

PROCEEDINGS**BONCLARKEN, FLAT ROCK, NORTH CAROLINA**

The 202nd Annual Meeting of the General Synod of the Associate Reformed Presbyterian Church was held at the denominational conference grounds at Bonclarken. This preface is for the purpose of recording the activities held at the Pre-Synod Conference on Worship and other activities during the meeting of the General Synod.

Monday, June 5, 2006

The Pre-Synod Conference—I Will Build My Church

Following a 6:30 P.M. Organ Prelude and the Welcome and Introduction to the Conference Topic, at 7:30 P.M., Sinclair Ferguson presented the Keynote Address.

Tuesday, June 6, 2006

Sinclair Ferguson presented addresses at 8:30 A.M. and 10:00 A.M. The Conference concluded with prayer and blessing at 12:00 P.M.

General Synod Registration began at 11:00 A.M.

The Orientation for New Ministers and Delegates was held Tuesday at 5:00 P.M. in the Jean White Room, Founder's Hall.

Special Synod Week Activities

Erskine Theological Seminary hosted a barbecue lunch on Wednesday at 12:30 P.M. at the Headspring Pavilion.

ARP Women's Ministries and the Pinecrest ARP Women hosted a "Southern Delights Tour" of local places of interest, followed by Synod's Social from 4 P.M. until 5:00 P.M. at Synodical Hall.

A Pastor's Wives Fellowship was held Thursday at 9:45 A.M.

Tuesday, June 6, 2006

General Synod's activities began with an informal Psalm singing led by Earl and Harriet Linderman.

At 7:30 P.M. the 202nd annual meeting of the General Synod of the Associate Reformed Presbyterian Church began with the Worship Service including the Sacrament of The Lord's Supper.

OPENING WORSHIP

7:30 P.M.

7:00 P.M.	Informal Psalm Sing	Earl Linderman
	Accompanist	Harriet Linderman
	Prelude	Robert P. Glick
7:30 P.M.	*Call to Worship	William B. Evans, Moderator
	*Hymn of Praise.. <i>Praise Ye the Lord, the Almighty</i>	Hymnbook #1

- *Invocation and Lord’s Prayer William B. Evans
 * The Constitution of Synod William B. Evans
 AnthemDue West ARP Church Choir
 Memorial ServicePaul A. Bell, Vice-Moderator
 The Listing of Deceased Teaching Elders (Since last Synod)
 The Listing of Deceased Ruling Elders (Calendar Year 2005)
 *Hymn*For All The Saints*..... Hymnbook 425 (First)
 *Confession of Faith: The Nicene Creed.....Hymnbook p. 12
 The Prayer of Thanksgiving and Petition..... William B. Evans
 Service of Commissioning for: Alan Avera—Outreach North
 America; Frank van Dalen—World Witness;
 Brent Turner—Covenant Discipleship
 ChargeJohn R. deWitt
 Prayer of CommissioningDouglas O. Jones
 Anthem.....Erskine Vocalists
 ScriptureEphesians 4:1-16
 Scripture Reading William B. Evans
 SermonWilliam B. Evans
 *Hymn of Response...*I Love Thy Kingdom, Lord*..... Hymnbook #435
 Confession of Sin (Unison):
**Almighty God, Father of our Lord Jesus Christ, maker of all things,
 judge of all men:**
**We acknowledge and bewail our manifold sins and wickedness,
 which we from time to time most grievously have committed, by
 thought, word, and deed, against thy divine Majesty, provoking
 most justly thy wrath and indignation against us.**
**We do earnestly repent, and are heartily sorry for these our misdo-
 ings; the remembrance of them is grievous unto us, the burden of
 them is intolerable.**
**Have mercy upon us, have mercy upon us, most merciful Father; for
 thy Son our Lord Jesus Christ’s sake, forgive us all that is past; and
 grant that we may ever hereafter serve and please thee in newness
 of life, to the honor and glory of thy Name; through Jesus Christ
 our Lord. Amen.**
 Assurance of Pardon
 Song Bible Songs#242
 The Sacrament of the Lord’s Supper
 *Hymn *The Strife Is O’er, the Battle Done*.....Hymnal #203
 * Benediction William B. Evans
 * Postlude Robert P. Glick
 *Please stand if able

(See **Appendix** for the tributes and the list of deceased Elders.)

Wednesday, June 7, 2006

7:00 A.M.

C. E. Linderman led the informal morning Psalm singing on the Dining Room Porch. Jay Adams spoke at the opening service. The Synod

concluded the service with a Hymn.

President of Bonclarken, J. T. Brice, welcomed the delegates to Bonclarken and took a point of personal privilege to speak to the Synod concerning his pending retirement later in the year.

Principal Clerk C. R. Beard constituted the roll of Synod. (See **Appendix** for the Corrected Official Roll of Synod for 2005 and the Official Roll of Synod for 2006.)

Mr. Beard announced the results of the voting in the Presbyteries on amendments sent to the Presbyteries in overture from the 2005 meeting of the General Synod. All amendments were approved by a majority of those voting in the Presbyteries.

William B. Evans presented his Retiring Moderator's Address.

RETIRING MODERATOR'S ADDRESS

Fathers and Brethren,

It is with particular joy...and a measure of relief...that I speak to you this morning. I would be remiss if I did not begin with words of thanks—to our Triune God for strength, to all of you for your prayers, encouraging comments, and expressions of support. I must also give special thanks to my family—my wife Fay, and children Andrew and Becca—for their support, encouragement, and flexibility during this year past. Also, our Vice-Moderator Paul Bell has been splendid in his efforts this year, and the staff members of the ARP Center have been extraordinarily helpful.

As you know, the job of the Moderator of General Synod is a two-year commitment. Immediately upon election the Moderator-Elect is placed on all the Boards and Committees of the General Synod. This makes for a lot of meetings. I have gone to some; some I have not attended. If there was a special reason for me to go, I've tried to be present.

The Moderator also receives invitations to speak to Presbyteries and churches, and this really is a delightful aspect of the job. I received invitation to speak at three ARP Presbyteries and, interestingly enough, one PCA Presbytery! Of course, it was a joy to speak at the Fall meeting of my own Second Presbytery. It was also a special privilege to speak at the Fall meeting of Catawba Presbytery, the Spring meeting of First Presbytery, and also a Spring meeting of Calvary Presbytery of the PCA. The latter may be a first for ARP General Synod Moderators!

I have also spoken at a number of church celebrations—for example, at the 175th anniversary of the Hopewell, GA church, at the centenary anniversary of the Spartanburg church, and at the 32nd anniversary of the Graceview Church near Memphis. Actually, they initially invited me to speak at the 30th anniversary and then they did the math and realized it was really the 32nd! Most recently I spoke at the dedication of a splendid multi-purpose building at the White Oak, GA church this last Sunday.

Another aspect of the Moderator's work has to do with publications in the *ARP Magazine*. I will confess to having had some fun with the "Moderator's Corner" columns in the *ARP Magazine*. Several articles have dealt

with bicycling themes, and some of you have learned a bit about the sport of cycling. I also managed to get a picture of our Boykin Spaniel Tobler, a truly “incorrigible canine” if there ever was one, into the magazine. I especially want to commend the authors who wrote monthly emphasis articles. Dick de Witt, John Dawson, Dean Turbeville, Hae Sung Kim, John Van Eyk, Paul Bell, Brooks Kuykendall, Frank van Dalen, Ray Cameron, Carole Ellis, and John Basie all wrote wonderful articles for us. We have been stressing the means of grace and the way that God uses the ministries of the church to build up His people, and those articles have been challenging indeed. I also want to thank those of you who have used these monthly emphases in your local churches.

As every previous Moderator will tell you, serving in this office is a wonderful learning experience. I’ve met many people and have learned much about the ministries of the ARP Church. I am convinced that we are moving forward to meet the challenges that I outlined last year in my Moderator’s Challenge. I have been particularly concerned about the ongoing challenge of leadership that I mentioned last year. Humanly speaking, I sense that nothing is more important to our future as a denomination than quality, dedicated leadership that is mission driven rather than agenda driven or distracted by the exigencies of the moment. I feel especially privileged to have been able to participate in the commissioning service last evening of Frank van Dalen, Alan Avera, and Brent Turner as they have embarked on their terms of service at World Witness, Outreach North America, and Covenant Discipleship respectively. I’m quite confident that these gifted men have been called by God to their tasks and that God is empowering them for their work, and I trust that we will all give them our support and encouragement. Of course, other searches are currently underway, including a search for the next President of Erskine College and Seminary. I trust that all of us are vigilant in prayer regarding these important decisions.

As you might imagine, Erskine is a matter of special and even existential concern for me personally, having taught there since 1993. I count it a wonderful privilege to have taught many of your children during their times at the College. I’m thankful to former President John Carson for his efforts to foreground and emphasize the mission of Erskine College as a distinctively evangelical Christian school committed to high quality residential liberal arts education. Real progress has been made, but there is much yet to be done. We must remember that institutional faithfulness is a matter of ongoing and consistent pursuit of the mission. The task is never complete.

While on the subject of leadership, I have attended a fair number of Board Meetings over the last two years. I am extraordinarily impressed with the quality and commitment of ARP church members who serve on the Boards of our various agencies. Many of you give sacrificially of your time and your money so that the work of these agencies may go forward. You are striving to make a difference, and that difference is evident. The greatest asset of the ARP Church, humanly speaking, is her people. We must, however, take great care in the nominations process to see that individuals who enthusiastically embrace both the evangelical distinctives of our church and the stated mission of our institutions are tapped for these leadership posts.

To be sure, there are important challenges that we are currently facing. I'm not going to stand here and tell you that everything is copacetic, or that we have finally reached the eschaton. I am not a post-millennialist. But God is at work in our midst, and he is able to do immeasurably more than we can ask or think! And I will say with great vigor and conviction that there is no other denomination that I would rather be part of besides the ARP.

Now the time has come for me to resume my accustomed and preferred place in the back of this room. Serving as your Moderator has been a wonderful experience, and I want to thank you again one last time. I also trust that you will have forgiven my missteps and mistakes and errors in judgment, which I'm sure have been many.

I'm especially pleased that ruling elder Tom Patterson will serve as our Moderator this year. I've known Tom for almost as long as I've been a member of the ARP, and I know of no one with a deeper commitment to the life and ministry of our church than Tom Patterson. Thank you very much.

Retiring Moderator Evans presented Moderator-Elect Tom Patterson to the Synod. Vice Moderator-Elect John E. Hill escorted Mr. Patterson to the podium. Mr. Evans placed the Moderator's Shield around Mr. Patterson's neck and made brief remarks. Mr. Patterson presented the Retiring Moderator's Bible to Mr. Evans and made his remarks.

Moderator Patterson presented his Moderator's Challenge to the Synod.

MODERATOR'S CHALLENGE

Our chosen theme for the coming year is "I Will Build My Church". The Lord has laid before us some particular challenges that we must deal with as a Synod. Each year as a new Moderator stands before this court, new challenges present themselves. This year is no different. There is much taking place within our midst, and while we seemingly want to take charge of the process, we must keep before us the reality that this is the Lord's Church, not ours. It is His will that must be pursued, not ours. It is He who will build His Church, not us.

We continue to find ourselves in the midst of implementing a change in our organization. Some significant changes have already occurred, some are in process, and some are yet to come. Some of our agencies have new heads. Some are facing significant changes this year as two directors retire and one has resigned. By this time next year, there will be others retiring. With the change in leadership also comes the change in supportive and resource staff. Two Boards are requesting name changes. Several Boards and Committees continue to engage in self-study which will no doubt produce changes in the way they do their ministries. Change is all about us.

At this meeting we will be presented with the first draft of a new Book of Worship. At some point this special committee's work will be adopted, and this document will become an official part of our standards. As I have

attended the meetings of our various Boards and Committees and received the paperwork pertaining to their ministries, it is becoming evident that our Form of Government needs attention. We are finding there are matters which are not addressed in our present document which need to be addressed. There are other sections which need to be updated. Our Plan of Organization is causing some revisions to be made in our *Form of Government*. It is becoming evident that we need to begin the process of revising our *Form of Government*. I would propose that a special committee be appointed at this meeting of Synod to begin this task.

As we look over our denomination, we find a diverseness which was not present 20 years ago. We now have ARPs in this Synod who speak Korean, Chinese, Iranian, Spanish, and Swahili. With the difference in language, we are also faced with the reality of different cultures who do things differently from the way we do them. To work with diversity and make it work for us, and not against us, will require much patience and a willingness to work together for a common purpose. How much simpler our task would be if everyone spoke the same language, if everyone had the same customs and traditions, and if everyone did everything in the same way. I am hoping over the course of this year to see us willing to cooperate and bridge gaps that exist between us because of language and cultural differences. We talk of first and second generations among the multi-cultural groups. Our idea is that once these groups reach the second generation -- the generation which has been raised here in the United States -- then they will have better understanding of our ways. This is certainly true, but on the other hand, as generation one becomes generation two, we must understand that a new generation one has moved in among us, and they have to be taught from step one. We are going to find ourselves always dealing with the first generation, and that means we are going to have to acquire patience in dealing with those who are different from us. Many of these other cultures do not focus on paperwork and paper trails. When we try to work with these groups in this way, we find frustration mounting. We must refrain from being heavy-handed in our dealings with one another. We must seek to find ways to understand each other better and ways to enhance the ministry we do together. We have already found that our concept of informing someone one time or putting it in writing is not the most effective way to teach our multi-cultural brethren our ways. In reality, we may find ourselves teaching the same concepts over and over before they are ever grasped. In some cases, it may take a whole generation to bring about the understanding we seek. We deal with this all the time in other lands and other cultures, so why are we surprised we are dealing with the same things when these cultures come to us? Patience is the operative word in these situations -- much patience -- and a willingness to work through the long-haul to make our ministry together more pleasant and more profitable for God's Kingdom. We must realize that other denominations are experiencing the same frustrations we are. This is not a challenge that is unique to just the Associate Reformed Presbyterian Church.

I want to see our Presbyteries, all of our Presbyteries, growing—adding

new congregations and missions, developing a vision for future growth and expansion, and placing an emphasis on evangelism. On the local level, I want to see our congregations, all of our congregations, growing -- adding new members, developing a vision for future growth and expansion, and placing an emphasis on evangelism. You have already read in the report from the Board of Outreach North America recommendation 8 which states, "That the Moderator of Synod declare January 2007 as a month of evangelism emphasis within the ARP Church, that Synod agencies provide resources on evangelism for this emphasis, and that congregations make a concerted effort to reach out during this month." Therefore, I am declaring January 2007 as a month for evangelism emphasis, and I am encouraging all of you to participate. There are lost people in every neighborhood, around every ARP Church, and we need to be reaching out to them in the name of Christ. Some of our churches are already engaged in outreach ministry and are doing it well. The rest of us need to wake up and seize the opportunities that are before us. These opportunities may involve reaching out to people like us -- those who look like us, speak like us, and come from backgrounds like our own. However, there is also potential for reaching out to those unlike us, who don't speak our language, and whose backgrounds are radically different from ours. We must be prepared and ready to seize the opportunities the Lord has opened to us.

It thrills me to hear of some of our congregations opening their facilities to multi-cultural groups who desire to worship the Triune God and establish a congregation for their people group. Working with a number of these congregations, I can tell you that sharing your facilities with a group of people whose culture and language is different from yours brings its own set of challenges. Yet, if we are to reach people for Christ, we must sometimes inconvenience ourselves. Many of our church buildings stand empty and unused for much of the week. Why would we resist them being used more for Gospel work and ministry, and especially at times when we aren't using them ourselves, to allow others who don't speak our language to learn about Jesus? What about your facility? Are you willing to share it with another people group who don't have a building of their own?

What about our Presbyteries? What are our goals for expansion? We should expect every Presbytery to have some growth every year. That growth should be primed by the planting of new churches and the receiving of existing congregations. We must be willing to take the opportunities that are presented to us no matter where they are. That may mean reaching outside of our traditional bounds and assisting groups and congregations some distance from us and using them, in time, to bring about the establishment of new presbyteries. We already see Catawba, Florida, and Northeast assisting churches and missions in Texas, Louisiana, Arizona, and California. At some point, we will have enough numerical strength there to establish a Southwest Presbytery. First Presbytery should be making plans to divide into two presbyteries. Second Presbytery should develop the vision for a separate Georgia Presbytery. Pacific Presbytery should be reaching out to the Korean community and showing significant growth by

adding new congregations to its roll. Pacific Presbytery should set goals for its growth and expansion whereby it has a net gain of 4 churches each year -- at least until such time as it has a sizable number of churches on its roll. Our smaller presbyteries should be vigorously pursuing church planting within their bounds in an effort to strengthen the ministry. They should also be willing to explore the opportunities presented when existing congregations desire to affiliate with them. In particular, I would point out that our weaker, smaller presbyteries are never going to become stronger if they don't develop a vision and strategy for growth and expansion. Opportunities abound all around us, but we must be willing to pursue them when they present themselves. I would like to see each of our smaller presbyteries start at least one new congregation during the next twelve months.

Analyze the growth occurring in our denomination. Which presbyteries are growing? The answer. Those who are planting new congregations, and those who are receiving established congregations. The process of growth is two fold: planting and receiving. We possibly have a number of established congregations looking at us now and over the next year. We certainly want to make sure they are aligned with our standards and willing to participate in our ministry if we receive them. However, in trying to ascertain their conformity to our standards, we must not make the process of joining us too difficult and too complex.

We are a connectional church and as a connectional body we have responsibilities one to another. It has been heartening to see the outpouring of encouragement and support by fellow ARPs to those in the hurricane ravaged areas of the United States. Our support has not been a one time occurrence. Neither has it been of convenience. Our people have shared of their finances to assist not only ARPs, but others needing relief. I must interject here that many of our Korean churches gave sacrificially to help in these situations. Perhaps their compassion and assistance was not known to the church-at-large. Groups of volunteers continue to make trips to the devastated areas to help with construction. These trips will be ongoing for a long time. Our Presbyteries in these affected areas have put together plans for assisting those in need and are seeing that our aid is being offered by careful stewardship. Local pastors and congregations in the hardest hit areas have acted to organize relief efforts in such a way that our limited assistance will be used in the best possible way.

Along those same lines, I would be amiss if I did not include the financial support of our denominational ministries as a part of our connectional system. Our Synod is only able to fund its ministries to the degree and level of support given by the local congregations. Pastors and elders must train and educate their people to the necessity of each church doing its part and sharing in the work of our Synod. Many of the larger denominations are finding themselves making cuts in their mission and ministry enterprises. They are cutting back on personnel, on programs, and even on locations. God forbid that the ARP Church would have to take such drastic measures, because its people do not support the denominational ministries. With the challenges and opportunities before us, this is not the time to cut back on our

ministry. This is the time to expand what is already in place and venture out into other areas. We can't do this if your church isn't offering its support to our denomination.

One of the best programs we have instituted over the past few years is that of the Ministers' Orientation. Newly ordained pastors and ministers transferring into our denomination are given a first-hand look at how our denomination operates. I am thinking we need better communication to our church plants and to established churches who transfer into our denomination. Our church plants have no history of giving to denominational ministries. We are depending upon our mission developers to incorporate that concept into the structure of a new church plant. Some of our mission developers have come to us from outside the ARP Church, so we must be take particular care in educating them to the needs of our denomination. Consider this. Congregations coming to us from independency have had no structure beyond the local church to which they have financial obligations. Often they do not join in with us financially, because they are not informed of the expectation. We need to do a better job of communicating to these churches the needs of our denomination. Churches coming to us from other denominations find our system different from the denomination they have formerly known. They too must be offered education in what it means when they become an ARP Church. Our multi-cultural churches are often criticized for not participating in denominational ministries. The language barriers create confusion and mis-communication as to what we expect of them. We must be careful in devising ways to make our communications to them more effective. I am convinced this communication must be ongoing and regular. In our way of doing things and in our way of thinking, we believe if we put it in writing or tell someone one time, that is sufficient to address any situation. However, in dealing with multi-cultural groups, repetition is needed to sow the seed and cultivate the crop. We must continue to communicate our expectations to them in order to teach them how they are a part of our connectional system.

I am thinking in particular of the number of Korean churches in our denomination. Other denominations, including some of our sister denominations, have faced and are facing similar challenges we are dealing with. While receiving Korean congregations into the membership of their existing presbyteries, the Christian Reformed Church, the Presbyterian Church in America, and the Presbyterian Church, U.S.A., have also allowed the Koreans to establish non-geographic Korean-Language Presbyteries. They have also seen the wisdom in creating an educational arm to the Koreans in the form of a Korean coordinator (their vocabulary) whose assignment is to meet with and communicate to the Koreans expectations at the denominational level. While this is an ongoing process, the assessment is that it is helping and things are getting better. I believe it is time for us to look at such a position.

The ARP Church cannot afford to turn its back on multi-cultural opportunities that are before us. Every Presbytery should be seeking to be involved in some form of multi-cultural ministry within its bounds.

Last year, Moderator Evans said in his challenge, "Over the last thirty-five

or so years we have grown in terms of number of presbyteries, number of churches, and total number of members, geographical reach, and ethnic and cultural diversity. All that is good news for which we should praise God. But numerically we are not at this time experiencing decisive growth. In recent years we have consistently registered either slight gains or slight losses in membership. Our churches are on average smaller, and the average age of our parishioners is older than they were thirty-five years ago. Given the demographics and if these trends continue, the ARP Church will look somewhat different in 2025 than it does today. We will be smaller, and some of our churches will have closed. The ripple effect of that decline will be felt throughout the General Synod as we will not likely be able to support the current level of ministries. But, I would submit, it need not be so!"

It is now a year later. Where do we stand today? To be sure, in spite of some failures, we have made some progress in all areas. I am hopeful our successes have outweighed our failures. We have the challenge of a new year before us. We hold fast to God's Word and to His promises as He leads our denomination forward. Christ's promise, "I will build my church" is our standard. Brethren, let us go forward "in the strength of the Lord." May God be pleased to change the ARP Church, and may we be able to see that some of that change over these next 12 months.

Moderator Patterson introduced Harold Robertson, Kearney and Carolyn Caldwell, Richard and Elma Jarvis, and Pete, Nancy and Eric Carriker from the Coddle Creek Church and Bill and Alene Deaton from the Craig Avenue Tabernacle Church who attended in support of the Moderator and Vice-Moderator to the Synod.

Moderator Patterson introduced the Vice-Moderator, John E. Hill, to the Synod.

Vice-Moderator Hill presented the program for the 2006 meeting. The program was adopted.

Moderator Patterson introduced special attendees to the Synod:

Pages: Young Sang Kim (First Presbytery), William L. Barron, Jr., (Florida Presbytery), Rick Anderson (Northeast Presbytery), and Will Marsh (Second Presbytery).

Ministers who have been received or ordained since the last meeting of Synod (Those present introduced themselves): **Catawba:** George P. Busch, Sinclair B. Ferguson. **First:** Joseph N. Alghrary, Bryan Gregory, David Johnston, Joseph S. Moore, Mark S. Pearson, Frank Reich, Scott Siems, Paul Traub. **Mississippi Valley:** Kevin Carrol, Howard Wheeler. **Northeast:** Ron Bell, K. Rhee, William C. Sutherland. **Second:** William H. Anderson, William C. Marsh, Sam Roper, Keun Joon Ryu.

New Missions and/or Congregations that have joined the ARP family since the last meeting of Synod: **First:** African Mission (Charlotte, NC); Skybrook Mission (Huntersville); **Northeast:** Com-

munion Presbyterian Church (Anaheim, CA); Faith ARP Church of Scranton, PA; Global Vision ARP Church of Flushing, NY; Iranian Congregation of Washington, DC (ARP); Soonshin Church (Plainview, Long Island, NY). **Pacific:** Sharon Korean Mission. **Second:** New Days Korean Church (Atlanta).

Neely Gaston introduced three special Erskine Seminary students from Ruwanda and East Africa, (Kenya): Mr. Philip Kamau, Mr. Benjamin Mushuhukye and Mr. Patrick Wanjiku.

Gary Letchworth introduced his special guest for Synod, the Stated Clerk of the Associate Reformed Presbyterian Church in Pakistan, John Alexander Rizwani.

John Hopkins presided over Synod's recognition of Retired Ministers, Non-Ordained Employees and Missionaries: Ann Brice, John R. deWitt, Shadrach K. Chung, and Stephen Rimmer. Guy Smith presented certificates on behalf of the Board of Benefits and led the Synod in prayer.

The Moderator introduced Ms. Mi Young Lee, the organist of Back Creek Church, who is serving as Synod's organist for the week.

Synod's Minister and His Work Committee Chairman Charles Edgar introduced Chaplain Ed Brogan of the Presbyterian Council on Chaplains and Military Personnel. Mr. Brogan addressed the Synod. Chaplains were introduced and Mr. Brogan led in a prayer.

Following announcements Synod recessed for a Coffee Break.

On reconvening, Moderator Patterson appointed his Moderator's Committees and issued the call for the reports of the Boards for reference to the Moderator's Committees.

The memorials were read and referred to the Moderator's Committee on Memorials.

Jim Coad led in prayer to God on behalf of the sanctity of the marriage contract being between one man and one woman.

Thomas C. Shoger presented the **Recommended 2007 Allocation of Synod's Unrestricted Funds**. The allocation was adopted.

Recommended Allocation of Synod's Unrestricted Income for Calendar Year 2007

In accordance with the procedures adopted by the 1997 General Synod, the recommended allocations for the next calendar year are based on the pledged and/or anticipated unrestricted receipts for the current calendar year. The recommended allocations for 2007 are based on the following estimates:

Anticipated Commitments from Churches in 2006	\$ 2,897,356
5% of Market Value of ARP Foundation Endowment	28,371
Betts Endowment	13,152
Estimated Interest for Allocation	<u>2,500</u>
Total Resources for Allocation	<u>\$ 2,941,379</u>

The overall increase in funds is @2.18% as compared to 2.28% for the current year.

In the event that the actual pledges and/or anticipated receipts for calendar year 2007 exceed the anticipated amounts, the program agencies of the General Synod (Bonclarken, Covenant Discipleship, Erskine, Outreach North America, and World Witness) will be invited to present requests for additional funding. The Board of Stewardship will review the requests and submit recommendations to the General Synod.

The recommended allocation of funds for calendar year 2007 is reflected in **column 6** of "Recommended Allocations for 2006." Other information presented:

Column 2 reflects the amounts approved by the General Synod for 2006.

Column 3 reflects the approved amount as a percentage of the total funds to be allocated for 2006.

Column 4 reflects the amounts requested by Synod's Boards and Committees, or in the absence of a request, the last requested amount.

Column 5 reflects the **lesser** of the amount requested or the amount based on the percentage approved for 2006.

Column 6 reflects the dollar recommendation of the Board of Stewardship.

Column 7 reflects the recommended amounts as a percentage of the total funds recommended for allocation.

The anticipated resources are not sufficient to meet the expressed needs of all agencies. In determining the recommended allocations, the Board of Stewardship considered approved and existing commitments, reserves, and the resources each agency will have available from other sources.

The following agencies are funded on an as-need basis: Administrative Services, the Ecclesiastical Commission on Judiciary Affairs, Committees, Executive Board of Synod and Board of Publications.

The Board of Stewardship reminds the members of the Court that the Board of Stewardship does not act on the budgets of General Synod agencies. Budgets are to be reviewed in Moderator's Committees or when the Court considers Standing Committee Reports.

RECOMMENDED ALLOCATION OF SYNOD'S
UNRESTRICTED FUNDS

	Approved For 2006	Requested For 2007	Lesser of Same % or Requested	Recommended For 2007
Administrative Services	\$ 196,422	\$ 200,350	\$ 200,350	\$ 200,350
ARP Center Facility	16,000	16,000	15,423	16,000
Benefits	6,795	6,795	6,795	6,795
Executive Board	119,793	124,155	122,408	122,408
Publications	99,321	109,469	101,489	101,489
Stewardship & Contingency	76,792	78,712	78,468	78,468
Commission & Committees				
Ecclesiastical Commission	-	0	-	-
Inter-Church Relations	16,653	20,230	17,017	17,017
Lay Ministry	18,155	27,750	18,551	18,551
Minister & His Work	10,512	10,512	10,512	10,512
Nominations	3,610	5,000	3,689	3,689
Theological & Social Concerns	0	0	0	-
Worship	19,803	30,695	20,235	20,235
Sub-Total for Non-Program	\$ 583,856	\$ 629,668	\$ 595,515	\$ 595,514
Bonclariken	\$ 146,172	\$ 146,000	\$ 146,000	\$ 146,000
Covenant Discipleship	211,111	221,667	215,720	215,720
Dunlap	-	-	-	-
Erskine	580,733	635,000	593,411	593,411
Erskine Student Union	500	500	500	500
Outreach North America	678,082	699,131	692,886	695,117
World Witness	678,082	750,000	692,886	695,117
Sub-Total for Programs	\$ 2,294,679	\$ 2,452,298	\$ 2,341,402	\$ 2,345,865
TOTALS	\$ 2,878,535	\$ 3,081,966	\$ 2,936,917	\$ 2,941,379
				<u>20.25%</u>
				<u>4.96%</u>
				<u>7.33%</u>
				<u>0.00%</u>
				<u>20.17%</u>
				<u>0.02%</u>
				<u>23.63%</u>
				<u>23.63%</u>
				<u>79.75%</u>
				<u>100.00%</u>

C. Ronald Beard presented a report on behalf of the Special Committee on Organization and it was received as information. (See Appendix)

Wayne Frazier introduced Mark E. Ross who presented the report of the Special Committee on Worship.

A draft of the Directory of Public Worship was reviewed as information for circulation. (See Appendix) Comments by members, churches and presbyteries during the coming year are to be solicited.

The report of the special committee was adopted.

REPORT OF SPECIAL COMMITTEE ON WORSHIP

In 2003, the 199th meeting of the General Synod, by its adoption of a memorial from First Presbytery (*Minutes of the General Synod—2003*, pp. 69f.), directed that the moderator “appoint a special committee of Synod with the following responsibilities:

1. To conduct a study on Reformed Theology relating to the elements and practice of public worship in the ARP Church.
2. To offer such proposals as may be necessary to bring greater clarity to the Book of Worship, while maintaining conformity with the Holy Scripture and the Westminster Standards, and
3. To provide such additional guidance on the conduct of public worship to local sessions and ministers as deemed necessary.”

The members who have been appointed to the committee are as follows: Max Bolin (VA), Ray Cameron (FL), Charles Carlisle (S), Herschel Carlson (NE), Charles Edgar (TA), Bill Everett (MV), R. J. Gore (S), Frank Hunt (FL), Randy Imler (C), Doug Petersen (F), Mark Ross (C), David Sides (F), Gabe Statom (FL), and Jack Whytock (A). The committee has been assisted by the Coordinator of the General Synod, Wilf Bellamy, and the moderators of our General Synod who have served since 2003 (Wayne Frazier, Frank Hunt, Bill Evans, and Tom Patterson). The committee has received help from Dr. Hughes Oliphant Old, a leading authority on Reformed worship and a faculty member at Erskine Theological Seminary. The committee is deeply grateful for the help it has received from Synod’s Coordinator, our successive moderators, and Dr. Old.

In its report to Synod in 2004, the committee recommended that to meet the requirements of the memorial which Synod had adopted in 2003 the Book of Worship should be revised. The 200th meeting of the General Synod approved that recommendation and extended the committee’s appointment to continue with that revision (*Minutes of the General Synod—2004*, pp. 428-430). In 2005, the committee again reported on its progress, and requested a further extension of time to continue with its work. The 201st General Synod approved that request (*Minutes of the General Synod—2005*, pp. 92-

94). The committee has now completed a first draft for a revised Book of Worship and will present it *as information* to the 202nd meeting of the General Synod in June 2006. It is our desire that this draft be made available to our membership, churches, and presbyteries and studied over the next six months. Where readers believe changes (additions, deletions, or modifications) should be made in the draft, we are requesting that such comments be forwarded to the clerk of their local presbytery. The presbytery clerk should forward the comments to the committee in that presbytery which has been appointed to receive these comments. All comments should be submitted to the clerks of presbytery no later than December 31st, 2006.

When the committee of presbytery has received all the comments, it should meet to weigh and consider the comments that have been received, and present a report to presbytery containing those recommendations that the committee believes presbytery ought to make to the Special Committee on Worship concerning changes in the draft. When presbytery has approved the recommendations, it should immediately forward them to that presbytery's representative on the Special Committee (see the committee membership list above), or to the chairman of the Special Committee, Mark Ross. We are asking that presbyteries complete their work by March 15, 2007.

The schedule is summarized below.

1. June-December, 2006: Circulation of the draft to the members and churches.
2. December 31st, 2006: Deadline for submitting comments to clerk of presbytery.
3. January-February, 2007: Presbytery committees meet and prepare report to presbytery.
4. March 15th, 2007: Deadline for presbyteries to approve their recommendations on changes to be made in the draft.
5. Late March 2007: Special Committee on Worship meets to review recommendations from the presbyteries.
6. May 2007: Final draft presented in Synod packets (if little revision is necessary).
7. June 2007: Special committee reports to Synod on the status of the draft (if extensive revision is necessary).

The Directory of Public Worship of the Associate Reformed Presbyterian Church is an attempt on the part of General Synod's Special Committee on Worship to state comprehensively what the Associate Reformed Presbyterian Church believes the Bible teaches about worship, with the intent that it become a constitutional standard of the Associate Reformed Presbyterian Church, replacing the current Book of Worship.

It is presented for the prayerful consideration of the court. Comments and suggestions for changes in the *Directory* from our members, churches and presbyteries are invited. Because the document is intended to be a con-

stitutional standard for our church, it is to serve as our Synod's common confession about the Bible's teaching on worship. Your committee has labored with a deep sense of obligation that we were attempting to present, not simply what our committee could jointly confess as the Bible's teaching about worship, but what our whole Synod could confess. Readers are asked to keep this aim in mind also. All recommendations for change should be made in accordance with the clear teaching of Scripture and *The Standards of the Associate Reformed Presbyterian Church*. May the Spirit of truth, who leads us into all truth, so direct our hearts and minds that we all might "speak the same thing" and "be perfectly joined together in the same mind and in the same judgment" (I Cor. 1:10, KJV).

The Special Committee on Worship makes the following recommendations:

1. That the draft of the revision to The Book of Worship, called *The Directory of Public Worship of the Associate Reformed Presbyterian Church*, be received as information, and made available to members, churches, and presbyteries for study and comment.
2. That all comments on the draft from members and churches be submitted to the clerk of their local presbytery no later than December 31, 2006.
3. That presbyteries complete their work on recommendations to be made to the Special Committee on Worship by March 15, 2007.
4. That the Special Committee on Worship be continued for another year, to receive from presbyteries their recommendations for changes to *The Directory of Public Worship*.
5. That the Special Committee on Worship report back to the General Synod on the recommendations received from the presbyteries, and that as soon as possible a final draft of *The Directory* be presented to the General Synod for consideration and adoption.

Respectfully submitted,
 Mark E. Ross, Chairman
 Ray Cameron, Secretary

John Cook presented the report of the Special Committee on Vision. The report was adopted.

REPORT OF THE VISION COMMITTEE

Fathers and Brethren,

As a follow-up to the 2005 meeting of General Synod, Moderator Bill Evans appointed a Vision Committee with this assignment:

"To prayerfully reflect upon the comments made by Dr. John Carson in his address, the current state of the ARP Church in the present day setting, and to report ideas to the 2006 General Synod on ways that the ARP Church can be more proactive in impacting society

with the gospel.”

Due to a late appointment of the members of this committee and problems of scheduling, this committee did not meet until May 2006. At this meeting the committee reviewed the current position statements adopted by the General Synod concerning abortion, homosexuality, Scripture, and the Role of Women in Church. These position statements are available on the ARP homepage on the web. Churches are urged to review these and use them for reference.

The committee also discussed what should be the parameters of its charge from Synod and discussed several possible methods of gathering data from local churches. Further, the committee discussed how best to divide itself in order to accomplish its stated goals.

The committee has since sent out a communication to our churches asking for input by seeking to know what our churches are already doing to impact society with the Gospel. We are asking that ARP churches send us the ways in which your church and/or members of your church are engaging and serving your community. These may be ongoing or occasional, large or small ministries or events. If you will, please add a very brief description of the ministry that will help give a clear picture of the particulars of the ministry/ministries.

The Vision Committee asks the permission of General Synod to continue for one year and to report its findings and recommendations to the 2007 meeting of General Synod.

Respectfully Submitted,
Rev. John D. Cook, Chairman

A motion carried:

“That the Moderator appoint a committee to study and rewrite the ARP *Form of Government* and report back on its progress to the 2007 Meeting of the General Synod.”

A motion was made to refer the complaint from a member of First Presbytery to an action of that Presbytery to the Ecclesiastical Commission on Judiciary Affairs of the Synod.

The Report of the **Committee on Lay Ministry** was presented and adopted.

REPORT OF THE COMMITTEE ON LAY MINISTRY

Synod assigned the Lay Ministry Committee to present a proposal for unifying the leadership and budget of the Family Bible Conference. A special committee composed of the Rev. Rob Patrick, the Rev. Dean Turbeville, Mr. John Barron, Mrs. Tracey Smith, and Mrs. Harriet Moore were appointed to study the matter and bring a recommendation back to the Committee. As this report is being prepared, the special committee has formulated a recommendation, but it has not been considered by the Lay Ministry Com-

mittee. We do anticipate having a recommendation finalized to present to Synod. We are adding a recommendation 9 (entitled "Other") to our report for this purpose.

The Committee on Lay Ministry and the Alliance of Loyal Laity co-sponsor the Laity in Action Conference. The 2006 Conference will be held at Bonclarken on July 7-8. The conference is a family event and will include a children's program and child-care. The keynote speak will be Dr. Luder G. Whitlock, Interim President of Erskine College. He will deliver four messages -- one on Friday afternoon, one on Friday evening, and two on Saturday morning.

The Committee presents two awards each year at the Laity in Action Conference. One award, the Onesimus Award, is presented to individuals who show themselves slaves for Christ and the Gospel. In 2005, Mr. Charles Guinyard, a layman in the Huntersville ARP Church, was the recipient of this award. The second award, the Barnabas Award, is given to churches who prove to be an encourager to other churches. The 2005 recipient of the Barnabas Award was the Coddle Creek Church, Mooresville, NC, which is planting a daughter congregation in Denver, NC.

The Family Bible Conference will be held July 24-27 at Bonclarken. The emphasis is "Following Christ". This conference is jointly sponsored by the Woman's Synodical Union and the Committee on Lay Ministry. Conference Personnel include: Director - Rev. Rob Patrick; Assistant Director - Rev. Morrie Lawing; Treasurer - Mr. John Barron; WSU Director - Mrs. Tracey Smith; WSU Assistant Director - Ms Eliza Hardin; and WSU Treasurer - Mrs. Beth Smith. The Morning Bible Teacher is the Dr. Mark Ross, associate professor of Theology for Erskine Theological Seminary. The Evening Worship Leader is the Rev. Robert Rayburn, pastor of the Faith Presbyterian Church in America, Tacoma, WA. ARP Women's Ministries meets prior to the conference on July 23-24.

We continue our search for a Director of the Cornerstone Conference for Young Adults. If you have suggestions of possible candidates, contact the Director of Lay Ministry.

We offer to assemble Work Teams to assist congregations and agencies with special projects. Volunteers furnish their own transportation and bring their own tools. Meals, lodging, and supplies are provided by the church or agency needing the help. You may contact the Director of Lay Ministry for additional information if you have a need.

Limited funding is available to assist presbyteries, clusters of congregations, or individual congregations who desire to sponsor events for laymen at the local level. Make application through Tom Patterson (P. O. Box 1283, Mooresville, NC 28115-1283; 704-663-2611; arphighroad@earthlink.net).

New officers elected for the 2006-2007 term are:

Mr. Tim Burrell, Chairman

Miss Gail Griffin, Vice Chairman

Mrs. Claire Bodenstein, Secretary

Tom Patterson continues as the Director of Lay Ministry for the Synod.

Recommendations

1. That the Rev. Rob Patrick be appointed as Director and the Rev. Morrie Lawing as Assistant Director of the 2007 Family Bible Conference.
2. That sessions and pastors promote attendance at the Laity in Action Conference, the Family Bible Conference, and the Cornerstone Conference.
3. That sessions call on their people to pray daily for the work and ministry of the local congregation, the presbyteries, and the General Synod and challenge the laymen to have a systematic study of the Scripture and also to set aside a time for daily devotions.
4. That laymen be challenged to familiarize themselves with our doctrinal standards as found in the Westminster Confession of Faith, and the Larger and Shorter Catechisms.
5. That opportunities to prepare and equip lay people for effective Christian service and opportunities to involve laymen in ministries be provided through the local congregations and also through the work teams provided through this committee and that encouragement to participate in community-based ministries be given through the local congregation.
6. That the retreat and conference ministries of the ARP Church be given proper promotion within each congregation.
7. That sessions be encouraged to designate one Sunday in the month of October as a day to celebrate and emphasize the role of laymen in the church.
8. That the Budget for 2007 be approved as follows: (NOTE: See approved Recommended Allocations)

Laity in Action Conference	\$3,500
Family Bible Conference	9,000
Area Laity Workshops	500
Cornerstone Conference	1,750
Director of Lay Ministry	4,000
Cooperative Work with A.L.L.	3,000
Committee Expenses	<u>\$6,000</u>
Total	\$27,750
9. That the proposal for establishing a single leadership committee to plan and implement the Family Bible Conference be adopted.

Tasking from General Synod 2005

That the request of the Woman's Synodical Union to form a committee to plan and run the Family Bible Conference be referred to the Committee on Lay Ministry with direction for them to explore, with the ARP Women's Ministries, the potential for a single leader conference. If such a single leadership group is deemed appropriate, a detailed plan for the change will be presented to the 2006 meeting of Synod for consideration and potential action. (*Minutes of 201st Meeting of the General Synod*, p. 147)

Recommendation

The Lay Ministry Committee recommends the following revised structure for the Family Bible Conference:

Conference Purpose and Structure

The present purpose of the conference and basic structure to meet that purpose are serving the denomination well and should not be changed. This purpose supports the missions of the Lay Ministry Committee (LMC) and ARP Women's Ministries (ARPWM) which currently oversee the operation of the conference.

The conference's Leadership Committee will meet during the early fall each year to review the past conference and plan for the future. This will include finalizing of a theme, major speakers, and key program elements. This plan will be presented to the ARPWM Executive Board and the LMC at their fall meetings for review. The theme and major speakers will be approved by the supervising groups not later than their fall meeting.

Leadership

The LMC and ARPWM will each continue to appoint directors to serve four-year terms (two years as director and two years as assistant). These four people comprise the joint Leadership Committee for the conference. They will work together to develop and implement the programs of the conference as well as promote the conference. A person will be nominated to Synod by the LMC, after coordination with ARPWM, to serve as treasurer for the conference. The treasurer will be an advisory member of the Leadership Committee. This person will serve a two-year term and may be reappointed.

Financial Considerations

As the designated representatives of LMC, ARPWM and the General Synod, funding decisions will be made jointly by the Leadership Group.

The conference will be operated from a single budget overseen by the treasurer. Funds made available by any source will be included in this.

During the fall planning conference, a consolidated budget will be created and funding for the various parts of the conference agreed upon. Planning funds will be those expected from the sponsoring agencies plus conference fees based on not more than the previous year's attendance numbers. Directors will then plan their parts of the conference based on this budget. Throughout the year the Leadership Committee will make program decisions to keep the conference within the anticipated funding level.

The treasurer is responsible for budget monitoring and expends funds in keeping with the budget. Items above the budget must be approved by the Leadership Committee in coordination with the treasurer to identify available funding. All expenses will be documented on vouchers for record purposes.

After the conference, the treasurer will prepare a report of income and expenses to include specific dollar amounts and appropriate notes. This will be presented to a designated member of each sponsoring agency and filed with the ARP Central Office.

The Report of the **Committee on the Minister and His Work** was presented and adopted.

REPORT OF COMMITTEE ON MINISTER AND HIS WORK

The membership of the Committee on Minister and His Work encompasses the Chairman of each presbytery's Committee or Commission on Minister and His Work, the Director of Outreach North America, and the Vice-President of Erskine Theological Seminary (ETS). The Moderator and Moderator-Elect of Synod, Coordinator of Synod, and the Director of Administrative Services serve as advisory members.

The Committee exists "as an enabling instrument for the courts, agencies, and congregations of the General Synod who are involved in securing the services of theological students and ministers who desire work or a change of work." This report will address the specific duties assigned to the Committee as enumerated in the Manual of Authorities and Duties.

