



The Synod of the Covenant

Presbyterian Church (U.S.A.)

4:30 p.m. Orientation to Meeting Technology/Protocol – Heather Johnston

4:35 p.m. Convening of the Assembly – Adrienne Adams

Call to Order and Opening Prayer

Declaration of Quorum

Welcome Guests and Visitors

Approval of the Docket (A-1)

Approval of Consent Agenda and Clerk's Report (A-2)

[ACTION]

[ACTION]

Devotion – Sandy Seaton-Todd (20 minutes) (A-3)

Meditation: Jin-Seung Kim

Report of the Synod Executive – Charles B. Hardwick (15 minutes)

Report of the Leadership Committee - Deb Uchtman (10 minutes)

Equipping Conversation: Exploring Representation - Lindsey Anderson (40 Minutes)

Report of Administrative Commission for the Presbytery of Detroit - Jessie MacMillan (A-4)

Human Resources – Mary Jane Knapp (10 minutes) (A-5)

First Read of Proposed Personnel Manual

Financial Matters

Treasurer's Report – Martha Blenman (10 minutes)

Finance Committee – Frank Walburg (10 minutes)

Actions Taken By The Committee Since Last Assembly (A-6)

2022 Financial Review from auditors (A-7)

Q1 Income Statement vs. Budget and Balance Sheet

Report of the Nominating Committee – Lora Manon (10 minutes) (A-9)

Adjournment

[ACTION]

**The next Synod Assembly is scheduled for October 26-28, 2023
at Maumee Bay State Park, 1400 State Park Road, Oregon, OH**



The Synod of the Covenant

Presbyterian Church (U.S.A.)

Synod of the Covenant Assembly Consent Agenda and Clerk's Report May 2, 2023

1. **To seat** as corresponding members executive presbyters, general presbyters, presbytery leaders, and stated clerks in attendance at this meeting:
2. **To excuse** the following commissioners at their request and to add those who will continue to request an excused absence up to the actual meeting.
3. **To seat** as corresponding members guest teaching elders and ruling elders from congregations within the Synod of the Covenant in attendance at this meeting.
4. **To approve** the Minutes of the Assembly of the Synod of the Covenant and Annual Meeting of the Corporation of January 31, 2023. (Synod Papers CA1)
5. **To approve** the Celebration of the Lord's Supper at the annual gathering of the Synod of the Covenant Presbyterian Women.
6. **To receive** the following Report of the Governance Committee:

Synod of the Covenant Governance Committee Report May 2, 2023

The Governance Committee continues to meet regularly to work on items for the Manual of Operation for the Synod of the Covenant. The Committee is working specifically on committee descriptions for Human Resources Committee and the Leadership Committee. There are no actions to report to the Synod at this time.

Respectfully Submitted, Andy Thorburn

7. **To receive** the Report of the Stated Clerk for today as follows:

Report of the Stated Clerk Fran Lane-Lawrence May 2, 2023

1. As regards the judicial process of the Presbytery of Detroit for which the Synod of the Covenant assumed original jurisdiction on January 31, 2023, the following have been appointed as members of the Investigating Committee: Elder Keith Williams (Miami Valley), Elder Dru Wrasse (Lake Michigan), and Rev. Joe Svancara (Muskingum Valley).
2. Report of the Administrative Commission for the Presbytery of Detroit

Synod of the Covenant
Report of the Administrative Commission to the Presbytery of Detroit
May 2, 2023

Activity Overview

Since its last report to the Synod of the Covenant on January 31, 2023, the AC has:

- 1) Interviewed Marianne Grano – Presbytery Stated Clerk whose term ended on March 31, 2023.
- 2) Observed and listened to the Coordinating Cabinet meeting of February 13, 2023, and members participated in Cabinet Meeting on March 27, 2023.
- 3) Met with Kevin Smith – Moderator of the Presbytery of Detroit.
- 4) Met with Sarah Leight, Business Manager and Tanya Rowland Kudla, Office Administrator, Executive Assistant.
- 5) Met with Associate Presbyter Charon Barconey.
- 6) Invited Michael Barconey to meet with the AC. Following his initial reticence to do so, he has recently agreed in a communication with the moderator of the AC to schedule a meeting with the AC.
- 7) Met with Bob Agnew and Neeta Nichols who served as leaders after Al Timm’s departure and prior to Flo Barbee Watkins tenure as Transitional General Presbyter.
- 8) Interviewed Unah Mutio Matu-Ngare, Hunger Action Coordinator
- 9) Received correspondence from a long-time member of the PoD Trustees expressing concerns regarding the environment in which staff members are functioning.
- 10) Responded to numerous inquiries from a variety of functionaries regarding process and best practice.
- 11) Worked arduously to find a person or persons who could serve the Presbytery as Stated Clerk following the completion of Marianne Grano’s term on March 31, 2023.
- 12) Met with representatives of the Anti-Racism Team on March 23, 2023.
- 13) Developed a job description for temporary stated clerks.
- 14) Recruited Sue Krummel, recently retired Executive Presbyter, and the Rev. Joyce Lieberman recently retired “Director of Constitutional Interpretation” and Associate Stated Clerk of the PCUSA to jointly share the role of Stated Clerk for the Presbytery of Detroit.
- 15) Provided input on the need for and desirable characteristics of a Transitional Executive Presbyter/head of staff position to serve the Presbytery of Detroit.

16) Consulted with the Synod Stated Clerk, the Rev. Fran Lane-Lawrence, regarding a number of matters.

Observations of the AC

The disorder within the Presbytery of Detroit is pervasive, intertwined, and appears to affect virtually every aspect of the PoD. The disorder affects the body in multiple ways.

The absence of a Head of Staff to whom staff members report, who functions as a liaison between groups/committees, and who is responsible for the consistent application of human resources policies has contributed to fragmentation and silos within the PoD.

There is both a history of racism in the PoD and a fear that any comment or action can be misunderstood or misconstrued as racist. Everyone we spoke with indicated that language about race or comments regarding statements made about racial justice or injustice have caused pain, fear, or misunderstanding.

Lack of consistency between the Bylaws, Policies, and Procedures continues to contribute to uncertainty and mistrust. This lack of consistency creates the perception that persons or groups sometimes attempt to bypass requirements or manipulate the system. The AC perceives that a lack of coordination in a collaborative or comprehensive way between various groups or entities creates inconsistencies between practices, policies, procedures, and Bylaws.

The current structure lacks clarity and precision regarding responsibility and authority.

Specific AC Initiatives:

The AC introduced the Lombard Mennonite Peace Center to facilitate a discussion regarding race involving Coordinating Cabinet members. It also solicited a proposal from Lombard Mennonite Peace Center to interview/listen to 12- 15 members of the PoD and present the AC with an actionable plan for moving forward.

The AC has worked with Coordinating Cabinet to develop position descriptions for a temporary stated clerk and Transitional Executive Presbyter for the PoD. A member of the AC has been appointed as liaison to the search committee for the TEP.

The AC has repeatedly discussed whether it is necessary, and/or wise and prudent to move to assume original jurisdiction. It has identified certain actions which would trigger such action. The current approach is to recommend or strongly recommend certain actions to responsible entities within the Presbytery of Detroit. If a time comes when its recommendations are no longer heeded by the PoD or the AC perceives that the level of disorder is rising or the effects of the disorder are becoming more deleterious, such that the AC concludes that the PoD can no longer wisely manage its affairs, the AC may choose to move toward assuming original jurisdiction.

We thank you for and continue to solicit your prayers for discernment and wisdom,

Jesse MacMillan, Moderator
Alice McCollum
Jeanne Gay

Robert Sullivan
Jim Wilson
Cal Bremer, Clerk

THIS ENDS THE CONSENT AGENDA AND REPORT OF THE STATED CLERK

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For October 26-28, 2023
at Maumee Bay State Park, 1400 State Park Road, Oregon, OH**



The Synod of the Covenant

Presbyterian Church (U.S.A.)

