

**ORGANIZATION FOR MISSION
OF THE
PRESBYTERIAN CHURCH (U.S.A.)**



This document supersedes all previous descriptions of mission program and organization, and became operative upon the action of the 217th General Assembly (2006).

ORGANIZATION
FOR
MISSION

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Proposed amendments to the *Organization for Mission* that are submitted by overture shall be submitted to the Stated Clerk of the General Assembly.

Proposed amendments to the *Organization for Mission* from related bodies or from within the General Assembly Council and its divisions shall be submitted to the General Assembly Council. The General Assembly Council shall review these proposed changes and forward those it approves as part of its report to the General Assembly.

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Introduction

The gifts he gave were that some would be apostles, some prophets, some evangelists, some pastors and teachers, to equip the saints for the work of ministry, for building up the body of Christ, until all of us come to the unity of the faith and of the knowledge of the Son of God, to maturity, to the measure of the full stature of Christ. We must no longer be children, tossed to and fro and blown about by every wind of doctrine, by people's trickery, by their craftiness in deceitful scheming. But speaking the truth in love, we must grow up in every way into him who is the head, into Christ, from whom the whole body, joined and knit together by every ligament with which it is equipped, as each part is working properly, promotes the body's growth in building itself up in love. (Eph. 4:11–16¹)

The nature of Presbyterian order is such that it shares power and responsibility. The system of governing bodies, whether they have authority over one or many churches, sustains such mutual relationships within the structures as to express the unity of the church. (*Book of Order*, G-4.0302)

I. History of the Structure for Mission of the Presbyterian Church (U.S.A.)

The two denominations that came together in 1983 had similar ecclesiastical polity and theological beliefs. They were leaders in the ecumenical movement and in commitment to the unity of the church. Each had been faithful in ministering in Christ's name. Each had been intentional in revising mission policy and program in response to the leading of the Holy Spirit and a changing world context. Within the previous two decades, each had a major reorganization of General Assembly agencies as it attempted to be more effective in mission.

These two denominations also had developed some differences in their styles, structures, and expectations of the various governing bodies. Though they were engaged in similar mission programs, the agency structures they formed did not easily fit together.

The uniting General Assembly in 1983 directed that consultations be held to discern the church's understanding of mission before preparing a mission design. "Today Into Tomorrow: A Year of Consultations" was the process followed, and it challenged all parts of the church to examine their understanding of what God required of the church. The result of this process was the "Life and Mission Statement," which was adopted by the 197th General Assembly (1985).

The biblical image of the church as the body of Christ was a major theme in the "Life and Mission Statement" and provided the pattern for the church's life and work. This pattern was marked by interdependence and sensitivity to the needs, experiences, and gifts others brought; by honest communication and courage to risk, and by a global vision of both the church and the world. It called for working in partnerships characterized by enduring commitment, equality, humility, openness, sensitivity, flexibility, and love.

A number of basic principles were significant in the drafting of the *Structural Design for Mission*, which was approved by the 198th General Assembly (1986), and prescribed the organization for mission from 1986–93. These principles are based on the Reformed interpretation of Scripture represented in *The Book of Confessions*.

The year 1992–93 was devoted to the theme: "Discerning the Spirit, Envisioning Our Future." A convocation on this theme manifested a deep sense of the Spirit's stirring among us, creating an excitement and passion for the future ministry of the church. One theme was the resounding emphasis on the importance of the ministries of congregations as they are resources for mission. Another was the yearning for churchwide organizational forms that are flexible and innovative, with the ability to let agreed-upon priorities lead our work and so restore confidence in our connectedness. The convocation contributed to a continuing process of discernment and envisioning that reflected a sense of the future mission direction of the denomination.

A new organizational structure for mission was approved by the 205th General Assembly (1993). Several of the specific elements of the new structure derive from the Report of the General Assembly Committee on Review,

¹All Scripture references in this document are from the *New Revised Standard Version*.

which reported to the 204th General Assembly (1992). A simpler design called for fewer ministry units and related bodies, fewer priority goals, and a balanced budget that reflects the mission priorities.

The Presbyterian Church (U.S.A.) is committed to working in partnership with other churches in this nation and around the world. Such a mutual ministry is consistent with the denomination's self-image as one part of the body of Christ, as a servant community willing to be poured out on behalf of all people.

The church's mission finds its center in the gospel of Jesus Christ and in witnessing to that gospel. Beneath the variety and complexity of its forms of witness, the church's mission is one—from the congregation to the General Assembly. To share fully in that mission is the task of every Presbyterian and every governing body. As the most inclusive governing body, the General Assembly represents the unity of the synods, presbyteries, sessions, and congregations of the Presbyterian Church (U.S.A.). Among its other responsibilities, the General Assembly has the power to set policies, objectives, and priorities for mission, to provide the agencies appropriate for that mission, and to superintend their work (*Book of Order*, G-13.0103).

According to the *Book of Order* (G-13.0201), the General Assembly Council, as agent of the General Assembly, implements policies established by the General Assembly; coordinates the work of the divisions and other General Assembly agencies in light of General Assembly mission directions, goals, objectives, and priorities; works in partnership with synods and presbyteries; and develops and proposes a comprehensive budget to the General Assembly. Members of the council are elected by the General Assembly and are representative of synods, presbyteries, and the church at large.

The General Assembly, the General Assembly Council, the synods, the presbyteries, and the sessions work together in partnership on behalf of the mission of the church. The *Organization for Mission* places emphasis on the congregation as an instrument of mission and on the governing bodies working together to provide resources and services to the congregations.

A. *The Unity of the Church*

The unity of the church, with Christ as the Head of the body, is a fundamental principle that affirms the church is called to demonstrate unity, both within a given denomination as well as ecumenically and internationally. Perhaps the strongest image of this unity is the apostolic vision of the body of Christ, in which the many members, though different, work together for mutual health and upbuilding. Recognition of the unity of the whole church carries with it a series of implications for the internal structure of the Presbyterian Church (U.S.A.) and for the denomination's ecumenical commitment.

Clear communication is needed among the General Assembly, the General Assembly Council, Ministries Divisions, and the Committee on the Office of the General Assembly. These relationships and coordination of program, policy implementation, and support functions give visible expression to unity within the denomination.

While the Presbyterian Church (U.S.A.) is called to be the church in and of itself, there is an important sense in which this denomination recognizes that it is one part of the church of Christ. The Presbyterian Church (U.S.A.) undertakes its ministry with a full awareness of the global and ecumenical dimensions of Christ's call, and provides a means to share mutual mission, decision making, and resources with partner churches in this nation and around the world.

B. *Commitment to Mission*

The church, as the body of Christ, exists to share the love of Christ with the world. The *Book of Order* states the great ends of the church in terms of the call to mission through proclamation, nurture, worship, preservation of truth, promotion of social righteousness, and exhibition of the Kingdom of Heaven to the world (*Book of Order*, G-1.0200). The vitality of the life and mission of the congregation is central to the calling of the church as a whole.

As has been noted, the Presbyterian Church (U.S.A.) is called to be the church, yet is itself a member of the worldwide body of Christ. Each congregation, too, is called to be the church of Jesus Christ in its own time and place. Furthermore, the responsibilities of the session include: “to lead the congregation in participation in the mission of the whole church in the world, in accordance with G-3.0000” (*Book of Order*, G-10.0102b).

C. *Diversity and Inclusiveness*

Within the denomination, the Presbyterian Church (U.S.A.) has affirmed the strength of a unity characterized by mutual interdependence in which diversity contributes to wholeness. Various members of this body enrich the whole through the particular qualities they bring

- as racial ethnic people of multicultural constituencies that make visible our rich diversity and offer varied histories and traditions;
- as persons with a variety of physical and mental abilities and disabilities;
- from diverse geographical areas and socioeconomic backgrounds;
- as male and female of all ages;
- with a variety of theological perspectives within our Reformed tradition;
- with many differing gifts;
- with a long history and tradition within the Reformed family of churches.

Patterns are established to ensure that elected bodies represent the wealth of diverse gifts found in the church and to provide a means to share power and decision making. Similarly, churchwide personnel procedures promote equal employment opportunity.

D. *Tradition and Flexibility*

The Presbyterian Church (U.S.A.) professes a Reformed theology that is solidly grounded in Scripture as the rule of faith and practice. The *Book of Order* affirms: “The Protestant watchwords—grace alone, faith alone, Scripture alone—embody principles of understanding which continue to guide and motivate the people of God in the life of faith” (*Book of Order*, G-2.0400). The church has also inherited and continues to affirm a Reformed polity that is representative in nature.

Openness to renewal by God entails a flexibility of structure and openness to growth and change. The Presbyterian Church (U.S.A.) recognizes the need for growth and is open to it under the power of the Holy Spirit.

The Reformed tradition’s awareness of the fallen nature of humanity and human institutions has led to the development of church government made up of a system of checks and balances. In recent years, these checks have included limited terms and rotation for elected officers, and plans to ensure fair representation of the diverse elements of the church on governing bodies.

The Presbyterian Church (U.S.A.) shares with all Reformed churches a belief in the priesthood of all believers. For this reason, persons called to leadership positions in the denomination are envisioned by this organizational plan as enabling the whole church to do the work of mission.

E. *Partnership*

The Presbyterian Church (U.S.A.) seeks to develop a system of relationships among governing bodies functioning through collaboration rather than competition. Partnership is characterized by enduring commitment, equality, humility, openness, sensitivity, flexibility, and love. More than an end to be attained, partnership is a process or journey that can be undertaken only under the guidance of the Holy Spirit. Consultation is highly valued as part of the process of decision making.

Each governing body is a primary agent in mission and has two foci:

- its appropriate role in assisting congregations and other governing bodies in the mission of the whole church; and
- the performance of its own mission as a governing body in consultation with other governing bodies.

F. *Personnel and Compensation*

The General Assembly has approved a personnel, equal employment opportunity and affirmative action, and compensation system that is used by the council and the Ministries Divisions. This system provides guidance for the Worldwide Ministries Division regarding overseas personnel, and for General Assembly level entities, synods, presbyteries, sessions, congregations, and church-related institutions in their employment practices. In order to develop consistency and equity across the whole church, these governing bodies and institutions are urged to approve and implement these policies with such adaptations as may be necessary.

G. *Additional Factors*

Additional factors to guide the structure and style of mission are:

- the need to affirm the centrality of the mission of congregations, and their need and desire for resources from General Assembly entities, as well as from presbyteries and synods;
- the need to recognize demographic realities that bear on the life of the Presbyterian Church (U.S.A.);
- the need to be responsive to persons who identify themselves as Presbyterian without actually taking part in a particular congregation's life and ministry;
- the need for styles that support and enable the momentum of movements rather than styles that create or lead to institutional inertia;
- the need to reverse the trend toward reducing the church's function and style to that of a regulatory agency, creating instead a more responsive, less bureaucratic reality;
- the need to be more simple yet holistic;
- the need to build hope and trust within a now reunited denomination, while maintaining commitments to and safeguards for those historically ignored, excluded, or silenced; and
- the need for an evolutionary design that can be responsive to unfolding changes in the structure and work of the General Assembly, synods and presbyteries.

II. Statement of Vision and Priority Goals for Mission

A statement of vision and four priority goals that articulate the mission emphasis for the next phase of our life are identified.

A. *Statement of Vision*

At the heart of our vision for the Presbyterian Church (U.S.A.) is its congregations, dedicated to Jesus Christ and scattered

- from rural Alabama to Sitka, Alaska;
- from suburban Pittsburgh to South-Central Los Angeles;
- from the bustling city of San Juan, Puerto Rico, to the small towns of the upper peninsula of Michigan;
- from congregations with a handful of members and those where thousands gather.

We envision our congregations, singly and together, being so aroused and nurtured by the gospel of Jesus Christ that ministries are vibrant and inviting. We imagine our congregations, individually and in league with presbyteries, synods, General Assembly, and ecumenical partners, equipping us to share our gifts, bear the burdens of others, and be nurtured in return. Such congregations will be drawn irresistibly into ministries reflecting the love and justice of Jesus, with immediate neighborhoods and the whole of the world as arenas in which the gospel is to be proclaimed and lived.

B. *Priority Goals*

Four priority goals give shape and direction to our mission as a denomination:

1. *Evangelism*

We are called to invite all people to repentance and faith in Jesus Christ by working for growth and renewal of individuals and congregational families of faith.

Thoughtful and fervent evangelism is a hallmark of every congregation whether it be new or old. The gift of faith in Jesus Christ enables us to know that we and the world are greatly loved, and this good news has to be proclaimed through word and deed and sacrament and song.

2. *Justice*

We are called to redress wrongs in every aspect of life and the whole of creation, working with the poor and powerless whom Jesus loves, even at risk to our corporate and personal lives.

The belief that the Holy Spirit is present in our midst to make all things new gives us courage to love our neighbors as ourselves and seek justice for all. Our goal is to become so well-rooted in our own Reformed tradition that we can be mature partners with all who desire to reflect God's love and justice in everyday life.

3. *Spiritual Formation*

We are called to study and reflect on holy Scripture, praying with one another for insight and clarity, so that the Holy Spirit might mold our lives more and more into the likeness of Jesus Christ, the living Word.

The ambiguities of our day require a new intensity of theological and ethical conversation across the church. Our congregations must have resources for education and worship that take into account our broad diversity and our common grounding in Jesus Christ.

4. *Partnership*

We are called to forge a vital partnership with one another, marked by mutual respect, openness, and daily repentance and forgiveness.

The Presbyterian Church (U.S.A.) is being challenged to adopt simplicity in its life and work. In order to meet the demands of the gospel, we need new covenants between our governing bodies that enable us to focus on urgent concerns with flexibility and creativity. One concern stands out with special clarity: the opportunity to resource and support the increasing number of volunteers who are moving beyond congregational boundaries as enthusiastic witnesses to the gospel.

C. *How Our Vision Unfolds*

Embedded in our understanding of what it means to be Presbyterian is the conviction that the church is always being reformed under the judgment of God's reign. Our vision includes congregations and governing bodies so aware of belonging to God in Jesus Christ that each day and each challenge are received as gifts from our Lord, who is the same yesterday and today and forever. In life and in death, we belong to God. Therefore, we look to the future with hope and confidence.

III. Mission of the General Assembly

The General Assembly constitutes the bond of union, community, and mission among all its congregations and governing bodies. It therefore has the responsibility and power

- a. to set priorities for the work of the church in keeping with the church's mission under Christ as described in G-3.0000;
- b. to develop overall objectives for mission and a comprehensive strategy to guide the church at every level of its life;
- c. to provide the essential program functions that are appropriate for overall balance and diversity within the mission of the church;
- d. to establish and administer national and worldwide ministries of witness, service, growth, and development;
- e. to provide a system of administrative services to fulfill its objectives and program;
- f. to provide services for the whole church that can be performed more effectively from a national base;
- g. to establish and maintain an office of the General Assembly;
- h. to establish and superintend the agencies and task forces necessary for its work, including a General Assembly Council, providing for the regular review of the functional relationship between the General Assembly's structure and its mission;
- i. to adopt the comprehensive budget of the General Assembly, providing full information to the whole church of its decision in such matters;
- j. to provide for communication within the church;
- k. to oversee the work of the synods and to facilitate their participation in the mission of the church;
- l. to review the records of the synods and to take care that they observe the Constitution of the church;
- m. to organize new synods and to divide, unite, or otherwise combine synods or portions of synods previously existing;
- n. to approve the organization, division, uniting, or combining of presbyteries or portions of presbyteries by synods;
- o. to serve in judicial matters in accordance with the Rules of Discipline;
- p. to warn or bear witness against error in doctrine or immorality in practice in or outside the church;
- q. to decide controversies brought before it and to give advice and instruction in cases submitted to it, in conformity with the Constitution;
- r. to provide authoritative interpretation of the *Book of Order* which shall be binding on the governing bodies of the church when rendered in accord with G-13.0112 or through a decision of the Permanent Judicial Commission in a remedial or disciplinary case. The most recent interpretation of a provision of the *Book of Order* shall be binding;
- s. to establish and maintain those ecumenical relationships that will enlarge the life and mission of the church;
- t. to correspond with other churches;
- u. to receive under its jurisdiction, with the consent of two thirds of the presbyteries, other ecclesiastical bodies whose life is consistent with the faith and order of this church;
- v. to authorize synods to exercise similar power in receiving ecclesiastical bodies suited to become constituents of those governing bodies and lying within their geographic bounds;
- w. to unite with other churches in accordance with the procedures set forth in this Constitution (G-15.0300) (*Book of Order*, G-13.0103)

Furthermore, the General Assembly is responsible to review the work of the Office of the General Assembly in consultation with the Stated Clerk of the General Assembly.

IV. General Assembly Officers and Committees and the Office of the General Assembly

A. Moderator of the General Assembly

The Moderator of the General Assembly is an ecclesiastical officer, along with the Stated Clerk, of the Presbyterian Church (U.S.A). The ministry of the Moderator is grounded in the ministry of baptized persons and in the particular ordained ministry of elders and ministers of the Word and Sacrament.

1. The title of the Moderator is "The Moderator of the (number) General Assembly (year) of the Presbyterian Church (U.S.A.)."

2. The Moderator of the General Assembly is a commissioner of the General Assembly.

When the Moderator presides at the assembly, it is to be a sign of the bond of unity, community, and mission in the life of the church. During the period between assemblies, the Moderator serves as an ambassador of the unity of the Spirit in the bonds of peace, telling the story of the church's life and upholding the people of God through prayer.

When the Moderator travels throughout the church, it is for the purpose of strengthening the mission of congregations and governing bodies, encouraging officers and members, and their work. The Moderator listens for the joys and concerns of the church and ascertains the needs of the world and the gifts of the church's mission program.

When the Moderator serves as an ecumenical representative, s/he expresses the concern of Reformed churches for the visible unity of Christ's body and fuller communion among churches.

When the Moderator visits national and international mission sites, s/he encourages mission personnel, brings the prayerful concern of Presbyterian Church (U.S.A.) to sister churches, and helps to proclaim the gospel of Christ to the world.

When the Moderator addresses the church and the society, s/he speaks pastorally and prophetically from within the standards of the Presbyterian Church (U.S.A.), preserving the rights and responsibilities outlined in G-6.0108.

a. The Moderator shall preside over the General Assembly that elects him or her, and over the meetings of the next General Assembly until a successor is elected. "The Moderator possesses the authority necessary for preserving order and for conducting efficiently the business of the governing body" (*Book of Order*, G-9.0202).

b. The Moderator of the General Assembly is a voting member of the General Assembly Council and the Committee on the Office of the General Assembly. The Moderator of the General Assembly may attend and participate without vote in the meetings of all other entities of the General Assembly.

c. The Moderator shall be the official representative of the church at gatherings and functions, both civic and ecclesiastical, at which the Presbyterian Church (U.S.A.) is invited or expected to be represented, unless otherwise provided by the General Assembly. In the event that the Moderator is unable to attend, the Vice Moderator, or some other person designated by the Moderator in consultation with the Stated Clerk, may represent the church.

d. The Moderator and the Vice Moderator shall submit a written report of their work to the session of the General Assembly at which their successors are installed.

3. *Enabling the Moderator and Vice Moderator to Serve*

a. It is incumbent upon the church to understand, respect, and remain accountable for the balance of the stewardship of time between the ministry of the Moderator and Vice Moderator and the larger vocation of the ones serving in these roles. That balance includes a commitment to respect the need for Sabbath by the Moderator and Vice Moderator of the General Assembly.

The church should expect the Moderator to ordinarily spend no more than half of her/his work time responding to invitations in attending meetings of General Assembly entities, in participating in other opportunities, and attending to constitutional functions. In assisting the Moderator in these activities, the church should expect the Vice Moderator to ordinarily spend no more than a third of her/his work time.

b. The Moderator, the Vice Moderator, and the Office of the General Assembly shall jointly develop a comprehensive plan for their travel based upon the mission of the church and the needs of agencies, governing bodies, institutions, ecumenical partners, and other constituencies.

Each synod, in consultation with its presbyteries, will be invited to develop a plan for itineration of the Moderator or Vice Moderator. Ordinarily, a single invitation for a visit within a presbytery will be accepted during each term.

c. The Stated Clerk shall request the congregation or employer of the Moderator and Vice Moderator to grant a leave of absence for time appropriate to their commitments to permit the Moderator and Vice Moderator to fulfill the functions of their offices.

No later than three months following the election, the Stated Clerk, in consultation with the Moderator and Vice Moderator and representatives of the congregation or employer they serve, shall conduct an appropriate service of dedication and covenant between these leaders and their faith and/or vocational community, recognizing the unique demands and responsibilities placed upon these officers.

d. To prevent financial sacrifice to these leaders personally, or undue adverse effect upon the work in which they are engaged, the Stated Clerk, in consultation with the Moderator and Vice Moderator, shall propose appropriate financial arrangements to the Committee on the Office of the General Assembly.

e. The Committee on the Office of the General Assembly shall budget for the official travel of the Moderator and Vice Moderator and their spouses, and other expenses incurred in the performance of official duties.

f. An office for the use of the Moderator and Vice Moderator shall be provided within the office suite of the Office of the General Assembly.

4. *Vice Moderator*

a. The Vice Moderator represents the assembly at the request of the Moderator. When the Vice Moderator serves in this capacity, all those duties incumbent on the Moderator shall be expected of him/her.

b. The Vice Moderator shall serve as a corresponding member without vote on the Committee on the Office of the General Assembly and the General Assembly Council.

c. Should there be a Moderator's Conference, the Vice Moderator participates with the Moderator in planning the Moderator's Conference.

d. The Vice Moderator is expected to itinerate at the request of the Moderator.

e. The Vice Moderator shall consult with the Moderator and the Office of the General Assembly about the special emphasis for the Vice Moderator's itineration.

f. The Moderator may request the Vice Moderator to preside and to assist in the performance of other functions of the Moderator during and following the General Assembly.

5. *Regular Reporting: Accountability of the Moderator and Vice Moderator*

The Committee on the Office of the General Assembly (COGA) and the General Assembly Council (GAC) shall assist the General Assembly in ensuring the accountability of the Moderator and Vice Moderator of the General Assembly by receiving and reviewing, at each of their stated meetings, a written report from the Moderator and Vice Moderator.

B. *Stated Clerk of the General Assembly*

1. The title of the Stated Clerk is "The Stated Clerk of the General Assembly of the Presbyterian Church (U.S.A.);" and may be used by the incumbent until a successor is elected and takes office.

2. *Functions of the Stated Clerk* [For functions related to General Assembly meetings, see Standing Rule H.2.)

a. The Stated Clerk shall conduct the general correspondence of the Presbyterian Church (U.S.A.). In this connection, all items of correspondence directed to the Presbyterian Church (U.S.A.), or to the General Assembly, shall be routed to the Stated Clerk.

b. As an officer of the General Assembly, the Stated Clerk shall preserve and defend the *Constitution of the Presbyterian Church (U.S.A.)*, and support the decisions, actions, and programs of the General Assembly. The Stated Clerk shall give advisory opinions concerning the meaning of the provisions of the *Constitution of the Presbyterian Church (U.S.A.)*, and shall give advisory opinions on the meaning of the actions of the General Assembly. When the Stated Clerk deems it necessary, after consulting with appropriate persons or bodies, the Stated Clerk may retain legal counsel and institute or participate in legal proceedings in civil and criminal courts.

c. The Stated Clerk shall publish the *Constitution of the Presbyterian Church (U.S.A.)*, and other materials as may be necessary to help the church understand and be guided by the *Constitution*. The Stated Clerk shall prepare editorial changes in the *Book of Order*, which should be reviewed by the Advisory Committee on the Constitution, provided the changes do not alter the substance of the text approved by vote of the presbyteries. The Stated Clerk shall be a member ex officio of the Advisory Committee on the Constitution, without vote.

d. On receipt of the certified record and final decision in a case of judicial process from the clerk of the Permanent Judicial Commission of the General Assembly, the Stated Clerk shall report the decision to the General Assembly if it is in session, or to its first session thereafter if it is not. When a decision of the Permanent Judicial Commission contains an order directed to another governing body, the Stated Clerk shall obtain from the governing body a statement of its compliance and make a full report to the next General Assembly.

e. The Stated Clerk shall provide staff services to the Advisory Committee on the Constitution and any other committees established to draft, consider, or amend *The Book of Confessions* or any of the documents it includes.

f. As the continuing ecclesial officer of the General Assembly, the Stated Clerk shall be a member of each committee that may be established to undertake discussion regarding organic union with another church or churches.

g. The Stated Clerk is the permanent ecumenical representative of the General Assembly and shall be a member of each delegation representing the Presbyterian Church (U.S.A.) in ecumenical or interchurch bodies or councils, and in faith and order bodies, including bilateral conversations and dialogues.

h. The Stated Clerk shall be a corresponding member of the General Assembly Council, and a nonvoting member of its Worldwide Ministries Division. He or she shall be a member of any other body responsible for coordinating, formulating, or implementing the ecumenical and interfaith policies and programs of the General Assembly.

i. The Stated Clerk is the chief executive officer of the Office of the General Assembly. The Stated Clerk shall have available personnel to assist in performing the assigned functions.

j. The Stated Clerk, with the concurrence of the Committee on the Office of the General Assembly, may nominate to the General Assembly one or more persons to serve as Associate Stated Clerks of the assembly (Standing Rule H.2.d.).

k. The Stated Clerk, after consultation with the Committee on the Office of the General Assembly, may appoint one or more Assistant Stated Clerks. The term of the appointment shall be four years, subject to reappointment by the Stated Clerk, after consultation with the Committee on the Office of the General Assembly.

l. The Stated Clerk shall submit to the Committee on the Office of the General Assembly, for its action and recommendation to the General Assembly, a proposed budget. This budget shall provide for the funding of

the sessions of the General Assembly, the Office of the General Assembly and all bodies related to it, the funding of the participation of the Presbyterian Church (U.S.A.) in ecumenical bodies, and other expenses deemed necessary.

m. The Stated Clerk is responsible for maintaining the archives and records management facilities of the Presbyterian Church (U.S.A.), for the supervision of an agency for the preservation of the history of American Presbyterianism, and for the promotion of the study of Presbyterian history. The Stated Clerk shall assure the implementation of a records management program.

n. The Stated Clerk shall promote the harmony and efficiency of the General Assembly and its agencies in cooperation with the General Assembly Council and its Executive Director, with special attention to relationships between General Assembly entities, and with synods, presbyteries, and sessions. The Stated Clerk shall have membership on or relationship to appropriate committees, commissions, and agencies of the General Assembly as it shall determine from time to time.

o. The Stated Clerk shall receive all resignations from service on General Assembly entities and shall declare the positions vacant in accordance with Paragraph IV.C.1. below entitled "Serving on Assembly Entities."

