

## 102<sup>ND</sup> INTERNATIONAL ASSEMBLY

### Corporate Board Report

July 31, 2024

The Board of Directors would like to give honor and praise to our Lord Jesus Christ, through whom all blessings flow. We would also like to express our gratitude for the faithful generosity of our members and contributors worldwide. The faithful giving of individuals and local churches has allowed the Church of God of Prophecy to continually impact the world with the redeeming message of the Gospel. When participating in the church's financial system the efforts of the local church are multiplied, reaching beyond borderlines, and accomplishing more than one can do alone. Your tithes and generous giving have funded ministry initiatives worldwide, providing the necessary resources for evangelism, church planting, leadership development, disaster relief, orphanage support, and much more.

This Board recognizes its paramount responsibility to serve as faithful stewards of the resources God has entrusted this church with. As such, we submit to our duty of accountability – first to God, second to this Assembly, and third to all men.

#### **ECFA Accreditation**

The Board of Directors remains committed to maintaining the highest financial integrity and accountability levels. In the same spirit of Paul's writings in 2 Corinthians 8:20-21 (AMP), we are "taking precaution so that no one will 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 *other* people." This commitment is reflected in our ongoing association with the Evangelical Council for Financial Accountability (ECFA). The ECFA provides accreditation to leading Christian nonprofit organizations that faithfully demonstrate compliance with established standards for financial accountability, transparency, fundraising, and board governance. The standards set by the ECFA are often far above the minimums required by law, as it seeks to promote not just financial compliance with industry standards, but more importantly, to promote excellence in accountability and trustworthiness. This accreditation is reevaluated every year. We are pleased to announce that we have been successfully evaluated and have met ECFA standards for Christian nonprofit organizations for 2023; standards that we have consistently met every year since 2012.

#### **Audit Process**

The board's commitment to maintaining the highest levels of financial integrity and accountability is also reflected in the appointment of an audit committee, entrusted with the responsibility to monitor the audit process and report its findings. The Audit Committee is comprised of members of the Corporate Board and the Finance & Stewardship Committee. The members serving on this committee are Llewellyn Graham (chairperson), Joshua Lynn, Nathaniel Beneby, Paulette Wilbanks, and Rupert Neblett. In addition to engaging an Audit Committee, since 2019 the board has partnered with one of the premier auditing firms in the United States – Batts, Morrison, Wells, and Lee, who have shared their independent opinion of their completed audit for the year 2023.

## **White Wing Messenger**

In 2023 the White Wing Messenger celebrated its 100th anniversary as the official publication of the Church of God of Prophecy. For a century our magazine has served as a crucial connection for our global ministries, as we have shared inspirational articles from our leaders and ministers, as well as reported ministry happenings of our all-nations church.

The 100<sup>th</sup> anniversary also marked a year of transition for our publication as we transitioned from our traditional printed format to a digital magazine platform. This transition was the result of a need for good financial stewardship and a need to efficiently reach a much broader audience.

The soaring printing and postage costs magazine publishers have experienced in recent years as well as the demand for digital magazines, increased the challenges of continuing with the traditional printing model. The same has been true for the *White Wing Messenger*. To ensure that decisions were made with accurate information, the International Offices' Communications Department secured an independent, church-affiliated auditor to review the magazine's finances. The analysis from the auditor revealed that the magazine was operating at a negative revenue gap in excess of \$160,000.00 annually with just over 3,800 subscribers globally. In order to make our pricing structure sustainable, our subscription rates would have had to increase by 42% for the English magazine, from \$20 to \$48 annually, with our foreign language versions increasing by 440%, from \$10 to \$54 annually.

Considering how cost-prohibitive this adjustment would have been for our subscribers, the current trends in publishing, as well as the worldwide constituency of the church, it was the unanimous belief of this board that fully transitioning to a digital platform helps us accomplish the *Messenger's* purpose of connecting our family globally.

In May of 2024, the last printed edition of the magazine was issued, ushering the White Wing Messenger into a new era of digital publishing. By focusing our efforts on the digital platform, we are now able to provide inspiration and resources in new ways, in multiple languages, with enhanced features embedded in the magazine, such as videos, downloads, and more. Readers now are not only able to view the magazine online, but they can also download it, print it, and share it with others at no cost.

This Board affirms its commitment to the *White Wing Messenger* and its important place as a voice of the Church. We are excited by this new day in the life of the magazine and the potential for growth of its influence and impact in our ministries.

## **Sale of the Former Tomlinson College Property**

In the 99<sup>th</sup> International Assembly of 2016, the Finance & Stewardship Committee requested and received approval from this Assembly for the Board of Directors to pursue selling the former Tomlinson College Property (99<sup>th</sup> International Assembly Minutes, 2016, Section 4 – pg. 103-105). The approval of this International Assembly included the following three key stipulations:

1. First, the Board will pursue a sale of the property that would not fall below the appraised value.

2. Second, upon completion of the sale, the church would secure the principal amount of the full sale's proceeds and transfer it into a Designated Trust that would be managed according to the present investment policy for the best and safest return.
3. Third, the interest earned from this Designated Trust would be used to fund leadership development initiatives.

On March 20, 2024, the Church of God of Prophecy finalized the sale of the former Tomlinson College campus property to Cate Brothers Development, a real estate development company from Cleveland TN. The agreed-upon purchase price for the property was \$4,400,000.00. This amount was above its appraised market value of \$3,864,000. After deducting closing costs and taxes associated with the sale the church received proceeds in the amount of \$4,387,373.43.

### **New Trust Fund for Leadership Development Initiatives**

Upon completion of the sale, the funds were allocated to a newly designated trust account. The investment policy governing this account was written by the Finance and Stewardship Committee in consultation with our investment managers to meet the assembly's decision on how these funds are to be managed.

The policy governing the management of the designated trust establishes that each year, the Trust Fund will distribute only the interest and dividends earned during the prior 12 months to fund leadership development initiatives. The Trust Fund policy further establishes that distributions may only occur if such an amount will not reduce the Trust Fund's market value below its historic dollar cost, which represents the sum of its contributions.

The objectives and strategies of the Leadership Development initiatives that will be funded from this new Trust Fund are being developed and they will be shared by this Board once finalized.

### **Closing Remarks**

Finally, the members of the Board of Directors would like to recognize its Chairman, Presiding Bishop Tim Coalter, for his commitment to seeing God's work of reconciliation through the ministry of the Church of God of Prophecy. Bishop Coalter's consistent pursuit of divine inspiration, excellence, and accountability has challenged us to be more excellent stewards of God's resources. It is an honor and a privilege to serve the fellowship of this church under his visionary leadership.

Respectfully submitted,

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|--------------------------|---------------------|
| 1. Tim Coalter, Chairman | 8. Joshua Lynn      |
| 2. Jeffery Davis         | 9. Clayton Martin   |
| 3. Clayton Endecott      | 10. Timothy McCaleb |
| 4. Daniel Felipe         | 11. Maria Ruano     |
| 5. Benjamin Feliz        | 12. Gary Smith      |
| 6. Llewellyn Graham      | 13. Brian Sutton    |
| 7. James Kolawole        | 14. Gabriel Vidal   |