Order of Worship

May 2, 2023

Call to Worship – Mary Jane Knapp

Invocation – Mary Jane Knapp

Hymn - I love to tell the story

Prayer of confession – Jim Bennett

Assurance of Pardon – Jim Bennett

Scripture - Jin-Seung Kim

Message - Jin-Seung Kim

Prayer of Thanksgiving and Supplication - Valerie Lyons

Benediction – Sandy Seaton-Todd

Report to Synod of the Covenant Meeting May 02, 2023
from
Synod of the Covenant's Presbytery of Detroit Administrative Commission

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Jesse MacMillan, Moderator
Alice McCollum
Jeanne Gay
Robert Sullivan
Jim Wilson
Cal Bremer, Clerk



Personnel Policy Manual

September 17, 2004

Amended by Council – October 27, 2005

Amended by Council – May 18, 2006

Amended by Synod Assembly – October 4, 2006

Amended by Synod Assembly – October 18, 2008

Amended by Synod Assembly – August 13, 2009

Editorial Revisions November 8, 2009

Amended by Synod Assembly August 10, 2011

Amended by Synod Assembly November 3, 2012

Amended by Synod Assembly October 26, 2013

Amended by Synod Assembly December 4, 2020

Proposed by HR Committee to Governance Committee March 23, 2023

I. General

- A. The Synod of the Covenant is a part of the Presbyterian Church (U.S.A.)
- B. Official Policy
- C. Basis for These Policies
- D. Equal Employment Opportunity
- E. Terms of Employment
- F. Anti-Harassment Policy
- G. Categories of Employment and Affiliation
- H. Personnel Records

II. Employment Process

- A. The Position Description
- B. The Search Process
- C. Interim Executive Staff
- D. Executive Staff
- E. Non-Exempt Staff

III. Compensation

- A. Salary
- B. Benefits
- C. Travel

IV. Performance Evaluation

- A. Frequency
- B. Non-Exempt Staff
- C. Exempt Staff
- D. Comprehensive Review

V. Grievance and/or Misconduct

- A. When Problems Arise
- B. Sexual Harassment or Misconduct
- C. Harassment in Violation of Equal employment Opportunity

VI. Ending Employment

- A. Exempt Staff
- B. Non-exempt Staff
- C. Probation or Suspension

VII. Reduction of Staff

- A. Special Provisions
 - B. Least Disruption
 - C. Severance Allowance
-

I. General

- A. The Synod of the Covenant is a part of the Presbyterian Church (U.S.A.)
Its mission and relationship are defined in the Constitution of that Church, its Book of Confessions and the Book of Order.

B. Official Policy

These policies are established to be the official policy of the Synod of the Covenant and to be consistent with all applicable provisions of the Book of Order. They supersede any other policies previously adopted.

The synod, as an employer, is free to amend, modify, and change these policies at any time without prior notification to the employees of the Synod of the Covenant, with such changes being posted on a bulletin board accessible to all staff persons. Moreover, the policies set forth here are not meant to be all-inclusive, but rather to serve as a framework and a guide to employment.

C. Basis for These Policies

These personnel policies are based on commitments made by the synod and its employees:

1. The synod will recognize and affirm the potential of each employee and develop, support, and use their potential whenever possible.
2. Employees will devote their interests and energy to their work and the goals of the Synod of the Covenant.
3. These commitments reflect an open partnership in which objectives are shared and both synod and employee acknowledge their responsibilities to each other.

D. Equal Employment Opportunity.

The Presbyterian Church (U.S.A.) will recruit, hire, call, train, and promote all persons in all job classifications without regard to race, creed, color, national origin, gender identity, sexual orientation, age, marital status, or when physical, mental, or medical disability (including non-sighted) is unrelated to the ability to engage in job-related activities. Religious affiliation will be considered only when the Synod of the Covenant determines it to be a bona fide occupational qualification.

E. Terms of Employment

1. Employees of the Synod of the Covenant, exempt and non-exempt, are employed for an indefinite period of time as at-will employees. Employees are expected to give notice to their supervising executive of any intention to terminate their service. Resignation without notice will affect entitlement to accrued vacation pay. Likewise, the synod may terminate an employee with due notice given (see paragraph VI).
2. An employee of the Synod of the Covenant, exempt or non-exempt, may be offered term employment. In those cases, there must be a specific written and signed contract that sets forth the conditions of employment, the length of employment and a statement that will set forth that the relationship is not that of an at-will employee. The term contract, in those rare instances where there is one, must make clear that it will automatically expire at the end of the term set forth in writing on the face of the contract unless terminated earlier by resignation, retirement, or because of breach of the contract by either party. Preparation and processing of all signed agreements related to term employment are the responsibilities of the synod executive after receiving approval of the Human Resources Committee. No written contracts of term employment can be made without the approval of the Human Resources Committee.
3. There are no oral contracts for employment. No synod employee or committee has authority to extend or enter into any oral employment contract for any definite period of time or for any term.