3. *The Office of the General Assembly*

a. The Stated Clerk shall employ and supervise the personnel necessary to do the work of the Office of the General Assembly, and provide oversight of the personnel of all bodies related to the Office of the General Assembly who shall be accountable to the Stated Clerk unless other provisions have been made. Staff vacancies within the Office of the General Assembly (other than the appointment of Assistant Stated Clerks) may be filled by the appropriate supervisor (with the concurrence of the Stated Clerk).

b. All equal employment opportunity and other uniform policies relating to employment and compensation of the personnel of General Assembly agencies shall apply also to personnel of the Office of the General Assembly and all bodies related thereto. All personnel appointments shall be in accordance with the personnel policies of the Presbyterian Church (U.S.A.) and the requirements of *Book of Order*, G-9.0104.

c. The Stated Clerk may designate a member of the staff of the Stated Clerk to be the budget officer of the Office of the General Assembly.

The following will be related to the Office of the General Assembly for staffing and budgeting purposes: Committee on the Office of the General Assembly, Permanent Judicial Commission, Board of Directors of the Presbyterian Historical Society, Committee on Representation, Advisory Committee on the Constitution, Advisory Committee on Litigation, General Assembly Nominating Committee, Presbyteries' Cooperative Committee on Examinations for Candidates, and commissions and special committees of the General Assembly (see Standing Rule K.I.).

d. All income received by the Office of the General Assembly from sales, bequests, gifts, or from any other source, shall be transmitted to the treasurer of the Presbyterian Church (U.S.A.), A Corporation. These funds shall be separately accounted for by the treasurer. All payments related to the Office of the General Assembly shall be made by the treasurer upon the receipt of regular vouchered requests, or other adequate documentation, bearing the authorization of the Stated Clerk or a person designated by the Stated Clerk.

e. The Department of History in the Office of the General Assembly shall be under the direction of a person appointed by the Stated Clerk. The general administration of the Department of History shall be carried out from Philadelphia, which will be the location of the office of the director of the department. The director, with the concurrence of the Stated Clerk, shall determine which functions shall be carried out in Philadelphia and in the department's study center in Montreat, North Carolina. All restricted and other funds contributed to the endowment of the former Department of History of the United Presbyterian Church in the U.S.A. or the former Historical Foundations of the Presbyterian Church in the United States are held by the Presbyterian Church (U.S.A.), Foundation, and the Presbyterian Church (U.S.A.), A Corporation. Funds secured after 1983 resulting from development efforts are also placed in accounts with the Presbyterian Church (U.S.A.), Foundation, and the

Presbyterian Church (U.S.A.), A Corporation. Funds originally designated for the maintenance of the archival facility at Montreat and the records and memorabilia contained therein will continue to be used for that facility alone. Should that archival function cease at the Montreat facility, all restricted and other funds contributed for that purpose will be held by the Presbyterian Church (U.S.A.), Foundation, and the Presbyterian Church (U.S.A.), A Corporation, and used for the support of the archival facility and program of the Office of the General Assembly by the Department of History.

C. *Committees of the General Assembly*

1. *Serving on Assembly Entities*

a. Each person nominated shall be an active member of a congregation, or a continuing member of a presbytery, of the Presbyterian Church (U.S.A.) with the exception of nominees for election to the National Committee on the Fund for the Self-Development of People and the Women Employed by the Church Committee.

b. A person may serve as a member-at-large of only one General Assembly entity at a time. Ordinarily, no more than one member-at-large from any one presbytery may serve on the same General Assembly entity at the same time. Members serving by virtue of office, or elected to membership on a second entity to fulfill the requirements of the *Organization for Mission* or other General Assembly actions, are not affected by this provision.

c. Persons nominated for election by the General Assembly shall ordinarily be eligible to serve a four-year term, and be eligible for election to one additional term. No person may serve more than two terms, full or partial. After serving as a member of a General Assembly entity for two terms, full or partial, a person shall not be eligible for nomination or renomination to a General Assembly entity until two years have elapsed.

d. Consideration shall be given to the full requirements of full participation expressed in *Book of Order*, G-4.0403, in considering nomination and election to entity service, and also to the nomination of one-third ministers of the Word and Sacrament, one-third laymen, and one-third laywomen (see *Book of Order*, G-9.0801b).

e. A member of a General Assembly entity who finds it necessary to resign shall send his or her resignation to the Stated Clerk of the General Assembly, who shall notify the entity and the nominating committee or other body that originated the person's nomination or election. When any member of an entity of the General Assembly (council, commission, unit, division, committee, task force, or any other body) shall resign, or becomes unable to serve because of chronic or permanent physical or mental illness or disability, the Stated Clerk of the General Assembly shall declare the position vacant.

f. When any member of the board of an entity of the General Assembly, a council, commission, unit, division, committee, task force, or any other body authorized by the General Assembly does not attend two successive sessions of that body and such absence is unexcused, the membership of that person shall be automatically vacated, and that person shall be notified by the Stated Clerk. The Stated Clerk of the General Assembly shall be notified of the vacancy by the chairperson of the entity, and the Stated Clerk shall announce the vacancy and shall notify the General Assembly Nominating Committee or other body that originated the nomination or election of the person who has been absent without excuse, in order that the vacancy may be filled in the manner by which the same position had been filled originally.

g. If a minister of the Word and Sacrament serving as a member of a General Assembly entity representing a synod or presbytery shall transfer his or her presbytery membership and thereby cease to be under the jurisdiction of the presbytery or synod that nominated her or him to serve on the assembly entity, the position shall be declared vacant by the Stated Clerk. If a member of a particular church serving as a member of a General Assembly entity representing a presbytery or synod shall transfer her or his membership to a particular church that is not under jurisdiction of the presbytery or synod that nominated him or her, the position shall be declared vacant by the Stated Clerk.

h. The Stated Clerk shall also notify appropriate entities and governing bodies upon being advised of the death of any person holding membership on an assembly entity or who is unable to serve for any other reason. The Stated Clerk shall also declare vacant a position on any such entity held by a minister of the Word and Sacrament who ceases to be a minister member of a presbytery of this denomination, or a position held by a member of a particular church who ceases to be a member of a congregation of this denomination.

All such vacancies shall be filled by the same process under which the former incumbent was elected. If a vacancy shall occur during the first term of service of an incumbent, then the original source of the nomination shall propose a nominee for election to complete the unexpired term, and such nominee shall be eligible for renomination and election to an additional full term. If a vacancy shall occur during the second term of service of an incumbent, and the position vacated is one designated for a representative of a presbytery or synod, then the privilege of proposing a nominee for the unexpired term shall pass to the next appropriate presbytery or synod under any rotation system that may be in use, and the nominee so proposed shall be eligible for nomination and reelection to an additional full term. Any vacancy in a position for which the General Assembly Nominating Committee makes nominations may be filled until the next succeeding General Assembly by appointment of the Moderator of the General Assembly upon advice by the nominating committee that the committee has decided to present the name of the appointee to the next session of the General Assembly as its nominee for the position.

2. *Committee on the Office of the General Assembly*

a. The General Assembly shall elect a Committee on the Office of the General Assembly composed of fifteen persons. This committee shall be empowered to carry out the assembly's oversight of the Stated Clerk and the Office of the General Assembly; to assure the accountability of the Stated Clerk to the General Assembly during the interim between sessions of the assembly; and to provide linkage with the General Assembly Council. The members of the committee shall serve a four-year term, and be eligible for election to one additional term. No member may serve more than two terms, full or partial.

The Moderator of the General Assembly will serve as a member of the committee with vote during his or her moderatorial service. The Stated Clerk of the General Assembly, the Executive Director of the General Assembly Council, and the vice chair of the General Assembly Council will serve as corresponding members of the committee without vote.

b. The Committee on the Office of the General Assembly shall elect its own officers and determine its structure, including any subcommittees (see Standing Rule I.4.a. for exception).

c. The committee shall be funded from the per capita apportionment and its financial activity shall be reported through a separate line in the General Assembly Commission and Committee Schedule. The proposed budgets of the Committee on the Office of the General Assembly shall be submitted to the General Assembly.

d. The Committee on the Office of the General Assembly shall have the responsibility to do the following:

(1) Assist the General Assembly in assuring the accountability of the Stated Clerk of the General Assembly and of the Office of the General Assembly by reporting to each session of the General Assembly, including a report or summary of any evaluation of the work of the Stated Clerk and of the Office of the General Assembly that has been completed since the last session of the assembly.

(2) Review annually the work of the Stated Clerk and be responsible for an end-of-term evaluation (see Standing Rule H.2.b.(3)(f)) or exit interview.

(3) Review the budget requests submitted by the Stated Clerk for that portion of the per capita budget administered by the Stated Clerk, and to forward the requests to Mission Support Services with the comments of the Committee on the Office of the General Assembly. The Committee on the Office of the General Assembly will also be responsible for approving proposed changes in the staffing design of the Office of the General Assembly presented by the Stated Clerk.

(4) Consult with the Stated Clerk of the General Assembly regarding any proposals to the General Assembly concerning persons being recommended for election to the office of Associate Stated Clerk of the General Assembly, and any proposals concerning the appointment of persons to the office of Assistant Stated Clerk (see Standing Rule H.2.d.).

(5) Meet annually with the Executive Committee of the General Assembly Council to discuss items of concern and common interest.

(6) Be available to the Stated Clerk for consultation on all proposed amendments to the Standing Rules of the General Assembly and that such consultation shall occur prior to the Stated Clerk proposing any amendments to the Standing Rules of the General Assembly (see Standing Rule L.1.).

(7) Review the work of special committees and report to each session of the General Assembly a summary of the work being carried out by special committees, including recommendations to transfer the work assigned to a special committee elsewhere or to dismiss the committee (see Standing Rule K.1.e.).

(8) Review the evaluation of each General Assembly session secured by the Stated Clerk.

(9) Outline the programs for future General Assemblies sufficiently in advance to ensure an orderly progression of themes and emphases and to ensure the appointment of significant speakers and other program participants.

(10) Review and present to the Assembly Committee on Business Referral a recommendation regarding the Stated Clerk's proposed docket for the next session of the General Assembly (see Standing Rule C.4.a.).

(11) Review and present to the Assembly Committee on Business Referral a recommendation regarding the Stated Clerk's proposed referral of each item of business to an appropriate assembly committee (see Standing Rule C.3.).

(12) Assist the Moderator regarding the appointment of a commissioner to be the moderator of each assembly committee and a commissioner to serve as vice moderator of each assembly committee (see Standing Rule C.1.c.).

(13) Consult with the Moderator regarding the planning of all worship at the General Assembly (see Standing Rule G.a.).

(14) Coordinate the programmatic aspects of each General Assembly session, ensuring that adequate time is provided for the business that must be transacted.

(15) Review requests from entities of the General Assembly, governing bodies, other entities related to the Presbyterian Church (U.S.A.) in any way, or coalitions in which this denomination or any of its entities participate to schedule meetings, briefings, hearings, or other events of any kind during those hours when the General Assembly or its committees are in session.

(16) Prepare a report, including recommendations on the docket and the referral of assembly business, to be printed and distributed with other materials provided to commissioners.

(17) Review and present to the General Assembly for its action the date and place of meeting six years hence and any changes in dates and places of meetings previously set (see Standing Rule I.1.a.).

(18) Review the recommendation of the Stated Clerk and set the amount of per diem for sessions of the General Assembly (see Standing Rule I.3.).

3. *Advisory Committee on the Constitution*

- a. The members of this committee shall be composed as provided for in *Book of Order*, G-13.0112a.
- b. Except as otherwise specified in the *Book of Order*, the committee shall be funded through the per capita budget of the Office of the General Assembly and receive staff services as provided by the Stated Clerk.

4. *Advisory Committee on Litigation*

a. The Advisory Committee on Litigation shall advise the Stated Clerk of the General Assembly in connection with instituting or participating in legal proceedings (see Functions of the Stated Clerk earlier in this section).

b. The members of the committee shall ordinarily be attorneys, and the members shall be experienced in fields related to issues that may be the subject of legal proceedings in which the church is, or may become, interested. The committee shall be composed of six persons, elected by the General Assembly upon nomination by the General Assembly Nominating Committee. The advisory committee may invite other persons with special competency related to particular cases or situations to participate in the consideration of particular cases or issues. The members shall be evenly divided into three classes, shall serve six-year terms, and shall be eligible for election to one additional term. No member may serve more than two terms, full or partial. Members of this committee are exempted from the prohibition against service on more than one entity of the assembly set forth in Section M.3.a.(3) above.

c. The committee shall elect its own moderator and ordinarily shall meet at the call of the Stated Clerk. The committee may carry on its work by correspondence, telephone consultation (including conference telephone calls), or meetings.

d. The committee shall advise the Stated Clerk regarding participation in litigation related to matters of civil and religious liberty, relations between church and state, and any other matters related to the mission and interest of the church. The Advisory Committee on Litigation shall advise the Stated Clerk regarding the establishment and maintenance of a resource file of legal documents as a means of assisting the governing bodies and agencies of the church in initiating or participating in litigation in the areas within the concerns of the committee.

e. The committee shall be funded through the per capita budget of the Office of the General Assembly, receive staff services as provided by the Stated Clerk, and designate a representative to the annual session of the General Assembly (see Standing Rule B.3.).

f. The committee shall report to each session of the General Assembly.

5. *General Assembly Nominating Committee*

The General Assembly Nominating Committee shall be composed as provided for in *Book of Order*, G-13.0111.

6. *Board of Directors for the Presbyterian Historical Society*

a. The board of directors exists to assure that the mission of the Presbyterian Historical Society—to collect, preserve, and share our history—is achieved in the most effective and efficient manner, in faithfulness to God’s call and in support of the mission of the Presbyterian Church (U.S.A.).

b. The board of directors shall be composed of a minimum of eight and a maximum of twelve persons. The Committee on the Office of the General Assembly shall elect and the General Assembly shall confirm the board. The members of the board of directors shall serve a four-year term and shall be eligible to serve one additional full or partial term.

c. The budget for the Presbyterian Historical Society shall be submitted as part of the Office of the General Assembly's regular budget process.

d. The responsibilities of the board of directors shall include:

(1) Establishing the strategic direction for the Presbyterian Historical Society with the concurrence of the Stated Clerk.

(2) Providing oversight of and accountability for the Presbyterian Historical Society to the church at large.

(3) Ensuring the financial stability of the Presbyterian Historical Society.

(4) Advocating for and promoting the work of the Presbyterian Historical Society.

7. *Committee on Ecumenical Relations*

a. The Committee on Ecumenical Relations shall function to give a high profile to the vision of the ecumenical involvement and work as central to the gospel and key to the life of the church; plan and coordinate, in consultation with the agencies and governing bodies of the church, the involvement of the Presbyterian Church (U.S.A.) in ecumenical relations and work; connect the ecumenical efforts of all governing body levels of the church; provide a common point for all ecumenical efforts connecting us with those outside our church; keep a unity of vision that includes the ecclesiastical, programmatic, ecumenical, and denominational (organizational) parts of our ministries and commitments; articulate the Reformed and Presbyterian identity in the midst of our ecumenical commitments; and promote awareness of the role of the unity of all humankind in the search for the unity of the church; and promote the unity of the church as an exhibition of the kingdom to the world.

b. The Committee on Ecumenical Relations shall be composed of twenty members. Twelve shall be members of the Presbyterian Church (U.S.A.) nominated for at-large positions by the General Assembly Nominating Committee (GANC) and elected by the General Assembly in as nearly equal classes as possible. Four shall be members of four churches invited by the Stated Clerk to appoint one member each from their communion to serve as voting members of the committee. One of the four churches shall be one of our ecumenical church partners. The other three shall be our full communion partners. One member shall be appointed by the Committee on the Office of the General Assembly. One member shall be appointed by the General Assembly Council. The other members of the committee shall be the Stated Clerk or the Associate Stated Clerk for Ecumenical Relations and the Executive Director of the General Assembly Council or the Associate Director of Ecumenical Partnerships of the Worldwide Ministries Division, both serving ex officio with vote.

In addition, the directors of the three divisions of the General Assembly Council shall be corresponding members without vote.

c. Elected members of the committee shall be elected to a four-year term, and be eligible for election to one additional term. No member may serve more than two terms, full or partial. Appointed members from ecumenical church partners shall serve for four years and be eligible for appointment to one additional term.

d. The Committee on Ecumenical Relations will meet twice annually and shall have the responsibility to do the following:

(1) Envision, under the guidance of the Holy Spirit, how the Presbyterian Church (U.S.A.) leads and participates in the search for the unity of Christ's Church within this nation and worldwide, and propose appropriate strategies to the General Assembly, its agencies, and other governing bodies;

(2) Provide oversight to the implementation of the responsibilities given to the General Assembly in *Book of Order*, Form of Government, Chapter XV. Relationships, G-15.0000-.0302;

(3) Act on and process recommendations and proposals addressing ecclesiastical ecumenical work of the Presbyterian Church (U.S.A.);

(4) Propose to the General Assembly, for election, Presbyterian Church (U.S.A.) members to serve on ecumenical delegations to the National Council of Churches of Christ (USA), the World Council of Churches, the World Alliance of Reformed Churches, and the Caribbean and North American Area Council assemblies;

(5) Represent the Presbyterian Church (U.S.A.) in negotiation and coordination of the search for Christian unity with other communions as authorized by the General Assembly;

(6) Select Presbyterian Church (U.S.A.) representatives to serve on ecumenical dialogues, ecumenical negotiations on church unions, multilateral and bilateral dialogues, and representatives from the PC(USA) serving as PC(USA) ecumenical representatives to other church assemblies;

(7) Oversee the implementation of “A Formula of Agreement” (Full Communion) with the Evangelical Lutheran Church of America, the Reformed Church in America, and the United Churches of Christ, and represent the Presbyterian Church (U.S.A.) in planning and coordinating structures to carry this out;

(8) Give guidance to the nurturing of unity among Presbyterian and Reformed churches in the U.S.A., with one another and with the Presbyterian Church (U.S.A.);

(9) Empower all agencies of the General Assembly and governing bodies to carry out their mission program with an ecumenical consciousness and in close coordination with one another and to model this consciousness in their own work;

(10) Propose and advocate to appropriate bodies of the Presbyterian Church (U.S.A.) that they share in funding ecumenical and conciliar ministry;

(11) Propose to the General Assembly names of churches to be invited to send ecumenical advisory delegates to the General Assembly meeting (see Standing Rule B.2.g.);

(12) Give guidance to the Stated Clerk and General Assembly agencies on ecclesial (church-to-church) ecumenical relations, helping to carry out the General Assembly’s G-13.0103s and t responsibilities;

(13) Give guidance to General Assembly agencies on new opportunities to strengthen the relationships with other faith communities and on strategies for fulfilling the General Assembly mandates on interfaith relationships;

(14) Give guidance to the Mission Agency on ecumenical mission opportunities in partnership with churches in the United States and around the world; and

(15) Give guidance to program entities on ecumenical formation of Presbyterians, both ministers and lay members.

e. The committee shall be funded through the per capita budget of the Office of the General Assembly. The co-chairs of the Ecumenical Staff Team will have primary staffing responsibilities. The Ecumenical Staff Team shall be a staff resource to the committee.

D. Review of Agencies and Committees

1. Based on a six-year schedule, the agencies of the General Assembly will be reviewed to evaluate the relationship of their individual ministry with the mission of the whole Presbyterian Church (U.S.A.). On nomination of the General Assembly Nominating Committee, the General Assembly will elect two committees, each to review the work of one of the agencies of the General Assembly. Each committee will be composed of twelve members: four commissioners from the previous three General Assemblies, four who have served on the board of a General Assembly entity other than the one being reviewed, and four at large. The at-large members

may include ecumenical partners. The committee will use the Standards for Review of General Assembly Agencies in the Guidelines and Policies of the General Assembly. The committee will report to the next General Assembly following its election the results of the review and make recommendations based on its findings.

2. The permanent, advocacy, and advisory committees and commissions of the General Assembly will be reviewed to evaluate their processes to fulfill the mandates given to them by the Presbyterian Church (U.S.A.). The General Assembly will review the work of the permanent, advocacy, and advisory committees and commissions based on a six-year schedule. A committee at the General Assembly will be assigned the review. The assembly committee will use the Standards for Review of General Assembly Permanent, Advocacy, and Advisory Committees and Commissions in the Guidelines and Policies of the General Assembly. The assembly committee will report to the General Assembly the results of the review and make recommendations based on its findings.

E. Proposed amendments to this Section IV of the Organization for Mission from related bodies or from within the Office of the General Assembly, shall be submitted to the Committee on the General Assembly (COGA). The COGA shall review these proposed changes and forward those it approves as part of its report to the General Assembly.

V. The General Assembly Council

The General Assembly Council shall advise and respond to the General Assembly on priorities, programs, and strategies for addressing matters of concern for the congregational, national, and worldwide ministries of our church. The primary purpose of the General Assembly Council is to lead and coordinate the total mission program. It will cultivate a style of work that emphasizes

- permeable boundaries between Ministries Divisions and among areas;
- flexible deployment of resources to match changing needs;
- allocation of funding to reflect stated priority goals;
- concluding as well as initiating programs;
- attention to the needs and gifts of congregations;
- effective relationships with all governing bodies; and
- holding the vision described without reverting to old patterns.

According to the *Book of Order*, G-13.0201, the General Assembly Council is the body of the General Assembly in which are lodged the following responsibilities:

- a. to cultivate and promote the spiritual welfare of the whole church;
 - b. to institute and coordinate a churchwide plan for equal employment opportunity and affirmative action for members of racial ethnic groups, for women, for various age groups, for persons regardless of marital condition (married, single, widowed, or divorced), and for persons with disabilities;
 - c. to engage in churchwide planning to propose, for General Assembly determination, the mission directions, goals, objectives, and priorities of the church;
 - d. to coordinate the work of General Assembly agencies and bodies, synods and presbyteries, in light of these mission directions, goals, objectives, and priorities;
 - e. to review the work of General Assembly agencies and bodies in light of General Assembly mission directions, goals, objectives, and priorities;
 - f. to prepare and submit a comprehensive budget to the General Assembly;
 - g. to correspond or consult with presbyteries, synods, and their councils in matters relating to churchwide planning, budget development, and the coordination of the work of the church;
 - h. to act, in matters of administrative staff, with synod councils and General Assembly agencies, as provided in G-9.0701, G-9.0702, and G-9.0703;
 - i. to consult with the synods with regard to equitable compensation, personnel policies, and fair employment practices;
-

k. to act in those specific matters assigned to the General Assembly Council by the General Assembly or this Constitution, acting always according to previously enacted General Assembly policies, reporting fully to each subsequent General Assembly its actions;

l. to perform such additional responsibilities and duties as may be assigned by the General Assembly. (*Book of Order*, G-13.0201)

A. *Policy Responsibility*

The General Assembly Council may recommend churchwide policies to the General Assembly and is responsible for implementing policies established by the General Assembly and for establishing overall procedures for the council, and the Ministries Divisions.

