



Office of the Treasurer
The United Methodist Church
of Greater New Jersey

We equip spiritual leaders to make disciples and grow vital congregations to transform the world.

Memo

To: Members of the CFA Committee
From: John Cardillo, Treasurer/DAS
Date: January 4, 2016
Subject: CFA 1/14/2017 meeting materials

Please find enclosed the CFA 1/14/17 meeting materials for your review.

Agenda
Council on Finance and Administration
January 14, 2017

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**Council on Finance and Administration
Greater New Jersey Annual Conference**

November 19, 2016 - Minutes

Members present: Bishop John Schol, John Cardillo, Sang Hoon Choi, Bob Dietz, Ruth London, David Yamoah, Vasanth Victor, Brian Roberts, Judy Colorado, Janice Sutton-Lynn, Mark Ale, Grace Pak, Paquita Henderson.

Via Phone:

Excused: Mark Ale

No Contact: Eric Ostrow, Vasanth Victor

9:13 a.m.

Brian Roberts opened in prayer

Adoption of the minutes September 24, 2016.

Collections report - Prior year - 2 churches closed, back billables received. Consistent with trends. Shared ministries projected to be up 2%, 87.2-88%.

Shared Ministries Analysis by David Yamoah- 3 years by church size/worship attendance. Subcommittee to work closely with finance teams, communications, and cabinet. Cabinet has made Shared Ministry a focus. Comments: Goals that are too high create anxiety in the system. Transparency and value of connection, and of shared buying services should be highlighted. Adjustments/deductions made before calculations: mission, cash allowances, mortgage, capital expenses. Sub ommittee to follow up with John Cardillo.

Next meeting: need to prioritize the work of the committee.

Treasurer's Report Conference Materials pp. 3-14, Mr. Cardillo reviewed all pages of the Treasurer's Report as of October 26, 2016. Discussion around new building that is paid in full, and health insurances benefits. All questions of the Council were answered to their satisfaction. Recommendation coming from staff on non-budgeted line items. 6 properties sold in 3 months.

Concerns of the Cabinet – reviewed the many celebrations in GNJ as presented at the Cabinet Summit.

Concerns of the Bishop- Strategic Plan, Bishop's plan for coming years: urban ministry, 20-50 year view of GNJ. Regenerative systems 1. Faith and spirituality. 2. Leadership -grow and be transformational 3. Congregations – what springs and how, 4. Money-endowments, etc. M to M maintenance to mission – in the conference communications, property, superintendent's administration most challenging, offices closing perceived loss. Jersey City Community Development opportunity - 6 churches. Time to evaluate and consolidate, 3 development project

– affordable housing, seniors/tax credits, market rate apts. Questions to be asked: What's the new mission? What happens to congregations? How do we add beauty to the neighborhood?

Subcommittee Reports

Audit/Accounting - Neill Tolboom, Chair – no report

Budget Committee – Judy Colorado, Chair preliminary budget Jan for March approval.

Investments – Neill Tolboom, Chair 3.7% return so far (mid year investment) 4.8% YTD
Church Support and Shared Services -

CBOT & CFA Cemetery Study - Jack Scharf – consultant (approved at last meeting) hired. Funds needed for 5 cemeteries and other cemeteries/memorials within the conference. Must hear the reports on sales, possible incorporation of cemeteries.

Shared Services (Group Buying) – Jack Scharf, Chair. Menu of shared services to be presented. GCFA has 40 shared services. Survey in digest 4 more weeks, with link to those needed and desired. To be linked through the conference website (discounted software a good example.)

Personnel – Margaret Prentice, Chair.

Shared Ministries – David Yamoah, Chair to meet with John Cardillo to follow up.

GNJ Vital Mission Partners (Shared Services plan) A Future With Hope, IGNITE, Centenary Fund, Stewardship Foundation-each with 501C3 yet sharing services, protecting assets and conserving resources. See handout agenda p. 18 w/notes (in red). Conversation about liability falling on Annual Conference. **Statement: CFA supports the plan conceptually and looks forward to the ongoing refinement for future success. Unanimously improved.**

Future With Hope Mission Fund –status update and conversation about pledges made/received.

Brian Roberts – commercial break for Clergy Retreat on Stewardship for teams. It's about faith formation and stories. Talk about MISSION and purpose – NOT the budget.

Tentative Last Date for Payments 2016 is 1/12/17.

Next meeting January 14, 2017, scheduled 9-3pm.

Bob Dietz closed the meeting in prayer.

Respectfully submitted,

Janice Sutton Lynn, Secretary

GREATER NJ ANNUAL CONFERENCE
OF THE UNITED METHODIST CHURCH

STATEMENT OF FINANCIAL POSITION
December 31, 2016

	2015	2016
ASSETS		
Cash and cash equivalents	\$ 1,514,694	\$ 1,674,083
Accounts Receivable	379,386	444,847
Loans receivable net allowance	1,021,394	714,744
Bequest		
Prepaid Expenses	207,991	85,025
Mortgage Receivable	3,340,000	0
Pledge Receivable	1,274,194	1,130,501
General Board of Pensions	1,647,385	1,668,246
Investments	9,674,196	9,766,016
Beneficial Interest in Perpetual Trusts		
Property and Equipment		
Total Assets	\$ 19,059,240	\$ 15,483,462

LIABILITIES AND NET ASSETS

Liabilities:		
Accounts payable and accrued expense	\$ 98,159	\$ 155,313
Mortgage Payable	-	-
Grants Payable	0	0
Post-retirement employee benefit obligation	51,687,699	49,555,111
Due to Educational Society	11,836	14,040
Due to Trustees	219,366	(612,859)
Due to Camps	365,000	313,365
Total Liabilities	52,382,060	49,424,970
Net Assets:		
Unrestricted	\$ (35,117,145)	\$ (35,517,761)
Temporarily restricted	1,794,325	1,576,253
Permanently restricted	0	0
Total Net Assets	(33,322,820)	(33,941,508)
Total Liabilities and Net Assets	\$ 19,059,240	\$ 15,483,462

Budget vs Actual
as of December 31, 2016

INCOME:		2016 Budget	Expected Budget	YTD		Variance
				Trended Budget	December 2016 Actual	
Fund 100 Remittance	DO ,Clergy Support	5,219,435	4,485,060	4,485,060	4,032,417	452,643
	Centenary Fund Current Year	100,000	100,000	100,000	100,000	0
Fund 200 Remittance	Administration	2,275,692	1,955,502	1,955,502	1,738,438	217,064
Fund 300 Remittance	World Service/Conference Benevolences	3,765,928	3,236,062	3,236,062	2,759,827	476,235
Fund 410	Black College	197,700	169,884	169,884	149,156	20,728
Fund 420	Africa University	44,256	38,029	38,029	35,501	2,528
Fund 430	Ministerial Education	495,598	426,390	426,390	368,572	57,818
Fund 901	Budget Reserve	577,387	577,387	577,387	154,000	423,387
Total Budget Income (I,II,III, IV)		12,675,996	10,988,314	10,988,314	9,337,911	1,650,403
EXPENSE:						
I. CLERGY SUPPORT						
A.	District Superintendents Salary, Benefits & Office Exp.	1,944,529	1,685,634	1,685,634	1,580,682	104,952
B.	Episcopal Fund	491,615	426,161	426,161	359,510	66,651
C.	Conference Share of Bishop's Housing	32,456	28,135	28,135	562	27,573
D.	Annuitants Health Insurance & Benefits	2,366,427	2,051,361	2,051,361	2,051,361	0
E.	Equitable Compensation	190,342	165,000	165,000	163,068	1,932
F.	Conference Board of Ordained Ministry admin expenses	49,464	42,878	42,878	33,678	9,200
G.	Bridge Fund	76,136	66,000	66,000	66,000	0
Sub-total for CLERGY SUPPORT		5,150,969	4,465,169	4,465,169	4,254,861	210,308
II. ADMINISTRATION						
A.	Conference Council on Finance and Administration expenses	4,614	4,000	4,000	2,616	1,384
B.	Director of Administrative Services expenses	190,002	164,705	164,705	138,125	26,580
C.	Director of Communication and Development	190,002	164,705	164,705	138,125	26,580
D.	Other conference administrative agencies' expenses	1,689,358	1,464,436	1,464,436	1,250,666	213,770
E.	Conf. Sessions	278,581	241,491	241,491	239,049	2,442
F.	Episcopal Area Office Supplement	162,722	141,057	141,057	141,007	50
G.	Bishop's Discretionary Fund	11,536	10,000	10,000	10,000	0
H.	Jurisdictional conference administrative apport & related exp.	41,529	36,000	36,000	30,276	5,724
I.	General Administration Fund	184,125	159,611	159,611	133,140	26,471
J.	Interdenominational Cooperation Fund	40,967	35,513	35,513	29,629	5,884
Sub-total for ADMINISTRATION		2,793,436	2,421,518	2,421,518	2,112,633	308,885
CLERGY SUPPORT/ADMINISTRATION (fund 100 & 200)		7,944,405	6,886,687	6,886,687	6,367,494	519,193
III. WORLD SERVICE AND CONFERENCE BENEVOLENCES						
A.	World Service Fund	1,525,042	1,321,998	1,321,998	1,057,888	264,110
B.	Director of Connectional Ministry	182,190	157,933	157,933	142,978	14,955
C.	Non-Cabinet Staff (4)	617,853	535,592	535,592	463,579	72,013
D.	Non-Cabinet Staff (1)	154,463	133,898	133,898	126,961	6,937
E.	Administrative expenses - directly related to the above III.B,C,.	222,706	193,056	193,056	188,732	4,324
F.	Connectional Table Budget	1,088,641	943,699	943,699	840,789	102,910
G.	Supplemental Strategic Salary Support	161,502	140,000	140,000	139,242	758
Sub-total for WORLD SERVICE/CONF.BEN. (fund 300)		3,952,397	3,426,176	3,426,176	2,960,169	466,007
IV. OTHER APPORTIONED FUNDS						
A.	Black College Fund (fund 410)	208,861	181,053	181,053	149,156	31,897
B.	Africa University Fund (fund 420)	46,755	40,530	40,530	35,501	5,029
C.	Ministerial Education Fund (fund 430)	523,578	453,868	453,868	333,868	120,000
Sub-total for OTHER FUNDS		779,194	675,451	675,451	518,525	156,926
TOTAL EXPENSE (I,II,III, IV)		12,675,996	10,988,314	10,988,314	9,846,188	1,142,126
Net Budgeted Actual				0	(508,277)	(508,277)
Non-Budget Net Expense				0		
NET INCREASE (DECREASE)				2,449,979		
				(2,958,256)		

