

Lutheran Mission cooperation Tanzania
39th LMC Board Meeting
11th – 12th June 2014
Uhuru Hotel, Moshi

1. Introduction

1.1 Morning Devotion

Bp. Dr. Israel-Peter Mwakyolile led the morning devotions on the first day. He read the word of God from Luke 23:34. The first word Jesus spoke on the cross was word of forgiveness. He had been healing with his hands, but now his hands were nailed on the cross. He was vulnerable and totally exposed to the mock, but his mouth was not closed, so Jesus could speak out a word of forgiveness. We can learn from Jesus, to forgive one another as we pray in the Lord's Prayer.

Mr. Lennart Andreasson led morning devotions on the second day over the hymn 'How Great Thou Art'. This hymn is composed by Carl Boberg, a lay preacher from Mönsterås in Sweden. Boberg wrote the song after a thunderstorm, when the sea had calmed down, with the rainbow in the sky and the air was clear and the birds were singing. The original hymn is a long praise to God for his wonderful creation. It is first later, after the hymn passed Germany and Ukraine and in the translation into English, verses have been added with 'suffering of Jesus' and 'sin'.

1.2 Opening of the 39th board meeting

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

1.3 Roll-Call

Bp. Dr. Israel-Peter Mwakyolile, LMC Chairperson
Rev. Manfred Scheckenbach, LMC Co-Chairperson
Bp. Isaya Mengele, ELCT
Mr. Lennart Andreasson, COS
Mr. Abel Mrema, ELCT DSG Finance and Administration
Ms. Mary Laiser, ELCT
Mr. Lasse Lampinen, FELM

Apology

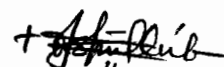
Ms Barbara Hinderlie

LMC Secretariat

Mr. Peter Karlsson, LMC Secretary
Mr. Sirieli Pallangyo, Administrative Officer
Sr. Flaviana Temba, Financial Officer

Guests

Rev. Peter Bendera, (2.4)
Rev. Prof. Joseph W. Parsalaw, (5.1)
Rev. Dr. Faustin Mahali, (5.1)



1.4 Acceptance of agenda and timetable

The agenda was accepted as presented.

1.5 Greetings and updates.

Lasse Lampinen gave greetings from FELM and the annual Mission Conference. Mission Director Rev. Dr. Seppo Rissanen is on sick leave and Rev. Rolf Steffansson is acting Mission Director this year.

Mary Laiser expressed her thankfulness to be a member of the board and gave greetings from the North Central Diocese.

Abel Mrema gave greetings from the ELCT Common Work and the General Secretary.

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

Manfred Scheckenbach gave greetings from Neuendettelsau and informed about the program with coworkers and volunteers from Tanzania going to Germany. He also informed about coming jubilee 2017 to celebrate 500 years of reformation and the impact Luther has had on Christianity around the world.

Israel-Peter Mwakyolile gave greetings from Konde Diocese and the new diocese Lake Tanganyika and welcomed all to the bishop's consecration on the 21st of September. He also informed about the rains and floods in Kyela costing 21 people their lives. Act Alliance is supporting the victims of the flood.

Peter Karlsson gave greetings from LMC office and his wife.

Lennart Andreasson gave greetings from the Church of Sweden and the World Festival that is held every second year. Attending from ELCT this year was the Presiding Bishop Dr. Alex Malasusa with wife, General Secretary Mr. Brighton Killewa with wife and the Loruvani Choir, a Maasai choir from Arusha. The installation of the new archbishop Rev. Dr. Antje Jackelén will be held after one week.

Flaviana Temba gave greetings from her family.

1.6 Confirmation of Minutes of 38th board meeting

The minutes of the 38th LMC board meeting were confirmed as the correct records of the proceedings of the meeting.

1.7 Matters arising from previous meetings

1.7.1 Financial Manual

The review of the Financial Manual will be ready and presented at the next board meeting.

1.7.2 Medical Loan Scheme

A report was presented and the Medical Loan Scheme was discussed. The purpose of a loan revolving fund to ELCT medical institutions for credit to the staff was an incentive for the staff to stay.

Six hospitals have received TShs 20 million each as a loan to implement the revolving fund, two in 2009 and four in 2011. One hospital, Nyakahanga, has paid back their loan. The Board resolved that:

- All hospitals have to pay back their loan to LMC
- The secretariat shall contact the ELCT CW and ask for an evaluation on the impact of the Medical Loan Scheme.

1.7.3 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 was made on the 9th of June when the LMC Office received the audited Financial Statement as of 31st of December 2013.

1.7.4 TUMA and CBF bridging period

The fund for the training of church ministers and CBF were discussed. Andreasson presented the financial effects of different scenarios when financing the BD students at Tumaini University. To manage the budget the board resolved that:

- There is no new intake for 2015/2016 for the CBF
- All dioceses have to bring one name for BD student and one name in reserve if the first name fails to enter the BD course.
- Transport from the diocese to Tumaini University will be covered by LMC according to fixed zonal fares.
- The diocese has to take care of the upkeep of the family of a BD student.
- The same upkeep for present students and new students.
- LMC will follow the fee and upkeep structure received from Tumaini University with the change in meal allowances from TShs 7.500 to TShs 9.000 per day.
- The fee will be paid to Tumaini University and the upkeep to the student.