B. *Planning and Priority Setting*

The General Assembly Council is responsible for carrying out planning and priority-setting processes with the Ministries Divisions. The council is responsible for instituting ongoing review processes.

C. *General Assembly Budget*

It is the responsibility of the General Assembly Council to recommend to the General Assembly a General Assembly Mission Budget and Program and a Per Capita Budget. The General Assembly Council develops the Mission Budget. The General Assembly Council and the Committee on the Office of the General Assembly jointly have responsibility for developing a per capita budget and apportionment.

All restricted and unrestricted funds (principal or income) that support the programs or functions for which the council is responsible are allocated by the council and distributed in accordance with procedures approved by the council. In every case the instructions of the donors are carefully followed. Such resources presently include contributions from individuals, congregations, and related organizations; proceeds from wills and bequests; and sales of property and other assets. All funds administered by the Board of Pensions, including dues and earnings on investments, are specifically excluded.²

D. *Personnel Responsibilities*

Regarding the General Assembly Council staff, the General Assembly Council is responsible for the following:

1. Approval of personnel procedures.
2. Approval, annually, of a staff rationale that determines staff commitments for the year. Any staff deployed regionally must be approved as part of the annual staff rationale.
3. Election of the Executive Director subject to confirmation by the General Assembly.
4. Election of Ministries Division Directors.
5. Periodic in-depth performance reviews of the Executive Director, and Ministries Division Directors as specified in the *General Assembly Council Manual of Operations*.
6. Approval and monitoring of the “Churchwide Plan for Equal Employment Opportunity and Affirmative Action.”
7. Approval of compensation guidelines within which salaries are administered.

Members of the General Assembly Council are not eligible for election or selection as staff during the period of their term of service.

²See Appendix A of this document for additional procedures related to budgets and funding.

E. Reporting

The General Assembly Council is responsible for submitting a report to the General Assembly. The Ministries Divisions will report regularly to the council, keeping the council fully informed about the work. Recommendations from Ministries Divisions, including matters that involve an exception or a proposed change in council procedures, a major shift in program emphasis, or a major budget adjustment, require action by the council. Issues of social witness policy, advocacy for racial ethnic and women’s concerns, and those related to Presbyterian theological institutions are reported to the General Assembly Council and General Assembly.

F. Elected Leadership

1. Organization of the General Assembly Council

A “unicameral” approach for direction and oversight of General Assembly Council entities deploys a majority of General Assembly Council members as members of Ministries Division, Mission Support Services, Audit committees.³ The work of the Ministries Divisions is a direct expression of the planning and mission understanding of the General Assembly Council, which is accountable to the General Assembly in this regard. The number and makeup of the committees and assignments are adjustable to accomplish the work of the General Assembly Council in its mission and to allow flexibility to meet changing emphases in Presbyterian Church (U.S.A.) mission. The Ministries Divisions committees are to be policy, strategy, and planning committees.

Each Ministries Division evaluates its need for area program committees. The General Assembly Council determines how many are to be established, specifying the expertise and/or experience needed, the terms of service for members, and the duration of the committees’ existence.

The General Assembly Council ensures advocacy functions for women and racial ethnic persons, and advisory functions for social witness policy by providing direct access to the General Assembly Council and General Assembly. The General Assembly Council also provides for the development of social witness policy.

The General Assembly Council ensures the continuation of a committee that includes representatives of each Presbyterian theological institution, and that will review the effectiveness and stewardship of the schools on behalf of the church, will exercise the governance responsibilities of the church to the schools, and will encourage and enhance cooperation among the church’s theological schools. The committee will be provided direct access to the General Assembly Council and the General Assembly.

The principal legal corporation is the Presbyterian Church (U.S.A.), A Corporation, which receives, holds, and transfers property, and facilitates the management of the church’s corporate affairs. All voting members of the General Assembly Council serve as members of the board of directors of this corporation.

2. Membership of the General Assembly Council

(a) Voting members:

- 3 Moderators
- 16 synods
- 50 presbyteries
- 2 Youth/Young Adult Members
- 1 Moderator, Presbyterian Women
- 25 at-large members⁴

³When the term “Ministries Division Committees” is used, it refers to the elected members of the divisions. When the term “Ministries Division” is used, it refers to both the elected members and the staff.

⁴In order to increase presbytery participation in the General Assembly Council, the existing twenty-five at-large slots be converted to presbytery rotation slots, thereby increasing the designated presbytery slots from twenty-five to fifty. The existing twenty-five at-large slots shall be deleted by attrition. In order to facilitate compliance with the *Book of Order*, G-4.0403 and G-13.0202d, and for exceptional special needs of the General Assembly Council, up to fifteen new at-large slots be created to be filled at the rate of not

(b) Corresponding and Advisory members:

The membership will also include corresponding and advisory members as provided for by the *Book of Order* (G-13.0202 b and c).

3. *Term of Service*

The term is for four years with eligibility for reelection to one additional term. No member may serve more than two terms, full or partial. No person can be nominated to a class that would allow the individual to exceed the constitutional limit of eight consecutive years in any General Assembly elected office.

In the nominating process, the General Assembly Nominating Committee shall consult with the General Assembly Council to identify needed skills, and shall provide for diversity and inclusiveness in accordance with G-4.0403. It maintains a goal of at least 20 percent racial ethnic membership for the General Assembly Council, follows the provisions of G-9.0104, G-9.0105, and G-13.0111, and assures that, exclusive of the Moderator and predecessor Moderators, one-third of the members are ministers of the Word and Sacrament (both women and men), one-third laymen, and one-third laywomen. The committee ensures that members be nominated in such a manner as to provide for two classes of approximately equal size. Any vacancy occurring during a term shall be filled pursuant to General Assembly policies.

4. *Officers*

The General Assembly Council annually elects its chair and vice-chair from its voting members.

G. *Staff Leadership*

1. *Executive Director*

Election and Review—The Executive Director of the General Assembly Council is elected by the council, subject to confirmation by the General Assembly. The Executive Director is accountable to the General Assembly Council. Upon election, the Executive Director serves with the full authority of the office until confirmed by the next General Assembly following election. Should the General Assembly refuse to confirm any Executive Director, the position becomes vacant immediately. Periodic in-depth reviews of the Executive Director are the responsibility of the council. The Executive Director is elected for a term of four years and may be reelected for additional terms. Initial four-year terms start on the date that work commences following election. Subsequent four-year terms commence on the day following expiration of the prior term. The Executive Director may be dismissed by the council in conformity with current personnel policies and procedures.

Responsibilities—The major responsibilities of the Executive Director include

- a. enabling the council, in response to mission directions and policies set by the General Assembly, to lead the whole church in the implementation of directions for the life and mission of the church;
- b. supporting the organizational health of the council, the Ministries Divisions and the Presbyterian Church (U.S.A.);
- c. enabling the council to fulfill its constitutional responsibilities;
- d. providing oversight of the work of the council as a whole and the linkages among the various parts that carry out its work;
- e. providing leadership and administrative oversight to the staff and to the staffing and personnel decision process of the council and Ministries Divisions;
- f. leading and supervising the staff lodged in the office of the Executive Director including a staff rationale, position description, selection of staff, annual performance reviews and staff development.

more than five per year for three years as may be required to ensure such compliance (*Minutes*, 1996, Part I, pp. 62, 198, paragraphs 15.080, 15.084)

- g. bearing direct responsibility for the coordination of planning and budgeting for the General Assembly Council;
- h. leading the council in implementing policies and procedures related to inclusiveness, affirmative action, and equal employment opportunity; and
- i. presiding as president of the Presbyterian Church (U.S.A.), A Corporation.

2. *Ministries Division Directors*

Election and Review—Each director is elected by the council with details of the election and review processes specified in the *General Assembly Council Manual of Operations*.

Responsibilities—These directors are responsible for the healthy functioning of their Ministries Division in the fulfilment of their responsibilities, as well as for the support of the wider organizational health of the General Assembly Council and the Presbyterian Church (U.S.A.). These directors provide for linkage and coordination, so that each operates in a partnership style with the council and others.

The directors are accountable to the General Assembly Council through the Executive Director and are members of the Staff Leadership Team. Their responsibilities include management of the Ministries Divisions and coordination with the council, including overall planning, budgeting, personnel matters, and the Churchwide Plan for Equal Employment Opportunity and Affirmative Action.

3. *Staff*

All staff are staff of the General Assembly Council and are accountable to the Executive Director-. Mission personnel have shared accountability both to the overseas partner church to which they are assigned and to the council through the Worldwide Ministries Division.

VI. General Assembly Council and Its Ministries Divisions

The major elements of the structure are the General Assembly Council and its three Ministries Divisions. Each Ministries Division oversees the work of several major areas. The Ministries Divisions may be visualized as overlapping circles with the General Assembly Council circle at the center connected to each of the three Ministries Divisions. This stresses seeing the work of the church as whole and interrelated, with the ability to deploy people and resources in flexible configurations as decided by the General Assembly Council and the General Assembly. Mission Support Services supports the mission of all the Ministries Divisions.

The General Assembly Council works with and through the Ministries Divisions and Mission Support Services, providing administrative and financial resources for them, establishing procedures in accordance with policies set by the General Assembly, and coordinating their work for the furtherance of the church's common mission.

The General Assembly Council works in partnership with synods, presbyteries, and sessions to enable the various governing bodies to join together in churchwide expression of the life and mission of the Presbyterian Church (U.S.A.).

The Ministries Divisions are responsible for carrying out the mission program for the General Assembly. The Ministries Divisions are linked together through the General Assembly Council and with the church on behalf of that part of the mission entrusted by God to the Presbyterian Church (U.S.A.).

The General Assembly Council is responsible for financial and corporate services supporting the Presbyterian Church (U.S.A.).

A. *Office of the Executive Director*

The Executive Director reports to the executive committee and General Assembly Council and provides direction, leadership, and coordination for the system as a whole. The Deputy Executive Director, Deputy for Mission Support Services, and Ministries Division directors report and are accountable to the Executive Director,

who is charged with ensuring the responsiveness of mission to the policies of the General Assembly Council and/or the General Assembly. The office provides leadership, coordinates the mission program, and provides oversight for the administration of the following functions: treasury and corporate services; legal/risk management; communications; human resources; strategic planning; stewardship and mission funding; middle governing body relations; other support services; ultimate authority for equal employment opportunity and affirmative action; development of social witness policy; and advocacy for financial support for General Assembly mission. Appropriate committees of the General Assembly Council develop policy and strategy for the administration of these functions.

The Executive Director shall monitor all programs and projects as to their continued viability, and has the authority to recommend stopping or adjusting funding of such programs and projects that are not performing as expected or when the “value added” to mission is in question. This recommendation shall be a priority issue for the next meeting of the GAC executive committee, with an executive committee recommendation for a final decision to be considered by the GAC at its next meeting.

As part of annual planning, the Executive Director and related staff are to evaluate all programs and functions to determine what needs to be dropped, strengthened, and added, establishing time lines for each program as per action of the 208th General Assembly (1996) (Minutes, 1996, Part I, pp. 62, 197). The Staff Leadership Team, making use of the mission direction work of the last General Assembly, will bring to council the plan for the following year mission budget. The council will review whether the proposed plans are appropriate and will resolve any existing conflicts prior to the submission of the budget to the General Assembly for approval.

1. *Advocacy and Advisory Committees*

The Executive Director has the responsibility for the advocacy and advisory committees. All three groups have direct access to the General Assembly and the General Assembly Council, and their work is coordinated through the Office of the Deputy Executive Director.

The Advocacy Committee for Racial Ethnic Concerns shall assist the Presbyterian Church (U.S.A.) to give full expression of the rich diversity of its membership as specified in the *Book of Order*, G-4.0403. The Committee shall be a prophetic voice for involving racial ethnic people in the formation of public policy, particularly where race is a factor that negatively impacts the quality of life of people of color. The committee will also monitor the implementation of policies adopted by the church that impact the quality of life of racial ethnic people in the church and in the world.

The Advocacy Committee for Women’s Concerns shall assist the Presbyterian Church (U.S.A.) to give full expression of the rich diversity of its membership as specified in the *Book of Order*, G-4.0403. The committee shall monitor and evaluate policies, procedures, programs, and resources regarding the way in which they impact the status and position of women in the church and the world; and shall advocate for full inclusiveness and equity in all areas of the life and work of the church in society as a whole.

The Advisory Committee on Social Witness Policy, in consultation with the General Assembly Council, is responsible for the process of developing and recommending social witness policy to the General Assembly. The term “social witness policy” refers to the positions adopted by the General Assembly to express its stance on and guide response to issues in the public order, including their relation to the church’s own life and mission. These positions may take the form of policy statements, resolutions, study papers, or social involvement reports, as defined in the *Manual of the General Assembly*, Part I, Standing Rule B.12.

2. *Mission Support Services*

Now there are varieties of gifts, but the same Spirit; and there are varieties of services, but the same Lord; and there are varieties of activities, but it is the same God who activates all of them in everyone. To each is given the manifestation of the Spirit for the common good. (1 Cor. 12:4–7)

The primary purpose of Mission Support Services is to provide direct services and support to the Ministries Divisions, the General Assembly Council, the Presbyterian Church (U.S.A.), A Corporation (“Corporation”), the synods, the presbyteries, and the congregations.

The General Assembly Council and the Corporation are responsible for certain services that have been assigned to Mission Support Services for review and recommendation prior to action thereon by the Executive Committee and/or the Corporation, which include:

- a. Budget and Financial Forecasting;
- b. Finance and Accounting;
- c. Presbyterian Distribution Services and Hubbard Press, the designated source of Presbyterian Church (U.S.A.) church offering envelopes;
- d. Information Services;
- e. Property Management;
- f. Treasury.

B. *Ministries Divisions*

1. *Congregational Ministries Division*

The gifts he gave were that some would be apostles, some prophets, some evangelists, some pastors and teachers, to equip the saints for the work of ministry, for building up the body of Christ, until all of us come to the unity of the faith and of the knowledge of the Son of God, to maturity, to the measure of the full stature of Christ. (Ephesians 4:11–13)

The purpose of the Congregational Ministries Division is to equip, empower, resource, and inspire congregations, in order to strengthen their ministry of witness to Jesus Christ; working in cooperation with presbyteries, synods, theological seminaries, and conference centers, and in covenant with related organizations and networks. By providing nurture and resources to congregations, the Division enables and inspires church leaders in their ministry, which includes:

- worshipping God,
- understanding Christian faith;
- sharing the gospel,
- growing in the life of faith,
- living as stewards of God's gifts,
- uniting the body of Christ,
- developing leaders and educators,
- building a culture of peace, and
- serving neighbors.

The Congregational Ministries Division accomplishes its work through particular program and resource offices organized in three areas and provides staff support for the Committee on Theological Education:

- a. Christian Education and Leader Development
- b. Congregational Ministries Publishing, and
- c. Theology Worship and Discipleship.

Committee on Theological Education: The Committee on Theological Education has direct access to the General Assembly and the General Assembly Council, and their work is coordinated through the Congregational Ministries Division Office of Theological Education with staff accountability to the director of the Congregational Ministries Division. The purpose of the Committee on Theological Education is to provide an effective linkage between the General Assembly and the theological seminaries of the PC(USA) by: providing a forum through which the church-at-large can express its concerns to the seminaries; interpreting the mission of the denomination's theological seminaries to the whole church; overseeing the interpretation and administration of the Theological Education Fund (1% Plan); serving as a means for cooperation among the church's theological seminaries; implementing suggestions made by the Special Committee to Study Theological Institutions as

approved by the 205th General Assembly (1993); serving as an agency of the denomination for relating to theological seminaries other than those of the PC(USA); and working in partnership with middle governing bodies and agencies of the General Assembly to provide for leadership in local congregations, the denomination, and the world.

2. *National Ministries Division*

So if anyone is in Christ, there is a new creation: everything old has passed away; see, everything has become new! All this is from God, who reconciled us to himself through Christ, and has given us the ministry of reconciliation . . . (2 Cor. 5:17–18)

This Ministries Division, through the General Assembly Council, shall advise and respond to the General Assembly on priorities, programs, and strategies for addressing matters of national concern for ministry in church and society. The primary purpose of the National Ministries Division is to develop and implement programs that are national in scope and expressive of the denomination's mission priorities, including:

- the challenge of evangelism and church development;
- the promise of racial ethnic and women's ministries;
- the summons to a compassionate search for social justice;
- the grounding of all its work in theological and ethical discernment;
- the responsibility to witness in and through educational institutions;
- the cultivation and nurture of volunteer and professional leadership for the church.

These programs shall assist congregations and middle governing bodies to participate in common ministries of consequence for the nation and the church, while taking into account local interest and possibilities. They shall also represent at the national level the commitments and convictions of the denomination as it seeks to contribute to the nation's health and vitality.

Program areas in the National Ministries Division are:

- a. Churchwide Personnel Services,
- b. Evangelism and Church Development,
- c. Higher Education,
- d. Racial Ethnic Ministries,
- e. Social Justice, and
- f. Women's Ministries.

The Washington Office is supervised by the director of the National Ministries Division. The concept, purpose, and function of the Washington Office make clear that it is responsive to congregations and serves the church at all levels, fulfilling an educational as well as an advocacy role by working across Ministries Divisions.

3. *Worldwide Ministries Division*

Now the eleven disciples went to Galilee, to the mountain to which Jesus had directed them. When they saw him, they worshipped him; but some doubted. And Jesus came and said to them, "All authority in heaven and on earth has been given to me. Go therefore and make disciples of all nations, baptizing them in the name of the Father and of the Son and of the Holy Spirit, and teaching them to obey everything that I have commanded you. And remember, I am with you always, to the end of the age. (Matt. 28:16–20)

This Ministries Division, through the General Assembly Council, shall advise and respond to the General Assembly on priorities, programs, and strategies for addressing matters of concern for the international ministries, ecumenical and interfaith relations, and programs of our church that respond to human need in this country and abroad. The primary purpose of the Worldwide Ministries Division is to empower the church in each place to share the transforming power of the gospel of Jesus Christ with all people. Partnership and mutuality with the worldwide body of Christ are essential to the tasks of global mission and evangelism, providing clear witness to

the unity that is Christ's gift to the church. Our historic commitment to work ecumenically is affirmed and will be broadened to enhance the scope and effectiveness of ministry as we

- demonstrate good news to the poor;
- support new opportunities for churches around the world;
- share good news with those outside the church;
- engage in reconciliation and witness with people of other faiths; and
- nurture, strengthen, and coordinate the ecumenical involvements of the church.

The educational task of this Ministries Division is to promote understanding and gain support for Presbyterian mission as well as to remind us of our need to receive gifts of ministry from the worldwide church.

Program areas in the Worldwide Ministries Division are

- a. Ecumenical Partnership,
- b. Global Service and Witness, and
- c. People in Mutual Mission.

C. *Planning and Budget Responsibilities*

The responsibilities of each Ministries Division in the area of budgeting are as follows:

1. to submit an annual budget request to the General Assembly Council in accordance with the budget development process and time line approved by the council;
2. to prepare an explanation showing how the budget request reflects the mission priority goals approved by the General Assembly;
3. to allocate, in light of assigned responsibilities, the distribution of resources among specific line item expenditures within the Ministries Division's approved budget total;
4. to submit the Ministries Division line item budget to the council for approval;
5. to administer the budget allocated to the Ministries Division.

D. *Personnel Responsibilities of the Ministries Divisions*

Within the framework of General Assembly Council personnel procedures, the personnel responsibilities of the Ministries Divisions and of their directors include

1. development and recommendation annually of a staff rationale for the Ministries Divisions that, when approved by the council, determines the staff commitments for the year;
2. approval of position descriptions
3. selection of staff other than the Ministries Division directors;
4. annual performance review of staff;
5. administration of salaries within procedures and guidelines approved by the council; and
6. implementation of the "Churchwide Plan for Equal Employment Opportunity and Affirmative Action."

E. *Staffing Principles for the Ministries Divisions*

Principles established to guide the development of staffing patterns are:

1. Each Ministries Division led by a director.
2. Each Ministries Division has no more than one associate for administration.

3. Each program area within a Ministries Division is led by an associate director.
4. Each program area within a Ministries Division has staff commensurate with the work it is charged to undertake and the budget it is given.
5. Staffing designs reflect a shift away from duplication and redundancy and toward cooperation and collaboration between and among offices in different areas of ministry.
6. Staffing patterns reflect a style of operation that does not induce institutional inertia, but is supportive of movements of the Spirit across the church, enabling mission activity in congregations, presbyteries, and synods.
7. Staffing, structures, and decision-making processes reflect a style of operation and relationship that views General Assembly Council entities as resourcing agents, not regulating agencies, with decreased emphasis upon drafting resolutions and increased emphasis upon mission.

VII. Presbyterian Church (U.S.A.), A Corporation

The Presbyterian Church (U.S.A.), A Corporation, (previously the Central Treasury Corporation—CTC) is a corporate entity of the General Assembly and, as the principal church corporation, will hold title to property in accordance with the 1986 Deliverance (see Appendix B.), and provide accounting, reporting, and financial services for the General Assembly and its entities. All voting members of the General Assembly Council are members of the board of directors. (See Appendix C.)

The officers of the corporation include a president, an executive vice-president and a chief financial officer (“treasurer”), one or more vice-presidents, a secretary, a controller, and an associate treasurer. The president shall be elected by the board of directors for a term of four years subject to confirmation by the General Assembly.

Ordinarily, the offices of the president and the treasurer are held by the Executive Director of the General Assembly Council and the Deputy for Mission Support Services, respectively.

Responsibility for managing the activities of this corporation is assigned to the Deputy for Mission Support Services and other Mission Support Services staff who have been elected officers of the corporation under the direction of the president.

The treasurer shall prepare an annual report, audited by a certified public accountant, of the financial position and operations of the General Assembly activities for the General Assembly.

VIII. Other General Assembly Related Corporations

A. Board of Pensions

The Board of Pensions is the legally responsible corporate body established under a civil charter for the purpose of administering the pension and benefits program of the Presbyterian Church (U.S.A.). It is required by law to administer these programs for the sole and exclusive benefit of its participants and members.

The relationship between the Board of Pensions and the General Assembly Council of the Presbyterian Church (U.S.A.) is set forth in an official “Memorandum of Understanding” (see Appendix D) to provide the necessary and desirable cooperation between these bodies, while respecting and reflecting the special needs of the Board of Pensions as it carries out its ministry to the Presbyterian Church (U.S.A.) within an ecclesiastical structure.

In view of the close relationship between compensation, benefits, pensions, and financial assistance, there is need for a close continuing relationship between the General Assembly Council and the Board of Pensions. Consistent with the “Memorandum of Understanding” between the General Assembly Council and the Board of Pensions, the chairperson of the General Assembly Council (or designee) serves as a corresponding member of the Board of Pensions, while the chairperson of the Board of Pensions or designee serves as corresponding member of the General Assembly Council. The General Assembly Council proposes to the General Assembly

Nominating Committee one of its members to be elected to the Board of Pensions. This person also represents the council in regard to churchwide personnel and compensation policies. At the staff level, the Board of Pensions' president has the privilege of the floor at the General Assembly Council meetings but without vote and is included as part of the Expanded Staff Leadership Team through the Office of the Executive Director. The Board of Pensions reports directly to the General Assembly.

B. Presbyterian Church (U.S.A.) Foundation

Presbyterian Church (U.S.A.) Foundation (the Foundation) is a corporate entity that acts as a “fiduciary” for the General Assembly, providing investment services, holding title on behalf of the church to the investment assets of the church, providing a deferred giving and wills emphasis program, and otherwise assuring that there is strict adherence to the wishes and restrictions of donors and others who have entrusted funds to its care. The Foundation holds title to property in accordance with the 1986 Deliverance. In addition to its work on behalf of the General Assembly, the Foundation offers similar services to churches and church organizations as well as to individuals who wish to use such programs as an expression of their Christian faith and stewardship. The board of the Foundation is elected by the General Assembly through the normal nominating processes. It reports to the General Assembly with a definitive copy to the General Assembly Council, which may comment on the report. The Foundation provides information about its work to the council on a regular basis. The total budget of the Foundation is made available for review by the General Assembly Council. The Foundation reports directly to the General Assembly.

In view of the close relationship between stewardship, mission funding, and deferred giving, there is need for a close continuing relationship between the General Assembly Council and the Foundation. A future appendix will define such a relationship. The joint report of the General Assembly Council and the Foundation, as reported to the 208th General Assembly (1996), provides agreements and understandings regarding restricted funds and is attached as Appendix F. The chairperson of the General Assembly Council (or designee) sits with the trustees of the Foundation with voice and without vote, for purposes of coordination. This person also represents the council in regard to churchwide personnel and compensation policies. The board of the Foundation appoints one member to serve on the General Assembly Council as a corresponding member.