January 14, 2017

CFA Meeting

Attachment A

Contents

- Current Draft of 2018 Conference Budget

2018 SHARED MINISTRY PLAN

INCOME:	Column C	Column D	Column C	Column D	Column E	Column F
	2017	2017	2018	2018	2018	Difference
	Recommended	Expected	Recommended	Expected	Shortfall	2017 to 2018
I. Income from Shared Ministries	11,978,542	10,457,420	11,871,706	10,617,536	1,254,170	(106,836)
II. Income from Reserve Funds / Previous Year Surplus	293,481	293,481	175,000	175,000	-	(118,481)
III. Centenary Fund Contribution	100,000	100,000	100,000	100,000	-	-
IV. Interest / Investment Income	150,000	150,000	70,000	70,000	-	(80,000)
V. Additional Funds received in Support of the Budget	154,000	154,000	325,000	325,000	-	171,000
	12,676,024	11,154,901	12,541,707	11,287,536	1,254,171	(134,317)
EXPENSE:						
I. CLERGY SUPPORT						
A. District Superintendents Salary, Benefits & Office Exp. Sched.A	1,916,483	1,686,505	1,926,068	1,733,461	192,607	9,585
B. Episcopal Fund	463,403	407,795	442,760	398,484	44,276	(20,643)
C. Conference share of Bishop's housing	31,972	28,135	31,261	28,135	3,126	(710)
D. Annuitants Health Insurance & Benefits	2,401,025	2,112,902	2,418,099	2,176,289	241,810	17,074
E. Equitable Compensation	187,500	165,000	183,333	165,000	18,333	(4,167)
F. Conference Board of Ordained Ministry administrative expenses	48,725	42,878	47,642	42,878	4,764	(1,083)
G. Bridge Fund	75,000	66,000	73,333	66,000	7,333	(1,667)
Sub-total for CLERGY SUPPORT	5,124,108	4,509,215	5,122,497	4,610,247	512,250	(1,611)
II. ADMINISTRATION						
A. Conference Council on Finance and Administration expenses	4,545	4,000	4,444	4,000	444	(101)
B. Director of Administrative Services expenses Sched. B	190,678	167,797	191,090	171,981	19,109	412
C. Director of Communication and Development Sched. B	190,678	167,797	191,090	171,981	19,109	412
D. Other conference administrative agencies' expense Sched.E	1,714,167	1,508,467	1,710,786	1,539,707	171,079	(3,381)
E. Conf. Sessions (3 days)	274,422	241,491	268,323	241,491	26,832	(6,098)
F. Episcopal Area Office Supplement	166,907	146,878	163,198	146,878	16,320	(3,709)
G. Bishop's Discretionary Fund	11,364	10,000	11,111	10,000	1,111	(253)
H. Jurisdictional conference administrative apportionments & related exp.	40,909	36,000	42,222	38,000	4,222	1,313
I. General Administration Fund	185,808	163,511	177,531	159,778	17,753	(8,277)
J. Interdenominational Cooperation Fund	41,334	36,374	39,492	35,543	3,949	(1,842)
Sub-total for ADMINISTRATION	2,820,813	2,482,315	2,799,288	2,519,359	279,929	(21,525)
CLERGY SUPPORT/ADMINISTRATION (fund 100)	7,944,920	6,991,530	7,921,784	7,129,606	792,178	(23,136)
III. WORLD SERVICE AND CONFERENCE BENEVOLENCE						
A. World Service Fund	1,539,458	1,354,723	1,495,100	1,345,590	149,510	(44,358)
B. Director of Connectional Ministry - Schedule C	167,766	147,634	167,750	150,975	16,775	(16)
C. Non-Cabinet Staff (4) Schedule C	618,341	544,140	618,960	557,064	61,896	619
D. Non-Cabinet Staff (1) - Schedule C	154,585	136,035	154,740	139,266	15,474	155
E. Administrative expenses - <i>directly related to the above III.B.</i>	232,955	205,000	227,778	205,000	22,778	(5,177)
F. Connectional Table - Schedule D.	1,072,385	943,699	1,048,554	943,699	104,855	(23,831)
G. Supplemental Strategic Salary Support	159,091	140,000	155,556	140,000	15,556	(3,535)
Sub-total for WORLD SERVICE/CONF.BEN. (fund 300)	3,944,581	3,471,231	3,868,438	3,481,594	386,844	(76,143)
IV. OTHER APPORTIONED FUNDS						
A. Black College Fund (fund 410)	210,822	185,523	201,430	181,287	20,143	(9,392)
B. Africa University Fund (fund 420)	47,181	41,519	45,079	40,571	4,508	(2,102)
C. Ministerial Education Fund (fund 430)	528,520	465,098	504,976	454,478	50,498	(23,545)
Sub-total for OTHER FUNDS	786,523	692,140	751,484	676,336	75,148	(35,038)
TOTAL EXPENSE (I,II,III, IV)	12,676,024	11,154,901	12,541,707	11,287,536	1,254,171	(134,317)
Shortfall Budgeted		1,521,123		1,254,171		
Total Expense Budget	12,676,024	11,154,901	12,541,707	11,287,536	1,254,171	(134,317)

SCHEDULE ABC	A			B			B			C			C			
	2017	2018	Expected	2017	2018	Expected	2017	2018	Expected	2017	2018	Expected	2017	2018	Expected	
	Expected	Expected	Expected	Expected	Expected	Expected	Expected	Expected	Expected	Expected	Expected	Expected	Expected	Expected	Expected	
	District Superintendents			Dir. Admin. Svcs./ Conference Treasurer			Dir. of Communication/ Development			Director of Connectional Ministry			Coordinators			
	Superintendents			Conference Treasurer			Development			Ministry			Four			
Salary	93,265	96,063	93,265	96,063	93,265	96,063	93,265	96,063	93,265	96,063	93,265	96,063	72,060	74,221	72,060	74,221
Pension																
Pension CRSP	14,572	15,010	13,738	14,150	13,738	14,150	14,572	15,010	14,572	15,010	14,572	15,010	11,659	12,009	11,659	12,009
Pension CRSP (CPP)	3,497	3,602	2,518	2,594	2,518	2,594	3,497	3,602	3,497	3,602	3,497	3,602	2,798	2,882	2,798	2,882
(CHIP)Health Insurance*	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
Housing Maintenance *	8,000	8,000	21,218	21,854	21,218	21,854	8,000	8,000	8,000	8,000	8,000	8,000	21,218	21,854	21,218	21,854
Utilities *	7,000	7,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cellular Phones*	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
(R/E) Prop Insurance	850	850														
Worker's Comp	750	750	700	700	700	700	700	700	700	700	700	700	700	700	700	700
Expenses:																
Travel, Conferences, Bus. Entmt.	12,800	15,800	11,700	11,700	11,700	11,700	11,700	11,700	11,700	11,700	11,700	11,700	11,700	11,700	11,700	11,700
Administrative Assistants	20,511	21,054														
Continuing Education	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500
Office Expenses	5,800	5,800														
Payroll Taxes	0	0	8,758	9,020	8,758	9,020	8,758	9,020	8,758	9,020	8,758	9,020	0	0	0	0
TOTAL COST FOR ONE (1):	182,945	189,829	167,797	171,981	167,797	171,981	167,797	171,981	167,797	171,981	167,797	171,981	136,035	139,266	136,035	139,266
	9	9	1	1	1	1	1	1	1	1	1	1	4	4	4	1
	1,646,505	1,708,461	1,67,797	171,981	167,797	171,981	167,797	171,981	167,797	171,981	167,797	171,981	544,140	557,064	544,140	557,064
District Office Rent (Pooled)	40,000	25,000														
Total of DS package	1,686,505	1,733,461														

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GNJAC
Schedule D- Benevolence Budget
Calendar Year 2018 Budget

	2017		2017		2018		2018	
	Projected Budget	Actual Expected	Expected Shortfall	Projected Budget	Actual Expected	Expected Shortfall	2018 Expected Shortfall	
Board of Church and Society	4,318	3,800	518	4,222	3,800	422		
Board of Discipleship	206,818	182,000	24,818	202,222	182,000	20,222		
Board of Discipleship	1,136	1,000	136	1,111	1,000	111		
Camps & Conferences	205,682	181,000	24,682	201,111	181,000	20,111		
Board of Global Ministries	22,386	19,700	2,686	21,889	19,700	2,189		
Board of Global Ministries	2,273	2,000	273	2,222	2,000	222		
Disaster Response	6,477	5,700	777	6,333	5,700	633		
Mission School	13,636	12,000	1,636	13,333	12,000	1,333		
Board of Higher Education	73,864	65,000	8,864	72,222	65,000	7,222		
Higher Education & Campus Ministry	73,864	65,000	8,864	72,222	65,000	7,222		
Board of Laity	20,455	18,000	2,455	20,000	18,000	2,000		
Commission on Archives and History	7,955	7,000	955	7,778	7,000	778		
Commission on Christian Unity/Inter. Concerns	22,727	20,000	2,727	22,222	20,000	2,222		
Commission on Christian Unity/Inter. Concerns	5,682	5,000	682	5,556	5,000	556		
NJ Council of Churches	17,045	15,000	2,045	16,667	15,000	1,667		
Commission on Religion and Race	9,091	8,000	1,091	8,889	8,000	889		
Commission on Small Membership Church	568	500	68	556	500	56		
Commission on the Status and Role of Women	5,682	5,000	682	5,556	5,000	556		
Committee on Disability Concerns	568	500	68	556	500	56		

A

Committee on Ethnic Local Church Concerns	50,568	44,500	6,068	49,444	44,500	4,944
Committee on Ethnic Local Church Concerns	2,841	2,500	341	2,778	2,500	278
Korean American National Plan	11,364	10,000	1,364	11,111	10,000	1,111
Strengthening the Black Church Plan	13,636	12,000	1,636	13,333	12,000	1,333
National Hispanic Plan	22,727	20,000	2,727	22,222	20,000	2,222
Committee on Native American Ministry	568	500	68	556	500	56
Council on Young Adult Ministry	11,364	10,000	1,364	11,111	10,000	1,111
Young Adults	11,364	10,000	1,364	11,111	10,000	1,111
Council on Youth Ministry	39,205	34,500	4,705	38,333	34,500	3,833
Youth Ministry-Search	13,636	12,000	1,636	13,636	12,000	1,636
Ignite	25,568	22,500	3,068	25,568	22,500	3,068
United Methodist Men	568	500	68	556	500	56

Sub-Total - Conference Sch. D Benevolence Budget **476,705** **419,500** **57,205** **466,111** **419,500** **46,611**

Community Outreach Grants	207,102	182,250	24,852	202,500	182,250	20,250
Connectional Table	48,806	42,949	5,857	47,721	42,949	4,772
Congregational Development	48,295	42,500	5,795	47,222	42,500	4,722
Emerging Needs	19,318	17,000	2,318	18,889	17,000	1,889
Leadership Development	31,250	27,500	3,750	30,556	27,500	3,056
District Programming	142,045	125,000	17,045	138,889	125,000	13,889
Communications	22,727	20,000	2,727	22,222	20,000	2,222
Relay	75,000	66,000	9,000	73,333	66,000	7,333
Resource Center	1,136	1,000	136	1,111	1,000	111

Grand Total **1,072,385** **943,699** **128,686** **1,048,554** **943,699** **104,855**

SCHEDULE E

II D. ADMINISTRATION

	2017	2017	2018	2018	2018
	Budget	Expected	Budget	Expected	Shortfall
Salaries & Benefits-Central Office	1,187,355	1,044,872	1,195,569	1,076,012	119,557
Salaries:Conference Secretary/ Secretarial Asst	14,205	12,500	14,000	12,600	1,400
Central Office Operations	176,136	155,000	172,222	155,000	17,222
Treas. Office Operations	33,125	29,150	32,389	29,150	3,239
Conference Journal	31,818	28,000	31,111	28,000	3,111
Auditing/Bonding	28,409	25,000	27,778	25,000	2,778
Capital Equip. R/R Fund	6,955	6,120	6,800	6,120	680
Information Services Support	37,955	33,400	37,111	33,400	3,711
Committee on Nominations	966	850	944	850	94
Building Maintenance Reserve	5,313	4,675	5,194	4,675	519
Gen/Jur Conference Reserve	3,864	3,400	3,778	3,400	378
Conference Business Travel	17,045	15,000	16,667	15,000	1,667
Board of Trustees	142,045	125,000	138,889	125,000	13,889
Conference Chancellor	28,977	25,500	28,333	25,500	2,833
SCHEDULE E Total	1,714,167	1,508,467	1,710,786	1,539,707	171,079

January 14, 2017

CFA Meeting

Attachment B

Contents

- Receipts Comparison – 12/31/16 (As of 1/12/17)
- Analysis of Surplus – 12/31/16 (As of 1/12/17)
- General Church Apportionment Schedule – 12/31/16
(As of 1/12/17)
- Equitable and Supplemental Salary update – 12/31/16
(As of 1/12/17)

John Cardillo

From: Myrna Bethke
Sent: Sunday, November 20, 2016 5:09 PM
To: John Cardillo
Cc: TIM SINGLETON
Subject: FW: PUMC CORRECTED YEAR END STATISTICAL REPORT FOR 2015
Attachments: PUMC Corrected Year End Statistica Report.xlsx

Hi John,

Attached is the corrected year end statistical report for Parkside UMC.

Again, I would advocate for this corrected report to be considered in reducing the shared ministries total for Parkside. This congregation was originally a strategic mission congregation until two years ago. When they went off of that status they immediately paid their shared ministries at 100% which was a great accomplishment for them. In addition, they experienced an unexpected change in pastoral leadership in the fall of 2015. They rose to that challenge, and under the leadership of their new pastor, Rev. Keith Dickens the congregation is showing new life and vitality. When I worshiped there recently the altar was packed with children for children's time, when previously there were 8 to 10 children present. As we work towards increasing vital ministry in the city of Camden, Parkside is a great asset in that work.

I strongly support their request to have the shared ministries based on their corrected report. In addition they will be attending the statistical training offered in the region this December.

