were two decisions that the board agreed to make after voting.

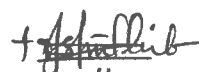
- Payments to new CBF students in the 2013/2014 list.
- Payments of the 3rd and 4th subsidy installment of 2013

Since the accompaniment team has been satisfied with the internal controls at the ELCT CW Finance Department, the LMC Board members voted unanimously to release the funds.

- The LMC Board confirmed the decision.

1.8.12 MOU

Signing of the MOU was discussed and the conclusion is to have every member to sign a single document each to be combined to the original MOU document. Manfred Scheckenbach will formulate the text to be sent out to all members together with the MOU.



2. Reports and ongoing activities

2.1 LMC Secretary Report

The LMC Secretary presented his report and it was received with appreciation.

2.2 Ongoing Project Report

Sirieli Pallangyo presented a report over ongoing projects. Pallangyo had together with Mallumbo, ELCT DSG Planning and Development Directorate, made a field visit to nine Dioceses and one Common work institution in October and November 2013. The purpose of the field visit was to verify the narrative and financial reports that we have received. All but three projects are running well.

In those projects they found falsification of receipts and the dioceses concerned are South Central Diocese, Central Diocese and Mara Diocese. Mallumbo is following up those three dioceses and ELCT is working on a solution to solve the problems.

There are some projects that are completed and we are awaiting for final reports.

- The LMC Board agreed on to stop all payments to those three dioceses until there is a solution to the problems.
- In the June board meeting a report from ELCT will be presented on the progress of the work to solve the problems.
- The LMC Board agreed on to withhold all payments to those units who have not come in with the final project reports.

2.3 CBF

2.3.1 New students 2013/2014

Two questions arose concerning the list of new students 2013/2014.

Refunding advance from dioceses.

If a diocese has paid for a student in the list, LMC will reimburse the amount against original supporting documents.

- A letter will be sent out to all dioceses that have names in the list of 2013/2014 students to ask if there are any demands on reimbursement.

Changing names in the list.

Iringa Diocese and East of Lake Victoria Diocese have found other financial sources to support their students in the list.

- The LMC Board agreed on that they can replace those positions with new names.

2.3.2 Upkeep allowances rates

Flaviana presented an 'LMC Proposal for Upkeep Rates for CBF Students'. The proposed rates will be in effect from 2015. At the June board meeting the secretariat has to:

- Make a survey how those upkeep rates will affect ongoing students and how the effect will be after the bridging period.
- Present a formula how to revise and update the upkeep rates in the future.

2.4 LMC Bank Account

The LMC Secretary proposed to add a current account in TZS with KCB Bank. LMC has already two accounts with KCB, one EUR-account and one USD-account.

- The LMC Board agreed on to open a current account with KCB with internet access.
- The signatories will be the same as for the other accounts with KCB.



- Mr. Peter Karlsson, LMC Secretary,
- Sr. Flaviana Mathew Temba, LMC Financial Officer
- Mr. Brighton Killewa, ELCT Secretary General
- Two signatures will be required among the three for a payment to be effected.

3. LMC Finances

3.1 2013 Draft Accounts

The LMC Interim Coordinator presented the draft accounts for 2013. The accounts were received with appreciation. The income statement and the statement of the financial position with respective notes were scrutinized page by page.

- The LMC Board approved the draft accounts and they will be forwarded to the auditors for auditing.

4. Staff Matters

4.1 Prolonged Contracts

The contracts for Flaviana Temba and Tumsifu David ended in December 2013. The board expressed their appreciation of the work of Flaviana and Tumsifu.

- The LMC Board approved to prolong the contracts for three years.

4.2 Salaries

The LMC Secretary presented new salaries for the LMC staff. Effective from January 2014 the new salaries will be as follows (CPS refers to the ELCT Church Project Scale):

- Basic salary for the Office Attendant – CPS 4.2
- Basic salary for the Financial Officer – CPS 7.2
- Basic salary for the Administrative Officer – CPS 7.4
- Additional terminal benefits include 15% gratuity and 10% Social Security Funds.

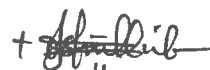
4.3 Termination of Contract of Byera Herman

A letter of termination of contract from Byera Herman was presented. She asked to terminate her contract by the end of February when the audit is over, one month before the end of her contract. The LMC Board accepted the termination.

The board took the opportunity to thank Byera for her dedication and contribution to LMC. She has been working many years, under three LMC Secretaries until she became the LMC Interim Coordinator. The board appreciated her services during all those years and wished Byera all the best in her future career ahead and God's blessing for her and her family.

5. TUMA – Training of Church Ministries

- The LMC Board agreed on to invite the leaders at TUMA to attend June board meeting to discuss mutual matters concerning training of church ministers.

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6. ELCT Matters

6.1 From Dioceses and Common work

Abel Mrema informed from the dioceses:

ELCT Iringa Diocese

Iringa Diocese lost their pastor, Rev. Imelda Kissava in November 2013 just a few days before her wedding. ELCT and Iringa Diocese wish to express their sincere appreciation for the sympathy and condolence received from many partners. The late Rev. Imelda was an LMC Board member, therefore ELCT will bring her replacement in the June board meeting.

ELCT North Western Diocese

ELCT NWD will have a change of leadership next year where the consecration of new Bishop is scheduled to take place in October 2015 coinciding with the dates of LMC Round Table (RT) meeting. North Western Diocese has requested to host the LMC RT of 2015 in Bukoba to make travel and accommodation logistics for visitors, including LMC partners and other Church members much easier and less costly. It is suggested that RT meeting comes just after the consecration event.