At the staff level, the Executive Director of the General Assembly Council is a trustee of the Foundation; the Foundation's president has the privilege of the floor at council meetings, but without vote. In addition, the Foundation's president is included as part of the Expanded Staff Leadership Team through the Office of the Executive Director.

C. Presbyterian Publishing Corporation

The Presbyterian Publishing Corporation is a legally independent, self-supporting corporation dedicated to the mission of the Presbyterian Church (U.S.A.). It is responsible for publishing books and educational materials for the Presbyterian Church (U.S.A.) and for a broad ecumenical audience around the world. The publishing program strives to extend the mission of the church to the widest possible audience, representing a wide range of religious, social, and cultural points of view.

In view of the dynamic interrelationship between the printed word and the mission of our church, there is need for a close continuing relationship between the General Assembly Council and the Presbyterian Publishing Corporation. The corporation is governed by its board of directors, one of whom is the corporation's president and publisher, and one of whom is the Executive Director. The remaining directors are nominated by the General Assembly Nominating Committee and elected by the General Assembly for four-year terms and shall be eligible for reelection to one additional term. No member may serve more than two terms, full or partial. The board of directors elects officers of the corporation in accordance with its corporate bylaws.

The chairperson (or designee) of the Presbyterian Publishing Corporation is a corresponding member of the General Assembly Council with voice and without vote. One member of the General Assembly Council serves as a corresponding member of the board of the Presbyterian Publishing Corporation with voice and without vote. At the staff level, the president and publisher of the Presbyterian Publishing Corporation has the privilege of the floor

at the General Assembly Council meetings but without vote, and is included as part of the Expanded Staff Leadership Team through the Office of the Executive Director. The Presbyterian Publishing Corporation reports directly to the General Assembly.

D. Presbyterian Church (U.S.A.) Investment and Loan Program, Inc.

The Presbyterian Church (U.S.A.) is a great commission community. It tells and retells the story of salvation in Jesus Christ to successive generations. It does so in buildings that are shaped to meet the needs of worshipping, witnessing, serving congregations. Generating capital to build and rebuild church buildings is the work of the Presbyterian Church (U.S.A.) Investment and Loan Program, Inc.

The Presbyterian Church (U.S.A.) Investment and Loan Program, Inc., (the Program) is incorporated in the Commonwealth of Pennsylvania. The Program offers unsecured, interest bearing investments in various states, Puerto Rico and the District of Columbia. In general, any individual and any organization related to the Presbyterian Church (U.S.A.) may invest. The funds generated by investments become mortgage loans that are used by congregations, governing bodies, and related entities for building church buildings and rebuilding existing facilities.

Close relationships of cooperation exist among the Program, Foundation, and General Assembly Council. Both the Foundation and Council have significant investments commitments with the Program.

The Board of Directors consist of fifteen (15) members. All members are elected by the General Assembly Council, subject to confirmation by the General Assembly. The General Assembly Council elects four members from among its membership. The General Assembly Nominating Committee nominates six at-large members, one member from among the synods and one member from among the presbyteries. The Presbyterian Church (U.S.A.) Foundation nominates two members and the General Assembly Council National Ministries Division Committee nominates one member. The Program reports to the General Assembly through the General Assembly Council.

The Chair of the Program's Board of Directors and its President and Chief Executive Officer have privilege of the floor without vote at General Assembly Council meetings. They are corresponding members of the General Assembly. In addition, the President participates in the Expanded Staff Leadership Team plus Synod Executives Forum.

IX. Amendments

Proposed amendments to the *Organization for Mission* that are submitted by overture shall be submitted to the Stated Clerk of the General Assembly.

Except as provided in Section IV., Paragraph 5., proposed amendments to this Section IV. of the *Organization for Mission* from related bodies or from within the General Assembly Council and its Ministries Divisions, shall be submitted to the General Assembly Council. The General Assembly Council shall review these proposed changes and forward those it approves as part of its report to the General Assembly.

Appendix A of the *Organization for Mission*

Financial Issues

OUTLINE OF APPENDIX A

Outline of Appendix A
Glossary of Terms Related to Financial Issues
Principles
Churchwide Funding Plan

- I. Per Capita Apportionments
 - A. Definition of Per Capita Apportionments
 - B. Use of Per Capita Apportionments

- II. Churchwide Mission Support
 - A. Forms of Giving in Churchwide Mission Support
 - B. Components of Churchwide Mission Support
 - C. Roles and Responsibilities of Governing Bodies
 - D. Mission Funding Receipts Policy
 - E. Governing Body Partnership Support
 - F. Validation of Mission
 - G. Unrestricted and Restricted Giving
 - H. Collection, Reporting, and Audits

General Assembly Budget Development

- A. Basic Mission Development
- B. The Planning Budget
- C. The Proposed Budget
- D. The Approved Budget
- E. Roles and Responsibilities in Developing Budgets
- F. Per Capita Budget

Mission Support Services

GLOSSARY OF TERMS
RELATED TO FINANCIAL ISSUES

Adopted Budget—The formally approved budget of a session, presbytery, synod, or General Assembly.

Churchwide Funding Plan—The plan described within this document, Appendix A, in which Presbyterians in various governing bodies join together to fund the work of the church.

Consultations—Ordinarily, face-to-face experiences between duly selected representatives of governing bodies to exchange information, perspectives, opinions, and advice regarding mission planning, funding, and personnel staffing for the health of the whole church.

Contributor—An individual, agency, or governing body that transfers control of a gift to another tax-exempt agency or governing body. See Donor.

Designations—Budget categories as described or determined by a governing body. Only governing bodies may make designations. See Restricted Giving and Directed Mission Support.

Directed Mission Support—A form of restricted giving for designated budget categories or projects within adopted budgets.

Division of Committed Dollars—Agreements among governing bodies giving concrete expression to the sharing of Mission Support Commitments for the church's mission.

Donor—An individual or other taxable entity (e.g., an estate or trust) making a gift for charitable purposes eligible for favorable tax treatment. When governing bodies are nontaxable entities, they cannot be donors. See Contributor.

Emergency Appeals—Properly authorized and approved calls for an immediate response to emergency needs through an Emergency Relief Alert.

Equalization—The use of unrestricted funds to fulfill the commitments and/or agreements that have been made by a governing body.

Governing Body Partnership Support—Specially identified dollar resources shared through a consultative process among or between governing bodies for inclusion in a governing body's budget.

Mission Support Commitment—A specific dollar figure or a percentage of total dollars adopted by a governing body to be given in a specified year to support the mission and ministry of other governing bodies.

Mission Support Consultation—A face-to-face event among duly selected representatives of governing bodies to (1) establish shared ownership of the church’s total mission, (2) advocate recommendations of Mission Support Goals, and (3) agree upon means for the division of committed mission dollars.

Mission Support Goals—Specific dollar figures for mission support projected as goals for some subsequent year or years.

Other Specific Appeals—Requests for support of specific validated mission projects or programs, which may not be included in adopted budgets.

Per Capita Apportionment—A means for all members to share in the costs of coordinating and evaluating mission, and performing the ecclesiastical, legislative, and judicial functions of the Presbyterian Church (U.S.A.).

Projects Beyond the Budget—Approved projects not included in the adopted budgets.

Receiving Sites—A receiving site collects, receipts, and remits Churchwide Mission Support funds. Presbyteries and synods may establish a receiving site by an action of the governing body or use the General Assembly’s receiving site. Presbyteries that receive and transmit only per capita apportionments are not considered receiving sites under this definition.

Restricted Giving—Gifts that are restricted by a contributor or donor for use in support of a validated project, budget category, or appeal. The processing of restricted gifts will comply with the standards established by the Financial Accounting Standards Board (FASB).

Shared Mission Support—Gifts and contributions received with no restrictions for the overall support of the adopted budgets of governing bodies.

Special Offerings—Planned, organized, and approved supplemental offerings for specified causes that may or may not be included in approved budgets.

Taxable Entity—For the purposes of Appendix A, individuals, partnerships, estates and trusts, or corporations who may be taxpayers under the federal income tax law.

Unrestricted Giving—Unrestricted gifts received for the overall support of the adopted budget of a presbytery, a synod, or the General Assembly.

Validated Mission—Any project or program within the bounds of and approved by formal action of a session, presbytery, synod, or the General Assembly, whether or not it is funded from the adopted budget of the governing body.

PRINCIPLES

The funding of the mission and ministry of the Presbyterian Church (U.S.A.) rests on the following principles.

ONE: In pursuing the “great ends of the Church” (*Book of Order*, G-1.0200), the members of the Presbyterian church, intentionally acting in faith, accomplish the church’s mission with the stewardship of their lives and resources. The funding system supports this faithfulness with

- biblically informed models of stewardship, including an emphasis on tithing;
- extensive stewardship education and mission interpretation;
- participatory and inclusive decision making;
- emphasis on the congregation as the most central expression of the believing community; and
- affirmation that the Holy Spirit is discerned within the community of faith.

TWO: The funding system is intended to be clear, understandable, consistent, and trustworthy and is framed by five values:

- partnership in mission across the church;
- honoring intentions of all gifts accepted;
- full reporting and accountability and open communication;
- recognition of diversity within the church and its members;
- flexible and adaptive response to changing needs and priorities.

THREE: The funding system provides for all Presbyterians to share equitably, responsibly, and interdependently in the ecclesiastical, administrative, and programmatic costs of the whole church's mission and ministry.

FOUR: The funding system builds up the body of Christ, strengthens disciplined and faithful stewardship, and empowers the achievement of the Spirit-informed mission of the whole church.

CHURCHWIDE FUNDING PLAN

The system for funding the mission and ministry of the Presbyterian Church (U.S.A.) includes a Churchwide Funding Plan in which Presbyterians within the various governing bodies join together to accomplish the work of the church. This Churchwide Funding Plan enables all governing bodies to support the mission of the whole church in all its parts (*Book of Order*, G-9.0103). The plan encourages partnership in mission throughout the church and provides guidance for program and budget development. The Churchwide Funding Plan consists of Per Capita Apportionments and Churchwide Mission Support.

The Churchwide Funding Plan describes the consultative processes and financial interrelationships by which governing bodies shape and lead the church's ministry. In describing the nature of Presbyterian polity, the *Book of Order* states:

Each governing body shall consult through appropriate representatives with governing bodies below and above it concerning mission priorities, program, budgeting, the establishment of administrative staff positions, equitable compensation, personnel policies, and fair employment practices. (G-9.0404b)

In addition to the Churchwide Funding Plan, financial resources come to the church in many forms. Offerings and gifts from individuals and organizations, various kinds of financial support from Presbyterian Women, and gifts and bequests to and through the Presbyterian Church (U.S.A.) Foundation all provide important financial support for the whole church's mission in the world. Appendix A specifically describes the relationships among governing bodies with regard to mission support, budgets, and financial accountability.

I. Per Capita Apportionment

A. *Definition of Per Capita Apportionments*

Per capita apportionments are an opportunity for all communicant members of the Presbyterian church through the governing bodies to participate equally, responsibly, and interdependently by sharing the cost of coordination and evaluation of mission, of performing ecclesiastical, legislative, and judicial functions that identify a Reformed church, while at the same time strengthening the sense of community among all Presbyterians.

B. *Use of Per Capita Apportionments*

1. The use of per capita throughout the church should be consistent with the above definition. Governing bodies choosing not to use per capita may fund ecclesiastical and administrative costs with mission dollars when this procedure has been declared to contributors in advance and approved by the governing body.

2. Within the Churchwide Funding Plan, the General Assembly per capita apportionment will support a per capita budget to fund the following functions:

- a. Under the Office of the General Assembly
 - (1) General Assembly meetings and costs related thereto;
 - (2) the Office of the General Assembly and related functions;
 - (3) ecumenical participation;
 - (4) the Department of History;
 - (5) General Assembly committee meetings; and
 - (6) a fair share of mission support services.

- b. Under the General Assembly Council
 - (1) General Assembly Council meetings and cost related thereto;
 - (2) the administrative, planning, and coordinating functions of the General Assembly Council;
 - (3) communications; and
 - (4) a fair share of mission support services.

II. Churchwide Mission Support

A. *Forms of Giving in Churchwide Mission Support*

Churchwide Mission Support is the funding system used by all governing bodies to plan and implement the mission of the whole church. Churchwide Mission Support has three overall forms of giving.

1. Basic Mission Support—There are two types of mission support:

a. Shared Mission Support—gifts, with no restrictions, for the overall support of the adopted budgets of a session, presbytery, synod, or the General Assembly.

b. Directed Mission Support—gifts, with restrictions, for use within the adopted budgets of a session, presbytery, synod, or the General Assembly.

2. Churchwide Special Offerings—gifts, with restrictions, for General Assembly planned, organized, and approved offerings for specified purposes that may be included in approved budgets.

3. Other Specific Appeals—gifts, with restrictions, for specific use in support of validated mission that ordinarily are not included in the budget of a session, presbytery, synod, or the General Assembly. Such appeals may be ongoing, time-limited, or responsive to emergency needs.

There are additional forms of giving that are distinct from Churchwide Mission Support. These include giving through Presbyterian Women, the Presbyterian Church (U.S.A.) Foundation, validated mission support groups, and other organizations. Some of these gifts may be applied to adopted budgets. These gifts are and may be increasingly important to support the work of the church.

B. *Components of Churchwide Mission Support*

1. Mission support goals for planning budgets are mutually developed by governing bodies for one or more years. Mission support goals stimulate a vision of stewardship growth and mission opportunity as well as budget plans for embodying that vision.

a. Because the gifts of individuals are central to the mission funding system, the session and congregation play essential roles in the Churchwide Funding Plan by developing the stewardship potential of members, by providing funds for the mission of the whole church, and by being involved as important partners in the consultative process (*Book of Order*, G-10.0102g-h).

b. Consequently, strong stewardship education programs are needed for congregations, including a pledging process for members. Sessions are encouraged and assisted to motivate persons and congregations toward biblically based stewardship, including percentage giving to God through the church.

2. Mission support commitments are adopted by a governing body to indicate for a specified year the level of support of the mission and ministry of other governing bodies in the form of shared mission support and/or directed mission support.

3. Consultations, as called for in *Book of Order*, G-9.0404b, provide opportunity among governing bodies to

- a. share their mission priorities and projected needs;
- b. be responsive to the priorities and needs of others;
- c. advocate a recommended division of mission support commitments.

Consultations may be bilateral or trilateral, as appropriate, among General Assembly, synods, presbyteries, or sessions.

4. Timely and accurate accounting and reporting of mission dollars received and their subsequent distribution are required among all governing bodies.

5. Persons trained in stewardship education, interpretation and promotion, fund-raising, deferred giving, and wills emphasis programs will seek to serve the needs of the whole church.

C. Roles and Responsibilities of Governing Bodies

To encourage openness and accountability in all financial matters, the following roles and responsibilities will be observed.

1. Roles Held in Common by All Governing Bodies

a. Select representatives who will participate in intergoverning body consultations on mission support goals and the division of Mission Support Commitments.

b. Share mission priorities, budget projections, funding needs, and mission support goals.

c. Consider other governing bodies' mission priorities and funding needs.

d. Adopt mission support commitments and honor these commitments in budgets for which the governing body is directly responsible.

e. When changes in mission support commitment are contemplated, promptly communicate with other affected governing bodies.

f. Thank leaders and donors.

g. Hold receiving sites accountable to accepted churchwide standards.

2. Role of the Session

a. Challenge members to faithful stewardship.

b. Recruit stewardship resource person(s) and/or committee(s) to promote giving to the mission of every governing body through regular giving, special offerings, and additional and deferred gifts.

c. Converse with presbyteries regarding churchwide mission needs and mission support goals and commitments.

d. Present to congregations the mission priorities, projections, and funding needs of the session, presbytery, synod, and General Assembly.

e. Set mission support goals in response to presbytery's recommendations.

f. Adopt mission support commitments for the mission and ministry of the presbytery, synod, and General Assembly.

g. Annually provide full financial reports to the congregation and presbytery on the receipt and expenditure of dollars, assets, and liabilities.

3. Role of Presbytery

a. Converse with sessions to promote shared ownership of the mission of the whole church, division of mission support commitments, and mission support goals.

b. Urge sessions to participate in the Churchwide Funding Plan and challenge congregations to grow in giving.

c. Host appropriate consultations with sessions and recommend mission support goals.

d. Adopt presbytery's recommended division of mission support commitments.

e. Receive mission support commitments from sessions and inform the synod and General Assembly of the amounts committed.

f. Provide stewardship training and services to sessions as appropriate.

g. Annually provide full financial reports to its sessions and synod on the receipt and expenditure of dollars, assets, and liabilities.

4. *Role of the Synod*

- a. Host appropriate consultations with constituent presbyteries and the General Assembly.
- b. Concur in the division of mission support commitments.
- c. Provide services to sessions giving directed mission support to synod or responding to other specific appeals.
- d. Annually provide full financial reports to its presbyteries and provide such reports at least biennially to the General Assembly on the receipt and expenditure of dollars, assets, and liabilities.

5. *Role of the General Assembly*

- a. Assist the development of mission support goals at every governing body level.
- b. Assist the development of a consultative process in accord with *Book of Order*, G-9.0404b, and host appropriate consultations with synods and presbyteries.
- c. Concur in the division of mission support commitments.
- d. Provide services to sessions giving directed mission support to General Assembly or responding to other specific appeals.
- e. Annually provide full financial reports to sessions, presbyteries, and synods on the receipt and expenditure of dollars, assets, and liabilities.
- f. Through Mission Support Services, in consultation with other receiving sites, develop a standards and protocols manual for receiving and transmittal site treasuries that incorporates Financial Accounting Standards Board (FASB) requirements for nonprofit organizations and Appendix A, Churchwide Funding Plan, Items II.G–H. The manual will define what is necessary nationally and permissible regionally or locally. The General Assembly will adhere to this standards and protocols manual. It is expected that any presbytery or synod operating a receiving and transmittal site will adopt and adhere to this manual.
- g. Annually publish a list of receiving and transmittal sites throughout the church indicating those that have adopted these standards.

6. *Role of Receiving Sites*

- a. Collect and transmit mission support from constituent churches in accordance with Appendix A, Churchwide Funding Plan, II. Churchwide Mission Support, Items G–H.
- b. Provide General Assembly and, as appropriate, synods and constituent presbyteries a regular accounting of church-by-church giving and any relevant data requested by a governing body.
- c. The General Assembly, as the most inclusive receiving site, will annually report church-by-church giving in the *Minutes of the General Assembly*.

D. *Mission Funding Receipts Policy*

1. *Basic Mission Support—Shared Mission Support and Directed Mission Support*

- a. Basic mission support of adopted budgets is foundational to the Churchwide Funding Plan. Any gift, whether shared or directed mission support, will be acknowledged as meeting mission support commitments.
- b. All gifts to adopted budgets will be reported on a regular basis to the appropriate governing bodies within the mission receiving and reporting system. Such reporting will identify the governing body or other contributor (e.g., Presbyterian Women or the Presbyterian Foundation) that is directing the gift, as well as the general or specific purpose of the gift.
- c. Directed mission support will be applied first to designated budget items and may not exceed 80 percent of any such item. Shared mission support will be applied to all items within approved budgets after directed mission support has been applied to designated budget items (see Appendix A, Churchwide Funding Plan, II. Churchwide Mission Support, Item G.4.a).
- d. Should directed mission support reach the 80 percent level, the receiving governing body must consult with a donor or contributor regarding
 - (1) possible redirection of the gift to a different, but related purpose within the budget;

(2) redirection of the gift through other specific appeals to a validated project or purpose beyond the budget;
and

(3) returning the gift to the contributor or donor.

e. Note: During its July 12, 1995, meeting, the General Assembly Council rescinded paragraph 33.162 of Appendix A of the *Organization for Mission*, Part Four, Recommendations, II. Churchwide Mission Support, Item D.1.e.

2. *Criteria for Participation in Special Offerings*

a. Churchwide special offerings will provide valuable mission interpretation opportunities.

b. Churchwide special offerings will enable the church to meet traditional and ongoing needs in relationship to the total mission priorities of the church, always proclaiming the name of Jesus.

c. Causes included in special offerings will have demonstrated potential for churchwide donor support.

d. Causes included in a special offering will specifically define the needs to be met; plans will be provided for funds' allocation, program implementation, and accountability.

e. Causes grouped within the same churchwide special offering will have a focussed mission purpose.

f. Special offering promotions within the comprehensive mission funding strategy will occur in a central promotion office rather than within programmatic entities.

g. Costs of promoting and receiving each churchwide special offering will be paid from receipts of the offering. After deducting each offering's costs from total receipts, restricted and unrestricted, of that offering, all receipts will then be considered permanently restricted, and will be used only for the purposes for which they were given. Each offering's costs will be determined by the GAC through its regular budget process.

h. Start-up costs for new or significantly revised special offerings will be advanced from existing GAC funds and amortized over the succeeding five years.

i. Promotion materials for a special offering will relate to the liturgical season in which the offering is received.

j. Any change in the pattern of distribution of a special offering will require an eighteen-month time period before becoming effective to allow adequate time for development and distribution of promotion materials.

k. There will be no more than four churchwide special offerings in any given calendar year. The General Assembly will identify times for the promotion and receipt of offerings.

l. On a six-year cycle, the General Assembly Council will provide for review and evaluation of the causes supported by churchwide special offerings and will consider new causes in light of established criteria and current mission priorities. Between reviews, if an offering lacks support, the GAC will provide a process for review.

m. It is important for the continuity of operations that some programs funded by churchwide special offerings maintain operation reserves. However, it is not the purpose of special offerings to develop or augment reserves. Beginning in 2001, each General Assembly will assign one of its committees to review the appropriateness of reserves accumulated from special offerings.

n. The agencies receiving churchwide special offering funds will prepare annual reports on the uses of those funds for the General Assembly.

o. Special offerings will not be used to supplement funding for programs included in ongoing basic mission support.

p. Special offerings will not be used to create funding for a cause when a similar program already exists.

3. *Other Specific Appeals*

a. Other specific appeals include the Theological Education Fund, special campaigns or gifts (national, regional, or local), Emergency Relief Alerts (national, regional, or local), and additional giving opportunities.

(1) The Theological Education Fund is a unique type of an annual specific appeal to sessions through the 1% Plan as approved by the 198th General Assembly (1986).

(2) Special time-limited campaigns approved by one or more governing bodies are essential for meeting capital needs and achieving other mission purposes. These require governing body approval and may include needs across governing body lines with advance concurrence of other appropriate governing bodies.

(3) Emergency Relief Alerts enable persons to respond compassionately to emergency needs, such as natural disasters of large proportion or other crises. The General Assembly Council will authorize a process for issuing national Emergency Relief Alerts, providing timely information indicating how church funds are being used to meet the emergency and how individuals and sessions may contribute additional funds to meet such needs. There may be occasions when sessions, presbyteries, or synods will issue Emergency Relief Alerts in response to more localized emergencies.

(4) Additional giving opportunities provide a way for contributors or donors to support mission not funded by adopted budgets.

(a) A validation process that maintains the integrity of the church's mission will be used to identify such opportunities. Whenever possible, such opportunities will be promoted jointly by governing bodies beyond the session through a program of additional giving opportunities.

(b) Contributors or donors desiring to support validated mission beyond established budgets may do so through additional giving opportunities up to whatever limits have been set by a more inclusive governing body. Concurrence in the purpose of the gift by the receiving governing body or agency is required.

(c) An effective additional giving program depends on significant sharing of information about adopted budgets and additional giving opportunities.

b. All campaigns for other specific appeals shall identify in advance the anticipated administrative costs that may be charged to receipts. A governing body that designates an other specific appeal may apply a charge, not to exceed an agreed upon percentage, against other specific appeals receipts to cover actual costs of promoting, receiving, and disbursing funds. Contributors and donors will be informed of the actual percentage. The General Assembly Council shall determine the cost of communicating national Emergency Relief Alerts and may authorize a charge against receipts with this charge being reported for each specific appeal.

c. Acknowledgment of receipt of gifts to all validated projects or agencies will be made to the contributor or donor by the receiving governing body or validating agency in a timely manner, including concurrence in the purpose of the gift (see further at Appendix A, Churchwide Funding Plan, II. Churchwide Mission Support, Item G.2.)

d. All recipients of validated mission funds are responsible for reporting all gifts received directly from Presbyterian contributors or donors to the validating governing body.

E. *Governing Body Partnership Support*

1. The General Assembly Council, synods, and presbyteries provide a process for supporting the special needs of other governing bodies. This pattern of funding is called Governing Body Partnership Support.

2. Each governing body will define, fund, and administer its mission consistent with its authority and will at the same time have a responsibility to support financially the mission of the whole church. Any governing body may request partnership support. Guidance in the distribution of funds, including partnership support, will be developed through a consultation process among the governing bodies involved.