Rev. Myrna Bethke

District Superintendent, Gateway South
The United Methodist Church of Greater New Jersey

O: 856.424.5790

C: 856.745.1254

E: gatewaysouth@gnjumc.org

www.gnjumc.org

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From: Blessed One [mailto:TIMANDRENITA@msn.com]

Sent: Friday, November 18, 2016 11:54 AM

To: Myrna Bethke <mbethke@gnjumc.org>; Pastor Keith Dickens <kdickens@comcast.net>; Deborah Sidorakis <DSidorakis@gnjumc.org>

Subject: PUMC CORRECTED YEAR END STATISTICAL REPORT FOR 2015

Rev. Bethke,

Attached are the corrected figures for Parkside United Methodist Church Year End Statistical Report for 2015. Thank you for your attention in this matter.

Renita Singleton

Sent from [Outlook](#)

Corrected Year End Statistical Report for Parkside United Methodist Church 1016

Line	Description	Original Expense amount	Corrected Amount	NOTES
31	Market value of church-owned land, buildings and equipment	1600000	1600000	
32	Market value of all other church-owned assets	230000	230000	
33	Debt secured by church physical assets	0	0	
34a	Other debt, not secured by church property	0	0	
35-42	Lines 35-42 are filled in from records at the Conference related to apportionments and donations	0	0	
43	Total amount given directly to United Methodist causes (not sent to Conference Treasurer)	0	0	
44	Total amount given to non-United Methodist benevolent and charitable causes	0	0	
48*	Total amount paid in base compensation to the pastor, assigned by bishop	37508	37508	
49*	Total amount paid in base compensation to all associate pastors assigned by the bishop	0	0	
50a	Utilities paid for parsonage for Sr. Pastor OR Housing Allowance or Rent paid in lieu of providing	13003	13003	
50b	Utilities paid for parsonage for Associate Pastor (under Bishop's appointment) OR Housing Allowance	0	0	
50*	Enter total of Line 50a and 50b.	13003	13003	
51a	Accountable Reimbursements paid to/from Sr. Pastor	0	0	
51b	Accountable reimbursements paid to/from Associate Pastor	0	0	
51*	Enter total of Line 51a and Line 51b here.	0	0	
52a	Other Cash Allowances paid to/from Sr. Pastor	0	0	
52b	Other Cash Allowances paid to Associate Pastor(s)	0	0	
52*	Total amount of Lines 52a and 52b.	0	0	
53*	Total amount paid in salary and benefits for Deacons	0	0	
54*	Total amount paid in salary and benefits for Diaconal Ministers	0	0	
55a	Other Staff Compensation (gross salary before deductions) DO NOT INCLUDE COMPENSATION	23825	23825	
55b	Church share of staff FICA/Medicare. Enter 7.65% of salary reported in line 55a. ALL employees	1825	1825	
55c	Enter amount paid to other staff, not on church payroll, such as substitutes, guest pastors, and	11950	11950	
55d	Church share of staff health premium. Do not include pastor(s) health premium.	0	0	
55*	Enter total of Lines 55a through 55d.	37600	11950	
56*	Total amount spent for local church program expenses	76290	44002	
57a	Utilities for church and church-owned facilities EXCEPT parsonage	31531	28147	
57b	Property maintenance and repair for all church owned properties - DO NOT include capital improvements	40246	34078	
57c	Amount spent of church office supplies - postage, paper, software, etc.	9418	9418	
57d	Property or Liability insurance premiums paid to company OTHER than Conference program.	9286	0	
57e	Amount paid to use other church or organization facilities.	0	0	
57f	Other Operating Expenses not included in 57a-e	0	0	
57*	Total amount spent for other church operating expenses - add lines 57a through 57f.	90481	71643	
58*	Total amount paid for principal and interest on indebtedness, loans, mortgages, etc.	0	0	
59*	Total amount paid on capital expenditures for building, improvements, and major equipment	0	0	
60	Total amount PAID by the local church on all expenditures (sum of lines 43,44,48*,49*,50*,51*,52*,53*,54*,55*,56*,57*,58*,59*)	254882	178106	
TOTAL				

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Parkside UMC
 Church Number 1016
 Analysis of 2017 Shared Ministry Reallocation

Description	Original Expenses 2015	Revised Expenses 2015	Difference (Inc)/Dec
Non-United Methodist Benevolences-Line 44	\$0.00	\$0.00	\$ -
Pastor Wages-Line 48	\$37,508.00	\$ 37,508.00	\$ -
Parsonage Expenses-Line 50	\$13,003.00	\$ 13,003.00	\$ -
Accountable Reimbursements-Line 51	\$0.00	\$ -	\$ -
Staff Compensation-Line 55	\$37,600.00	\$ 11,950.00	\$ (25,650.00)
Church Program Expenses-Line 56	\$76,290.00	\$ 44,002.00	\$ (32,288.00)
Church Operating Expenses-Line 57	\$90,481.00	\$ 71,643.00	\$ (18,838.00)
Conference Billables	\$21,700.00	\$ 21,700.00	\$ -
Total Expenses	<u>\$276,582.00</u>	<u>\$ 199,806.00</u>	<u>\$ (76,776.00)</u>

Shared Ministry Calculation-2017

Shared Ministry Formula	2017 Conference Budget	Preliminary Assessment	Difference
Local Church Expenses	*		
All GNJ Church Expenses	*		
Original Assessment-2017		\$47,673	
\$276,582.00	\$11,978,542.00		
\$69,494,926.00			
Revised Assessment-2017		\$34,440	
\$199,806.00	\$11,978,542.00		
\$69,494,926.00			(\$13,234)

A

John Cardillo

From: Myrna Bethke
Sent: Tuesday, November 22, 2016 6:22 AM
To: John Cardillo
Subject: FW: Shared Ministries
Attachments: Comparison of statistics for First Korean.xlsx

Hi John,
See attached.

I also support 1st Korean's request for reconsideration of their shared ministry amount. They are a vital congregation that works hard at being connected with the changing immigration patterns of Koreans into this country and so have been intentional about developing English Ministry. The congregation is involved in many places in the world, has built schools in Haiti, and is one of our largest donors to the Mission Fund. Again, I have asked them to attend the statistical training this year so they have a better handle on their reporting.

Rev. Myrna Bethke

District Superintendent, Gateway South
The United Methodist Church of Greater New Jersey

O: 856.424.5790
C: 856.745.1254

E: gatewaysouth@gnjumc.org

www.gnjumc.org

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From: Han Koh [mailto:hanseungkoh@gmail.com]
Sent: Monday, November 21, 2016 3:20 PM
To: Myrna Bethke <mbethke@gnjumc.org>
Subject: Re: Shared Ministries

Thank you for visiting and blessing us last Saturday. It was a honor to us.

I have attached what you asked. Thank you for helping us.

On Mon, Nov 21, 2016 at 10:59 AM, Myrna Bethke <mbethke@gnjumc.org> wrote:

Good morning,

I am continuing to work with CFA regarding your shared ministries. What I now need from you is an electronic comparison of the mistakes that were made on your end of year statistics versus what they should have been. I know that you provided me with a paper copy, if you could send that to me electronically that would be greatly appreciated. I've attached a sample form that you can use.

Rev. Myrna Bethke

District Superintendent, Gateway South

The United Methodist Church of Greater New Jersey

O: [856.424.5790](tel:856.424.5790)

C: [856.745.1254](tel:856.745.1254)

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--
고한승 Han Seung Koh

Senior pastor of the First Korean UMC of Cherry Hill

856-424-9686

fkumccherryhill.org

Corrected Year End Statistical Report for First Korean UMC of Cherry Hill #1018

Line	Description	Original Expense amount	Corrected Amount	NOTES
31	Market value of church-owned land, buildings and equipment	5,000,000	5,000,000	
32	Market value of all other church-owned assets	1,404,226	1,404,226	
33	Debt secured by church physical assets	0	0	
34a	Other debt, not secured by church property	0	0	
35-42	Lines 35-42 are filled in from records at the Conference related to apportionments and donations	0	0	
43	Total amount given directly to United Methodist causes (not sent to Conference Treasurer)	0	0	
44	Total amount given to non-United Methodist benevolent and charitable causes	86414	66755	
48*	Total amount paid in base compensation to the pastor, assigned by bishop	67976	62241	
49*	Total amount paid in base compensation to all associate pastors assigned by the bishop	58822	58822	
50a	Utilities paid for parsonage for Sr. Pastor OR Housing Allowance or Rent paid in lieu of providing	12182	12182	
50b	Utilities paid for parsonage for Associate Pastor (under Bishop's appointment) OR Housing Allowance	2056	2056	
50*	Enter total of Line 50a and 50b.	14241	14241	
51a	Accountable Reimbursements paid to/for Sr. Pastor	11860	11860	
51b	Accountable reimbursements paid to/for Associate Pastor	6626	6626	
51*	Enter total of Line 51a and Line 51b here.	18486	18486	
52a	Other Cash Allowances paid to/for Sr. Pastor	0	5669	
52b	Other Cash Allowances paid to Associate Pastor(s)	0	0	
52*	Total amount of Lines 52a and 52b.	0	5669	
53*	Total amount paid in salary and benefits for Deacons	0	0	
54*	Total amount paid in salary and benefits for Diaconal Ministers	0	0	
55a	Other Staff Compensation (gross salary before deductions) DO NOT INCLUDE COMPENSATION	136668	136668	
55b	Church share of staff FICA/Medicare. Enter 7.65% of salary reported in line 55a. ALL employers	10455	10455	
55c	Enter amount paid to other staff, not on church payroll, such as substitutes, guest pastors, and	0	0	
55d	Church share of staff health premium. Do not include pastor(s) health premium.	0	0	
55*	Enter total of Lines 55a through 55d.	147123	147123	
56*	Total amount spent for local church program expenses	139183	124778	
57a	Utilities for church and church-owned facilities EXCEPT parsonage	72766	71030	
57b	Property maintenance and repair for all church owned properties - DO NOT include capital in	59695	34795	
57c	Amount spent of church office supplies - postage, paper, software, etc.	15078	15078	
57d	Property or Liability insurance premiums paid to company OTHER than Conference program.	0	0	
57e	Amount paid to use other church or organization facilities.	0	0	
57f	Other Operating Expenses not included in 57a-e	0	0	
57*	Total amount spent for other church operating expenses - add lines 57a through 57f.	147539	120903	
58*	Total amount paid for principal and interest on indebtedness, loans, mortgages, etc.	147676	147676	
59*	Total amount paid on capital expenditures for building, improvements, and major equipment	3446	32363	
60	Total amount PAID by the local church on all expenditures (sum of lines 43,44,48*,49*,50*,51*,52*,53*,54*,55*,56*,57*,58*,59*)	830905	799057	
TOTAL				

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First Korean UMC
 Church Number 1018
 Analysis of 2017 Shared Ministry Reallocation

Description	Original Expenses 2015	Revised Expenses 2015	Difference (Inc)/Dec
Non- United Methodist Benevolences-Line 44	\$0.00	\$0.00	\$ -
Pastor Wages-Line 48 & 49	\$126,790.00	\$ 121,063.00	\$ (5,727.00)
Parsonage Expenses-Line 50	\$14,241.00	\$ 14,241.00	\$ -
Accountable Reimbursements-Line 51	\$18,486.00	\$ 18,486.00	\$ -
Staff Compensation-Line 55	\$147,123.00	\$ 147,123.00	\$ -
Church Program Expenses-Line 56	\$139,183.00	\$ 124,778.00	\$ (14,405.00)
Church Operating Expenses-Line 57	\$147,539.00	\$ 120,903.00	\$ (26,636.00)
Conference Billables	\$67,877.00	\$ 67,877.00	\$ -
Total Expenses	\$661,239.00	\$ 614,471.00	\$ (46,768.00)

Shared Ministry Calculation-2017

Shared Ministry Formula

Local Church Expenses	* 2017 Conference Budget	Preliminary Assessment	Difference
All GNJ Church Expenses			
Original Assessment-2017			
\$661,239.00	\$11,978,542.00	\$113,975	
\$69,494,926.00			
Revised Assessment-2017			
\$614,471.00	\$11,978,542.00	\$105,914	(\$8,061)
\$69,494,926.00			

John Cardillo

From: Myrna Bethke
Sent: Tuesday, November 29, 2016 7:33 AM
To: John Cardillo
Subject: FW: Shared Ministry Appeal Information
Attachments: 2015 YES Report Appeal Request.docx; 2015 Year End Statistical Report Adjustments.docx

Hi John,

This is the final of the three churches I spoke to you about. Again, I support Ferry Avenue UMC's request. This congregation, located in South Camden began paying their shared ministries in full after a period of not being able to do that. The congregation is working at demonstrating vitality in the five areas of vitality. In particular they have become intentional about reaching out to the community surrounding the church. As I work more intentionally in Camden, Ferry Ave is one of the churches that has the potential to grow and work towards becoming full time again. A reduction in their 2017 shared ministries will relieve some financial pressure on them and help them to continue on their path of vitality.