To Secure and Maintain Dossiers - (Duties 1 and 2)

Chapter X.E.1 of the *Form of Government* clearly prescribes the authority of presbytery in effecting calls for its ministers. The *Form of Government* does not, however, prescribe the manner in which this requirement will be carried out. It is, therefore, incumbent on every presbyter and denominational official to ensure that our individual efforts do not violate either the letter or the intent of this provision in the *Form of Government*. Our individual efforts must always complement this presbytery responsibility.

The General Synod, through the Committee on the Minister and His Work, has sought to develop programs to assist the minister and/or candidate, the search committee, and the presbytery. Forms for the minister/candidate and for the church have been developed and the Committee on Minister and His

Work has oversight of the program to secure and maintain these forms. The Office of Administrative Services, ARP Center, maintains and administers the forms in accordance with procedures approved by the Committee:

- a. Access to data forms is restricted and forms are released in accordance with the instructions indicated thereon.
- b. Specific data forms are released only to the chairperson or secretary of a search committee or to the chairman of a Presbytery Committee/Commission on Minister and His Work.
- c. At the request of a search committee, and in those circumstances where the church has completed a "church profile," matching data forms will be released.
- d. When a data form is released to a church the presbytery chairman is notified.
- e. If a minister has requested or indicated a desire to have his data form circulated in the absence of a specific request or data match, the data form is submitted to the chairman of each presbytery Committee on Minister and His Work. These data forms will be submitted to churches at the discretion of the presbytery chairman.

All ministers are encouraged to have a data form on file, and to update the form on a periodic basis. Churches are reminded of the opportunity to complete and utilize the "Church Profile" when they are seeking a pastor. The Committee has begun the process for updating these forms.

The following is provided as information (generally reflecting activities from April—March):

	2003	2004	2005	2006
Data Forms Requested by Churches	202	356	112	97
Data Forms Provided to Pulpit Committees	242	317	165	91
Data Forms Requested (no forms available)	12	14	6	6
Data Forms Requested (not mailed at request of individual)	10	25	22	11
Requested (not sent due to fact just relocated)	0	2	2	1
Data Forms Sent at the Request of Individual	30	45	112	56
Requests for Updated Forms	28	25	16	14
Requests by Non-ARP's to Secure Forms to Complete	26	10	6	8
Seminary Students' Data Forms Distributed	28	94	30	18

Church Profiles Distributed to Vacant Churches	5	20	28	11
Church Profiles Completed by Vacant Churches	1	5	4	0
Data Forms of Ministers sent to Non-APR Churches*	1	1	0	0
Request to be Removed from Eligibility	-	-	5	6
Non-ARP's Who Met with Presbytery for Recommendation -	-	-	2	2
Requests for Biographical Forms				27
Number of Ministers with Data Forms				144
Number of Students with Data Forms				6
*At request of Minister				

The Committee asked Administrative Services to include on the General Synod web-site a list of those congregations seeking a pastor. Churches are listed for a particular presbytery by the Presbytery Chairman. For a current listing view <http://www.arsynod.org/minops.html>.

Military and Institutional Chaplains – (Duties 3, 4 and 5)

Your Committee has the responsibility to keep the General Synod informed of the work of our military and institutional chaplains. The Presbyterian Council on Chaplains and Military Personnel is our endorsing agency for military chaplains and it provides pastoral care and guidance for those chaplains. A report on the work of the Council during the past year is on file at the ARP Center. Representatives on the Council are Reverend Ronald Beard (as Stated Clerk), Reverend Don Yancey (2006), Mr. Terry Wallace (2007), and Reverend R. J. Gore (2008). Mr. Yancey has completed a three-year term and the Committee is recommending that he be appointed for a second term ending June 30, 2009.

The following are expected to be serving as military or VA chaplains at the time General Synod meets:

L. Paul Burns, MAJ, USA
 Gale G. Cotton, Captain, USA
 Ronald R. Eastes, Captain, USA
 Lawrence E. Hamrick, Captain, USA
 David Johnston, 1st LT, USA
 Paul B. Joyner, Captain, USAF
 Michael Keifman, Captain, USA
 Michael A. Kelly, Captain, USA
 Chris Reeder, Captain, USAF

David M. Schwabauer, Lt. Commander, USN
 Barry K. Wells, Captain, USAF
 Michael E. Yarman, Major, USA

In addition to chaplains serving on active duty, the following are Reserve Chaplains:

R. J. Gore, LTC
 James A. Ryan, COL

We note also, the following retired military chaplains:

John S. Banks
 Thomas E. Braithwaite
 Fred S. Carr
 Meredith L. Cavin
 William Nale Falls
 Douglas O. Jones
 William A. Macaulay
 C. Stephen Rimmer
 Robert Washington, Jr.
 Hershel D. Yancey

The following serve as institutional chaplains:

Paul G. Patrick
 Jeffrey J. Seeger

Members of the court and congregations are encouraged to remember all chaplains and military personnel in their prayers and to seek opportunities to be supportive of their ministries.

The *Form of Government*, Chapter X.B.5 states: “The varied work of the Church makes it necessary and proper for ministers to engage in ministries other than those specified [pastor, teacher, evangelist, missionary].” These men, too, should be kept in our prayers.

Uniform Written Exams – (Duty 7)

A Uniform Written Exam was last updated in 1995. Copies of the exam may be secured from the Office of Administrative Services. An agenda item for the Committee will be to review the current exam during the coming year for the purpose of possible updating. Presbytery Chairmen continue to share with each other exams that are currently being used.

Ministerial Assistance – (Duty 6)

The Committee is asked “to assist the minister in areas of his work so long as it does not usurp the authority and responsibility of the presbytery.” The following areas are brought to the attention of the courts as the Committee seeks to enhance the mission of witness and ministry:

A. Annual Reviews

Calls to Associate Reformed Presbyterian Ministers must provide for an annual review of the terms of the call. In the opinion of the Committee, this review of the terms of the call should be done in the context of a ministry evaluation – for both the minister and the congregation. Some presbyteries

have begun to develop procedures and guidelines for conducting ministry evaluations. Presbytery representatives to the Committee have been asked to share their work with each other.

The annual review should also address the monetary needs of the Pastor. We ask that the presbyteries encourage the churches to consider, as a minimum, an annual cost of living increase in compensation. Information on the Consumer Price Index is available on the WEB at <http://www.bls.gov/>

B. Orientation Program for New Ministers

The orientation program is designed to build relationships among new ministers and to build relationships between ministers and those who are engaged in the ministries of the denomination. We continue to urge ministers to make every effort to attend an orientation program in the first two years of ministry. We encourage presbyteries to insist on this. Orientation programs are scheduled for the last Tuesday in April and the last Tuesday in September. Details may be found in the *Plan Book*. The General Synod will reimburse out-of-pocket expenses for those participating in the orientation program.

C. Preventative Maintenance

The *Form of Government of the Associate Reformed Presbyterian Church* enumerates many "Public" and "Private" pastoral responsibilities that have the potential for placing the pastor in very vulnerable circumstances. He is expected to exhort and comfort, counsel with, visit, advise, comfort, and pray with members of his congregation and often to those outside the congregation.

There is growing evidence that ministers too are subject to decisions and actions that can interrupt, derail, or destroy effective witness and ministry. Committee members have encouraged each other and, through this report, we encourage our fellow presbyters, to address ways in which ministers can be better prepared to deal with these issues professionally and personally. Should there be such an occurrence it is expected that it will be addressed on the basis of the "Theology of Church Discipline" as set forth in Chapter 1 of the *Book of Discipline* – "the free love of God in Christ expressed in both mercy and judgment."

D. Consideration of Associate Reformed Presbyterian Ministers and Students

For many years this Committee has recommended, and the General Synod has approved, a recommendation to the churches that preference be given to Associate Reformed Presbyterian ministers when considering a call. At least one presbytery requires its churches to exhaust consideration of ARP ministers prior to considering others.

There are ministers without a call who have demonstrated their qualifications for ministry by virtue of their ordination and continuing membership in the Associate Reformed Presbyterian Church (it is recognized and understood that not every minister is suited for every pastoral position). The Committee feels that their commitment to the Associate Reformed Presbyterian

Church is deserving of consideration when a church is seeking a pastor.

In like manner, the General Synod has encouraged those churches with the financial resources to consider employing ARP Seminary students in the summer. The opportunity for meaningful, practical experience is an investment in the future.

E. Policy Statement on Sexual Harassment.

The Committee continues to recommend that each presbytery adopt a statement on sexual harassment. Adopted statements should be reviewed on a periodic basis to insure compliance with existing laws and policies. Several presbyteries have begun the process for adopting a policy statement.

Miscellaneous Items

A. Referral by 2005 General Synod

General Synod referred a memorial from Catawba Presbytery to the Committee (See Page 59, *2005 Minutes of Synod*.) The memorial proposed a change in the *Form of Government*, Chapter X.E.11 that would have required Pastoral Calls to have provision for participation in General Synod's group insurance program. In other action, the General Synod

- a. Approved a recommendation of the Board of Benefits that provided the following coverage for ministers serving under the terms of a Call as prescribed in Chapter X.E.11 – employee term life and accidental death, dependent life, and employee long term disability.
- b. Approved for overture to the presbyteries, a change in Chapter X.E.11, that would exclude persons called as an evangelist.

The Committee recognizes that there are circumstances in which medical insurance and dental insurance are being provided for ministers as dependents on a spouse's policy. Additionally, the Committee has been informed of a proposed memorial from Catawba Presbytery that will address Chapter X.E.11. Accordingly, the Committee recommends that the memorial referred by the 2005 General Synod, not be adopted.

The Committee expresses its consensus that all calls to the pastoral ministry should include provision for adequate medical insurance for the minister and, if married, for his family.

B. Relationship with Board of Benefits. The Chairman of each presbytery Committee or Commission on Minister and His Work serves as an advisory member on the Board of Benefits, with the Chairman of General Synod's Committee on Minister and His Work serving as an Ex-officio member. This venue provides an excellent opportunity for input to the Board of Benefits and for providing a better understanding of the benefit programs. The Committee meets in conjunction with the Board of Benefits to address Committee matters.

C. Officers for 2006 - 2007:

Chairman: Charles Edgar

Secretary: Ed Hogan

D. Meeting dates for 2006 - 2007: The Committee will meet in conjunction

with the Board of Benefits, meeting at 10:00 AM on the following dates: November 2, 2006, April 19, 2007, and November 1, 2007.

E. Committee Membership. To carry out the duties assigned by the General Synod, and to more effectively serve the courts and its ministers and students, the Committee needs representation from all presbyteries when it meets. Accordingly, the Committee recommends the following changes in the membership of the Committee (changes are indicated by underline):

Ex-officio: Chairman of each Presbytery Committee (Commission) on Minister and His Work or his designated alternate, Chairman of each Presbytery Committee that has oversight of Students and Licentiates, Director of Outreach North America, and Vice President of Erskine Theological Seminary.

Recommendations

1. That presbyteries encourage
 - a. ministers and seminary students to keep updated data forms on file at the ARP Center;
 - b. congregations to complete a "church profile" before seeking a pastor;
 - c. Pulpit Committees to give preference to ARP ministers and students; and
 - d. congregations to employ ARP seminary students for the summer months.
2. That presbyteries require ministers to attend the General Synod orientation program within the first two years of ministry.
3. That presbyteries that have not yet done so seek to develop a program to encourage its congregations to incorporate the annual review of the minister's call into an annual ministry review.
4. That appreciation be expressed to the Presbyterian Council for the work it does on behalf of chaplains and military personnel.
5. That the Synod pause to offer a prayer of thanksgiving and intercession for the ministry of our military and institutional chaplains.
6. That Don Yancey be elected to the Presbyterian Council for the term that expires in 2009.
7. That presbyteries be requested to review the guidelines approved by the 2000 General Synod pertaining to the reception of churches and ministers and provide guidance for the use of the guidelines to its Committee/Commission on Minister and His Work.
8. That presbyteries be encouraged to adopt a policy statement on sexual harassment.
9. That the Memorial submitted to the Committee on Minister and His Work for review not be adopted.
10. That the membership of the Committee on Minister and His Work, as presented in the report, be approved.
11. That the 2006 revised budget and the budget for 2007 be adopted as follows: (NOTE: See Approved Recommended Allocations)

	<u>2006</u>		<u>2007</u>
Committee Travel			
& Meeting Expenses	\$ 2,000	\$	2,500
General Office	300		750
Presbyterian Council	<u>8,212</u>		<u>8,625</u>
	<u>\$ 10,512</u>		<u>\$ 11,875</u>

12. That all other actions of the Committee as reported herein be affirmed.

Respectfully Submitted,

Charles F. Edgar, Chairman

The prayer for Chaplains was offered by Robert Bell.

Seminary and Special Students Under Care of Presbytery introduced themselves giving their present status. (See Directory)

The Report of the **Eccelesiastical Commission on Judiciary Affairs** was presented and received as information. (See Appendix)

The morning business session closed with prayer and the Benediction pronounced by John Kim.

Wednesday, June 7, 2006

1:45 P.M.

John R. deWitt led the afternoon worship service.

Synod recessed for the Moderator's Committees meetings.

Wednesday, June 7, 2006

7:00 P.M.

James A. Hunt led the worship service.

Dr. Peggy Gray, President of the ARP Women's Ministries, presented her address to Synod. A Motion carried to print the address in the Minutes of Synod.

ARP WOMEN'S MINISTRIES PRESIDENT'S ADDRESS

Mr. Moderator and Friends, it is an honor for me to speak to you and to represent ARP Women's Ministries.

I cherish this little verse which reads, *Blessed be the Lord, who daily loads us with benefits, The God of our salvation! (Psalm 68:19)* God knows our needs and I praise Him everyday for blessing me with many benefits and today, particularly, for the benefits of a devoted, understanding husband, Reid, the love of my life for 50 years, who allows me the freedom to come, to go, and to do, as the presidency demands.

This year is winging itself by so quickly and I must confess, trusting in God has become a habit, as I call on Him to be my strength. I've come to realize that every experience I have had, every person that God has put in my path, has been part of His preparation for the days ahead that only God can see. Jeremiah 29:11, our theme verse, has been comforting and reassuring, *"For I know the plans I have for you," declares the Lord, "plans to prosper you and not to harm you, plans to give you hope and a future."*

During this transitional year, from WSU to WM, we are experiencing hopes that have prospered and we see an exciting future ahead. Women are catching on to the new structure. They are enjoying a new freedom from legalism and they are shifting to a renewal of fellowship through relationships as God leads us. Sometimes changes can bring about a struggle. Seamus Heaney, the Irish poet, describes that initial time when he was struggling to write and to become a poet. He talks about standing at a well and lowering the bucket over and over, again and again. He said that so much of the time you're bringing up air. You don't find the living water. But in time, you do find the water if you keep working, perfect your craft and have a passion for it. Finally it happens, you bring up water!

Women's Ministries has been busy with that bucket, sometimes coming up empty, but as time passes, we are bringing up that real stuff, the programs that are needed in our churches, life giving water. During this year, in the course of loving and caring deeply about the directions we are taking, one thing we are resolving is that WM does not run its own orbit. WM is part of the whole and flows through the whole church. God has been in our midst, leading us, placing us where we are now, to serve Him. Our new structure encourages women in the local church to seek ways to cooperate with the session to fulfill the local church's Vision.

In early March I mailed a letter to every pastor in the ARP Church. The letter was informational about some of our activities this year and I received two responses immediately, saying they were praying for WM. Those ministers were Dr. Lawrence Young, Brookside Presbyterian in Boone, NC and Dr. Thomas Richie, Young Memorial in Anderson, SC. Several word of mouth comments followed and I felt that WM were being prayed for in all corners of the USA and Canada. I take time to say this because feedback is vitally important. During my 31 year career, working as a teacher, principal and administrator I learned that feedback was a great vehicle for changing attitudes. We do consider you pastors and Session members, our Spiritual leaders, to be among our strongest advocates for the WM and we covet your prayers and encouragement as we move into this new era of partnership.

Spiritual growth among our women is evident through Bible studies, prayer, planning sessions and the new special interest groups as women gather in circles, retreats, work sessions, 10 week Bible studies, and anywhere a strong relationship with Christ is created. Our emphasis on women ministering to women continues as we reach out to all the women in our congregations. We gladly trade in all that reporting we did in the past for sensitive programs like visiting new mothers, spending an hour with a nursing home resident or any of our people to people programs.

Susan Hunt, keynote speaker for last year's Annual Meeting, presented a follow-up meeting at Back Creek Church with Vice President Patsy Ratchford hosting along with her local women's group on November 11. Susan continued her seminar on Biblical womanhood and spiritual mothering, the action of older women entering into nurturing relationships with younger women, to encourage and equip them to live for God's glory. In July, at Family Bible Conference we will be offering sessions on "Woman to Woman

Mentoring," and "Mentoring in a Group Setting." Several women's groups are studying *Spiritual Mothering* by Hunt now, in preparation for involvement in a mentoring program.

Two women who have spent their lifetime glorifying God are Dorothy Dagenhart and Sarah Pressly, who were awarded honorary Doctor of Humane Letters degrees during the Erskine Commencement ceremonies on Saturday, May 13, 2006. Lovely plaques featuring the degrees and a biographical sketch of their life and service rendered in Pakistan were presented to these precious women. Their jubilation made it a red letter day for those of us who journeyed to Due West to see the event in person.

A definite highlight of this year has been adding two new presbytery Representatives. Both ladies have brought enthusiasm and inspiration to WM Board.

Jennifer Hovestadt, Canadian Presbytery, has been meeting with different churches in her region, planning retreats and giving presentations on ARP Women's Ministries. She also talks with ministers who are interested in establishing WM in their churches. Among the Canadian women there is much excitement over the creation of a "Presbyterial Quilt," with many volunteers ready to begin work. They look forward to bringing it to Bonclarken to be placed with the other Presbyterial quilts, which could happen as early as July, 2006.

Sharon Carr, Northeast Presbytery, reports that Bible studies and retreats are common for most of her churches. Women, usually called deaconesses, often lead mercy ministries. Most of the Northeast churches do not have Women's Ministries Boards. Their greatest interest is in mentoring groups or contact with women from other ARP churches. In early May, Sharon hosted 14 ladies from six churches. They shared ideas and since Sharon has been a mentor in her church for five years, she served as a resource to the women. This spring Sharon brought greetings to the Northeast Presbytery and she is most likely the first woman to hold that distinction.

Ann Aheron, Interim Administrator, has traveled extensively this year and has been warmly received as she visited many churches, denominational board meetings, presbyteries and presbyterials. She has been a valuable resource as she makes clarifications, provides information on new officer responsibilities and related documents. We know now, without a doubt that WM needs an administrator. Ann and I attended the women's leadership conference, sponsored by the Presbyterian Church in America. To our delight, we discovered we were all working on some of the same themes.

As we approach the end of this women's year, two questions come to mind:

1. Are we ready to become Titus 2 women? This is the generation to generation, older women teaching younger women program. This is crucial. We must get busy.

2. Are we ready to leave our caves of isolationism? We live in a multi-cultural society. Do our local women's programs reflect this? If not, here again, we must get busy.

Our budget for 2005-2006 is \$216,200. Giving is up and down at times,

but the women are always enthusiastic about supporting Pam Brunson and Judi Hodges, through the Jubilee Birthday offerings. We continue to support Bonclarken, Camp Joy, Covenant Discipleship, Erskine College and Seminary, Family Bible Conference, Outreach North America, World Witness and other denominational agencies, including the A. R. P. Magazine. We have released \$10,756 of the Medical Missionary Scholarship Fund to be given to the Nursing School of the Nancy Fulwood Hospital in Sahiwal, Pakistan, to be administered through World Witness. The offering at the July 24 Annual Meeting will go to ARP Connect. We hope you have noticed that Synodical Hall has had a new facelift with the trim work receiving a fresh coat of paint this spring.

In closing, I assure you that we shall continue to be open to the leading of the Holy Spirit. We have been loved by a loving God. Let us, the ARP Women's Ministries and the whole ARP denomination be seen as loving people. Can we blend our talents and **love** each other a little bit more? It is **love** that binds us together in full unity!

John H. Dawson presided on behalf of the Inter-Church Relations Committee as greetings from Fraternal Delegates were received. Following the reading of a letter from the Associate Reformed Presbyterian Synod of Mexico, Fraternal Delegates addressed the Synod as follows:

The Rev. Mr. John A. Rizwani, Secretary of the General Synod, represented the Associate Reformed Presbyterian Church of Pakistan. The Rev. Mr. Jack Sawyer represented the Orthodox Presbyterian Church. The Rev. Mr. Mike Glodo, Stated Clerk, represented the Evangelical Presbyterian Church. A letter from The Rev. Mr. Johnson Watt, Moderator, the representative of the Reformed Presbyterian Church of North America was read.

A prayer for all our fraternally related churches was offered.

A motion carried that the address of Pastor John Rizwani be printed in the Minutes of the General Synod. (See Appendix).

The **Report of the Board of Erskine College** was presented. The **Moderator's Committee on Erskine** recommended the adoption of recommendations 1-6 and that recommendation 7 be referred back to the Erskine Board. Recommendations 1-6 of the Board were adopted. Recommendation #7 was not adopted and was referred back to the Erskine Board. Two additional recommendations of the Moderator's Committee were adopted:

1. That the Board of Erskine be reminded of the requirement that the annual report to Synod is "to include a special section relating to the implementation of the Statement of Philosophy of Christian Higher Education." (*Manual of Authorities and Duties*:

Board of Erskine College: Duties #10).

2. That the Synod express its thanks to the Board of Erskine, Chairman Moore, interim President Whitlock, Vice-Presidents Weatherman, Gaston and Haselden, and the rest of the administration for their leadership of the college and seminary during the past year.

REPORT OF ERSKINE COLLEGE

Fathers and Brethren:

I am delighted to serve Erskine College and Theological Seminary as its Interim President, trusting that the Lord will use my brief tenure to strengthen Erskine and prepare the way for the next president. Mindful of the outstanding leadership provided by Dr. John L. Carson, a personal friend and respected colleague, I am committed to building a discerning, integrative, and unwavering program of higher education that is rooted in the authority of God's Word and, therefore, fully aligned with the theology and heritage of the Associate Reformed Presbyterian Church. We will resist the tendency toward secularization that has been the experience of many Christian institutions of higher learning.

Although we will continue to stand firmly on the Scriptures, we will not stand still because we must keep improving in order to compete in the higher education world and to take advantage of the opportunities that God is placing before Erskine for greater influence on the broader evangelical Reformed community. This small academic village has the potential for great accomplishments.

I am impressed by the dedication of faculty and staff to Erskine and find in this community a wholesomeness seldom encountered in the college and university world. Our thanks to you for your faithful support in many ways.

Cabinet Leadership: Dr. Luder G. Whitlock, Jr., Interim President; Dr. Donald V. Weatherman, Executive Vice President and Dean of the College; and The Rev. H. Neely Gaston, Executive Vice President for Advancement and Executive Vice President of the Seminary; Mr. Gregory W. Haselden, Vice President for Finance and Operations.

Commencement and Baccalaureate Services, May 13-14, 2006: Dr. Theodore Roosevelt Malloch, College commencement address; Dr. Mark E. Ross, baccalaureate preacher; Dr. Sinclair B. Ferguson, Seminary commencement address. Honorary degrees were awarded to Miss Dorothy Eugene Dagenhart, Stony Point, NC; Dr. Sinclair Buchanan Ferguson, Columbia, SC; Senator Lindsey Olin Graham, Washington, DC; and Mrs. Sarah Hunter Pressly, Due West, SC.

Board of Trustee Leadership, 2006-07: Mr. G. H. "Chip" Smith III, Chairman; Dr. J. M. "Joe" Lesesne, Jr., Vice Chairman; and W. L. "Billy" Barron,

Secretary.

ERSKINE COLLEGE

Academic

- The following faculty were hired for the 2005-06 academic year: Ms. Michelle Bachand, Curriculum Director and Athletic Training Instructor; Dr. Robert Elsner, Associate Professor of Psychology; Dr. Mary Gossett, Associate Professor of Education; Ms. Shannon Jeffreys, Visiting Assistant Professor of Music; Ms. Dale Smith, Visiting Instructor of Special Education; Dr. Arthur Sparks, Visiting Professor of Mathematics; Ms. Kandy Veneskey, Assistant Athletic Trainer and Athletic Training Instructor; and Mr. Adam Weyer, Head Athletic Trainer and Athletic Training Instructor.
- Faculty promotions: Drs. Sandra Chaney and Terry Eves to full professor and Dr. Rachel Smith to associate professor.
- Erskine students, Jong-In Lee, Jennifer Raiford, Camilla Jenkins, Meredith Garrison, Julie Hall, Brandon Brown, and Caleb McMahan, completed undergraduate research projects sponsored by the South Carolina Independent Colleges and Universities. Each student presented the results of their research at a meeting hosted by BMW Manufacturing.
- Three faculty appointments for 2006-07 were Ms. Shannon Jeffreys, Visiting Assistant Professor of Music during 2005-06, a tenure-track appointment, Dr. Brooks Kuykendall as Assistant Professor of Music beginning in August 2006 and Dr. Charles Emery as Professor of Business Administration. Searches continue for marketing and special education.
- During the 2005-06 academic year the College implemented a new assessment process.
- We are preparing for site visits for re-accreditation of our education and athletic training programs this spring.
- Thanks to anonymous donors the former ARP Print Shop has been renovated, housing an art studio, a slide library, and an office.

Bowie Arts Center

- Approximately 90% of the permanent collection has been labeled with an identification number. These numbers will be entered into a database that will correlate to the artist, title, date and biographical information of the work.
- Glass doors were installed on the lower level to provide greater security to the Baldwin music box collection and the Graphic Design computer studio.
- *South Carolina Magazine* will run a feature article on the Bowie Arts Center in its spring 2006 publication.

Enrollment

- We began the academic year with 591 full-time equivalent students, including 181 freshmen and 12 transfer students. Each of the last three freshman classes have ranked among the top in the last decade.
- We had a fall to spring retention rate of 96%.
- Applications and deposits were up 10% at the end of March.

- Laura Leathers from Rock Hill, SC, and Alex Andryszak from Goose Creek, SC, were chosen as the E.B. Kennedy Scholars. Ashley Stafford from Lawrenceville, GA, was the first runner-up in the E.B. Kennedy Scholarship Competition and was awarded the Solomon Scholarship.
- Recent changes to the Erskine College Scholarship Program enabled the Enrollment Management team to recruit highly desired freshmen vigorously. The process of applying for scholarships is now easier to understand and follow. The Enrollment Management team expects a solid recruiting year for 2006-07 with at least 200 new students.
- Approximately 600 to 675 award letters (a record high) were sent to prospective freshmen by June 1, 2006.

McCain Library

- Edith Brawley (Archivist) and John Kennerly (Director of the Library) are currently serving on a special historical committee established by the General Synod's Executive Board to investigate arrangements for the intermediate and permanent storage of ARP materials currently housed at the Presbyterian Historical Society Archives located on the campus of Montreat College. The Presbyterian Historical Society Archives at Montreat is scheduled to close by December 31, 2006.
- Plans are underway for the creation of a library at the Seminary's new Columbia campus (First Presbyterian Church, Columbia, SC). This collection — a joint effort between Erskine Theological Seminary and First Presbyterian Church, Columbia, SC — will provide local research resources for students taking ETS courses in Columbia. It is anticipated that the ETS Columbia campus library will be operational by September 2006. Approximately 8,000 books have been donated to the Columbia campus library.
- Sheldon MacGillivray became the Director of the Columbia campus and extension sites.

Chaplain's Office

- Campus ministry seeks to "reach students for Christ and to equip students to serve," utilizing a large group Bible studies, small groups, and one-to-one's. The large group Bible study (Student Fellowship at the Barn) serves as an ideal place for student fellowship and pastoral teaching. The Fall began with 160 students and faculty/staff families attending our first meeting. Our Fall series on the Ten Commandments, a J-term series on "Prayer" and the Spring series on "The Acts of the Apostles" provided the content of our teaching ministry.
- Ministry Leadership Training equips students with the philosophy and practice of personal ministry. Twenty students participated in this leadership training.
- Small group leaders were trained and ten to twelve small groups were offered each semester, led by a combination of the Chaplain, faculty, and upperclassmen who taught various topics and books of the Bible.
- One-to-one discipleship opportunities for students with the Chaplain, faculty, and upperclassmen increase annually. A female intern is needed to help with the 60% female student enrollment.

- Widow's Ministry, in cooperation with Widow's Watchman Ministries, is flourishing. Other colleges are beginning to replicate this ministry. For example, Penn State University visited the Erskine campus during their spring break to observe Widow's Ministries and to take the concept back to their churches and community.
- Additional ministry opportunities are provided each January in our annual "Men's Fellowship" and "Women's Fellowship" events.
- The Erskine College Chapel service provides a context for weekly worship as an academic community. ARP ministers are often guest speakers.

Student Services

- An extensive orientation program (including CPR/First Aid certification, leadership training, risk behavior identification, etc.) was conducted for Student Life Assistants and Resident Directors from August 22-26, highlighted by a three-day retreat at Bonclarken.
- Freshman Orientation (including computer, library, and study skill instruction, alcohol/other drug education, and service opportunities) included a full week of activities.
- Residence Life programs were conducted in residential halls (including programs on sexual assault and self defense).
- A leadership workshop was conducted for organizational leaders and advisors of all student organizations on campus. An additional leadership workshop was scheduled for the Spring.
- The Wellness initiative announced the following events/additions: February 15 - Lunch-n-Learn (Emotional), March 15 - Lunch-n-Learn (Social), April 19 - Lunch-n-Learn (Spiritual); Smoking Cessation seminar; wellness newsletter; JumpStart; Winter Walking Challenge; Moffatt Healthy Choices.
- More than 30 mini-sessions were offered to the campus and community during Winter Term. Students, staff and community members taught the sessions which included car mechanics, skeet shooting, photoshop, learning to drive a Model A, and knitting.

Housing

- Housing reservations for the 2006-07 academic year were accepted as of April 10-11.
- A deposit of \$300 is required to reserve a room on campus and to pre-register for the Fall 2006 term. It appears as if dorm space will be used to capacity.

Student Elections

- Mackay Smith was President of the Student Government Association for 2005-06. Jeremy Sakovich was elected to succeed him for 2006-07.

Spring Events

- Spring Fling, sponsored by the Erskine Entertainment Board, was held April 7-8 and included outdoor musical performances, cookouts, and games on the circle.
- Relay for Life, a benefit for the American Cancer Society, was held April 28.
- The Board of Counselors hosted the Academic Hall of Fame on May 5.

Inductees include Chap Lauderdale, Tom Long, Alice Love, Parker Young and Robert Miller; donors who have established scholarships will also be honored.

Career Services

- Twenty-one seniors were awarded interviews during the SCICU Interview Day.
- The annual Erskine/Lander Education Fair was held on March 16. Twenty-five Erskine education majors were interviewed by 91 recruiters from 51 school districts and private schools.
- The Parent Association Council held their fourth meeting of the year in March and filled 800 “goodie bags” for students, faculty, and staff.

Public Safety

- Public Safety maintained accreditation with Criminal Justice Academy.
- Part time Due West Police Officer, Alice Hodges, will act as Victim's Advocate for both the Due West Police Department and the Erskine College Department of Public Safety.

Athletics

- The Men's and Women's Soccer teams had their best seasons in recent years. The men completed the season with a 9-7-1 record and finished 9th in the Carolinas-Virginia Athletic Conference (CVAC). The women recorded a 9-11-1 record and finished 5th in the CVAC. The women advanced to the CVAC Quarterfinals.
- Men's Soccer Coach Ben Freakley accepted the head coaching position at VMI and was replaced by Warren Turner.
- Mark and Maggie Peeler will coach the men's and women's cross country teams in 2006-07.
- The men's basketball team was 10-16 after losing 8 games by five points or less. The women's basketball team is 15-11. The women put together back-to-back winning seasons for the first time in 25 years and only the second time in school history. The women advanced to the CVAC Tournament Semifinals.
- Maggie Peeler, Women's Basketball Coach, was named CVAC Coach of the Year.
- The women's tennis team was pre-season #1 in the CVAC. The Fleet was also nationally ranked in the pre-season. The team opened the season with a loss to national power Francis Marion and a win over NCAA Division I Charleston Southern.
- The baseball team was third in the pre-season CVAC poll, a pre-season national ranking for the first time in school history.
- The softball team was the pre-season third rank in the CVAC, the highest pre-season rank ever for that program.
- Twenty-one student-athletes were named to the CVAC All-Academic Team this year. They were juniors and seniors who achieved a 3.25 grade point average or higher.
- Senior Jay Waring was Erskine's nominee for the Murphy Osborne Award given each March by the CVAC to the conference's top student-athlete. Last year, cross country runner Jessica Martin won the Murphy Osborne.

Jay was a double major in accounting and chemistry and an outstanding basketball player.

Development, Institutional Relations, and Marketing

- Gold Campaign Goal - \$36,800,000
- Gifts as of February 28, 2006 - \$31,381,786 (85.28%)
- Campaign Highlights from October 2005 – December 2005
 - Annual Fund compared to the prior year, is up 52% in the number of donors participating, 6.26% up in total pledges and 28.13% in unrestricted pledges.
 - As of February 28, 2006, all Gold Campaign costs were paid in full with a surplus of \$10,035.
- The Annual Fund campaign significantly increased its goals and objectives. Improved alumni chapter meetings, enhanced communication with alumni, and more unrestricted Annual Fund gifts for scholarships were emphasized.
- Our challenges include successful completion of the capital campaign, taking full advantage of fund raising activities, and encouraging greater financial support of the many opportunities for improvement.
- The plaza project, streetscape project, maintenance shop renovation and addition project, applied art building project, and many other campus improvements were completed with generous contributions.
- U.S. Land Investments, a real estate development company based in Charlotte, North Carolina, donated a long term lease on property on Lake Russell for an Erskine College facility that includes a nature conservatory and recreational center. U.S. Land also gave \$100,000 for a building on the property.
- The winner of the first Drummond Center Essay Contest was Michaela Landay of Thomas Cairo Middle School in Mount Pleasant.
- The Cornerstone Group, comprised of alumni through the class of 1981, held an initial development meeting during the Calvin Colloquium and presented a class gift to Erskine Seminary during the 2006 commencement
- The Drummond Award Banquet was held on March 28, 2006. Senator Lindsey Graham delivered the keynote address. Senator Graham and Max Heller were the two Drummond Award winners for 2006.
- A redesigned website was premiered in February 2006. The site incorporates the latest technology, facilitating maintenance and revision.
- The PR Department developed *Erskine Seminary News* **publications, a new Seminary website and catalog, along with design and publication of various Seminary brochures.**
- College and Seminary events and feature stories on students, alumni, faculty, and staff appeared in *NetNews*, *Inside Erskine*, **and Erskine Seminary News**, **many of which are sent to newspapers as news and hometown releases.**
- A Signature Series Art Collection was produced for the Development

staff as a gift for major supporters of the College and Seminary.

Finance/Facilities

Finance

- The College and Seminary Endowment funds were valued at \$43,598,738 as of June 30, 2005.
- The Erskine Investment Committee monitors Erskine's endowment performance against market benchmarks. The committee released a formal "Request for Proposal" to several investment firms with the purpose of evaluating the institution's endowment investment policies, procedures, structures, and asset allocations in light of evolving industry best practices and investment strategies.
- College tuition, fees, room, and board will increase by 6.9% in fiscal year 2006-07, raising the total cost to \$27,126.
- Seminary fees will increase in fiscal year 2006-07 to \$295 per hour for the Master's programs and \$310 per hour for the Doctor of Ministry program.
- The Business Office employs a two-year budgeting model for planning purposes and has developed fourteen financial critical indicators (dashboard) to monitor the institution's on-going "financial health."
- The Business Office, in cooperation with the Human Resource department, completed a comprehensive overhaul of the Erskine employee resource handbook. Education sessions were hosted for all employees regarding the changes and updates in the new handbook.
- The Business Office is currently evaluating its billing procedures for tuition and fees (College and Seminary) and is exploring opportunities to make this process more effective and efficient to include a more "user friendly statement format," on-line statement access 24/7, and on-line payment options. This evaluation is being made in conjunction with the adoption of a new web-based software system to maintain prospective and current student information, billing statements, financial aid data, and transcripts.
- **Facilities**
- Major facilities projects completed in fiscal year 2005-06 include the Camp-Walker Plaza next to the Erskine Building and the Streetscape Project to beautify Main Street in Due West.
- An addition to the Erskine Facilities Management Building is in the final stages of completion. This addition will provide an enlarged office space, more storage, and a safer, larger workspace.

Board Response to the General Synod

- The following Resolution was adopted at the meeting of the Board of Trustees on February 24, 2006.

RESOLUTION

WHEREAS, on June 12, 2001, the ARP General Synod mandated that a

special ad hoc committee of General Synod be appointed by the Moderator for the purpose of reviewing the makeup and duties of General Synod's Boards and Committees, and to present a preliminary report to the Synod in 2002. The final report and recommendations of the committee were to be presented to Synod for consideration in 2003;

WHEREAS, on June 12, 2002, the ARP General Synod advised that the Special Committee on Organization ("Committee") to study the potential problems created by the proliferation of small presbyteries with regard to automatic representation on Boards and Committees of the General Synod;

WHEREAS, on June 11, 2003, the ARP General Synod interim report from the Committee to Study Organization stated every agency of the General Synod has been interviewed with the exception of Erskine;

WHEREAS, on June 9, 2004, Committee reported to the ARP General Synod (Minutes of Synod, pp. 387 – 406. Note Principles for Organization of Boards, p. 392, #7) that where possible, Presbytery representation should be divided equally between teaching and ruling elders and that each Board consider this report at its Fall meeting and submit comments, questions, and recommendations to the Special Committee (Note Recommendations p. 400, #4);

WHEREAS, the ARP Synod Manual of Authorities and Duties (2005 – p. 37, Membership) as to the Erskine Board of Trustees currently provides thirty at large members, twelve of whom shall be Associate Reformed Presbyterian ministers, two elected each year. Further, at least one half shall be alumni or alumnae of the College and/or the Seminary; therefore

BE IT RESOLVED, the Erskine College and Seminary Board of Trustees recommend to the General Synod, after reviewing the Reports of the Special Committee on Organization, that the Erskine Board of Trustees membership requirements in the Manual of Authorities and Duties be amended to read, "Thirty members, at least twelve of whom shall be Associate Reformed Presbyterian elders, with at least six ruling and six teaching elders. Further, at least one half of the elected members shall be alumni or alumnae of the College and/or Seminary."

Requests/Recommendations

The Board of Trustees, with gratitude for past support, presents the following requests and recommendations to the General Synod:

1. Thank God for His sustaining mercy during the past year and pray continually that Erskine may "grow in wisdom and in stature and in favor with God and man."
2. Grant the following requests for funds: (See Adopted Recommended Allocations)

• Operating Budget Request

The College/Seminary requests **\$610,000** in operating funds for 2007.

These funds will be used to underwrite a portion of our \$6.7 million scholarship budget (fiscal year 2006-07) and the expenses of our campus Chaplain.

• **Associate Reformed Presbyterian Student Union**

The Board of Trustees again requests financial support of \$500 to assist the important work of the Associate Reformed Presbyterian Student Union.

• **Special Scholarship Request**

Erskine Seminary has partnered with the Presbyterian Church of East Africa (approximately three million members in Kenya and surrounding countries) to train two pastors who will return to Kenya and teach in their seminaries there. Two students are on campus now and should graduate with an MATS and DMIN in three years. They have left their families in Kenya and will not return until their studies are completed. We need scholarships to support tuition, room and board, books, and fees, approximately \$17,000 each per year. This is a wonderful opportunity for Erskine Seminary and the Associate Reformed Presbyterian Church to train seminary professors for work on the African continent. They will return to assume important positions of leadership in their denomination. Accordingly, we are requesting \$25,000 from the ARP Synod to assist in providing scholarship funding for these missionary students.

3. Designate special days when the work of Erskine College and Seminary may be presented to the congregations of the Associate Reformed Presbyterian Church and receive—in conjunction with other Synod agencies—a special offering.
4. Encourage local churches to use their bulletins, newsletters, and other means to publicize events at Erskine College and Seminary.
5. Ask presbyteries and presbyterials to invite representatives from the College and Seminary to participate in youth conferences, retreats, and/or special events.
6. Remind ministers and their staffs to make known to their high school students the E. B. Kennedy Scholarship Program, the Great Erskine Lock-In, and other spiritual and educational opportunities, and to encourage all who desire to be equipped for ministry to avail themselves of conferences, lectures, and other educational opportunities at the Seminary.
7. That the Erskine Board of Trustees membership requirements in the Manual of Authorities and Duties be amended to read, “Thirty members, at least twelve of whom shall be Associate Reformed Presbyterian elders, with at least six ruling and six teaching elders. Further, at least one half of the elected members shall be alumni or alumnae of the College and/or Seminary.” **[Referred back to Erskine Board of Trustees]**

John T. Moore
Chairman, Board of Trustees

Respectfully submitted,
Luder G. Whitlock, Jr.
Interim President

REPORT OF ERSKINE THEOLOGICAL SEMINARY

Fathers and Brethren:

- We give thanks to the Lord for His blessings during the past year. As this report shows, God has given us the privilege of serving Him in many exciting ways. We are especially thankful to the A.R.P. churches for your financial support, your prayers, your students, and your kind words of encouragement. Our first priority is a commitment to serve the A.R.P. Church. We had 53 ARP students enrolled for the 2005/2006 academic year as follows: 13 DMIN, 17 MDIV, 2 MACE, 2 Master of Arts in Practical Ministry, 2 Master of Arts in Pastoral Ministry, 8 MATS, 1 MCM, 1 MACM, 1 Diploma in Theology, and 6 CEU.
- We enrolled 136 new students for the summer and fall 2005 semesters, and 60 new students for the winter and spring 2006 semesters, with a total enrollment of 432 students for the 2005-06 academic year. More than twenty different denominations were represented in addition to many ARP students. Our challenge continues to be that of providing a theological education to the increasing number of ARP students because scholarship funds have not increased as quickly as our ARP student body.
- Our May 2006 commencement promoted 57 graduates as follows: 27 Master of Divinity, four Master of Arts in Christian Education, one Master of Arts in Theological Studies, four Master of Arts in Pastoral Ministry, five Master of Arts in Practical Ministry, two Master of Arts in Counseling Ministry, two Master of Church Music, and twelve Doctor of Ministry. The commencement speaker was Dr. Sinclair B. Ferguson, Senior Pastor of First Presbyterian Church in Columbia, South Carolina.
- The Seminary Committee and Ad Hoc Committee of the Board of Trustees continue to review administrative and governance issues as they relate to the growth of the Seminary.
- Permanent teaching faculty members for the year included Bible professors Adrian Smith, Doug Culver, Jay Hering, Loyd Melton, and George Schwab; Theology and Church History professors Richard Burnett, Don Fairbairn, R.J. Gore, Dale Johnson, and Mark Ross; and Ministry professors Robby Bell, Michael Bush, Jerdone Davis, Robert Glick, Steve Lowe, "Scoti" Old, Gareth Scott, and Doug White. Part-time faculty members included John Blumenstein, John Carson, Brad Christie, Stephen Clyborne, Terry Eves, Jennifer Fairbairn, Kitty Holtzclaw, Merwyn Johnson, Randy Kowalski, Gary Letchworth, Rob Roy McGregor, Randy Ruble, Nancy Walker, Michael Wolfe, and Susan Wyatt.