3. Partnership Support may be for use within the total mission budget of a governing body or for a particular program, project, or staff position. It shall be included in the budget of the General Assembly, and may be included in the budgets of synods, presbyteries, and sessions to be made available within or across boundaries to other governing bodies through the consultations noted in Appendix A, Churchwide Funding Plan, II. Churchwide Mission Support, Item E.2. Partnership Support requires governing bodies that include partnership support in their budgets to develop criteria and procedures for allocation of such funds to other governing bodies.

4. The coordination of basic mission support and governing body partnership support will be accomplished through consultations.

F. *Validation of Mission*

1. Validated mission is any project or program within the bounds of and approved by formal action of a session, presbytery, synod, or General Assembly that is consistent with the responsibilities assigned by the Form of Government, whether or not it is funded from the adopted budget of the governing body. Validated mission should cohere with the great ends of the Church (*Book of Order*, G-1.0200) and is determined in accord with "The Church and Its Mission" (*Book of Order*, G-3.0000) and the following provisions of the *Book of Order*.

The session is responsible for the mission and government of the particular church. It therefore has the responsibility and power . . . to lead the congregation in participation in the mission of the whole church in the world, in accordance with G-3.0000. (G-10.0102, G-10.0102b)

The presbytery shall have a presbytery general mission budget to support the church's mission within its area. As the presbytery raises and expends these funds, it shall do so in light of the priorities of the whole church. The presbytery shall make its plans and determine its general mission budget after receiving recommendations from the synod and in light of the comprehensive strategy of the whole church as represented in the synod and the General Assembly (G-11.0304)

Synod is the intermediate governmental unit responsible for the mission of the church throughout its region. It therefore has the responsibility and power . . . to develop, in conjunction with its presbyteries, a broad strategy for the mission of the church within its bounds in accord with G-3.0000 [and] to initiate mission through a variety of forms in light of the larger strategy of the General Assembly. (G-12.0102–G-12.0101b)

The General Assembly constitutes the bond of union, community, and mission among all its congregations and governing bodies. It therefore has the responsibility and power . . . to set priorities for the work of the church in keeping with the church's mission under Christ as described in G-3.0000 [and] to develop overall objectives for mission and a comprehensive strategy to guide the church at every level of its life. (G-13.0103–G-13.0103b)

Each governing body shall consult through appropriate representatives with governing bodies below and above it concerning mission priorities, program, budgeting, the establishment of administrative staff positions, equitable compensation, personnel policies, and fair employment practices. (G-9.0404b)

2. Each and all governing bodies serve the mission of the whole church and thereby appropriately validate mission. Such validated mission may be commended to others but does not require their concurrence or support.

3. Validated mission may be within or beyond governing body budgets.

a. Validated Within Budget—projects or programs included in the adopted budget of a session, presbytery, synod, or the General Assembly, including projects that will be funded with shared mission support and directed mission support.

b. Validated Beyond Budget—projects or programs not included in adopted budgets, but validated by action of a session, presbytery, synod, or the General Assembly. The validating governing body may specify dollar and/or time limitations.

G. *Unrestricted and Restricted Giving*

1. For the purposes of Appendix A, the following definitions of designators, contributors, and donors are observed.

a. Designations may be made only by governing bodies. A designator has received funds from a contributor or donor and applies such funds to designated budget categories or items. A designator must be a governing body.

b. Contributors can be donors, governing bodies, or other sources of income. Contributors may make unrestricted or restricted gifts.

c. The term donor applies to persons or entities whose gifts are eligible for a tax deduction. Donors may make restricted gifts consistent with IRS regulations and acceptable to the receiving entity. Restrictions must be agreed to prior to the completion of the gift.

2. For the purposes of Appendix A, unrestricted giving and restricted giving are defined as follows:

Restricted giving refers to gifts with restrictions by a contributor or donor for use in support of a validated project, budget category, or appeal. The processing of restricted gifts will comply with the standards established by the Financial Accounting Standards Board (FASB). Unrestricted giving refers to gifts without restrictions received for the overall support of a validated project, budget category, or appeal.

a. Unrestricted giving remains foundational in the Churchwide Funding Plan. Through unrestricted giving, individuals and governing bodies share in support of the whole mission and ministry in which the church engages.

b. Restricted giving, such as directed mission support, churchwide special offerings, and other specific appeals, is a valuable and important method of adding to unrestricted giving. Contributors wishing to use restricted giving are encouraged first to choose projects or categories within adopted budgets through directed mission support. Special offerings and other specific appeals are always restricted by their stated purpose.

(1) Each level in the financial system must handle funds according to the donor's intention in giving the gift. If the intent cannot be honored, the gift must be returned.

(2) Clarity in this regard may on occasion require conversation and/or negotiation with donors even beyond the level where the gift is first received.

c. Restrictions on the use of gifts may come from a donor or a governing body making the gift but always require concurrence by the governing body or validated nonprofit agency receiving the gift.

(1) A donor must relinquish control of a gift or it does not qualify for tax preference treatment and the receiving organization jeopardizes its tax-exempt status.

(2) When restricted gifts are accepted, they will always be used for the restricted purpose within designations approved by the governing body.

3. The obligations of designators are to

a. honor restrictions that have been accepted or to consider permitting additional support of a project beyond its approved budget;

b. ensure conformity with all applicable civil law;

c. report back to all donors and contributors;

d. disburse money received in a timely fashion;

e. accept only those gifts that are for validated mission; and

f. contact all donors or contributors if restricted giving cannot be used according to its restrictions—if restrictions cannot be met and the donors or contributors do not agree to the use of funds for other purposes, the gifts are to be returned to the donor.

4. *Budgeting and Equalization*

a. Funding of approved budgets is accomplished as follows:

(1) Restricted funds are applied first to the appropriate budget items (see further at Appendix A, Churchwide Funding Plan, Item II.D.1.c.)

(2) Unrestricted funds are then applied toward fulfillment of all budget items.

(3) This use of unrestricted funds provides for equalization within a governing body's budget. This process supports the orderly planning and budgeting decisions of governing bodies while honoring appropriate restrictions and designations.

b. Sessions are encouraged to follow the division of mission support commitments adopted by their presbyteries and to use directed mission support within those division agreements. If a session does not follow these division agreements, a presbytery may seek to fulfill agreements through use of unrestricted funds—provided that such a policy is communicated to its sessions. This use of unrestricted funds provides for equalization among governing bodies. Churchwide special offerings and other specific appeals may not be used to fulfill mission support commitments and are not subject to equalization.

c. Restricted giving and orderly planning and budgeting may at times result in conflict within and among governing bodies. The *Book of Order* states:

All governing bodies of the church are united by the nature of the church and share with one another responsibilities, rights, and powers as provided in this Constitution. The governing bodies are separate and independent, but have such mutual relations that the act of one of them is the act of the whole church performed by it through the appropriate governing body. (G-9.0103)

Therefore, such conflict needs to be acknowledged and resolved openly among all involved parties.

H. *Collection, Reporting, and Audits*

1. *Collection and Transmittal of Funds*

a. The General Assembly will maintain a central receiving and transmittal site for funds. Any presbytery or synod may provide for its own receipt and transmittal of funds, if appropriate standards and protocols are observed (see Appendix A, Churchwide Funding Plan, Item II.C.5.f.).

b. The General Assembly will provide and maintain software that offers a standardized framework for the processing and reporting of gifts.

c. The General Assembly will recommend cash management procedures to maximize the use of the church's funds.

d. The General Assembly will observe the following minimum standards for its operations. It is expected that any presbytery or synod operating a receiving and transmittal site will also adopt and adhere to these same standards for its operations:

(1) Utilize a "simple language" model remitting form for contributors or congregations.

(2) Provide a detailed receipt to a contributor or congregation for all money received.

(3) Close monthly and remit funds received within fifteen days of each closing.

(4) Utilize the Federal Reserve system to expedite the transfer of funds whenever and wherever possible.

(5) Use a standardized, detailed transmittal format for transmitting data and funds electronically between presbyteries, synods, and the General Assembly.

(6) Maximize cash management earnings on the church's funds received.

2. Reporting

Accurate and complete church-by-church reporting engenders trust in the entire financial system. Such reporting also is necessary so persons and groups at all levels can plan and forecast adequately. The responsibilities for providing the whole church with financial information require the following:

a. Each receiving and transmittal site will be responsible for obtaining with remittances the detailed information required for disbursement.

b. Each presbytery and synod that operates its own receiving and transmittal site will report all giving on an approved information transmittal form to the General Assembly site no later than fifteen working days after the monthly closing.

c. It is recommended that each receiving site give serious consideration to the implementation of the software developed by the General Assembly for processing and transmitting information between presbyteries, synods, and the General Assembly.

d. The General Assembly site will furnish to every presbytery and synod a quarterly information report on a church-by-church basis. This quarterly report will provide information for churches within a synod or presbytery bounds on all funds received by it for presbytery, synod, and General Assembly, regardless of the primary receiving and transmittal site.

e. The General Assembly site will furnish, in cooperation with the presbyteries, at least quarterly and not more often than monthly, an information report to every presbytery showing the agreed upon distribution of dollars (including the presbytery's mission support commitments) between the presbytery, synod, and the General Assembly as compared to the actual funds received. Should discrepancies exist, the General Assembly site will work with the reporting site to clarify and to effect the necessary changes and/or corrections.

3. Internal Audit

The General Assembly Council will establish an internal audit function involving a broad variety of audit services. Included among these are

a. reviewing the reliability and integrity of financial information and how that information is identified, measured, classified, and reported;

b. reviewing the effectiveness and efficiency of particular financial management functions such as, but not limited to, purchasing, transportation expenses, and overtime analysis;

c. providing assistance to the external auditor in examining financial statements in order to hold down the cost of external audits and to improve the techniques of financial reporting;

d. reviewing established financial control systems for efficiency and compliance;

e. reviewing compliance with financial policies and procedures;

f. reviewing financial statements contained in the annual report with management and the independent auditors to determine that the independent auditors are satisfied with the disclosure and content of the financial statements;

g. reviewing and recommending to the board of directors of the Presbyterian Church (U.S.A.), A Corporation, the independent auditors to be selected to audit the financial statements of the corporation; and

h. reporting of the Internal Audit Committee directly to the General Assembly Council during the Mission Support Services Committee's report.

GENERAL ASSEMBLY BUDGET DEVELOPMENT

A. *Mission Budget Cycle*

The Mission Budget will be developed in budget cycles. Each budget cycle will consist of two consecutive calendar years, where the first year is the year following a biennial General Assembly meeting (e.g., 2004 General Assembly, 2005/2006 budget cycle). A separate budget will be developed for each year within the cycle.

B. *Basic Mission Direction*

1. The GAC Executive Committee will recommend to the General Assembly Council a basic mission direction for the budget cycle.
2. The Ministries Divisions will develop mission proposals that will advance the mission direction.
3. The General Assembly Council will recommend to the General Assembly a basic mission direction for the budget cycle.

C. *The Proposed Budget*

1. At the first General Assembly Council meeting of the year prior to the budget cycle (e.g. February of 2004 for the 2005/2006 budget cycle), the Executive Committee will present to the Council, for comment, a basic mission direction. At the second General Assembly Council meeting of the year prior to the budget cycle (e.g. May of 2004 for the 2005/2006 budget cycle), the Executive Committee will present to the Council a budget display that supports the mission direction and church-wide mission goals.

2. At its second meeting of the year prior to the budget cycle, (e.g., May of 2004 for the 2005/2006 budget cycle), the General Assembly Council will review the budget presented by the Executive Committee and recommend to the General Assembly a proposed budget for the budget cycle that embodies the mission direction recommended earlier and describing the work to be added or deleted as part of the recommendation. The Executive Committee will recommend a budget if, for any reason, the General Assembly Council does not make a recommendation.

3. At the General Assembly one year before the budget cycle (e.g., 2004 General Assembly for the 2005/2006 budget cycle), the appropriate assembly committee of the General Assembly will receive the report of the mission direction and the proposed budget for review, incorporating its own decisions about programmatic activity.

4. The appropriate assembly committee of the General Assembly will recommend a balanced budget for each year in the budget cycle, incorporating work from the proposed budget and overtures, commissioners' resolutions, and other actions of the General Assembly, for approval as the outline of work for the budget cycle. The General Assembly Council will then make appropriate adjustments.

5. The General Assembly may, of course, make independent decisions to add or subtract any element to or from proposed budgets.

D. *The Detailed Budget*

1. *Detailed Budget Development*

a. Following the General Assembly and under the leadership of the Executive Committee, detailed implementation for the mission direction as approved by the General Assembly will be outlined, and work responsibility assigned.

b. Under the management of Mission Support Services and with specific involvement by the Ministries Divisions, a detailed budget proposal that encompasses the work approved by the General Assembly will be developed for each year in the budget cycle, reflecting both its development by budget unit (office) and its relationship to structural assignments.

2. *Approval of the Detailed Budget*

At its third meeting of the year prior to each budget year (e.g., September 2005 for the 2006 budget year), the General Assembly Council will review both the detailed budget for the following year and the most up-to-date financial information. The General Assembly Council will review the adequacy of the Executive Committee's response to the General Assembly

directives in the adopted budget and, after any necessary changes, approve the detailed budget for the following year with particular expenditures by organizational entity displaying both budget units (offices) and relatedness to the basic mission direction.

E. Budget Monitoring

1. The General Assembly Council will monitor the accomplishment of the mission direction and the appropriate expenditure of funds throughout the budget cycle.

2. The General Assembly Council will report to each biennial General Assembly on the results of the work undertaken during the previous two budget years (e.g., 2006 General Assembly for budget years 2004 and 2005), including full disclosure of the financial results of each year and other information related to the financial condition of the church. These two budget years will not be within the same budget cycle.

F. Roles and Responsibilities in Developing Budgets

1. The General Assembly does the following:

a. Determines churchwide mission goals upon which budget development will be based.

b. Has the authority to institute and terminate programmatic emphases and activity.

c. Upon recommendation from the General Assembly Council, approves both the General Assembly Mission Budget and Program and the Per Capita Budget.

2. The General Assembly Council does the following:

a. Implements General Assembly decisions regarding (1) mission goals and (2) programmatic activity.

b. After appropriate consultation (see Appendix A, Churchwide Funding Plan, Item II.C.5.b.) recommends mission direction for each budget year to the General Assembly.

c. Presents the budget to the General Assembly.

d. Approves detailed budgets based upon General Assembly Action.

e. Oversees programmatic activity funded through the General Assembly Mission Budget and Program and General Assembly Council related work from the Per Capita Budget.

3. The Executive Director is responsible for the following:

a. Manages the process for budget development.

b. Prepares budget presentations for both the General Assembly Council and the General Assembly.

4. Ministries Divisions are responsible for the following:

a. Prepare descriptions of programmatic activities in appropriate form for budget consideration, reflecting the adopted mission goals.

b. Develop detailed budgets based on budget allocations made by the General Assembly and as instructed by the General Assembly Council.

G. Per Capita Budget

The General Assembly Council and the Committee on the Office of the General Assembly (COGA) jointly have responsibility for developing a per capita budget and apportionment for recommendation to the General Assembly. The per capita budget will be prepared using timelines similar to those for the General Assembly mission budget.

MISSION SUPPORT SERVICES

Mission Support Services is accountable to the Executive Director and carries out the following responsibilities.

1. To provide accounting and reporting services for

a. the General Assembly Council, its Ministries Divisions, and certain related bodies and committees;

- b. the Office of the General Assembly;
 - c. other entities as requested on a fee-for-service basis; and
 - d. synod, presbytery, and session finance officers, as appropriate.
2. To perform and establish policies and procedures for the following functions of
 - a. controller/financial accounting controls, general ledger maintenance, general accounting, financial reporting, accounts payable, accounts receivable, church and student loans, payroll, budgeting, fixed asset management, overseas accounting, central travel accounting, royalty accounting, inventory control, and project accounting;
 - b. treasury/central receiving service, bank relations and services, overseas treasury service (as appropriate), foreign exchange, short-term investments, working capital/cash management, and endowment and revenue accounting;
 - c. financial planning, capital planning and economic forecasting, and financial modeling;
 - d. property maintenance and management including acquisitions, gifts, leases, and dispositions, purchasing and print services, and mail services;
 - e. establishing standards for receiving sites throughout the church in consultation with other parts of the church;
 - f. distribution management services, including order processing, customer services, warehousing, and shipping.
 3. To ensure that no payment of any expenditure is made in excess of the total budget approved by the General Assembly Council. Ultimately, it is the Ministries Division director's responsibility to ensure that expenditures are within the approved budget before commitments are made.
 4. To maintain all financial records and prepare monthly reports to the General Assembly Council and the Ministries Divisions.
 5. To prepare and present the annual report of the financial position and operations of the General Assembly that will be audited by a certified public accountant and presented to the General Assembly.

Appendix B

198th General Assembly (1986) of the Presbyterian Church (U.S.A.)

Deliverance Implementing a Design for the Corporate Structure of Certain Agencies of the General Assembly

[Adopted June 17, 1986, modified by the 199th General Assembly (1987)* and the 214th General Assembly (2002)]

Whereas, Article 5.4 of the Articles of Agreement of the Plan for Reunion between the Presbyterian Church in the United States and The United Presbyterian Church in the United States of America (the "reuniting Churches") to form the Presbyterian Church (U.S.A.) (the "Articles of Agreement") directs the General Assembly Council to develop and propose to the General Assembly a design for the work of the General Assembly which will effectively relate the functions, divisions, agencies, councils, commissions, and institutions of the General Assemblies of the reuniting Churches not otherwise provided for in the Articles of Agreement, except an agency for pensions provided for in Article 11 of the Articles of Agreement (the "Pension Corporation"), and

Whereas, Section G-13.0103h of the Form of Government of the Presbyterian Church (U.S.A.) provides that the General Assembly has the responsibility and power to establish and superintend the agencies necessary for the work of the General Assembly; and

Whereas, the General Assembly Council, on the recommendation of its Committee on Finance and its Committee on Mission Design, has recommended to this 198th General Assembly (1986) a new design for the structure and operations of the corporate agencies of the General Assemblies of the reuniting Churches, other than the Pension Corporation; and

*[From *Structural Design for Mission*]

Whereas, Article 1.9 of the Articles of Agreement provides that each and every policy statement adopted at the direction of the General Assembly of either of the reuniting Churches shall have the same force and effect in the reunited Church as in the Church in which adopted until rescinded by action of the General Assembly of the reunited Church; and

Whereas, the 184th General Assembly (1972) of the United Presbyterian Church in the United States of America enacted a deliverance (the “1972 Deliverance”) which is inconsistent with the policy and structure recommended by the General Assembly Council to this 198th General Assembly (1986); and

Whereas, Article 2.1 of the Articles of Agreement provides in part that the trustees and corporate structures of the General Assemblies of the reuniting Churches, together with all property, real and personal, held by them are to be clearly identified as trustees, corporate structures, and property of the reunited Church; and

Whereas, Article 2.2 of the Articles of Agreement provides in part that the continuity and integrity of all funds held in trust by such trustees or corporations shall be maintained, and the intention of the settlor or testator as set out in the trust instrument shall be strictly complied with; and

Whereas, this 198th General Assembly (1986) intends to implement the recommendations of the General Assembly Council relating to the structure and operations of the corporate agencies of the General Assemblies of the reuniting Churches, other than the Pension Corporation, and to rescind all inconsistent enactments of the General Assemblies of either of the reuniting Churches;

Therefore, be it enacted by the 198th General Assembly (1986) of the Presbyterian Church (U.S.A.) as follows:

Establishment of Central Treasury Corporation and Related Matters

Section 1. (a) *Central Treasury Corporation established.*—There shall be established at the close of business on December 31, 1986, as a separate corporate agency of the General Assembly a resulting nonmembership corporation to be known as PRESBYTERIAN CHURCH (U.S.A), A CORPORATION (the “Central Treasury Corporation”) to be incorporated under the laws of the Commonwealth of Pennsylvania by division from THE UNITED PRESBYTERIAN CHURCH IN THE UNITED STATES OF AMERICA, A CORPORATION, a corporation incorporated on March 28, 1799, by act of the General Assembly of the Commonwealth of Pennsylvania (the “Fiduciary Corporation”). The Fiduciary Corporation shall be a membership corporation and the Central Treasury Corporation shall hold the sole membership (which shall be nonvoting) in the Fiduciary Corporation.

(b) *Continuity and status.*—It is the intent and understanding of the General Assembly that both corporations, the Central Treasury Corporation and the Fiduciary Corporation, resulting from the corporate division contemplated by this deliverance, shall continue as surviving corporations of the original corporation from which the division and separation occurs; that the history and origin of each is from the origin of the dividing corporation, namely, March 28, 1799; that the titles and interests in property allocated to each at the time of the division and separation shall be deemed to be continuations of the same from the time originally acquired; that the trusteeships and other fiduciary relationships, licenses, rulings, and privileges of and issued to the dividing corporation shall be deemed to continue in the Fiduciary Corporation and, to the extent relevant to its purposes and activities as contemplated by this deliverance, in the Central Treasury Corporation. The General Assembly affirms and declares that each of the resulting corporations, the Central Treasury Corporation and the Fiduciary Corporation, is and shall be an integrated auxiliary and a part of the Presbyterian Church (U.S.A.). The substance of the foregoing shall be made explicit in the appropriate corporate documents relating to the division of the original corporation into two resulting corporations.

(c) *Transitional arrangements.*—On or before January 1, 1987, the trustees of the Fiduciary Corporation shall take such corporate action as shall be requisite to effect the following changes in the articles of incorporation of the corporation:

(1) To change the corporate name of the corporation to PRESBYTERIAN CHURCH (U.S.A.) FOUNDATION.

(2) To remove such provisions required by the 1972 Deliverance as shall be inconsistent with the Articles of Agreement or the policy and design approved and implemented by this deliverance.

(3) To effect such other revisions as may be necessary or appropriate to implement this deliverance.

(d) *Forms of Articles and Bylaws.*—The articles of incorporation and initial bylaws of the Central Treasury Corporation and the Fiduciary Corporation shall be in substantially the form submitted to and approved by the 198th General Assembly (1986), with such changes therein as may be approved by the General Assembly Council or by an authorized committee thereof.

(e) *Foundation and Constituent Corporations.*—The board of trustees of the Fiduciary Corporation shall maintain a continuous review of the need to continue the corporate existence of the “constituent corporations” as that term is defined in Section 1(b) of the 1972 Deliverance, and all similar corporations hereafter affiliated with the Fiduciary Corporation, including THE PRESBYTERIAN FOUNDATION, INC. (U.S.), a corporation incorporated on February 19, 1866, by act of the General Assembly of the State of North Carolina (the “Presbyterian Foundation, Inc. (U.S.)”) (all of which corporations are collectively referred to in this deliverance as the “Foundation Constituent Corporations”), and shall cause each Foundation Constituent Corporation to be merged with and into the Fiduciary Corporation at as early a date as is deemed feasible and appropriate.

Central Treasury Corporation

Section 2. (a) *Corporate charter.*—The articles of incorporation of the Central Treasury Corporation shall provide for its governance and subordination to the General Assembly and the General Assembly Council to substantially the following effect:

The management and disposition of the affairs and property of the corporation shall be vested in directors, who shall be selected from time to time in such number and manner and for such terms as the General Assembly of the Presbyterian Church (U.S.A.) (the “General Assembly”) may determine. Any or all of such directors may be removed or the number of such directors may be increased or decreased at any time by the General Assembly or by any officer or agency thereof thereunto duly authorized, and successor or additional directors shall be selected in the manner determined by the General Assembly. All the business and affairs of the said corporation shall be conducted by the directors under and subject to the direction of the General Assembly, or of any officer or agency thereof thereunto duly authorized, so far as such direction shall be lawful and in accordance with the constitution of the Presbyterian Church (U.S.A.) and the laws of the Commonwealth of Pennsylvania and of the United States of America. No material change shall be made in these articles of incorporation without the prior approval of the General Assembly.