Rev. Myrna Bethke

District Superintendent, Gateway South
The United Methodist Church of Greater New Jersey

O: 856.424.5790

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From: Shelley Smith [mailto:pastorshelleysmith@gmail.com]
Sent: Monday, November 28, 2016 7:58 PM
To: Myrna Bethke <mbethke@gnjumc.org>
Subject: Shared Ministry Appeal Information

Hi Myrna,

Attached is a cover letter and the figures for our request for a review of our 2015 Year End Report figures.

Thanks,
Shelley

SD

--

Rev. Shelley S. Smith, Pastor
Ferry Avenue United Methodist Church
768 Ferry Avenue
Camden, NJ 08104
856-541-0449 (O) 856-627-6985 (H)



Ferry Avenue United Methodist Church

768 Ferry Avenue
Camden, New Jersey 08104
Rev. Shelley S. Smith, Pastor

Open Hearts – Open Minds – Open Doors

Office: 856-541-0449

 Ferry Avenue United Methodist Church

ferryaveumc@gmail.com

pastorshelleysmith@gmail.com

November 28, 2016

Dear Rev. Bethke,

Thank you for approving our request to have our 2015 Year End Statistic Report resubmitted for review and any appropriate adjustments made to our 2017 Shared Giving. Some of our original figures included grant funds that were received from the GNJUMC Conference, Camden Urban Ministry Initiative and Camden County Health Partners.

A chart has been provided showing the impacted stats in Table II. It shows the original figures and the adjusted figures. If any additional information is required, please let me know.

In His service,

Shelley S. Smith
Pastor, Ferry Avenue UMC

Ferry Avenue United Methodist Church #1015 – 2015 Adjusted Year End Statistical Report

Line/Description	2015 Reported Amount	Adjusted amount	Notes
55a Other Staff Compensation (gross salary before deductions)	4,032	766	Grant funds deducted
55b Church share of staff FICA/Medicare. Enter 7.65% of salary reported in line 55a.	308	59	Recalculation based on 55a
55c Enter amount paid to other staff, not on church payroll, such as substitutes, guest pastors, and self-employed	10,280	7142	Grant funds to pay other staff deducted
55d Church share of staff health premium. Do not include pastor(s) health premium.	0	0	
55* Enter total of Lines 55a through 55d.	14,620	7967	Total reflects deducted grant funds
56* Total amount spent for local church program expenses	14,017	10,043	Total reflects deducted grant funds
57a Utilities for church and church-owned facilities EXCEPT parsonage	15,969	15,969	
57b Property maintenance and repair for all church owned properties – DO NOT include capital improvement expenses (see line 59 for definition of Capital Improvement Expenses)	8,663	8,663	
57c Amount spent of church office supplies - postage, paper, software, etc.	11,432	10,210	Grant funds for office equipment deducted
57d Property or Liability insurance premiums paid to company OTHER than Conference program.	0	0	
57e Amount paid to use other church or organization facilities.	0	0	
57f Other Operating Expenses not included in 57a-e	2,212	2,212	
57g Workers Comp and Prop Ins Paid to Conference 3,417	3,417	3,417	
57* Total amount spent for other church operating expenses - add lines 57a through 57f.	38,276	37,054	Total reflects deducted grant funds

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Ferry Avenue UMC
 Church Number 1015
 Analysis of 2017 Shared Ministry Reallocation

Description	Original Expenses 2015	Revised Expenses 2015	Difference (Inc)/Dec
Non- United Methodist Benevolences-Line 44	\$0.00	\$0.00	\$ -
Pastor Wages-Line 48 & 49	\$16,300.00	\$ 16,300.00	\$ -
Parsonage Expenses-Line 50	\$8,400.00	\$ 8,400.00	\$ -
Accountable Reimbursements-Line 51	\$5,300.00	\$ 5,300.00	\$ -
Staff Compensation-Line 55	\$14,620.00	\$ 7,967.00	\$ (6,653.00)
Church Program Expenses-Line 56	\$14,017.00	\$ 10,043.00	\$ (3,974.00)
Church Operating Expenses-Line 57	\$38,276.00	\$ 37,054.00	\$ (1,222.00)
Conference Billables	\$6,504.00	\$ 6,504.00	\$ -
Total Expenses	<u>\$103,417.00</u>	<u>\$ 91,568.00</u>	<u>\$ (11,849.00)</u>

Shared Ministry Calculation-2017

Shared Ministry Formula	2017 Conference Budget	Preliminary Assessment	Difference
Local Church Expenses	*		
All GNJ Church Expenses	*	\$17,826	
Original Assessment-2017			
\$103,417.00	\$11,978,542.00		
\$69,494,926.00			
Revised Assessment-2017			
\$91,568.00	\$11,978,542.00	\$15,783	(\$2,042)
\$69,494,926.00			

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John Cardillo

From: Myrna Bethke
Sent: Monday, December 12, 2016 8:41 AM
To: John Cardillo
Subject: FW: Emailing: 2015 Year End Statistical Report Adjustments
Attachments: 2015 Year End Statistical Report Adjustments.docx

Hi John,

This is the revised information for Trinity UMC in Gloucester for your consideration in looking at their shared ministries. It sounds like they had a conversation with you at the statistical training. I have also met with the leadership of this congregation to talk about why their shared ministries went up. They were mad at the Conference, thinking we had raised their shared ministries and didn't know the amount was based on what they reported for their end of year statistics.

Rev. Myrna Bethke

District Superintendent, Gateway South
The United Methodist Church of Greater New Jersey

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From: reved4@aol.com [mailto:reved4@aol.com]
Sent: Friday, December 9, 2016 12:42 PM
To: Myrna Bethke <mbethke@gnjumc.org>
Subject: Fwd: Emailing: 2015 Year End Statistical Report Adjustments

Hi Myrna,

The attachment is the 2015 Year End Statistical Report update. Please consider this our official request to appeal the Shared Ministries amount.

Thank you for your help in this matter.

Blessings, Pastor Ed Rusk, Trinity UMC Gloucester City

-----Original Message-----

From: O'Brien, Donna <DO'Brien2@virtua.org>

To: reved4 <reved4@aol.com>

Sent: Fri, Dec 9, 2016 8:29 am

Subject: Emailing: 2015 Year End Statistical Report Adjustments

Rev Ed,

I was able to save this document and then be able to enter figures-even though it was a read only.

John Cardillo said to send this to you to forward to Myrna with a request to appeal the 2017 Shared Ministries.

She has to approve it and then she will send it to John Cardillo for consideration.

Thank you so much, Donna

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Thank you

2015 Adjusted Year End Statistical Report

Line/Description	2015 Reported Amount	Adjusted amount	Notes
55a Other Staff Compensation (gross salary before deductions)	0	0	
55b Church share of staff FICA/Medicare. Enter 7.65% of salary reported in line 55a.	0	0	
55c Enter amount paid to other staff, not on church payroll, such as substitutes, guest pastors, and self-employed	300	300	
55d Church share of staff health premium. Do not include pastor(s) health premium.	0	0	
55* Enter total of Lines 55a through 55d.	300	300	
56* Total amount spent for local church program expenses	1036	1036	
57a Utilities for church and church-owned facilities EXCEPT parsonage	9326	9326	
57b Property maintenance and repair for all church owned properties – DO NOT include capital improvement expenses (see line 59 for definition of Capital Improvement Expenses)	3636	3636	
57c Amount spent of church office supplies - postage, paper, software, etc.	120	120	
57d Property or Liability insurance premiums paid to company OTHER than Conference program.	0	0	
57e Amount paid to use other church or organization facilities.	0	0	
57f Other Operating Expenses not included in 57a-e	13774	3935	I included Shared Ministries, WC, discretionary fund
57g Workers Comp and Prop Ins Paid to Conference 3,417	0	3197	
57* Total amount spent for other church operating expenses - add lines 57a through 57f.	26856	20214	

Trinity UMC
 Church Number 1035
 Analysis of 2017 Shared Ministry Reallocation

Description	Original Expenses 2015	Revised Expenses 2015	Difference (inc)/Dec
Non- United Methodist Benevolences-Line 44	\$0.00	\$0.00	\$ -
Pastor Wages-Line 48 & 49	\$3,000.00	\$ 3,000.00	\$ -
Parsonage Expenses-Line 50	\$5,000.00	\$ 5,000.00	\$ -
Accountable Reimbursements-Line 51	\$653.00	\$ 653.00	\$ -
Staff Compensation-Line 55	\$300.00	\$ 300.00	\$ -
Church Program Expenses-Line 56	\$1,036.00	\$ 1,036.00	\$ -
Church Operating Expenses-Line 57	\$26,856.00	\$ 20,214.00	\$ (6,642.00)
Conference Billables	\$3,197.00	\$ 3,197.00	\$ -
Total Expenses	\$40,042.00	\$ 33,400.00	\$ (6,642.00)

Shared Ministry Calculation-2017

Shared Ministry Formula	2017 Conference Budget	Preliminary Assessment	Difference
Local Church Expenses	*		
All GNJ Church Expenses	*		
Original Assessment-2017		\$6,902	
\$40,042.00	\$11,978,542.00		
\$69,494,926.00			
Revised Assessment-2017		\$5,757	(\$1,145)
\$33,400.00	\$11,978,542.00		
\$69,494,926.00			

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John Cardillo

From: Jessica Storer
Sent: Wednesday, December 14, 2016 9:47 AM
To: John Cardillo
Subject: RE: retirees at annual conference

The registration fee for annual conference for a retiree is \$25 for the entire event. If they require overnight accommodations the cost is \$100.

Jessica Storer

Business Analyst
The United Methodist Church of Greater New Jersey

O: 732.359.1033

E: jstorer@gnjumc.org

WE HAVE MOVED! Our new address:
The United Methodist Church of Greater NJ
Mission and Resource Center
205 Jumping Brook Road
Neptune, NJ 07753

www.gnjumc.org

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John Cardillo

From: Bishop John Schol
Sent: Tuesday, December 13, 2016 6:57 PM
To: Bob Dietz
Cc: Treasurer
Subject: Re: Follow Up

I suggest indicating that we offer a financial support for registration and meals for those who need assistance.

John

John Schol, Bishop
The United Methodist Church
Greater New Jersey Conference

GNJ Sandy Relief Fund
Building a future with hope
Contribute at www.gnjumc.org

Sent from my iPad

On Dec 13, 2016, at 6:45 PM, Bob Dietz <tothdietz@verizon.net> wrote:

Evening

Appreciate any thoughts on the below and what consideration we should undertake.

Blessings for your evening.

Bob Dietz
VP Global Facilities and Construction Management
Colgate Palmolive Company

Begin forwarded message:

From: Bob Dietz <tothdietz@verizon.net>
Date: December 13, 2016 at 6:44:16 PM EST
To: johncmaun <johncmaun@comcast.net>
Subject: Re: Follow Up

John

My sincerest apologies, your email was caught in my "spam", and I did not notice.

I will discuss at our up coming meeting, as well as with the Conference leadership for thoughts on your request.

Blessings for your evening and again my apologies.

Bob Dietz
VP Global Facilities and Construction Management
Colgate Palmolive Company

On Dec 8, 2016, at 9:24 AM, johncmaun
<johncmaun@comcast.net> wrote:

Dear Bob,

Just following up on the email that I sent you 06/15/2016. Since I haven't heard anything, I was wondering if CF&A had had any discussion or taken any action on the policy of charging retired clergy to simply attend a session of Annual Conference as a clergy person.

As I stated in my previous email to you: "If there is any justification for charging those retired elders, who are there only for a few hours to share in remembering colleagues, who continue to be members of the Annual Conference and deserve some respect for their many years of service, I would love to know what it is."

John Maun

The United Methodist Church
of Greater New Jersey

*We recruit and develop transformational leaders to
make disciples and grow vital congregations to transform the world*

GNJ Vital Mission Partners

Matthew 22:34-40 – *Love God and love our neighbor.*

Mission Partners deepen and extend the mission of The United Methodist Church of Greater New Jersey. **Members of GNJ have** established **the** four nonprofit corporations as Vital Mission Partners to create and deepen specialty areas of mission, open new sources of funding, potentially limit liability, and recruit staff with specialized skills.