- Dr. Donald M. Fairbairn, Jr. was granted tenure and promoted to Professor of Historical Theology. Dr. Merwyn S. Johnson retired on June 30, 2005. Dr. James Hering was called to the faculty as Assistant Professor of New Testament on July 1, 2005. Dr. Toney Parks has been called to the faculty as Assistant Professor of Counseling for the 2006/2007 academic year.
- Dr. Mark Ross was named to the First Presbyterian Church John R. deWitt Faculty Chair and is the first resident professor of the Erskine Seminary Columbia campus. The Columbia Campus was approved by ATS following a site visit in December.
- Our faculty continue to teach and preach in ARP churches as well as in churches in other denominations represented here. Faculty members regularly lead worship services, conduct seminars and training sessions, and lead Bible studies in churches across the country. Neely Gaston preaches regularly in ARP churches throughout the Synod.
- The Institute for Reformed Worship continues under the leadership of Dr. Hughes Oliphant Old, Dean with Dr. Michael Bush as the Director of the Institute.
- The Master of Arts in Practical Ministry degree program has been approved by ATS, replacing the Master of Arts in Pastoral Ministry. This 48-hour degree program is designed to educate people for specialized ministry and leadership in the church. We have also been approved by ATS to begin a Th.M. program beginning fall semester 2006.
- In appreciation for the generous support our churches have given us, we are offering one free audit course per semester for teaching and ruling elders and deacons for up to four people per church, pending available classroom space. Please contact the Admissions Office (800-770-6936) for more information.
- We were awarded a four-year Army contract to educate Army Chaplains in the D.Min. program, beginning in July 2004. The second group of Army Chaplains arrived on campus in July 2005 for three weeks of intensive classes, returning for another three weeks in January 2006. The new class of chaplains will arrive in July 2006.
- The D.Min. program is also offered at the U.S. Army Chaplain Center and School at Ft. Jackson, South Carolina. We also operate extension sites in Augusta, Georgia, and in Columbia, Greenville, and Charleston, South Carolina.
- Erskine continues to operate its Erskine Distance Education Network (EDEN) courses, and Dr. Steve Lowe serves as Associate Dean for Distributive Learning. A new distance-learning program developed by the e4 Learning Group allows students to take state-of-the-art courses online. For more information please contact Dr. Steve Lowe (864-379-8885) slowe@erskine.edu, or go online at www.eden.erskine.edu. For e4, go to teleios.us.
- Randa Mammarella, Director of Seminary Relations, assumed partial duties of Administrative Assistant Faith Murdock upon her retirement

and is promoting Seminary activities, the Seminary Annual Fund Program, and alumni relations.

- *Sheldon MacGillivray* is **Director of the Columbia Campus and Seminary Extension Sites**. He joined us on December 1, 2005 and is also managing the Greenville, Charleston, and Augusta Extension Sites.
- The Twelfth Biennial Calvin Colloquium was held in January 2006 on the Erskine campus. Co-directors were Dr. Richard Burnett and Dr. Michael Bush. The following speakers presented papers: David Willis, Alasdair Heron, George Hunsinger, Hughes Old, Richard Ray, Herman Selderhuis, Anthony Lane, Charles Partee, and Elsie McKee. The speakers came from Germany, England, Holland, and the United States. Approximately 140 people participated in the Colloquium.
- The third annual Allison Open Golf Tournament was held on May 1, 2006 at Greenwood Country Club in Greenwood, S.C.
- Erskine Lecture Series speakers included Mr. Joel Sonnenberg on Christianity & Public Morality; Mr. Michael Cromartie, Vice President of the Ethics and Public Policy Center in Washington, D.C. on Christianity & Public Service; Mr. Alan Avera, Executive Director of Outreach North America for Fall Missions Emphasis; The Reverend J. Russell Taylor, Director of the Office of Congregational Development of the SC Annual Conference of the United Methodist Church for the Ford Lecture; Dr. Steven Collins, Executive Curator of the Museum of Archaeology and Biblical History in Albuquerque, New Mexico on Christianity & Archaeology; Mr. Frank Van Dalen, Executive Director of World Witness for Spring Missions Emphasis; Mr. Gene Roehekepartain, a Senior Advisor at the Search Institute for the Spring Conference; and The Reverend Michael Kelly, Senior Pastor at Green Lake Presbyterian Church in Seattle, Washington, also for the Spring Conference.

Respectfully submitted,
H. Neely Gaston, Executive Vice President
Erskine Theological Seminary

The Report of the **Committee on Theological and Social Concerns** was presented. A motion was offered, debated, and carried as follows:

“That the Report of the Committee on Theological and Social Concerns be referred to the Special Committee to be appointed by the Moderator, to revise the *Form of Government*, along with the 2003 Memorial from Northeast Presbytery, and that clarity and harmony be brought to the *Form of Government* on the issues raised concerning non-communicant members and the non-communicant roll.”

REPORT OF THE COMMITTEE ON THEOLOGICAL AND SOCIAL CONCERNS

The Committee on Theological and Social Concerns convened on May 31, 2006 to consider the matter referred to it by the 2005 General Synod. Presented below is the Committee's response.

History of the Matter

In 2003 Northeast Presbytery memorialized the General Synod asking whether unbaptized children of church members may be listed on the non-communicant membership rolls of congregations. The memorial contended that there is an inconsistency regarding this issue present within the Standards. While recognizing that the FOG V.E.4 expressly limits the non-communicant roll to those who have been baptized, the Memorial also presented lines of evidence which were alleged to support the proposed practice. These included statements in the Westminster Standards referring to the visible church as consisting of believers and their children (e.g., WCF 25.2, LC 62), statements in the ARP Form of Government speaking of the children of believers as the members of the church (FOG V.A.2), and a passage of scripture (Joshua 5:2-5) which was taken to imply that even when ancient Israelites neglected the sign of circumcision they were still regarded as "children of the covenant" (see *2003 Minutes of Synod*, pp. 74-75). This memorial was referred by the 2003 General Synod to the Committee on Theological and Social Concerns.

In 2004, the Committee on Theological and Social Concerns presented a report recommending that the Memorial from Northeast Presbytery not be adopted. The Committee reported that the "*Form of Government* and the *Confession of Faith* are unambiguous in that only baptized children of communicant members should be entered onto the non-communicant roll of the church," although it went on to say that "[w]e recognize however that even non-baptized children of communicant members are within the visible church, and as such are to be baptized" (*2004 Minutes of Synod*, p. 421). This recommendation was referred back to the Committee by the General Synod.

In 2005, the Theological and Social Concerns Committee presented a more extensive report which reiterated its previous conclusions and provided extensive quotations from the Standards (*2005 Minutes of Synod*, pp. 83-85). It again recommended that the Memorial not be approved; this recommendation was also referred by the General Synod back to the Committee.

In the judgment of the Committee, this matter is particularly pressing and perplexing in the contemporary context for at least two reasons. First, there are present within ARP congregations a significant number of parents who desire to worship and affiliate with the ARP Church, but who cannot in good conscience present their children for infant baptism. Some of these

parents even hold congregational offices in ARP churches. Their children are often deeply involved in the life of the church, but the situation of these children is somewhat anomalous from the standpoint of our theology in that they do not bear the sign of the covenant of grace. Second, there is much confusion today within the conservative Reformed world regarding the meaning and significance of baptism. Some have reacted to the prevailing Zwinglian and Baptistical caste of contemporary American evangelicalism by emphasizing the objective efficacy of the sacraments and some of these have even gone so far as to affirm a rather mechanical conception of baptismal regeneration. Others have reacted in the opposite direction by wanting to deny any objective spiritual efficacy, even to the point of claiming that baptism is not the means of admission to the visible church. In view of these complexities, there are several aspects of this matter which must be carefully identified and explained.

Form of Government Considerations

The Committee believes that the preponderance of material in the Standards is inconsistent with the practice of listing unbaptized children of believers as non-communicant church members. For example, FOG V.E.4 declares: "The non-communicant roll shall consist only of the names of those who are baptized children of communicant members of the congregation but who have not yet made profession of their faith in Jesus Christ." Likewise, the current Book of Worship declares, "At the time of baptism the child shall be recorded as a baptized 'non-communicant' member of the Church, and shall be numbered among those for whom the Session has responsibility" (BOW VIII.A.2). An exception to this consensus is found in FOG V.A.2 which reads, "The children of believers by right of being born into covenant relationship are non-communicant members of the Church. They are entitled to the Sacrament of Baptism and to the pastoral care, government and nurture of the Church with a view to their entering communicant church membership."

Confessional Considerations

The materials dealing with this question in the Westminster Standards bring to bear two fundamental principles, which in the current context have been seen by some as in conflict with each other. The question is whether this is a true conflict or simply a perceived conflict due to a failure fully to understand the baptismal theology of the Standards and to differences in context between the seventeenth and the twenty-first centuries.

On the one hand, the Westminster divines maintain that baptism is a sacrament "for the solemn admission of the party baptized into the visible church" (WCF 28.1). Likewise, LC 166 declares that baptism is the means "whereby the parties baptized are solemnly admitted into the visible

church.” This instrumental language is extensively paralleled elsewhere in classical Reformed literature (see, e.g., Calvin, *Institutes* IV.15.1; IV.17.1; etc.), and it is not too strong to say that the notion that baptism is the rite of admission to the visible church is a consensus affirmation of the Reformed churches, indeed of the church universal. The instrumental efficacy of baptism in (at very least) admitting a person to the visible church as the body of Christ cannot be explained away. For example, it will not do to suggest, as one individual has proposed, that the “solemn admission” of WCF 28.1 is merely a ceremonial recognition of a reality that already exists quite independently of water baptism by virtue of one’s birth. The means of grace theology that attends these passages will not allow such a depreciation of baptism’s importance.

In light of this, the general statements in the Westminster Standards describing the visible church as consisting of believers and their children (e.g., WCF 25.2; LC 62) need pose no problem for us. The Westminster divines could write as they did regarding the makeup of the visible church because in their seventeenth-century context they assumed that most people were baptized as infants. For them, the problem was not the lack of baptism itself, but rather the lack of “improving” on one’s baptism (hence the important line of teaching in LC 167).

On the other hand, the Westminster divines also recognize that the children of believers have a special covenantal status by virtue of which their baptism as infants is not only appropriate, but imperative. The key texts here are SC 95 and LC 166, both of which are worded with extraordinary care. Both declare that “baptism is not to be administered to any that are out of the visible church, till they profess their faith in Christ, and obedience to Him.” In view here, of course, is the situation of those baptized upon profession of faith. SC 95 goes on to add however, “but infants of such as are members of the visible church are to be baptized.” Likewise, LC 166 declares, “but infants descending from parents, either both or but one of them, professing faith in Christ, and obedience to Him, are in that respect within the covenant, and to be baptized.” Note that the Westminster divines are careful here to safeguard the principle that baptism is the rite of admission to the visible church. They never expressly say that unbaptized children of believers *are* members of the visible church; rather, their relationship to the church as the covenant community by virtue of their status as the children of believers is such that they *should* become members of the visible church.

Such language is appropriate in that the children of believers are, in the providence of God, placed in believing homes where Christian nurture is expected to occur, and by extension they are placed in the bosom of the church where they are exposed in an ongoing way to the means of grace.

Moreover, by virtue of their status they are heirs of the covenant promises, and as such are entitled to the sign of the covenant, in the fervent hope that they will in due time come to a vibrant faith in Christ.

We believe that interpretive wisdom and confessional fidelity demand that we view these two strands of confessional teaching as in harmony rather than conflict. Indeed, Calvin and the Westminster divines seem to have seen no contradiction here! We may summarize their position in this way: In light of the special relationship of the children of believers to the visible church, it is appropriate that they be admitted to the visible church by baptism, and that they take upon themselves the sign of the covenant together with the responsibilities it entails.

Exegetical and Theological Considerations

A proposal to allow unbaptized children of believers to be listed as church members implicitly raises some important theological issues and, we believe, stands in tension with certain teachings of Holy Scripture. For example, it construes church membership in the visible body of Christ in this case as a function of physical birth. But such a notion stands in considerable tension with Jesus' words to Nicodemus in John 3:3-8, where the crucial matter is not physical birth but being "born again" (vv. 3, 7).

Scripture also presents the Old Testament sign of the covenant (circumcision) as the boundary between the covenant community and the world (see, e.g., Genesis 17:14). Thus, WCF 27.1 describes a purpose of the sacraments as "to put a visible difference between those that belong unto the Church, and the rest of the world." Joshua 5:2-5 can hardly serve as counter-example to this principle. This text recognizes that the situation of the Israelite uncircumcised males was profoundly anomalous and it notes that the proper answer to this anomaly was immediate circumcision, not the neglect of the ordinance and the enrolling of these men in the records of the tribes anyway! Likewise, the New Testament covenant sign of baptism is portrayed as the point of initial union with Christ by faith, and by extension, to the church as the body of Christ (see Romans 6:3-5; 1 Corinthians 12:13; Galatians 3:27). It is rather meaningless to speak of the unbaptized children of believers as formal non-communicant "members" of the church when they do not bear the sign of the covenant that marks the community, when they have not yet been sacramentally incorporated into the body of Christ, and when they have not thereby taken upon themselves the responsibilities of the covenant.

Finally, the proposal that non-baptized children of believers be listed as non-communicant church members stands in tension with the "means of grace" theology that is contained in our Standards. Baptism is not just a sign of the covenant, abstractly considered; it is a concrete offer of Christ himself together with the saving benefits procured by his sacrificial death and mighty resurrection. It involves the "sacramental union" of two parts—the

outward sign and the inward grace signified (WCF 27:2; LC 163). To be sure, that objective offer of saving grace must be subjectively received by faith for baptism to be savingly efficacious. John Calvin writes, “Yet it is not my intention to weaken the force of baptism by not joining the reality and truth to the sign, in so far as God works through outward means. But from this sacrament, as from all others, we obtain only as much as we receive in faith” (*Institutes* IV.15.15). As WCF 28.6 declares, “The efficacy of Baptism is not tied to that moment of time wherein it is administered; yet, notwithstanding, by the right use of this ordinance, the grace promised is not only offered, but really exhibited, and conferred, by the Holy Ghost, to such (whether of age or infants) as that grace belongeth unto, according to the counsel of God’s own will, in His appointed time.” Therefore, the authors of the Westminster Standards did not err in viewing baptism as the means “whereby the parties baptized are solemnly admitted into the visible church” (LC 165), even though that baptism may become spiritually efficacious at a later point in time.

Conclusion and Recommendations

On the basis of these considerations, the Committee reiterates its earlier conclusion that the practice of listing non-baptized children of believers to the non-communicant rolls of the church is inconsistent with our Standards. We believe that the answer to the prevailing Baptist mentalities is not acquiescence but teaching the truth and obedience to that truth. Therefore, the Committee recommends the following:

1. That the 2003 Memorial from Northeast Presbytery not be approved.
2. That Sessions strongly “encourage parents who are communicant members to present their children for the sacrament of baptism” (FOG XI.B.2.c).
3. That Sessions recognize their pastoral responsibility to those families in their congregations in which parents scruple at the idea of infant baptism. It is recommended that the children of such parents be included in the life of the church and its ministries to the greatest extent possible under our Standards.
4. That a formal revision process be undertaken to bring FOG V.A.2 into conformity with the rest of the Standards.

Respectfully submitted,

William B. Evans

The Report of the **Committee on Worship** was presented and adopted.

REPORT OF THE COMMITTEE ON WORSHIP

The Committee on Worship continued deliberating over the scope of the work of this committee on the behalf of Synod by brainstorming and focus-

ing on the revised purpose statement and list of duties approved by General Synod in 2005.

Synod's Committee on Worship has spent much time developing a committee which represents a broad range of worship topics. Our committee is now equally balanced with representatives from the field of music; theology or clergy; and laypeople or members-at-large. While we feel sponsoring the Bonclarken Music Conference for the benefit of our churches is very important, we wish to focus our attention on broader matters of worship.

Other areas in which the Committee on Worship played an influential role in the denomination are listed as follows:

1. The committee is working with Erskine Seminary in preparing a list of recommended hymnals, psalters and other worship resources which are compatible with the belief and practices of the ARP church.
2. The committee is working with the ARP magazine to present updates on the work of this committee and the Special Committee on Worship. Additionally, collaborations are being developed to present several articles and book reviews on the area of worship.
3. The committee is researching suitable and useful worship-related materials to have available on the denomination's website.
4. The committee is researching suitable and useful worship-related materials to have available on the denomination's website.
5. The committee is discussing and researching ways to develop and better music in the small churches within our denomination.
6. The committee has maintained a relationship with the work of the Moderator's Special Committee on Worship.

The committee is continuing to prepare itself to carry on the work of the Moderator's Special Committee on Worship upon its completed recommendation. The committee will be prepared to assist in the implementation of the new document, as well as educating elders, laypeople, and ministers on its direction for public worship. Preliminary discussions have been made with Covenant Discipleship for potential collaborations.

The committee is open to ways of encouraging and promoting the use of Psalm-singing among churches in our denomination. The committee will continue to welcome proposals for projects to be funded as part of the Jean McFall White Memorial Fund. Two projects have been endorsed by the committee this year:

1. The commissioning of a choral anthem by Dr. Robert Schulz to be used for the 2006 Music Conference based on Psalm 46.
2. The publication of a metrical psalm supplement, "The Reformed Heritage Collection of Psalms," by Dr. Gabriel Statom which contains thirty-two psalm settings representing various psalters from Presbyterian traditions. A copy of this collection will be sent to all ARP ministers for perusal.

The committee maintains a checklist for selecting and evaluating hymnals and psalters which may be found in the 2003 Report to Synod.

The Committee on Worship makes the following recommendation:

1. That the 2007 budget for the Committee on Worship be approved.
(NOTE: See Approved Recommended Allocations)

Gabriel Statom, Chairman

COMMITTEE ON WORSHIP

Proposed Budget for 2007

EXPENSES	2006 Budget	2007 Proposed
WORSHIP COMMITTEE		
Worship and Service Studies	\$ 1,000	\$
Committee Travel/ Room & Board	\$ 2,500	\$ 2,500
Telephone/Postage	\$ 275	\$ 275
Committee Meeting Expenses	\$ 200	\$ 200
Lord's Day Alliance	\$ 350	\$ 350
Worship Projects	<u>\$ 1,000</u>	<u>\$ 2,000</u>
TOTAL (Worship Committee)	<u>\$ 5,325</u>	<u>\$ 5,325</u>
BONCLARKEN MUSIC CONFERENCE		
Clinicians 1 @\$2000, 5 @ \$1500	\$ 9,500	\$ 9,500
Accompanists 5 @ 500	\$ 2,500	\$ 2,500
Conference Directors 3 @ 500	\$ 1,500	\$ 1,500
Organist 1 @ 500	\$ 500	\$ 500
Recreation Leader 1 @ 200	\$ 200	\$ 200
Recreation Supplies	\$ 300	\$ 300
Craft Leaders 2 @ 200	\$ 400	\$ 400
Craft Supplies	\$ 600	\$ 600
Night Activities	\$ 1,250	\$ 1,250
Night Activity Director	\$ 200	\$ 200
Worship Leaders 3 @ 300	\$ 900	\$ 900
Children's Church/Nibble Nook Music	\$ 1,500	\$ 1,500
Child Care	\$ 900	\$ 900
Staff Travel	\$ 5,500	\$ 5,720
Staff Food/Lodging	\$ 15,420	\$ 14,999
Counselor Honorariums 30 @ 100	\$ 3,000	\$ 3,000
Music for Conference	\$ 6,000	\$ 6,500
Conference Recording	\$ 500	\$ 500
Printing/Mailing	\$ 3,200	\$ 3,500
Telephone	\$ 500	\$ 500
Conference Fee (Bonclarken)	\$ 24,000	\$ 27,000
Nurses 2 @ 200	\$ 400	\$ 400
T-Shirts	\$ 4,500	\$ 4,500
Piano Tuning	\$ 400	\$ 400

Organ Rental/Piano Rental	\$ 1,200	\$ 1,500
Contingency/Equipment Fund	<u>\$ 1,500</u>	<u>\$ 2,000</u>
TOTAL (Bonclarken Music Conference)	<u>\$ 86,370</u>	<u>\$ 90,769</u>
GRAND TOTAL EXPEND.	<u>\$ 91,695</u>	<u>\$ 96,094</u>
INCOME		
Gifts, Conference Registrations	\$ 61,000	\$ 64,125
Synod Supplement	<u>\$ 30,695</u>	<u>\$ 31,969</u>
GRAND TOTAL INCOME	<u>\$ 91,695</u>	<u>\$ 96,094</u>

The Report of the **Committee on Inter-Church Relations** was presented and adopted.

REPORT OF THE COMMITTEE ON INTER-CHURCH RELATIONS

The Committee met on February 1, 2005 at the ARP Center in Greenville, SC. Director Frank van Dalen was present and gave an overview of the emphases of World Witness. He also reported and advised on the ARP Synods of Mexico and Pakistan.

Sister Synods

Mexico. Last year we reported a communicational impasse between our sister Synod in Mexico, La Iglesia Presbiteriana Asociada Reformada (IPAR) and World Witness. After an exchange of letters, we accepted an invitation to meet with representatives of IPAR in Tampico, Mexico. In advance of the meeting, Mr. van Dalen visited Mexico as the new Director of World Witness, bringing with him copies of the *Westminster Confession of Faith for Study Classes* (in Spanish) as a gift from the Inter-Church Relations Committee (ARP-ICRC). On March 31, 2006, the Mexican delegation (Synod President Francisco Betancourt, Inter-Church Committee President Eligio Hernández and others) met with our delegation (ARP-ICRC Chairman John Dawson, WW Director Frank Van Dalen, and missionaries Jim Coad and Scott Moore). The welcome was warm and meeting was open, with both delegations expressing concerns and asking questions. The Mexican delegation was glad to hear Mr. van Dalen's overview of the work of World Witness and where IPAR fit into it. The meeting ended with both delegations agreeing to take to their synods a proposal to have a relationship between the synods that is fraternal, equal and cooperative. This will include better synod-to-synod communication and exchange of fraternal delegates. In ministries that we share, there will be joint planning and cooperation. The focus of our work with IPAR will be in building up the church and expanding the territory of IPAR.

Pakistan. The Pakistan Synod of the Associate Reformed Presbyterian Church will observe their centennial anniversary in October. Our synod may be invited to take part. The Inter-Church Relations Committee advises our synod (or its executive) to expect and respond to the invitation.

Ecumenical Organizations

The ARP continues as a member of two ecumenical organizations: (1) The International Conference of Reformed Churches (ICRC) and (2) the North American Presbyterian and Reformed Council (NAPARC). We also sent an observer to the World Reformed Fellowship (WRF).

The International Conference of Reformed Churches. The ICRC held it's quadrennial meeting in Pretoria, South Africa on October 12-19, 2005. Our delegates were Jack Whytock and John Dawson. The Conference emphasized the Lordship of Christ in its addresses and received several new members. A press release can be found at the website: <http://www.icrconline.com>. Dr. Whytock also developed more contacts for the Mobile Theological Training Team (MT3).

The World Reformed Fellowship. Dr. Whytock attended the WRF meeting in Johannesburg, SA in March of 2006. Its structure is quite different from the ICRC, being more open for participation and involvement from a wider number of Reformed groups. The PCA and the EPC are quite involved in the WRF. The committee will continue to evaluate the WRF (<http://www.wrfnet.org>).

North American Presbyterian and Reformed Council. The ARP hosted NAPARC at Bonclarken in November 12, 2005. Our delegation consisted of Moderator Bill Evans, Moderator Elect Tom Patterson, Charles Clendinen and John Dawson (who retired as Chairman of the Council). Synod Coordinator Wilfred Bellamy was also present at the meeting. The Council received application for membership from the Free Reformed Churches of North America (FRCNA) and your ARP delegation voted to receive them. The Council is no longer attempting to have concurrent assemblies as part of the celebration for the 500th birthday of John Calvin (2009). Instead, there will be some public lectures and events planned with all members of NAPARC churches encouraged to attend. The Council requested member churches who had not taken a position on Women in the Military to affirm the statement that *the Word of God gives no warrant expressed or implied that women are to be conscripted in or employed for military combat roles, but rather they are to be defended by men and kept from harms way that they might fulfill their biblical callings and duties under God*. Because this matter had been previously submitted to the Theological and Social Concerns Committee (and they took no action), the committee brings no action on this matter.

Churches in Fraternal Fellowship

North American churches in fraternal fellowship with the ARPC are: Korean-American Presbyterian Church (KAPC), Orthodox Presbyterian

Church (OPC), Presbyterian Church in America (PCA), Reformed Presbyterian Church of North America (RPCNA), Evangelical Presbyterian Church (EPC) and Christian Reformed Church North America (CRCNA). In 2005 at the various assemblies/synods, the ARP was represented by the following: John Dawson (PCA), Marty Taylor (EPC), Ray Lanning (OPC), Bill Evans (RPCNA), Jack Whytock (Free Church of Scotland in North America). A letter was sent to the KAPC.

RPCNA. Representatives from the RPCNA Inter-Church Relations Committee met with our delegation again after the meeting of NAPARC in 2005 to further discuss how our relations may become closer. Some of our distinctives prevent us from considering organic union at this time, but our many similarities and common history suggest that we can benefit one another by drawing closer. The RPCNA Synod approved items intended to increase our interaction and cooperation. One of these was to invite Frank van Dalen to preach and conduct a seminar during their upcoming synod meeting. The ICR Committee asks our Synod for the mandate to pursue a closer relationship of communication and interaction with the RPCNA, specifically to have an annual exchange of fraternal delegates and for the ICR Committee to request the planning committee for synod 07 to invite an RPCNA man to preach at our next synod meeting. Working in conjunction of the appropriate agencies, we also want to explore such things as: cooperative projects in home or foreign missions, joint minister conferences, and possibilities of student or professor exchanges between our colleges.

Churches in Fraternal Correspondence

There were no developments with the Cumberland Presbyterian Church (CPC), the Cumberland Presbyterian Church in America (CPCA). The Presbyterian Church U.S.A. (PCUSA) invited us to send an observer to their GA, but we have chosen to send a letter of greeting.

Fraternal Delegates/Representatives to be Sent in 2006

ARP delegates/representatives scheduled to be sent to: NAPARC (Charles Clendinen, John Dawson, Moderator Tom Patterson, and the Moderator-Elect), RPCNA (Frank van Dalen, Charles Clendinen), CRC (Mr. Steve Weber). EPC (John Dawson), PCA (John Dawson). We will send a letter of greeting to the OPC and the KAPC.

Fraternal Delegates/Representatives to be Invited in 2006

Delegates/representatives will be invited from: EPC, PCA, RPCNA, IPAR, OPC and KAPC.

Officers for 2006-2007

Chairman — John Dawson

Vice-Chairman — Charles Clendinen

Secretary — Peter Kemeny

Proposed Budget for 2007

The Committee approved the following:

	2006	2007
General Office Expense	\$ 150	\$ 150
Committee Travel	9,000	9,000
ARP Fraternal Delegates/Representatives	10,000	10,000
Hosting Fraternal Delegates	2,000	2,000
NAPARC Dues	500	500
ICRC Dues	<u>3,580</u>	<u>3,580</u>
Total	\$ 25,230	\$ 25,230

Recommendations

1. The proposed Committee 2007 budget be approved. (NOTE: See Approved Recommended Allocations)
2. That the membership of the FRCNA in NAPARC be approved.
3. That the ARPC will work with the Mexican Synod (IPAR) to insure that our relationship is fraternal, equal and cooperative.
4. That through the action of the ICR Committee and other agencies of our Synod, we pursue a closer relationship of communication and interaction with the RPCNA.
5. All other actions of the Committee, as herein reported, be affirmed.

Respectfully submitted,
John Howard Dawson, Chairman

A motion carried as follows:

“In light of our future revision of the *Form of Government*, that the spelling errors in the *Shorter Catechism* be corrected in our *Book of Standards*.”

The Report of the Investment Committee was adopted.

REPORT OF INVESTMENT COMMITTEE

The Investment Committee of the General Synod was formed as a Standing Committee of the General Synod effective July 1, 2005, as reported in the Special Committee on Organization (*2005 Minutes of Synod*, page 71).

Implementation

The following were appointed as members of the Investment Committee:

2006 – Will McMaster*, William J. (Joe) Summerville*, Cliff Dyhouse

2007 – Scott Bush*

2008 – Terry Wallace**

2009 – Mike Cruce***

2010 - Stewart Hurst

Ex-Officio Member: Treasurer of General Synod.

Advisory Members: Representatives from each denominational agency or board with funds invested with the Investment Committee, plus the Moderator and Moderator-Elect, Chief Administrative Officer, and the Coordinator.

* From Investment Committee, ARP Foundation, Inc.

** Member of Bonclarken Conference Center Investment Committee

*** Member of Board of Benefits, serving as Chairman of ARP Retirement Committee

Initial membership would be responsible for

- a. developing guidelines for the work of the Committee;
- b. management of all investments funds under the auspices of the ARP Foundation/Stewardship (including funds of the General Synod) and the Board of Benefits
- c. reviewing all current investment relationships for funds currently invested under the auspices of the ARP Foundation/Stewardship (including funds of the General Synod) and funds of the Board of Benefits; and
- d. work with other boards and agencies that have invested funds.

The Committee did not hold its first meeting until February 20, 2006, but did begin receiving background material and investment reports in the Fall. The meeting on February 20 was a telephone conference call at which time the Agenda was established for a follow-up meeting on March 10, 2006.

At the March 10 2006 meeting, the Committee met with investment managers and consultants, excluding the investment managers for funds at Erskine and Bonclarken. The Committee reviewed the funds under management, began developing an understanding of the existing consultants and advisors, and considered the strategy for future conduct of the Committee.

In particular, the Committee:

- a. Reviewed the background of the development of the Investment Committee.
- b. Reviewed the authorities and duties as presented in the *2005 Manual of Authorities and Duties*.
- c. reviewed the existing relationships between the investment managers/consultants and agencies of the General Synod.
- d. Reviewed the existing fee structures.
- e. Set meeting times for 2007 (February and August, dates to be determined.) In addition, the Committee will review quarterly investment reports of existing accounts and will hold telephone conference calls if it is deemed prudent.

It is the intent of the Committee to be a resource for all agencies of the

General Synod and will initiate invitations to representatives of Erskine and Bonclarken to explore areas of mutual interest and cooperation. The Committee is also available to work with congregations that have invested funds.

The Committee is willing to serve both in an advisory capacity (i.e., to make recommendations) and to exercise particular responsibilities authorized by asset owners (i.e., change in investment managers, asset allocation studies).

The Committee will develop guidelines and policies during the following year and will continue the evaluation of the existing investment arrangements. The existing membership, with one new member added for service beginning July 1, 2006, will provide the best opportunity to develop these guidelines and policies. The Committee, therefore, asks permission of the General Synod to extend for one year the term of service of the three members due to rotate off June 30, 2006 – Will McMaster, Joe Summerville, and Cliff Dyhouse.

Respectfully,
Guy H. "Chip" Smith
Acting Chairman

The **Report of the Board of Bonclarken** was presented. The **Moderator's Committee on Bonclarken** recommended the adoption of recommendations 1-5. Recommendations 1-5 of the Board were adopted. One additional recommendation was adopted:

That Synod express its appreciation and thanks to the staff and Board of Bonclarken and, in particular, to Mr. Jim Brice for his years of dedicated service to Christ in this ministry.

REPORT OF THE BOARD OF BONCLARKEN

Dear Brothers in Christ:

The Bonclarken Board of Trustees and the staff continue to work well together in our effort to "provide a Christian environment for individuals and groups who use our facilities for the purposes of spiritual enrichment, education, recreation and relaxation, and to provide services which exceed the expectations of our guests."

Housing. In recent years, the Board has been, and continues to be, focused on the primary importance of youth ministry at Bonclarken. We have made significant additions to our facilities and recreational activities to better serve youth. It is very important that we provide facilities and activities that will attract youth to Bonclarken and that we provide an environment that will encourage young people to make and strengthen personal commitments to Jesus Christ.

In the Board's long range planning process, it has become abundantly clear that our greatest current facility need is for additional hotel style housing designed to primarily serve adult groups. Ministry to adults has always been a very important part of our ministry, and adult groups are important in providing revenue to help Bonclarken expand its ministry and operate in the black. We have appointed a Building Committee, are in the process of selecting an appropriate site and have engaged an architect to prepare preliminary drawings for a facility with 25 to 32 bedrooms and a meeting area – similar to Founders Hall.

Other Facility Improvements. Thanks to a substantial bequest from Carl and Frances Catt of New Albany, MS, owners of the Mississippi Cottage on our grounds and long-time supporters of Bonclarken, we are proceeding with renovating and upgrading our main dining facility. A portion of this work should be done this spring with the balance completed after the busy summer season.

The Board has approved architectural drawings and obtained cost estimates for improvements to the Chapel. These improvements will be undertaken as funds become available.

Work on the sewer system which serves our conference grounds began in 2005 with completion expected in the spring of 2006. While our streets remained rough and unsightly during much of the year, the end result of having the responsibility for our sewage system – and our water system – transferred to the City of Hendersonville will make the inconvenience well worth it. Having Bonclarken out of the water and sewer business will prove a blessing for years to come.

Several substantial improvements were made to provide expanded recreation options for our youth. A new high ropes course was constructed near our Youth Activity Building, an interior climbing wall was erected on the second floor of the Youth Activity Building, and a game room was installed on the first floor. These additions give youth and their leaders more recreational opportunities when they retreat and camp at Bonclarken.

Much of the property in the area of our RV Park and Youth Activity Building has been cleared and graded by a donor to allow for more activities and usage. Improvements in this area and the area of our lake will continue in the spring of 2006. Also, volunteers from our Tirzah ARP Church – with considerable knowledge about landscaping and plant/shrub beds – have contributed many hours to improve the appearance of our grounds and will continue this effort in 2006. The Board approved the construction of a gazebo on our lake with funds provided by a couple who has faithfully supported Bonclarken. This project is scheduled for completion this spring and should prove to be a beautiful and popular addition for our guests.

It is also important that we maintain and protect the Heidelberg House

(our Hotel), which was completed in 1886. A "Heidelberg House Restoration Committee" has been appointed to consider the current status of our Hotel and determine the best course of action to preserve this important structure for years to come. A Playground Committee has been established to consider what type of equipment is recommended and what location would be the most desirable.

Finances. Bonclarken operated in the black for the fourth consecutive year, completing the year with a small surplus. We thank our ARP churches and organizations for their visits to our conference grounds, their financial support and their participation in the many events which take place at Bonclarken annually. In 2005 we served well in excess of 300 bookings and approximately 12,000 individuals. Your conference grounds have proven to be a place of rest and refreshment to not only our ARP visitors but also guests who represent other denominations and Christian organizations, such as the Gideons and Joni and Friends.

Several individuals and couples have entered into charitable gift annuity agreements with Bonclarken which provide guaranteed quarterly annuity payments and substantial income tax benefits to them and upon their deaths provide significant funds to support the ministry of Bonclarken. They have recognized the benefits of increased interest returns, income tax savings and Christian stewardship. Jim Brice does a very good job of discussing these benefits with potential donors.

Retirement and Transition. At its January meeting the Board took action to change the title of Bonclarken's chief executive officer from Executive Director to President. Also, Jim Brice announced his intention to retire and requested that December 31, 2006 be established as the effective date of his retirement. He agreed to serve for several months after that date if requested by the Board to facilitate the transition to a new President. The Board unanimously adopted a motion approving the request of Jim Brice to retire effective December 31, 2006; expressing its sincere appreciation to Jim Brice for his dedicated and outstanding services as the leader of Bonclarken for more than 18 years; requesting the Chairman to appoint a committee to plan an appropriate retirement function to recognize such service; and giving thanks to God that, under the gracious provisions of Almighty God and under the leadership of Jim Brice, Bonclarken's reputation, facilities, endowment, staffing, financial management and overall ministry and operation are in better shape than at any previous time in the history of Bonclarken.

The Board appointed a Search Committee chaired by Calvin Draffin to seek the next President of Bonclarken Conference Center.

The officers of Bonclarken's Board of Trustees for 2005-2006 are: Bill Patrick, Chairman; Dr. Reid Tribble, Vice Chairman; Mrs. Billie Brady, Secretary; Robert Adams, Treasurer; Jim Ashburn, Chairman of the Administra-

tion Committee; Jimmy Matthews, Chairman of the Building and Grounds Committee; and Mrs. Sarah Dagenhart, Chairman of the Promotion and Services Committee.

On behalf of the entire Board and staff of Bonclarken, I want to express our appreciation for the support and encouragement General Synod has given our conference center. As we look to the future with the desire to enhance and expand our ministry, we want to encourage you to schedule meetings and attend conferences and retreats at Bonclarken while continuing to uphold our ministry in your prayers.

Recommendations

We make the following recommendations for your consideration:

1. That General Synod continue to support Bonclarken in the allocation of Synod funds and in the annual special offering.
2. That General Synod continue to encourage all presbyteries, boards and church organizations to use the facilities at Bonclarken for retreats and conferences.
3. That the meetings of General Synod for 2007 and 2008 be held at Bonclarken beginning on June 5, 2007 and June 10, 2008.
4. That General Synod give its blessings and encouragement to Bonclarken as the Board of Trustees moves forward in its efforts to construct an adult housing facility.
5. That the *Manual of Authorities and Duties* be amended to reflect the change in title of the administrative officer to President of Bonclarken.

Respectfully submitted,
 William B. Patrick, Jr., Chairman
 Board of Trustees
 Bonclarken Conference Center

	2006 Budget	2007 Proposed
Operating Revenue:		
Rooms	\$ 585,000	\$ 603,000
Food	545,000	567,000
Activity Fees	210,000	218,000
Canteen	15,000	15,000
Gift Shop	35,000	35,000
Programs	45,000	45,000
Camps	55,000	55,000
Homeowners	30,000	30,000
Misc.	<u>30,000</u>	<u>30,000</u>
Total Operating Revenue	\$ 1,550,000	\$ 1,598,000
Non Operating Revenue		
Synod	\$ 146,000	\$ 146,000
WSU	9,000	8,000

Mnt Club	110,000	120,000
Churches	15,000	17,000
Total Non O/P Revenue	<u>\$ 280,000</u>	<u>\$ 291,000</u>
Total Revenue	<u>\$ 1,830,000</u>	<u>\$ 1,889,000</u>
P/R Expenses		
A&G	\$ 264,000	\$ 269,000
Promo/Mark.	26,000	26,000
Maintenance	125,000	130,000
Food Service	157,000	160,000
Programs	65,000	67,000
Housekeeping	115,000	117,000
Other	28,000	30,000
Taxes And Benefits	<u>230,000</u>	<u>239,000</u>
Total P/R	<u>\$ 1,010,000</u>	<u>\$ 1,038,000</u>
Cost Of Sales		
Food Service	\$ 205,000	\$ 210,000
Canteen	7,000	8,000
Gift Shop	<u>8,000</u>	<u>9,000</u>
Total Cost Of Sales	<u>\$ 220,000</u>	<u>\$ 227,000</u>
Other Expenses		
A&G	\$ 70,000	\$ 72,000
Maintenance	45,000	46,000
Food Service	25,000	26,000
Programs	55,000	57,000
Promo/Mark.	35,000	37,000
Housekeeping	60,000	63,000
Property Insurance	112,000	115,000
Utilities	195,000	205,000
Other Expenses	<u>3,000</u>	<u>3,000</u>
Total Other Expenses	<u>\$ 600,000</u>	<u>\$ 624,000</u>
Total Operating Expenses	<u>\$ 1,830,000</u>	<u>\$ 1,889,000</u>
Surplus Or (Loss)	<u>\$ =</u>	<u>\$ =</u>

William Patrick, chairman of the Board of Bonclarken, was granted the floor to recognize the 18- year service of retiring President of Bonclarken, Jim Brice. Mr. Brice came forward to receive a special Bible on the occasion of his retirement. Mr. Patrick presented further information with regard to the future plans for the conference grounds.

Following announcements, Synod adjourned with the Closing Prayer and Benediction by Bob Wilson.

Thursday, June 8, 2004

7:00 A.M.

C. E. Linderman led the informal morning Psalm singing on the Dining Room Porch.

James T. Corbitt led the opening worship service.

John Kimmons led the Synod in a prayer of supplication and thanksgiving.

The Report of the **Moderator's Committee on Memorials** was presented.

The Memorial from Catawba Presbytery was adopted.

Concerning the Memorial from Mississippi Valley Presbytery, the following motion was adopted:

“In light of the lack of citation within the memorial, remove the preamble of this memorial and forward the issue of evaluation of NCD materials without bias.”

The Memorial from Second Presbytery was adopted for referral to the Committee on the Minister and His Work.

Memorial
Catawba Presbytery
[Adopted]

WHEREAS, The Presbytery numerous times has discussed the role of tentmaker or a similar description relative to a local church being able to call a minister working in an occupation elsewhere and still being able to serve a church; And WHEREAS, our Form of Government does not speak directly to that issue; THEREFORE BE IT RESOLVED that Catawba Presbytery does hereby memorialize the General Synod to clarify the role of a minister who serves a church in less than a full time capacity by amending the Form of Government as follows:

In Chapter X.E.11. Amend First Sentence of X.E.11 as approved by the 2005 General Synod to read as follows and add new paragraph:

[Note: Words struck out are to be deleted, new words and paragraphs are underlined]

The call shall clearly state the amount of salary and other allowances, and shall include provisions as to manse, vacation, moving expense, and ~~hospitalization group~~ insurance and except for calls to new fields or congregations which are unable to support a pastor (i.e. as an evangelist) shall include provision for the church to make contributions to the General Synod in support of the Associate Reformed Presbyterian Retirement Plan (for churches in the United States) or to a locally-accredited and registered retirement plan approved by the presbytery (for churches located outside the United States), according to the guidelines approved by the General Synod. Calls shall provide for an annual review of the terms of the call. Without such a statement the call shall not be approved. The call shall meet all requirements of the Presbytery

before approval. A call shall be presented to a pastor-elect by the Presbytery in which the congregation issuing the call is located.

At its discretion, presbytery may approve a call for a minister to serve as pastor without the provision for group insurance when a congregation is unable to support a minister on a full-time basis provided:

(a) the Presbytery has determined that the congregation presenting the call is unable to support a minister on a full-time basis and includes such provision in the printed call, and

(b) the minister works elsewhere at an occupation that has the approval of the Presbytery for labors outside the pastoral ministry (See Chapter XII. B.2); and

(c) the call acknowledges the minister's responsibility for providing acceptable insurance coverage for himself and, if appropriate, his family,

Memorial **Mississippi Valley Presbytery** **[Amended]**

WHEREAS Outreach North America (ONA) of the Associate Reformed Presbyterian Church (ARP) has presented and is currently presenting material from Natural Church Development (NCD) to ARP presbyteries and churches as an option to be used in their respective "revitalization" efforts; and

WHEREAS certain churches, ministers, and individuals in the ARP have and are utilizing materials from NCD at this present time; and

WHEREAS the theological foundations underlying and influencing the overall NCD "program" are inconsistent not only with the Standards of the ARP, being at odds with Reformed theology, but also with the entire Christian religion, as they deny and distort the orthodox understanding of the Trinity, taught by the Scriptures and agreed upon by the Church throughout her history, finding its best definition at the Council of Nicea; and

WHEREAS the primary goal of Christian Schwartz, the founder of NCD, is a "shift" in the Church's understanding of the Trinity, which changed understanding would, according to his theory, result in a more unified, balanced, and effective Body; and

WHEREAS two Erskine professors consulted by the ONA Board regarding this matter identified "Schwartz's view of the Trinity" as "EXTREMELY problematic" (emphasis original), and "basically . . . a form of modalism"; and that Schwartz himself was "profoundly affected by German idealism," "dissatisfied with traditional Trinitarian formulations," casting "serious doubt upon the procedure and substance of Nicene formulation," etc.; and

WHEREAS modalism was condemned by the early Church as heretical; and

WHEREAS other basic and foundational Christian doctrines dear to this Body and all reformed churches are denied and distorted by the founder of NCD in his writings, e.g., the doctrine of predestination, which is mocked and disbelieved; the doctrine of the inerrancy of Scripture, which is likewise

mocked and caricatured; and the doctrine of the inspiration of Scripture, which at one point is explained as man's collected and recorded observation of creation and only thus a "revelation" of God; and

WHEREAS a man's orthodoxy, or lack thereof, always determines his level of orthopraxy, and cannot but affect and influence the products of his thinking; and

WHEREAS the NCD questionnaire recommended by ONA as a tool for measuring the health of ARP churches is admittedly designed not from an examination of the Scriptures pertaining to the nature of a healthy church but from a "scientific" survey of thousands of contemporary churches indiscriminately chosen; and

WHEREAS the NCD questionnaire recommended by ONA as a tool for measuring the health of ARP churches notably omits any questions about the orthodoxy of such churches and their leadership, as the material is proudly presented as being equally useful to liberal, evangelical, and charismatic churches alike;

THEREFORE Mississippi Valley Presbytery of the Associate Reformed Presbyterian Church memorializes the General Synod to direct the Committee on Theological and Social Concerns to evaluate the appropriateness of the use of Natural Church Development, considering that this program, survey, and associate materials have been generated upon religious foundations which are not agreeable to the doctrines and practice of the Associate Reformed Presbyterian Church or other historically reformed and orthodox churches.

