

Report of the Finance and Stewardship Committee to the 95th International General Assembly

FINAL DOCUMENT

Changes to the Present Financial System

Tithing:

Rationale: There is currently no revenue stream at the General Presbyters' Offices for ministry training, church planting, or evangelization. Current budgeting at the International Offices only allocates for the General Presbyters' allotments and their office operations. Currently, the National/Regional/State Overseers pay their tithes to the International Offices.

Recommendation: National/Regional/State Overseers pay their ministerial tithes to their respective General Presbyter's Office. This would bring these National/Regional/State Overseers in line with our current polity of having all "pay tithes to the one over them in the Lord" (i.e., members pay tithes to the local church; ministers/pastors pay tithes to the National/Regional/State Offices; General Presbyters pay tithes to the International Offices). This would bring in more funds to the General Presbyters' Offices for education, evangelization, outreach, and church planting.

Change: After the 2nd sentence in the paragraph, add the following sentence:
"National/Regional/State Overseers tithe to their respective General Presbyter's Office."

Mission Fund.

Rationale: North America has always been viewed as a missionary fountain and even now supplies 80 percent of the budget for the global Church of God of Prophecy. In recent years, the membership and finances of some North American states and areas have reached a plateau and even declined, while the work around the world has grown exponentially. The net effect of these changes is that North America is now becoming a mission field. The desire is first and foremost that North America will once again experience genuine revival. We are also confident that numerical and financial growth will accompany such a powerful and transformational move of God. The answer to all of our needs is to seek the Lord for His favor, direction, provision, and power as we continue to fulfill His will and commission throughout the entire world, including North America.

In their present financial condition, several North American states and regions are in danger of insolvency. Many of these areas continue to support the Global Outreach Department and Harvest Partners initiatives while they themselves are facing an increasing inability to generate necessary funds for their continued operation, not to mention evangelistic endeavors. While some churches and areas in North America have been generously assisting struggling areas on this continent with level two Harvest Partner contributions, it seems that a change in designation and emphasis is in order. The intent of these changes in North America is to...

- bolster the existing work,
- engage unconnected churches,
- renew the efforts to reap a harvest.

Recommendation:

It is the recommendation of this Committee that North America be designated in the Global Outreach vision of the Church of God of Prophecy as a mission field.

Therefore, we recommend that the Global Outreach family invite and accept struggling North American states and areas as worthy and eligible recipients for Harvest Partner level one and level two connections/contributions.

- In order to facilitate this, the Global Outreach office should work with the North America Presbyter to declare some states and/or regions as “mission status” and eligible for Harvest Partner level one (basic allotments)/level two (special needs) funds. It is hoped that local churches, not Harvest Partner connected or churches that are willing to take on more mission endeavors, will step up to meet this need in North America.
- National/Regional/State Overseers should continue to take the lead in encouraging their strong local churches to make and maintain a Harvest Partner connection with any eligible area, whether in North America or elsewhere. Caution: We urge local churches already connected with global nations and areas to remain in partnership with those nations.
- The Global Outreach Ministry Director will manage this Harvest Partner connection with North America in conjunction with the North America Presbyter. If this recommendation is implemented correctly, there should be no diminishing impact on the funds currently being directed to the Harvest Partner recipient nations.
- The North America Presbyter should keep National/Regional/State Overseers informed as to where the assistance is needed in the various North American states and regions. This will serve to promote both awareness of the need and participation by strong churches in Harvest Partner level one/level two giving toward these needy areas.

Change: Insert the recommendation above as *paragraph 10*, in the section titled **Mission Fund**.

Church Ministries Support Offerings:

Historical Perspective

In the 1998 General Assembly, it was decided that Education, Evangelism, and Outreach offerings taken in the local church would be combined as one offering, **the ministry support offering**. This offering would be totaled at the end of each month and divided into thirds for distribution. **One-third** would be sent to the National/Regional/State Offices, **one-third** to the International Offices, and **one-third** would remain in the local church. These offerings would be **targeted for outreach projects** whether internationally, regionally, or locally.