~~(b) *Governing Board.*—(1) The members of the Board of directors of the Central Treasury Corporation shall be selected and may be removed as follows:~~

~~(i) The members of the Finance Committee, or its successor, of the General Assembly Council shall, by virtue of their offices be directors of the Central Treasury Corporation. At all times the members of the Finance Committee or its successor shall constitute at least a majority of the directors in office of the Central Treasury Corporation.~~

~~(ii) Other members of the board of directors of the Central Treasury Corporation may be elected or removed by the General Assembly Council. Such at large members shall be elected by the General Assembly Council for three year terms after consideration of the recommendations of the board of directors of the Central treasury Corporation, subject to confirmation by the General Assembly, and each person so elected shall be eligible to serve one additional term. A person elected to an unexpired term shall be eligible to serve only one additional three year term.~~

~~(iii) At least two members of the board of directors of the Central Treasury Corporation elected under Section 2(b)(ii) of this deliverance shall be trustees of the Fiduciary Corporation.~~

~~(2) The persons from time to time serving as directors of the Central treasury Corporation shall, by virtue of their offices, be the directors or trustees of any Treasury Constituent Corporations, as hereinafter defined.~~

~~(c) *Executives.*—As provided by G-9.0703 of the Form of Government of the Presbyterian Church (U.S.A.), the board of directors of the Central Treasury Corporation, with the concurrence of the General Assembly Council, shall elect a Treasurer and may elect other executives, for a term of four years, subject to confirmation by the General Assembly. The Treasurer and any other executives shall be eligible for reelection. The board of directors of the Central Treasury Corporation shall cause the Treasurer, who shall be the chief executive officer of the Central Treasury Corporation, to be accountable to the Executive Director of the General Assembly Council, or to such other person as may succeed to the functions of that position.⁵~~

(d) *Functions*—Subject to any inconsistent provision of the Articles of Agreement or the Form of Government of the Presbyterian Church (U.S.A.) and subject to the lawful directions from time to time of the General Assembly or the General Assembly Council or of any officer or agency thereof thereunto duly authorized, the Central Treasury Corporation shall from and after January 2, 1987:

(1) Receive and hold all property, real and personal, and income thereon, as may be held, given to, or otherwise acquired by the Presbyterian Church (U.S.A.) or by either of the reuniting Churches, except such as is held by or

⁵Superseded by Section 1 of the 1994 Deliverance.

hereafter given to a particular church, a presbytery, a synod, or another agency as contemplated by Chapter VIII and other provisions of the Form of Government of the Presbyterian Church (U.S.A.), by the Pension Corporation, or by the Fiduciary Corporation. Property heretofore or hereafter given to the Presbyterian Church (U.S.A.) subject to restrictions on use or disposition, by trust or otherwise, shall be received and held by the Fiduciary Corporation as provided by Section 3(d)(1) of this deliverance.

(2) Maintain and manage all real properties and tangible personal property held by the Corporation including the sale, rental, lease or assigned use, and insuring of all such property. See Section 3(d)(1) of this deliverance, which authorizes the Fiduciary Corporation to hold certain investment properties.

(3) Subject to the general investment policies adopted from time to time by the General Assembly, effect short-term investments of temporarily surplus funds, and transfer to the Fiduciary Corporation such surplus operating funds as may be designated for medium and long-term investment in the manner provided by Section 4(b) of this deliverance.

(4) Act as disbursing agent for the funds and property held by the corporation or the Fiduciary Corporation as provided by Section 3(d)(4) of this deliverance and, at the request of the Pension Corporation, a particular church, a presbytery, a synod, or another agency within the Church and, if agreeable to the corporation, for funds and property of any of such corporations or other entities.

(5) Provide accounting and reporting with respect to all of the foregoing.

(6) Provide such other financial and related services as the General Assembly or the General Assembly Council may direct or approve.

(e) *Reporting responsibility.*—The Central Treasury Corporation shall report to the General Assembly Council.

(f) *Title to tangible property.*—Except as otherwise provided in this subsection, from and after January 2, 1987, legal title to all tangible property, real and personal, purchased or otherwise acquired by or on behalf of the General Assembly or any agency thereof, except the Pension Corporation, shall be taken in the name of the Central Treasury Corporation and a report thereof made to the Central Treasury Corporation in the manner provided by that corporation. The fiduciary Corporation may acquire in its own name such office equipment and other tangible property as may be incidental to its functions and may hold title to any tangible property, real or personal, acquired by it and held for investment. Real and personal property located without the United States of America may be acquired in such name as the board of directors of the Central Treasury Corporation may find to be required by or consistent with the laws and practices of the civil authorities having jurisdiction thereof.

(g) *General Assembly Mission Board.*—The directors of the Central Treasury Corporation and of the GENERAL ASSEMBLY MISSION BOARD OF THE PRESBYTERIAN CHURCH IN THE UNITED STATES, INC., a corporation incorporated on April 5, 1973, under the laws of the State of Georgia (the “Mission Board”), shall take such corporate action as shall be requisite to cause, effective with the commencement of business on January 2, 1987, the Mission Board to be affiliated with the Central Treasury Corporation in the same manner as the Foundation Constituent Corporations are affiliated with the Fiduciary Corporation, and the terms of the office of the present directors of the Mission Board shall then expire. Concurrently the Central Treasury Corporation shall cause the former operations of the Mission Board to be transferred to other General Assembly agencies in a manner consistent with the actions of this 198th General Assembly (1986) or, in the absence thereof, in the manner prescribed by the General Assembly Council, and all assets acquired from and liabilities of the Mission Board to be allocated between or administered by the Central Treasury Corporation and the Fiduciary Corporation in the manner provided by this deliverance.

(h) *Retiring Mission Board director responsibility.*—From and after January 2, 1987, persons who theretofore were directors of the Mission Board shall be accountable and responsible, as such directors, only for acts, omissions, or transactions of or relating to the Mission Board done or omitted to be done on January 1, 1987, or prior thereto, and shall not be accountable or responsible, as such directors, for any acts, omissions, or transactions done or omitted to be done from and after January 2, 1987, by their successors in office.

(i) *Presbyterian Publishing House.* The directors of the Central Treasury Corporation and of the PRESBYTERIAN PUBLISHING HOUSE OF THE PRESBYTERIAN CHURCH (U.S.A.), a corporation incorporated on November 17, 1981, under the laws of the State of Georgia (the “Publishing House”), shall take such corporate action as shall be requisite to cause effective with the commencement of business on January 2, 1987, the Publishing House to be affiliated with the Central Treasury Corporation in the same manner as the Foundation Constituent Corporations are affiliated with the Fiduciary Corporation, and the terms of office of the present directors of the Publishing House shall then expire. Concurrently the Central Treasury Corporation shall cause the former operations of the Publishing House to be transferred to other General

Assembly agencies in a manner consistent with the actions of this 198th General Assembly (1986) or, in the absence thereof, in the manner prescribed by the General Assembly Council. All assets and liabilities of the Publishing House, including Presbyterian Survey, shall be administered by the Central Treasury Corporation and shall be allocated between the Publishing House and the Central Treasury Corporation in the manner prescribed by the General Assembly Council or any authorized committee thereof.⁶

(j) *Retiring Publishing House director responsibility.*—From and after January 2, 1987, persons who theretofore were directors of the Publishing House shall be accountable and responsible, as such directors, only for acts, omissions, or transactions of or relating to the Publishing House done or omitted to be done on January 1, 1987, or prior thereto, and shall not be accountable or responsible, as such directors, for any acts, omissions, or transactions done or omitted to be done from and after January 2, 1987, by their successors in office.

(k) *The Hubbard Press.*—The directors and trustees of the Central Treasury Corporation and of THE HUBBARD PRESS, a corporation incorporated on June 29, 1949, under the laws of the State of Ohio (“Hubbard Press”), shall take such corporate action as shall be requisite to cause, effective with the commencement of business on January 2, 1987, the Hubbard Press to be affiliated with the Central Treasury Corporation in the same manner as the Foundation Constituent Corporations are affiliated with the Fiduciary Corporation, and the terms of office of the present trustees of the Hubbard Press shall then expire. Concurrently the Central Treasury Corporation shall cause the former operations of the Hubbard Press to be transferred to other General Assembly Agencies in a manner consistent with the actions of this 198th General Assembly (1986) or, in the absence thereof, in the manner prescribed by the General Assembly Council. All assets and liabilities of the Hubbard Press shall be administered by the Central Treasury Corporation and shall be allocated between the Hubbard Press and the Central Treasury Corporation in the manner prescribed by the General Assembly Council or any authorized committee thereof.

(l) *Retiring Hubbard Press trustee responsibility.*—From and after January 2, 1987, persons who theretofore were trustees of the Hubbard Press shall be accountable and responsible, as such trustees, only for acts, omissions, or transactions of or relating to the Hubbard Press done or omitted to be done on January 1, 1987, or prior thereto, and shall not be accountable or responsible, as such trustees, for any acts, omissions, or transactions done or omitted to be done from and after January 2, 1987, by their successors in office.

(m) *Ongoing Central Treasury Corporation director responsibility.*—The board of directors of the Central Treasury Corporation shall not be accountable or responsible for acts, omissions, or transactions (1) of or relating to the Mission Board, the Publishing House, or the Hubbard Press done or omitted to be done on January 1, 1987, or prior thereto, or (2) done or omitted to be done from and after January 2, 1987, in pursuance of the Form of Government of the Presbyterian Church (U.S.A.), this deliverance, or any other direction of the General Assembly or of any officer or agency thereof thereunto duly authorized.

(n) *Treasury Constituent Corporations.*—The board of directors of the Central Treasury Corporation shall maintain a continuous review of the need to continue the corporate existence of the Mission Board, the Publishing House, the Hubbard Press and any similar corporations hereafter affiliated with the Central Treasury Corporation (all of which corporations are collectively referred to in this deliverance as the “Treasury Constituent Corporations”), and shall cause each Treasury Constituent Corporation to be merged with and into the Central Treasury Corporation at as early a date as is deemed feasible and appropriate.

(o) *Transfer of Jurisdiction of Certain Corporations.*—Effective July 1, 1987, the Presbyterian Historical Society and Presbyterian Life, Inc., each of which is a Pennsylvania corporation (hereinafter referred to collectively as the “Transferred Corporation”), shall cease to be a Foundation Constituent Corporation and shall become a Treasury Constituent Corporation. This transfer shall be effected by action of the 199th General Assembly (1987) substituting for the persons then constituting the governing boards of the Transferred Corporations (the Board of Trustees of Presbyterian Church (U.S.A.) Foundation), the person then constituting the Board of Directors of Central Treasury Corporation. The former and new trustees and directors of the Transferred Corporations shall be entitled to the same limitations of liability and rights of indemnification as are provided for the trustees of the Presbyterian Foundation, Inc. (U.S.) and the Fiduciary Corporation provided by Sections 3(g) and 3(h) respectively, of this deliverance.

(p) *Historical Foundation of the Presbyterian and Reformed Churches, Incorporated.*—The members and Executive Committee (Board of Directors) of the Historical Foundation of the Presbyterian and Reformed Churches, Incorporated, a North Carolina corporation incorporated on July 18, 1927 (the “Historical Foundation”), shall take such corporate action as shall be requisite to cause, effective with the commencement of business on July 1, 1987, the Historical Foundation to be affiliated with the Central Treasury Corporation in the same manner as the Treasury Constituent

⁶Superseded by Section 2 of the 1994 Deliverances.

Corporations are affiliated with the Central Treasury Corporation. The former Executive Committee (Board of Directors) and new directors of the Historical Foundation shall be entitled to the same limitations of liability and rights of indemnification as are provided for the Trustees of the Presbyterian Foundation, Inc. (U.S.) and the Fiduciary Corporation provided by Sections 3(g) and 3(h), respectively, and the charter of the Historical Foundation shall be amended to provide for its governance and subordination to the General Assembly and the General Assembly Council in the manner provided in Section 2(a) of this deliverance. Concurrently the Central Treasury Corporation shall cause the former operations of the Historical Foundation to be transferred to General Assembly agencies in a manner consistent with the actions of the 199th General Assembly (1987) or, in the absence thereof, in the manner prescribed by the General Assembly Council.

(q) *PEDCO, Inc.*—The Board of Directors of PEDCO, INC., a Delaware corporation incorporated on November 27, 1968 (“PEDCO”), shall take such corporate action as shall be requisite to cause, effective with the commencement of business on July 1, 1987, PEDCO to be affiliated with the Central Treasury Corporation in the same manner as the Treasury Constituent Corporations are affiliated with the Central Treasury Corporation. The directors of PEDCO in office on June 30, 1987, and the new directors of PEDCO shall be entitled to the same limitations of liability and rights of indemnification as are provided for the trustees of the Presbyterian Foundation, Inc. (U.S.) and the Fiduciary Corporation provided by Sections 3(g) and 3(h), respectively, and the charter of PEDCO shall be amended to provide for its governance and subordination to the General Assembly and the General Assembly Council in the manner provided in Section 2(a) of this deliverance. Concurrently the Central Treasury Corporation shall cause the former operations of PEDCO to be transferred to General Assembly agencies in a manner consistent with the actions of the 199th General Assembly (1987) or, in the absence thereof, in the manner prescribed by the General Assembly Council.

Fiduciary Corporation

Section 3. (a) *Corporate charter.*—The articles of incorporation of the Fiduciary Corporation shall provide for its governance and subordination to the General Assembly to substantially the following effect:

The management and disposition of the affairs and property of the corporation shall be vested in trustees, who shall be selected from time to time by the General Assembly of the Presbyterian Church (U.S.A.) (the “General Assembly”), in such number, and for such terms, and who may include such a number of ex officio trustees, who shall be selected in such a manner, as the General Assembly may determine. The number of such trustees may be increased or decreased at any time by the General Assembly, and in case of an increase, the additional trustees shall be selected by or in the manner determined by the General Assembly. All the business and affairs of the said corporation shall be conducted by the trustees under and subject to the direction of the General Assembly or of any officer or agency thereof thereunto duly authorized, so far as such direction shall be lawful and in accordance with the constitution of the Presbyterian Church (U.S.A.) and the laws of the Commonwealth of Pennsylvania and of the United States of America. No material change shall be made in these articles of incorporation without the prior approval of the General Assembly.

(b) *Governing Board.*—The board of trustees of the Fiduciary Corporation shall be constituted as follows:

(1) The board of trustees of the Fiduciary Corporation shall be in such number, and for such terms, and may include such a number of ex officio trustees, who shall be selected in such a manner, as the General Assembly may determine.

~~(2) The permanent complement of the board of trustees shall consist of forty-two members elected by the General Assembly for staggered three year terms plus the Stated Clerk of the General Assembly and the Executive Director of the General Assembly Council, or such other person as may succeed to the functions of that position, ex officio. An elected trustee shall be eligible to serve two additional terms. A person elected to an unexpired term shall be eligible to serve only one additional three year term. The number of trustees of the Fiduciary Corporation may be increased or decreased at any time, as determined by the General Assembly. Any vacancy in office of elected trustee shall be filled by the General Assembly. Persons elected to the board of trustees shall be known as trustees elect from the time of their election by General Assembly through December of the year of election and their terms of office as trustees shall commence on the first day of January of the succeeding year.~~

~~(3) The elected trustees of the Fiduciary Corporation in office at the adjournment of the 199th General Assembly (1987) shall be allocated in four classes as follows: 21 trustees, 14 trustees, 14 trustees, and 14 trustees. Each trustee shall be allocated to one of these classes with regard to present terms, as follows:~~

~~(i) Twenty one trustees to a term ending December 31, 1987, with no replacements elected by the 199th General Assembly (1987).~~

~~(ii) Fourteen trustees to a term ending December 31, 1988, 14 trustees to a term ending December 31, 1989, and 14 trustees to a term ending December 31, 1990, with a General Assembly Permanent Nominating Committee to nominate (in addition to nominations to fill interim vacancies in the classes described in this subparagraph) under G 13.0111~~

~~of the Form of Government of the Presbyterian Church (U.S.A.), 14 persons for election, or, if otherwise eligible, reelection at each succeeding General Assembly.~~

(2) The permanent complement of the board of trustees shall consist of nineteen (19) members elected by the General Assembly for staggered four-year terms, plus the Stated Clerk of the General Assembly and the Executive Director of the General Assembly Council, or such other person(s) as may succeed to the functions of those positions, ex officio. An elected trustee shall be eligible to serve for two terms, or a maximum of eight consecutive years. No trustee may serve more than two terms, full or partial. The number of trustees of the Fiduciary Corporation may be increased or decreased at any time, as determined by the General Assembly. Any vacancy in the office of an elected trustee shall be filled in accordance with the Standing Rules of the General Assembly. Persons newly elected to the board of trustees shall commence service immediately upon adjournment of the General Assembly by which they are elected.

(3) The current elected membership of the board of trustees will be decreased from forty-two (42) to nineteen (19). Twenty-three (23) of the positions on the board of trustees will be deleted by attrition. Elected trustees currently serving their first term will be eligible for re-nomination to one additional four-year term.

(4) The persons from time to time serving as trustees of the Fiduciary Corporation shall, by virtue of their offices, be the trustees of the Foundation Constituent Corporations.

(c) *Executives.*—As provided by G-9.0703 of the Form of Government of the Presbyterian Church (U.S.A.), the board of trustees of the Fiduciary Corporation shall elect a President, and may elect other executives, for a term of four years, and eligible for reelection, with the concurrence of the General Assembly Council. The President shall be subject to confirmation by the General Assembly.

(d) *Functions.*—Subject to any inconsistent provision of the Articles of Agreement or the Form of Government of the Presbyterian Church (U.S.A.) and subject to the lawful directions from time to time of the General Assembly or of any officer or agency thereof thereunto duly authorized, the Fiduciary Corporation shall from and after January 1, 1987:

(1) Receive and hold all monies and other intangible property, other personal property, real property and income thereon, as may be owned, given to or otherwise acquired or held by the Presbyterian Church (U.S.A.) or by either of the reuniting Churches for investment, whether restricted or unrestricted by trust, will, or otherwise as to use or disposition, except such as is held by or hereafter given to a particular church, a presbytery, a synod, or another agency as contemplated by Chapter VIII and other provisions of the Form of Government of the Presbyterian Church (U.S.A.) or by the Pension Corporation. See Section 4(b) of this deliverance, which specifies the manner in which certain funds and other assets shall be characterized as investment assets for the purposes of this deliverance.

(2) Subject to the general investment policies adopted from time to time by the General Assembly but consistently with its fiduciary responsibilities, effect investment of its funds and other assets, with that degree of judgement and care, under the circumstances prevailing from time to time, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income to be derived therefrom as well as the probable safety of their capital.

(3) In every case where a donor has specified that the principal of the gift be invested and that only the income be expended, refrain from making any expenditure of principal, and in every case where a donor has specified the purposes for which principal or income may be expended, refrain from making any expenditure inconsistent with the terms of the gift.

(4) Designate the Central Treasury Corporation as attorney-in-fact of the Fiduciary Corporation and of each of the Foundation Constituent Corporations for the purpose of disbursing unrestricted income or unrestricted principal of invested funds (and restricted income or restricted principal to the extent specifically authorized by the Board of Trustees of the Fiduciary Corporation) pursuant to appropriations made by the General Assembly or any officer or agency thereof thereunto duly authorized. In the case of disbursements of unrestricted income or unrestricted principal, the personnel of the Central Treasury Corporation, and not the board of trustees of the Fiduciary Corporation and the Foundation Constituent Corporations, shall be accountable and responsible for such disbursements.

(5) Provide accounting and reporting with respect to all of the foregoing.

(6) Provide such deferred giving and wills emphasis, development and other investment and related services as the General Assembly or the General Assembly Council may direct or approve.

(e) *Reporting responsibility.*—The Fiduciary Corporation shall report to the General Assembly and shall provide a definitive copy of its report to the General Assembly Council on or before such date as may be fixed by the Council in order to permit the Council to submit the comments of the Council on the report to the same General Assembly.

(f) *Presbyterian Foundation, Inc. (U.S.).*—The trustees of the Fiduciary Corporation and of the Presbyterian Foundation, Inc. (U.S.) shall take such corporate action as shall be requisite to cause, effective with the commencement of business on January 2, 1987, the Presbyterian Foundation, Inc. (U.S.) to be affiliated with the Fiduciary Corporation in the same manner as the other Foundation Constituent Corporations are affiliated with the Fiduciary Corporation. Concurrently the Fiduciary Corporation shall cause all assets and operations acquired from and liabilities of the Presbyterian Foundation, Inc. (U.S.) to be allocated between the Central Treasury Corporation and the Fiduciary Corporation in the manner provided by this deliverance.

(g) *Retiring Presbyterian Foundation, Inc. (U.S.) board responsibility.*—From and after January 2, 1987, persons who theretofore were trustees of the Presbyterian Foundation, Inc. (U.S.) shall be accountable and responsible as such trustees, only for acts, omissions, or transactions of or relating to the Presbyterian Foundation, Inc. (U.S.) done or omitted to be done on January 1, 1987, or prior thereto, and shall not be accountable or responsible (1) as such trustees, for any acts, omissions, or transactions done or omitted to be done from and after January 2, 1987, by their successors in office, or (2) for acts, omissions, or transactions of or relating to the Fiduciary Corporation or any of its Foundation Constituent Corporations done or omitted to be done on January 1, 1987, or prior thereto.

(h) *Ongoing Fiduciary Corporation director responsibility.*—The board of trustees of the Fiduciary Corporation, as such, or as ex-officio members, directors and trustees of the Foundation Constituent Corporations shall not be accountable or responsible for acts, omissions, or transactions (1) of or relating to the Presbyterian Foundation, Inc. (U.S.) done or omitted to be done on January 1, 1987, or prior thereto, or (2) done or omitted to be done from and after January 2, 1987, in pursuance of the Form of Government of the Presbyterian Church (U.S.A.), this deliverance, or of any other direction of the General Assembly or of any officer or agency thereof thereunto duly authorized, insofar as lawful.

Certain General Matters

Section 4. (a) *Cooperation; uniform accounting system.*—Subject to the general directions of the General Assembly Council, the Central Treasury Corporation and the Fiduciary Corporation shall cooperate by providing to each other timely and detailed financial information relating to receipts, disbursements, contractual responsibilities and financial positions which may be of concern to the other corporation and shall otherwise cooperate fully with each other. The general Assembly Council shall cause the Central Treasury Corporation and the Fiduciary Corporation to be subject to a single coordinated accounting system, the elements of which shall be compatible.

(b) *Determination of investment status.*—Where a donor has not specified a restriction on the use of funds or other property given to the Presbyterian Church (U.S.A.), the General Assembly or a General Assembly agency, the General Assembly Council shall allocate the funds or other property to investment or noninvestment status for the purposes of this deliverance pursuant to the applicable policies adopted from time to time by the General Assembly. The General Assembly Council shall similarly allocate surplus operating funds between investment and noninvestment status.

(c) *Compensation and expenses.*— The General Assembly Council, subject to any applicable policies of the General Assembly adopted from time to time, shall adopt policies on the reimbursement of the expenses incurred by members of the board of directors of the Central Treasury Corporation and the board of trustees of the Fiduciary Corporation, but no compensation of any kind shall be paid directly or indirectly to any such director or trustee. The preceding sentence shall not prevent a full-time executive of the General Assembly or of any General Assembly agency from serving as such a director or trustee.

(d) *Rescission of prior inconsistent action.*—All prior enactments inconsistent herewith, including enactments of the General Assemblies of either of the reuniting churches, are hereby rescinded to the extent of such inconsistency.

Other Action

Section 5. The Central Treasury Corporation, any Treasury Constituent Corporation, the Fiduciary Corporation, and any Foundation Constituent Corporation may take such other or further action as the board of directors or trustees of the involved corporation (with the approval of the General Assembly Council or any authorized committee thereof) may find to be necessary or desirable to carry into effect the purposes and intent of this deliverance and related enactments of the General Assembly. The General Assembly Council may interpret with binding effect any provision of this deliverance except Section 3(d)(2) and d(3). Any interpretation under the preceding sentence shall be subject to appeal to the General Assembly.

Note: New Sections 2(o), (p), and (q) and revised Section 3(b) have been added and revised to give effect to the action of the 199th General Assembly (1987) with respect to certain corporate transfers and the transitional terms of Trustees of the Fiduciary Corporation. See *Minutes*, 1987, Part I, pages 210–11.

Appendix C

Deliverance Concerning Corporate Structure of Certain Agencies of the General Assembly Council

Whereas, Section G-13.0201d of the Form of Government of the Presbyterian Church (U.S.A.) provides that the General Assembly Council has the responsibility and power “to coordinate the work of the General Assembly agencies and bodies in light of [the church’s] mission directions, goals, and priorities . . .” (*Book of Order*, G-13.0201d); and

Whereas, Section G-13.0103h of the Form of Government of the Presbyterian Church (U.S.A.) provides that the General Assembly has the responsibility and power to establish and superintend the agencies . . . necessary for [the] work” (*Book of Order*, G-13.0103h) of the General Assembly; and

Whereas, the General Assembly Council, on the recommendation of its Shape and Form Task Force group in consultation with the Mission Priorities Committee of the General Assembly Council recommended to the 205th General Assembly (1993) a new design for the structure and operations of the corporate agencies of the General Assemblies of the reuniting churches, other than the Pension Corporation and the Fiduciary Corporation; and

Whereas, the 198th General Assembly (1986) of the Presbyterian Church (U.S.A.) enacted a deliverance, portions of which are inconsistent with the policy and structure recommended by the General Assembly Council to the 205th General Assembly (1993); and

Whereas, this 206th General Assembly (1994) intends to implement the recommendations of the General Assembly Council relating to the structure and operations of the corporate agencies of the General Assembly, other than the Pension Corporation and the Fiduciary Corporation, and to rescind all inconsistent enactments of the General Assemblies of the Presbyterian Church (U.S.A.); therefore, be it

Resolved, That the 206th General Assembly (1994) of the Presbyterian Church (U.S.A.) enact the following:

Presbyterian Church (U.S.A.), A Corporation

Section 1.