Reverend James A. Ryan, Jr.
Stated Clerk
Mississippi Valley Presbytery of the Associate
Reformed Presbyterian Church

Memorial
Second Presbytery
[Adopted]

Whereas, the *Form of Government* of the Associate Reformed Presbyterian Church makes provisions for a thoughtful, orderly and intentional withdrawal of a disaffected congregation from a presbytery of the Associate Reformed Presbyterian Church (FOG, III, B, 7 [Withdrawal of Congregations and Church Property]); and

Whereas, this procedure involves two years of study and two separate votes, seeking the well-being of both the congregation and the presbytery and operating on the principles of that which is decent, equitable, and in order; and

Whereas, the procedure of the *Form of Government* for receiving an unaffiliated congregation or a congregation from another denomination is presently located in Chapter XIII: Concerning the General Synod, and not in Chapter III: Concerning a Particular Congregation of the Church or Chapter XII: Concerning the Presbytery; and

Whereas, the authority to organize, dissolve, receive, and dismiss a con-

gregation resides with the presbytery (FOG, XII, 2, e); and

Whereas, the present process for receiving a congregation does not provide for a period of assimilation and integration whereby a congregation is provided the opportunity and leisure to bring itself into conformity to the Standards of the Associate Reformed Presbyterian Church;

BE IT RESOLVED that Second Presbytery memorializes the General Synod to direct the Committee on Minister and His Work, in conjunction with the Board of Outreach North America, in the coming year, to study the Form of Government regarding the procedures for receiving a congregation, and to report back to the next General Synod with recommendations regarding the proper placement of these procedures in Chapter XII: Concerning the Presbytery;

BE IT FURTHER RESOLVED that this study includes consideration of the following clauses for receiving a congregation:

- A clause that makes provision for a category entitled ASSOCIATED CONGREGATION, whereby, a congregation may affiliate with one of the presbyteries of the Associate Reformed Presbyterian Church for a period that may be less but not to exceed four (4) years, allowing a congregation to come into conformity with the Standards of the Associate Reformed Presbyterian Church.
- A clause allowing an ASSOCIATED CONGREGATION the privilege of voice, NOT VOTE, in presbytery meetings of the presbytery with which it is associated.
- A clause providing for the reception of the minister(s) of an ASSOCIATED CONGREGATION who meet the Standards of the Associate Reformed Presbyterian Church, approving the minister(s) as working outside the bonds of the presbytery.
- A clause stating that the presbytery will provide a Transition Committee to work with the ASSOCIATED CONGREGATION as it brings itself into conformity with the Standards of the Associate Reformed Presbyterian Church.
- A clause that provides for the minister(s) of an ASSOCIATED CONGREGATION to participate in the Medical and/or Retirement programs of the Associate Reformed Presbyterian Church.
- A clause allowing and encouraging an ASSOCIATED CONGREGATION to participate in the Denomination Ministry Fund and all the other programs of the General Synod as the congregation brings itself into conformity with the Standards of the Associate Reformed Presbyterian Church.

PURSUANT TO THIS MATTER, BE IT FURTHER RESOLVED, in the spirit of Chapter XVI of the Form of Government, that General Synod encourage the presbyteries to use the contents of this memorial as a general guide in working with a congregation seeking affiliation with the Associate Reformed Presbyterian Church.

Adopted this day, March 14, 2006, at the Spring Meeting of Second Presbytery, meeting at the Oconee Associate Reformed Presbyterian. Seneca, South Carolina.

In witness thereof,

Reverend L. Calvin Draffin, Stated Clerk
 Second Presbytery of the Associate Reformed Presbyter-
 ian Church

The Moderator opened the floor for nominations for the office of Moderator of the General Synod, 2007.

James T. Corbitt nominated Charles F. Edgar. Neely Gaston seconded the nomination.

A motion carried that the nominations be closed and Mr. Edgar be elected by acclamation.

Mr. Edgar was escorted to the podium by his Son-in Law, Mr. Matt Ligon, Elder Representative of the Pospeirty, TN, Church. Mr. Edgar accepted the nomination and made several personal remarks to the Synod.

Jerry Hallman made a special presentation to Ann Brice and David Vickery on behalf of the Board of Covenant Discipleship on the occasion of their retirements. Mrs. Brice and Mr. Vickery addressed the Synod. Mr. Hallman also expressed the thanks of the Board to Bob Elliott for his service as he leaves his position.

The **Report of the Board of Covenant Discipleship** was presented. The **Moderator's Committee on Covenant Discipleship** recommended the adoption of recommendations 1-4. Recommendations 1-4 of the Board were adopted. Two additional recommendations of the Moderator's Committee were adopted:

1. That special appreciation be expressed to Dr. David Vickery for his faithful service as Director of the Board of Covenant Discipleship.
2. That special appreciation be expressed to Mrs. Ann Brice, Rev. Bob Elliott, and Mrs. Marge Malone for their service during this year.

**REPORT OF COVENANT DISCIPLESHIP
 THE EDUCATIONAL MINISTRY OF THE ASSOCIATE
 REFORMED PRESBYTERIAN SYNOD**

Introduction

“These words which I command you shall be upon your heart; and you shall teach them diligently to your children, and shall talk of them when you sit in your house, and when you walk by the way, and when you lie down, and when you rise.” Deuteronomy 6:6-7

The Board of Covenant Discipleship is the agency of the General Synod of the Associate Reformed Presbyterian Church which serves by presenting

the Gospel and nurturing Christian Discipleship based upon a reformed understanding of the scripture with a continuing challenge to develop a biblical world and life view.

Our Mission:

Equipping the Body of Christ to train disciples to be passionate followers of Christ.

We seek to;...

1. Teach and Train Leaders.
2. Reach Students with the Gospel and Disciple them based upon a reformed understanding.
3. Minister to the specific spiritual needs of the Mentally and Physically handicapped.
4. Minister to Families and Senior Adults through conferences and retreats.
5. Provide resources that emphasize a consistent Biblical world view.

This annual report is a summary of the major ministry activities of the Board of Covenant Discipleship for the year 2005 and includes a budget and other recommendations for Synod's approval.

Board Meetings and Officers

The Board of Covenant Discipleship held two meetings this past year—February 13-14, 2006; September 13-14, 2005.

The Board has spent a great deal of time in prayer and planning in order to enhance the teaching ministry of the denomination.

The following officers served during the 2005 year: Dr. Charles Steele, Chairman; Rev. Richard Lewis, Vice-chairman; Miss Lou Ann Aheron, Secretary. The officers elected to serve for the year 2006 are Rev. Richard Lewis, Chairman; Rev. Gerald Hallman, Vice-chairman; Mrs. Jeanie Alexander, Secretary.

Board Ministries

Horizon Conference attendance—386; Quest Conference attendance—441; Focus—66; Camp Joy—3 full sessions with 114 campers and 125 counselors and staff; Appalachian Mission—419 ARP young people and adults from 42 churches conducted Vacation Bible Schools in 21 locations in the states of Kentucky, Tennessee and Virginia ministering to more than 600 children. Bonsenior was held at Bonclarken with 103 in attendance. There were 72 who participated in the summer missions trip to Wales (co-sponsored by Covenant Discipleship and World Witness).

Other C.D. Sponsored Programs

Bible Mastery Month was observed in 16 of our congregations. Catechism Recitations: The Children's Catechism—9 recitations; Westminster Shorter Catechism—1 recitation. Church School Enrollment 13,605.

Use of Curriculum Materials

a. Vacation Bible Schools: Eighty-three churches reported holding Bible Schools in 2005 with a total enrollment of 8831. Fifty-five had schools for youth and children only; twenty-nine had schools for the entire family. Sixty-two provided nurseries. Two churches held a one-day school; one had a two-day school and two held three-day schools. Some schools reported using more than one type of material. Materials used: Augsburg—1; Bible—8; Cook—10; Concordia—3; Gospel Light—21; Great Commission—15; Group—18; Scripture Press—1; Standard—7; Other—16; Own—2.

b. Church School: In the Children's and Youth Divisions, the most popular materials used were David C. Cook and Great Commission. In the Adult Division, *The Associate Reformed Presbyterian Adult Quarterly* is the most widely used. Listed below is the break down of materials used. Consider these figures in light of the fact that 163 churches reported and that some churches used more than one curriculum in a given department.

Literature	Preschool	Elementary	Youth	Adult
ARP—	—	4	86	
CRC4	5	7	2	
Cook	23	29	25	15
Bible	6	8	15	35
Great Commission	43	45	40	6
Scripture Press	1	2	2	1
Standard	5	6	5	12
Gospel Light	11	10	8	4
PCUSA	1	1	2	2
Other	12	10	19	34
Own ⁹	8	14	22	

Summary of Board Meetings

September 2005 Board Meeting:

1. The Board approved that the English Standard Version (ESV) be used in *The Adult Quarterly*.
2. The following recommendations of the Transition Committee were approved:
 1. Per his request, that Dr. Vickery's retirement date is set as December 31, 2006.
 2. Per her request, that Marge Malone's retirement date is set as December 31, 2006.
 3. That the new Director be a "visionary leader" who will also effectively communicate and promote the work of Covenant Discipleship in the denomination.
 4. Contained in the body of the proposed timeline: That the new Director begin work in June, 2006, first as an observer and then assuming full responsibilities by September 1, 2006. Dr. Vickery would remain in an advisory/training capacity until December 31, 2006.

5. That the Board extends Ann Brice's retirement date to December 31, 2005.
 6. That Covenant Discipleship be renamed "Christian Education Ministry of the Associate Reformed Presbyterian Church."
(**Note:** This gives a clearer identity for the services available, and should help to heighten the awareness of what we do in and for the denomination. During its work the Transition Team encountered a great deal of misperception about the work of 'Covenant Discipleship' in a number of folks in the denomination.)
3. The following item from the Transition committee reads as amended and approved:
 1. Item #6 was eliminated and replaced with the following motion: "The Administrative Committee recommends that the Executive Director form a Steering Committee to share leadership with Ann Brice for Camp Joy 2006 in order to ensure the future viability of the Camp Joy Ministry."
 4. The following recommendation from the Transition Committee was omitted and that the disposition of the matter is subject to the discretion of the new executive director.
 1. That the Office of Covenant Discipleship be housed at the Greenville Office, and that the Satellite Office at Bonclarcken be closed by December 31, 2005.

February 2006 Board Meeting:

1. Rev. Brent Turner was appointed the new Executive Director of Covenant Discipleship, Christian Education Ministries (CEM), to succeed Dr. David Vickery, according to the time-line drafted by the Transition Committee and previously approved by the Board. It was noted that the Executive Committee of the Board of Covenant Discipleship (CEM) was charged to issue a call to Rev. Turner. This call will be presented to Second Presbytery, of which he is a member, for approval.
2. That the new name be corrected to read "Christian Education Ministries" instead of "Ministry." Motion passed.
3. The proposal that was amended by the Administrative Committee in the September 2005 Minutes regarding Item 6 was rescinded, (Attachment I, Number 3, Page 15) from the Transition Committee. The motion read as follows: "That the Executive Director, in consultation with the "Events Ministry Director" shall appoint a steering committee for each major conference/camp with the position of program director for each conference/camp to be appointed annually by the Ex. Director."
4. Motion to raise staff salaries to 4% rather than 3% and be made retroactive to January 2006. This measure was approved for 2006 only.

5. The 2007 Budgets were approved.
6. It was approved that the Events and Resources Director salaries will be in line with each other.
7. The board approved that the Elder/Deacon Training Materials be moved to publication and distribution stage (via download, CE and printed formats) by the Covenant Discipleship (CEM) Office as soon as the final editing is complete. The office is to hold the copyright on this material.

Recommendations for Synod Consideration

1. That Rev. Brent Turner be approved as the new Executive Director of Covenant Discipleship, Christian Education Ministries (CEM), to succeed Dr. David Vickery, according to the time-line drafted by the Transition Committee and previously approved by the Board.
2. That Covenant Discipleship be renamed "Christian Education Ministries of the Associate Reformed Presbyterian Church."
(Note: This gives a clearer identity for the services available, and should help to heighten the awareness of what we do in and for the denomination. During its work the Transition Team encountered a great deal of misperception about the work of 'Covenant Discipleship' in a number of folks in the denomination.)
3. That the 2007 budget of Covenant Discipleship be approved. (NOTE: See Approved Recommended Allocations)
4. That all the actions of the Board of Covenant Discipleship (CEM) be approved.

Respectfully submitted,
R. C. Lewis, Chairman

Revenues Update	Revised 2006	Proposed 2007
Contributions for Ministry		
Denominational Ministry Allocation	\$ 211,111	\$ 221,667
Easter Offering Allocation	9,114	9,570
Misc Contributions	26,053	16,455
WSU Contributions	4,367	—
Gifts from Special Endowment Fund	<u>—</u>	<u>—</u>
Total Contributions for Ministry	\$ 250,645	\$ 247,692
Registration and Fees		
Conference Registration	\$ 94,022	\$ 94,297
Mission Trip Receipts	<u>172,856</u>	<u>179,649</u>
Total Registration and Fees	266,878	273,946
Sales & Subscriptions		
Adult Quarterly Income	<u>\$ 50,000</u>	<u>\$ 52,500</u>

Total Revenues	\$ <u>567,523</u>	\$ <u>574,138</u>
Expenses		
Payroll		
Salaries	\$ 179,571	\$ 143,962
Housing Allowance	16,857	17,363
Staff Benefits	<u>55,866</u>	<u>60,885</u>
Total Payroll	\$ 252,294	\$ 222,210
Staff Expenses	\$ <u>11,445</u>	\$ <u>11,673</u>
Board/Committee Expenses	<u>12,614</u>	<u>8,868</u>
Promotional Expenses	<u>4,688</u>	<u>4,922</u>
General Office		
Resources	\$ 2,399	\$ 2,519
Equipment	1,879	1,973
Communications	2,693	2,828
Rent	5,921	6,217
Bonclarken Office	7,036	7,194
Miscellaneous Expenses	<u>7,094</u>	<u>7,449</u>
Total General Office	\$ <u>27,022</u>	\$ <u>28,180</u>
Publications		
Adult Quarterly	\$ 29,622	\$ 30,949
Adult Quarterly - Large Print	4,457	4,680
Adult Quarterly - Teacher	1,592	1,672
Other Publications	<u>3,433</u>	<u>3,604</u>
Total Publications	\$ <u>39,104</u>	\$ <u>40,905</u>
Ministry Disbursements		
Audio Visual	\$ 58	\$ 61
Award Bibles & Books	<u>46</u>	<u>48</u>
Total Ministry Disbursements	\$ <u>104</u>	\$ <u>109</u>
Conferences and Training	\$ <u>73,227</u>	\$ <u>73,818</u>
Short Term Mission Trips	\$ <u>142,522</u>	\$ <u>149,573</u>
Total Expenses	\$ <u>563,020</u>	\$ <u>540,258</u>

A motion carried as follows

"On behalf of First Presbytery, that the matter of prayer and Associate Reformed Presbyterian Chaplains in the U. S. Armed Services be referred to the Theological and Social concerns

Committee of General Synod to study for the production of a pastoral guidance paper to be approved by Synod and provided to our Chaplains."

Ron Eastes led in prayer.

Following announcements, General Synod recessed for a Coffee Break.

The Director of Outreach North America, Alan Avera, spoke to the Synod on behalf of Outreach North America.

The **Report of the Board of Outreach North America** was presented. The **Moderator's Committee on Outreach North America** recommended the adoption of recommendations 1-10. Recommendations 1-10 of the Board were adopted. Two additional recommendations of the Moderator's Committee were adopted:

1. That the Memorial from Catawba Presbytery concerning a "Change in the *Form of Government*" Chapter III C.2. not be adopted as this issue is addressed in proposed amendment #1.
2. That ONA and its Director Alan Avera, be commended for their work and diligence in church planting and renewal.

REPORT OF THE BOARD OF OUTREACH NORTH AMERICA

Introducing People in the United States and Canada to Jesus Christ

"But you will receive power when the Holy Spirit comes on you; and you will be my witnesses in Jerusalem, and in all Judea and Samaria, and to the ends of the earth." (Acts 1:8 NIV)

The Great Commission as recorded in Acts 1:8 gives the historical progression of the spread of the gospel of Jesus Christ. From the historical perspective of the gospel as it moved out from Jerusalem, the United States and Canada are the ends of the earth. But many people see in Acts 1:8 not only the historical progression of the spread of the gospel, but also a strategy for missions. Missions should begin locally, at our Jerusalem; then move out to those who are geographically and/or culturally our near neighbors, our "all Judea and Samaria;" and finally move from there to the ends of the earth.

Outreach North America is the *home missions agency* of the ARP Church, helping our presbyteries and their churches to be witnesses to those who are geographically and/or culturally near. The board of Outreach North America would encourage churches to recognize their responsibility to be witnesses not just across the globe, but also across the street, across town, across the state, and across the country. This is crucial as church membership and at-

tendance decline in the United States and Canada, as God in His sovereignty is bringing people from the foreign mission field to our front door, and as Islam has become the fastest growing religion in North America.

I. Strategic Planning.

Last year Synod affirmed ONA's six goals for the next five years (2010). The board of ONA has engaged in a process of strategic planning to develop a strategy for achieving these goals. In a series of four strategic planning mini-retreats, the board's standing committees engaged with key resource people from outside the board to pray extensively for the home mission efforts within the ARP, and to identify the key strengths, weaknesses, opportunities and threats (or obstacles) that confront us in achieving our goals. At the end of this process, the board adopted the following strategies.

A. For our goal of developing a grassroots movement for church planting:

1. Expand the vision for planting new churches nationally.
2. Address the turnover of presbytery committees and committee chairmen by providing continuity of direction at the presbytery level.
3. Clarify the lines of authority for church planters for reporting and decision-making. Hopefully some of this will be accomplished through the proposed *Form of Government* amendments.
4. Expand our "fishing pools" for recruiting potential church planters.

B. For our goal to change the heart of our denomination into a heart that is breaking for the lost:

1. Affirm that evangelism is ONA's #1 priority.
2. Work with presbyteries to help people overcome their fears and inadequacies through gaining skill, knowledge, and ability in areas where they have fears.
3. Engage in prayer and vision casting. Getting people excited about evangelism.
4. Encourage a missional mentality.

C. For our goal to develop spiritual health within our churches:

1. Promote Synod-wide and regional fasting and prayer.
2. Find ways to remind each other continually of what is truly important and our constant need for God's grace. Motivate, encourage, and equip.
3. Ask for people in each presbytery who are passionate about praying for revival. Link them together.
4. Supply renewal material, books, resources, Bible studies, sermon outlines, etc.

D. For our goal to increase ONA revenues and to increase presbytery church extension resources:

1. Support the efforts of the denomination's Stewardship Counselor.
2. Increase congregational support for home mission efforts – both funding support and non-funding support. This includes encouraging and providing opportunities for direct support of our mission developers, and helping our mission developers raise funds.
3. Make sure we are using funds properly.
4. Engage in development efforts working cooperatively with the denominational Stewardship Counselor.

II. Proposed Amendments to the *Form of Government*.

In discussing what holds us back as a denomination in planting new churches, we found that one of the top three obstacles we face is confused lines of authority for church planters in reporting and decision-making. In talking with presbytery church extension committee chairmen and with mission developers, we believe that one reason these lines of authority are confused is that our *Form of Government* does not sufficiently address the process of developing mission congregations and guiding them to become organized congregations with their own sessions.

As Catawba presbytery has found, the position of mission developer is not defined in our *Form of Government*, so Catawba has proposed a memorial to Synod to address the definition and function of a mission developer. Knowing that this Catawba memorial was coming to Synod this year, ONA thought this would be a good time to propose a coordinated set of *Form of Government* amendments that would define a mission congregation, give clearer guidance on the procedure for organizing a new congregation, to specify the possible role of an evangelist in developing new congregations, and to more clearly delineate the relationships between a presbytery church extension or ONA committee, the provisional session and the mission developer.

The proposed amendments to the *Form of Government* are attached at the end of this report.

III. Revisions to the Policy Book of the Board of Outreach North America.

A policy book approved by the General Synod guides the Board of ONA. Revisions to the policy book have to be approved by Synod. We request several changes to the policy book this year. The proposed revisions to the policy book are attached at the end of this report.

These changes fall into three categories:

1. Changes to update the policy book to changes at ONA, such as: when the budget is approved by the board, reports by presbytery chairmen

to the board, and the new focus on church renewal as a process and the desire to provide tools for renewal rather than sponsoring a revitalization program.

2. Changes in our financial policies to reflect financial experience, such as: allowing missions the flexibility to receive supplements over 4 years rather than 3 years, increasing the matching grant from \$30,000 to \$35,000 due to inflation, allowing a revolving loan to be secured by a second mortgage rather than a first because our loan amounts are generally not sufficient without an additional loan and banks do not want to be in second position behind a church organization, allowing a church or mission receiving a loan to have a grace period of up to 180 days before the first payment is due, and giving the board of ONA leeway to engage a custodian to administer the revolving loan fund.

3. The major change to the policy book is to replace the Manse Loan Fund with the Church Plant Cash Flow Loan Fund. The reason for this change is that ONA wants to get out of the Manse Loan Fund business. Our Manse Loans were for less than \$10,000, which was not enough to make a significant difference in a mission developer coming on the field. The Manse Loan Fund was also difficult to administrate, and we have had some bad loan experience. The Church Plant Cash Flow Loan Fund will be a better use of this loan fund, and will help a presbytery or a mission congregation through a temporary cash flow difficulty in the development of a new congregation. These loans will be very short term, two years or less.

IV. Regional New Church Network.

John Kimmons currently works with ONA about one week each month as Director of Evangelism and Care. John is stepping down from all responsibilities at Christ Community Church this summer. The potential of having John available gives us the opportunity to form a Regional New Church Network centered on the Charlotte area that would serve Virginia, First, Catawba, and Second presbyteries. It also gives us an opportunity to focus John's energies and abilities in a specific area.

The new church regional network would be a great tool to offer these four presbyteries for helping recruit, train, equip, coach, and support their church planters. Other denominations have found that a new church network can also be an effective tool for revitalizing existing congregations. Once this network is established it can help us form similar networks to serve other presbyteries. Network components include: planning, vision casting, renewing, training, coaching, resourcing, recruiting, assessing, farming, and parenting. John would devote 15 – 25 hours per week to the task of being

Regional New Church Network Director as part of his overall call as Director of Evangelism and Care. In addition, John would also serve in one of our mission congregations helping the mission developer, he would continue to serve as a resource in the area of evangelism, and he would disciple a group of men.

To fund John Kimmons' ministry with ONA, we will support up to half of his compensation package out of the ONA budget, but the rest he will seek to raise by direct support. This is consistent with one of the goals of a New Church Network being to raise resources for the support of new church development. The network should ultimately raise the resources not only to hire a network director, but also to help fund mission congregations within the region.

V. Multi-Ethnic Ministry.

In response to the referral from the 2005 meeting of Synod for ONA and World Witness to develop a joint task force to consider ways we can work together to reach the increasingly multi-ethnic population in the United States and Canada, we have formed such a task force. ONA representatives are Tony Locke and Mary Anne Fleagle, along with Director Avera. ONA and World Witness sponsored a brainstorming meeting to consider the possibility of developing some international churches along the I-85 corridor. We had a great attendance and a helpful discussion during that brainstorming meeting. We have lots of ideas to follow-up. Our report back to Synod this year is a preliminary report as this joint task force still has much to do. Moving forward we will invite Christian Education/Covenant Discipleship into the discussion.

ONA and World Witness continue to work together in the ministry of ARPCoast. In January 2007 Ali Mitchell, Joseph Alghrari, and Alan Avera will teach a course on Islam in America for Erskine College and Seminary.

Some of our Korean congregations have requested that ONA consider appointing a Korean Coordinator. The board has tasked Director Avera with the responsibility for studying this request and reporting back in the fall.

VI. Tools for Evangelism and Renewal.

The board of ONA wants the Synod to see church renewal as an ongoing, natural process rather than as a program. We seek to recommend tools for renewal and for evangelism.

The board of ONA has endorsed the following tools for church renewal: *From Embers to a Flame* book and program, United Front Ministries, Twin Lakes Fellowship, and the Natural Church Development (NCD) survey. The board of ONA also encourages the use of *Christianity Explored* as an evangelism tool for ARP Churches.

ONA is sponsoring a *From Embers to a Flame* church renewal conference November 2-4, 2006 in Charlotte, NC with Harry Reeder as the main speak-

er. Back Creek ARP Church will host this conference. We encourage the minister and at least one key lay leader from each ARP Church to attend.

As a follow-up to the *From Embers to a Flame* conference, ONA will sponsor *Christianity Explored* evangelism training conferences in Columbia, SC and in the Charlotte/Gastonia, NC area in May 2007. *Christianity Explored* is a 10-week evangelistic Bible study based on the Gospel of Mark.

VII. Status Report on our Missions.

Two new works have been started with Synod funding since the last Synod meeting – Denver ARP Church, Denver, NC with Rev. Morrie Lawing, and the Communion Presbyterian Church, Irvine, CA with Rev. Kent Moorlach. By the time Synod meets in June funding should also have begun for New Geneva Community Church, Paducah, KY with Rev. Don Watkins.

The following missions received funding from Synod during all or part of the period since the last Synod meeting.

Canadian Presbytery

Trinity, Chatham, Ontario Rev. Henry Bartsch

Catawba Presbytery

Christ Church of Habersham, Beaufort, SC Dr. Douglas Culver

New Millennium Community, Katy, TX Rev. Stephane Cobbert

New Song, Columbia, SC

Rev. David Zimmerman

Providence, Mt. Pleasant, SC

Rev. Richard Brown

First Presbytery

Centerpoint, Winston-Salem, NC Rev. Bob Wilson

DaySpring, Cleveland, NC Rev. Luke Davis

Denver, Denver, NC Rev. Morrie Lawing

Rehobeth (formerly Waxhaw), Waxhaw, NC Rev. David Satterfield

Florida Presbytery

Sojourn, Mission Viejo, CA Rev. Bob Brown

Tradewinds, St. Pete Beach, FL Rev. Mike Avato

Mississippi Valley Presbytery

Hernando, Hernando, MS Rev. Steve Woods

Northeast Presbytery

Communion, Irvine, CA Rev. Kent Moorlach

Second Presbytery

Hope, Dacula, GA Rev. Jeff Lewis

African exploratory work, Atlanta, GA Mr. Isaac Gitundu

Greenwood Hispanic multi-cultural Mr. Gama Pozos

Recommendations

1. That Synod encourage churches to include home missions as part of their total missions responsibility and program.
2. That Synod affirm ONA's strategy for achieving the home missions goals for 2010.
3. That the proposed Form of Government amendments be approved and sent to the presbyteries for vote.
4. That the requested revisions to the ONA Policy Book be approved.
5. That Synod affirm that a regional New Church Network may raise resources through direct support for new church development, and that John Kimmons may raise resources through direct support as regional New Church Network Director.
6. That Synod accept the report on multi-ethnic ministry included in this report as a preliminary response to the referral from the 2005 meeting of Synod.
7. That Synod encourage congregations to participate in the From Embers to a Flame conference in Charlotte November 2-4, 2006, and the Christianity Explored training in May 2007.
8. That the Moderator of Synod declare January 2007 as a month of evangelism emphasis within the ARP Church, that Synod agencies provide resources on evangelism for this emphasis, and that congregations make a concerted effort to reach out during this month. This is consistent with Synod's emphases for 2006 – 2007. That the Moderator of Synod also declare at least one day of fasting and prayer for church renewal and revival within the ARP Church. (See Moderator's Challenge)
9. That Synod approve the proposed budget.(NOTE: See Approved Recommended Allocations)
10. The Synod approve the report of the Board of Outreach North America.

PROPOSED AMENDMENTS TO *FORM OF GOVERNMENT*

Proposed Amendment 1:

1. Chapter III Concerning a Particular Congregation of the Church

1. Add B. Definition and Purpose of a Mission Congregation ("Mission"). Reletter the current B-G.

B. Definition and Purpose of a Mission Congregation ("Mission").

1. A mission is a company of Christians, with their children, who are meeting together with the intention of forming an organized congregation of the Associate Reformed Presbyterian Church. It is distinguished from an organized congregation in that it is not governed by its own session, but is governed through a provisional session appointed by the presbytery.
2. The goal of a mission congregation is to become an organized congregation with its own session.
3. Mission congregations shall maintain membership rolls

consisting of active, inactive, and non-communicant members as well as the names of those receiving the Sacrament of Baptism and the marriages and deaths of members. The mission shall maintain members on behalf of presbytery until such time as the mission becomes an organized congregation with its own session.

2. Amend B (Relettered "C")

C. The Structure of a Congregation.

a. Change the heading: Non-Self-supporting Churches: to: Missions and Non-Self-supporting Churches.

b. Change paragraph (a) under **Missions and Non-Self-supporting Churches** to read:

(a) Title to all local church property of missions and congregations that are non-self-supporting...

3. Amend Section C (relettered Section D), **Procedure for Organizing New Congregations**

D. Procedure for Organizing a New Congregation.

1. Add the following sentence to Section 1. It is also lawful and expedient to spread the Gospel by developing new congregations in geographical areas that lack a sufficient witness to the Gospel.

2. Change Section 2 to read: Prior to organization, a presbytery may upon its own initiative ~~or upon~~ establish a mission, or grant mission status at the request of a group of Christians who are working toward the development of ~~developing~~ an organized congregation. grant mission status to the group: The Presbytery shall appoint for the Mission a Provisional Session of Associate Reformed Presbyterian ruling elders from neighboring congregations, wherever possible, or ruling elders who meet the standards of the Associate Reformed Presbyterian Church, with an ordained minister to serve as moderator until the congregation is organized and officers are elected in the regular manner and a pastor is elected and installed. See X.E.15: Until such time as the group is organized and officers are elected in the regular manner and a pastor is elected and installed, the presbytery shall

- a. appoint for the mission a provisional session of Associate Reformed Presbyterian ruling elders from neighboring congregations, wherever possible, or ruling elders who meet the standards of the Associate Reformed Presbyterian Church, and
- b. appoint an ordained minister to serve as moderator,
or
- c. issue a call to an ordained minister to serve as the mis-

mission developer. Such a call shall be issued in accordance with the provisions for calls to particular congregations, chapter X.E, sections 11-16. The mission developer shall serve as moderator of the provisional session.

3. Add new Section 3 and renumber present Sections 3-12.
 3. A presbytery may, upon the request of an organized congregation within the presbytery, grant mission status to a group that this sponsoring church is developing. Until the mission is organized and officers are elected in the regular manner the presbytery shall
 - a. Appoint the session of the sponsoring church to oversee the work on behalf of presbytery, or
 - b. Appoint a provisional session of Associate Reformed Presbyterian ruling elders from neighboring congregations, wherever possible, or ruling elders who meet the standards of the Associate Reformed Presbyterian Church, and
 - c. Appoint an ordained minister to serve as moderator, or
 - d. Issue a call to an ordained minister to serve as mission developer. Such a call shall be issued in accordance with the provisions for calls to particular congregations, chapter X.E, sections 11-16. The mission developer shall serve as moderator of the provisional session. The Presbytery shall consider input from the sponsoring church in the selection of the mission developer.

4. Amend Current 11, which will become the new 12, to read:
 12. Ruling elders shall immediately be elected in the regular manner. ~~Until these officers are ordained and installed, the presbytery or the commission shall appoint a Provisional Session. These officers shall immediately be ordained and installed by the presbytery or its commission.~~ Deacons may be elected in the regular manner.

5. Add new number 13 and renumber the remaining paragraph.
 13. If both the provisional session and the members of the mission desire the mission developer to be installed as the pastor on the day of organization of the mission as a particular congregation, then they shall follow the same procedure to call a pastor as outlined in chapter X. E, 6-11. If the mission developer is not being called at this time as pastor, then the presbytery shall appoint

a moderator of the session until such time as a pastor is called.

2. Amend **Chapter X – Concerning Ministers**, section B. 1 to read:
 1. As a pastor of a particular congregation or as a mission developer.

Proposed Amendment 2:

1. **Chapter III, Concerning a Particular Congregation of the Church, Section C, Procedure for Organizing a New Congregation.** Add new Section 4 and renumber renumbered Sections 4-14.
 4. A presbytery may, upon its own initiative or at the request of Synod's Board of Outreach North America, call an evangelist to
 - a. do preparatory work within the bounds of the presbytery toward establishing new missions, or
 - b. to develop missions outside the bounds of the presbytery with the approval of the presbytery, provided that this work receives prior approval from General Synod, and provided that any work within the bounds of another presbytery must receive the prior approval of that presbytery.
2. **Chapter X – Concerning Ministers.** Amend Section B.3. to read as follows:
 3. As an evangelist.
 - a. A minister may serve as an evangelist as long as he is a member in good standing of some Presbytery.
 - b. ~~He shall preach the Word, administer the sacraments, and perform the duties of a pastor in new fields or in congregations which are unable to support a pastor. He may also devote himself entirely to preaching the Word in special evangelistic services under the supervision and direction of the pastor in whose charge he may be laboring.~~
 - b. A presbytery may issue a call to a minister as an evangelist in order to:
 - (1) do preparatory work within the bounds of the presbytery toward establishing new missions,
 - (2) develop missions outside the bounds of the presbytery with the approval of the presbytery, provided this work receives prior approval from the General Synod,
 - (3) perform the duties of a pastor, without being installed as pastor, in a congregation that is unable to support a pastor, or
 - (4) devote himself entirely to preaching the Word in special evangelistic services under the supervision and direction of the presbytery, or of the pastor in whose charge he may be laboring.

The evangelist shall always have as his primary duty the faithful sowing of the seed of the Gospel of Jesus Christ.
 - c. A presbytery may give an evangelist authority to preach the Word and administer the sacraments without the oversight of a session or provisional session. In special cases, the presbytery

may also entrust the evangelist with authority to examine, receive, and dismiss members in a mission, and to train and examine potential ruling elders and deacons. The presbytery shall specify in writing the authority given to the evangelist, and may also specify the particular field and the time period in which this authority may be exercised.

- d. When a presbytery calls an evangelist to develop missions outside the bounds of the presbytery, the evangelist shall work only with the approval of General Synod and in close cooperation with the presbytery's committee charged with new church development and Synod's Board of Outreach North America.

Proposed Amendment 3:

Amend Chapter X.E. PROCEDURE FOR CALLS TO PARTICULAR CONGREGATIONS

1. Amend Section E.2 to read:
 2. The relationship between a minister and a congregation may be that of pastor, associate pastor, stated supply, ~~or occasional supply, evangelist or, in the case of a mission congregation, mission developer.~~
2. Add new 15 and 16, and renumber current 15 – 18.
 15. The presbytery may call a minister to serve as an evangelist. The presbytery committee charged with the responsibility for new church development, church revitalization, or evangelism will serve as the nominating committee to submit the name of a nominee to the presbytery, along with the terms of call, for approval or rejection by the presbytery.
 16. The presbytery may call a minister to serve as mission developer of a mission. The presbytery committee charged with the responsibility for new church development will serve as the nominating committee to submit the name of a nominee to the presbytery, along with terms of call, for approval or rejection by the presbytery.

Proposed Amendment 4:

Amend Chapter XI.A CONCERNING THE SESSION

1. Section A, ITS PURPOSE – Add Section 3 and Section 4
 3. The presbytery initiating a mission may appoint a provisional session to exercise oversight of the mission on behalf of the presbytery. The provisional session will report to the appropriate committee of presbytery that is charged with responsibility for new church development.
 4. If an organized ARP congregation is sponsoring a mission, the presbytery may appoint the session of the sponsoring church as the provisional session to oversee the mission on behalf of the presbytery. The sponsoring church session may choose to exercise its oversight through a subcommittee of the session.
2. Section B, ITS AUTHORITY AND RESPONSIBILITIES – Add Sections 3 and 4 and renumber the present 3 as 5:

3. The provisional session overseeing a mission has the same responsibility as a session, but is a transitory authority aimed at preparing the mission to be governed under its own session. Presbytery has the primary oversight responsibility for the mission. This responsibility is usually exercised through the presbytery committee charged with the responsibility for new church development. The provisional session has secondary oversight and is accountable to the presbytery committee. Elders on the provisional session must be careful to allow the mission to develop its distinct identity and direction.
4. In order to carry out its responsibility to the presbytery, the provisional session has the power:
 - a. To receive applicants into communicant church membership upon profession of faith in Jesus Christ, upon reaffirmation of faith in Jesus Christ, or upon transfer of membership.
 - b. To encourage parents who are communicant members to present their children for the Sacrament of Baptism.
 - c. To grant the appropriate certificate of transfer for any member in good standing upon proper request.
 - d. To admonish, rebuke, suspend, or exclude from the Sacrament of the Lord's Supper any member of the congregation found delinquent, according to the Rules of Discipline.
 - e. To instruct and examine potential ruling elders and deacons.
 - f. To work with the mission developer in setting the time and place of the preaching of the Word, the administration of the sacraments, and over all other religious services.
 - g. To ensure that the mission is submitting required reports to presbytery and synod.
 - h. To encourage and advise the mission developer. It is important that mutual trust be established between the mission developer and the session. He should look to the session as his strong supporters and encouragers. He should feel free to share his concerns and frustrations with them. The session should advise and counsel him concerning his work and ways to most effectively develop the mission.
 - i. To provide care and nurture to the people attending the mission. The provisional session members should attend the mission often enough so that they know and are known by the members of the mission.
 - j. To ensure proper oversight and stewardship of financial resources.
 - k. To keep the presbytery committee informed of concerns that may need the presbytery's attention.
 - l. To call a congregational meeting of the mission in order to elect a pulpit search committee and vote upon the terms of a call to a pastor prior to the organization of the mission as a particular congregation.
 - m. To oversee all organizations within the mission, and in its dis-

- cretion to require stated reports.
3. Section C – ITS ORGANIZATION
 - a. Add 2, and renumber present 2 -9.
 2. The mission developer of a mission congregation, by virtue of his office, is the moderator of the provisional session.
 - b. Add new 11
 11. A provisional session should hold at least one regular meeting each month.

PROPOSED REVISIONS TO THE BOARD OF ONA POLICY BOOK
[Proposed changes underlined]

I.C.4. Finance Committee . . .

- a. Prepare a proposed budget for the following year for presentation at the ~~fall~~ spring meeting of the Board.
- d. Supervise the operation of the Revolving Loan Fund and the ~~Manse Loan Fund~~ Church Plant Cash Flow Loan Fund with the assistance of the Director of Outreach North America.
- f. Plan and promote ~~the Opportunity Fund and Special Gifts for~~ giving to the work of Outreach North America.

I.C.5. The Revitalization Committee . . .

Delete current a. – e. and replace:

- a. ~~Oversee the Revitalization Program of Synod~~
 - b. ~~Continue to develop and refine the Revitalization Program.~~
 - c. ~~Continue to search out and examine resources and trainers whom~~
~~— Might be effectively utilized in the Revitalization Program.~~
 - d. ~~Recruit churches to participate in the Revitalization Program.~~
 - e. ~~Promote the Revitalization Program throughout the Synod.~~
- a. Continue to discover and evaluate tools for renewal to recommend for use in ARP churches.
 - b. Develop new tools and resources, or adapt those that are already available, as necessary for promoting renewal within ARP churches.
 - c. Publicize to ARP churches the tools that are available for church renewal.
 - d. Find ways to motivate and encourage churches to take advantage of available renewal resources.
 - e. Promote prayer for revival and reformation within the ARP Synod as a whole.

IV.C. The Chairman of Presbytery's Church Extension Committee

2. The chairman will make a written report to the Spring meeting each meeting of the board, including...

V.A. Funded Congregations

4. Mission Developers or Pastors of funded congregations will be expected to meet the following qualifications:
- d. They shall have been approved by a board-sanctioned assessment ~~center as qualified process as having the skills, knowledge, attitude and gifts~~ to be a successful church planter, or they shall have a previously demonstrated track record as a successful church planter.
10. Delete the current wording and replace:
- ~~A funded mission congregation may become a fully organized congregation by the action of the presbytery; funding, however, will be continued only if the organization of the congregation is approved by the action of the Board. Such approval will ordinarily be granted to congregations with an active communing membership of at least eighty.~~
10. A funded mission will generally not become an organized congregation of the presbytery while receiving a supplement from synod for current operating expenses. If a presbytery does organize a congregation that is receiving a supplement, an action of the board is required for that mission to continue receiving funding. Such approval will ordinarily not be granted unless there are special circumstances involved that require the congregation to organize with its own session, and unless the active communicant membership is at least 80 and the membership is showing a steady increase.

VI.A. Supplements

5. Supplements will generally be granted to a mission for no more than ~~three~~ 4 years.

VI.B. Grants

3. Grants will be matching grants of up to ~~\$30,000~~ \$35,000.

VI.C. Loans

- 3.b. Terms of the Loan
- (1.) The loan will be secured by a first or second mortgage with presbytery guaranteeing the loan.
- (4.) Repayment begins no more than 180 days after the loan is issued.
- 3.c. ~~Loan Applications will come before the Finance Committee of the Board of Outreach North America for review before approval.~~
Applicants must complete a Revolving Loan Fund application form and submit it to the presbytery church extension committee. After presbytery approval, the finance committee of the board of Outreach North America will review the loan application before the board considers it for approval.
- (6) Delete this paragraph and replace:
~~Branch Banking and Trust Company (BB&T), Charlotte, North Carolina is authorized by the Board to Administer the Revolving Loan Fund.~~
The board shall engage a custodian with the necessary expertise to administer the Revolving Loan Fund.

- (7) Legal matters relating to the loans shall be handled by ~~Branch Banking and Trust Company (BB&T), Charlotte, North Carolina~~ the custodian engaged by the board to administer the Revolving Loan Fund, and by the trustees of the congregation or presbytery seeking the loan. Payments will be made to the custodian administering the fund.

Add new (11) and renumber present (11) as (12).

- (11) If the loan is in arrears a minimum of 90 days, the loan shall be recalled.

VI.D. Manse Loan Fund. This section will be replaced in its entirety.

1. ~~A Manse Loan Fund has been established to assist mission developers moving on the field in purchasing a home.~~
2. ~~The following policy will govern the operation of the Manse Loan Fund.~~

~~(a.) To Qualify:~~

- ~~(1.) Applicant must be a mission developer.~~
- ~~(2.) Application will come through the presbytery's Minister and His Work Committee.~~
- ~~(3.) Application will include a clause that if a loan goes into arrears, the Minister and His Work Committee will be notified.~~
- ~~(4.) If a loan is in arrears and the recipient transfers to another presbytery or denomination, loan status should be included in his credentials.~~
- ~~(5.) After the developer is no longer receiving synod supplement, Presbytery should continue oversight of the loan.~~

~~(b.) Terms of Loan~~

- ~~(1.) The loan will be secured by a promissory note and a second mortgage kept by the Outreach North America Board with a copy to presbytery.~~
 - ~~(2.) The maximum amount of the loan will be \$9,995.~~
 - ~~(3.) The second mortgage will be recorded after the first mortgage is recorded. (A copy of the first mortgage will be delivered to Outreach North America office no more than 30 days after it is recorded.)~~
 - ~~(4.) The loan will be for a maximum of eight (8) years.~~
 - ~~(5.) The interest rate will be fixed at 1.5% below current rates for 15-year fixed rate home loans in the local community. however, the rate will not be below 5%~~
 - ~~(6.) Repayments will start no more than six~~
3. ~~(6) months after the loan is issued, and interest will begin to accrue when the first payment is due.~~

~~(7.) Total balance of the loan must be repaid upon the sale the property.~~

~~(c.) Requests for Manse Loans~~

~~(1) the requests for Manse Loans shall have the recommendation of the Presbytery's church extension committee, and the approval of the presbytery before they will be considered by the Finance Committee for submission to the Board.~~

~~(2) Requests for Manse Loans must have the approval of the Board. The Executive Committee, however, may act on behalf of the Board to approve Manse Loans in emergency situations between the regular meetings.~~

Add new section D.

D. Church Plant Cash Flow Loan Fund

1. The purpose of the Church Plant Cash Flow Loan Fund is to make temporary loans for cash flow purposes to missions and to presbyteries for new church development. Any funds not used for that purpose may be invested, with earnings to be used to fund current operations after adjusting for inflation to maintain the real value of the fund.
2. The following policy will govern the operation of the Church Plant Cash Flow Loan Fund.
 - a. To qualify:
 - (1) Applicant must be a mission or a presbytery, but loans to presbyteries will only be for purposes of new church development.
 - (2) Applicant must complete a loan application form that documents:
 - (a) the cash flow issue causing the need for the loan.
 - (b) evidence that the cash flow difficulty is only temporary.
 - (3) Applicant must attach to the application a financial report for the previous year, plus a current budget, and budget projections for the next two years.
 - b. Terms of the loan:
 - (1) The loan will be secured by a promissory note kept by Outreach North America with a copy to the presbytery.
 - (2) The maximum amount of the loan will be \$25,000.
 - (3) The loan will be for a maximum of two years.
 - (4) The interest rate will be the current rate of inflation, for the purpose of maintaining the fund's real value.
 - (5) Total balance of the loan must be repaid as soon as possible, but no later than two years after the loan is issued.
 - (6) Total balance of the loan must be repaid before any grants or other loans are made by Outreach North America.