The GNJ VITAL Mission Partners

Four Vital Mission Partners (VMP) to deepen and expand the GNJ Mission.
Each is incorporated as a 501 (c) 3 corporation and each has a
its own bylaws, a board of trustees who are elected by the GNJ Annual Conference.

A FUTURE WITH HOPE

*Hope Centers
Relief and Recovery
Communities of Hope
Housing & Community Development*

STEWARDSHIP FOUNDATION

*Intermediary Services
Endowing Future Ministry
Growing Giving and Assets
Stewardship and Fundraising*

IGNITE¹

*Student Ministries
Campus Ministries
Camping and Retreats*

CENTENARY FUND

*Supporting Clergy
Retirees and their Families*

GNJ connects and supports the Vital Mission Partners (VMP) through a common mission
and **by individual relationship and shared services agreements outlined in
each organization's relationship statement.**

¹ IGNITE is the name for our present youth conference. We are exploring combining together GNJ nonprofit camping corporation, IGNITE, and campus ministries into a comprehensive approach to make and shape disciples and engage them in community transformation.

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Draft – 10/04/16
The United Methodist Church
of Greater New Jersey

A Shared Services Model to

*Recruit and develop transformational leaders to
make disciples and grow vital congregations to transform the world*

Summary

The mission of the church is as urgent and needed as ever before. The world needs God's healing love and the church is called to join with its mission partners to walk with community residents, leaders and organizations to transform lives and communities.

GNJ will partner with its Vital Mission Partner nonprofit organizations (VMP) to extend the mission and maximize services in communities across the New Jersey Area. To extend the mission and maximize services it is imperative for GNJ to provide shared services to its VMPs so that 1) the primary focus of VMPs is on its core ministry rather than organizational administration, 2) more people, communities and congregations are served, and 3) to be good stewards of the resources entrusted for the mission.

Camp YDP in Patterson, New Jersey is an example of this approach to ministry. Camp YDP almost closed because it did not have the capacity to address organizational and administrative needs. GNJ leadership was able to assume administrative functions allowing staff to focus on serving people and a turnaround has begun. We see Camp YDP as the first Hope Center and part of a growing movement of congregations and community centers extending the mission so that God's healing love is experienced in our communities.

The effectiveness of a shared services model is grounded in 1) a shared mission, vision and values, 2) staff alignment, and 3) **connected governance between GNJ and each of the VMP's (the Stewardship Foundation, A Future With Hope, Ignite and the Centenary Fund.) The shared services will be defined in each VMP's Relationship and Shared Services Agreement and will include but not be limited to:** office space, accounting, communication, fundraising, human resources management, benefits, property management, project management, insurance, IT, reception, etc.

Overview Document Creation

This document is an overview of how GNJ will connect with VMP's. It was prepared by a task force made up of leaders of VMP Boards, CAMP YDP Board, and members of GNJ Council on Finance and Administration, Board of Global Ministries, Foundation, Connectional Table and staff. The document will be reviewed periodically and updated as necessary. The primary documents to be reviewed and updated in the year following General Conference are the relationship agreements/statements between the VMP and GNJ.

Shared Mission and Partnership

The mission of GNJ is to recruit and develop transformational leaders to make disciples and grow vital congregations for the transformation of the world. The following *VMPs* share in this mission:

- A Future with Hope *walks with communities to transform the future* through community planning, affordable housing, community development, human services, disaster relief and recovery and growing disciples through community engagement.
- The United Methodist Stewardship Foundation stewards and grows assets to develop transformational leaders, grow vital congregations, and support world transforming mission.
- IGNITE forms and shapes student disciples, student leaders, and young adult clergy to make disciples for the transformation of the world. The organization and direction of IGNITE/Camping is in the assessment and formative stage. Greater clarity about its organization and role in the mission and ministries will be added as it progresses.
- Centenary Fund supports retired clergy (transformational leaders) and their families

In addition to *VMPs*, there are *Community Affiliate Mission Partners* that may also participate in shared services. *Community Affiliate Mission Partners* will connect with GNJ shared services through one of the *VMPs* - A Future With Hope, The Foundation, or IGNITE. For instance, Hope Centers will relate to and work through A Future With Hope, or congregations will invest money through the Stewardship Foundation, or campus ministries will connect through IGNITE. The *VMPs* will give oversight to the relationships, governance, staffing, mission and ministry of *Affiliate Partners* related to their particular area.

Shared Vision and Values

Vision - We see a Church and organizations like Jesus Christ—radical spirit and humble, teaching and healing, soul saving and soul tending, leader and servant, unbound and outbound. We also see a Wesleyan Church and Community – personal holiness and social holiness, connectional and risk-taking, thoughtful and inspirational, small groups and large vision, welcoming all and respect for diversity.

The values/character we seek in our staff and leaders include:

1. Transformation – Spirit-led pioneers who initiate a vision of what could be, develop strategies, and inspire people to work together to achieve a life and world changing mission.
2. Passionate – leaders with a contagious love for God and others who are excited about the mission and move people and ideas to action.
3. Open – grace-filled leaders who are grounded and yet embrace new ideas and learnings. Leaders who are open to and embrace people who think, look, act and live differently.
4. Relational – leaders who are genuine in their relationship with God and others, build teams and connect with others through their interests and ideas.
5. Learner – life-long learners who are teachable and dedicate their life to learning and applying new ideas.
6. Creative – leaders who don't let adaptive challenges stop the mission but are curious and inquisitive, take risks and apply innovative ideas even when there are limited resources to overcome challenges.

The Shared Services

Achieving More with Less

To respond to growing opportunities and challenges, leaders have learned to expect more from everyone in the organization. In order to run the organization efficiently, the staff are typically asked to wear several different hats, accepting responsibility for a variety of roles in order to maximize the resources and achieve the mission.

What Services Will Be Shared

As GNJ serves its VMPs who in turn serve Hope Centers, congregations and other organizations, we seek alternative ways of being more effective while being good stewards of resources through shared services.

Sharing services between GNJ nonprofit organizations leverages their combined resources to share cost of services across a number of organizations, making these services much more affordable. There is a second benefit to shared services besides the obvious stewardship benefit. Although a primary goal is to make the cost of these services less prohibitive, many organizations are further inhibited because they only need specialized services occasionally or for unique projects. As such, they simply do not have enough work to require the full time services of a highly qualified Chief Financial Officer (CFO), a communications director, a human resources manager, or fundraising staff. Sharing these professionals with other organizations is an ideal solution, making it possible for each nonprofit to have access to experienced and skilled staff leaders on an as needed basis. While others may be added, the following are examples of shared services through GNJ.

- Accounting and Financial Services
- Fundraising
- Communication and Promotion
- Shared Program Staff
- Information Technology
- Human Resources Services
- Legal Services
- Reception and Office Space
- Reproduction and Printing
- Property Management
- Insurance

As donors and funders increase their expectations of nonprofit organization performance in what they achieve and how they use resources to achieve the mission, it is critical that we demonstrate that GNJ, our VMPs and Hope Centers demonstrate results and stewardship.

Accessing Shared Services

Key to a successful shared services model is a plan and exchange of communication for accessing services. To accomplish this, each VMP's Board will develop a Relationship and Shared Services Agreement with GNJ. It will include a provision that a cross-functional team of mid-level GNJ supervisors and appropriate representatives from the VPM will meet at regularly to review the Agreement in relation to existing needs, priorities, projects, deliverables and services.

The GNJ Executive Staff Leadership Team will meet regularly with each VMP's leaders to insure that services are being delivered on time, with excellence and match what the VMP's Agreement. The GNJ

Council on Finance and Administration (CFA) will evaluate the quality and timeliness of shared services twice a year and allocate staff and resources as needed, **consistent with the Agreement**. CFA will also set a shared services budget and allocate costs to each partner based on the types and amount of service the organization uses.

A fee for shared services will be set by GNJ Council on Finance and Administration in conversation with VMPs.

Shared Service Usage Table

VMP Shared Service Usage	A F W H	C E N T	I G N I	S T E W
Accounting and Financial Services				
Fundraising				
Communication and Promotion				
Shared Program Staff				
Information Technology				
Coaching				
Human Resources Management				
Reception and Office Space				
Reproduction and Printing				
Property Management				
Legal Services				
Insurance				

Staff Alignment

Staff alignment occurs through common vision, mission and values as well as clarity of roles and responsibilities. Staff across the partner organizations and GNJ will be interconnected and we will use matrix supervision model in which partner staff directors will report to their board and to a senior GNJ staff person. We will also utilize cross functional teams for projects.

Clarity – Role and responsibility clarity will be achieved through seamless position descriptions based on GNJ position descriptions. Also all staff will receive regular feedback about their work and performance and twice-a-year written evaluations. These evaluations will be based on the GNJ evaluation process. Staff will also participate twice a year in an engagement survey which gages how the leadership and organization is resourcing and developing staff. The priority will be to motivate staff intrinsically (staff development, staff decision making, resources needed to perform with excellence) rather than extrinsically (pay, bonuses, etc.).

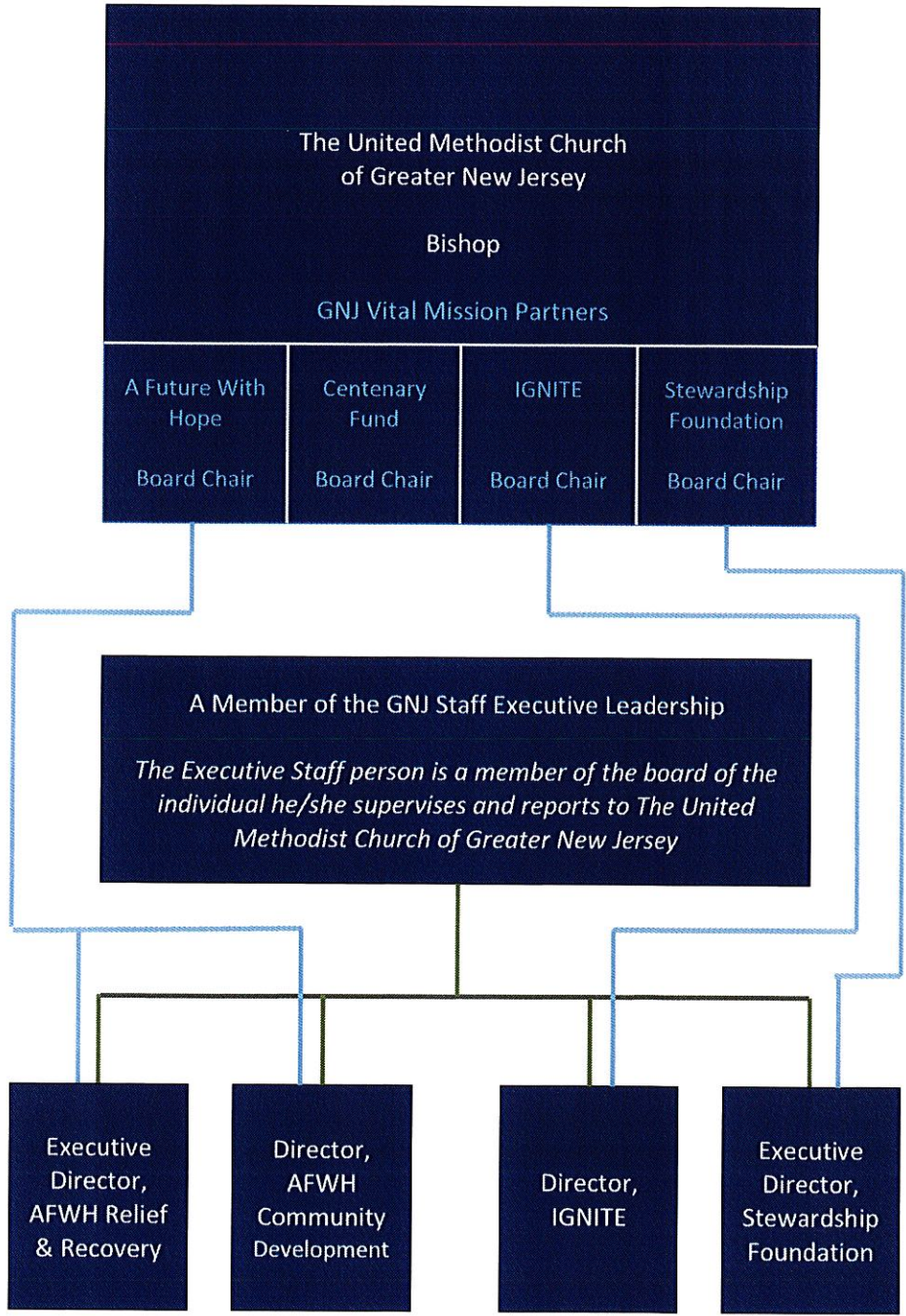
Interconnected and Matrix Supervision – **Supervision and reporting will be delineated in each VMP’s Agreement**: Some staff will have matrix reporting and it will be included in their job description. The senior staff person of each VMP organization will report to the board which they serve and will be supervised a GNJ senior staff person who serves on the staff executive team. **Possible reporting scenarios include:**