(a) *Governing Board*—Presbyterian Church (U.S.A.), A Corporation (previously known as Central Treasury Corporation) provide for its governance and subordination to the General Assembly Council of the Presbyterian Church (U.S.A.) (hereinafter sometimes referred to as the “General Assembly Council”) to substantially the following effect:

(1) the members of the board of directors of the Presbyterian Church (U.S.A.), A Corporation shall be selected and may be removed as follows:

(i) The members of the General Assembly Council of the Presbyterian Church (U.S.A.) shall, by virtue of their offices be directors of the corporation.

(ii) Other members of the board of directors of the Corporation may be elected or removed by the General Assembly Council. Such at-large members shall be elected by the General Assembly Council for four-year terms after consideration of the recommendations of the board of directors of the corporation, subject to confirmation by the General Assembly, and each person so elected shall be eligible to serve one additional term. A person elected to an unexpired term shall be eligible to serve only one additional four-year term.

(2) The persons from time to time serving as directors of the Presbyterian Church (U.S.A.), A Corporation shall, by virtue of their offices, be the directors or trustees of any treasury constituent corporations, as defined in the Presbyterian Church (U.S.A.), A Corporation bylaws.

(b) *Executives*—As provided by Form of Government, G-9.0703, of the *Book of Order* of the Presbyterian Church (U.S.A.), the board of directors of the Presbyterian Church (U.S.A.), A Corporation, with the concurrence of the General Assembly Council, shall elect a treasurer and may elect other executives, for a term of four years, subject to confirmation by the General Assembly. The treasurer and any other executives shall be eligible for reelection. The board of directors of the Presbyterian Church (U.S.A.), A Corporation shall cause the treasurer, who shall be the executive vice-president/chief

financial officer of the Presbyterian Church (U.S.A.), A Corporation, to be accountable to the Executive Director of the General Assembly Council, or to such other person as may succeed to the functions of that position.

The Publishing Corporation
Amended by 217th General Assembly (2006)

Section 2.

(a) *Presbyterian Publishing Corporation established*—As of the close of business December 31, 1993, there was created as a separate corporate agency of the General Assembly a nonmember corporation known as the Presbyterian Publishing Corporation (the Publishing Corporation), which is and shall be an integrated auxiliary and a part of the Presbyterian Church (U.S.A.)

(b) *Corporate Charter*—The articles of incorporation of the Publishing Corporation provide for its governance and subordination to the General Assembly to substantially the following effect:

The management and disposition of the affairs and property of the corporation shall be vested in directors, who shall be selected from time to time by the General Assembly of the Presbyterian Church (U.S.A.) (“the General Assembly”), in such number, and for such terms, and who may include such a number of ex officio directors, who shall be selected in such a manner as the General Assembly may determine. The number of such directors may be increased or decreased at any time by the General Assembly, and in case of an increase, the additional directors shall be selected by or in the manner determined by the General Assembly. All the business and affairs of the said corporation shall be conducted by the directors under and subject to the direction of the General Assembly or of any officer or agency thereof thereunto duly authorized, so far as such direction shall be in accordance with the Constitution of the Presbyterian Church (U.S.A.), the laws of the Commonwealth of Kentucky and of the United States of America. No material change concerning this provision shall be made in these articles of incorporation without the prior approval of the General Assembly. The Board shall include directors with expertise in business management, finance, religious scholarship and theological education, law, publishing, and congregational pastoral expertise

(c) *Bylaws*—The bylaws of the Publishing Corporation shall not be amended concerning the confirmation of the President and Publisher or changing the constitution of the Board of Directors without the approval of the General Assembly of the Presbyterian Church (U.S.A.) or its delegate. The existing bylaws of the Publishing Corporation shall be amended to contain language to substantially the following effect:

The power to alter, amend, or repeal the bylaws or adopt new bylaws, subject to repeal or change by action of the Board of Directors, shall be vested in the Board of Directors. However, any amendments concerning the confirmation of the President and Publisher or changing the constitution of the Board of Directors shall not be amended or repealed without the approval of the General Assembly of the Presbyterian Church (U.S.A.) or its delegate. All other amendments or revisions will be reported to the next General Assembly of the Presbyterian Church (U.S.A.) or its delegate.

(d) *Financial Status*—On November 16, 1993, the Publishing Corporation was incorporated as a nonprofit organization under Chapter 273 of the Kentucky Revised Statutes. It has no claim on Presbyterian Mission Program Fund. It is responsible for any financial obligations it incurs and shall retain any surplus it generates.

(e) *Board of Directors*—The Publishing Corporation shall be governed by a board of directors of up to twelve voting members. The corporation’s chief executive officer (CEO), the Executive Director of the General Assembly Council, and the Stated Clerk of the General Assembly or their designee shall serve as ex-officio members without vote. The remaining directors shall be nominated by the General Assembly Nominating Committee and elected by the General Assembly for four-year terms up to a maximum of two terms. No director may serve more than two terms, full or partial. Classes shall be established so that under normal conditions no more than one-third of the board will be elected in the same year.

(f) *Functions*—The Publishing Corporation exists in order to fulfill the goals articulated in the Publishing Corporation Mission Statement as formulated by the board of directors and officially adopted by them on February 6, 2004.

Building on the Reformed Tradition, the Presbyterian Publishing Corporation seeks to glorify God by contributing to the spiritual and intellectual vitality of Christ’s Church. To that end, PPC publishes resources that advance religious scholarship, stimulate conversation about moral values, and inspire faithful living.

1. Publishing, promoting, and distributing Christian education resources consonant with Reformed tradition for use as congregational resources by the Presbyterian Church (U.S.A.),
2. Publish, produce, and market other materials as appropriate,
3. Publishing, marketing, and distributing books and similar materials under the trade name Westminster John Knox Press, Geneva press, or any other trade names adopted by the Corporation,
4. Distribute, under contract, other publications intended for use in the Presbyterian Church (U.S.A.), ecumenical audiences, and/or the general religious trade market, and
5. Engage in and conduct such business as may be permitted under the laws of the Commonwealth of Kentucky and the United States of America and not inconsistent with the directives of the General Assembly of the Presbyterian Church (U.S.A.).

(g) *Editorial Autonomy*—Editorial decisions are made by the staff of the Publishing Corporation in fulfillment of the goals expressed in the Mission Statement, in furtherance of the functional activities delineated in (f), and in accord with the values of intellectual inquiry and rigor regnant in Reformed tradition. The President and Publisher informs the board of directors on a regular basis about forthcoming titles. The Board holds the President and Publisher accountable for the quality, character, and balance of the Publishing Corporation’s offerings.

(h) *Reporting*—The board of directors of the Publishing Corporation shall report to the General Assembly.

(i) *Executives*—As provided by the Form of Government, G-9.0703, of the *Book of Order* of the Presbyterian Church (U.S.A.), the board of directors of the Publishing Corporation shall elect a CEO, and may elect other executives, for a term of four years, and eligible for reelection. The CEO shall be subject to confirmation by the General Assembly of the Presbyterian Church (U.S.A.).

(j) *Copyright*—All agreements between the Publishing Corporation and the other entities of the Presbyterian Church (U.S.A.) shall expressly designate the Presbyterian Church (U.S.A.), A Corporation, the Publishing Corporation, or another specified corporate body of the Presbyterian Church (U.S.A.), the author or volume editor as owner of the copyright of the material published thereunder.

Recision of Prior Inconsistent Action

Section 3.

All prior enactments inconsistent herewith, are hereby rescinded to the extent of such inconsistency.

Other Action

Section 4.

The Publishing Corporation, the Presbyterian Church (U.S.A.), A Corporation and any treasury constituent corporation, may take such other or further action as the board of directors or trustees of the involved corporation (with the approval of the General Assembly Council or any authorized committee thereof) may find to be necessary or desirable to carry into effect the purpose and intent of this deliverance and related enactments of the General Assembly.

Appendix D of the *Organization for Mission* Memorandum Defining the Relationship Between the Board of Pensions and the General Assembly Council

Section 1. *Purpose and Scope of Agreement*

The ministry of the Board of Pensions of the Presbyterian Church (U.S.A.) (“the Board of Pensions”) to the ministers and lay employees of the Presbyterian Church (U.S.A.) relates in significant ways to the ministry of the General Assembly Council, its divisions, corporate and administrative services, and other work units. Accordingly, a close cooperative working relationship between the Board of Pensions and the General Assembly Council is required for the effective performance of the church’s ministries and for the cultivation and promotion of the spiritual welfare of the church.

The Board of Pensions, as the legally responsible corporate body established under a civil charter for the purpose of administering the pension and benefits program for the Presbyterian Church (U.S.A.), is required by law to administer these programs for the sole and exclusive benefit of its participants and members. The relationship between the Board of Pensions and General Assembly Council of the Presbyterian Church (U.S.A.) is set forth to provide the necessary and desirable cooperation between these bodies, while respecting and reflecting the special needs of the Board of Pensions, as it carries out a ministry to the Presbyterian Church (U.S.A.) within an ecclesiastical structure.

Section 2. *Origin of the Board of Pensions*

Since 1717, the Presbyterian Church (U.S.A.), through its predecessor bodies, has provided for the relief and benefits of its ministers and employees. This ministry has been carried out by the Board of Pensions and its predecessor bodies. The Articles of Agreement of the “Plan for Reunion Between the Presbyterian Church in the United States and the United Presbyterian Church in the United States of America” provides that unified plans and programs

... shall be administered by a legally responsible corporate body established under a civil charter and having no responsibilities other than to administer these plans and programs and to assume the responsibilities of the former Board of Annuities and Relief of the Presbyterian Church in the United States and the former Board of Pensions of the United Presbyterian Church in the United States of America. The members of... this corporate body shall be elected by the General Assembly of the reunited Church. (*Book of Order*, Article 11.3)

The summary of structures in the *Book of Order* provides that there shall be a “Board responsible for pensions” in the General Assembly (G-9.0902). That structure is the Board of Pensions of the Presbyterian Church (U.S.A.).

Section 3. *Nature and Purpose of the Board of Pensions*

The Board of Pensions is a not-for-profit corporation, organized and existing under the laws of the Commonwealth of Pennsylvania. The purposes for which the board exists are exclusively charitable and are to

(a) acquire, receive, and hold by gift, legacy, devise, purchase and otherwise, money, securities, income and property, real and personal, in whatever form, in any state, territory or country, for and about the general objects and purposes of pensions, benefits and relief for ministers, missionaries and nonordained employees of the Presbyterian Church (U.S.A.) as well as to grant, bargain, sell and otherwise dispose of personal properties and real estate when necessary, required or expedient;

(b) pay pension and other benefits to those entitled to receive the same in accordance with rules adopted by the corporation and approved by the General Assembly of the Presbyterian Church (U.S.A.);

(c) make grants to such eligible ministers, missionaries, and nonordained employees for the Presbyterian Church (U.S.A.) and/or its predecessors, and their surviving spouses and dependents, as may be entitled in accordance with rules adopted by the corporation;

(d) own and operate such homes as have been or may be established for the care of such eligible ministers and missionaries of the Presbyterian Church (U.S.A.) and/or its predecessors, and their surviving spouses and dependents, and other such persons as may be entitled in accordance with rules adopted by the corporation; and

(e) engage in and conduct such business and as may be authorized by the General Assembly of the Presbyterian Church (U.S.A.) and which is permitted under the Pennsylvania Nonprofit Corporate Law (Articles of Incorporation, Article Second).

The assets of the Pension Fund are, by law, to be administered for the “sole and exclusive benefit of the members of the Plan.”

Section 4. *Relationship of the Board of Pensions and the General Assembly*

The Board of Pensions is an agency of the General Assembly accountable to the General Assembly. Pursuant to the *Book of Order*, as interpreted by the General Assembly, the Board of Pensions is not an agency supervised or subject to the oversight of the General Assembly Council. The Board of Pensions is included as a General Assembly-related corporate body in the *Organization for Mission, Presbyterian Church (U.S.A.) (1994)* by action of the General Assembly, to promote a close cooperative relationship between the board, on the one hand, and the General Assembly Council, its Ministries Divisions, Mission Support Services, and other work units, on the other.

The management and control of the Board of Pensions are vested in its board of directors. The corporation has no members. All directors of the Board of Pensions shall be nominated by the Nominating Committee of the General Assembly and elected by the General Assembly of the Presbyterian Church (U.S.A.) (Board of Pensions, Articles of Incorporation.

The provisions of the Articles of Incorporation and Bylaws of the Board of Pensions relating to the purposes for which the corporation shall exist (Article 2), the nomination and election of the board of directors of the Board of Pensions (Article 6; Bylaws, Section 1.1), and the General Assembly's right of confirmation of the board's election of its president (Bylaws, Section 2.1) cannot be altered, repealed, or amended without prior approval of the General Assembly of the Presbyterian Church (U.S.A.) (Articles 2 and 9).

The Board of Pensions will report annually to the General Assembly any other changes to the articles or bylaws of the corporation adopted by the Board of Pensions in the previous year.

Section 5. *Relationship of the Board of Pensions and the General Assembly Council*

A. *Linkage Patterns*

The chairperson of the Board of Pensions, or designee, shall be a corresponding member of the General Assembly Council. The chairperson of the General Assembly Council, or designee, shall be a corresponding member of the Board of Pensions. All travel costs relating to these representations will be borne by the representative's own agency.

At the elected level, the General Assembly Council shall propose to the General Assembly Nominating Committee one of its members to be elected to the Board of Pensions. This person shall also represent the General Assembly Council in regard to churchwide personnel and compensation policies. At the staff level, the Board of Pensions president shall sit with the General Assembly Council with privilege of the floor but without vote.

In support of linkage throughout the church, the president of the Board of Pensions shall participate in the Expanded Staff Leadership Team and the Churchwide Administrative Coordinating Cabinet, or its equivalent. The president, or an appropriate representative designated by the Board of Pensions, shall participate in the budget development process and other appropriate committees and groups.

B. *Reports to the General Assembly*

The Board of Pensions shall provide a complete copy of its report to the General Assembly to the General Assembly Council or its executive committee in as timely a fashion as is possible in order for the council or executive committee to submit comments on the report to the same General Assembly.

Section 6. *Compliance with Churchwide Personnel Policies*

The Board of Pensions shall be involved in the process by which churchwide personnel policies are developed and implemented. The Board of Pensions voluntarily agrees to comply with the personnel and compensation policies of the General Assembly, insofar as legally possible.

The Board of Pensions shall share its staff rationales with the General Assembly Council for information. If the board should find that compliance with one or more of the above policies would involve a breach of its legal and fiduciary responsibilities, the Board of Pensions shall inform the General Assembly Council of its inability to comply and consult with the General Assembly Council in search of a mutually acceptable resolution of the issue that will recognize the Board of Pension's special needs and allow continued compliance by the board where possible.

Section 7. *Election of Board of Pensions' President*

The president of the Board of Pensions shall be elected in accordance with the bylaws of the corporation, which provide that the president of the Board of Pensions will be elected by its board of directors with confirmation by the General Assembly. The president-elect may assume the position of president with full authority of that office upon election by the Board of Pensions and before the next General Assembly at which confirmation will be sought. A decision to confirm indicates that the General Assembly believes the person selected is suitable for the position. If the General Assembly declines to confirm the president-elect, the position shall be declared vacant immediately with no further action required on the part of the assembly.

The search committee established for the selection of the board's president shall include one elected member designated by the General Assembly Council. The search committee will follow the Affirmative Action/Equal Employment Opportunity and other pertinent guidelines established by the General Assembly.

Section 8. *Purpose, Nature, and Effect of the Memorandum of Agreement*

This agreement is the definitive and complete description of the relationship between the Board of Pensions and the General Assembly Council. Provisions in the *Organization for Mission* referring to "General Assembly Related Corporations" do not pertain to the Board of Pensions unless specifically provided for therein.

Appendix E

Presbyterian Church (U.S.A.) Investment and Loan Program, Inc.

Establishment of a Corporation and Related Matters

[(Approved by the 207th General Assembly (1995) and amended by the 209th General Assembly (1997)]

Section 1. (a) *Corporation established*—There shall be established at the close of business on July 31, 1995, as a separate corporate agency of the General Assembly a corporation, which shall be incorporated under the laws of the Commonwealth of Pennsylvania and shall be known as Presbyterian Church (U.S.A.) Investment and Loan Program, Inc. (“the Corporation”). The Corporation shall be a membership corporation and the Presbyterian Church (U.S.A.), A Corporation shall hold the sole membership (which shall be nonvoting) in the Corporation.

(b) *Forms of Articles*—The articles of incorporation of the Corporation shall be in substantially the form submitted to and approved by the 207th General Assembly (1995), with such changes therein as may be approved by the General Assembly Council or by an authorized committee thereof. The initial board of directors shall consist of six directors, who shall serve as the board of directors of the Corporation until another board is chosen under the provisions of Section 2(b) hereinbelow.

Section 2. (a) *Corporate charter*—The articles of incorporation of the Corporation shall provide for its governance and subordination to the General Assembly through the General Assembly Council to substantially the following effect:

The management and disposition of the affairs and property of the Corporation shall be vested in directors, who shall be selected from time to time in such number and manner and for such terms as the General Assembly of the Presbyterian Church (U.S.A.) (the “General Assembly”) may determine. All the business and affairs of the said corporation shall be conducted by the directors under and subject to the direction of the General Assembly, the General Assembly Council, or any agency thereof thereunto duly authorized, so far as such direction shall be lawful and in accordance with the *Constitution of the Presbyterian Church (U.S.A.)* and the laws of the Commonwealth of Pennsylvania and of the United States of America. No material change shall be made in these articles of incorporation without the prior approval of the General Assembly.

(b) *Governing board*—(1) Until further action of the General Assembly or of any officer or agency thereof thereunto duly authorized, the board of directors of the Corporation shall consist of fifteen members. Employees and staff of General Assembly-level entities are ineligible to serve on the board of directors. The board shall be selected as follows:

(i) Six at-large members shall be nominated by the General Assembly Nominating Committee and elected by the General Assembly Council. Such at-large members shall be elected by the General Assembly Council for four-year terms, subject to confirmation by the General Assembly. Each person so elected shall be eligible to serve up to a maximum of two terms. No director may serve more than two terms, full or partial.

(ii) Four members shall be elected by the General Assembly Council from among its own membership. Such members shall be elected by the General Assembly Council for four-year terms, subject to confirmation by the General Assembly. Each person so elected shall be eligible to serve up to a maximum of two terms, so long as such person continues to serve as a member of the General Assembly Council. No director may serve more than two terms, full or partial. Membership on the board of directors shall in any event end at the end of the term of service on General Assembly Council.

(iii) Two members shall be nominated by the Presbyterian Church (U.S.A.) Foundation and shall be elected by the General Assembly Council for a four-year term, subject to confirmation by the General Assembly. Each person so elected shall be eligible to serve up to a maximum of two terms. No director may serve more than two terms, full or partial.

(iv) One member shall be nominated by the General Assembly Nominating Committee from among the synods of the Presbyterian Church (U.S.A.) and shall be elected by the General Assembly Council for a four-year term, subject to confirmation by the General Assembly. Each person so elected shall be eligible to serve up to a maximum of two terms. No director may serve more than two terms, full or partial.

(v) One member shall be nominated by the General Assembly Nominating Committee from among the presbyteries of the Presbyterian Church (U.S.A.) and shall be elected by the General Assembly Council for a four-year term, subject to confirmation by the General Assembly. Each person so elected shall be eligible to serve up to a maximum of two terms. No director may serve more than two terms, full or partial.

(vi) One member shall be nominated by the National Ministries Division Committee of the General Assembly Council or its successor and shall be elected by the General Assembly Council for a four-year term, subject to confirmation by the General Assembly. Each person so elected shall be eligible to serve up to a maximum of two terms. No director may serve more than two terms, full or partial.

(c) *By-laws*—The by-laws of the Corporation shall state that in making selections and nominations, consideration shall be given to the need for individuals having experience and skill relevant to the purposes and activities of the Corporation. The by-laws will contain a mechanism for the General Assembly Council to coordinate the review and selection of members of the board of directors.

(d) *Executives*—As provided by G-9.0703 of the *Book of Order*, the board of directors of the Corporation, with the concurrence of the General Assembly Council, shall elect a president, vice president, secretary, and treasurer, and may elect other executives for a term of four years, subject to confirmation by the General Assembly. Such executives shall be eligible for reelection. The board of directors of the Corporation shall cause the president, who shall be the chief executive officer of the Corporation, to be accountable to the board of directors for carrying out its policies and directives, and for maintaining an effective partnership with Corporate and Administrative Services and National Ministries Division as set out in this Deliverance, particularly Section 2.(e)(3). The board of directors of the Corporation shall ensure that the president maintains an appropriate partnership with the General Assembly Council through the Office of its Executive Director.

(e) *Functions*—Subject to any inconsistent provision of the Articles of Agreement or the Form of Government of the Presbyterian Church (U.S.A.) and subject to the lawful directions from time to time of the General Assembly or the General Assembly Council or of any agency thereof thereunto duly authorized, the Corporation shall:

(1) Sell and issue certificates, notes, or any other financial instruments approved by its board of directors in order to raise capital for the mission of the Presbyterian Church (U.S.A.).

(2) As to the investment funds received by the Corporation, set the underwriting standards and loan criteria for loans to Presbyterian Church (U.S.A.) congregations, governing bodies, theological institutions, and educational institutions related to the Presbyterian Church (U.S.A.) to enable them to acquire or improve real property. All such loans shall be processed and administered by the National Ministries Division, pursuant to such underwriting standards and loan criteria as may be established from time to time by the board of directors of the Corporation.

(3) Contract with existing Presbyterian Church (U.S.A.) entities, or outside parties, for various services. These include, but are not limited to, marketing of investments, management of assets, record keeping, and processing and servicing of loans. In so doing, a collaborative relationship shall be maintained with Mission Support Services, the National Ministries Division and its associate director for Evangelism and Church Development to avoid the duplication of services already performed by Presbyterian Church (U.S.A.) entities.

(4) Train and orient volunteers, committees, employees, and others within synods and presbyteries who have responsibilities related to the work of the Corporation.

(5) Provide accounting and reporting with respect to all of the foregoing.

(6) Provide such other mission, finance, and related services as the General Assembly or the General Assembly Council may direct or approve.

(f) *Personnel policies*—The board of directors shall develop position descriptions and personnel procedures for all positions. In so doing, the General Assembly Churchwide Compensation Guidelines and the Personnel Policies for General Assembly Entities and Guidelines for Governing Bodies of the Presbyterian Church (U.S.A.), or successors to such documents, shall apply.

(g) *Reporting responsibility*—The Corporation shall report to the General Assembly through the General Assembly Council.

1997 General Assembly

30.0065a [For assembly action see pp. 60, 61.]

G. The General Assembly Council recommends that the 209th General Assembly (1997) approve the following revision to the 1995 Deliverance that created the Presbyterian Church (U.S.A.) Investment and Loan Program, Inc.:

30.0065b

Shall Section 2.(d) of the 1995 Deliverance be amended as follows: [Text to be deleted is shown with a strike-through; text to be added or inserted is shown as italic.]

“(d) Executives.—As provided by G-9.0703 of the *Book of Order*, the board of directors of the Corporation, with the concurrence of the General Assembly Council, shall elect a president, ~~vice president, secretary, and treasurer, and may elect other~~

executives for a term of four years, subject to confirmation by the General Assembly. *With the concurrence of the General Assembly Council, the board of directors may elect vice presidents, a treasurer, and a secretary for terms of up to four years. The board of directors may elect other assistant executives.*" [Rest of text remains the same.] (*Minutes*, 1997, Part I, p. 213)

Appendix F

Joint Report—General Assembly Council and Presbyterian Church (U.S.A.) Foundation

(Minutes, 1996, Part I, pp. 617–18)

I. Introduction

The General Assembly Council (GAC) and the Presbyterian Church (U.S.A.) Foundation (Foundation) have reached important understandings and agreements about our related, but separate, responsibilities regarding restricted funds held by the Foundation for the benefit of the General Assembly's mission program.

After months of diligent, faithful work by elected members and staff representatives of both organizations, the executive committees of the two bodies adopted important new understandings and committed to establishing new systems to enhance their complementary work. At the center of the agreement is a covenant between the GAC and Foundation to work together cooperatively and collaboratively in our joint service to the Presbyterian Church (U.S.A.). The agreement also acknowledges our understanding of our distinct, but closely related, roles and acknowledges a new approach to gathering and holding information about these restricted funds. It also commits both organizations to developing improved approaches to processing information and gathering confirmations about the use of the General Assembly's restricted funds.