- c. Requests for loans:
- (1) Must be submitted on the ONA Church Plant Cash Flow Loan application form.
 - (2) Must be approved by the presbytery before being considered by the finance committee for submission to the board.
 - (3) Requests for Church Plant Cash Flow Loan Fund loans must be approved by the board. The Executive Committee, however, may act on behalf of the board to approve Church Plant Cash Flow Loan Fund loans in emergency situations between the regular meetings of the board.

Respectfully submitted,
Alan Avera, Director
R. E. Spencer, Chairman

OUTREACH NORTH AMERICA

	2006 Revised	2007 Proposed
RECEIPTS		
Denominational Ministry Funds	\$ 678,082	\$ 698,424
Special Offering	16,500	16,500
Direct Support and Specials	30,419	62,084
Special Endowment Fund (Pratt)	1,314	1,314
ARP Women's Ministries	26,667	16,667
Interest on Operating Reserve	5,197	3,623
Interest for Operations – Invested Funds		
Hillcrest Fund	6,246	6,309
Mattie B. Ellis Fund	586	591
Ralph Grigsby Fund	1,794	1,812
St. Andrew Church Fund	7,382	7,456
Manse Loan Fund	12,577	12,702
Permanent Fund Income	6,223	6,285
Administration & Pro. Receipts Total	\$ 792,987	\$ 833,767
DISBURSEMENTS		
<u>Program Support</u>		
Director of Outreach North America		
Salary & TDA	\$ 43,328	\$ 44,628
Housing	25,447	26,210
Social Security Allowance	5,261	5,419
Retirement	6,293	6,482
Insurance	14,627	15,358
Director Sub-total	\$ 94,956	\$ 98,097
Support Staff Sub-total	\$ 105,337	\$ 164,078

Staff Expenses Sub-total	\$ 25,920	\$ 32,785
Board Expenses		
Travel and Meeting Expenses	\$ 20,988	\$ 16,467
Promotion and Publicity		
Home Page	1,545	1,591
Outreach	12,360	12,731
Development Coordinator	4,000	3,000
Ministry Resources	8,539	8,795
Professional Services	65,500	37,300
General Office		
Rent	9,175	9,450
Miscellaneous	<u>16,679</u>	<u>17,180</u>
General Office and Board Sub-total	\$ <u>138,786</u>	\$ <u>106,514</u>
Program Support Sub-Total	\$ <u>364,999</u>	\$ <u>401,474</u>
Program and Mission		
Recruiting, Assessing, Training, Placement		
Recruiting and Assessing	\$ 24,150	\$ 25,358
Internships	202,500	199,684
Training	35,100	36,255
Placement	<u>9,000</u>	<u>9,000</u>
RATP Sub-Total	\$ <u>270,750</u>	\$ <u>270,297</u>
Mission Supplements Sub-Total*	\$ <u>276,863</u>	\$ <u>148,087</u>
Evangelism and Renewal		
Undesignated	\$ 5,000	\$ 5,000
Appalachia	30,000	30,000
Muslim Ministry (ARP Connect)	21,632	22,497
Erskine Mission Conference	1,500	1,500
Renewal	<u>9,000</u>	<u>9,000</u>
Evangelism and Renewal Sub-total	\$ <u>67,132</u>	\$ <u>67,997</u>
Providential Contingency	\$ <u>20,000</u>	\$ <u>20,600</u>
Program and Mission Sub-Total	\$ <u>634,745</u>	\$ <u>506,981</u>
Total Disbursements	\$ <u>999,744</u>	\$ <u>908,455</u>
Change in Operating Fund Balance	\$ <206,757>	\$ <74,688>
Beginning of Year Balance	<u>448,307</u>	<u>241,550</u>
End of Year Operating Balance	<u>\$ 241,550</u>	<u>\$ 166,862</u>

*Mission Supplements reflect current year funding and scheduled funding for next calendar year.

Memorial

Catawba Presbytery
[Not Adopted]

WHEREAS, there has been confusion concerning a call to a minister as a Mission Developer; THEREFORE, CATAWBA PRESBYTERY does hereby memorialize the General Synod to clarify the status of Mission Developer in regard to the *Form of Government* by amending the *Form of Government* as follows:

[Note: Words struck out are to be deleted, new words and paragraphs are underlined.] Amend the *Form of Government* Chapter III.C.2. to read:

2. Prior to organization, a Presbytery may upon its own initiative or upon request of a group of Christians who are working toward the development of an organized congregation, grant mission status to the group. Until such time as the group is organized and officers are elected in the regular manner and a pastor is elected and installed, ~~the~~ The Presbytery shall

a. appoint for the Mission a Provisional Session of Associate Reformed Presbyterian ruling elders from neighboring congregations, wherever possible, or ruling elders who meet the standards of the Associate Reformed Presbyterian Church, and

~~_____~~ with appoint an ordained minister to serve as moderator, or

c. issue a call to an ordained minister to serve as the mission developer. Such call shall be issued in accordance with the provisions for calls to particular congregations. Chapter X E, Sections 11-14. until the congregation is organized and officers are elected in the regular manner and a pastor is elected and installed. See X.E.15. The Mission Developer shall serve as Moderator of the Provisional Session.

Chapter X.B.1. Amend to read:

1. As a pastor of a particular congregation or as a mission developer.

Reverend Guy H. Smith

Stated Clerk

Catawba Presbytery of the Associate

Reformed Presbyterian Church

March 14, 2006

Thomas Shoger introduced the report of the Board of Stewardship.

The **Report of the Board on Stewardship** was presented. The **Moderator's Committee on Stewardship** recommended the adoption of recommendations 1-9. Recommendations 1-9 of the Board were adopted. Two additional recommendations of the Moderator's Committee were adopted:

1. That the Board of Stewardship be commended for their hard work and efforts during the past year.
2. That the historical Statements on Stewardship which Synod has adopted and/or received as information as printed in the

2004 *Minutes of Synod* pp 528-531, be posted on the Associate Reformed Presbyterian website.

REPORT OF BOARD OF STEWARDSHIP

Introduction

The mission and ministry of the Associate Reformed Presbyterian Foundation, Inc. ("Foundation") and the Board of Stewardship continue under the purview and guidance of members appointed to the Board of Stewardship. The Foundation continues as the legal entity for holding the assets contributed to the General Synod, including Gift Annuities, Charitable Trusts, and endowment-type funds and the members of the Board of Stewardship serve as the directors of the Foundation. Meetings are held concurrently and actions of the Board pertaining to the Foundation are recorded in separate minutes. The newly constituted Investment Committee will be used as the investment advisory committee of the Board.

The Board is grateful for the approval of the 2005 General Synod to commit resources to help develop a membership that is committed to total Biblical stewardship. The Board has developed a profile for the Stewardship Counselor and following the meeting of the General Synod will begin the process of securing the services of the one God has set apart for providing leadership in this ministry. We emphasize again, that this person's primary focus will be ministry, divorced from the gathering of funds for ministry. The profile adopted to guide the Board in its search will be submitted with this report. We encourage members of the court to pray for the Board as it continues this process.

The Board will continue to seek to work cooperatively with individuals, churches, presbyteries, and agencies of the General Synod in the mutual goal of extending Christ's Kingdom. We express our most sincere appreciation to individuals, ARP Women's Ministries, congregations, and agencies for their financial stewardship. We rejoice in our partnership as we seek to witness and minister in Jerusalem, and in all Judea, and in Samaria, and unto the uttermost part of the earth.

Position Paper on Financial Support and Fund-Raising in the Local Church

General Synod 2003 asked the Board of Stewardship "through whatever means of advisement or counsel it may require, to make study of the biblical and pragmatic issues involved in the manner of financial support and fundraising in the local church, and to present to the General Synod for its approval at its meeting in June 2004 a position paper setting forth biblical principles guiding the practice of the local church in regards to proper means for securing the finances necessary for the work of the church." (2003 Minutes of Synod, p. 69.)

The Board's response to the 2004 General Synod (*2004 Minutes of Synod*, pages 528 – 532) was recommitted to the Board due to the fact that it was not presented as a "Position Paper."

At the 2005 meeting of the General Synod, the Board asked the indulgence of the Court to allow the Board to continue in the process of developing the requested "Position Paper."

The Board reports to the 2006 meeting that it has not been able to reach consensus on a "Position Paper." We come admitting our frustration at being unable to do so. Board members have worked diligently and prayerfully on this matter but fund-raising is an issue the Bible does not specifically address. The only conclusion the Board could agree upon is as follows:

Inasmuch as the Bible does not explicitly speak about fundraising, the Board deems a "Position Paper" inappropriate. We believe that each Session must exercise wisdom in judging the propriety of fundraising. Furthermore, in light of the Board of Stewardship's and the General Synod's historical emphasis on tithing, we believe that each Session should promote tithing in the church and consider the merits or demerits of fundraising in its local context.

Audit

The independent firm of Ron Millard, CPA P.A. is conducting the December 31, 2005, audit. The scope of the audit includes the books of the Treasurer of the Synod, the ARP Foundation's custodial funds, the ARP Foundation's gift annuity funds, and Outreach North America's revolving loan funds.

The 2005 audited financial statements for the General Synod will reflect a decrease of \$155,973 in General Synod's operating fund balance as compared to an increase of approximately \$181,971 for the year ending December 31, 2004 and an increase of \$72,250 in the prior year. The fund balance at 12/31/2005 was approximately \$167,708. This represents approximately 5.83% of the approved and recommended allocations of \$2,878,536 for 2006. Synod, by its previous action, has directed an operating reserve of not less than 6.5% of the anticipated funds for allocation. Commitments that would reduce the operating reserve below the prescribed level must be referred to the Board of Stewardship for study and recommendation. (See *Rules of Order*, Section VIII (F).) Some of the funds anticipated in 2006 will, hopefully, increase the operating reserve to the acceptable level by the end of 2006.

Audit Review

By action of General Synod 2005, the Finance Committee of the Board serves as the Audit Committee for the General Synod. The Policy Book of the Board of Stewardship has been amended to reflect this action and the amendment is hereby submitted for the review of the General Synod:

Article IV, Section 2 (Finance Committee is amended by adding sub-sec-

tion (e):

- (e) to serve as the Audit Committee for the General Synod of the Associate Reformed Presbyterian Church:
 - (1) To receive and review audit reports for all entities audited.
 - (2) To select the audit firm to recommend for use by all agencies.

The Finance Committee has reviewed the audit relationships of all agencies of the General Synod. Three firms are presently engaged in relationships that have existed from 3 to over 30 years. Ron Millard, CPA P.A. conducts the audit for the General Synod and for the ARP Retirement Plan Trust. Bonclarken and World Witness use the firm of Dixon & Hughes and Erskine uses Elliott Davis.

The Committee sees no need at this time for a change in the relationships established by Bonclarken, Erskine, and World Witness. For 2006, the General Synod audit and the ARP Retirement Plan audit will be put out to bid to the larger firms, as there may be some value added by going to a larger firm that may have more resources.

Each agency is expected to submit a copy of its audit to the General Synod with their official report to Synod. In the past, however, there has not been a procedure for a review of the audits. We believe that it is appropriate for the Audit Committee to receive and review those audits on behalf of the General Synod, along with any management letter and other pertinent information.

Budget of Allocated Funds

Funding For 2006: Each year, at the Spring meeting of the Board, the projected revenues for the current calendar year are reviewed. If the expected funds exceed the allocations approved at the prior meeting of the General Synod, the Board follows the procedure adopted by the 1997 General Synod (page 622, *1997 Minutes of Synod*). This procedure allows the Board to consider additional funding requests from the program agencies of the General Synod and to make recommendations to the General Synod for the additional allocations.

If the expected funds fall below the amount approved for allocation, the Board has the unpleasant and difficult task of adjusting the allocations. That was last necessary for Calendar Year 2003.

For the current calendar year, there were no specific requests for programs or activities that have been approved by the General Synod. We see this as providential as the expected resources are only slightly above the commitments made for 2006.

General Synod 2005 approved additional allocations as follows:

- Bonclarken—\$5,000 to be used for the actuarial drawings for a possible chapel improvement project, with an additional \$20,000 set aside to be used if and as needed for actual chapel improvements. \$5,000

was sent to Bonclarken to cover actuarial drawings. Bonclarken has indicated that the chapel project has been put on hold.

- Covenant Discipleship—\$25,000 set aside to be used as needed to continue with the development of reformed writing and curriculum. An ARP Sunday School series for young people, following the international series, is being planned. Funding for the proposed project came from other sources and these funds have not been needed to date. The Director of Covenant Discipleship expects no more than \$5,000 will be needed to complete the project.
- Covenant Discipleship—\$20,000 set aside to be used as needed to help in the transitional cost for a new Executive Director in 2006. The current reserve of Covenant Discipleship appears sufficient to cover the transitional cost. These funds may not be needed for that purpose.
- Erskine—\$25,000 set aside to be used as needed to renovate the Facilities Maintenance building at Erskine. The funds were used for the purpose stated.

The unused funds have been retained by the General Synod, but are not reflected in the Operating Reserve. The Board, unless directed otherwise by the General Synod, will continue to hold the following funds in reserve until the Fall 2006 meeting and, with the approval of the General Synod, will review the appropriate allocation of those funds:

- \$20,000 set aside for Covenant Discipleship Transition
- \$20,000 of the \$25,000 set aside for Covenant Discipleship Curriculum Writer
- \$20,000 of the \$25,000 set aside for the Chapel Renovation Project (\$5,000 has already been distributed.)

Recommended Allocations For 2007: The Board's recommended allocations are presented separately as "Recommended Allocations of Synod's Unrestricted Income." The projected income for 2007 reflects the anticipated commitments for 2006. The Board has made its projections, based on the following at the time of the Board meeting:

- 182 churches have made commitments for 2006 or are making payments in such a manner that the commitment can be anticipated.
- 16 churches have reported that they will not give.
- 68 churches have not reported or are not giving. These 68 churches made pledges of \$74,650 for 2005.

We encourage presbyteries to review their procedures for monitoring and encouraging the reporting of statistical data by the churches in its presbytery.

Consistent with prior guidance by the General Synod, the Board of Stewardship will review the approved allocations and will make adjustments as necessary following the receipt of commitments for 2007 and the 2006

year-end report.

The Board of Stewardship reminds the members of the Court that the Board of Stewardship does not act on the budgets of General Synod agencies. Budgets are to be reviewed in Moderator's Committees or when the Court considers Standing Committee Reports.

General Synod 2005 approved the following (*2005 Minutes of Synod*, p. 170, item 7):

“That all agencies of Synod submit line item budgets to the Board of Stewardship as a part of the budget making process, and that all agencies, excluding Erskine College, submit proposed line item budgets for the ensuing fiscal year as a part of their official report to Synod. Further, that, except for Erskine College, the salary (to include housing allowance) of the chief administrative officer be shown as a separate item. (Salaries for other personnel may be shown in total.)”

Not all agencies complied with this directive in submitting information to the Board of Stewardship. A greater effort will be made to convey this action of the General Synod for the allocation process next year.

Communications and Educational Resources

Stewardship materials are distributed to each church on or before September 1. Pastors/Clerks are encouraged to make sure that these materials are distributed to those involved in the budget making process.

As congregations begin the budgeting process for 2007, the Board suggests the following procedure for determining the level of giving through the Denominational Ministry Fund:

- have a Session meeting (joint meeting with Diaconate if appropriate) at the beginning of the budgeting process to review the Report of the Board of Stewardship and other material presented by the Board of Stewardship and
- commit to a planned process attempting to attain Synod's established Denominational Ministry Fund goal.

The orientation program for ministers and professional employees beginning service in the Associate Reformed Presbyterian Church offers one of the best opportunities for education and inclusion. If a presbytery has not already done so, the Board suggests that the presbytery establish procedures that require ministers entering ministry in the Associate Reformed Presbyterian Church to attend the General Synod orientation, preferably within the first year of ministry in the Associate Reformed Presbyterian Church.

Denominational Ministry Fund

All churches are encouraged to give for denominational ministry through the Denominational Ministry Fund. The General Synod has established that the primary means for Associate Reformed Presbyterians to channel financial resources for denominational witness and ministry is through the De-

nomination Ministry Fund. These gifts fund the allocations approved by the General Synod. The goal, established by the General Synod, is for each church to give 20% of its unrestricted tithes and offerings. Churches that are unable to meet the 20% goal are asked to give at least 10% (a tithe of the tithe). Churches that cannot meet the 20% goal are encouraged to increase their level of giving by one (1) percentage point each year toward the goal.

The Board expresses gratitude to the churches that have reported their intentions for commitments through the Denominational Ministry Fund.

The Board has concluded that it is time to review the Denominational Ministry Fund process and program. Synod's Treasurer is leading this review and the Board expects to bring a report and recommendations to General Synod in 2007. A structure to allow the Canadian churches to participate financially in the ministries of the General Synod is expected to be included.

A summary report on churches meeting the goals set by the General Synod and a list of all churches that increased their percentage level of giving, will be prepared for printing in the *Minutes of Synod*.

The transition asking churches to report their Denominational Ministry Fund through presbytery continues to produce very mixed results. Some chairmen failed to report any pledges. Efforts will continue to involve presbytery in the funding process. Presbyteries are encouraged to:

- Take steps to secure information from its churches.
- Counsel churches that are not giving through the Denominational Ministry Fund.
- Encourage churches that are giving less than 10% to increase their percentage level of giving in an effort to reach the Denominational Ministry Fund goals established by the General Synod.

Solicitation of Funds by General Synod Agencies

The Board continues to note, and to have inquiries relating to, general solicitation of funds by agencies of the General Synod. It is the Board's understanding and affirmation that agencies should not be soliciting funds within the ARP Church for activities or projects that have not had the prior approval of the General Synod. A recommendation will be presented to add clarification to this issue.

Special Offerings

The results of the Special Offerings for the past five years are reported as information. These figures reflect only those moneys received through the Treasurer of Synod. Funds sent directly to Bonclarken, Erskine, or World Witness are not reflected.

	2001	2002	2003	2004	2005
B. Easter Offering					
ARP Foundation	\$ 11,588	\$ 12,673	\$10,758	\$ 12,599	\$ 9,570

Bonclarken	17,252	19,456	16,377	15,705	12,578
Covenant Dis.	12,377	13,462	11,977	11,120	8,680
Erskine College	15,805	17,091	15,900	15,194	12,132
World Witness	<u>25,843</u>	<u>28,417</u>	<u>23,181</u>	<u>24,597</u>	<u>19,905</u>
Sub-Total	\$ 82,865	\$ 91,099	\$78,193	\$ 79,215	\$ 62,865
Thanksgiving Offering					
Erskine Seminary America	\$ 11,760	\$ 10,670	\$12,128	\$ 11,355	\$ 8,166
Bible Society	8,503	7,571	7,609	8,143	5,329
Outreach North America	19,259	16,012	16,440	15,828	10,686
Christmas Ben. Fund	<u>42,049</u>	<u>41,029</u>	<u>40,935</u>	<u>43,593</u>	<u>29,687</u>
Sub-Total	\$ 81,571	\$ 75,282	\$77,112	\$ 78,919	\$ 53,868
Total Offering	\$ 184,430	\$164,436	\$166,381	\$155,305	\$ 116,733

The special offerings are important to the agencies and opportunity should be given in each church for members to participate. Agencies should continue to be sensitive to the timing of other appeals that might adversely impact these offerings.

Financial Resource Management

The Board will continue to provide administrative oversight of funds entrusted to the General Synod and the Policy Book of the Board of Stewardship has been amended to reflect that responsibility:

Article IV, Section 2 (Finance Committee) is amended by adding sub-section (f):

(f) to provide oversight for restricted funds of the General Synod.

The Foundation will provide the investment vehicle for the endowment-type funds of the General Synod and agencies of the Associate Reformed Presbyterian Church. The attached report "Ministry Through Endowments" provides additional information.

Administrative Information

Board Actions

- Authorized the Board of Publications to carry forward unused funds at 12/31/2005.
- Removed the Board of Publications from the list of agencies permitted to approach the Board of Stewardship for additional allocations during the budget year.
- Authorized the establishment of a line of credit from the General Synod to World Witness.

Meeting Dates for 2006—2007: September 21, 2006, April 2007, and September 20, 2007.

Officers

The following have been elected to serve for the period July 1, 2006 - June 30, 2007:

Chairman: Tim Erskine

Vice Chairman: Marty Taylor

Secretary: David Walkup

Mr. Guy H. (Chip) Smith, III, serves as Treasurer and Mr. Ed Hogan serves as the Board's Administrative Officer.

Retiring Members

The Board expresses its appreciation to retiring members R. S. "Joe" Ellis and Tom Shoger.

Recommendations

1. That the General Synod concur with the conclusion of the Board of Stewardship that a "Position Paper on Fundraising" is inappropriate.
2. That the amendments to the Policy Book of the Board of Stewardship be affirmed.
3. That all agencies of the General Synod with separate accounting activities submit audits (or accounting reviews if appropriate) with the official reports to the General Synod and that these audits or accounting statements be referred to the Board of Stewardship for review. Further, that the Board of Stewardship be given a copy of any management letter presented with the audit.
4. That the Board of Stewardship be granted permission to review at its 2006 Fall Meeting disposition of the funds set aside by General Synod 2005.
5. That boards and committees requesting allocations from the General Synod for budget year 2008 submit their requests following procedures approved by the General Synod.
6. That the Manual of Authorities and Duties, Section "Boards of the General Synod of the ARP Church," paragraph 4, be amended to read as follows:
 "In the area of financial management, boards and their Agencies shall not engage in a ~~Synod wide campaign~~ the solicitation of funds within the denomination without the specific prior approval of the General Synod."
7. That the Easter and Thanksgiving Offerings be continued for 2007.
8. That the Budget for the Board of Stewardship be approved.
9. That all other actions, as reported herein, be sustained.

Respectfully,

Tom Shoger, Chairman

Ed Hogan, Administrative Officer

**Budget
Board of Stewardship**

2006

2007

RECEIPTS	Budget	Proposed
Synod Supplement	\$ 76,792	\$ 78,712
Special Offering	12,000	12,000
Transfers for Ministry	25,083	25,083
Total Receipts	\$ 106,875	\$ 113,875
DISBURSEMENTS		
Board and Travel Expenses	\$ 11,803	\$ 11,803
Administrative Support	3,750	3,750
General Synod Audit	5,950	5,950
Program and Resources	5,700	5,700
Ministry Contribution to DM Fund	25,083	25,083
General Office Expenses	1,467	1,467
Stewardship Counselor Compensation & Benefits	-0-	76,468
Adjustment for Partial Year Funding	-0-	<21,472>
Consultant OR Stewardship Counselor	10,665	10,665
General Synod Contingency	24,532	24,532
Total Disbursements	\$ 88,950	\$ 143,946
Receipts Over (Under) Disbursements	\$ 17,925	\$ <30,071>
Beginning Fund Balance	12,146	30,071
Ending Fund Balance	\$ 30,071	\$ -0-

BOARD OF STEWARDSHIP

Ministry Through Endowments

The **Associate Reformed Presbyterian Foundation Endowment** provides resources for denominational ministry. The goal for the Foundation Endowment is that it will grow an average of 10% per year through additional gifts and investment performance. The purpose for the Endowment is to provide a steady flow of resources to supplement those provided by churches through the Denominational Ministry Fund. On an annual basis, five percent of the prior three year ending market value of the Foundation Endowment is contributed to the General Synod as a contribution to the Denominational Ministry Fund. At 12/31/2005, the market value of the Endowment was \$ 736,852. The value of the fund increased by 11.15% in 2005. In addition to the Foundation Endowment, the Board:

- Administers a Gift Annuity Fund. Gift annuities become the immediate property of the Foundation and the Foundation agrees to pay a lifetime annuity to the donor. There are immediate tax advantages to the donor and the amount of income is determined by the rate schedule approved by the American Council on Life Annuities. The Foundation is obligated to pay the lifetime annuity. For this reason, all gift annuities are segregated from the Foundation Endowment. At the death of the last

beneficiary (two-life limit), the remaining proceeds are distributed to the named beneficiaries. If the Foundation Endowment is a named beneficiary in the annuity, there is no administrative charge. If the Foundation Endowment is not a named beneficiary, there is an annual fee of 1.5% of the market value of the annuity.

- Serves as Trustee for six (6) charitable trusts. Each trust is administered in accordance with a trust agreement established at the time the trust is established. An investment policy statement is developed in consultation with the donor to provide the expected level of income. Charitable Remainder Trusts pay a fixed percentage over the life of the trust. Income from a Charitable Remainder Unitrusts will be a percentage of the beginning year market value of the fund. At the death of the last beneficiary (two-life limit) the remaining proceeds are distributed to the named beneficiaries. The Foundation Endowment must be a named beneficiary in trusts administered by the Board. Including the Foundation Endowment, twelve (12) denominational ministries are named beneficiaries in the existing annuities and trusts.
- Administers Endowment-type funds donated for particular purposes. Often a donor wants to establish a means to provide resources for special ministry within the ARP Church. A Donor Agreement is prepared at the time of the gift and the Board will administer the funds in accordance with the agreement. The Board is careful to make provision for the use of the funds in the event the funds cannot be used for the purpose designated. At the time of this report the following special purpose funds have been donated to the Foundation for designated purposes.
- Special Endowment Fund. This fund was established by Logan V. Pratt, Sr., a founding director of the Foundation and past member of the Board. All gifts and realized gains and losses on investments are treated as the corpus of the fund and only the net income from interest and dividends is distributed to the specified agencies. In the event that the Foundation should cease to exist, the assets will be distributed to the following six agencies on an equal basis: Bonclarken, Covenant Discipleship (Christian Education), Due West Retirement Center, Erskine College, Outreach North America, and World Witness. The 12/31/2005 fund balance (at cost) was \$175,574.92 including an income balance of \$8,179.25 (as compared to \$9,262.28 at 12/31/2004). The income balance has been distributed in accordance with the terms of the fund, with 10% of the income given to the General Synod to help fund the Denominational Ministry Fund allocations. The fund is open for additional contributions. We again express our appreciation to Mr. Pratt.
- ARP Foundation Crowder's Creek Cemetery Fund. Established in 1988, one half of the income is reinvested with the other 50% distributed to

the Session of the Crowder's Creek Church for cemetery maintenance. If the income distributed to the Session exceeds the amount needed for maintenance or expansion of the cemetery, the excess is to be divided equally between the Boards of World Witness and Outreach North America. The fund is open for additional contributions.

- Robert Oates Fund for Evangelism Leadership Training. Established with a gift from Mr. and Mrs. Robert Oates in 1989, the fund is used "to promote person-to-person evangelism training and experience within the Associate Reformed Presbyterian denomination, especially within the ranks of the teaching elders." Typically, offering scholarship assistance for attendance and completion of evangelistic courses will do this. First priority is given to ARP Seminary students at Erskine. Second priority is given to ministers or staff of ARP churches that have not had the opportunity in the past to attend such training programs. Third priority is given to ARP Seminary students in seminaries other than Erskine who express a desire for such training. Over \$13,262 has been distributed. Should the need exist, the donor has requested, and the Board has concurred, that the corpus can be invaded. Interested persons should contact the Administrative Officer (Ed Hogan) or the Vice President of ETS (Neely Gaston). The fund is open for additional contributions.
- Administers Donor Advised Funds. The Board will accept and administer gifts that are to be distributed over a short period, using, generally, a money market fund for investment purposes. The funds are distributed to other charities at the discretion of the donor in accordance with the agreement made at the inception of the fund.

Investment Management

The Foundation currently uses UBS Financial Services, Inc. PACE Select Advisor Trust as the investment vehicle for endowment type funds under the Foundation's umbrella. The PACE Trust is a family of twelve, style-specific, no-load funds managed by institutional investment advisors. This program:

- Is designed to promote diversification in the investments. The following PACE Select Models are available:

	Cash	Stocks	Bonds	Total	Standard
	%	%	%	Return	Deviation
Very Conservative	10	0	90	5.27	4.34
Conservative	2	21	77	5.88	5.50
Mod Conservative	2	37	61	6.35	7.07
Moderate	2	52	46	6.74	8.66
Mod Aggressive	2	67	31	7.14	10.41
Aggressive	2	83	15	7.66	12.53
Very Aggressive	2	98	0	8.03	14.36

The Foundation recommends that the equity investments be allocated on the following basis: Large Co. Value (26.67%), Large Co. Growth (26.67%), Sm/Md Co Value (13.33%), Sm/Md Co Growth (13.33%), and International (20%). The Intermediate Fixed Income Fund is recommended for non-equity investments. Portfolios are adjusted back to the benchmark each quarter if there is more than a 5% deviation.

- Allows churches and agencies greater flexibility in allocating and re-allocating assets to meet particular financial objectives. Each agency determines the asset allocation that most fits their needs and risk tolerance.
- Provides direct reporting on the investments by providing each fund with a monthly statement from the investment manager.
- Provides the best investment manager for a particular asset class. The size of the investment pool allows UBS Financial Services, Inc. to hire the best manager for a particular asset class rather than one investment manager for several asset classes.
- Provides for quicker response when there is the need to change an investment manager if there is a change in the firm due to loss of personnel, style drift, or poor performance.
- The Administrative Officer receives monthly statements and facilitates additions and withdrawals. Quarterly performance statements are submitted to the Investment Committee. The consultant meets with the Board at regularly scheduled meetings and is available for telephone conference between meetings. There are now fifty-four (54) separately invested funds (included those referenced above) invested in the PACE Select Advisor Trust. Additionally, the ONA Endowment is invested primarily with SunTrust Bank. Asset mix ranges from 80% equity to 100% fixed income. At 12/31/2005, the market value of funds under the Foundation umbrella was \$8,961,853.
- The Foundation continues to monitor investment performance. The Board has continued to extol the virtue of patience and consistency, believing that the diversification, quality of investments, and quality of the investment managers will produce the expected results over a full market cycle.
- Churches with endowment-type funds with an investment horizon of at least five years are encouraged to contact Administrative Services for additional information.
- The funds under the investment umbrella of the Foundation are audited as a part of the General Synod audit. A copy of the audit is given to the Chairman of the Board and is available for review at the ARP Center, Greenville, SC

Stewardship Counselor Profile

The Board of Stewardship, whose task is encouraging total biblical stew-

Stewardship Counselor Profile

The Board of Stewardship, whose task is encouraging total biblical stewardship in the Associate Reformed Presbyterian Church, is redefining the way it approaches its mission.

The Board will focus on helping sessions develop members committed to total biblical stewardship. Members committed to total biblical stewardship will be and will provide resources for local, presbytery and General Synod ministry.

Therefore, the Board is seeking a Christian leader who is motivated to go to people to creatively teach, counsel and encourage them to practice total biblical stewardship.

The Stewardship Counselor, a newly created position, shall promote the mission of the Board of Stewardship within the Synod of the ARPC, its agencies, each Presbytery, and each local congregation.

The Stewardship Counselor must have a strong personal devotional life, a desire to serve the Lord, and must provide satisfactory evidence of a history of total personal stewardship.

The Stewardship Counselor must be relationally gifted and experienced in the field of financial stewardship, long range financial planning, and deferred giving.

The Stewardship Counselor must be a self-starter who is willing to be a traveling resource to Presbyteries and churches to develop or expand a biblical stewardship emphasis.

The Stewardship Counselor must be able to develop and maintain communications with presbyteries and churches regarding the use of denominational resources.

The Stewardship Counselor must be an active evangelical Christian as defined by the 1976 General Synod. (www.arpsynod.org/synodboards.html)

The Stewardship Counselor must be a member of an Associate Reformed Presbyterian Church or Associate Reformed Presbyterian Presbytery, or willing to become a member in all good faith.

The Stewardship Counselor must give satisfactory evidence of understanding and complying with the *Standards of the Associate Reformed Presbyterian Church*. (www.arpsynod.org/standards.html)

To apply for the position of Stewardship Counselor, please send a letter of introduction, accompanied by a current resume. Please provide four references, one of whom will be the Senior Minister of the church in which you are currently an active member, or, if an ordained minister, the Clerk of the Presbytery or ecclesiastical body in which you hold membership. Send to:

Rev. Thomas Shoger or, tshoger@whiteoakarp.org
White Oak A.R.P. Church
2796 Gordon Road
Senoia, GA 30276

REPORT OF BOARD OF STEWARDSHIP
Statistical Data, Denominational Ministry Fund

The numbers for 2005 have been adjusted to reflect actual giving and includes late payments received in 2006. The numbers for 2006, as compared to previous year giving, is based on pledged amounts:

Category	2001	2002	2003	2004	2005	2006
Churches Meeting Goal						
Gave 20% or More	18	14	20	19	17	19
Increased by 1 Percentage Point	40	59	31	33	29	43
Churches Giving but Not Meeting Goal						
Increased Percentage Level	56	42	58	55	43	50
Remained at Same Percentage Level	1	5	6	0	3	1
Percentage Level Decreased	78	72	72	64	73	63
Giving but Percentage						
Not Determined		3	1	14	10	18
Decreased Giving but at						
10% or Above			2	12	25	16
Churches Not Giving	63	67	73	66	63	
Reported Zero Pledge						21
No Report or Gifts to Date						37
Total Churches	256	262	263	263	263	268

Churches Meeting the 20% Goal for 2005, based on contributions as percentage of 2003 General Fund Receipts:

Church	Presbytery	Church	Presbytery
Abbeville	Second	Bartow	Florida
Due West	Second	Ebenezer	Virginia
Elk Shoals	First	Lake Placid	Florida
Lake Wales	Florida	Lauderdale	Virginia
Louisville	Second	New Sterling	First
Pinecrest	First	Pressly Memorial	Tenn-Ala
Prosperity, TN	Tenn-Ala	Providence*	Second
Sherwood Forest	Catawba	Unity	Catawba
White Oak	Second		

*Includes distribution from Betts Endowment Fund

Churches that did not reach the 20% Goal but did reach the goal of increasing their 2005 percentage level of giving by at least one (1) percentage point over the percentage level given in 2004:

Church	Presbytery	Church	Presbytery
All Saints	First	Arsenal Hill	Catawba
Augusta First	Second	Blessing Mission	Pacific
Cannon's Creek	Second	Carolina Covenant	Catawba
Centennial	Catawba	Cornerstone Com.	Florida
Covenant (J)	First	Edgemont	Virginia
Emmanuel	First	Faith (Merritt Island)	Florida
Hopewell	Second	Huntersville	First
Johnson Creek	Virginia	Lemira	Catawba
Linden	First	Living Waters	Catawba
Parkway Place	Mississippi Val.	Pisgah	First
Providence	First	Redeemer	Virginia
Rehobeth	First	Salem	Mississippi Val.
Scots Kirk	Catawba	Sharon	Mississippi Val.
Trinity (Chatham)	Canadian	Union	Catawba
Unity	Second		

Churches that did not reach the preceding goals, but giving in 2005 reflected a percentage increase over their percentage level of giving in 2004:

Church	Presbytery	Church	Presbytery
Bethel	Second	Blacksburg	Catawba
Broad Creek	Virginia	Chalmers Memorial	First
Christ	Second	Clover	Catawba
Craig Ave. Tab.	First	Ebenezer	Mississippi Val.
Effingham	Catawba	Elsberry	Mississippi Val.
Faith of Olney	Northeast	Faith	Second
Fuller Memorial	First	Gastonia First	First
Gilead	First	Grace	Florida
Grace Fellowship	Canadian	Hickory Grove	Catawba
Hopewell	Catawba	Houston Korean Gospel	Pacific
Iva	Second	Kirkridge	Northeast
Mooreville	First	Morning Star	Florida
Mount Zion	Canadian	Muscle Shoals	Tenn-Alabama
New Amity	First	New Albany	Mississippi Val.
New Beginnings	First	New Hope	Catawba
Old Providence	Virginia	Piney Creek	Northeast
Rogers Memorial	Catawba	Sandy Plains	First
Shepherd Road	Florida	Spartanburg	Second
Stony Point	First	The Peace Maker	Pacific
Timber Ridge	Virginia	Tucker First	Second
Tirzah	Catawba	Westminster	First
Wildhurst	Virginia		

The following churches did not increase their percentage level of giving, but did meet the goal of giving at least 10% , based on contributions as a percentage of their 2003 General Fund Receipts:

Church	Presbytery	Church	Presbytery
Bethel	Catawba	Chester	Catawba
Ebenezer	Catawba	Edwards Memorial	Catawba
Hope Mission	Catawba	Mayesville	Catawba
Rock Hill First	Catawba	Sharon	Catawba
Smyrna	Catawba	White Oak	Catawba
Coddle Creek	First	Cornerstone	First
Lakeside Fellowship	First	Lifeline Community	Northeast
Devenger Road	Second	Greenville	Second
Greenwood	Second	Lower Long Cane	Second
Newberry	Second	Oconee	Second
Ora	Second	Pressly Memorial	Second
Camden	Tenn-Ala	Fayetteville	Tenn-Ala
Wellspring	Virginia		

Based on pledges and/or giving for 2006, the following churches will meet the 20% goal for 2006:

Church	Presbytery	Church	Presbytery
Abbeville	Second	Bartow	Florida
Ebenezer	Virginia	Elk Shoals	First
Fayetteville	Tenn-Ala	Lake Placid	Florida
Lake Wales	Florida	Lauderdale	Virginia
Louisville	Second	New Sterling	First
Pinecrest	First	Pisgah	First
Prosperity, TN	Tenn-Ala	Providence*	Second
Redeemer	Virginia	Sherwood Forest	Catawba
Wellspring	Virginia	White Oak	Catawba
White Oak	Second		

*Includes distribution from Betts Endowment Fund

The **Report of the Board on Dunlap** was presented. The **Moderator's Committee on Dunlap** recommended the adoption of recommendations 1-2. Recommendations 1-2 of the Board were adopted. One additional recommendation of the Moderator's Committee was adopted:

Your committee recommends that the Dunlap Board be thanked for their important work and to commend them for it.

REPORT OF BOARD OF TRUSTEES

WILLIAM H. DUNLAP ORPHANAGE, INC.

The Dunlap Board of Trustees (Board) held two telephone conference

calls since the last meeting of the General Synod – November 2, 2005 and March 22, 2006. Minutes of the meetings have been filed at the ARP Center.

The William H. Dunlap Orphanage (Dunlap) served the Associate Reformed Presbyterian Church for seventy-three years as a home for orphaned and needy children. Inspired by her father, William H. Dunlap, and her aunt, Elizabeth Dunlap Spain, Annie Bell Dunlap McDaniel, in 1903, donated @ 250 acres for a home “for the maintenance, support, and education of orphans.” The home opened in 1905 with children coming from the Hickory Grove, SC orphanage opened in 1897 by Reverend J. P. Knox.

A charter was granted by the State of Tennessee in 1919 for the purpose “of erecting and maintaining any and all necessary buildings, providing shelter, food, raiment, literary, educational, moral and religious training for orphan and fatherless children... .” Dunlap was closed in 1978 and in 1987 the corporate purpose was enlarged “to provide care, support, maintenance, and education of orphaned, or fatherless, or helpless, or needy children, and to support projects related to such children.”

The General Synod has charged the Board “to carry out the purpose of the corporation consistent with the Standards of the Associate Reformed Presbyterian Church.” Since the closing of the home in 1978, the Board has been the arm of the Church seeking to provide for children who have been deprived of normal parental care.

How have we done? During the period 1987 – 2005 (following the action to enlarge the corporate purpose) the Dunlap Ministry has made grants of \$ 1,763,684 for @ thirty six different ministry entities (some of which received multiple grants.) Grants have been made for both capital and operating purposes, for scholarships, for development. The ministries tell us that we have made a difference!

The present, and ongoing, challenge for the Board is to identify and evaluate those ministries that best emulate that which we would do if we were still providing “our” home.

Board Resources and Methodology

Resources for ministry come from two primary sources:

- Endowment earnings. When Dunlap closed some of the liquid assets were returned to the General Synod. The remaining assets and proceeds from the sale of the property were placed in two separate endowments. The value of the original land grant on which the campus was situated was placed in the “Will Ministry Fund” with the assets and earnings restricted exclusively to the care of orphaned children. The balance was placed in the “Orphanage Ministry Fund” for the broader purposes of the corporation. On an annual basis, 5% of the three-year average market value of these endowments are available for ministry and operations.
- Trusts and restricted endowments which have Dunlap as a benefi-

ciary. Currently Dunlap is a beneficiary of the B. J. Wade Trust, the Ola B. Hunter Trust, and the Kennedy Annuity.

The Dunlap Board does not receive current funding from the General Synod but does receive administrative support through the Office of Administrative Services.

The process of change from operating a home to effecting ministry through others is ongoing. Guidelines have been developed

- to help a rotating Board stay focused on the primary purpose of the ministry;
- to provide assistance for ministries seeking financial support;
- to help establish ongoing relationships with homes that do what Dunlap was doing.

The Board has also developed guidelines for evaluating opportunities for ministry outside the United States.

Dunlap's ministry is promoted annually through correspondence to Associate Reformed Presbyterian Churches. Each session is encouraged to explore opportunities for involvement in ministry to children in the community and to help the Board identify homes that provide comprehensive physical, educational, emotional, and spiritual care in a Christian environment for children. We express thanks to those who have responded. Interested organizations should be encouraged to contact:

William H. Dunlap Fund
 Associate Reformed Presbyterian Center
 1 Cleveland St., Suite 110
 Greenville SC 29601-3696

On receipt of an inquiry, the organization is sent the following:

- Application for Grant
- General Policy and Instructions for Applicants
- Policy Guidelines for the Board of Trustees
- Dunlap Statement of Biblical Christian Faith

Grant applications must be submitted by a specified date to receive Board consideration. To facilitate understanding and evaluation a Trustee is assigned to each applicant. Funding is approved on a calendar year basis and except for ministries that have been approved for an ongoing relationship, funding for current operations generally is limited to five years and is offered on a declining basis.

Additional information and forms for grant application are available on the General Synod web-site (<http://www.arpsynod.org/dunlap.html>).

Two ministries, **Palmer Home for Children** and **Collins Home**, have been approved for ongoing relationships. A Dunlap representative serves on each Board:

- Collins Home—David Vickery
- Palmer Home—William B. Everett

These two homes provide opportunities for mission and ministry to individuals and churches. The ministries have been encouraged to inform churches of their ministry and of opportunities for service and involvement. Resources for pastors and other professionals are referenced through the General Synod web site. The General Synod has approved these two homes as “Cooperative Ministries.”

Present Ministry

The following ministries are receiving financial assistance during this calendar year. **Presbyterian Home**, 150 Linden Ave., Lynchburg, VA 24503-2099 (804-384-3138). We provide nominal financial support to Presbyterian Home to open these services to the churches in Virginia Presbytery. Virginia Presbytery has been asked to provide input to the Board on an annual basis to help determine if there is a continuing need to support the ministry. Website: www.phfs.org. **Collins Home & Family Ministry**, Highway 188, P. O. Box 745, Seneca, SC 29679 (864-882-0893), is a non-denominational, Christian family group home, and is funded through private contributions. The home has two residential homes and a Family Center. The Family and Community Outreach Center provides a place to conduct counseling and general educational opportunities for the children and families. Website: www.collinschildrenshome.org. **Palmer Home for Children**, P. O. Box 746, Columbus, MS 39703-0746, (662-328-5704), is “a Christian home for children who have nowhere else to turn.” Established in 1895, it is chartered under the laws of the State of Mississippi and is governed by an independent, self-perpetuating Board of Directors. Two-thirds of the board members must be members in good standing of a Presbyterian Church. Currently the home has seven cottages, each capable of housing 10 children. A new home is being built in DeSoto County, Mississippi. Website: www.palmerhome.org. **French Camp Academy**, One Fine Place, French Camp, MS 39745-9703, is “an interdenominational Christian boarding school for young people, mostly teenagers from some type of broken, or troubled, or dysfunctional home situation.” There are many students that meet the Dunlap Fund’s definition of orphaned and live at FCA on a year-round basis. Website: www.frenchcamp.org.