1.7.5 MOU

The secretary informed about the signing of the MOU and he will remind those members that have not signed the document.

2. Reports and ongoing activities

2.1 LMC Secretary Report

The LMC Secretary presented his report and it was received with appreciation. Two matters were raised from the report, an assessment of the CBF program by ELCT and how to handle the dioceses contribution to the vehicle fund. The Board asked Mrema to bring those two matters to ELCT.

2.2 Core Program and Ongoing Project Report

Sirieli Pallangyo presented reports over core programs and ongoing projects. The core program has been in a transition period. 2013 all funds were frozen due to the CBF and SFGS issue and there was a delay in releasing the funds. In May we have released most of the core program for the first period.

A report from ELCT was presented on the progress with misappropriation of funds from three dioceses. ELCT Executive Council in April was shocked by the increasing number of cases and resolved that all dioceses with such case, should return all money to LMC before 31st of August 2014.

2.3 CBF

2.3.1 New students 2013/2014 vs 2014/2015

There are some changes due to the funds frozen 2013. All positions are not filled and some dioceses still have to fill their positions. The secretariat is working on this together with the Project department.

- No new CBF students for 2014/2015 but those dioceses that have a granted position can fill that position.
- No new intake for 2015/2016

2.3.2 Upkeep allowances rates review

Flaviana presented a report comparing existing rates and proposed rates and the effects on the expenses. With existing students and upkeep rates it will be more expensive with a flat rate.

- Continue with the existing upkeep with ongoing students

2.4 LCS/LMC History

Peter Bendera presented a summary of his research, 'A Historical and Theological Study on Partnership in Mission', to the LMC Board. The report was discussed and the board members gave him a feedback.

3. LMC Finances

3.1 2013 Audited Financial Statement

LMC Secretary presented the 2013 audit report. The auditor gave a qualified opinion because they could not obtain direct bank confirmation to support the bank balance held by Citibank USA.

The management letter was presented. The auditor had a comment on the lack of approved signatories to access investment securities with Citibank. Management should expedite the matter with Citibank and ensure they obtain approved rights to deal with the accounts.

3.2 LMC Bank Accounts – US Treasury Bonds

LMC Secretary informed what has been done in contact with Citibank. Barbara Hinderlie has, with the help of ELCA head office, been in contact with Citibank and we have received documents needed to change signatories and to obtain full control of LMC accounts and investments with Citibank.

3.3 Tax exemption

All matters concerning tax exemption for LMC is handled by ELCT, who is taking care of legal matters concerning LMC. ELCT is exempted for goods or services intended to be used solely by the organization, but LMC received a rejection of tax exemption for audit fees. The KPMG audit for the CBF the VAT amounted to TShs 19, 2 million and LMC has to pay out this amount. Mrema has been in contact with tax authorities and ELCT lawyers to see how to proceed with the matter.

4. The LMC Secretariat

4.1 Prolonged Contracts

The contracts for Flaviana Temba and Tumsifu David ended in December 2013 and were prolonged for a three year period.

4.2 LMC Staff Regulation Manual

The LMC Secretary presented a revised Staff Regulation Manual. The document has been presented to the Labour Office. The Board accepted the Staff Regulation Manual after a few editing changes.

4.3 Visit LMC Members – Dioceses, Societies and Churches

After the Round Table last year there are changes concerning bilateral projects, scholarships and core programs and the LMC office is looking over the routines. LMC is a link between northern members and ELCT, to give service to all members

and the LMC office has to improve those services and transactions between the northern members and ELCT. The LMC office has planned to visit all ELCT dioceses this year. The purpose of the visit is to learn to know each other, the management team of the diocese and the LMC office and to discuss mutual matters that are on the agenda. Next year, 2015, the LMC office intends to visit the northern members, to meet donors and discuss how to enhance the value of given services.

4.4 Replacement of office equipment, furniture and new bookkeeping software

To maintain and have an efficient office, we have replaced and bought a new photocopy machine, printer, dual SIM-cards phones, office desks and office chairs. The bookkeeping software has not been updated for more than ten years and a new software is bought to meet the needs of LMC.

4.5 Incoming and outgoing members of LMC Board

The ELCT Executive Council has appointed Mary Laiser as a new member to the LMC Board after late Rev Imelda Kissava.

Barbara Hinderlie contract with ELCA ends from the 1st of July and she is returning to USA. A new member from the northern partners will be presented at the Round Table in October and the LMC Board asks the northern members to consider the gender equity.

Abel Mrema will be leaving following expiry of his contract as Deputy Secretary General Finance and Administration. He will stay on duty until ELCT has filled his position.

The LMC Board welcomed Mary Laiser and expressed their thanks to Barbara Hinderlie and Abel Mrema for the work they have done in the board.