F. Anti-Harassment Policy

1. In accordance with the stated policy of the Presbyterian Church (U.S.A.), it is the policy of the Synod of the Covenant to provide a positive, discrimination-free work environment and to prohibit workplace harassment of any employee on the basis of sex, race, age, religion, national origin, or disability, including the status of living with AIDS or being HIV positive. "Harassment" includes any conduct, explicit or otherwise, or comments that involve offensive implications or create a hostile or offensive working environment when the subject of the conduct or comment is an employee's sex, race, age, religion, national origin, citizenship, gender identity, sexual orientation, or disability.
2. Any form of sexual misconduct is unacceptable behavior within the workplace and is subject to appropriate disciplinary action.
3. The scope of this policy is not limited to the physical locations of the synod office and relationships with other staff at that location. It includes contacts anywhere in

connection with carrying out synod responsibilities, including relationships with employees, volunteers, and members of any church body or entity. A workplace, for purposes of this policy, is any setting where work of the synod is being carried out, including the synod offices and any location where synod staff, elected officials, and/or volunteers are conducting business or a program of the synod.

4. Any reports of harassment or sexual misconduct should be dealt with according to the Policy Regarding Sexual Misconduct of the Synod of the Covenant, adopted November 3-4, 2011, or its successor policy. The beginning steps found in that policy are stated in Sections V.A. and V.B.

G. Categories of Employment and Affiliation

1. Exempt Employees — Full Time

a. Full-time exempt employees are those to whom the minimum wage and overtime pay requirements of the Federal Fair Labor Standard Act and related state laws do not apply. Full-time exempt employees do not receive any form of overtime pay.

b. Full-time exempt employees are expected to manage their schedules in order to have a minimum of one full day off each week.

c. The benefits package for full-time exempt employees is defined in the terms of call.

2. Exempt Employees — Part Time

a. Part-time exempt employees are those to whom the minimum wage and overtime pay requirements of the Federal Fair Labor Standard Act and related state laws do not apply.

b. The benefits package for part-time exempt employees is defined in the terms of call.

3. Full-Time Non-Exempt Employees

a. A full-time non-exempt employee is one to whom the minimum wage and overtime pay requirements of the Federal Fair Labor Standard Act and related state laws apply. The normal workweek for non-exempt employees is 35 hours a week, seven hours a day, Monday through Friday.

b. Persons employed in non-exempt positions shall be paid overtime wages at one and one-half times their regular rate for hours worked in excess of 40 hours per week. A supervising executive must approve all overtime work in advance.

c. Required attendance at meetings for non-exempt staff outside of normal working hours will be considered work time and will be compensated according to the policies in this manual.

d. When non-exempt employees work more than the normal 35 hours a week, but less than 40 hours per week, they have the option of receiving the regular hourly rate or compensatory time off at the rate of one hour of compensatory time for each one hour worked.

e. Time taken as compensatory time will be scheduled with the employee's supervising executive.

4. Part-Time Non-Exempt Employees

Part-time non-exempt employees are those employees who routinely work less than 35 hours per week and are hired as part-time. Part-time non-exempt employees are

eligible for benefit programs as negotiated in the terms of employment, but are not eligible for pension and/or health insurance.

5. Temporary Personnel
Temporary personnel are hired to work for a specified period, not to exceed six months. Temporary personnel are not eligible for benefit programs, paid vacation, or other employee benefits.
6. Contract Personnel
 - a. The Synod of the Covenant may contract for services. Contracts will be written in consultation with the synod executive and upon approval of the Human Resources Committee.
 - b. A contract for services is issued for a specific period of no more than one year, and either party for any reason, with 30 days notice, may terminate it. The contract will state the services to be rendered and the fee.
7. Consultants
Consultants are not employees of the Synod of the Covenant and are not entitled to the employee benefits set forth under this policy.
8. Volunteers
The synod seeks and encourages volunteers to work with the staff to enhance the mission of the synod and provide leadership for new and creative projects. Volunteers are unpaid and are not employees.
9. Interns
There may be instances when there is available within the Synod of the Covenant an internship that provides an opportunity for work experience in a governing body.