Rationale: The Finance & Stewardship Committee is recommending a reallocation of these ministry support funds for the following reasons:

- Minimal number of churches participating. Although the Ministry Support Offering became effective on September 1, 1998, only a minimal number of churches have sent ministry support funds to the National/Regional/State Offices or the International Offices. This could be due to a **lack of understanding of the offering's purpose** (i.e. targeted outreach projects) or **of how the offering is to be distributed.**
- Distribution dilutes the offering's amount and effectiveness. The present distribution of the Ministry Support Offering (i.e. 1/3 to International Offices, 1/3 to National/Regional/State Offices, and 1/3 remaining in the local church) dilutes the offering until it has **very little impact in any of the three ministry areas.**
- Financial need of National/Regional/State Offices. Currently, the source of funding for National/Regional/State Offices is **tithe of the ministry income received by licensed ministers and lay ministers who have been appointed to a pastorate.** The reported tithe has **not been a sufficient revenue source** for these intermediate offices. Some National/Regional/State Offices have attempted to make up any shortfalls by adopting resolutions for additional financial support in their respective conventions. A survey of the financial status of North American state and regional offices taken by the Finance and Stewardship Committee in the spring of 2007 revealed that a **majority of these intermediate offices were in financial need and could face financial insolvency in the future.**

Recommendation:

- Reallocation of Ministry Support Funds. Because we recognize the need for funding of National/Regional/State offices beyond the ministerial tithe we recommend that **100% of the ministry support funds be allocated to the National/Regional/State Offices.** This will **triple the amount of ministry support funds** coming into these offices and **enable them to effectively engage in education, evangelization and outreach projects.** Furthermore, we affirm the actions taken by some National/Regional/State Offices to adopt resolutions in their respective conventions that have proven to bring in much needed additional financial support. Therefore, we encourage those National/Regional/State Offices, who have not already done so, to consider adopting similar resolutions in their respective conventions that could bring in additional financial support.

Change:

- In the section entitled **Church Ministries Support Offerings**, delete the entire section and replace with the following paragraph:

“The Church Ministries Support Offerings are paid in full (i.e., 100 percent) to the respective National/Regional/State Offices from the local church on a monthly basis. They are intended to be used by these offices for outreach projects (i.e., education, evangelization, church planting).

Furthermore, we affirm the actions taken by some National/Regional/State Offices to adopt resolutions in their respective conventions that have proven to bring in much-needed, additional financial support. Therefore, we encourage those

National/Regional/State Offices, who have not already done so, to consider adopting similar resolutions in their respective conventions that could bring in additional financial support.”

Fiscal Responsibility

Rationale: Some ministers are not tithing faithfully and honestly. Besides the monitoring of the supervising overseer/presbyter, there is no other visible means of open accountability. Tithing is a means of worship, obedience, trust, and faithfulness. Not tithing is essentially indicative of a spiritual problem. Some ministers are not tithing faithfully and are expensing away their tithes. This brings into question the integrity of those ministers. How can a minister receive tithes from his/her constituents, yet, refuse to pay tithes to his/her supervising office? Ministers are not to hold a license if they are not tithing properly (**94th AM/PM, B. Tithing by Ministers, p. 394**). Presently, ministers are not often being challenged or disciplined by their supervising bishops for not properly and honestly tithing on their personal income in accordance with the current assembly rulings.

Recommendation: We reiterate that all ministers are to pay their tithes faithfully according to the current assembly guidelines on record (**94th AM, Tithing, p. 191**). We implore all ministers to once again embrace tithing as a means of worship, obedience, trust, and faithfulness. Also, ministers are challenged to tithe on the gross amount. We furthermore appeal to all ministers to take only legitimate expenses per assembly guidelines (**94th AM/PM, A. Guidelines for Ministerial Expense, pp. 392, 393**) and not to practice the reduction of their tithes via creative means. We ask all National/Regional/State Overseers to continuously model and mentor tithing to their respective ministers. We furthermore challenge all National/Regional/State Overseers to exercise instructive or corrective actions deemed appropriate via their respective Ministry Review Board or equivalent committee (**94th AM/PM, VIII. Ministerial Discipline, pp. 397—404**) to bring all ministers into compliance of faithful and honest tithing through appropriate disciplinary means. Furthermore, an annual report of all pastors, overseers, presbyters, and general appointees should be given from the supervising office to the local church or office being served that affirms whether or not the minister is faithful in reporting and tithing. This practice will promote transparency and accountability and encourage our ministers to both model and mentor faithful tithing.