The GAC and Foundation are pleased to be able to report these new understandings, agreements, and plans to the 208th General Assembly (1996). We offer our thanks to our God, whose guidance enabled us to see the truth in love as we labored to discover the understanding and grace needed to achieve these important agreements.

1. GAC Imperatives—Acknowledge that the GAC is the responsible body for mission allocation decisions, while providing a framework and structure that will focus on agreed-upon uses and eliminate the need for after-the-fact determination by the Foundation.

2. Foundation Imperatives—Acknowledge that the Foundation has the non-delegable fiduciary responsibility regarding the compliance of the use of restricted funds with donor instructions. Assure that a process is in place to ensure that the end beneficiaries use those funds as designated by the donor.

3. Objective—Create a system that will allow the Presbyterian Church (U.S.A.) Foundation (Foundation) and the General Assembly Council (GAC) the opportunity and latitude to confidently fulfill their separate, but related, responsibilities in the management and disbursement of Presbyterian Church (U.S.A.) restricted funds received and or held by the Foundation.

4. Joint Requirements—The system that accomplishes the overall objective and the imperatives of both the Foundation and the GAC must be efficient, provide meaningful information to both organizations and the church at large, promote positive collaboration and cooperation between the GAC and the Foundation boards and staffs, be readily auditable, and promote confidence in both the mission funding and fiduciary activities within the Presbyterian Church (U.S.A.).

II. Background

The GAC and Foundation have developed systems over the years to deal with their related responsibilities regarding General Assembly restricted funds held by the Foundation. While these systems have been effective, they do not provide the level of information and control that can optimally be achieved. The Foundation and the GAC agree that the system outlined below will increase cooperation and efficiency, strengthen controls, and enhance our ability to fulfill our responsibilities to the church.

All new and existing restricted funds received and or held by the Foundation will continue to be classified as to appropriate use and restrictions defined by the donor. Ultimately, these restrictions will be translated into a structure and added to the appropriate databases, which will be used to prepare, sort, and manage the allocation and use of the funds. The Foundation and the GAC both commit to allocate significant resources to the creation of this new data.

Mission funding disbursements from restricted funds will be made only after the mission decision maker has reviewed donor instructions on the fund. In areas where there is any question or uncertainty as to the proper scope, use, or nature of the

restriction, consultation with the Foundation Gift Compliance staff will be held to specifically define parameters. After consultation, the appropriately adopted Foundation decision as to use restrictions will be effective. Before disbursements are made, the GAC financial staff will validate that the disbursements requested by mission decision makers are in compliance with use restrictions.

A process of end use confirmations, which will require reporting of the actual use of the restricted funds by the recipient, will be initiated so that mission and expenditure files will have a complete record of donor restrictions, mission allocation decisions, disbursement patterns, and end-use confirmation all in one place. An electronic method for the collection of the confirmations will be made available to enhance efficiency of the confirmation process.

This process, and the database that will result, will provide a powerful tool to use in proactive planning, utilization, and management of the General Assembly's restricted funds. It will assure that use restrictions are fully defined prior to any expenditure. It will allow thorough examination and auditing of records to confirm mission allocation, spending decisions, and actual uses. It will allow mission decision makers to identify valid potential funding sources. It will let the GAC and the Foundation staff work prospectively in identifying and responding to changing realities so that mission funds can always be effectively utilized.

III. Implementation

The Foundation and the GAC will each commit adequate full-time staff to the work of computerization of the existing Comprehensive Analysis of Restricted Endowments (C.A.R.E.). This joint team will examine endowment and other restricted funds held or received by the Foundation for benefit of General Assembly mission. Work will begin no later than September 1, 1996.

The work team will review and scan donative documents, refine computer records, and code each fund for its appropriate use. The ultimate outcome will be an on-line data base that will serve as the authoritative source for all Presbyterians to use in researching, managing, and monitoring the use of restricted funds. Appropriate security considerations will be built into the access and control of the data.

Simultaneously, a process will be initiated to require each end user to confirm receipt and use of restricted fund distributions. Confirmations will be maintained on the database so that record-keeping and auditing of data can be done efficiently and effectively. Regular reporting off the database will be done to inform the GAC and the Foundation of the status of disbursements and confirmations.

In addition, a specialized coding structure will be created to classify funds that may be unable to be used currently. This will help identify, isolate, and control any funds that are appropriately accumulating earnings and reduce confusion and conflict over the accumulation of restricted fund balances.

IV. The Presbyterian Church (U.S.A.) Foundation and the General Assembly Council Process for Dealing with Questions About Prior Expenditures from General Assembly Restricted Funds

A. As soon as a question about prior expenditures has been raised through a written communication, the Executive Director of the General Assembly Council and the president/chief executive officer of the Foundation will confer about the next steps.

B. The normal process will be to have appropriate staff in the GAC and the Foundation research the fund in question and document all expenditures, instructions, and policies relevant to the situation. The Foundation will direct and coordinate contact with donors. The GAC will direct and coordinate contact with governing bodies.

C. Once the documentation is complete, the Executive Director of the General Assembly Council and the president/chief executive officer of the Foundation will review the situation, bringing in appropriate staff and elected persons as required. It is expected that this review process will lead to a joint determination as to whether or not a proper expenditure has been made. If this process does not result in a joint determination, the Foundation board will make the final determination.

D. If it is determined that a proper expenditure was made, this will be communicated jointly by the Foundation and the GAC to all parties involved. If it is determined that the expenditure was improper, a process will be put in place to replenish funds and make new expenditures, and that determination and process will be jointly communicated to all parties involved.

Appendix G

Ratification of Establishment of New Covenant Trust Company, N.A. A Subsidiary of The Presbyterian Church (U.S.A.) Foundation and Related Matters

[Approved by the 211th General Assembly (1999), amended by the 212th General Assembly (2000) and the 214th General Assembly (2002).]

[*Minutes, 1999, Part I, pp. 492–94; Minutes, 2001, Part I, p. 339*]

Section 1.(a).Company established.—There was established in 1997, as a separate corporate agency of the General Assembly, a company which received its federal charter from the Office of the Comptroller of the Currency on January 2, 1998, and is known as New Covenant Trust Company, N.A. As required by the Office of the Comptroller of the Currency, the Trust Company Subsidiary is a stock company. The Trust Company Subsidiary is a wholly-owned subsidiary of the Foundation, with the exception of federally-mandated directors’ qualifying shares. All shares of the Trust Company Subsidiary, other than the minimum number of federally-mandated directors’ qualifying shares, shall be owned of record and beneficially by the Foundation and there shall be no transfer or sale of such shares without the prior approval of the General Assembly.

(b). Form of Articles.—The Articles of Association of the Trust Company Subsidiary are herewith submitted for review by the 211th General Assembly (1999).

Section 2.(a).Foundation Articles of Incorporation.—The Articles of Incorporation of the Foundation provide for Trust Company Subsidiary accountability and subordination to the General Assembly through the Foundation substantially as follows:

(i) The Foundation, as principal shareholder of the Trust Company Subsidiary, shall not initiate or permit:

(a) the Trust Company Subsidiary to engage in any fundamental transactions, including merger, division, consolidation, transfer or sale of all or substantially all the assets of the Trust Company Subsidiary or dissolution of the Trust Company Subsidiary unless the same has received the prior approval of the General Assembly;

(b) any transfer of any Trust Company Subsidiary shares of stock, or any interest therein, to any party other than the Foundation or to directors of the Trust Company Subsidiary, in the case of the minimum number of federally-mandated directors’ qualifying shares, unless such transfer has received the prior approval of the General Assembly;

(c) the Trust Company Subsidiary to issue stock or any options or warrants to any party other than the Corporation unless such issuance has received the prior approval of the General Assembly; or

(d) any material change to the Articles of Association without the prior approval of the General Assembly.

~~—(ii) The Foundation, as principal shareholder, shall elect directors of the Trust Company Subsidiary board. The Foundation shall ensure that a majority of the board is composed of: (A) individuals who are active trustees of the Foundation board at their time of election to the Trust Company Subsidiary board; (B) the Stated Clerk of the General Assembly (or designee); (C) the General Assembly Council Executive Director (or designee); and (D) the Chief Executive Officer of the Trust Company Subsidiary. Former trustees of the Foundation board may be elected as directors of the Trust Company Subsidiary board. Certain officers of the Trust Company Subsidiary shall be elected directors of the Trust Company Subsidiary board to satisfy Office of the Comptroller of the Currency requirements and directives. Board composition shall reflect full participation consistent with Section G 4.0403 of the Form of Government of the Presbyterian Church (U.S.A.). Such election shall be reported to the General Assembly through the Foundation, and the elected directors are subject to General Assembly confirmation. If a director is not confirmed by the General Assembly, such director shall continue to serve until such time as the Foundation, as shareholder, is able to act in response to the stated concerns of the General Assembly, consistent with applicable law.~~

(ii) The Foundation, as principal shareholder, shall elect directors of the New Covenant Trust Company subsidiary board. The Foundation shall ensure that the board is composed of individuals who are active members of a congregation or a presbytery of the Presbyterian Church (U.S.A.), and nominated by the appropriate committee of the Foundation Trustees. The Stated Clerk of the General Assembly and the Executive Director of the General Assembly Council, or their nominees, shall be ex officio members of the subsidiary company Board of Directors. The Chief Executive Officer of the New Covenant Trust Company shall be an ex officio member of the subsidiary company Board of Directors. All elected and ex officio members of the New Covenant Trust Company N.A. Board of Directors shall satisfy the requirements and directives of the Office of the Comptroller of the Currency. The Board composition shall be consistent with all federal statutory and regulatory requirements and shall reflect diversity and inclusiveness consistent with the *Book of Order* at G-4.0403. All elections shall be reported to the General Assembly, and the elected directors are subject to General Assembly confirmation. If an elected director is not confirmed by the General Assembly, such a director shall continue to serve until such time as the

Foundation, as shareholder, is able to act in response to the stated concerns of the General Assembly, but in any case not later than the conclusion of the second meeting of the Foundation Board of Trustees following the non-confirmation vote of the General Assembly.

(b). Governance.—The Foundation, as principal shareholder, shall ensure that all the business and affairs of the Trust Company Subsidiary will be conducted by its directors under and subject to the direction of the General Assembly, the Foundation, or any officer or agency duly authorized by the General Assembly, so far as such directions shall be lawful, consistent with the exercise of the directors' fiduciary duties, and in accordance with the Constitution of the Presbyterian Church (U.S.A.) and the laws of the United States of America, other applicable law and the regulatory requirements of the Office of the Comptroller of the Currency and any other state or federal regulatory body having regulatory oversight over the Trust Company Subsidiary. Pursuant to Presbyterian Church (U.S.A.) polity and governance, in case of inconsistent directions, the directives of the General Assembly are superior to those of the Foundation.

Section 3. Functions.—Subject to any inconsistent provision of the Form of Government of the Presbyterian Church (U.S.A.) and subject to the lawful directions from time to time of the General Assembly or of any officer or agency thereof duly authorized, or of the Foundation, the Trust Company Subsidiary shall perform the following services:

- (1) act as trustee of charitable remainder trusts, charitable lead trusts, pooled investment funds, pooled income funds, revocable trusts, charitable trusts, as well as duties and responsibilities incidental to all of the foregoing;
- (2) provide investment management and advisory services; and
- (3) provide custodial, agency, administrative and corporate fiduciary services, and other activities which a trust company is permitted by applicable law to perform and which the General Assembly or the Foundation directs the Trust Company Subsidiary to perform.

The Foundation, as principal shareholder, shall ensure that these services will be made available primarily to benefit governing bodies and subsidiary organizations of the Presbyterian Church (U.S.A.) and Presbyterian Church (U.S.A.)-related organizations. Such services may also be provided to validated mission programs of the Presbyterian Church (U.S.A.) as defined in the Organization for Mission (Appendix A, II.F.), denominations with which the Presbyterian Church (U.S.A.) is in full communion, denominations with which the Presbyterian Church (U.S.A.) General Assembly is in correspondence under Section G-15.0201 of the Form of Government and ecumenical or interfaith bodies in which a Presbyterian Church (U.S.A.) governing body is a member. Services provided to benefit any entity other than a Presbyterian Church (U.S.A.) governing body or subsidiary organization or Presbyterian Church (U.S.A.)-related organization shall be performed only when such service does not compromise service to Presbyterian Church (U.S.A.) governing bodies and subsidiaries and Presbyterian Church (U.S.A.)-related organizations.

Section 4. Reporting responsibility.—The Trust Company Subsidiary shall report at least annually to the General Assembly through the Foundation. The report shall include a section submitted to the General Assembly Committee on Representation that details the Trust Company Subsidiary's compliance with the diversity and inclusiveness requirements of the *Book of Order* at G-4.0403.

Section 5. Foundation and GAC agreements:

- (1) The Trust Company Subsidiary is a wholly owned subsidiary of the Foundation. The General Assembly Council has the same relationships with "The Trust Company Subsidiary" that it has with the Foundation as defined in the 1986 deliverance, which created the corporate structures of the reunited church. The 1986 deliverance was adopted by the 198th General Assembly (1986) and modified by the 199th General Assembly (1987);
- (2) *Book of Order*, G-9.0703, shall apply to "The Trust Company Subsidiary" executive or executives;
- (3) There will be no material changes to adversely affect the reporting, availability of funds, spending formula amounts, management or control of assets, or associated costs because of the creation or operation of "The Trust Company Subsidiary."

Appendix H

Establishment of New Covenant Annuity Insurance Company and Related Matters

[Approved by the 211th General Assembly (1999).]

[Minutes, 1999, Part I, pp. 500–502]

Section 1.(a).Company established.—There shall be established on or after June 30, 1999, a company, which shall be incorporated under the laws of the Commonwealth of Pennsylvania and shall be known as the New Covenant Annuity Insurance Company. As required by the Commonwealth of Pennsylvania Insurance Department, the Insurance Company

Subsidiary shall be a stock company. The Insurance Company Subsidiary shall be wholly-owned by the Foundation and will seek tax-exempt status.

(b). Form of Articles.—The Articles of Incorporation of the Insurance Company Subsidiary shall be in substantially the form submitted to and approved by the 211th General Assembly (1999).

Section 2.(a).Foundation Articles of Incorporation.—The Articles of Incorporation of the Foundation provide for Insurance Company Subsidiary accountability and subordination to the General Assembly through the Foundation substantially as follows:

- (i) The Foundation, as sole shareholder of the Insurance Company Subsidiary, shall not initiate or permit:
 - (a) the Insurance Company Subsidiary to engage in any fundamental transactions, including merger, division, consolidation, transfer or sale of all or substantially all the assets of the Insurance Company Subsidiary or dissolution of the Insurance Company Subsidiary unless the same has received the prior approval of the General Assembly;
 - (b) any transfer of any Insurance Company Subsidiary shares of stock, or any interest therein, to any party other than the Foundation, unless such issuance or transfer has received the prior approval of the General Assembly;
 - (c) the Insurance Company Subsidiary to issue stock or any options or warrants to any party other than the Foundation unless such issuance has received the prior approval of the General Assembly; or
 - (d) any material change to the Articles of Incorporation without the prior approval of the General Assembly.
- (ii) The Foundation, as sole shareholder, shall elect directors of the Insurance Company Subsidiary board. The Foundation shall ensure that the majority of the board is composed of individuals who, at the time of their election, are active trustees of the Foundation board. To meet Pennsylvania regulatory requirements and directives, certain officers of the Insurance Company Subsidiary and past trustees of the Foundation board shall be elected directors of the Insurance Company Subsidiary board. Board composition shall reflect full participation consistent with Section G-4.0403 of the Form of Government of the Presbyterian Church (U.S.A.). Such election shall be reported to the General Assembly through the Foundation, and the elected directors are subject to General Assembly confirmation. If a director is not confirmed by the General Assembly, such director shall continue to serve until such time as the Foundation, as shareholder, is able to act in response to the stated concerns of the General Assembly, consistent with applicable law.

(b). Governance.—The Foundation, as sole shareholder, shall ensure that all the business and affairs of the Insurance Company Subsidiary will be conducted by its directors under and subject to the direction of the General Assembly, the Foundation, or any officer or agency duly authorized by the General Assembly, so far as such directions shall be lawful, consistent with the exercise of the directors' fiduciary duties, and in accordance with the Constitution of the Presbyterian Church (U.S.A.) and the laws of the United States of America, other applicable law and the regulatory requirements of any and all state insurance or other regulatory bodies having regulatory oversight over the Insurance Company Subsidiary. Pursuant to Presbyterian Church (U.S.A.) polity and governance, in case of inconsistent directions, the directives of the General Assembly are superior to those of the Foundation.

Section 3. Functions.—Subject to any inconsistent provision of the Form of Government of the Presbyterian Church (U.S.A.) and subject to the lawful directions from time to time of the General Assembly or of any officer or agency thereof duly authorized, or of the Foundation, the Insurance Company Subsidiary shall issue charitable gift annuities and provide any and all services incidental to the foregoing.

The Foundation, as sole shareholder, shall ensure that these services will be made available primarily to benefit governing bodies and subsidiary organizations of the Presbyterian Church (U.S.A.) and Presbyterian Church (U.S.A.)-related organizations. Such services may also be provided to validated mission programs of the Presbyterian Church (U.S.A.) as defined in the Organization for Mission (Appendix A, II.F.), denominations with which the Presbyterian Church (U.S.A.) is in full communion, denominations with which the Presbyterian Church (U.S.A.) General Assembly is in correspondence under Section G-15.0201 of the Form of Government and ecumenical or interfaith bodies in which a Presbyterian Church (U.S.A.) governing body is a member. Services provided to benefit any entity other than a Presbyterian Church (U.S.A.) governing body or subsidiary organization or Presbyterian Church (U.S.A.)-related organization shall be performed only when such service does not compromise service to Presbyterian Church (U.S.A.) governing bodies and subsidiaries and Presbyterian Church (U.S.A.)-related organizations.

Section 4. Reporting responsibility.—The Insurance Company Subsidiary shall report at least annually to the General Assembly through the Foundation.

Appendix I

Ratification of Foundation Participation in Formation of New Covenant Funds

[Approved by the 211th General Assembly (1999).]

[Minutes, 1999, Part I, p. 505]

Section 1.(a). Trust established—There was established on September 30, 1998, a Delaware business trust, New Covenant Funds, organized with participation from the Foundation to facilitate responsible financial management of the investment and endowment assets of the Presbyterian Church (U.S.A.) and of charitable organizations which are part of or associated with the Presbyterian Church (U.S.A.) and other investors. The Foundation’s trust company subsidiary, New Covenant Trust Company, N.A., shall be the investment advisor to the Fund. The Fund itself does not own assets; assets are owned by investors. Presbyterian Church (U.S.A.) assets invested in the Fund remain subject to Section G-8.0201 of the Form of Government of the Presbyterian Church (U.S.A.).

(b) Trust Instrument.—The trust instrument for the Fund is attached hereto.

Section 2.(a). Governance—Neither the Foundation nor New Covenant Trust Company, N.A., shall recommend or initiate any merger, consolidation, or dissolution of the Fund without prior approval of the General Assembly.

(b). The Foundation shall make best efforts through share ownership and otherwise to nominate and elect individuals who, at the time of their election, are active trustees of the Foundation board, to the extent permitted by applicable law, and that board composition reflects full participation consistent with Section G-4.0403 of the Form of Government of the Presbyterian Church (U.S.A.).

Section 3.(a). Function.—The Fund shall serve the function of an open-end management investment company.

Section 4. Reporting responsibility.—Reports provided by the Fund to its investors shall be submitted annually to the General Assembly through the Foundation.

Appendix J

Presbyterian Church (U.S.A.) Mortgage Corporation

[Approved by the 213th General Assembly (2001).]

[Minutes, 2001, Part I, pp. 173–75]

Establishment of a Corporation and Related Matters

Section 1. (a) *Corporation established.*—There shall be established at the close of business on June 18, 2001 or as soon thereafter as practicable as a separate corporate agency of the General Assembly, a corporation which shall be incorporated under the laws of the Commonwealth of Pennsylvania and shall be known as Presbyterian Church (U.S.A.) Mortgage Corporation (the “Corporation”). The Corporation shall be a not for profit, membership corporation and the Presbyterian Church (U.S.A.), A Corporation shall hold the sole membership (which shall be nonvoting) in the Corporation.

(b) *Forms of Articles.*—The articles of incorporation of the Corporation shall be in substantially the form submitted to and approved by the 213th General Assembly (2001), with such changes therein as may be approved by PILP and the General Assembly Council or by an authorized committee of the General Assembly Council. The initial board of directors shall consist of three directors, who shall serve as the board of directors of the Corporation until another board is chosen under the provisions of Section 2(b) herein below. One director shall be an “Independent Director” as defined in the Articles of Incorporation at Article IX (B).

Section 2. (a) *Corporate charter.*—The articles of incorporation of the Corporation shall provide for its governance and subordination to the General Assembly through the General Assembly Council to substantially the following effect:

The management and disposition of the affairs and property of the Corporation shall be vested in directors, who shall be selected from time to time in such number and manner and for such terms as the General Assembly of the Presbyterian Church (U.S.A.) (the “General Assembly”) may determine. All the business and affairs of the said corporation shall be conducted by the directors under and subject to the direction of the General Assembly or the General Assembly Council through PILP so far as such direction shall be lawful and in accordance with the *Constitution of the Presbyterian Church (U.S.A.)* and the laws of the Commonwealth of Pennsylvania and of the United States of America. No material change shall be made in these articles of incorporation without the prior approval of the General Assembly Council.

(b) *Governing board.*—(1) Until further action of the General Assembly or of any officer or agency thereof thereunto duly authorized, the board of directors of the Corporation shall consist of three (3) voting members. The board shall be selected as follows:

(i) Two members shall be nominated by the Personnel/Nominating Committee of the PILP board of directors from the board's membership and elected by the General Assembly Council, for four-year terms. Each person so elected shall be eligible to serve up to a maximum of two terms, but in no event beyond their term on the PILP board of directors. No director may serve more than two terms, full or partial and in no event beyond their unexpired term on the PILP board of directors.

(ii) One member shall be nominated by the General Assembly Nominating Committee and elected by the General Assembly Council for a four-year term, and eligible to serve up to a maximum of two terms. No director may serve more than two terms, full or partial. This member must meet the requirements of being an Independent Director as defined in the Articles of Incorporation.

(c) *Bylaws.* The by-laws of the Corporation shall state that in making selections and nominations, consideration shall be given to the need for individuals having experience and skill relevant to the purposes and activities of the Corporation. The by-laws will contain a mechanism for coordination of the review and selection of members of the board of directors consistent with this Deliverance and the Articles of Incorporation.

(d) *Executives.*—As provided by G-9.0703 of the *Book of Order*, the board of directors of the Corporation, with the concurrence of the General Assembly Council, shall elect vice-presidents, a treasurer, and a secretary for terms of one year. The office of the president shall be held by the President of PILP. The board of directors may elect other assistant executives. All such appointed and elected executives shall be eligible for reappointment and reelection. The board of directors of the Corporation shall cause the president, who shall be the chief executive officer of the corporation, to be accountable to the board of directors for carrying out its policies and directives. The board of directors shall ensure that the president maintains an appropriate relationship with the PILP board of directors and the General Assembly Council.

(e) *Functions.*— Subject to any inconsistent provision of the Articles of Agreement or the Form of Government of the Presbyterian Church (U.S.A.) and subject to the lawful directions from time to time of the General Assembly, the General Assembly Council, or any agency thereof thereunto duly authorized, the Corporation shall:

- (1) purchase and accept assignment of loans from PILP;
- (2) sell and assign to financial institutions revenue received from the payment of these purchased loans;
- (3) contract with PILP or outside parties for various services, such as, but not limited to, record keeping and servicing of loans, and in so doing, a collaborative relationship shall be maintained with PILP;
- (4) provide accounting and reporting with respect to the foregoing;
- (5) provide to PILP monthly loan delinquency reports and any other financial reports requested by PILP; and
- (6) comply with requirements set forth in the Articles of Incorporation and bylaws.

(f) *Personnel policies.*—The board of directors shall develop position descriptions and personnel procedures for all positions. In so doing, the General Assembly Churchwide Compensation Guidelines and the Personnel Policies for General Assembly Entities and guidelines for Governing Bodies of the Presbyterian Church (U.S.A.), or successors to such documents, shall apply.

(g) *Reporting responsibility.*—The Corporation shall report to the General Assembly Council through PILP.

Recession of Prior Inconsistent Action

Section 3. All prior enactments inconsistent herewith are hereby rescinded to the extent of such inconsistency.

Other Action

Section 4. The Corporation may take such other or further action as the board of directors of the Corporation (with the approval of the General Assembly Council or any authorized committee thereof) may find to be necessary or desirable to carry into effect the purpose and intent of this Deliverance and related enactments of the General Assembly.