



REPORT OF THE
FINANCE &
STEWARDSHIP
COMMITTEE

UNITED

99th International Assembly
The Church of God of Prophecy
July 13—17, 2016
Orlando, Florida

Finance and Stewardship Committee Report to the 99th International Assembly July 2016

ACKNOWLEDGEMENT: Finance Department of the Church of God of Prophecy

The Evangelical Council for Financial Accountability (ECFA) is an accreditation agency dedicated to helping Christian ministries earn the public's trust through adherence to *Seven Standards of Responsible Stewardship*. ECFA is an advocacy group representing evangelical Christian organizations which qualify for tax-exempt, nonprofit status and receive tax-deductible contributions. It has nearly 1,900 member organizations which include churches, denominations, educational institutions, rescue missions, camps, and many other types of tax-exempt 501(c)(3) organizations. Collectively, these organizations represent over \$25 billion in annual revenue.

In the 1970s, there was growing public and political concern over an increase of questionable fundraising practices in the nonprofit sector. In addition, donors and governmental agencies expressed concern over the management of their donations to achieve publicly stated objectives as presented in fundraising appeals. Donors had no source for an objective assessment of the financial integrity of Christian organizations desiring their support.

In the late 1970s, Senator Mark Hatfield addressed a group of key Christian leaders and challenged them to police their own mission agencies as a "Christian Better Business Bureau" or face the potential of government intervention. Two years later, in 1979, the ECFA was founded by the Billy Graham Evangelistic Association and the US branch of World Vision.

ECFA was founded with the establishment of seven standards of accountability that were drawn from Scripture which are fundamental to operating with integrity. Accountability to God is vital, but people form their impressions of both people and organizations by looking at the outward appearances (1 Samuel 16:7) and 2 Corinthians 8:21 (NIV): "For we are totally committed to doing right, not only in the eyes of the Lord but also in the eyes of men." Or, as in verses 20 and 21: "Taking precaution that no one should discredit us in our administration of this generous gift, for we have regard for what is honorable, not only in the sight of the Lord, but also in the sight of men" (NAS).

The Seven Standards of Responsible Stewardship covers board governance, the requirement for audited financial statements, the requirement for public disclosure of the audited financial statements, the avoidance of conflicts of interest, standards regarding fundraising activities exercise, appropriate management to be in compliance with laws and regulations and show good stewardship of all charitable gifts. It was believed that the proposed standards of accountability generally exceeded the requirements of the law.

Much of ECFA's credibility over the years has been reinforced by outstanding Christian ministries whose example and reputation positively reflect upon the Body of Christ. When organizations of such caliber voluntarily submit to independent scrutiny, all member organizations benefit by association. The extraordinary diversity of ministry size and mission among member organizations has strengthened ECFA's foundation and extended its positive influence globally.

In recent years, ECFA's influence and reputation have grown tremendously among the various communities in which it operates.

ECFA is an active, respected participant in the secular philanthropic community in the U.S.

ECFA has an ongoing reciprocal relationship with the office of the Attorney General in many states. It is a regular participant in NASCO (the National Association of State Charity Officials). It has provided comments on various issues to the Internal Revenue Service.

Although it is not a lobbying or trade organization, ECFA has been a significant resource to various members of Congress regarding legislation that might impact the "faith-based" community. The White House has briefed and consulted with ECFA regarding the "Faith-Based Initiative." ECFA has participated with others in signing various petitions or filing "friend of the court" briefs on a number of judicial cases.

In January 2011, Senator Charles Grassley (R-IA), a member of the Senate Finance Committee, asked ECFA to facilitate responses from the ministry community concerning a series of legislative proposals prepared by his staff. ECFA formed the Commission on Accountability and Policy for Religious Organizations to assist in this process.

The Finance and Stewardship Committee would like to express their sincere gratitude for the work that has been done to achieve the accreditation of the ECFA for the Church of God of Prophecy again this year. We strongly believe that membership in ECFA contributes greatly to the financial integrity and positive public image of our organization. We are proud to be able to place the ECFA emblem on all our documentation.

BIBLICAL STEWARDSHIP AS A CORE VALUE

Realizing, historically, the Finance and Stewardship committee may have dealt more from a finance perspective than one of biblical stewardship, we offer the following discourse for your prayerful consideration as we work toward adjustments to the present financial system that will be in a global financial instrument to meet the needs of all levels of ministry within our Movement.