4.6 Changes of schedule in Vehicle fund

Two new dioceses will be inaugurated in ELCT during 2014, Ruvuma Diocese and Lake Tanganyika Diocese. According to the cycle of the Vehicle fund they will receive their vehicles 2016. The secretariat will ask dioceses in the cycle for 2015 to change to 2016 so the new dioceses can receive their vehicles earlier.

4.7 Gifts at bishop consecrations

When LMC is represented at a bishop consecration a personal gift is given to the bishop and to the assistant to the bishop. The amount given has been the same for many years and the LMC Board agreed that the gifts be raised to TShs 300.000 for the bishop and TShs 200.000 for the assistant to the bishop

4.8 Signatory of LMC

To sign legally binding contracts for LMC, the LMC Board decided to appoint:

- LMC Chairperson
- LMC Secretary
- ELCT General Secretary

Two out of three to sign on behalf of LMC.

5. TUMA – Training of Church Ministers

5.1 Discussions with leaders of TUMA

Joseph W. Parsalaw and Faustin Mahali arrived from Tumaini University to discuss mutual matters concerning training of church ministries. Two main subjects were discussed, financing and recruiting. After the discussions the board decided according to *1.7.4 TUMA and CBF bridging period* above.

5.2 Policy for Training of Church Ministers

There is no policy document for Training of Church Ministers. The LMC Board appointed Isaya Mengele, Sireli Pallangyo and Peter Karlsson to present a policy document next board meeting

6. ELCT Matters

6.1 From Dioceses and Common work

Abel Mrema informed from the dioceses:

Two new dioceses, Ruvuma Diocese and Lake Tanganyika Diocese

The inauguration of the new dioceses and consecration of bishops will be held in Songea, Ruvuma Diocese on Sunday the 27th of July and in Sumbawanga, Lake Tanganyika Dioceses on Sunday the 21st of September.

ELCT Northern Diocese

ELCT Northern Diocese will have its 33rd General Assembly this year from 17-20 August in which, among other things, there will be election of bishop and the assistant to the bishop. The consecration will be held on the 11th of January 2015.

Uganda Lutheran Church

ELCT continues to accompany Uganda Lutheran Church (ULC), one of the two Lutheran Churches in Uganda recognized by the Lutheran Communion in Central and East Africa (LUCCEA). This year in March 2014, Bishop Dr. Benson Bagonza and Bishop elect, Ambele Mwaipopo had a working tour of that church during which a number of pastors were ordained mass baptism and other services. There were incidences of challenges and resistances at some places, but on the overall the mission was very successful.

LWF Commemorating 500 years in Tanzania

The Lutheran World Federation (LWF) is organizing a number of important events in the time towards celebrating 500 years of reformation expected to reach a climax in 2017. One of such events will be celebrations that will be held in Tanzania in May 2015. The decision to hold this event in Tanzania is also to recognition of 60 years from the first meeting of African Lutheran Churches that was held in Marangu in 1955.

Land Consultation for Sustainable Peace 2013/2014

The Land Consultation that was held in September 2013 had among its resolutions, one of establishing a Land Forum to take forward the consultation matters. Currently ELCT is in the process of finalizing the structure of the Land Forum and this will be shared with all partners and participants of the consultations. Activities of the Forum will be coordinated from SEKOMU through a designated Resource Centre.

6.2 ELCT Investments

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

New Safari Hotel (NSH) concluded the year 2013 successfully recording profit of TShs 62,8 million.

The Trinity Towers project at Kunduchi Mtongani, Dar es Salaam is expected to cost about TZS. 58.8 billion. The ELCT Executive Council has launched Resource Mobilization (internal for financing the project. It is expected that 50% of the total cost (about 29.4 billion) will be from internal sources and the remaining 50% will be mobilized from other sources including loan from financial institutions. Lennart Andreasson finds the Kunduchi project to be unrealistic.

Unit Trust (UTT) Shares bought in 2013 at the rate of TShs 100 per share has continued to increase in value and as of 27th of May 2014 they had reached TShs 112.8 per share compared with 109.5 per share reported in February. The Board of LUICO is looking into other opportunities for using these shares alongside the new investments that will be more beneficial to the church.

ELCT Bank. The Church has also revived the idea of establishing one ELCT Bank, as one project under LUICO. The LUICO Board has identified a consultant to advise and lead the process.

ELCT Hymnal Book – Tumwabudu Mungu Wetu. 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.

The ELCT Executive Council, in response to the question from the LMC Board that asked whether it wished to continue using LMC as custodians of its Retirement Scheme Fund resolved that ELCT shall continue to do so.

7. 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, Acting Executive Director, FELM.

Keynote speaker: Rev. Aron Z Urrio, Chaplan of Ushirika wa Neema, Moshi

Budget: a revised budget from Karagwe Diocese was presented and accepted.

8. Coming meetings

8.1 Board meetings 2014

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

8.2 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

8.3 Round Table 2015

Date: 19th – 20st of October

Venue: Bukoba, North Western Diocese

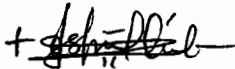
Theme: Women in God's Service

Bible verse: *not ready*
Bible Studies Leader: *not ready*
Keynote speaker: *not ready*

9. AOB and Closing

9.1 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