- The Executive Director of the Foundation will report to the Foundation board and the Bishop
- The Director of IGNITE will report to the IGNITE board and the Director of Connectional Ministries

- The Executive Director (Relieve and Recovery) and Director (Community Development) of A Future With Hope will report to the AFWH board and the Director of Connectional Ministries

GNJ Vital Mission Partner Matrix Staff Supervision and Reporting

*The blue line indicates reporting and the green line indicates supervision
Vital Mission Partners extend the mission of GNJ and report to the GNJ Annual Conference*



Connected Governance

Governance is the work of a Board of **Trustees** who establish the policies, budget, and strategic direction of an organization. The Board of **Trustees** are also responsible for hiring the senior staff person and evaluating the progress of the organization toward its mission and goals. While boards of **Trustees** give oversight, they do not engage in the management of the organization. Management of the organization is done by the staff. The Board of **Trustees** has the responsibility through the senior staff person to ensure the policies, budget, strategic direction and goals are being carried out as envisioned by the Board of Trustees. While the Board of **Trustees** has the responsibility to see that the budget is fully funded, the senior staff person will have the responsibility to raise the funds to meet the budget. The use of the fundraising component of shared services is one resource that could be a part of addressing the financial needs of the budget.

The VMP's will have a governance structure that is connected to GNJ. In addition, VMP's may have interconnections with each other. The following are the mechanisms for this connection.

- Relationship Statement – Each VMP shall have a relationship statement with GNJ that will be approved by GNJ every four years. All relationship statements will have the same format
 - The organization's purpose
 - A description of the relationship to GNJ
 - The organization's program
 - Liability in relation to GNJ and its partners
 - How the relationship statement may be modified
- Bylaws – **Each VMP shall have Bylaws adopted by its Board of Trustees. The Bylaws shall include**
 - All **trustees** to serve on the board shall be elected by the GNJ Annual Conference Session. Each VMP shall have up to 12, **not less than 9 trustees**. If an organization has more than 12 **trustees**, over time through attrition the board will be reduced to 12. Each board shall have as one of the 12 members the bishop or the bishop's designee and the GNJ treasurer who will be the treasurer for the organization. Each organization shall have a chairperson and secretary elected by the board. The board shall also have a member of the GNJ staff executive team, selected by the Bishop, who will serve without a vote and be responsible for supervising the lead staff person of the organization.
 - All boards are to meet four times a year. Additional board meetings may be called as necessary.
 - Annually each board shall set metrics with measurable outcomes and specific time lines which are in alignment with GNJ's vision and mission.
 - Each partner organization shall adopt the GNJ safe sanctuaries policy. If modifications are necessary, it must be approved by the partner board and the GNJ Council on Finance and Administration.
 - Each VMP shall be assessed a fee for shared services. The shall be established by CFA in collaboration with the VMPs.
 - Grants given by a VMP to a GNJ congregation or a GNJ VMP or for a GNJ strategy shall require approval by the GNJ grant committee.
 - Each VMP organization shall maintain appropriate insurance including board insurance through insurers identified through GNJ.
 - Each VMP shall have a clear conflict of interest policy.

Mission Partner Affiliates

VMP's may have affiliate or community partners to carry out the mission. For example:

- A Future With Hope may develop Hope Centers to carry out specific community strategies
- The Foundation may have partner congregations that invest through the Foundation
- IGNITE may have campus ministries that carry out specific strategies on college campuses

Each VMP will develop policies and practices in keeping with the vision, mission, values, governance and policies above for its VMPs. A common relationship statement will be used with each VMP. These affiliate partners may also be included in the shared services model as appropriate.

Evaluating Shared Services

Monthly meetings of GNJ mid-level supervisors and executive directors of partner organizations will be complemented by regular GNJ executive staff leadership team meetings with organizational leaders to evaluate the delivery of shared services.

Next Steps

1. A Future With Hope Board amend as needed the Hope Center document and present to CFA and the Connectional Table by November 15, 2016
2. Each VMP Board working with CFA, the Connectional Table, and the GNJ Chancellor shall develop a relationship statement by January 15, 2017. There will be a template and appropriate legal language developed by the Chancellor.
3. All Vital VMP Boards working in collaboration with one another, CFA and the Chancellor shall amend their bylaws so that all bylaws use identical formats with similar language and conform to the partner document by February 28 2017.
4. The Chancellor shall review the VMPs Shared Services Model document to identify appropriate approvals to conform to the Book of Discipline by October 1.

Draft
The United Methodist Church
of Greater New Jersey

A Shared Services Model for Hope Centers

Through A Future With Hope

Recruit and develop transformational leaders to
make disciples and grow vital congregations to transform the world

Summary

The mission of the church is as urgent and needed as ever before. The world needs God's healing love and the church is called to join with its VMPs to walk with community residents, leaders and organizations to transform lives and communities.

Hope Centers are a key ministry and strategy for achieving the vision and mission of The United Methodist Church of Greater New Jersey. Hope Centers are community organizations and congregations who are engaged with their communities through community development, economic development, youth education and development, and social services.

Hope Centers will relate to The United Methodist Church of Greater New Jersey through A Future With Hope. The covenantal relationship will offer:

- Leadership development
- Community asset based planning
- Cultural competency development that includes addressing and changing systems such as racism and classism
- Research, development and evaluation
- Shared learnings
- Strategy and program development and coordination
- Compliance with state and other regulations
- Shared services including but not limited to accounting and financial services, fundraising, communication and promotion, shared program staff, information technology, human resources services, legal services, reception and office space, reproduction and printing, property management

Shared Mission and Partnership

Hope Centers are an extension of the mission of The United Methodist Church of Greater New Jersey (GNJ) and A Future With Hope (AFWH)). The mission of GNJ is to recruit and develop transformational leaders to make disciples and grow vital congregations for the transformation of the world. AFWH walks with communities to transform the future through community planning, affordable housing, community development, human services, disaster relief and recovery and growing disciples through community engagement.

Hope Centers are Community Affiliate Mission Partners of GNJ through AFWH. As Affiliates, they may engage in a variety of service that include but are not limited to:

20/11

- Community asset based planning through the Communities of Hope planning process
- Social entrepreneurship
- Affordable Housing
- Relief and recovery following disasters
- Youth development and education
- Social services
- Community organizing

Shared Vision and Values

Hope Centers will participate in and further the shared vision and values of AFWH.

Vision - We see a Church and organizations like Jesus Christ—radical spirit and humble, teaching and healing, soul saving and soul tending, leader and servant, unbound and outbound. We also see a Wesleyan Church and Community – personal holiness and social holiness, connectional and risk-taking, thoughtful and inspirational, small groups and large vision, welcoming all and respect for diversity.

The values/character we seek in our staff and leaders include:

1. Transformation – Spirit-led pioneers who initiate a vision of what could be, develop strategies, and inspire people to work together to achieve a life and world changing mission.
2. Passionate – leaders with a contagious love for God and others who are excited about the mission and move people and ideas to action.
3. Open – grace-filled leaders who are grounded and yet embrace new ideas and learnings. Leaders who are open to and embrace people who think, look, act and live differently.
4. Relational – leaders who are genuine in their relationship with God and others, build teams and connect with others through their interests and ideas.
5. Learner – life-long learners who are teachable and dedicate their life to learning and applying new ideas.
6. Creative – leaders who don't let adaptive challenges stop the mission but are curious and inquisitive, take risks and apply innovative ideas even when there are limited resources to overcome challenges.

Shared Goals and Metrics

Hope Centers will share in collective goals and metrics as well as set goals related to their context. They will grow the capacity and capital of congregations and community organizations to engage with the community to change lives and transform communities.

Specific Goals and Metrics include but are not limited to:

1. Develop community plans that restore hope through housing, jobs, cultural life, leadership development, education and human services.
2. Grow assets and funding for church and community ministry.
3. Launch 5-10 new Hope Centers a year with a goal of 100 hope centers.
4. Set and achieve yearly goals for new affordable housing, as well as repairs to the homes of seniors, low income and disabled persons.
5. Set and achieve yearly goals to recruit and equip new transformational leaders for the mission.
6. Raise funds in addition to shared services fundraising through local initiatives to support the ongoing activities of the Hope Center.

Accessing Shared Services

Hope Centers will access shared services from GNJ through AFWH staff related to the Hope Center. The shared services model for Hope Centers will follow the agreement between GNJ and AFWH. The fee for shared services will be set by the GNJ Council on Finance and Administration in conversation with AFWH.

Staff Alignment

Staff alignment occurs through common vision, mission and values as well as clarity of roles and responsibilities. Staff across Hope Centers and AFWH will be interconnected and we will use matrix supervision in which some staff within a Hope Center will report to their board and a senior AFWH staff person. Also cross functional teams across Hope Centers will be used for projects, program and funding development and evaluation.

Clarity – Role and responsibility clarity will be achieved through seamless position descriptions based on GNJ position descriptions. Also all staff will receive regular feedback about their work and performance and twice a year written evaluations. These evaluations will be based on the GNJ evaluation process. Staff will also participate twice a year in an engagement survey which gages how the leadership and organization is resourcing and developing staff. The priority will be to motivate staff intrinsically (staff development, staff decision making, resources needed to perform with excellence) rather than extrinsically (pay, bonuses, etc.).

Connected Governance

Governance is the work of a board of directors to establish the policies, budget, and strategic direction of an organization. The board of directors are also responsible for hiring the senior staff person and evaluating the progress of the organization toward its mission and goals. While boards of directors give oversight, they do not engage in the management of the organization. Management of the organization is done by the staff. The board of directors has the responsibility through the senior staff person to ensure the policies, budget, strategic direction and goals are being carried out as envisioned by the board of directors. While the Board of Directors has the responsibility to see that the budget is fully funded, the senior staff person will have the responsibility to raise the funds to meet the budget. The use of the fundraising component of shared services is one resource that could be a part of addressing the financial needs of the budget.

Hope Centers have a governance structure that is connected to AFWH. The following mechanisms will be used for connected governance.

- Relationship Statement – Each Hope Center shall have a relationship statement with AFWH that will be approved by AFWH board every four years. All relationship statements will have the same format
 - The organization's purpose
 - A description of the relationship to GNJ
 - The organization's program
 - Liability in relation to GNJ and its partners
 - How the relationship statement may be modified
 - Non-profit Organization – A Hope Center may be separately incorporated as a tax exempt organization but it does not have to if it is a United Methodist Congregation.

Hope Centers may incorporate for liability reasons and to increase the opportunity for raising funds.

- By-Laws – Each Hope Center shall have by-laws. All by-laws will be formatted the same and approved initially and by amendment by AFWH Board.
- All directors to serve on the board shall be nominated by the Hope Center Board and elected by AFWH Board. Each Hope Center shall have up to 8 directors, four of which shall be on the Board of AFWH or a member of AFWH Advisory Board. If an organization has more than 12 directors at the time of affiliation with AFWH, over time through attrition the board will be reduced to 8 members. Each board shall have as one of the 8 members a AFWH staff person or representative identified by AFWH who will serve in a non-voting capacity. Each organization shall have a chairperson and secretary elected by the board.
- All boards are to meet twice a year. Additional board meetings may be called as necessary.
- Each partner organization shall adopt the GNJ safe sanctuaries policy. If modifications are necessary, it must be approved by the partner board and the GNJ Council on Finance and Administration.
- Each VMP organization shall maintain appropriate insurance including board insurance through insurers identified through GNJ.
- Transactions between related parties will require approval of AFWH.