A partnership with World Witness’ “OPORA Training Project for Russian Evangelical Churches Working with Orphans and Children-At-Risk” began in 2005. This three-year training project provides

- Christian training in life skills and biblical truth for children in orphanages;
- Christian mentors for orphans being released from orphanages; and
- humanitarian aid to orphanages when possible.

The Board continues to provide financial assistance for orphans attending Erskine College. The Board reviews with Erskine on an annual basis the need for financial assistance for orphans and has found a continuing need.

Funding is set at \$20,000 per year. Information on the scholarship program, and information on the Dunlap Scholars may be found on the Dunlap web-site - <http://www.arpsynod.org/dunlap.html>.

In addition to the Erskine Dunlap Scholarship program, the Board has a scholarship program for Associate Reformed Presbyterian orphans who are unable to attend Erskine College. Interested parties should contact the Board at the ARP Center address.

Administrative Activities

The Board continues to receive administrative support from the staff of Administrative Services. The Board anticipates that administrative and staff support will be provided by Central Services.

Budgets for 2006 and 2007. The budget for 2006 was revised to reflect the available funds for 2006. The projected budget for 2007 is based on using 5% of the three-year average market value of invested funds plus the income from trusts. The actual expenditures for 2007 will be approved at the 2006 Fall meeting of the Board. The Board calls to the attention of the General Synod that no denominational ministry funds are requested from the General Synod. Dunlap funds are audited as a part of the General Synod Audit, with financial reports presented to the Board.

Meeting Dates for 2006 - 2007: November 1-2, 3:00 P.M., Bonclarken*; March 21, 2007, 11:00 A.M. (EST), Telephone Conference Call; and November 7-8, 2007, 3:00 P.M., Bonclarken*. *The Chairman has the discretion to change the meetings to a Telephone Conference Call.

Officers for July 1, 2006 - June 30, 2007:

Chairman: Darrell Peer

Vice-Chairman: William Everett

Secretary: Ronald Pritts

The Treasurer of the General Synod serves as Treasurer for the Corporation. Ed Hogan serves as the Administrative Officer. The Office of Administrative Services provides administrative support.

The Board expresses grateful appreciation to two members completing their term of service: Teddy Ray and Mary Elizabeth Kuykendall. The Board also expresses appreciation to Ed Hogan and Administrative Services.

Recommendations

1. That the tentative Budget for 2007 be approved.
2. That all other actions of the Board, as reported herein, be sustained.

Darrell Peer, Chairman

WILLIAM H. DUNLAP FUND budget

	2006 As Revised	2007 Proposed
RECEIPTS		
Earnings for Ministry (5% of 3-year Avg) \$	62,481	\$ 65,452
B. J. Wade Estate	42,065	42,065
Ola B. Hunter Trust	1,698	1,698
Kennedy Annuity (Corpus)	0	0
Denominational Ministry Funds	0	0
Total Receipts	\$ 106,244	\$ 109,215
EXPENDITURES		
Administration		
Board Travel & Meeting	\$ 2,500	\$ 2,500
Administrative Support	4,250	4,250
General Office	500	500
Sub-Total for Administration	\$ 7,250	\$ 7,250
Ministry		
• Collins Home	\$ 30,000	
• Palmer Home	33,494	
• Presbyterian Home, Lynchburg, VA	1,500	
• French Camp Academy*	4,000	
• Erskine Scholarships	20,000	
• OPORA Ministry to Orphans in Russia	10,000	
Ministry Sub-Total	<u>\$ 98,994</u>	<u>\$ 101,965</u>
Total Expenditures	<u>\$ 106,244</u>	<u>\$ 109,215</u>
Reserve for Ministry	<u>\$ 0</u>	<u>\$ 0</u>

*Restricted to Home/Full-Time Care

The **Moderator's Committee on Dunlap** was also asked to consider a Memorial from First Presbytery. The Committee recommends its adoption. The Memorial was adopted.

MEMORIAL
First Presbytery
[Adopted]

That First Presbytery, recognizing that Erskine College and Seminary are agencies of and subject to the Associate Reformed Presbyterian Synod, memorialize Synod to encourage the Erskine Board of Trustees and the Presidential Search Committee to select a President of clear Reformed Evangelical convictions, with a commitment to increasingly strengthen ties to the denomination.

Adopted June 6, 2006, by First Presbytery

Jerry Hallman, Stated Clerk

The **Report of the Executive Board** was presented. The **Moderator's Committee on the Executive Board** recommended the adoption of recommendations 1-7, 9, and the four recommendations of the Historian. The Committee recommended that recommendation 8 not be adopted.

Recommendations 1-7, 9, and the four recommendations of the Historian were adopted.

A motion was adopted to change duty 1.a of the Treasurer of Synod to read as follows:

“a. Provide General oversight of an acceptable accounting system which maintains up to date and accurate records of all receipts and disbursements.”

REPORT OF THE EXECUTIVE BOARD OF SYNOD

The Executive Board of Synod is the agency of the General Synod empowered to carry out the work of the General Synod in the interim period between meetings of the General Synod. It provides oversight for the Associate Reformed Presbyterian Center Facility, the Office of Administrative Services, the promotional work of the General Synod, and the Coordinator of the General Synod. The Board met on two occasions since the last meeting of the General Synod. This report reflects its actions and activities and presents recommendations for the consideration of the court.

Membership includes the current officers of the General Synod (Moderator, Vice-Moderator, Moderator-Elect, Vice-Moderator Elect, Principal Clerk, and Treasurer), the immediate past five moderators, and one ruling or teaching elder from each presbytery (Canadian Presbytery and Northeast Presbytery are jointly represented until July 1, 2006). Non-voting advisory membership includes the Coordinator, Historian, Parliamentarian, President of ARP Women's Ministries, and Chairmen and Chief Administrative Officers of the boards of the General Synod.

Acts on Behalf of the General Synod

The Executive Board has the authority and duty to act on behalf of the General Synod in emergencies. These are situations that, in the opinion of the Executive Board, cannot wait until the next stated meeting of the General Synod but which do not warrant a called meeting of the General Synod. Before considering a particular action, the voting members of the Board must first vote to act on behalf of Synod. Since the last meeting of the General Synod, the Executive Board took no action on behalf of the General Synod.

Referrals and Communications

Committee on Inter-Church Relations: The Committee asked the Execu-

tive Board's "support, advice, and assistance to develop a response to the RPCNA's proposal for increased cooperation and interaction." The Executive Board expressed its support and encouragement for the Committee on Inter-Church Relations to develop a response and encouraged its members to provide input to the Committee.

Presbyterian Study Center, Montreat: At its October 2005 meeting Synod's Historian (Reverend William Roberts) reported on the decision of the Committee on the Office of the General Assembly, PCUSA, to close the facility at Montreat. Montreat serves as the official repository for the records of the Associate Reformed Presbyterian Church. The Executive Board appointed a special committee to address this matter and a report was presented to the Executive Board at its March 23, 2006 meeting. The Report of the Historian is attached to this report. The special committee has been enlarged to include the Historian of ARP Women's Ministries and will continue to monitor and plan accordingly. Appreciation is expressed for the work of this special committee.

Committee Responsibilities

The Executive Board has four standing committees:

- A. **Committee on Administration**: This committee oversees the work of Administrative Services which provides management of the ARP Center Facility and accounting and general administrative support services for all agencies of Synod, except for Erskine, Bonclarken, and World Witness. Full-time staff members are Ed Hogan and Leland Beaudrot. Beth Willis, Louise Raby, Donna Wentz, and Alisa Prince continue to work on a part-time basis. Administrative Services serves as the administrative offices for Benefits, ARP Foundation, Dunlap, Executive Board, and Stewardship.

The committee meets prior to each meeting of the Executive Board. The Principal Clerk serves as chairman and the membership includes the Moderator, Vice-Moderator, Moderator-Elect, and Treasurer. The Coordinator and Administrative Officer serve as advisory members. The committee is responsible for preparing the budgets for Administrative Services, the Center Facility, and the Executive Board.

The Center Facility operates as a separate entity for funding purposes. Funding comes from allocations from the General Synod, rents from tenants (ARP and non-ARP), and occasional, unsolicited grants.

The Committee on Administration has also administered the contributions **for Disaster Relief**. Following Hurricane Katrina, churches and individuals began making contributions. Contributors were informed that gifts would be used first to meet the needs

of ARP Churches impacted by the disaster. Funds not needed for that purpose would be routed through the Christian Reformed Church World Relief Committee. Post Katrina giving through the date of the Executive Board meeting totaled \$149,514. Associate Reformed Presbyterians are commended for their generous response to aid others.

To date, \$93,495 of the collected funds has been disbursed.

- \$ 8,500 - Hope Presbyterian Church in Opelousas, LA to assist in the housing and feeding of refugees
- \$ 7,300 - Faith Church in Leakesville, MS to help defray the additional cost of building caused by Katrina*
- \$ 6,200 - Helena Church, Moss Point, MS for assistance to Church families*
- \$ 6,965 - Helena Church to help replace ruined organ*
- \$ 3,305 - Helena Church to provide food for relief workers*
- \$10,500 - Helena Church to renovate Church to serve as a base camp for relief teams*
- \$50,000 - Christian Reformed Church World Relief Committee
- \$ 725 - Assistance to Second Presbytery Churches taking truckload of supplies

*Mississippi Valley Presbytery formed a commission to evaluate and coordinate relief needs and efforts for the churches in Mississippi Valley. The Committee on Administration has disbursed these funds using the guidance of the Commission.

At the time of this report there is the expectation that additional funding will be needed for relief efforts. The balance of the Katrina funds (@ \$ 56,019) will be available as the needs are presented and evaluated by the Mississippi Valley Commission.

Administrative Services continues to be an active participant in helping churches and agencies develop web-sites and in linking those sites for a more effective presentation of the denomination. Church leaders and members are encouraged to visit the web at www.arpsynod.org.

The revised budgets for 2006 and proposed 2007 budgets for the Center Facility, Administrative Services, and the Executive Board are attached.

- B. **Committee to Plan Emphases:** The Moderator-Elect serves as chairman. Current membership includes the Vice-President of ARP Women's Ministries and representatives from each presbytery in alternating years, chosen by the Moderator-Elect. The emphases for the period July 2006 - June 2007 as approved by the Executive

Board are attached as information. Proposed changes in guidelines for the Committee on Emphasis are attached for approval.

- C. **Committee to Plan Synod's Program:** The Moderator-Elect serves as chairman and he chooses a committee to assist him in planning for the meeting of Synod. The Executive Board approved the tentative program and authorized the Moderator and Moderator-Elect to make changes as might be necessary prior to presentation to the General Synod. The preliminary program is distributed with the unofficial reports.

On recommendation of the Committee, the Executive Board approved the following changes in Section 7 of the *Rules of Procedure* for consideration by the General Synod:

- Change "the Woman's Synodical Union" to "ARP Women's Ministries."
- Delete "the YPCU."
- Change the relating agency for Presbyterian Study Center from "Committee on Historical Concerns" to "Executive Board of Synod."

- D. **Committee on Oversight of Coordinator:** Committee members are the Moderator, Moderator-Elect, and the two immediate past moderators. The immediate past moderator serves as chairman. The committee meets with the Coordinator prior to each meeting of the Executive Board and reports to the Executive Board.

The Reverend Wilfred A. Bellamy serves as Coordinator and is commended for his ministry. He began his duties as Coordinator July 1, 2002. The position description of Coordinator, as adopted by the General Synod and included in the *Manual of Authorities and Duties*, allows the Executive Board to renew the contract on an annual basis for up to three additional years. With General Synod's approval, the term of service may be extended on an annual basis for an additional four years, for a maximum service of eight years. The Executive Board recommends renewal of Mr. Bellamy's contract for the period July 1, 2006–June 30, 2007.

Miscellaneous Items

- A. **Central Services.** General Synod 2005 approved the recommendation of the Special Committee on Organization "That the task force to prepare implementation steps for Central Services be encouraged to complete its work and report to the October 2005 meeting of the Executive Board." The Coordinator was charged with leadership responsibility.

There have been developments that have delayed the comprehensive implementation of Central Services:

1. The Editor of *The ARP Magazine* has resigned effective July 2006. The availability of the Editor to Central Services Publications Department is not an option at the present time. However there have been some developments that will impact Central Services. It is the immediate goal to transfer all financial responsibilities to Central Services to include subscription maintenance and billing for advertisement and services.
2. World Witness has determined that it must proceed with caution regarding the integration of services and accounts. The availability of the WW CPA for Central Services is not an option at the present but areas of cooperation have received the approval of the World Witness Board. All employees of World Witness are now participants in the General Synod insurance programs for Employee Life and AD & D, Dependent Life, and Long Term Disability. Employees in the United States are now participants in the Medical and Dental programs. While overseas' missionaries have a separate medical and dental program, the administrative workload of World Witness has been significantly reduced in the benefit support area. Additionally, an integrated phone system and a common internet access is being implemented.
3. Erskine's Administration is undergoing change. There is an Interim President, a Search Committee is actively seeking a new President. The availability of Erskine's Director of Human Resources to provide leadership to all agencies of the General Synod through Central Services' Human Resources and Benefits Department will need to be explored at a later date. If it develops that one Human Resources Officer can serve the needs of the denomination and its agencies, there will be a continuing need for a benefits specialist in Central Services. This is an immediate need and a Search Committee has been formed to develop a position description and to employ a benefits' specialist. The benefits specialist will train for the following responsibilities:
 - a. Be responsible for enrollments in benefit programs and the ARP Retirement Plan.
 - b. Serve as the HIPPA Officer for the General Synod.
 - c. Serve as Facilitator for the Committee on the Minister and His Work.
 - d. Oversee the billing and premium payment programs for benefit programs and ARP Retirement Plan.
 - e. Serve as Advisory Member/Administrator to the Board of Benefits and William H. Dunlap Board.
4. The Board of Covenant Discipleship (Christian Education Ministries) has recently appointed a new Executive Director. He does

not take office until the summer and there have been no talks with him regarding his thoughts about Central Services. The process has begun to transfer most of the accounting responsibilities for the Adult Quarterly to Central Services, and a better procedure for tracking and accounting for conference registrations is being developed.

5. A projected retirement date of August 1, 2007 has been approved for the Director of Administrative Services, Ed Hogan. Mr. Hogan also serves as the Administrative Officer for the Board of Benefits, Board of Dunlap, and Board of Stewardship. At the present time, the Executive Board will not be seeking a person to assume the roles filled by Mr. Hogan. A projected retirement date of July 1, 2007, has been approved for Mrs. Beth Willis, Administrative Assistant to Mr. Hogan and a Search Committee will be appointed to develop a position description and to employ a communications and promotions secretary.

The actions of the Executive Board cover the basic responsibilities of administration, without eliminating the longer-term goals of Central Services:

1. To develop a technically competent Publications Department that can service the needs of all other departments/agencies of General Synod. Such departments/agencies would reserve editorial control to themselves.
2. To continue to explore the possibility of a Human Resources and Benefits department and to implement this as expeditiously as possible.
3. To continue to explore the possibility of a unified financial system, a unified database, and a unified web-operation.

The present Implementation Team (Coordinator and all affected managers) will continue to meet and to discuss the ways and means available to move the comprehensive implementation of Central Services forward.

- B. **Pre-Synod Conference.** The Moderator-Elect was granted permission to plan for a Conference, to be held Monday Evening and Tuesday AM.
- C. **Meeting Dates:** The following meeting dates have been set: October 12, 2006, March 22, 2007 and October 11, 2007. All meetings are scheduled for 10:00 A.M. at the ARP Center. The Committee to Oversee Coordinator meets at 6:00 PM on the day preceding the Board meeting and the Committee on Administration meets at 8:30 AM on the day of the meeting.

Experience has indicated that there may be occasions when holding a scheduled meeting is not good stewardship of time or

money. The Board recommends the following change in the *Manual of Authorities and Duties* to give the Moderator discretion in cancelling the Fall meetings and to give guidance for telephone conference calls:

Stated Meetings: ~~At least twice a year and at the call of the Moderator.~~ Two meetings shall be scheduled on an annual basis. The Fall meeting may be cancelled at the discretion of the Moderator, or may be called as a telephone conference call. Other meetings may be held at the call of the Moderator provided, however, that members shall be advised of a called meeting so as to receive notice of such meeting at least five (5) days before such meeting. At any such called meeting at which every member shall be present business other than that listed in the call may also be transacted. ~~At least once a year the membership will convene as the board of the Corporation.~~

D. **Role of Treasurer:** At the recommendation of the Treasurer, The following change is proposed to duty 1.a. of the Treasurer of Synod's Funds, *Manual of Authorities and Duties*:

a. ~~Provide an acceptable accounting system and maintain up-to-date and accurate records of all receipts and disbursements.~~ general oversight of the financials.

The Administrative Officer was authorized to approve and sign all disbursements, including payroll. Disbursements over \$10,000 must be approved by the Treasurer. The Administrative Officer (or future accountant) will take a greater role in assisting as requested the various boards in reviewing financials and in budget preparation.

E. **Appreciation:** The Board expresses appreciation to former moderator Charles Carlisle for his association with the Executive Board during the past seven years. Appreciation is expressed, also, to Mr. Walter L. Heinsshohn (Catawba Presbytery) and Ray Cameron (Florida Presbytery) for their service as Presbytery representatives. The Board acknowledges and expresses its appreciation to Moderator William B. Evans and Vice-Moderator Paul Bell for their leadership and spiritual direction during the past year.

Recommendations

1. That the proposed budgets for Administrative Services, ARP Center Facility, and Executive Board of Synod be approved. (NOTE: See Approved Recommended Allocations)
2. That the starting date for the next regular meeting of the General Synod be June 5, 2007 and that the meeting be held at Bonclarken.
3. That all changes in previously published dates for Synod-wide activities be coordinated with Administrative Services before implementation.
4. That Wilfred A. Bellamy be continued as Coordinator for the period July 1, 2006 – June 30, 2007.
5. That the proposed change in the **Guidelines for Emphasis Committee** be approved.
6. That the proposed changes in the *Rules of Procedure* be approved.
7. That the proposed changes in the *Manual of Authorities and Duties* pertaining to meetings of the Executive Board be approved.
8. That the proposed changes in the *Manual of Authorities and Duties* pertaining to the duties of the Treasurer be approved. **[Not Adopted]**
9. That all other actions of the Executive Board and General Synod Associate Reformed Presbyterian Church, Inc. as reported herein be sustained.

Respectfully submitted,
William B. Evans, Moderator

EMPHASIS FOR JULY 2006- JUNE 2007

DECADE THEME: **New Life in the New Millennium**

Synod's Emphasis (July 2006-June 2007)

"I Will Build My Church"

Matthew 16:18

Pre-Synod Conference Theme:

"I Will Build My Church: The Means of Grace"

Speaker: Sinclair Ferguson

July Emphasis - "I Will Build My Church on Christ the Cornerstone"

Primary Theme Verse: Isaiah 28:16

"Therefore thus saith the Lord God, Behold I lay in Zion for a foundation a stone, a tried stone, a precious corner stone, a sure foundation ..."

Supportive Verses: Psalm 118:22, I Peter 2:6-8

August Emphasis - "I Will Build My Church through the Teaching of the Apostles/Preaching & Counseling"

Primary Theme Verse: Acts 2:42

"And they continued stedfastly in the apostles' doctrine and fellowship, and in the breaking of bread, and in prayers."

Supportive Verses: Acts 20:20, II Timothy 4:1-5

September Emphasis - "I Will Build My Church through Prayer"

Primary Theme Verse: Acts 2:42

"And they continued stedfastly in the apostles' doctrine and fellowship, and in the breaking of bread, and in prayers."

Supportive Verses: Acts 4:23-31, Acts 13:3

October Emphasis - "I Will Build My Church through Discipline"

Primary Theme Verses: Matthew 16:18-19

"And I say also unto thee, That thou art Peter, and upon this rock I will build my church; and the gates of hell shall not prevail against it. And I will give unto thee the keys of the kingdom of heaven; and whatsoever thou shalt bind on earth shall be bound in heaven; and whatsoever thou shalt loose on earth shall be loosed in heaven."

Supportive Verses: Matthew 18:15-19, Matthew 5:23-24

November Emphasis - "I Will Build My Church through Stewardship"

Primary Theme Verses: I Corinthians 16:1-4

"Now concerning the collection for the saints, as I have given order to the churches of Galatia, even so do ye. Upon the first day of the week let every one of you lay by him in store, as God hath prospered him, that there be no gatherings when I come. And when I come, whomsoever ye shall approve by your letters, them will I send to bring your liberality unto Jerusalem. And if it be meet that I go also, they shall go with me."

Supportive Verses: Malachi 3. Luke 21:1-4; Acts 2:44-45

December Emphasis - "I Will Build My Church through Godly Family Life"

Primary Theme Verse: Acts 16:1

"Then came he to Derbe and Lystra: and behold, a certain disciple was there, named Timotheus, the son of a certain woman, which was a Jewess, and believed; but his father was a Greek"

Supportive Verses: II Timothy 1:5, Joshua 24:15

January Emphasis - "I Will Build My Church through Evangelism and Church Planting"

Primary Theme Verses: Acts 8: 26-40

"And the angel of the Lord spake unto Philip, saying, Arise, and go toward the south unto the way that goeth down from Jerusalem unto Gaza, which is desert. And he arose and went, and behold, a man of Ethiopia, an eunuch of great authority under Candace, queen of the Ethiopians, who had the charge of all her treasure, and had come to Jerusalem for to worship, was returning and sitting in his chariot read Esaias the prophet. Then the Spirit said unto Philip, Go near and join thyself to this chariot. ... And when they were come up out of the water, the Spirit of the Lord caught away Philip, and that eunuch saw him no more: and he went on his way rejoicing. But Philip was found at Azotus; and passing through he preached in all the cities till he came to Caesarea."

Supportive Verses: John 1:35-51, Acts 16:11-15, Acts 16:25-40

February Emphasis - "I Will Build My Church through Missions

Primary Theme Verse: Acts 1:8

"But ye shall receive power, after that the Holy Ghost is come upon you: and ye shall be witnesses unto me both in Jerusalem and in all Judea, and in Samaria, and unto the uttermost part of the earth."

Supportive Verses: Acts 2; Acts 13:1-3, Matthew 28:18-20

March Emphasis - "I Will Build My Church through Fellowship and Hospitality"

Primary Theme Verses: Romans 16:1-2

"I commend unto you Phebe our sister, which is a servant of the church which is at Cenchrea: That ye receive her in the Lord, as becometh saints, and that ye assist her in whatsoever business she hath need of you: for she hath been a succourer of many, and of myself also."

Supportive Verses: I Peter 4:9, Hebrews 13:1-3

April Emphasis - "I Will Build My Church through the Sacraments"

Primary Theme Verses: I Corinthians 10:1-4

"Moreover, brethren, I would not that he should be ignorant, how that all our fathers were under the cloud, and all passed through the sea; And were all baptized unto Moses in the cloud and in the sea; And did all eat the same spiritual meat; And did all drink the same spiritual drink; for they drank of that spiritual Rock that followed them: and That Rock was Christ."

Supportive Verses: I Corinthians 10:16-17; I Corinthians 11, Acts 2:38-39

May Emphasis - "I Will Build My Church through the Ministry of Service"

Primary Theme Verses: Matthew 25:31-46

"... Then shall the King say unto them on his right hand, Come ye blessed of my Father, inherit the kingdom prepared for you from the foundation of the world; For I was an hungred, and ye gave me meat; I was thirsty and ye gave me drink: I was a stranger, and ye took me in: Naked, and ye clothed me: I was sick, and ye visited me: I was in prison, and ye came unto me. Then shall the righteous answer him, saying, Lord, when saw we thee an hungred, and fed thee" or thirsty, and gave thee drink? When saw we thee a stranger, and took thee in, or naked, and clothed thee? Or when saw we thee sick or in prison, and came unto thee? And the King shall answer and say unto them, Verily I say unto you, Inasmuch as ye have done it unto one of the least of these my brethren, ye have done it unto me ..."

Supportive Verses: Luke 10:25-37, Micah 6:8

June Emphasis - "I Will Build My Church through Biblical Leadership"

Primary Theme Verse: Hebrews 13:17

"Obey them that have the rule over you, and submit yourselves: for they watch for your souls, as they that must give account, that they may do it with joy, and not with grief, for that is unprofitable for you.."

Supportive Verses: I Timothy 3:1-13; I Peter 5:104

Guidelines for Committee to Plan Yearly Emphases
As Adopted by the Executive Board of Synod

On an annual basis, the Moderator-Elect is extended the privilege of developing a theme for emphasis during his term of service as Moderator. The theme will be used as the basis for worship at the meeting of the General Synod and monthly emphases shall be prepared for the months of July through June of the following year. The theme shall be consistent with the "Theme for the Decade" as approved by the General Synod.

1. The membership of the annual special committee to plan and implement the emphases shall include ~~representation~~ appointees from each presbytery at least once in every two years and ~~the Vice-President of the W.S.U.~~ a representative appointed by the President of ARP Women's Ministries. It shall include ~~input from both the men the women of the church.~~ The membership of the Committee will not be based on representation from Synod's agencies and shall not be less than three nor more than seven.
2. The Committee will be appointed by the Moderator-Elect, who will serve as Chairman.
3. Planning will be "zero based;" that is, at no point will it be assumed that the last year's planning will become the model for the next year's.
4. ~~The monthly emphases will not necessarily be tied to the schedule of special offerings.~~ Planning will be done so that the monthly emphases grow, not from the subdivision of Synod's agencies, but from the consideration of the annual theme and the needs of the congregations.
5. The Committee will be charged with the responsibility for coordinating the emphases, drawing together the entire program for the year, and seeing that individual monthly emphases are effectively presented throughout the denomination.
6. The Committee will be provided with adequate budget support to finance the presentation of these emphases. ~~;in other words, this financial responsibility will be removed from the budgets of individual denominational agencies.~~
7. The Committee shall work closely with Synod's agencies in promoting the monthly emphases; that is, at any point that the emphasis parallels the responsibilities of one of Synod's agencies, the Committee will work closely with that agency in its promotion. Wherever applicable, members of Synod's boards and committees should be encouraged to present the emphases in their own geographical areas.
8. The Committee is encouraged to seek reports from the congregations reports on how the monthly emphases are presented and on areas in which they need assistance.

The Committee to Plan Synod's Emphases shall submit a report to the Executive Board for review. The emphases shall be submitted with the report of the Executive Board to the General Synod.

**ADMINISTRATIVE SERVICES
BUDGET PROJECTIONS**

	2006 Revised	2007 Proposed
RECEIPTS		
Current Fund Receipts		
Denominational Ministry Funds \$	196,422	\$ 200,350
AS Expense Reimbursement	5,000	5,000
Miscellaneous Sales & Services	<u>3,642</u>	<u>3,751</u>
Sub-Total	<u>\$ 205,064</u>	<u>\$ 209,101</u>
Agency Support		
Stewardship/ARP Foundation \$	2,550	\$ 2,550
Additional Allocation 2006		
– Benefits	14,477	0
Benefits (25% of Expenditure Budget)	77,697	79,018
W. H. Dunlap Fund	<u>4,250</u>	<u>5,050</u>
Sub-Total	<u>\$ 98,974</u>	<u>\$ 86,618</u>
TOTAL RECEIPTS	<u>\$ 304,038</u>	<u>\$ 295,719</u>
DISBURSEMENTS		
Director		
Salary \$	69,157	\$ 41,552
Retirement	5,878	3,532
Insurance	14,978	9,174
Employer Tax	<u>5,291</u>	<u>3,179</u>
Director	<u>\$ 95,304</u>	<u>\$ 57,437</u>
Support Staff Sub-Total	<u>\$ 179,870</u>	<u>\$ 221,644</u>
Staff & Program	<u>\$ 2,279</u>	<u>\$ 2,453</u>
Equipment		
Copier Lease \$	10,445	\$ 10,445
Postage Meter/Scales	1,080	1,134
Equipment Maintenance	6,105	6,105
Equipment Purchase	2,500	2,500
Telephone Maintenance	<u>0</u>	<u>1,015</u>
Equipment	<u>\$ 20,130</u>	<u>\$ 21,199</u>
General Office		
General Office	<u>\$ 13,206</u>	<u>\$ 13,339</u>
TOTAL DISBURSEMENTS	<u>\$ 310,789</u>	<u>\$ 316,072</u>
Income Over (Under) Exp.	\$ (6,751)	\$ (20,352)
Beginning Unencumbered Res.	<u>5,158</u>	<u>(1,593)</u>
Ending Unencumbered Res.	<u>\$ (1,593)</u>	<u>\$ (21,946)</u>

**ARP CENTER FACILITY
BUDGET PROJECTIONS**

	2006	2007
	Revised	Proposed
RECEIPTS		
Denominational Ministry Alloc.	\$ 16,000	\$ 16,000
General Synod Interest Allocation	<u>250</u>	<u>250</u>
Allocations & Interest, Misc.	<u>\$ 16,250</u>	<u>\$ 16,250</u>
Rent—General Synod Agencies		
Covenant Discipleship	\$ 5,808	\$ 5,866
Outreach North America	8,421	8,505
Publications	5,414	5,468
World Witness	<u>17,802</u>	<u>17,979</u>
Rent—General Synod Agencies	<u>\$ 37,445</u>	<u>\$ 37,818</u>
Rent—Non-Synod Agencies		
Unit #202	\$ 7,718	\$ 8,318
Unit #204	2,402	2,531
Unit #200	<u>2,922</u>	<u>2,677</u>
Rent—Non-Synod Agencies	<u>\$ 13,042</u>	<u>\$ 13,526</u>
Total Rent		
TOTAL RECEIPTS	<u>\$ 66,737</u>	<u>\$ 67,594</u>
DISBURSEMENTS		
Facility Management		
General Office	\$ 900	\$ 1,000
Expendable Supplies	557	500
Telephone System	10,500	0
Renovation/Contingency	<u>5,280</u>	<u>5,000</u>
Facility Management	<u>\$ 17,237</u>	<u>\$ 6,500</u>
Facility Maintenance		
Garbage Pickup	\$ 934	\$ 1,000
Ground Maintenance	4,920	5,100
Heating & Air Conditioning	2,060	2,000
Janitorial	14,400	14,500
Non-Contract Labor	150	150
Security Monitoring Fees	250	250
Pest Control	<u>301</u>	<u>310</u>
Facility Maintenance	<u>\$ 23,015</u>	<u>\$ 23,310</u>
Utilities		
Electricity	\$ 16,000	\$ 16,000
Gas	14,835	16,394
Water & Sewer	<u>873</u>	<u>900</u>
Utilities	<u>\$ 31,708</u>	<u>\$ 33,294</u>
Total Disbursements	<u>\$ 71,960</u>	<u>\$ 63,104</u>
Receipts Over (Under) Expenses	\$ (5,223)	\$ 4,490
Beginning Fund Balance	<u>24,741</u>	<u>19,518</u>
Ending Fund Balance	<u>\$ 19,518</u>	<u>\$ 24,008</u>

**EXECUTIVE BOARD OF SYNOD
BUDGET PROJECTIONS**

RECEIPTS	2006 Revised	2007 Proposed
Current Fund Receipts		
Denominational Ministry Funds	\$ 119,793	\$ 124,155
Miscellaneous	1,472	1,000
Synod Meeting Registration	<u>3,675</u>	<u>3,675</u>
TOTAL RECEIPTS	<u>\$ 124,940</u>	<u>\$ 128,830</u>
DISBURSEMENTS		
General Synod Officers		
Moderator of Synod	\$ 3,867	\$ 3,867
Moderator-Elect of Synod	3,094	3,094
Principal Clerk	4,521	4,521
Treasurer of Synod	3,675	3,675
Vice Moderator	500	500
Vice-Moderator-Elect	<u>500</u>	<u>500</u>
General Synod Officers	<u>\$ 16,157</u>	<u>\$ 16,157</u>
Board		
General Office Expenses	\$ 1,200	\$ 1,500
Executive Board Travel & Meeting	5,513	5,513
General Liability, Umbrella Insurance	7,075	7,075
Orientation to Work of General Synod	2,000	2,000
Leadership Orientation	1,200	1,200
Reserve for ARP Subscriptions	1,000	1,000
Emphasis Committee Travel & Exp.	<u>1,500</u>	<u>1,500</u>
Board	<u>\$ 19,488</u>	<u>\$ 19,788</u>
Preservation of Historical Material		
Curator of ARP Materials Hon.	\$ 500	\$ 500
Historian Honorarium	1,000	1,000
Reimbursed Expenses for Historian	1,000	1,000
Office Expenses	500	500
Montreat Office		
Presbyterian Historical Society	<u>2,500</u>	<u>2,500</u>
Preservation of Historical Material	<u>\$ 5,500</u>	<u>\$ 5,500</u>
Coordinator		
Coordinator Fees	\$ 47,895	\$ 49,811
Coordinator Reimbursed Expenses	<u>6,180</u>	<u>6,180</u>
Coordinator	<u>\$ 54,075</u>	<u>\$ 55,991</u>
Minutes of Synod		
Preparation and Distribution	\$ 2,173	\$ 2,173
Printing	<u>13,082</u>	<u>12,799</u>
Minutes of Synod	<u>\$ 15,255</u>	<u>\$ 14,972</u>
Plan Book		
Printing	\$ 2,298	\$ 1,921
Preparation & Distribution	<u>1,155</u>	<u>1,200</u>
Plan Book	<u>\$ 3,453</u>	<u>\$ 3,121</u>

Meeting of General Synod

Program and Preparation	\$ 4,917	\$ 5,301
Honorariums	900	1,500
Staff Expenses	695	2,000
Pre-Synod Conference	<u>4,500</u>	<u>4,500</u>
Meeting of the General Synod	<u>\$ 11,012</u>	<u>\$ 13,301</u>
TOTAL DISBURSEMENTS	<u>\$ 124,940</u>	<u>\$ 128,830</u>
Excess Income Over (Under)		
Disbursements	<u>\$ 0</u>	<u>\$ 0</u>

**GENERAL SYNOD OF THE ASSOCIATE REFORMED
 PRESBYTERIAN CHURCH, Inc.
 AMENDMENTS TO BY-LAWS
 (Approved March 23, 2006)**

Amend Article II, Section 1:

Section 1. GENERAL STRUCTURE OF THE BOARD. The corporate powers, business, property, and affairs of the Corporation shall be entrusted to and managed by the ~~Executive Board of the General Synod~~ Board of Directors of the Corporation (the "Board"). Members of the Board need not be residents of the State of South Carolina. ~~The membership and term of the members~~ of the Board shall be as set forth in the Manual of Authorities and Duties of the Associate Reformed Presbyterian Church, as that document exists from time to time (the Manual of Authorities and Duties) those five persons who are serving as the Court's Moderator, Moderator-Elect, Principal Clerk, Treasurer, and the Chairman of the Board of Stewardship. The term of each board member shall be one year.

The Court's Coordinator and the Director of Administrative Services shall serve as advisory members of the Board.

Amend Article II, Section 2 (b):

Section 2. MEETINGS.

- (b) The Board shall meet on the call of the chairman or secretary or any ~~three voting~~ two voting members; and

Delete Article II, Section 4. Chairman:~~Section 4. CHAIRMAN.~~

- ~~(a) The Chairman shall preside at all meetings of the Board and perform such other duties as are usually incumbent upon and incident to this position which may be assigned from time to time by the Board; and~~

- (b) ~~The Chairman shall make committee appointments, subject to confirmation by the Board.~~

Change Article II, Section 5 to Article II, Section 4:

Section 54. COMPENSATION. Members of the Board shall not receive compensation for their attendance at the meetings, but shall be reimbursed for normal and reasonable travel expenses.

Amend Article III, Section 1:

Section 1. OFFICERS. The officers of ~~this the~~ Corporation (the "Officers") shall be ~~those officers of the Executive Board~~ a Chairman, who shall be the Moderator of the Court; a Vice-Chairman, who shall be the Moderator-Elect of the Court; a Secretary, who shall be the Principal Clerk of the Court; and a Treasurer, who shall be the Treasurer of the Court.

Insert Article III, Section 2 and renumber Sections 2 and 3:

Section 2. CHAIRMAN. The Chairman shall preside at all meetings of the Board and perform such other duties as are usually incumbent upon and incident to this position and such other duties as may be assigned to the Chairman from time to time by the Board. In the absence of the Chairman, the Vice Chairman shall perform the duties of the Chairman.

Amend Renumbered Section 3:

Section 23. BONDS. The Board may, ~~in its sole discretion,~~ require some or all officers and employees having control of or access to monies or securities of the Corporation ~~in the regular discharge of their duties~~ to give bond to the ~~company~~ Corporation with corporate surety, in such amounts as may be deemed necessary and containing such other conditions as may be required from time to time by the Board. The premium of such surety bonds shall be paid by the Corporation.

Amend Article IV Section 1:

~~Section 1. VARIOUS COMMITTEES.~~ The Chairman shall have the power to appoint such committees as may be necessary for the efficient conduct of the business of the Board; provided that the Board shall at all times have power to modify, add to, take from or otherwise change and alter the duties and functions of any such committee.

Amend Article V Section 2:

Section 2. CONVEYANCES. All conveyances of real property, releases of mortgages, liens and judgments, and all other instruments affecting real property, made by the Corporation or required by law to be a matter of record, shall be executed by the Chairman or Vice-Chairman and ~~the Secretary or Treasurer~~ attested to by the Secretary or Treasurer and attested to by the corporate seal.

Amend Article VI, Section 1 :

Section 1. AMENDMENTS TO CHARTER. The Charter of the Corporation shall ~~may~~ be amended in ~~such manner as provided by~~ accordance with the laws of the State of South Carolina ~~subject to the prior approval by the affirmative vote~~ of a two-thirds vote of the ~~voting members present at a meeting of the Executive Board of the General Synod~~. No amendment to this Charter in conflict with any standing rule or action of the Court shall be adopted and all amendments must be reported to the Court for review.

Amend Article VI, Section 2:

Section 2. AMENDMENTS TO BY-LAWS. These By-Laws may be amended by the ~~Board members at any regular or special meeting, provided a copy of such proposed amendment has been mailed to each member of the Board at least ten days prior to the date of the meeting. A affirmative vote of a majority vote of the voting members of the board shall be necessary for the adoption of any amendment of any such meeting, present at a meeting of the Executive Board of the General Synod~~. No amendment to these By-laws in conflict with any standing rule or action of the Court shall be adopted and all amendments must be reported to the Court for review.

Historian Report

March 23, 2006

At the Executive Board Meeting on October 27, 2005, the Board established a Committee consisting of Ronald Beard, Bryan McKown, Edith Brawley, John Kennerly, and William Roberts to make arrangements for the permanent storage of our historical materials archived at Montreat.

At the October meeting I reported that the Committee on the Office of the General Assembly (COGA) of the P.C.U.S.A. church had voted on September 22, 2005, to close their facility at Montreat on December 31, 2006. Almost immediately the Presbyterian Historical Society (PHS) in Philadelphia began making plans to close the Montreat facility by the December 31, 2006, deadline. At the present time there is a very limited staff at the facility.

There is another new development in the situation. The Friends of the Historical Foundation at Montreat, Inc. (FHFMI) are requesting the various Presbyteries of the P.C.U.S.A. Church to send Memorials to the General Assembly requesting that the facility at Montreat not be closed. The meeting of the General Assembly will be on June 17, in Birmingham. If this effort is successful, then there would be no need to move our materials at the present time.

Our Committee met at Erskine on January 21 to discuss possible locations for the temporary and permanent storage of our historical materials. The Committee is unanimous in the thought that the best way to solve our problem long term is to have our own facility at Erskine. To erect a facility on our own would be quite expensive, and it would be a few years before it

could be completed. At the present time the small archive area at Erskine does not have enough room for all of our materials that are stored at Montreat. Therefore, the Committee has been searching for another location to house the materials. Committee members have contacted several Colleges, Universities, and other facilities in the area concerning our possible short term need for storage. Most were unable to provide space for us, but we found three that are promising.

The South Carolina Department of Archives and History has told us that we could store our materials in their facility on a short term basis; but there would probably not be public access to the materials for research, and they may not be able to receive new materials from our churches. This would give us access to a climate controlled environment if we need it.

John Kennerly has been in contact with Paul Willis, Dean of Libraries at the University of South Carolina, and Tom McNally, Director of Thomas Cooper Library at the University of South Carolina. The gentlemen have informed John that their new off-site facility does have room to store our materials, and they are interested in performing this service for us. They have made a very generous offer to store the materials without cost.

I have been in contact with Dr. Richard Blake the Associate Director for Educational Services at the John Dulow Campbell Library at Columbia Theological Seminary in Decatur, GA. Dr. Blake went to a meeting last week concerning the closing of the facility at Montreat, and he was able to give me more information today about their ability to store our materials. If the PHS does close Montreat in December, the John Dulow Campbell Library will be receiving a large part of the materials from Montreat. The Dean at Columbia told Dr. Blake that they would certainly be interested in storing our materials as well. The people at Montreat told him that if we wanted to use the facility at Columbia, they could ship our materials to them when they send their own materials. We would not have to physically move them ourselves. Since they will not know for sure if Montreat will close until after June 17, they have not yet committed to a price for their services. However, when Dr. Blake was informed about the amount we are paying to Montreat, he seemed pleased.

At the present time we do have two facilities in the southeast that are interested in archiving our materials, and we also have one that could be used in an emergency situation for storage.

There is a possibility Erskine will be considering expanding the McCain Library or possibly building a new facility in the coming years. If this does take place, the Committee thinks there should be a co-operative effort between Erskine and the General Synod to provide archival space for our historical materials.

Recommendations

1. That we enter into discussion with Erskine College and Seminary about the possibility of providing permanent archival space for the storage of our historical materials.

2. That the Executive Board approve the Thomas Cooper Library at the University Of South Carolina, the John Dulow Campbell Library at Columbia Theological Seminary, and the South Carolina Department of Archives and History as possible locations for the temporary storage of our historical materials if Montreat does close on December 31, 2006.
3. That the Special Historical Committee be empowered to negotiate a suitable agreement for archival space with the above mentioned facilities and choose the one that best meets our needs and budget.
4. That the Special Historical Committee be empowered to relocate our historical materials to the above facility of choice in the event our historical materials must be relocated before the next scheduled Executive Board Meeting.

The **Report of the Board of Publications** was presented. The **Moderator's Committee on Publications** recommended the adoption of recommendations 1-12. Recommendations 1-12 of the Board were adopted.

REPORT OF THE BOARD OF PUBLICATIONS

The year has been a challenging one for the Board of Publications as it sought to clarify its role in the ministry of the Associate Reformed Presbyterian Church. In response to the action of the 201st General Synod in regard to the Board and to *The Associate Reformed Presbyterian*, we have reviewed the concerns of the Committee on Organization and have consulted with various parties in regard to the structure and function of Central Services.

After careful consideration of these matters, the Board concluded that its focus should be narrowed to the publication of *The Associate Reformed Presbyterian* in both print and electronic formats. The Staff and the Board will be re-structured to fulfill this ministry.

Currently, the staff is continuing to assist ARP Women's Ministries by serving as agent for their yearly study books. They are also continuing to provide design services and printing coordination for other agencies as requested. This includes the *Adult Quarterly* for Covenant Discipleship, the *Outreach* newsletter for Outreach North America, and various brochures and forms for both. As in the past, the office also provided design services for the Family Bible Conference brochure. Most of these duties will be shifted to Central Services when the current editor completes her employment at the end of July.

In addition, certain administrative functions of *The Associate Reformed Presbyterian* staff, such as the handling of subscriptions and the billing for advertising and services, will also be shifted to Central Services as soon as possible.

The Editor has been working with Leland Beaudrot to relaunch the magazine's web site with a new and improved format. The site now includes a photo gallery and a feature entitled "Off the Page" that allows for the publication of more information from our churches than possible in print. The Editor and Mr. Beaudrot have also redesigned Covenant Discipleship's web site, incorporating new features like downloadable forms for conferences.

In spite of lower subscription numbers, the magazine was still able to end the year positively in the area of finances. During May, a survey was taken in print and over the Internet to determine how we might best serve the needs of our readers and increase subscription numbers.

The Board of Publications endeavors to produce a magazine that will appeal to a wide audience by maintaining a balance of theological content, news from Synod, presbyteries, churches and ARP Women's Ministries, feature articles and agency updates. We feel that is being done effectively, but there is always room for improvement. In the coming year, we will be focusing on new strategies to successfully reach the members of the ARP denomination in print and on the web.