While we recognize adjustments must be made that will assist in meeting the needs of every level of ministry within our Movement, we also understand as Apostle Peter writes, **"we are being built up a spiritual house" (1 Peter 2:5b NKJV)**. In this **"spiritual house"** systems and structure, while important, must well up from the essentials of deep intimate relationship with God and one another. Systems and structures should serve the church, not the church serving the systems and structures. In some cases, we have endeavored to develop a global financial system in an effort to produce a healthy global function of biblical stewardship. The essential relationships must precede the important systems and structures for the spiritual health of the church at all levels of ministry to be fruitful.

No system or structure, legislative demands, hierarchical pressure, or meritorious rewards will produce the **Acts 2** and **Acts 4** principle of commonism or as Luke puts it, having **"all things in common" (2:44, 4:32 NKJV)**. From the context of supporting those in need, Paul writes of what many would call, the grace of giving or the spirit of generosity that flows from a heart that understands, **"God loves a cheerful giver. AND God is able to make all grace abound toward you, that you may always having all sufficiency in all things, may have an abundance for every good work" (2 Corinthians 9:7, 8 NKJV)**.

We also realize any adjustments to our present financial system will be met with questions, support, and lack of support. Some would say the adjustments went too far and others would say they did not go far enough. Consequently, as we embrace the common ground of we are one body and have responsibilities of membership that supersede rights of membership, a spirit of generosity flowing from having **"the same care for one another" (1 Corinthians 12:25, NKJV)** will meet every need at every level of ministry. That is the way God's economy works.

As we review the book of Acts, we see how Jesus intended for His church to live and fellowship **"together."** We see foundational principles that must guide our Movement into a proper stewardship alignment with God and one another. In fact, rightly understood, Acts as a historical record provides us an invaluable glimpse into the life and times of the early church. Acts, carefully studied serves as a compelling illustration of what Holy Spirit at work at the center of a Movement really looks like.

Acts 2 and **4** illustrate a reflection of the infant church's character not just a function that met the needs of the saints. Efforts to establish a healthy stewardship function without establishing a healthy stewardship character will produce results but our alignment with a Biblical stewardship **"having all things in common"** will produce **"an abundance for every good work" (2 Corinthians 9:8 NKJV)**. The key in this passage rightly understood as radical generosity and rightly seen flows from the dynamic of commonality that is experienced within the **"household of God," "the body of Christ," "the Church of God," "the fellowship of the saints."**

This commonality was certainly understood based on the work of Holy Spirit in the lives of first century believers as the apostles, boldly proclaimed the resurrection of Jesus. Their bold declaration fueled the **one heart, being together, all things common** understanding. This understanding was that what was owned was not for the benefit of one but the benefit of the whole, just as Paul's words were to the church regarding spiritual gifts, for the benefit of all. **"But the manifestation of the Spirit is given to each one for the profit of all:" (1 Corinthians 12:7 NKJV)**.

This action of the infant church established a sense of unity and togetherness so that no one was alone without connections that would assist in meeting their needs.

The action of selling property may have been more rightly understood as one way to express togetherness and the meeting of one another's need not as a formula that must be adhered to as a church 2000 years after. As in many things, we see the behavior as paramount and miss the heart that drives the action. In this case of Scripture, it is the heart that must be seen and action that follows will meet the need of a present day church. This phrase carries with it more of the idea that the believers were experiencing an overflowing unity among themselves that produced togetherness. This was more of a spiritual and emotional condition than it was a physical mandate. We might say it this way today, "They were all on the same page."

So, the answer to any fiscal dilemma may be more founded in a spiritual dynamic rather than a structural adjustment. This is not to say that adjustments will not be made, but rather the system and structures should serve the core values of the church as aligned with the scriptural revelation of the heart of God as led by Holy Spirit, not the church serving the systems and structures.

With that said, no one region of the world should bear the responsibilities of all the other regions of the world. We are a global church with global responsibilities. Knowing that North America has borne a large portion of funding this Movement globally, (with both Central and South America and English

Caribbean now embracing the biblical stewardship responsibilities, and other regions moving toward such, with Africa now contributing more than ever before in history), the following are action items that have already been implemented in an effort to provide some relief to the state and regional ministries of North America.