Types of Hope Centers

Hope Centers will affiliate with AFWH through an application process develop by the AFWH Board. There will be three levels of Hope Centers

Hope 1 – Congregations or community organizations that are a part of the Hope Center network sharing in planning, programmatic and leadership development resources.

Hope 2 – Congregations or community organizations that include Hope Center 1 resources and participate in coordinated programing and shared services.

Hope 3 – Congregations or community organizations that include Hope 1 and 2 resources and receive funding from GNJ grants and/or grants and contracts through AFWH.

RESOLVED, that The Greater New Jersey Annual Conference of the United Methodist Church adopts the Statement of Relationship with A Future With Hope, Inc.

STATEMENT OF RELATIONSHIP

Between

The Greater New Jersey Annual Conference of the United Methodist Church

And

A Future With Hope, Inc.

The Greater New Jersey Annual Conference of The United Methodist Church (“GNJ”) *recruits and develops transformational leaders to make disciples and grow vital congregations to transform the world.* This mission is primarily carried out through the congregations that make up GNJ. GNJ’s primary commitment is to increasing the vitality of all of our congregations.

GNJ also works with and through *Vital Mission Partners.* These partners compliment and extend the mission by supporting and/or engaging with GNJ with any of the following:

- Recruit and develop leaders
- Make new and grow existing disciples
- Assist congregations to grow vitality
- Engage disciples in hands on mission
- Develop and manage Hope Centers to serve communities
- Lead community development and service ministries
- Raise funds to support the mission of GNJ

A Future With Hope, Inc. (“AFWH”) is a Vital Mission Partner which extends the mission as identified below. It was organized in 2012 to provide relief and recovery following Superstorm Sandy. Superstorm Sandy was the second worst storm in US history and left 2 million households without power and damaged a very large number of homes. AFWH was organized to provide immediate relief following the storm that included temporary and day shelter, home muck out, feeding programs, and clothing. It also was organized to provide case management, volunteer management and home repair/replacement including new modular homes. AFWH has already repaired or built more than 250 homes, housed and utilized more than 11,000 volunteers from 33 states and raised more than \$16 million dollars. It also recognized and set aside funds for rebuilding communities and community development ministry. Today AFWH is completing its recovery ministry and expanding into community development ministry.

AFWH’s community development ministry focuses in three areas:

1. Engaging congregations and communities in Communities of Hope training. Communities of Hope trains congregations and communities in strategic planning, community organizing, systemic change, and working inter culturally. At the end of the training, each Community of Hope team has a community strategic plan to guide its work.
2. Developing, overseeing and resourcing Hope Centers. Hope Centers are congregations and community centers affiliated with GNJ that identify and provide needed services within a community.
3. Leading community economic development projects that include housing development and repurposing church buildings.

Although GNJ and AFWH share missional purposes and goals and although both of them support conformity with the high standards of service, each recognizes the other as an independent entity, making independent governing decisions.

AFWH offers members of local churches of GNJ, opportunities to serve in mission in various ways including as members of its Board of Trustees (“Board”). The persons elected as Trustees do not represent, nor are they amenable to GNJ. The Trustees of AFWH operate autonomously from GNJ.

The Bishop or the Bishop's designate will serve on the Board of AFWH with voice and vote. The Treasurer of the Annual Conference will serve on the Board of AFWH as an ex officio member of the Board with voice but without vote.

The President of AFWH shall provide a written report through the preconference journal to GNJ at its annual session. The roster of the Board of AFWH will be included in GNJ’s Journal.

The Board of AFWH will recommend nominees to the GNJ nominations committee who will move the nominations before the annual conference session who will elect Trustees of the AFWH Board. Nominees will have the skills necessary to serve the Board and ensure a diverse Board.

GNJ encourages and recommends that local churches and individuals contribute to the financial support of AFHW. This support is voluntary and without guarantee of amount or continuation. GNJ does not guarantee nor assume any responsibility for the obligations of AFWH.

The legal and financial relationships between GNJ and AFWH shall also be governed and controlled through a shared services agreement (“Services Agreement”) with GNJ's rights and obligations being represented through its Council on Finance and Administration. The Services Agreement may be amended when deemed proper by GNJ and AFWH. All provisions of the Services

Agreement are to be construed based on the principle that each party is independent of each other and separately responsible for its own actions.

This Statement of Relationship shall be reviewed and amended as necessary by AFWH and GNJ upon recommendation of their appropriate committees and Board. The date of approval by each of the parties shall be stated on the agreement.

Reviewed

Note: This Relationship Statement is in conformance with the *Book of Discipline of the United Methodist Church* (2012), ¶633.4.b. (27) which calls on Annual Conferences “[t]o strive to ensure mutual representation between the annual conference unit responsible for health and welfare ministries and each health and welfare institution related to the annual conference where such representation is called for by mutual agreement of the institution and the annual conference.”

[Insert name of the Vital Mission Partner ("VMP")]
A NON-PROFIT CORPORATION
REVISED CORPORATE BYLAWS ("By-Laws")

Adopted _____, 2017

All prior By-Laws are hereby voided and superseded by the following:

ARTICLE I: ORGANIZATION AND PURPOSE

[VMP] (the "Corporation"), is a [religious?] non-profit corporation organized under the laws of the State of New Jersey established for the purpose of [insert purpose clause from Statement of Relationship, or refer to that Statement and attach as an Exhibit]. The Corporation is organized exclusively for charitable purposes, including, for such purposes, the making of distributions to organizations qualifying under Section 501 (c)(3) of the Internal Revenue Code (or the corresponding section of any future Internal Revenue Code).

ARTICLE II: OFFICES

The principal office of the Corporation will be located at 205 Jumping Brook Road, Neptune, New Jersey 07712. The Corporation may have such other offices within the State of New Jersey as the Board of Trustees may determine or as the affairs of the Corporation may require.

The Corporation shall have and continuously maintain a registered office and a registered agent whose office is identical to the registered office. The registered office may be, but need not be, identical with the principal office, and the address of the registered office may be changed from time to time by the Board of Trustees.

ARTICLE III: MEMBERS

The Corporation shall have no members.

ARTICLE IV: BOARD OF TRUSTEES

SECTION 1: The affairs and activities of the Corporation shall be governed and managed by a Board of Trustees (or the "Board") which shall consist of up to

*

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twelve elected Trustees ("Elected Trustees") and not less than six, all of whom shall be entitled to vote and who shall serve without compensation. Paid employees of the Greater New Jersey Annual Conference ("GNJ") may serve as Trustees. GNJAC's Bishop (or his designate) will be included as one of the 12 members of the Board (the full composition of the board entitled the "Board") with voice and vote. The GNJAC Treasurer will be an ex officio member of the Board with voice but without vote.

- a) Quorum. The quorum at any duly called meeting shall consist of those voting members attending.
- b) Vote. An affirmative vote of a majority, but not fewer than three, of the Trustees present shall be required for approval of any action requiring the approval of the Board.

SECTION 2: The Corporation, while independent legally and structurally from GNJ as well as from any other legal entity associated with the United Methodist Church, shall comply with all applicable provisions of *The Book of Discipline of The United Methodist Church* ("*The Book of Discipline*") and as amended over time.

All Elected Trustees will be elected by GNJ upon nomination by the GNJ Nominating Committee as provided in Article VII Section 1. The Board of the Corporation shall provide recommendations of candidates to the GNJ Nominating Committee. If the GNJ Nominating Committee does not initially agree with the Board of Trustees' recommendation then that Committee and the Board are responsible to come to a meeting of the minds on a candidate to recommend for election by GNJ. Regardless, the Board shall be entitled to add Trustees to the Board during the mid-year for the purposes of (a) increasing the number of Trustees on the Board up to twelve members; and/or (b) to replace a Trustee including due to that Trustee's death, disability, resignation, removal by the Board for any cause, or due to that Trustee's failure to attend three Board Meetings in a row. For any such mid-year selection, the Board shall consult with the GNJ Nomination's Committee and that Board member must then be elected by GNJ at its next Annual Conference in order to continue to serve on the Board.

SECTION 3: Elected Trustees will be elected to serve initially for a three-year term or until their successors are elected. Upon completion of their terms, Elected

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Trustees are eligible for re-election to additional three-year terms. Elected Trustees will be assigned to one of three classes such that each year, the terms of approximately one-third of the Elected Trustees will expire requiring either their re-election or replacement, unless a change in the composition of the Board has been approved. A Trustee may serve a maximum of three terms and then rotate off the Board for at least one year. If a Board member is elected to fulfill an unexpired term of another Board member, the remainder of that term will constitute one term.

ARTICLE V: OFFICERS

SECTION 1: The President shall be the presiding officer of the Corporation and shall preside at all General and Special Meetings of the Corporation. The President is empowered to perform all duties incident to the office of President, subject, however, to the direction of the Board as hereinafter provided. The President shall be an ex-officio member of all committees.

SECTION 2: The Vice President shall preside at all General and Special Meetings of the Corporation in the absence of the President and shall perform such other duties as the President or the Board may assign from time to time.

SECTION 3: The Secretary shall be responsible for the minutes of all General and Special Meetings of the Corporation, keep a register of the names and addresses of all members, see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law and perform all other duties incident to the office of Secretary.

SECTION 4: The Treasurer of the Corporation shall be the treasurer of GNJ and shall be an ex officio member of the Board with voice but without vote. The Treasurer shall have charge of and custody of, and be responsible for, all funds of the Corporation, receiving, acknowledging and depositing all moneys and property given to the Corporation in the appropriate bank account(s). At the direction of the Board, the Treasurer pays all lawful bills, keeps records of all funds received and disbursements made, making such records available for review by the Board and performing all other duties incident to the office of Treasurer.

SECTION 5: The Board may designate such other officers as it may deem

necessary. All officers (“Officers”) shall serve without compensation.

SECTION 6: The Officers of the Corporation shall be elected by majority vote (but not fewer than four) of the members present at the Annual Meeting which will be the first quarterly meeting of the year and shall hold office for one year or until their successors have been elected, whichever is later.

SECTION 7: Any Officer elected by the Board may be removed by the Board whenever in its judgment the best interests of the Corporation would be served thereby, but such removal must be conducted in compliance with state law.

SECTION 8: A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board for the unexpired portion of the term.

SECTION 9: Contracts executed on behalf of the Corporation shall be executed by the President or Vice President and attested to by the Secretary or Assistant Secretary.

ARTICLE VI: EXECUTIVE AND OTHER COMMITTEES

SECTION 1: The Board may create an Executive Committee consisting of no fewer than three or more than five Board members drawn from the following: President, Vice President, Secretary, Treasurer and other Trustees. The Executive Committee shall be empowered to conduct the day to day activities of the Corporation in furtherance of its general purposes as set forth herein and in its Certificate of Incorporation and all amendments thereto.

SECTION 2: The Board may establish such other committees consisting of Trustees as it may deem necessary or desirable for the governance of the Corporation.

ARTICLE VII: MEETINGS AND OTHER MEANS OF CONDUCTING BUSINESS

SECTION 1: General Meetings for the transaction of corporate business shall be held at least three times a year unless the Board otherwise determines. The Board shall set the date for the Annual Meeting of the Corporation at which time the Officers shall be elected and Trustees shall be nominated for the new term. Any Trustee, if unable to attend a meeting, may vote on any matter by written proxy secured at or prior to a vote on such matter. Such written proxy shall be filed with the minutes of the meeting.

SECTION 2: Special Meetings may be called by the President or any three members of the Board between General Meetings whenever it is deemed necessary for the Board to meet. Notice of the meeting will be given at least two days prior thereto by written notice delivered personally, by mail, email or facsimile to each Trustee. Any Trustee may waive notice of any meeting except where a Trustee attends for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

SECTION 3: The Board may act without a meeting if, prior or subsequent to such action, a majority of the Trustees shall consent to such action and confirm such consent in writing.

SECTION 4: A Trustee may participate in a meeting of the Board by means of a telephone conference call or any other means of electronic communication by which all persons participating in the meeting are able to hear each other. Voting on any manner may be done by mail ballot and email ballot.

ARTICLE VIII: AMENDMENTS

Changes to By-Laws Articles I, II, III, IV, VIII, XII and XVI, must be approved by GNJ. All other By-Laws may be amended by the Board at any of its meetings by the vote of two-thirds of all Trustees in favor of the amendment, provided that a written notice of a proposal to amend the By-Laws is sent out to all Trustees not less than ten days in advance of the meeting date.