Change: In the section titled, **Fiscal Responsibility**, make the following changes and add the section below as the last paragraph:

“Furthermore, the Finance & Stewardship Chairperson or equivalent at each church office level (i.e., local, national/regional/state, presbyterial, international, etc.) will receive an annual report from the supervising office showing that the minister, pastor, overseer, presbyter, general appointee, etc., respectively, has reported and paid tithes faithfully to that supervising office. This practice should encourage accountability and transparency among our church leadership who are serving under appointment. This report will not contain the dollar amount of tithes paid, but would just show how many times the minister, pastor, overseer, presbyter, or other general appointee reported and that he/she did pay tithes faithfully and honestly.”

Retirement Planning and Housing Allowance

Rationale: Many ministers under appointment are not adequately planning for retirement. Also, many churches or supervising offices are not assisting their pastors/overseers/presbyters with matching contributions for retirement. Consequently, many pastors/overseers/presbyters enter retirement and are limited to a fixed income from governmental assistance and are not able to live comfortably. To complicate matters, many have never owned a home and are often ineligible for a mortgage to secure a new home because of their age and limited income.

Recommendation: We recommend that all ministers under appointment participate in a retirement plan in conjunction, with their local churches or National/Regional/State/Presbyterial/International Offices allotting a portion of their annual budget to include some amount to give to their respective pastor/overseer/presbyter as matching funds for retirement, where funds are available. All ministers under appointment serving as pastors/overseers/presbyters are encouraged to participate in a retirement plan available to them. Where no retirement plan currently exists, the National Overseers, in coordination with the International Offices Stewardship Ministries and their respective General Presbyter, are asked to establish an appropriate retirement plan for their ministers under appointment serving as pastors/overseers/presbyters within the existing laws of their sovereign nations. Additionally, we recommend that each local church or National/Regional/State/Presbyterial/International Offices give their respective pastor/overseer/presbyter a housing allowance, where funds are available, to assist him/her in the purchase of his/her own residence.