- 1) North America will now be included into the Harvest Partners mission giving support structure. Beginning with the new year, partnerships will include eligible U.S. states and regions for consideration. Eligibility will be determined by the Executive Director of Finance, Global Missions Coordinator, and the North America Presbyter. Harvest Partners also provides a platform for accountability, reporting, and fund distribution. As in the past, Harvest Partners project giving will continue to offer assistance within North America with consideration given to crisis and disaster relief.
- 2) North America will now receive an annual grant from the International Offices. This grant will be drawn from funds given by the nations of the church throughout the world. The amount for the 2015-2016 budget year was \$100,000.00. The grant will be given to the North America Presbyter's office to be distributed to states and regions based on criteria established by the North American Council.
- 3) An international account has been established where requests for assistance can be made through the General Presbyter's office to the Global Missions Committee by any state or region.

Therefore, this committee is committed to working with all levels of ministry to see we first have a healthy biblical stewardship approach of membership responsibility that develops a system that meets the needs for ***"an abundance for every good work" (2 Corinthians 9:8 NKJV).***

This committee, being motivated by Holy Spirit, fully endorses the General Overseer and General Presbyters in a strong affirmation of Biblical Stewardship as our General Overseer presents adding Biblical Stewardship as the fourth core value of the Church of God of Prophecy. With this understanding, we would recommend the following.

I. DEPARTMENT HEAD

That the inspirational leadership (General Overseer and General Presbyters) assign directorship at the International Offices which would provide stewardship leadership based on the biblical stewardship principles of ***"all things in common"*** rather than a "needs only" approach. This could be accomplished by assigning this responsibility to an existing ministry without adding another department, or re-purposing an existing department to meet this core value approach.

II. CONSIDERATION TO OFFSET INTERNATIONAL ASSEMBLY EXPENSE

The International Assembly has been a pinnacle point of this Movement for the past 99 years. It has had a distinct purpose and function in our past, and will continue to do so in our future. The Assembly provides the Church of God of Prophecy with direction, fellowship, inspiration, connection, as well as our platform to transact business. It holds a special place in all of our hearts. Its roots go back to our inception and it is a vital part of who we are.

The Assembly has great value and worth to this Church. However, it does not occur without a tremendous investment of our financial resources. This biennial event comes with financial challenges to our already demanding International Offices budget.

In an effort to relieve this share in the expense on our International Offices finances and not thwart the current ministries provided (including Evangelism and Leadership Development), we therefore recommend that consideration is given to implementing an **Assembly Expense Offering**, to be received by every local church globally on the third Sunday of January annually.

This annual offering from each local church would provide additional funds necessary for International Assembly expenses, as well as make it possible to maintain our commitment to the Harvest and Leadership Development.

We further recommend that each church submit the **Assembly Expense Offering** to each state, regional, or national office. This would, in turn, be forwarded to the International Offices.

Assembly Expense Detail (Additional Information)

As we continue to walk after the biblical principles of finance and stewardship, it becomes more and more apparent for the need to address recurring constraints and deficits of budgeting needs. One such item is the continued short fall in adequately funding the International Assembly.

Records will show the expense of conducting the International Assembly is growing larger. Being a good steward requires us to evaluate the expenses of said event. While it is not our desire to minimize or devalue the need of conducting the International Assembly, we recognize the value to this body of believers, for the assembling together in order to transact business, offer fellowship, and receive proper strategic instruction while serving God's kingdom and edifying this Movement. It is our desire to bring, with transparency, the need of reducing International Offices expense for funding such an endeavor of corporate meeting.

Just as we are instructed to be good stewards of our individual affairs, we have received the same admonition to be good stewards over the house of God. The realization of this could mean making necessary adjustments or even becoming proactive in bringing awareness to specific needs in order to help generate more financial support. Rather than assuming this body of delegates is aware of the rising cost, we choose to bring that information to your attention. As you are personally aware, the rising cost of everything has made an impact on your personal life. The same is true for this international church. Our Assembly expense for the 2014 International Assembly was \$ 962,538.94. The offerings and rebates for that Assembly totaled \$126,625.17. Consequently, our net cost was \$835,913.77. This figure translates to a \$417,956.88 impact on the annual International Offices budget.