New Diocese of Lake Tanganyika

The General Assembly of the ELCT Lake Tanganyika Diocese (in preparation), among other things elected the following as leaders of this new Diocese:

- Rev. Ambele Mwaipopo, Bishop elect
- Rev. David Masaoe, Assistant to the Bishop elect

Inauguration of the ELCT Lake Tanganyika Diocese and consecration of these leaders will be announced later.

New Diocese of Ruvuma

The General Assembly of the ELCT Ruvuma Diocese (in preparation), among other things elected the following as leaders of this new Diocese:

- Rev. Amon Mwenda, Bishop elect
- Rev. Lawrent Ng'umbi, Assistant to the Bishop elect

Inauguration of the ELCT Ruvuma Diocese and consecration of these new leaders will be held on 27th July 2014.

LMC Accompaniment of ELCT CW in 2013

The Accompaniment Team (AT) that was appointed by LMC to follow up the implementation of the KPMG recommendations concluded its assignment successfully in November 2013 and its report circulated to all partners. Following positive recommendations of the AT, ELCT partners were able to lift the moratorium on financial support through LMC after five months.

ELCT wishes to register its sincere appreciation for the initiative and follow up that has ended up in improved efficiency and effectiveness of the CW Finance Department.

Along the same lines and as informed before, ELCT Executive Council (EC) has initiated a review process of its CW Office with the aim of coming up with a new structure that will ensure overall improvement in its function and mandate. The EC meeting, which will be held on 29 – 30 April 2014 will receive a first draft of the report and the proposed structure. We look forward to an even brighter future once the new structure is in place.

6.2 ELCT Investments



Abel Mrema gave a brief report on ongoing LUICO Project and one new investment initiative as follows:

New Safari Hotel (NSH) concluded the year 2013 successfully. Currently they are closing accounts and auditors will soon be on board.

The Trinity Towers project at Kunduchi Mtongani, Dar es Salaam is expected to cost about TZS. 58.4 billion. LUICO and ECD (Eastern and Coastal Diocese) forming the Joint Venture are supposed to mobilize TZS 29.2 billion as their contribution to the project. The remaining funds come from other sources - Bank Loan. Resource mobilization efforts have started at different levels between the partners.

NMB share value, initially bought at TZS 600/= per share, started to increase gradually at the beginning of 2013 and in April 2013, when the rate had reached TZS 1,360 we sold the 213,398 shares held at that rate realizing a total of TZS 287 million. The proceeds were used to purchase 2,860,000 Unit Trust (UTT) Shares at TZS 100/= per share. The value of UTT shares is increasing and as of 12 February 2014 they had reached TZS 109.5472 per share.

ELCT Bank. The Church has also revived the idea of establishing one ELCT Bank, as one project under LUICO. Currently we are looking for a consultant to lead the process

Furthermore Mrema informed about the sales of the new ELCT Hymnal Book – Tumwabudu Mungu Wetu (TMW). The sales continued in 2013 but at a lower rate than expected, compared to 2012. At the Executive Council meeting in September 2013 it was decided to open up sales through various designated groups under the Church and also through selected private distributors.

7. **‘A national faith based initiative for the promotion of peace & development in Tanzania’ from Zanzibar Interfaith Centre**

Manfred Scheckenbach informed about the Zanzibar Interfaith Centre and the Zanzibar Women Sewing Organization. The Zanzibar Interfaith Centre is focusing to build bridges between people belonging to different religions, especially Muslims and Christians. ‘A national faith based initiative for the promotion of peace & development in Tanzania’ is an upcoming project that can have an impact on the whole nation.

8. **‘Katekisimu’ for smartphones**

Lasse Lampinen informed about a mobile application to bring the catechism in Kiswahili to smartphones and tablet computers.

- The secretariat will write a letter to ELCT to inquire the interested in a mobile app with the ‘Katekisimu’.

9. **Round Table 2014**

Date: 19th – 21st of October

Venue: Karagwe Diocese

Theme: Diaconia – Faith Active in Love

Bible verse: Proverbs 31:8-9



'Speak up for those who cannot speak for themselves, for the rights of all who are destitute. Speak up and judge fairly; defend the rights of the poor and needy.'

Bible Studies Leader: Rev. Rolf Steffansson, FELM

Keynote speaker: *not ready*

10. Coming meetings

10.1 Board meetings 2014

11th – 12th of June, arrival 10th, Place: Dodoma

16th – 18th and 22nd of October, arrival 15th, in connection with the RT

10.2 Board meetings 2015

4th – 5th of March 2015, arrival 3rd

9th – 10th of June 2015, arrival 8th

15th – 17th and 21st of October 2015, arrival 14th

10.3 Round Table 2015

19th – 20th of October in Bukoba

11. AOB and Closing

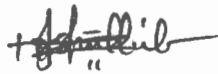
11.1 Special request from Ulanga Kilombero Diocese

Ulanga Kilombero Diocese presented a special request of TZS 13,000,000/- for roofing of the Retreat Centre at Ifakara to secure the buildings before the coming rain season. LMC has contributed to the funding of TZS 40 million to the investment of the Retreat Centre in Ifakara. There are no exemptions on using grants for core program for projects, but this project started under the old system.

- To secure the investment from being destroyed by the rain the LMC Board agreed on to use TZS 13,000,000 out of the TZS 30 million for core programs according to the request from the Ulanga Kilombero Diocese.

11.2 Closing

The LMC chairperson expressed thanks to all board members for their contribution. Board members gave a word of appreciation to the chairperson then he closed the meeting with a word of prayer.



Bishop Dr. Israel-Peter Mwakyolile
LMC Chairperson



Peter Karlsson
LMC Secretary