Recommendations

After careful and prayerful consideration of the role of the Board and the future of *The Associate Reformed Presbyterian* the Board recommends:

1. That the name of the Board of Publications be changed to the Board of *The Associate Reformed Presbyterian*.
2. That the primary function of the Board be the publication of the magazine, *The Associate Reformed Presbyterian*, in both print and electronic forms.
3. That the *Manual of Authorities and Duties* be amended by the inclusion of the following description of the Board of *The Associate Reformed Presbyterian*. (Attachment #1)
4. That new Bylaws of *The Associate Reformed Presbyterian* be approved. (Attachment #2)
5. That the attached *Policy Manual of the Board of The Associate Reformed Presbyterian* be approved. (Attachment #3)
6. That the General Synod express its appreciation to Sabrina Cooper for her excellent service as Editor.
7. That the General Synod pray for the Board as it seeks a new Editor.
8. That all churches consider the benefits of participating in the Church Club Plan for subscriptions to *The Associate Reformed Presbyterian*.
9. That each Session appoint an agent to promote and handle subscriptions to *The Associate Reformed Presbyterian* if it has not already done so.
10. That General Synod encourage churches and pastors to promote

The Associate Reformed Presbyterian to their members.

11. That the proposed 2007 Budget be approved. (NOTE: See Approved Recommended Allocations)
12. That the Report of the Board of Publications be approved.

Respectfully submitted,
 Rev. H. Max Bolin, Chairman
 Sabrina M. Cooper, Editor

BOARD OF PUBLICATIONS BUDGET

	2006	2007
REVENUES	BUDGET	PROPOSED
Denominational Ministries Alloc. \$	99,321	\$ 109,469
Miscellaneous Gifts	0	0
WSU Contributions	3,000	3,000
ARP Subscription Income	78,298	63,860
ARP Advertisement Income	13,374	19,210
Misc Income	0	0
WSU Study Book Sales Income	19,096	22,660
Agency Support & Services	1,339	0
Interest Allocation	1,677	1,513
TOTAL REVENUES	<u>\$ 216,105</u>	<u>\$ 219,711</u>
PAYROLL & STAFF BENEFITS		
Salary/TDA - Editor	\$ 54,114	\$ 55,738
Salary/TDA - Asst. Editor	33,174	34,169
Salary - Clerical	1,273	0
SS - Editor	3,291	3,456
SS - Asst. Editor	2,057	2,119
SS - Clerical	46	0
Medicare - Editor	770	808
Medicare - Asst. Editor	481	495
Medicare - Clerical	11	0
Insurance - Editor	15,376	15,361
Insurance - Asst. Editor	6,346	6,329
Workers Compensation Ins	560	558
STAFF & BOARD EXPENSES		
Editor Expenses	3,183	4,000
Staff Expenses	773	519
Board Meeting & Travel Exp	3,605	1,860
Dues & Membership Fees	180	180
PUBLICITY & PROMOTION		
Publicity & Promotion	267	500
ARP News Update 800 Charges	220	158
"The ARP" Web Page	0	103
EQUIPMENT		
Equipment Maintenance	106	155
Equipment Purchase	2,500	0

COMMUNICATIONS

Internet Services	185	206
Long Distance	796	584

MISCELLANEOUS

Rent	5,414	5,576
Office Supplies & Misc	3,108	2,151
Contingency	530	500

PRODUCTION EXPENSES

Preparation & Printing	48,830	46,031
Labels and Postage	12,229	11,204
Materials and Supplies	1,545	1,030
Photography Expenses	159	164
Design Services	0	10,000

OTHER EXPENSES

WSU Study Books	14,976	15,759
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TOTAL EXPENSES	\$ 216,104	\$ 219,711
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NET INCOME/(LOSS)	\$ 0	\$ 0
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BOARD OF THE ASSOCIATE REFORMED PRESBYTERIAN**Membership:**

That membership of the Board shall be composed of:

Nine at large members,

- at least two shall be women
- two shall be ruling elders
- two shall be teaching elders
- three shall have skills or experience in publishing.

Ex-officio: Representative from ARP Women's Ministries.

Advisory: Editor of *The Associate Reformed Presbyterian*, Moderator of Synod, Moderator-Elect of Synod, Coordinator of the General Synod.

Terms of Service:

At Large: Six years.

Ex Officio and Advisory: As determined by the office to which elected or appointed.

STATED MEETINGS: Semi-annual.

Organization:

Officers: Chairman, Vice-Chairman, Secretary, Treasurer .

Committees: Appointed at the discretion of the Chairman

Administrative Officer: Editor of *The Associate Reformed Presbyterian*.

Authority:

The Board of The Associate Reformed Presbyterian shall have responsibility for the publication of a denominational magazine known as *The Associate Reformed Presbyterian*.

In the exercise of its authority, the Board shall comply with the *Standards of the Associate Reformed Presbyterian Church*, and its policies and programs shall be consistent with the purpose of the General Synod. (Synod 1995, 2000)

Minutes of Synod, p. 706)

Duties:

1. To oversee the publication of *The Associate Reformed Presbyterian*, and other board-authorized publications.
2. To appoint and supervise the Editor.
3. To set policy and provide general direction.
4. To prepare and submit an annual operating budget to the General Synod.
5. To make an annual report to the General Synod.
6. To maintain a non-profit corporation, The Associate Reformed Presbyterian, Inc., and operate within the framework of its By-laws. (1986 *Minutes of Synod*, p.123)

**BYLAWS
OF
THE ASSOCIATE REFORMED PRESBYTERIAN, INC.
REVISED JUNE 2006
ARTICLE I — NAME**

The name of the Corporation shall be The Associate Reformed Presbyterian, Inc.

ARTICLE II — PURPOSE

The Christian purpose of the Corporation is to publish a magazine, The Associate Reformed Presbyterian, on a nonprofit basis, which is dedicated to the concerns of the Associate Reformed Presbyterian Church, and which reflects the programs and emphases of all arms of the denomination and provides its readers with a unified publication in which the work of the boards, agencies, auxiliaries, institutions and committees of the denomination will be represented in relationship to the overall denominational mission to the service of God.

ARTICLE III — BOARD OF DIRECTORS

1. Composition of the Board — The Board of Directors shall consist of ten (10) members appointed as follows:

Nine (9) at-large members appointed by the General Synod of the Associate Reformed Presbyterian Church,

- a. at least two shall be women
- b. at least two shall be ruling elders
- c. at least two shall be teaching elders
- d. at least three shall have skills or experience in some aspect of publishing

One ex officio member from the Associate Reformed Presbyterian Women's Ministries.

Advisory members will be the editor of *The Associate Reformed Presbyterian*, the Moderator of the General Synod, the Moderator-Elect of the General Synod and the Coordinator of the General Synod.

2. Terms of Office — The term of office for each at-large member shall be six (6) years. The length of service of ex officio and advisory members shall

be determined by the appointing board or the office which they hold. At-large members shall not serve consecutive terms but must retire for one (1) year before becoming eligible for reappointment, except in those cases where they have filled an unexpired term of two (2) years or less. Terms of office will begin July 1 of the year the appointment is made. Rotation of the Board will follow the schedule of the General Synod of the Associate Reformed Presbyterian Church.

3. Vacancies — When a vacancy occurs on the Board of Directors, Synod's Committee on Nominations will be requested to recommend a replacement to the General Synod. Members who miss two (2) consecutive meetings of the Board, except for extenuating circumstances, shall be asked to resign from the Board.
4. Meetings — The Board of Directors shall meet at least semiannually on such dates as may be fixed by the Board. Special meetings of the Board may be held upon the call of the Chairman or upon the written request of three (3) Board members. The call for a special meeting shall be in writing directed to the other members and shall be issued at least one (1) week prior to the meeting and the purpose of the meeting shall be stated in the call. No business may be discussed at any special meeting unless that business has been described in general terms in the notice of the meeting.
5. Quorum and Vote — Five (5) members shall constitute a quorum and only members present may vote. In the presence of a quorum, the vote of the majority shall decide all questions. At-large members and ex officio members shall have all rights associated with Board membership. Advisory members shall have the rights of seat and voice.
6. Committees — The Board of Directors shall have the power to authorize such committees as it shall determine in its discretion and delegate to them such powers and duties as it shall deem advisable.

ARTICLE IV — OFFICERS

1. The officers of the Corporation shall consist of a Chairman of the Board, a Vice Chairman, a Secretary and a Treasurer.
2. The Chairman and Vice Chairman — These officers shall be chosen from the Board of Directors. The Chairman shall preside at all meetings of the Board and shall have general charge and control of the affairs of the Corporation, subject to the Board of Directors, and with the Secretary shall execute all contracts, notes, mortgages and other legal instruments which the Corporation may make. The Vice Chairman shall perform such duties as may be assigned by the Board of Directors, and in the case of the death, disability, resignation or absence of the Chairman shall perform and be vested with all of the duties and powers of the Chairman.
3. Secretary — The Secretary shall keep a record of the minutes of the proceedings of the meetings of the Board of Directors and the Executive Committee. The Secretary shall insure that such records are maintained

at the Associated Reformed Presbyterian Center, shall have custody of the seal of the Corporation, and with the Chairman shall execute all contracts, notes, mortgages and other legal instruments which the Corporation may make and whenever such instruments require the seal of the Corporation, shall affix the same. The Secretary shall perform such other duties and carry out such instructions as may be given by the Board of Directors and the Executive Committee.

4. Treasurer — The Treasurer of the General Synod of the Associate Reformed Presbyterian Church shall serve as Treasurer of the Corporation. The Treasurer shall keep account of all monies of the Corporation received or disbursed, and shall deposit all monies and valuables in the name of and to the credit of the Corporation, in such bank and/or depository as the Board of Directors shall designate. The Treasurer shall be bonded, with adequate surety, in an amount determined by the Board. All sums of money, securities, and other gifts shall be turned over to the Treasurer for safekeeping and control. The Treasurer shall disburse all authorized budgeted funds with the advance approval of the Chairman of the Board of Directors.
5. Terms of Office — The terms of the office for the Chairman, Vice Chairman and Secretary shall be for one (1) year. Officers shall be elected annually at the semiannual meeting which precedes the annual meeting of Synod, to begin their terms July 1.
6. Execution of Obligations — All contracts, notes, mortgages and other obligations shall be executed in the name of the Corporation by the Chairman, except when the Chairman is unable to act by reason of death, disability or absence when the same shall be executed by the Vice Chairman, and the Secretary, and whenever the instrument is such that the seal of the Corporation is required, the same shall be affixed by the Secretary.
7. Administrative Officer — The editor of *The Associate Reformed Presbyterian* is the Administrative Officer of the Board. This role is advisory in nature and does not have voting privileges.

ARTICLE V — EXECUTIVE COMMITTEE

1. The Executive Committee shall consist of the Chairman, the Vice Chairman and the Secretary of the Board. The Chairman of the Board of Directors shall be the Chairman of the Executive Committee. The Secretary of the Board of Directors shall be the Secretary of the Executive Committee.
2. Meetings — Meetings of the Executive Committee shall be held at the call of the Chairman.
3. Duties and Responsibilities — The Executive Committee may act on behalf of the Board during all times when the Board is not in session, except the Executive Committee may not appoint or remove on a permanent basis any Administrative Officer of the Board. The Executive Committee shall report all actions to the next stated meeting of the Board.

ARTICLE VI — STANDING AND SPECIAL COMMITTEES

1. The Chairman of the Board shall name whatever committees deemed

necessary.

2. Such committees shall hold meetings at such times and places and on such notice to its members as such committee shall from time to time decide, and subject to the control of the Board each committee shall establish its own procedure for carrying out its responsibilities.

ARTICLE VII – THE SEAL

The seal of The Associate Reformed Presbyterian, Inc., shall be circular in form and have inscribed thereon, "The Associate Reformed Presbyterian, Inc." The Secretary shall have general custody of the seal which shall be affixed to such instruments as may be directed by the Board of Directors.

ARTICLE VIII – AMENDMENTS

The bylaws of the Corporation may be amended, suspended or repealed and new bylaws may be adopted upon the unanimous consent of the Board of Directors in any Board meeting other than a special meeting, or by two-thirds of the Board members voting when notice was given in the announcement of the meeting, provided that any change in the bylaws is subject to the approval of the General Synod of the Associate Reformed Presbyterian Church.

ARTICLE IX – DISSOLUTION

Upon dissolution of the Corporation, the net proceeds of the Corporation shall be distributed to the General Synod of the Associate Reformed Presbyterian Church or its successor holding a current exemption under Section 501-c-3 of the Internal Revenue Code of 1954, as amended, as is provided in the bylaws of the Corporation.

POLICY MANUAL FOR THE BOARD OF *THE ASSOCIATE REFORMED PRESBYTERIAN* (Revised March, 2006)

AUTHORITY

The Board of *The Associate Reformed Presbyterian* shall have responsibility for the publication of a denominational magazine known as *The Associate Reformed Presbyterian*. In the exercise of its authority, the Board shall comply with the Standards of the Associate Reformed Presbyterian Church, and its policies and programs shall be consistent with the purpose of the General Synod.

RESPONSIBILITIES

The Board will:

1. Oversee the publication of *The Associate Reformed Presbyterian*
2. Promote and encourage communication within the denomination.
3. Appoint any administrators needed to carry out its work.
4. Make an annual report to the General Synod including an operat-

ing budget.

5. Maintain a nonprofit corporation, The Associate Reformed Presbyterian, Inc., and operate within the framework of its bylaws.

MEMBERSHIP

The Board of Publications is composed of ten (10) members as follows:

- Nine at large members,
 - a. at least two shall be women
 - b. at least two shall be ruling elders
 - c. at least two shall be teaching elders
 - d. at least three shall have skills or experience in some aspect of publishing.
- One (1) ex officio member from the ARP Women's Ministries.
- Advisory members will be the editor of *The Associate Reformed Presbyterian*, the Coordinator of the General Synod, the Moderator of the General Synod and the Moderator-Elect of the General Synod.

Members who miss two consecutive meetings of the Board, except for extenuating circumstances, shall be asked to resign from the Board and Synod's Committee on Nominations will be requested to recommend a replacement to the General Synod.

The at-large members will serve six years. These members may not serve consecutive terms, but must retire for one year before becoming eligible for reappointment, except in those cases where they have filled an unexpired term of less than two years. Terms of office will begin July 1 of the year the appointment is made. Rotation of the Board will follow the General Synod's schedule.

The length of service of ex officio and advisory members will be determined by the appointing Board or the office which they hold.

PRIVILEGES OF MEMBERS.

At-large members and ex officio members will have all rights associated with Board membership. Advisory members shall have the rights of seat and voice.

ORGANIZATION

1. Regular Meetings - The Board will meet semiannually in March and September (unless the Board determines otherwise).
2. Special Meetings - The Chairman may, or at the written request of three members shall, call a Special Meeting of the Board stating in the notice the purpose thereof. No business may be discussed unless that business has been described in general terms in the notice of the meeting.
3. Quorum Meetings - Five members shall constitute a quorum. Only members present may vote.
4. Officers - Officers of the Board will consist of a Chairman, Vice Chairman and Secretary. Synod's Treasurer will serve as the Treasurer of the Board of *The Associate Reformed Presbyterian*. Officers shall be elected annually at the semiannual meeting which precedes the annual meeting of Synod, to begin their terms of service July 1.

- a. Chairman - The Chairman shall appoint members to the committees and shall perform the usual duties of a chairman.
 - b. Vice Chairman - The Vice Chairman shall serve in the absence of the Chairman and shall fill any unexpired term of the Chairman.
 - c. Secretary - The Secretary shall keep accurate and permanent records of the proceedings of the Board and shall insure that such records are maintained at the Associate Reformed Presbyterian Center; and shall work with the Chairman in preparing the annual report for the General Synod.
 - d. Treasurer - The Treasurer will disburse all authorized budgeted funds with the advance approval of the Chairman of the Board of Publications.
5. Administrative Officers - The editor of *The Associate Reformed Presbyterian* is the Administrative Officer of the Board. This role is advisory in nature and does not have voting privileges.

AMENDMENTS

The Policy Manual of the Board of Publications may be amended only by the General Synod. Upon unanimous consent in any Board meeting other than a Special Meeting, or by two-thirds of the Board members voting when notice was given in the announcement of the meeting, a proposed amendment may be adopted.

Max Bolin presented a special recognition to Sabrina Cooper.

The **Report of the Board of World Witness** was presented. Frank van Dalen spoke to the Synod with regard to funding of World Witness activity.

The **Moderator's Committee on World Witness** recommended the adoption of recommendations 1-12 of the World Witness Board report. Recommendations 1-12 of the Board were adopted. The additional recommendations of the Moderator's Committee were adopted.

1. That, whereas the reports of Synod are universally available and can lead to jealousy and misunderstanding in the mission fields where World Witness serves, especially where missionaries must interact with members of churches in the Third World, therefore, World Witness be granted an exemption from the 2005 Synod's salary reporting requirement.
2. That our Synod send this official word of encouragement to the ARP Synod of Pakistan: Whereas, 100 years ago, our Sovereign Lord opened the door to grant a field of service, and whereas, during those 100 years many faithful men and women have labored in that great field, and whereas God, in His grace, con-

tinues to bring forth fruit in this wonderful field, Therefore, the 202nd meeting of the General Synod of the Associate Reformed Church offers its gratitude to God and our congratulations to the Associate Reformed Presbyterian Synod of Pakistan on the occasion of their centennial celebration.

3. That the General Synod send the Moderator, Vice-Moderator or the Moderator-Elect to Pakistan for the centennial celebration in November 2006.
4. That the General Synod commend the Board of World Witness for their faithful service over the past year.

James Coad led the Synod in prayer for the work of World Witness.

Mark Tankersley led the Synod in prayer for Mr. van Dalen and the Board of World Witness.

The Moderator asked Pastor John Alexander Rizwani to convey the official word of encouragement to the Synod of Pakistan.

**REPORT OF WORLD WITNESS,
THE BOARD OF FOREIGN MISSIONS
TO THE 2006 MEETING OF THE GENERAL SYNOD OF
THE ASSOCIATE REFORMED PRESBYTERIAN CHURCH**

“Then Jesus came to [His disciples] and said, “All authority in heaven and on earth has been given to me. Therefore go 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 I have commanded you. And surely I am with you always, to the very end of the age.” (Matthew 28:18 – 20)

Introduction

The Great Commission at the end of Matthew’s Gospel has long been regarded as a passage which motivates the Church of the Lord Jesus Christ to missions. However, it also provides the theological structure and method for missions. In the past year, World Witness has focused on understanding its work in terms of this structure.

The fundamental task of the Church is to “make disciples,” that is, to plant other churches among those elect from “every tribe, language people and nation” who have been purchased from among men by our Lord Jesus Christ. (Rev. 5:9, 10). That task of planting churches involves two steps: “baptizing” believers (which summarizes all that relates to entry into the Church); and “teaching” believers (which summarizes all that relates to maturity within the Church).

Using this structure, the work of World Witness can be divided into four major categories. World Witness has two categories of “entry ministry:” work in the Muslim world (the Middle East, Pakistan, ARPCConnect,

the Persian language ministry); and, work in the post-Christian European world (Russia, Germany, and Wales.) World Witness has two categories of "maturity ministry": exhorting, encouraging, and training the existing ARP Synods of Mexico and Pakistan; and, theological training in Third World seminaries through the Mobile Theological Training Team.

The following report provides highlights of the past year of ministry.

The Board

During the 2005-2006 ministry year, the Board held three regular meetings to supervise, pray for, and support the work of its missionaries.

(a) Personnel

During the past year, new missionary candidates have been appointed.

Mrs. Judy Buis was appointed as a missionary, most likely for Wales. Geoffrey and Christine Fogus were appointed to the Muslim World. Terry Schultz was appointed for pastoral ministry in Karachi, Pakistan, subject to ordination approval by First Presbytery. Sebastien & Patti Benicourt and Joshua & Vonia Thomas were approved for two-year internships in Turkey. Lonnie and Kathy Humes were appointed as Cooperative Missionaries with TEAM as teachers in Spain. Jesse and Shayna Wesselink were appointed as Cooperative Missionaries with International Students, Inc., in Greensboro, NC.

The Board approved the resignation of Greg and Chris Conover so that Greg could serve in an ARP pastorate at The Bridge Church in Simpsonville, SC.

Ron and Pam Brunson have already begun service in Pakistan and they plan to withdraw completely from Moscow by the end of 2007. Ron is the new director of the Christian Hospital, Sahiwal, while Pam is serving in Christian Education.

Lon and Mary Crotts cannot move to Mexico as planned due to health constraints, and thus they hope to serve more on a short-term basis.

David and Susan Cullen have given assistance to the hospital in Sahiwal, Pakistan, and they plan to continue making short-term trips there while also promoting the work of the Sahiwal hospital when in North America.

David and Annelies Galletta will be giving primary focus to ministry through the Mobile Theological Training Team (MT3) after serving in Russia.

Andy and Nannette Howard have settled in Wales where they are ministering to schools and churches.

John and Margie Marsh were approved as part-time missionary employees as they continue to serve through ARP Connect as well as in a regular short-term ministry to Pakistan.

Scott and Julie Moore returned to Mexico where Scott is involved in

church planting and teaching. Scott had been in the States working on his doctorate at Westminster Theological Seminary.

Laura Romer is serving through Wycliffe Bible Translators in Papua New Guinea.

Jack Whytock was approved as a part-time missionary employee as he coordinates and teaches in behalf of the Mobile Theological Team (MT3).

(b) Policy

The World Witness Board continues to support cooperative ministries with other ARP Synod agencies – for example, with ONA in the ARPConnect ministry to Muslims and the Multi-ethnic church plants in the US. However, the Board re-affirms its belief that a separate administrative and financial structure will enable World Witness to be most effective in its ministry. The Board insists that the essential structures of a mission society, its human resource functions and its fund raising are so different from the other agencies that integration would be most unwise. In addition, the Board sees no benefit from the integration of its donor database with other databases of the Synod.

(c) Finances

A matter of concern for the Board is the fact that, at the end of the 2005 fiscal year, World Witness experienced its first financial loss since 1998 (\$36,699). This reflects a trend over the past few years in which giving has decreased in relation to expenses. The trend was eased in 2004 and through most of 2005 by the sale of a missionary residence in Pakistan.

Stringent efforts have already been made to reduce expenditures for the 2006 financial year. However, any further decrease will have a serious negative impact upon ministries which World Witness has supported for the past several years. Furthermore, even with these decreases, the revised 2006 budget anticipates a shortfall of \$75,000 unless there is a significant increase in giving over the next several months.

We rejoice that the Lord has provided several opportunities for ministry throughout the world. The fact that we are financially stretched is a clear demonstration that there are many open doors for ministry. The question which the Synod must address is: to what extent are we willing to support this ministry of making disciples of all nations? Do we have Christ's vision of extending His church to the ends of the earth until the very end of history?

The revised World Witness 2006 budget and the proposed 2007 Budget follow. The full budget and other reports for the previous financial year are available for inspection at the World Witness office.

PROPOSED WORLD WITNESS 2007 BUDGET

	Revised Budget 2006	Proposed Budget 2007
General Synod Allocation	\$693,082	\$750,000
Endowment and Interest	49,000	49,000
One Great Hour of Sharing	20,000	20,000
Missionary Support	1,966,052	2,211,328
Missionary Work	392,431	335,542
Pakistan Grants Income	222,000	0
Misc. Bequests	200,000	80,000
Short Term Trips	105,000	95,000
Other Income	438,396	232,579
TOTAL Income	\$ 4,085,961	\$ 3,773,449
Mexico Expense	\$ 414,550	\$ 428,014
Pakistan Expense - General	359,460	422,204
Pakistan Expense - Grants	222,000	0
Middle East Expense	337,868	475,706
German Expense	413,601	406,396
Russian Expense	454,985	323,780
Wales Expense	220,876	247,356
Persian Ministry Expense	133,108	137,123
ARPCoconnect	155,231	173,224
Short Term Ministry	105,000	95,000
Cooperative Expense	80,000	80,000
United States Ministry Exp.	355,621	236,547
World Witness Admin. Exp.	<u>833,661</u>	<u>748,099</u>
TOTAL Expense	\$4,085,961	\$3,773,449

The budget of World Witness supports the following ministries in the US and around the world.

Entry Ministries' to the Muslim World**(a) ARPCoconnect**

The ARPCoconnect ministry continues its two-fold focus on: (i) training ARP's in understanding and reaching out to Muslims; and (ii) building bridges to the Muslim community. The growing divide between the Muslim and Christian communities around the world highlight the need to reach out to our spiritual "enemies." Alistair Mitchell and Joseph Alghary continue as full-time missionaries in this ministry and are exploring ways in which they can assist the ARP denomination in reaching the Muslim community. Several presentations have been made in ARP churches as well as Meetings for Better Understanding with Muslims. Two goals of the ARPCoconnect ministry are the formation of Muslim-background believer fellowships and home-based Bible studies for Muslim inquirers.

(b) Middle East

The Lord has blessed and strengthened the ministry in this field so that

it has now been extended to two cities. Andrew and Norine Brunson have overseen the development of a Ministry Center in the city where they have been serving for the past several years. The building renovation project will lend credibility to the church of Muslim converts which has been established. The Brunsons direct a team which includes Erik and Laurie Meberg and a number of non-ARP missionaries who cooperate in this ministry. Robert and Rachel Turner have expanded the church planting ministry to a second city and have already started to see spiritual fruit from their labors.

(c) Pakistan

A highlight of the past year has been the re-opening of the Pakistan field to World Witness missionaries. Although no Muslim field will ever be entirely safe, we believe that the security situation has improved sufficiently for the placement of long-term missionaries on this field. Ron and Pam Brunson are in the process of transferring to Pakistan as long-term missionaries. They will help supervise short-term missionaries as well as introduce new long-term missionaries to the field. Ron is directing the work at the Christian Hospital in Sahiwal and has overseen several improvements which are resulting in an increased patient load and income as well as significant decreases in expenses. As opportunities for open witness throughout Pakistan become more limited, the hospital will become a significant spiritual beacon and lighthouse where the light of the Gospel can be shared freely to all who come for treatment.

(d) Persian-language Ministries

One of the most exciting ministries in which Rev. Tat Stewart has been involved in is the broadcast of a "TV house church" program directly into Iran through satellite television. Through this and other means, Tat is able to deal with issues which emerging congregations are dealing with in a context of increasing oppression and persecution. The training of Iranian leaders and pastors continues through the Shaban magazine and seminars for the Persian-speaking diaspora. Tat continues to be in demand as a missions-conference speaker in several ARP churches.

Entry Ministries' to Post-Christian Europe

(a) Germany

World Witness missionaries have been seconded to a PCA-led team in Berlin for the past several years and have been involved in two of the five areas of that ministry. The Youth church ministry in Marzahn has been led by Heiko and Kay Burklin and has seen steady growth with 50 to 60 youth attending Sunday evening worship services. This year the team has been told that the YMCA facility which they have been using rent-free would no longer be available. The rental of a worship hall will result in a significant increase in expenses. The Family Center ministry in Prenzlauerberg has be-

come the focus of the majority of ARP missionaries. Judi Hodges has been leading the ministry and is returning for a year's sabbatical in June of 2006. Rebekah Carson will soon be joined by Jeff and Suzanne Allers.

(b) Russia

World Witness has spent much of the past year exploring how its Russian-language ministries can be coordinated with the Ukrainian ministry of First Presbyterian Church, Columbia. Don and Debbie Schwencer are involved in training lay leaders within Presbyterian churches south of Moscow. The development of training materials for the OPORA ministry to alcoholics and drug addicts has been completed. These materials continue to be taught as part of a non-profit outreach that extends to every part of the former Soviet Union. The OPORA program has recently expanded to include training committed Christians to partner with Operation Christmas Child in the long-term mentoring of orphans who have received the "shoebox" Christmas gifts. This ministry continues to need and deserve our long-term support.

Scott and Victoria Andes have been based in Almaty, Kazakhstan, where they continue to serve with the Saturation Church Planting program in the long-term mentoring of pastors and lay leaders who have received the initial training.

(c) Wales

Dottie Bigham has been joined by Andy and Nannette Howard over the past year. Their work involves the support of several evangelical churches in a land where the impact of the gospel was once vibrant and visible. There are several significant opportunities to reach the many children and youth who have had very little exposure to the Gospel. Nannette Howard is applying many of the programs used in OPORA in Russia to similar situations in Wales where the misery that accompanies sinful lifestyles has left a people in great need.

Maturity Ministries' to ARP Synods

(a) Mexico

The state of the ARP Synod of Mexico (IPAR) continues to be a matter of concern for World Witness. We are grateful for the assistance of the Inter-Church Relations Committee as we seek to strengthen ties between the ARP Synod and IPAR. The relationship appears to be improving. A five point agreement developed on March 31, 2006, between the ARP Synod and IPAR (for consideration by Synod) stresses equality, fraternity and cooperation at

the Synod level as well as jointly-supervised ministry at the local level. The IPAR delegates at the meeting stressed that the personal relationships with missionaries continue to be strong.

Jim and Gala Coad are based in Valles and work especially with church planting as well as training Huastecan pastors in outlying villages. Bill and Kathy Warner and Jeff and Sheila Osborne are based in Rio Verde and are involved in ministries to children in the city as well as in Camp Maranatha. Scott and Julie Moore are involved in developing the Maranatha church plant in the city of San Luis Potosi.

(b) Pakistan

This year the ARP Synod of Pakistan will celebrate its centennial. The Pakistan Synod would like to invite pastors and supporters from the US ARP Synod to join these celebrations from November 8 - 12, 2006. We rejoice in the faithfulness of the church and the protection of the Lord in allowing the ARP Synod to grow to approximately 100,000 members despite the hostile environment in which it exists. World Witness continues to support the Synod through the Christian Education Program taught by Margie Marsh and implemented by four presbytery trainers throughout the country. The training of young girls continues at the MLPS hostel in Sahiwal. The Synod also continues to seek the denationalization of the (Government) Girls High School on the mission compound.

Maturity Ministry' to Third World Seminaries

Dr. Jack Whytock is the team leader for the Mobile Theological Training Team which is in the process of establishing strategic relationships with a limited number of seminaries in Africa and the Dutch West Indies. The goal is to support the training of church leaders in their home countries with quality theological education so that it will not be as necessary to bring them to the US for further education. Approximately 80% of theological scholars from the Third World who train in the US remain in the US. The development of the MT3 team ministry will, we believe, make a significant contribution to reducing this figure.

Multi-ethnic Ministries

World Witness and ONA have worked to implement the 2005 Synod mandate to seek further opportunities for ministry among internationals in the national boundaries of the US. Initial discussions showed promise in the development of International churches along the I-85 corridor and this has become the primary focus for future exploration.

Short-Term Ministry

Ruth Bonilla has continued to develop programs which structure the training of students and other short-termers who plan to serve in Wales, Germany and Mexico on three-month to one-year short-term programs. In

addition, Ruth coordinates and facilitates the travel of these short-termers as well as larger church groups going overseas for shorter periods of time as well as assists in conferences and programs which reach out to new candidates.

Please see www.worldwitnessshortterm.com/ for the latest in short-term opportunities. Churches can send groups to Mexico and Wales, plus there are English camps looking for Christian volunteers in Berlin and Moscow.

Short term medical professionals are needed in Pakistan.

2006 Missions Conferences.

(a) World Focus, Bonclarken, July 28 – 30, 2006.

Every two years, World Witness sponsors this Missions Conference for the denomination immediately following the Family Bible Conference. This year's theme is: "His Glory Revealed: Our Vision Renewed." Dr. Glen Knecht will be the featured speaker.

Information is available at the World Witness website: www.worldwitness.org.

(b) Urbana Missions Conference, St. Louis, December 26 – 31, 2006.

World Witness is sponsoring a bus departing from Greenville. Please e-mail Ruth Bonilla at ruthw@worldwitness.org for more information.

(c) 2007 World Witness Board Meetings:

January 23 – 25, 2007 – Greenville, SC

April 10 – 12, 2007 – Bonclarken

October 2 – 4, 2007 - Bonclarken

Recommendations

1. That the Report of World Witness, the Board of Foreign Missions of the Associate Reformed Presbyterian Church, be adopted and printed in the Minutes of General Synod.
2. That the participating congregations of the General Synod be thanked for their prayer, encouragement, and financial support of World Witness, through the Denominational Ministry Fund, direct support of missionaries, and special offerings given in the past year.
3. That all congregations of General Synod be encouraged to increase their support of the missionaries and the work of World Witness so that existing opportunities for international ministry can be continued.
4. That special appreciation be extended to ARP Women's Ministries for their prayerful encouragement and financial support of World Witness and its missionaries throughout the year, especially the two women missionaries (Judy Hodges and Pam Brunson) who are partially supported through the Jubilee Birthday offering.
5. That the General Synod continue to remember retired ARP missionaries (Mrs P.G. Covone, Miss D. Dagenhart, Mrs J. Doudoukjian,

Rev. and Mrs Gary Letchworth, Mrs F. Y. Pressly, and Dr. and Mrs R. Young) with prayer.

6. That the proposed comprehensive 2007 Budget of World Witness, the Board of Foreign Missions, as included in this report and as amended by the 2006 Synod Report of the Board of Stewardship be adopted.
7. That Presbyteries and Sessions of the Associate Reformed Presbyterian Church be aware of the opportunities for missionary service among internationals overseas and in the US and be urged to assist in recruiting the personnel listed at the end of this report.
8. That Sessions and Missions Committees of the Associate Reformed Presbyterian Church encourage their congregations to attend the World Focus Missions Conference as a significant means of stimulating missions interest in the local church.
9. That the General Synod commend Frank van Dalen for his exemplary first year of service as Executive Director.

Personnel Needs.

Please see www.worldwitness.org for more information on mission opportunities.

Pakistan

1. Expatriate physicians in fields such as general surgery, internal medicine, general or family practice, pediatrics, OB/GYN, and orthopedics (short-term & long-term).
2. Expatriate medical staff, including nurse practitioner, midwives, physician assistant, anesthesia, surgical nurse, and teachers (short-term & long-term).
3. Chaplain for the hospital which includes overseeing national pastors as they do outreach to patients.
4. Theological Educators and trainers for Discipleship Training Programs.

Mexico

1. Theological Educators and church planters
2. Mature Christians to be members of a Discipleship Training Program
3. Church program trainer/developer (CE/Youth/Sunday School/Children's ministry)

Russia

1. Experienced Pastors/laypersons to teach in training centers for national church leaders
2. Trainer/Discippler/English Ministry
3. TESOL (Teaching English as a Second Language) trained people to coordinate outreach programs
4. Christian Education Trainer/Developer
5. Administrator/encourager/promoter for OPORA

Turkey

1. TESOL teacher to teach Bible students English for two years

2. Students interested in learning Turkish and building relationships with nationals
3. Persons with a heart for evangelism to be trainers/mentors in church planting teams
4. Certified teacher for missionary kids
5. College interns for two-year campus ministry
6. Church planters

Germany

1. Theologically trained person to help administer and develop multi-faceted training programs in theology, practical ministry, and church planter training
2. Children and youth workers, including one-year internships (e.g. in sports ministry)
3. Youth church planters for Marzhan ministry team

Wales

1. Theological Educator
2. Youth and children's workers
3. Christian Education Trainer/Developer
4. College interns for 1 to 2-year campus ministry
5. Trainers in discipleship and evangelism

ARPCConnect

1. Individuals with a burden to see Muslims come to Christ to work as Area Representatives of ARPCConnect. Such individuals may minister as retired volunteers or as staff members.

Respectfully submitted,
John C. Dorr, Jr.
Chairman of the Board of World Witness

Following announcements, the morning session closed with prayer and the blessing by Bill Prince.

**Thursday, June 8, 2006
2:00 P.M.**

Frank van Dalen led the opening worship service.

Conrad Cheatham led in prayer for John Little.

A motion carried that Mr. van Dalen's address be printed in the Minutes. (See Appendix)

G. J. Gerard presented the Report of the **Committee on Nominations**. Recommendations 1-8 were adopted.

REPORT OF THE COMMITTEE ON NOMINATIONS

The Committee on Nominations met on Monday, February 13, 2006, at 9:30 AM at the ARP Center in Greenville, SC. Vice-Chairman Rob Roy McGregor called the meeting to order and opened with prayer. Earl Linderman

gave a devotional message.

Committee members present were Bob Johnson (Florida Presbytery), Bill Harris (Virginia Presbytery), Andrew Putnam (Catawba Presbytery), Earl Linderman (First Presbytery), David Griffin (Mississippi Valley), Fred Hartin (Tennessee-Alabama Presbytery), Nancy Corbitt (ARP Women's Ministries), and Rob Roy McGregor (Second Presbytery). Although unable to be present because of weather conditions, G.J. Gerard (Northeast & Canadian Presbyteries Representative and Committee Chairman) made two phone calls into the meeting. The representative of Pacific Presbytery was absent. Also present were Bill Evans (Synod Moderator) and Wilfred Bellamy (Synod Coordinator).

The nomination process proceeded, working on a consensus basis. At the conclusion, a motion to approve the slate of nominees passed.

The Committee presents the following nominees for service on Boards, Committees, the Ecclesiastical Commission on Judiciary Affairs, and as officers or representatives of the General Synod. The terms of service will begin July 1, 2006, and will expire June 30 of the year indicated. All nominees have indicated a willingness to serve if elected.

Benefits

2010 — Janet Taylor (Greenville) (WM) (Replacing Hazel Bryan)

2012 — Guy H. Smith, Ivor Rich (Oconee)

Bonclarken

2012 — Clint Davis, John Cerny (Highlands), Lou Ann Aheron (Ebenezer, SC)

Covenant Discipleship

2012 — Charles W. (Chad) Reynolds

Erskine

2008 — Judy Boyd (Non-ARP) (Replacing T. C. Parks)

2012 — Stephen J. Maye (All Saints), W. Randolph Folks, Jr (First Columbia), Joe H. Patrick, III (First Rock Hill), R. Edward Spencer, Raymond W. Cameron, Jr.

Outreach North America

2008 — Wesley G. Spring, Jr. (Lake Placid First) (Replacing Joe Welsh)

2012 — Fred Hartin (Pressly Memorial, AL)

Publications

2007 — Charles Roberts (Replacing Anthony Cowley), Ann Tankersley (Devenger Road) (Replacing Richard Frisbie)

2010 — Peggy Gray (New Sterling) (Replacing Delores McDonald)

2012 — Walter Payne, Jr. (Gastonia First)

Stewardship

2011 — Robert B. Elliott, III

2012 — Jeff Lipscomb (Coddle Creek)

William H. Dunlap Orphanage, Inc. (*Submitted by Presbytery to be Appointed by Synod)

2010 — _____ (P*)

2012 — Susan Jenkins (Pisgah) (WM), Jim Kidd (Fayetteville) (T)

World Witness

2012 — Cecil L. Pruette (Tirzah), Robert Belding (Columbia First)

Ecclesiastical Commission On Judiciary Affairs

2010 — Jim Klukow, David W. Smith, III (Gastonia First)

Inter-Church Relations

2012 — Tom Shoger, Kyle Sims

Investment Committee

2011 — John Knox McGill (Gastonia First))

Lay Ministry

2010 — Sue Roberson (Covington, TN), John Barron (Rock Hill First), John Lutz (Pisgah)

Theological and Social Concerns

2007 — _____, Erskine Seminary Representative

2010 — Robert Alexander (Rock Hill First), James Wittke

Worship

2010 — Gregory Reynolds (Neely's Creek), Kelvin Monteith (Gastonia First)

The following Presbytery appointees/representatives are reported as information:

Covenant Discipleship

2007 — Robert Whittet (N)

2008 — Charles T. Lewis (FL), David Vance (V)

2009 — Charles Kocisek (T), J. Barry Dagenhart (C), Tim Watson (F), Anthony Locke (S)

2010 — John Tucker (MV)

Unknown: _____(P), _____(A)

Executive Board of Synod

2007 — C. Earl Linderman (F), William B. Patrick, Jr. (S)

2008 — Calvin Todd (T), David Hayslett (V), _____(Layman-P)

2009 — Carl Geisik, (M), David Hawes (N)

2010 — Guy Smith (C), Jeff Kingswood (A), R. Paul Johnson (Layman-FL)

Outreach North America, The Board of Church Extension

2007 — Mark Bolhofner (FL)

2008 — Jim Wittke (N), Legrand Payne (F), Jack Basie (C), John van Eyk (A), David Warf (V)

2009 — Tim Phillips (M)

2010 — William E. Slattery (S), Teddy Ray (T), Hae Soung Kim (P)

Board of Stewardship

2007 — Paul Burns (Donald Hampton, Alternate) (V), Daniel Hazen (T)

2008 — Paul Matthews (N), Martin L. Taylor (C), John C. Giddens (F)

2009 — Eldredge Kelley (S)

2010 — Martha Dees (MV)

Unknown: _____(P), _____(A), David Walkup (FL)

Committee on Minister and His Work

2007 — Conrad E. Cheatham (M), William R. Roberts (C), Steven Cavallaro (FL), Lee Shelnett (F)

2008 — John D. Cook (S), Charles Edgar (T), Herschel Carlson (N), David Blugerman (V)

Unknown: _____(P), John Shearouse (A)

Committee on Nominations

2007 — William Harris (V), G. J. Gerard (N)

2008 — David Griffin (M)

2009 — Andrew K. Putnam (C), C. Earl Linderman (F), Nancy Corbitt (WM)

2010 — William C. Marsh (S), Fred Hartin (T)

Unknown: _____(P), John Krieg (FL), _____(A)

Officers of Synod:

2010 — **Reading Clerk:** Charles F. Edgar

2010 — **Assistant Clerk:** John D. Cook

Officers elected for July 1, 2006 - June 30, 2007: G.J. Gerard, Chairman
Earl Linderman, Vice-Chairman
David Griffin, Secretary

The Nominations packets for 2007 will be mailed in September 2006. The deadline for submission of nominees will be January 2, 2007. The Committee will meet February 12, 2007, 9:30 A.M., at the ARP Center, Greenville, SC.

Recommendations

1. That those persons listed in this report be approved for service in the positions indicated.
2. That each person or group desiring to submit a nomination review carefully the "Guidelines For The Committee on Nominations" found in the *Manual of Authorities and Duties*, to be sure the nominee meets the standards established by Synod.
3. That each Session, Pastor, Board and Committee make a greater effort to identify qualified persons who are willing to serve on the various Boards and Committees of Synod, and to submit the names of these individuals to the Committee on Nominations.
4. That each Presbytery be reminded to consider appointing an alternate representative to Synod's Committee on Nominations in the event that the chairman of a presbytery Committee on Nominations is not able to attend Synod's Committee meeting.
5. That Presbyteries consider making Recommendations for Service during their Fall meetings.
6. That Sessions consider making Recommendations for Service during their November and December meetings.
7. That those making Recommendations for Service to the Committee (by mail or on-line) remember the need to use the proper form, and to provide helpful information concerning the qualifications for each

person recommended.

8. That the General Synod authorize \$5,000 for Committee expenses in 2007. (NOTE: See Approved Recommended Allocations)

Respectfully submitted,
G. J. Gerard, Chairman

The **Report of the Board of Benefits** was presented. Chairman Guy H. Smith reported on activities of the Board.

The **Moderator's Committee on Benefits** recommended the adoption of recommendations 1-6. Recommendations 1-6 of the Board of Benefits were adopted. An additional recommendation of the Moderator's Committee was adopted.

That Synod commend Ed Hogan and those on the board for taking interest and looking after our families.

REPORT OF BOARD OF BENEFITS

"Thank you, thank you, thank you for the recent gift you sent through the Christmas Benevolent Fund Offering. When my husband was alive and well, I used to think what a good gesture this is. Now that I am widowed I praise the lord for the gifts we receive and/or are able to give to others in our large extended family." *Widow of Former Minister*

"Please express to them my gratitude. The people of our denomination are very generous in their giving through the annual Christmas Benevolent Fund. I am grateful God called me to serve as a minister in the ARP Church. God has been and continues to be good in His greatness and great in His goodness." *Retired ARP Minister*

The Board of Benefits ("Board") is the conduit for the ministry of the churches in the areas of benevolence, insurance, and retirement. The Board expresses its profound gratitude for the privilege of service and thanks **you** that we can receive on your behalf, the gratitude of those we serve. We covet your continued prayers and earnestly invite and encourage churches and individuals to supplement the Board's efforts in the ministry of caring.

The Board met on two occasions since the last meeting of the General Synod and we share with you our activities and plans.

Audit and Financial Statements

The independent certified public accounting firm of Ron Millard, CPA P.A. audits the financial activities of the Board. The auditor's report for the **Associate Reformed Presbyterian Retirement Plan** is issued to each mem-

ber of the Board and is submitted with the official report of the Board to the General Synod. It is also available for review at the ARP Center, Greenville, SC. The other financial activities of the Board are included in the General Synod Audit.