ARTICLE IX: CHECKS, NOTES, DRAFTS AND OTHER DOCUMENTS

SECTION 1: The Board may authorize any Officer or Officers, agent or agents of the Corporation in addition to the Officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

SECTION 2: All checks, drafts, or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such Officer or Officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the Corporation.

SECTION 3: All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board may select.

SECTION 4: No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to its members, Trustees, Officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services actually rendered and to make payments and distributions in furtherance of its exempt purposes. No substantial part of the activities of the Corporation shall consist of the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these articles, the Corporation shall not carry on any other activities not permitted to be taken or carried on (1) by an organization exempt under Section 501 (c) (3) of the Internal Revenue Code of 1986, as amended, or the corresponding section of any future United States Internal Revenue Law, or (2) by a corporation, contributions to which are deductible under Section 170(c) (2) of the Internal Revenue Code of 1986, as amended, or the corresponding section of any future United States

Internal Revenue Law.

ARTICLE X: FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year.

ARTICLE XI: FINANCIAL STATEMENTS, BOOKS AND RECORDS

SECTION 1: The Board shall designate an independent accountant who shall be a CPA to prepare and submit at least annually an audited financial statement consisting of a balance sheet and statement of revenue and expenses, copies of which shall be provided to the Board and to the Treasurer of GNJ. The accountant shall also prepare and submit any further statements which are required by the Corporation or by any appropriate governmental agency.

SECTION 2: The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members and Board, and shall keep at its registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Corporation may be inspected by any member, or his or her agent or attorney, for any proper purpose at any reasonable time.

ARTICLE XII: DISSOLUTION

In the event of the dissolution of the Corporation or the winding up of its affairs, or other liquidation of its assets, the property of the Corporation shall not be conveyed to any organization created or operated for profit or to any individual and all assets remaining after the payment of the debts of the Corporation shall be conveyed or distributed only to a tax-exempt organization (or organizations) created and operated for nonprofit purposes similar to those of the Corporation, provided, however, that the Corporation shall at all times have the power to convey any or all of the property to the United Methodist entity ("the Successor Organization") entitled under *The Book of Discipline*, or designated by other General Conference, Jurisdictional Conference or Annual Conference action, to receive the assets of GNJAC upon dissolution.

If pursuant to the preceding paragraphs, this Corporation's assets are to be distributed to the Successor Organization, but on the date of the proposed distribution, the Successor Organization is no long in existence or does not qualify for exempt status under 501(c) (3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, the assets of this Corporation shall be transferred, conveyed, and distributed to such other United Methodist related organization(s) as may be specified in, or provided for, under a Plan of Distribution adopted by this Corporation; provided, however that in any event, each such distributee organization shall be exempt under the provisions of 501(c) (3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

ARTICLE XIII: CONFLICT OF INTEREST

The Trustees, Officers, agents and employees of this Corporation shall be subject to, and comply with, all requirements pertaining to conflicts of interest standards/rules etc., including, those of GNJ.

ARTICLE XIV: INDEMNIFICATION

To the greatest extent permitted by N.J.S.A. 15A: 3-4(d), the Corporation shall indemnify all Trustees, Officers and corporate agents. The Corporation shall purchase and maintain liability insurance for all Trustees and Officers.

ARTICLE XV: WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the New Jersey Nonprofit Corporation Act or under the provisions of the Articles of Incorporation or the By-Laws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XVI: FORCE AND EFFECT OF BY-LAWS AND COMPLIANCE WITH DISCIPLINE REQUIREMENTS

These By-Laws are subject to the provisions of the New Jersey Nonprofit Corporation Act (State Act), the Certificate of Incorporation and *The Book of Discipline*, as well as other applicable laws and regulations as any of these may be amended from time to time. If any provision in these By-Laws is inconsistent with other provisions or regulations regarding the purposes of/or operation of this Corporation, the State Act or the Certificate of Incorporation, then the aforesaid laws and provisions of *The Book of Discipline* and Certificate of Incorporation and By-Laws shall govern to the extent of any such inconsistency.

CERTIFICATION

I certify that these By-Laws were duly authorized by the _____,
on _____, 2017.

Secretary

SHARED SERVICES AGREEMENT

THIS AGREEMENT (“Services Agreement”) made this ____ day of _____, 2017 between [insert name of the Vital Member Partner (“VMP”)] (“_____”) and, THE GREATER NEW JERSEY ANNUAL CONFERENCE OF THE UNITED METHODIST CHURCH (“GNJ”) (collectively, [VMP] and GNJ are referred to as “the Parties”).

WITNESSETH:

WHEREAS, GNJ is a New Jersey religious non-profit charitable corporation and has personnel and staff with expert skills and experience in _____; and

WHEREAS, [VMP] is a New Jersey [religious] non-profit charitable which has been established to provide _____; and

WHEREAS, GNJ has staff with expert skills and experience in the creation of and providing of services; and

WHEREAS, the Parties have entered into a Statement of Relationship which defines the general separation of legal and financial responsibilities between the Parties, and which is attached hereto as Exhibit “A”, the terms of which are incorporated herein by reference as if set forth at length herein; and

WHEREAS, the Parties wish to enter into a Services Agreement to: (1) further define the legal and financial relationship and separation between the Parties; (2) define the organizational relationships between the Parties; (3) establish what services GNJ shall provide to [VMP]; and (4) establish management responsibilities and lines of authority and communication between the Parties.

NOW, THEREFORE, for and in consideration of the mutual promises and agreements herein contained, the Parties hereto agree as follows:

SECTION I - PURPOSE OF AGREEMENT

A. Management. [VMP] shall be responsible for the general management and operation of [VMP] under policies established by [VMP] (“Management Policy”).

B. Guidance. [VMP] shall be responsible for establishing its Management Policy and GNJAC shall provide guidance and support for [VMP]’s management of



[VMP]'s operation, when requested by VMP.

C. Compliance. The Board of Trustees of [VMP] the "Board") shall be responsible for assuring that the Management Policy established by [VMP] is being properly carried out by [VMP].

D. [VMP] Liaison. [VMP]'s [state the title of the individual from VMP] shall serve as the key contact person for its relations with GNJ.

E. GNJ Representative and Liaison. The Committee on Finance and Administration ("CFA") of GNJ shall represent the interests of GNJ in its interaction with [VMP] and [state the title of the individual from CFA] shall be the key contact person for CFA/GNJ for its relations with [VMP].

SECTION II – BUDGET FOR REQUESTED SERVICES

A. Board. The budget for the services (the "Services") to be provided by GNJ (the "Budget") to [VMP], shall be approved by the [VMP] Board.

B. Initial. The initial Budget shall be prepared by the [name team or responsible committee of the VMP] of [VMP] and presented to GNJ for review by its Executive Staff Leadership ("Executive") Team no later than the last week of _____ each year.

C. Review and Approval. The Executive Team shall review and revise the Budget and present the same to the [VMP] Board for final review and approval.

D. Expenditures. [VMP] is solely responsible for and authorized to make any decisions concerning expenditures which are in the Budget.

SECTION III – FEE

A. Payment. GNJ will be paid a fee by [VMP] in return for providing sufficient personnel and expertise for the Services to [VMP] set forth in this Agreement. This fee shall be subject to approval by [VMP] and CFA, on behalf of GNJ, on an annual basis.

B. Amount and Term. The initial fee and date of commencement for the Services provided for herein shall hereafter be established by [VMP] and GNJ by mutual agreement and shall be attached hereto and made a part hereof as "ADDENDUM

ONE”.

SECTION IV - SERVICES TO BE PROVIDED BY GNJAC [NOTE: VMP to determine what services it wishes to have GNJ assist with and insert specifics below from the specific services noted and, if relevant, any additional services as well]

- A. Professional Services.
 - 1. Marketing.
 - 2. Recruitment of professional and non-professional staff at a level necessary for safe and prudent operation in conformance with equal employment opportunity requirements.
 - 3. Maintenance of adequate records and reports; making records available upon request to appropriate parties.
 - 4. Negotiation of contracts for the proper operation of [VMP].
 - 5. Compliance with all Federal Government, State and locally mandated rules, regulations and ordinances.
 - 6. _____.
 - 7. _____.

- B. Services for Processing and regarding Fiscal Affairs of [VMP].
 - 1. Payroll.
 - 2. Accounts payable.
 - 3. Accounts receivable.
 - 4. Internal and external auditing.
 - 5. Collection, deposit and disbursement of all charges and fees.
 - 6. Payment of expenses from the [VMP] budget as directed by _____.
 - 7. Preparation and submission of quarterly reports of operations on behalf of [VMP].
 - 8. _____
 - 9. _____

- C. Other Services
 - 1. Communication (to be identified)
 - 2. Copying
 - 3. Printing
 - 4. Office and Meeting Space
 - 5. Staffing

6. Human Resources

7. 7. _____

D. Compliance.

GNJ shall carry out the above-referenced duties and Services without regard to race, color, religion, sex, handicap, familial status or national origin in the advertising of units or the provision of services.

SECTION V - MEETINGS AND COORDINATION

- A. Mid-Level. If, and as applicable, a cross-functional team of mid-level GNJ supervisors and counterpart representatives from [VMP] will meet regularly to review this Agreement in relation to existing needs, priorities, projects, deliverables and Services of/to [VMP].
- B. Executive. The GNJ Executive Staff Leadership Team and the Executives of the [VMP] will meet regularly to insure that the Services are being delivered on time, with excellence and are matching what the Agreement calls for.
- C. Lead Staff Person. The [VMP] Lead Staff person, who shall report solely to the Board of [VMP], shall coordinate directly with the GNJ [insert the title of the counterpart to the VMP Lead] as to day to day activities of [VMP] and as to interaction between the Parties.
- D. Presidents and Bishop. Twice a year, the President of [VMP], the President of CFA and the Bishop of GNJ shall meet to review the status of the mission.

IN WITNESS WHEREOF, the Parties hereto have caused these presents to be signed by its proper corporate officers and caused its proper corporate seal to be hereto affixed, the ___ day of _____, 2016.

ATTEST: _____ [VMP] _____ .

, Secretary

By: _____

ATTEST:

THE GREATER NEW JERSEY ANNUAL

to

CONFERENCE OF THE UNITED
METHODIST CHURCH

, Secretary

By: _____

ADDENDUM ONE

The [VMP] (“_____”) Board met on _____, 2017 and approved the Shared Services Agreement (“Services” Agreement”), including Addendum One, establishing a management fee and commencement date of Agreement between GNJ and [VMP]. The following Resolution was adopted:

RESOLUTION: The [VMP] Board recommended that the Services Agreement as amended be adopted. In addition, the date of commencement of the Services Agreement will be _____, 2017 and the management fee for the fiscal year 2017 will be \$ _____00.

On Behalf the [VMP]

By: _____

, Secretary of the Board

[VMP] Conflict of Interest Policy

Article I Purpose

The purpose of the conflict of interest policy ("Policy") is to protect ["VMP"] ("Corporation") and its interests when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Officer or Trustee of the Corporation or might result in a possible excess benefit transaction. This Policy is intended to supplement but not replace any applicable State and Federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Article II Definitions

1. Interested Person

Any Trustee, Officer, or member of a committee with Board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement,
- b. A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the Board of Trustees or appropriate board or committee decides that a conflict of interest exists.

Article III Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Board of Trustees considering the proposed transaction or arrangement.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board of Trustees meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the Board of Trustees, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the Board of Trustees or appropriate committee shall, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the Board of Trustees shall determine whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Trustees shall determine by a majority vote of the disinterested Trustees whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In

conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

a. If the Board of Trustees has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV **Records of Proceedings**

The minutes of the Board of Trustees shall contain:

a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board of Trustees' decision as to whether a conflict of interest existed.

b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V **Compensation**

a. A voting member of Board of Trustees who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

c. No voting member of the Board of Trustees or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI **Annual Statements**

Each Trustee, Officer and member of a committee with Board delegated powers shall annually sign a statement which affirms such person:

a. Has received a copy of the conflicts of interest Policy,

b. Has read and understands the Policy,

c. Has agreed to comply with the Policy, and

d. Understands the Corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII **Periodic Reviews**

To ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.

b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII **Use of Outside Experts**

When conducting the periodic reviews as provided for in Article VII, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of Trustees of its responsibility for ensuring periodic reviews are conducted.

As voted on by the Board of Trustees of [VMP] at its meeting on _____, 2017.

Certified as a True Copy of the Action of the Board,

By: _____

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