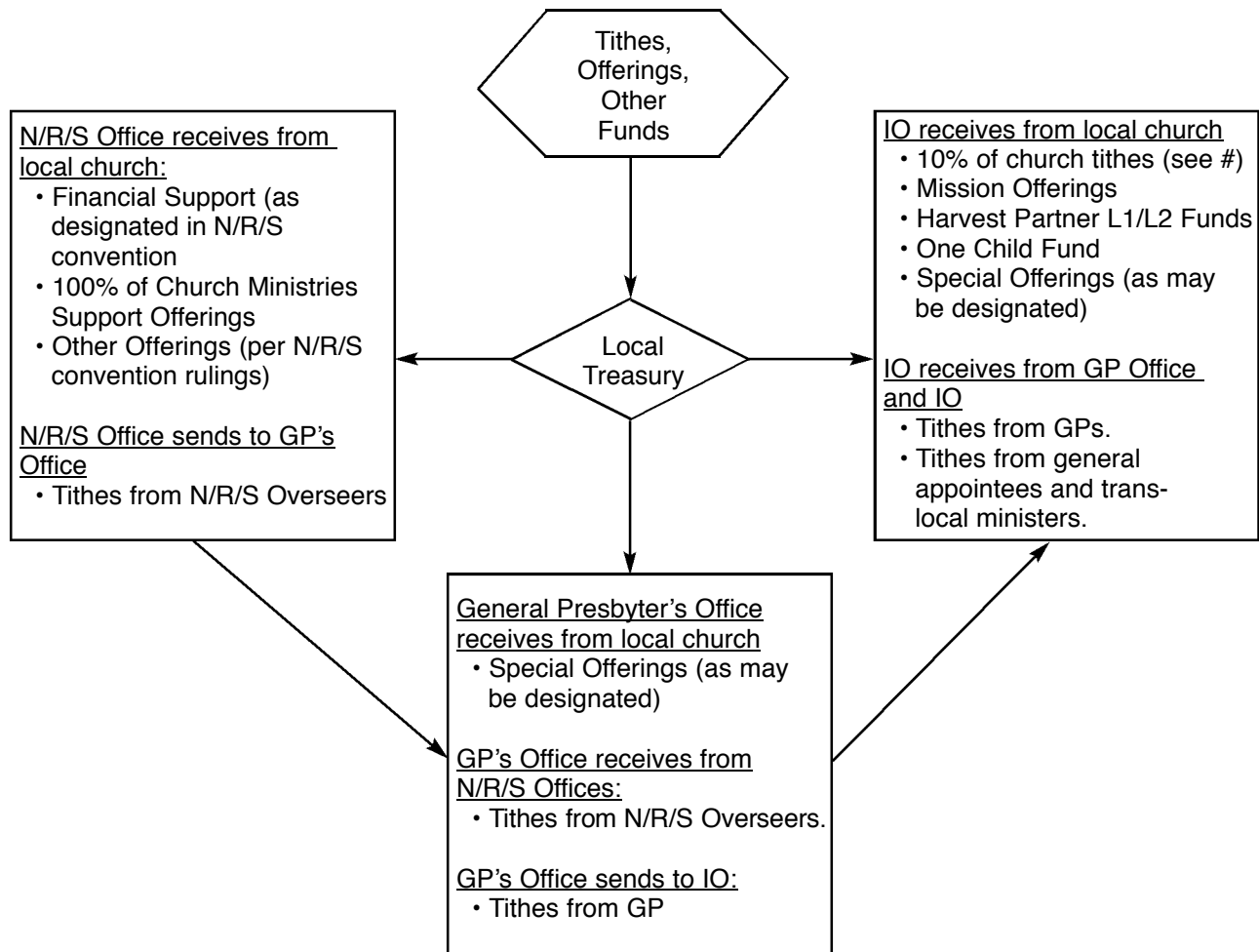
Change: Include the recommendation above as a new paragraph entitled **Retirement Planning and Housing Allowance** and locate it at the end of the Present Financial System after **Fiscal Responsibility**.

Flowchart/Diagram of Present Financial System

Rationale: There is no existing flowchart or diagram delineating the present financial system. In 1982, the 77th Assembly (77th AM, p. 153, WMC) recommended “that a diagram depicting how the Church funds are utilized be included in the Assembly Minutes at the end of the section entitled ‘Present Financial System.’” The flowchart or diagram is to assist the local church pastor, treasurer, and other members in understanding and complying with the present financial system.

Recommendation: The following flowchart/diagram is offered to assist local churches in understanding and complying with the present financial system and is to be updated automatically by the Assembly Finance & Stewardship Committee as approved changes occur. As this section has already been adopted by the General Assembly, its inclusion now is to comply with this previous assembly ruling.

Change: Place a new paragraph titled **Flowchart/Diagram of Present Financial System** at the very end of the **Present Financial System**. Place the following flowchart/diagram beneath this heading:



Legend: GP = General Presbyter; IO = International Offices; L1 = Level One; L2 = Level Two; N/R/S = National/Regional/State.

Note: This flowchart/diagram does not reflect individual donors giving outside the local church treasury. It presumes that all funds from all sources flow through the local treasury. It is to be viewed from the perspective of the treasurers at the local, national, regional, state, presbyterial, and international offices.

The treasurer of a local church in the United States and Virgin Islands sends 10 percent of tithes to the International Offices. At all other locations, reports should be sent to their national/regional office, in their respective area, or contact their national overseer for the correct information.

Respectfully submitted,

L. J. Dotson, Chairman

Benjamin M. Duncan, Secretary

Gary Adkins

Kathy Creasy

Steve Madrid

John Newson

Franklin M. Ferguson

Van Sullivan

Jesse Yañez