Benevolence

Christmas Benevolent Ministry

Gifts received through the Thanksgiving Offering, the J. C. Lott Endowment, the Christmas Benevolent Fund Endowment, and interest earned on funds held for distribution make possible a ministry to many retired servants of the Church. These funds are used:

- a. To continue the benefit to widows who had been receiving support from the Widow Benefit Fund. This fund was exhausted during 2000. Three widows continue to receive an average of approximately \$250 per month.
- b. To provide support and love gifts to individuals who
 - Qualify to receive a retirement benefit from the ARP Retirement Plan or are receiving a disability benefit payment under the General Synod's disability program; **and**
 - were actively employed in the denomination immediately prior to retirement or disability; **and**
 - have served a minimum of five years' active service in the denomination; **or**
 - are a surviving Spouse of a qualified participant, or, if receiving a survivor benefit, was the Spouse when the participant died.

Each Fall the Board contacts all eligible participants to see if they wish to apply on the basis of financial need. Those who feel that they qualify on a need basis are asked to submit financial information.

After funding the Widow Benefit Fund distributions, priority is given to the needs of those who demonstrate financial need and whose family assets are less than \$50,000 (\$70,000 if the individual or family does not own a residence). "Need" is defined as the difference between total family income and 200% of the Government Subsistence Level. The income of all family members residing in the household is included in total family income. There is a maximum monthly benefit of \$500.

A total of \$50,455.45 was available for distribution during the December 2005 - November 2006 period, as compared to \$39,361 approved in the preceding period. \$8,545.92 was allocated for the Widow Benefit Fund distributions. At the time the 2005 - 2006 distributions were approved

	<u>Last Report</u>	<u>This Report</u>
Eligible Family Units	106	106
Need Based Applications	5	5
Widow Benefit Fund Participants	3	3
Need Based Grants	2	2
Other Grants	90	92

There was a dramatic reduction in the Christmas Benevolent Fund offering from congregations during 2005 - \$29,687 as compared to \$43,593 in the prior year. This will impact the gifts normally provided for those that share after funding for the Widow Benefit Fund participants and for those that have expressed needs.

Pastors and clerks of churches where eligible participants attend or have membership are encouraged to help the Board in this ministry. Please encourage those who might have financial need to make application for assistance. A copy of the correspondence sent to eligible participants and a directory of eligible participants are mailed annually to each church.

Helen W. Carson Widow Assistance Fund

The income from the Helen W. Carson Fund is to be used to provide financial support for the widows of ministers of the Associate Reformed Presbyterian Church who have dependent, unmarried children who are full-time elementary, secondary, college or graduate students **and** are between the ages of 16 and 25.

Widows with eligible dependent children will be informed of this policy immediately following the death of a minister. If the funds are not needed for this purpose, a portion equal to the Consumer Price Index is added to the corpus of the fund, with the balance of the unused income allocated for the widows in the Widow Benefit Fund so long as funds are needed for that purpose.

Insurance

The goal of the Board in the area of insurance is to provide meaningful security at a cost that the churches and agencies of Synod can afford without causing undue hardship on the participating employees. It is becoming more difficult each year to control these costs and the Board makes an effort to balance cost and benefits.

Coverage and Eligibility

The group insurance program provides the following coverage opportunities:

Employee Category	Medical	Dental	Term Life	Accidental Death	Long Term Disability
ARP Minister Serving Under Call	Yes	Yes	Yes	Yes	Yes
Non-Ordained Employees of Churches	Yes	Yes	Yes	Yes	Yes
Employees of General Synod Agencies*	Yes	Yes	Yes	Yes	Yes
Employees of Due West Retirement Center	Yes	Yes	Yes	Yes	Yes

Retired Employees	Yes**	Yes**
ARP Seminary Students	Yes***	Yes***

* Missionary Employees of World Witness stationed outside the United States have a separate medical and dental benefit program. Erskine Employees have a separate Long Term Disability Program.

** Retired employees (and dependents if the employee had dependent coverage at the time of retirement) may continue dental insurance for a maximum of 18 months or to the date they reach the Medicare eligibility age, whichever occurs first. Medical coverage for retired employees may be continued to Medicare eligibility age provided:

- The retiree has been a participant during the five-year period preceding retirement; and
- the retiree is at least age 55 and the years of continuous service and age are equal to or greater than 65; and
- the retiree is not eligible for other coverage as an employee.

If the retiree has dependent coverage at the time of retirement and the employee reaches Medicare eligibility age before a covered dependent, the dependent may continue coverage at the employee rate until the dependent reaches Medicare eligibility age.

If the retiree does not meet the eligibility above, coverage may be continued for a maximum of 18 months.

*** ARP Seminary Students will have a second eligibility period at the time they qualify as an employee.

Non-ordained employees of local churches, employees of General Synod Agencies, and employees of Erskine College must be scheduled to work at least 30 hours per week to be eligible.

Coverage for Erskine employees and all salaried employees begins on the date of employment. Coverage for non-Erskine hourly employees begins on the 91st day of employment.

All eligible employees are automatically enrolled in the life (and dependent life if the employee has dependents), accidental death, and long term disability. Medical and dental insurance coverage is conditional on the employee enrolling within the first 30 days of eligibility.

Employees that fail to enroll for **medical** insurance within the grace period **are not** permitted to enroll at a later date unless the following conditions are met:

- a. The employee
 - had other creditable coverage at the time he or she became eligible for our coverage and waived medical coverage on the basis of having other creditable coverage, **and**
 - loses other coverage for reasons other than failure to pay premiums or for cause, **and**

- requests enrollment within 31 days of the loss of other coverage;
OR

- b. The employee adds a dependent either by marriage or birth or adoption of a child. If the employee is a participant, dependent coverage may be added. If the employee has not enrolled both the employee and dependents may enroll. Enrollment must be completed within 31 days of the qualifying event.

Eligible Dependents that were not enrolled when first eligible may be enrolled at a later date as outlined above **OR** if the employee has enrolled in the program and

- a. dependent coverage was waived on the basis of coverage under another group plan, **and**
- b. coverage is lost for reasons other than failure to pay premiums or for cause, **and**
- c. there is a request to add dependents within 31 days of the loss of coverage.

Employees that fail to enroll for **dental** insurance within the 30-day grace period may enroll under the conditions outlined for medical coverage. Additionally, there will be an open enrollment period for dental insurance each December for coverage to become effective January 1 the following year. Coverage for employees and/or dependents enrolling during this open enrollment period is limited to the preventive care during the first year of coverage.

IT IS CRITICALLY IMPORTANT THAT EMPLOYING AGENCIES, CHURCHES AND PRESBYTERIES BE AWARE OF THE ENROLLMENT REQUIREMENTS. ALL ELIGIBLE EMPLOYEES MUST BE GIVEN THE OPPORTUNITY TO ENROLL. THE BOARD NEEDS TO BE NOTIFIED WHEN A NEW, FULL-TIME EMPLOYEE IS HIRED.

Benefit Consultant

For several years the Board has retained Gallagher Benefit Services as consultants and broker for the insurance programs. **On an annual basis** Gallagher goes to the market place for competitive bids from re-insurers (for specific claims that exceed a specified limit and for aggregate claims if they exceed 125 % of the expected claims). At the end of contract periods, Gallagher goes to the market place for quotes on fully insured plans (Employee Life and AD&D, Dependent Life, and Long Term Disability.) On instruction from the Board, Gallagher seeks proposals from Third Party Administrators (TPA's) for comparison to the current TPA.

In addition, Gallagher advises the Board

- a. on plan design changes that have potential for impacting future plan costs and

b. on changes in federal and state guidelines

The skills and expertise of Board members is critically important to the efforts of the Board to design and present meaningful programs. Members bring not only professional skills, but also an awareness of needs and concerns being expressed locally.

Medical Program

There is good news – at least temporarily. After four consecutive years in which medical costs exceeded premiums collected (1999 – 2002), premiums have exceeded costs for the past three plan years (August 1 – July 31). This has allowed medical and dental premiums to remain stable since October 2003 AND has allowed the reserve to increase to a more prudent level.

The bad news is that medical costs continue to increase. Current projections for trend: Medical – 12.1%, Drugs – 16%, and Dental – 6.6%. These increases in services will be reflected in costs as medical services are used. The increase in our reserves, reflecting good claim experience, has permitted the Plan to absorb these increases for the past two years. At the present time, we do not see the necessity of any increase prior to January 1, 2007 and, if claim experience continues to be favorable, premiums may be able to remain stable for 2007.

Medical, which includes the drug prescription program, is partially **self-insured**. A portion of the premium is used to purchase reinsurance, a portion is used to pay administration cost to the Third Party Administrator and the balance is retained to pay the medical, and drug claims. The following represents the medical/dental expense breakdown for the past four calendar years:

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Paid Medical Claims	\$ 2,815,163	\$2,768,162	\$2,640,707	\$ 2,185,020
As % of Premiums Collected	91.20%	74.34%	71.19%	61.35%
TPA, Reinsurance ¹	\$ 310,274	\$ 341,415	\$ 308,241	\$ 276,431
As % of Premiums Collected	10.05%	9.16%	8.31%	7.76%
Access Fees to Preferred				
Providers	\$ 34,932	\$ 17,218	\$ 36,871	\$ 64,326
As % of Premiums Collected	1.13%	.46%	.99%	1.81%
HealthStat	\$ -	\$ -	\$ 32,891	\$ 40,018
As % of Premiums Collected	0.00%	0.00%	.89%	1.12%
Administrative Costs ²	\$ 34,239	\$ 45,667	\$ 36,495	\$ 35,303
As % of Premiums Collected	1.11%	1.23%	.98%	.99%
Change in Reserve	\$ <107,865>	\$ 551,380	\$ 654,386	\$ 960,397
As % of Premiums Collected	<3.49%>	14.81%	17.64%	26.97%
Total Medical/Dental Prem.	\$ 3,086,743	\$3,723,842	\$3,709,591	\$ 3,561,495

¹Payments to Third Party Administrators and insurance for individual medical claims that exceed \$85,000 and aggregate claims that exceed

125% of expected claims
²Represents General Office costs plus Insurance portion of Administrative Services Budget

In addition to the unused premiums added to the claim reserve, interest and miscellaneous receipts added an additional \$59,773.

Usage has and will continue to drive the premium cost. As hospitals and physicians charge more, as the cost of drugs increase, and as utilization increases costs will continue to rise. While most of these factors are outside the control of individual participants, there are ways in which participants can help control costs:

- a. monitor claims to make sure that the charges submitted are justified and accurate
- b. be active participants in determining health care by asking for explanation of recommended tests (make sure the physician is not ordering tests just for his protection)
- c. use the mail order for maintenance drug prescriptions and ask for generics vs brand names.

A second medical plan was first offered in January 2003. This plan increases the single deductible from \$750 to \$1,250, the family deductible from \$1,500 to \$2,500, and the out of pocket maximums to \$5,000 for single and \$10,000 for family. There is an annual savings in family premiums of @ \$ 640 for the increased risk.

A Health Risk Management Program (HealthStat) was implemented at Erskine College in January 2004, open, initially, to employees at Erskine College/Seminary and employees at the Due West Retirement Center. The primary objective of the service is to detect disease symptoms early before they evolve into significant acute care illnesses. A nurse practitioner is available on Tuesdays (1 – 5 PM) and Thursdays (7:30 – 11:30 AM). These hours may be adjusted from time to time.

A more aggressive effort will be made to encourage other participants in the area to utilize HealthStat. The program is now open to dependents and our benefit consultants are studying the feasibility of offering the program in other areas for health screening, possibly in conjunction with Presbytery meetings. The Plan will pay the initial cost of @ \$20 for the health evaluation for the employee and spouse (there is no screening for dependent children.) The screening will now include PSA screening for males over age 40. There is no cost for subsequent visits to the nurse practitioner for routine office visits. Erskine, on behalf of the Plan, has developed an on-line appointment program. While directly benefiting only a portion of the covered participants, the potential impact on claims will be beneficial to the entire group. Grateful appreciation is expressed to Jeannie Wells, Erskine College Human Resource Director, for her role in the implementation of this program.

The medical insurance is renewed in August each year and it has been the practice of the Board to delay implementation of increases as long as possible. The **projected** costs for the year 2007 will be submitted to the churches as soon as possible after the August 1, 2006, renewal date.

Additional information on the group insurance program can be accessed through our web-site: www.arpsynod.org/benefits.html.

Medical Plan Viability

The medical plan has had a slight increase in the number of participants since our last report. During the past few years the average number of participating employees has dropped from 425 for plan year 2000 – 2001, to 403 for plan year 2003 – 2004, to 363 for plan year 2004 – 2005, to 365 for the 9-month period August 2005 – April 2006. At the time of this report there are 376 participants.

The losses generally represent a loss of younger and healthier participants, thus increasing the cost (and potential for greater cost) for those remaining in the group. In time, the overall cost to the churches and agencies in the General Synod would be greater as separate groups than would be the cost if group integrity can be maintained. Additionally, we could come to the point that cost for the smaller, older, less healthy employees will make it impossible to maintain a group program.

Dental Program

The dental plan is a self-insured plan and Kanawha serves as the Third Party Administrator for claim payment. Dental claims are not included in the aggregate stop-loss insurance coverage. There has been no change in dental coverage or premiums.

Life, Accidental Death and Long Term Disability

These programs are fully insured and effective January 1, 2006 the plans covered all eligible employees. In the past participation has been limited to those persons enrolling in the Medical Plan. MetLife is the carrier for these ancillary benefits. The Board is considering an increase in the dependent life from \$2,000 to \$5,000.

HIPAA Privacy

As a self-insured Plan, the primary focus for our Plan pertains to the protection of Personal Health Information (PHI). The Plan Document has been amended to reflect privacy issues, all Health Plan participants have been given a Privacy Notice and Plan Document, training has been conducted for “health plan workers” at the ARP Center, and security policies and procedures have been developed. Business Associate Agreements have been implemented outlining acceptable usage of PHI by the TPA and consultants. Individual PHI may be used without the participant’s consent for Treatment, Payment and Health Care Operations (TPO). The use of PHI for any other purpose must have the written authorization of the participant. Ed Hogan, Director of Administrative Services and Board Secretary, has been

appointed Privacy Officer and all questions related to PHI should be addressed to him.

Retirement

The Associate Reformed Presbyterian Retirement Plan is a qualified, non-contributory, defined benefit plan. The Plan covers

- a. salaried, ordained ARP ministers serving in the pastoral ministry of the Church under the provisions of a Call approved by a Presbytery of the Church,
- b. career missionaries appointed by World Witness, and
- c. salaried employees of the Synod or Synod Agency serving in a supervisory capacity.

Eligibility for ministers serving in the pastorate is tied to a "Call." The Plan Text defines "Call" as follows:

CALL: As set forth in *The Form of Government of the Associate Reformed Presbyterian Church*, the process and written document for establishing and maintaining an Employee relationship with a salaried, ordained minister of the Church serving in a pastoral ministry of the Church..."

Included in this report is a listing of ministers serving in the pastoral ministry of the church that have not yet enrolled in the Retirement Plan. Except for those ministers in Pacific Presbytery, presbytery minutes reflect that a "call" was presented. Under the provisions of the Plan, **all salaried ministers serving in the pastoral ministry of the Associate Reformed Presbyterian Church under the terms of a call approved by their presbytery are covered.** These ministers are Participants in the Plan during the first year of ministry, even if the church fails to make contributions or the minister does not enroll. Eligible employees are required to complete an enrollment form for formal entry to the Plan. If an eligible employee fails to enroll within the first year of service, participation is suspended with the following implications:

- a. The employee ceases to accrue credit for Service and Earnings and
- b. in the event of death, the Spouse would not receive the lump-sum death benefit nor the survivor income benefit (a monthly benefit equal to 20% of monthly Earnings to a maximum benefit of \$800 per month) payable to age 65, with an additional 10% of monthly Earnings while there is a dependent child or children, with a maximum monthly benefit of \$1,200.

Some presbyteries have been extending calls that fail to include provision for contributions to the General Synod in support of the Retirement Plan, characterized as "tent-making" or "bi-vocational" calls. The purpose seems to be an effort to eliminate the requirement of Chapter X.E.11 of the Form of Government to include in the call provision for contributions for support of the Retirement Plan. The Committee on Minister and His Work has implied that the desire (need?) for such calls may increase in the future.

A Plan change was approved last year to remove the exclusion for employees whose customary employment is less than 1,000 hours in a Plan Year.

The General Synod also approved, for overture to the Presbyteries, a change in the Form of Government that will permit a Call to a minister to serve as an “evangelist” without the provision for contributions for the Retirement Plan.

Employees of Erskine College and Erskine Theological Seminary are not included in the Plan as they have a separate retirement plan. Effective January 1, 2004, employees serving in the pastoral ministry outside the United States are no longer eligible to enroll in the Plan. Those previously enrolled who have not been terminated from the Plan will accrue credit for Service for vesting purposes. Calls to ministers serving in the pastoral ministry outside the United States must provide for contributions to a locally-accredited and registered retirement plan approved by the presbytery extending the Call.

Churches and presbyteries are reminded of the provision in the Form of Government (Chapter X, E, 11) that requires a Call to have provision for the church to make contributions to the General Synod in support of the ARP Retirement Plan. The Form of Government requires the Plan to place a Participant on a Leave of Absence status if the terms of a Call (with respect to contributions for the ARP Retirement Plan) are not being met. If a church or agency fails to make contributions for a period of one (1) year, notice will be given to the Participant, to the Clerk of Session, to the Clerk of Presbytery, and to the Chairman of the Presbytery Committee/Commission on Minister and His Work. The failure to meet the terms of the Call within a period of one year from the date of notice will result in the placing of the Participant in a Leave of Absence status until the terms of the Call have been met. In a Leave of Absence status, the Participant does not accrue credit for Service or Earnings, is not covered for the Death Benefit, and is not covered for the Survivor Income Benefit.

Participants may retire as early as age 60, with the Normal Retirement Age being 65. Participants who are at least age 64 and who have at least 25 years of Credited Service may retire at age 64 without an actuarially reduced benefit. The Normal Form of Retirement is an annual benefit equal to 3.1% of total career Earnings paid on a monthly basis for the lifetime of the Participant.

If there is a Spouse at the time of retirement, and unless the Spouse has consented in writing to another form of benefit, the benefit paid to the retiring Participant will be actuarially reduced. If the Spouse survives the retired Participant, the Spouse will begin receiving a benefit equal to one-half the benefit received by the retired Participant. With the written consent of the Spouse, the joint and survivor benefit can be changed from the one-half continuation rate to a 2/3, 3/4 or full continuation rate. It is also possible for the Spouse to reject the joint and survivor annuity, with the retired Participant receiving a lifetime annuity. The Board encourages **great caution** in the elec-

tion of this type of benefit.

All benefits are taxable, but for ordained Participants, 100% of the benefit is designated as a housing allowance and is non-taxable to the extent that it is used for that purpose. Board procedures have been established to require third-party verification of ministerial status at the time of retirement for former Associate Reformed Presbyterian ministers. The Form 1099-R to retired ministers lists the benefit payments as "Taxable Amount Not Determined." Retired ministers have been given a copy of the Housing Allowance Resolution and this may need to be filed with their tax return.

The Retirement Committee of the Board of Benefits serves as Administrator of the Plan.

Retirement Plan Trust

SunTrust Bank, Atlanta, serves as Trustee of the Plan and its affiliate, TRUSCO Capital Management, handles investments. Deutsche Banc Alex. Brown has served as an investment consultant to provide performance measurement and monitoring and to assist the Retirement Committee in developing and maintaining investment guidelines. Compensation for the investment consultant has been through directed trades.

The Board of Benefits will be using the newly formed General Synod Investment Committee to oversee the investments of the Retirement Plan Trust. The Board has granted the Investment Committee the following authority:

- a. To make changes in investment managers
- b. To make changes in asset allocation to meet the investment objectives established by the Board of Benefits.

The Board will continue to set the investment objectives and will retain control over the Trustee relationship. The Investment Committee will be expected to

- a. Notify the Board of Benefits of changes in investment managers and/or changes in asset allocations, and
- b. To have a member of the Committee meet with the Retirement Committee of the Board.

The Chairman of the Retirement Committee has been designated as the Board's Advisory Member to the Investment Committee.

At December 31, 2005, invested net assets available for benefits, on a market basis, totaled \$36,675,365 as compared to \$35,311,269 at December 31, 2004 and \$32,336,798 at December 31, 2003.

Calendar year 2005 resulted in a return on investments of 5.02% as compared to a benchmark of 4.69%. The Retirement Plan Fund is expected to exceed benchmark returns over a five-year time period or a full market cycle. The benchmarks are: 30% of the S&P 500/Barra Growth, 18% of the S&P 500/Barra Value, 6% of the S&P 600 Small Cap Index, 6% of the MSCI EAFE

Index (international stocks), and 40% of the Lehman Brothers Government/Credit Bond Index. These benchmarks became applicable for the first quarter 2000. Benchmarks for the 5-year and 10-year periods are based on 60% S&P 500 and 40% Lehman Brothers.

	<u>1 Yr</u>	<u>3 Yrs*</u>	<u>5 yrs*</u>	<u>10 Yrs*</u>	<u>From 9/30/83</u>
Total Portfolio	5.02%	11.07%	4.56%	9.0%	11.80%
Benchmark	4.69%	10.85%	3.62%		

* Annualized returns

The General Synod funds the Plan, primarily from contributions made by churches and agencies of the General Synod. The General Synod, on recommendation of the Board, establishes contribution guidelines to ensure adequate funds. The current guidelines ask that churches and agencies contribute 8.5% of the Participant's Earnings. Because of regulations governing qualified plans, the Earnings recognized for Retirement Plan purposes are limited to an amount not to exceed the threshold established for Highly Compensated Employees (HCEs). The maximum Earnings for 2004 was \$90,000 but increases to \$95,000 for 2005. This amount is subject to annual adjustment by the IRS.

All funds received for this purpose, except for direct expenses for Plan maintenance, are transferred to the Trustee for investment. For 2005:

Contributions from Churches	\$ 775,048.80
Contributions from General Synod Agencies	169,318.34
Ola B. Hunter Trust	<u>1,857.29</u>
Total Receipts	<u>\$ 946,224.43</u>
Actuarial Expenses	\$ 0.00
Administrative Support & Miscellaneous	34,568.54
Attorney Expenses	684.10
Audit Expenses	<u>1,775.00</u>
Total Expenses	<u>\$ 37,027.64</u>
Transfer to Retirement Plan Trust	\$ 909,196.79

Actuarial Valuation

Hunt, DuPree, Rhine & Associates, Inc., a Wachovia Company, is the Plan actuary. The Plan is required to have an actuarial review every three years to determine the minimum contribution level required to maintain the Plan on an actuarially sound basis and to determine if it is possible to provide a change in the benefits. The tri-annual review was conducted for the Plan Year beginning January 1, 2006.

The Actuarial Report was presented to the Retirement Committee April 20, 2006. A copy of the report was made available to all Board members and will be submitted with the official report to Synod. Additionally, a copy of the report will be posted on the Board of Benefit web-site.

The ARP Retirement Plan Fund has been determined to be actuarially sound and if the actuarial assumptions are met in terms of contributions and earnings, the Plan will be able to meet all present and future obligations.

The actuarial review revealed that the fund does not have the necessary assets to increase the defined benefit for both those currently retired and for those that will retire in the future. While the three-year fund performance has **exceeded** the investment benchmarks for the period since the last review, it was below the actuarially assumed return of 8%, making it actuarially unsound to change the defined benefit. The Retirement Plan Trust is sufficiently funded to allow a 6.9% increase in future benefits paid to those that will be receiving retirement benefits as of July 1, 2006. Participants retiring after July 1, 2006 will continue to receive a benefit based on 3.1% of Total Career Earnings.

Plan Change

Amendment Number Five is offered to provide an increase in benefit for Participants and/or survivors of Participants that will have retired from active service on or before July 1, 2006. The Amendment does not change the defined benefit (3.1% of Total Credited Career Earnings) and is not extended to former Participants that incurred a "termination of employment" prior to retiring.

Changes in Retirement Plan Participation

The following changes for the period January 1, 2005-December 31, 2005, are reported for historical purposes. Some changes not previously reported are included:

- a. Active Participant and/or widow of deceased Participant retired: Shadrach Chung (9/1/05); John R. de Witt (10/1/05).
- b. Terminated Participant retired: R. W. Dickson (2/1/05); G. J. Gerard (12/1/05).
- c. Active Participant lost by death: John H. Ball, III (1/28/05).
- d. Retired Participant and/or Widow of deceased Participant lost by death: James H. Boyce (2/21/05); William O. Ragsdale (7/8/05); Onesimus J. Rundus (7/11/05); Mrs. P. L. (Margaret E.) Sherrill (4/23/05); W. B. Sutherland, Jr. (3/25/05).
- e. Inactive Participant lost by death: None
- f. New Participants: Joseph N. Alghrary (7/1/05); George Busch (12/1/05); Rebekah J. Carson (1/1/05); Clint H. Davis (6/27/04); William H. Elder, Jr. (8/30/04); Evan B. English (1/9/05); Sinclair B. Ferguson (12/18/05); Bryan R. Gregory (12/4/05); David S. Hong (5/10/05); John C. Kim (11/30/04); Sung Gu Kim (1/1/05); William C. Marsh (6/26/05); Joseph S. Moore (8/28/05); William C. Sutherland (8/1/05); John W. Uhl (1/1/05); W. Howard Wheeler (10/16/05); James C. White (9/1/04); Robert C. Wilson (6/1/05).
- g. Participants with prior credit for Service and Earnings accumulating Credited Service as an employee of Erskine (E), as a Military Chaplain (C), or as a Participant serving in the Pastoral Ministry outside the United States (P): R. K. Barnes (P); R. W. Bell (E); L. Paul Burns (C); G. G. Cotton (C); H. N. Gaston (E); L. E. Hamrick, Jr. (C); J. M. Hendrick

- (C); James P. Hering (E); M. A. Kelly (C); M. R. Kiefman (C); P. G. Patrick (E); Mark E. Ross (E); D. M. Schwabauer (C); J. R. Shearouse (P); J. T. West (E); R. D. White (E); M. E. Yarman (C).
- h. Participant reinstated to active participation or had prior Credited Service and Credited Earnings restored as continuous: G. G. Cotton; C. D. Trimmier.
- i. Participants not accumulating Credited Service and employment shall be deemed to terminate if the Participant retires, is removed or transferred from Roll of Presbytery, or fails to accumulate an additional Year of Service by the end of the calendar year indicated: A. E. Basham (2020), J. W. Berry (2014); T. A. Bloemsmma (2007); T. E. Braithwaite*; C. Carlburg (2011); J. L. Carson*; J. G. Goforth (2007); M. P. Griffith (2010); M. A. Hunnemann (2013); J. M. Lashley (2008); K. J. Locke (2007); K. I. Lotze*; G. W. McBane*; R. A. Mill (2007); Ronald L. Pritts*; Anthony Quinn (2007); C. S. Rimmer*; J. J. Seeger*; Walter D. Shepard*; A. C. Williams (2006); P. V. Williams (2011); R. M. Williams (2017); J. W. Winfree (2007).
- *Termination for failure to accumulate an additional Year of Service not applicable
- j. Participants who terminated employment during the year or have previously terminated employment and have qualified for a vested benefit (Retirement Date): R. P. Agnew (8/2023); Suzanne Brawley Allers (4/2031); Keith S. Andrews (1/2014); R. E. Ashmore (1/2008); B. J. Bauman (8/2033); S. C. Berthiaume (1/2032); J. R. Blevins (8/2006); D. M. Boggs (4/2008); D. E. Brisben (1/2019); S. H. Cain (10/2012); T. M. Campbell (8/2022); M. D. Chesser 3/2009); W. A. Church (12/2019); D. L. Clubb (8/2029); M. D. Connor (2/2013); L. C. Cutherell (3/2023); T. N. DeHart (9/2020); Karen M. DeHaven (12/2018); P. M. Doriani (7/2016); R. I. Dornbush (8/2020); C. W. Echols (6/2014); J. H. Farrar (5/2019); W. H. Folds (3/2006), Jr.; P. J. Forwood (6/2013); T. D. Gorden (7/2022); R. J. Hamilton (2/2011); D. B. Harding (5/2013); L. E. Hudgens (10/2010); R. F. Ingram (6/2016); E. S. Irby (2/2007); K. E. Jacobs (5/2019); T. L. Jones (6/2014); W. E. Kirkpatrick (6/2012); K. F. Koehler (10/2017); R. P. LaGuardia (8/1/2027); J. B. Lewis (9/2026); S. D. Manley (7/2025); D. W. Matthews (8/2010); R. F. McAndrew (5/2024); O. N. McCarter (1/2012); W. G. McClain (4/2015); B. McLendon (2/2014); K. J. McMullen (5/2017); Matthew A. Merrill (9/2036); R. S. Miles, Jr. (10/2011); Bernard G. Miller (5/2025); K. F. Muldoon (1/2030); Lynn Harms Naaman-Din (6/2037); T. M. Oates (10/2019); J. S. Price (2/2018); S. C. Reynolds (12/2023); D. R. Robinson (8/2020); B. F. Sanders (6/2023); Melanie D. Seeger (3/2018); T. K. Sheppard (1/1/23); W. T. Sherer, III (7/2012); R. D. Sherrill (10/2008); E. M. Sink (8/2019); D. P. Smith (6/2027); L. C. Stoker (10/2017); C. A. Stuck (1/2022); G. J. Syms (9/2018); J. E. Taylor (11/2025); A. L. Toth (12/2008); W. H. Ty-

son (11/2013); M. S. Ulmer (2/2019); Emily J. vanDalen (3/2022); D. L. Wakeland (10/2019); R. M. Wallace, Jr. (12/2006); W. T. Warren, Jr. (11/2016); R. Washington (10/2015); R. A. White (11/2014); J. C. Whytock (6/2027); J. M. Williams (5/2024); P. C. Wing (12/2028) J. R. Wright (8/2007); R. J. Yelverton (10/2008).

Service and Earnings may be recognized as continuous with five years of continuous Service prior to retirement.

- k. Participants with prior Credited Service and Credited Earnings which will be recognized as continuous on completing five (5) years of continuous service (Eligible for Reinstatement): John S. Jackson (2010), P. G. Patrick (2006).
- l. Former Participants removed from participation in the Plan without qualifying to retain a vested benefit: : David L. Arthur; Ryung Chun; Louis F. Quievryn.
- m. Participants receiving a retirement or survivor income benefit under the Plan at year's end: R. W. Ackerman**; J. E. Adams; C. S. Alexander**; Mrs. Bertha I. Allan-Smith*; L. M. Allison; Mrs. J. H. (Phyllis) Ball, III****; J. S. Banks; J. C. Barker; C. R. Beard; J. F. Beard; R. E. Beckham; J. M. Bell, Sr.; W. F. Blakely**; Mrs. E. L. (Betty) Bland*; R. A. Bodey**; Mrs. J. H. (Margaret) Boyce*; W. J. Boyd**, R. D. Bradham**, Mrs. C. D. (Mary Kate) Brearley-Glasser*; Mrs. A. C. (Jeanie) Bridges*; P. A. Campbell**; R. M. Canfield; Mrs. J. A. (Grace) Cannon***; S. K. Chung; J. Coad, Jr.; C. L. Concha; J. T. Corbitt; Mrs. P. G. (Imogene) Covone*; Mrs. F. H. (Edith) Crisco*; G. W. Curry**; D. E. Dagenhart; Mrs. L. L. (Betty) Dattler***; B. E. DeWitt**, J. R. de Witt; R. W. Dickson**, Milad F. Doss**; Julia M. Doudoukjian; C. F. Edgar; D. W. Elliott; Mrs. R. B. (Suzanne) Elliott*; D. R. Ellis; L. A. Erwin**, W. N. Falls; J. R. Fee; Mrs. A. A. (Frieda) Fischer*; W. P. Fleming; W. H. Forsyth; C. B. Foster; Carl Geisik; G. F. Gerard**; Mrs. W. P. (Mary) Grier*; W. D. Hall; W. M. Harris, Jr.; J. F. Heinsohn ; Mrs. J. B. (Mary) Hendrick*; Mrs. R. E. (Judith) Herrmann*; J. E. Hill; Mrs. G. F. (Bertha) Johnson*; D. R. Johnston; E. Benton Johnston; D. O. Jones; Mrs. J. E. (Sarah) Kennedy, II; L. P. Kennerly; Hae Soung Kim; R. A. King; G. C. Knecht****; W. Y. Koh****; R. B. Leaptrott, Jr.**; G. W. Letchworth; C. Earl Linderman; W. A. Macaulay**; H. S. Mace; J. L. MacLeod; Mrs. R. B. (Gladys) Marshburn*; K. D. McArthur; C. T. McCants; C. W. Medlin**; Mrs. R. S. (Harriet) Miles***; C. L. Mitchell; W. F. Mitchell****; K. F. Morris; Mrs. T. G. (Martha) Morris*; B. E. Murdock; Mrs. F. J. (Betty) Musselman***; Mrs. J. A. (Ruth) Nguyen*; Mrs. B. R. (Lenore) Nowak***; Mrs. G. R. (Mabel) Oates*; T. L. Owens**; D. L. Pearson; Mrs. H. E. (Sara) Pressly*; Mrs. J. E. (Jeannie) Pressly*; Sarah H. Pressly; Mrs. W. L. (Elizabeth C.) Pressly*; Mrs. P. E. (Donna) Price*; Troy L. Pritt; H. B. Probes, Jr.; C. A. Reed; L. L. Richardson**; Mrs. A. L. (Margie)

Roberts*; Robert J. Robinson; David Rodriguez-Enriquez**, Mrs. A. A. (Katherine) Rogers*; O. J. Rundus**; H. T. Schutte; Jan Senneker;; R. P. Shaw; R. E. Sherer; H. L. Smith**; G. H. Smith, Jr.; J. C. Smith; W. E. Stanchfield; Mrs. J. P. (Mary) Steele*; J. T. Stephenson**, J. W. Stodghill**, J. R. Thompson**, J. A. Turner**, J. Roger Wade**, Mrs. W. M. (Mary) Wardlaw*; Mrs. H. C. (Addie Jane) White*; J. R. White**, R. A. Whitesides; Z. C. Williams; T. L. Wilson; J. R. Wolff**, E. R. Young.
 *As widow of deceased Participant, the J&S Option having been selected or automatic as to those who died after 9/3/91.

**As Participant who had transferred to another denomination or terminated employment with a vested benefit. Benefit is frozen.

***As widow of Participant who had transferred to another denomination or terminated employment with a vested benefit.

****As Participant who retired and has transferred to another denomination.

*****As widow of deceased Participant receiving Survivor Income Benefit.

- n. The following persons may be eligible for Retirement Plan participation at year's end, but enrollment procedures had not been completed. Eligible Employees are covered by the Plan during the first year, but if they have not or fail to enroll within the first year, they are or will not be covered until the enrollment is completed. They do not accrue credit for Service and Earnings and are not covered for the Death Benefit nor for the Survivor Income Benefit: **Catawba:** None. **First:** Song Choi** (Statesville Korean), Ho Youn Hwang** (Wheatseed Korean), J. Donald Jordan** (Christ Church), Hyo Gon Kim** (Hychon Korean), Eung Chu Lee** (Hanwuri Korean), John S. Jackson (Concord), Mark S. Pearson (Chalmers Memorial), John Spence** (Messiah Church Fellowship), J. C. Unda** (Hendersonville Hispanic). **Florida:** None. **Mississippi Valley:** David Dobbs** (Graceview), William R. Izard** (Covenant Reformed), David Storment** (Faith). **Northeast:** Anthony Cowley** (Fairmount), Joseph J. Kim** (Kwang-Myung). **Pacific:** Chong Hun Byun** (Korean Bethel), Heung Ik Cha** (Korean Trinity), Hoo Y. Cho** (Calvary Korean), Youngest Choo** (Glory Church of Jesus Christ), Chang Young Kim** (The Peace Maker), Jong Won Kim** (Walking With God), Sung Gu Kim** (Western), Bon Koo** (Young Saeng), Paul K. Oh** (Inland), Joseph I. Paek** (ARPC Korean), **Second:** None. **Tennessee-Alabama:** None. **Virginia:** David Vance (Redeemer). **General Synod Agency:** None.

**Did Not Enroll Within First Year of Eligibility

- o. Lump-Sum Settlements were made with the following former Participants who had qualified for a vested benefit with a present value of less than \$1,000: None.

Miscellaneous

Ministers Opting Out of Social Security

Internal Revenue Code section 1402(e) makes it possible for a minister to be exempted from coverage under the Social Security system. The minister must file an exemption application (Form 4361) certifying that he is “conscientiously opposed to, or because of my religious principles I am opposed to, the acceptance (for services I performed as a minister...) of any public insurance that makes payments in the event of death, disability, old age, or retirement, or that makes payments toward the cost of, or provides services for, medical care.” The exemption filing deadline is the due date of the federal tax return for the second year in which a minister has net earnings as a minister of \$400 or more.

A minister planning to file for exemption must inform “the ordaining... body of the church...that he is opposed” prior to the time the exemption application is filed. The apparent purpose for this required notification is to offer the ordaining body (presbytery) and the denomination an opportunity to appropriately counsel applicants regarding the impact of such a decision.

The General Synod has previously taken the position that there is nothing in the Standards of the Church that would support the “religious principles test.” Accordingly, denominational benefit programs are structured to anticipate the benefits provided by the Social Security system. If a minister opts out of Social Security and does not replace these benefits he could create extreme hardship for his family.

Budget for 2007

The Board’s Operating Budget for 2007 is attached to this report and reflects the allocation recommended by the Board of Stewardship. The Board does not carry forward unused funds that have been allocated from the Denominational Ministry Fund.

Administrative support for the ministries of the Board is provided by Administrative Services, and for several years the Board has provided funding equal to @ 25% of the Administrative Services Budget as approved by the Executive Board of Synod. The Board has approved funding 50% of its commitment from resources for the insurance programs and 50% from the contributions received for the Retirement program.

Officers for 2006 - 2007

Chairman: Guy H. Smith

Vice-Chairman: C. Earl Linderman

Secretary: Ed Hogan

Treasurer: Synod Treasurer, Guy H. (Chip) Smith, III

Meeting Dates

November 2-3, 2006, 2:00 PM (Orientation), Bonclarken

April 19-20, 2007, 2:00 PM, Bonclarken

November 1-2, 2007, 2:00 PM (Orientation), Bonclarken

Looking Ahead

The Board continues to communicate with the Special Committee on Organization and the Executive Board of Synod in planning for and structuring support for the work of the Board.

Recognition and Appreciation

The Board has expressed its appreciation to retiring member Mike Cruce of the Young Memorial Church for his six years of faithful service. We express appreciation, also, to Reverend Guy H. Smith who is completing an unexpired term. The Board has respectfully requested that the Committee on Nominations appoint him to a full term.

Recommendations

1. That the Christmas Benevolent Fund Offering be continued and that it be taken in the Thanksgiving Season and that all churches provide an opportunity for members to make contributions for this ministry.
2. That, through the adoption of this recommendation, pastors (or clerk where there is no pastor) be encouraged to be attentive to the special needs of retired employees and widows of former employees and seek to assist the Board of Benefits in its ministry to these faithful servants.
3. That the General Synod endorse Amendment Number Five to the Associate Reformed Presbyterian Retirement Plan Adopted September 1, 1961 As Amended and Restated Effective June 9, 2005.
4. That, if it has not been done, presbyteries be requested to give consideration to including in their manual of procedure guidelines for addressing the issue of Social Security exemption with students during the ordination process.
5. That the proposed budget for 2007 be approved. (NOTE: See Approved Recommended Allocations)
6. That all other actions of the Board, as reported herein, be affirmed.

Respectfully submitted

Board of Benefits

Amendment Number Five
ASSOCIATE REFORMED PRESBYTERIAN
RETIREMENT PLAN
Adopted September 1, 1961 As Amended and Restated
Effective December 31, 2001
and Amended to June 9, 2005

WHEREAS, the Associate Reformed Presbyterian Church ("Church") established an Agreement providing for and creating the Associate Reformed

Presbyterian Retirement Plan;

WHEREAS, the Church desires to amend said Plan and Trust Agreement;

NOW, THEREFORE, the Board of Benefits hereby amends the Plan as follows:

Effective July 1, 2006, Article I, Section (7) is amended by adding sub-section (f) as follows:

- (f) Effective July 1, 2006, for all Employees who retired from active service on or before July 1, 2006, and are receiving retirement benefits under this Plan, an additional allowance equal to 6.9% of such annual Earnings credited prior to the date of retirement.

Proposed Budget

	2006 Revised Budget	2007 Proposed Budget
RECEIPTS		
Unrestricted for Operations		
General Synod Allocation	\$ 6,795	\$ 6,795
Undesignated Receipts	<u>0</u>	<u>0</u>
Unrestricted Sub-Total	<u>\$ 6,795</u>	<u>\$ 6,795</u>
Designated Estimates for Benevolence		
Christmas Ben. Fund Special Offering	\$ 31,171	\$ 31,171
Christmas Benevolent Fund Interest	693	693
Lake Wales Christmas Benevolent Fund	898	898
J. C. Lott Trust	<u>6,001</u>	<u>6,001</u>
Benevolent Sub-Total	<u>\$ 38,466</u>	<u>\$ 38,763</u>
Group Insurance Resources		
Group Insurance Premiums	\$ 3,677,695	\$ 3,677,695
Group Insurance Miscellaneous (Net)	<u>27,681</u>	<u>27,681</u>
Group Insurance Sub-Total	<u>\$ 3,705,376</u>	<u>\$ 3,705,376</u>
Retirement Plan Resources		
Ola B. Hunter Trust for Retirement	\$ 1,857	\$ 1,857
ARP Retirement Plan	<u>944,367</u>	<u>944,367</u>
Retirement Plan Sub-Total	<u>\$ 946,224</u>	<u>\$ 946,224</u>
TOTAL RECEIPTS	<u>\$ 4,696,861</u>	<u>\$ 4,696,861</u>
DISBURSEMENTS		
Board and General		
Board Travel & Meeting	\$ 3,040	\$ 3,040
Office and Miscellaneous	<u>3,755</u>	<u>3,755</u>
Board and General Sub-Total	<u>\$ 6,795</u>	<u>\$ 6,795</u>
Benevolence Sub-Total	<u>\$ 38,466</u>	<u>\$ 38,466</u>
Group Insurance		
Group Insurance Prem., Claims, Reserve	\$ 3,659,289	\$ 3,664,805

Group Insurance Administrative Support	<u>46,087</u>	<u>40,571</u>
Group Insurance Sub-Total	<u>\$ 3,705,376</u>	<u>\$ 3,705,376</u>
ARP Retirement Plan		
Audit	\$ 1,500	\$ 1,500
Actuarial Fees	8,000	1,000
Administrative Support	46,087	40,571
Miscellaneous Expenses	1,000	1,000
Transfer to Trustee	<u>889,637</u>	<u>902,153</u>
ARP Retirement Plan Sub-Total	<u>\$ 946,224</u>	<u>\$ 946,224</u>
TOTAL DISBURSEMENTS	<u>\$ 4,696,861</u>	<u>\$ 4,696,861</u>
Disbursements Over (Under) Receipts	<u>\$ 0</u>	<u>\$ 0</u>

The report of the Ecclesiastical Commission on the complaint of actions of First Presbytery was received as information. (See Appendix)

The Moderator opened the floor for nominations for the office of Vice Moderator of the General Synod, 2007.

Moderator-Elect Edgar nominated Mike Evans. Mr. Evans was elected by acclamation.

The Moderator-Elect introduced his wife Joyce with an anecdote.

The Moderator expressed his appreciation to the Officers and members of the Court.

Alan Derrick moved that the court rise in appreciation for the service of the Moderator and the Court rose with a round of applause.

A motion carried that the final reading of the Minutes and a final roll call be waived.

A motion carried to adjourn.

The afternoon session closed with prayer by John Spence.

The Synod sang the song of Christian Unity, Psalm 133.

The closing Benediction was pronounced by John Hill.

Respectfully Submitted,
Tom Patterson, Moderator
John E. Hill, Vice-Moderator
C. R. Beard, Principal Clerk
C.F. Edgar, Reading Clerk
Leland R. Beaudrot, Bill Clerk
J. D. Cook, Assistant Clerk
A. K. Putnam, Parliamentarian