While we see an annual Assembly Expense Offering as a proactive way to share in funding the International Assembly, we may be approaching a time to consider an adjustment in our Assembly cycle. In light of the above information, we request the General Overseer and General Presbyters ask the appropriate assembly committee to analyze this for feasibility and present it to the International Assembly as they deem necessary.

III. FORMER TOMLINSON COLLEGE CAMPUS PROPERTY

For over a decade the need was recognized and expressed in previous International Assemblies (IA) for ministerial training and development programs of higher education for equipping ministers (Eph. 4:12). And the establishment of Tomlinson Center at the former Tomlinson College campus was to be a part of that educational development program for ministers.

This development was to be pursued in a cooperative program with Lee University, leveraging the Church of God and Church of God of Prophecy relationship. However, due to inadequate funding and budget constraints, the planned development of the former Tomlinson College campus property was not realized. Further, based on the Church's current financial standing and financial trajectory, funding is not available for such major capital development in the foreseeable future.

Notwithstanding, the absence of the development of the former Tomlinson College campus property as a part of the church's proposed higher educational development program, the church has indeed developed and supported/endorsed several university degree level educational programs. Many ministers are pursuing and have successfully completed bachelor and graduate degrees. These various initiatives were successfully led and coordinated through Leadership Development and Discipleship Ministries (LDD). The following are the educational development programs now available to our ministers through LDD.

- Partnership with Lee University's Department of Adult Learning (online) - 19 CGP students were enrolled in Fall 2015. These students are working on bachelor's degrees.
- CGP Gordon Conwell Consortium - Currently more than 700 students are enrolled in the degree program in pursuit of Master of Arts degrees in Religious Studies. Nineteen (19) CGP students graduated from this program in May 2013.
- Twenty-one (21) students began the D-Min. program in Global Pentecostalism in 2015 through this consortium.
- Memorandum of Understanding signed with the Pentecostal Theological Seminary (PTS) in October 2015 to offer CGP students - 1) Diploma in Wesleyan Pentecostalism 2) Masters of Arts in Church Ministries, 3) Masters of Arts in Counseling, and 4) D. Min.

The PTS program is scheduled to launch in fall 2016.

The property of the former Tomlinson College campus of 100 +/- acres continues to be underutilized. While this resource generates annual revenue through a lease agreement, the expenses for a legitimate rate of return are certainly at a level where what would be expected from a good investment is not realized. As good stewards, we must make better use of the value of this asset entrusted to our care. In this regard, we should pursue all options available to us as to how we steward this resource. While legally we are the owners of this asset, biblically we are only trustees of what He has placed in our hands.

Therefore, after the review and recommendations of the Property Committee appointed by the General Overseer made to the Administrative Committee, we recommend the following which supersedes all previous decisions and resolutions on the former Tomlinson College campus property.

1. All decisions on what the Church does with the former Tomlinson College campus property would require approval by the General Overseer, General Presbyters in conjunction with the Administrative Committee and the Finance and Stewardship Committee. Previous decisions and approvals were required by the International Assembly. This change would make such administrative decisions practical, efficient, and in the best interest of the Church. Reports on this property would continue to be made to the International Assembly in the normal course of business through the Financial Director as long as it was owned and maintained by the Church of God of

- Prophecy.
2. The International Offices will continue its best efforts to increase revenue and reduce costs to maximize returns on this property as long as it is owned and maintained by the Church of God of Prophecy.
 3. The International Offices will pursue a sale of the property at market value determined by a commercial appraisal. If successful, the full sale proceeds are to be transferred into a Trust that would be governed by our present Investment Policy and the interest earned used to fund Leadership Development, Prayer, Harvest, and Biblical Stewardship.
 4. The Administrative Committee would distribute the interest earned from said Trust in accordance of proper annual core value budget needs.
 5. The principle of said Trust would be governed by the present investment policy established at the request of the 87th International Assembly by the Finance & Stewardship Committee.

While we are making good progress with educational training and development with our ministers, there is still much work to be done in this area. The committee remains fully committed to support continuing education and leadership development of all our ministers and leaders, as we serve the Church and kingdom of God in harmony with the other core values of our International Offices.

Graciously Submitted,
Nathaniel Beneby
Scott Gillum, Chairman
George McLaughlin
Clint Knowles
Rupert Neblett
Paulette Wilbanks
Angie Zamora