H. Personnel Records

1. Accurate personnel records are important. A confidential personnel record is kept for each employee, starting with the employee's job application and continuing throughout the period of the person's employment by the Synod of the Covenant. The records include wage and salary changes, promotions and transfers, attendance and punctuality, education and training, performance reviews, and all other information reflecting the individual's status as an employee. Access to these records is limited to the synod executive, the immediate supervising executive of a given employee, the chairperson of Human Resources Committee, the synod attorney, and the employee. An employee may give written permission for his or her own records to be given to persons outside the synod office.
2. Any education or training completed during employment should be reported so that personnel records will reflect accurately employee qualifications and chances for advancement.
3. Employees may review their personnel file upon request to the Human Resources Committee.

II. Employment Process

A. The Position Description

1. A position description that accurately reflects the job purpose, responsibilities, qualifications, and benefits is written by the Human Resources Committee.
2. Position Descriptions for Synod officers and the Synod Executive must be approved by the Synod Assembly.
3. All position descriptions include a title, statement of purpose, a description of accountability, responsibilities, minimum requirements, employee benefits, whether the position is exempt or non-exempt, whether it is a full-time, part-time, temporary, volunteer, or intern position.

4. An appropriate contract will be developed for persons who are contractors or consultants.

B. The Search Process

1. If the position is advertised, it shall state that the Synod of the Covenant is an Equal Employment Opportunity employer.
2. The Equal Employment Opportunity policy of the Synod shall be followed in consideration of applicants for interviews and employment.

C. Interim Executive Staff

When there is a vacancy in an Executive Staff position the Leadership Committee is authorized by the Synod Bylaws to hire interim staff as needed during the time before a new Executive Staff person is called.

D. Executive Staff

1. The Synod Assembly shall elect persons to serve as Executive Staff.
2. When there is a vacancy in the Synod Executive Staff position the Synod Nominating Committee shall nominate a diverse group of seven teaching or ruling elders from throughout the Synod, including one member of the Human Resources committee, to serve as the Synod Executive Search Committee. This committee shall be elected by the Synod Assembly.
3. When the Synod Executive Search Committee has chosen a candidate for the Executive Staff Position it shall nominate its candidate to the Synod Assembly.

E. Non-Exempt Staff

1. Non-Exempt Staff will be hired by the Synod Executive in consultation with and with the assistance of the Human Resources Committee.
2. Non- Exempt Staff may be full-time, part-time, temporary personnel, or contract personnel.

III. Compensation

A. Salary

1. Salary Policies
 - a. Salaries for exempt positions will be determined by Synod Assembly action within ranges recommended by the Human Resources Committee.
 - b. Salaries for non-exempt positions will be within ranges approved by the synod executive in consultation with the Human Resources Committee. Consideration will be given to qualifications, position responsibilities, and experience, within constraints the synod budget.
2. Individual Salary Review and Increments
 - a. Within the limits of its budget, the synod shall attempt to adjust salaries and/or benefits annually in recognition of changes in the cost of living. Such adjustments, if any, will become effective for all employees at the same time.
 - b. All salaries will be reviewed at least annually. With exempt persons, such review shall include a personal interview with each person.

- c. Salary adjustments, if any, for staff will be made by the Synod Assembly on recommendation by the Human Resources Committee, in consultation with the Finance Committee/Board of Trustees, based upon such factors as cost of living, adjustment of schedules, the financial constraints and obligations of the synod, changes in duties and responsibilities, and the annual performance review.
 - d. An interim evaluation and accompanying salary may be made on the basis of any changes in duties or responsibilities.
- 3. Availability of Salary Information

Each year, the Synod of the Covenant shall report to the General Assembly the salaries of all exempt positions in the synod; this information becomes part of the annual published statistics of the General Assembly.
- 6. Housing Allowance

Teaching elders who serve on Synod staff may designate a housing allowance by requesting it to the Human Resources Committee. This committee will recommend a housing allowance for the following to year to the Assembly for approval, before December 31 of each year.
- B. Benefits
 - 1. Social Security
 - a. The Federal Old Age and Survivors Benefits Act (Social Security) covers all employees. For non-clergy employees, the employee's share of the tax is withheld from wages.
 - b. For clergy employees the synod makes a contribution of 1/2 of the employees' share of Social Security to the employee.
 - 2. Insurance

The synod currently makes available to each employee working half-time or more, exempt or non- exempt, the following insurance coverage:

 - a. Travel/accident insurance for employees who are traveling on approved synod business.
 - b. Medical insurance through the Board of Pensions of the Presbyterian Church (U.S.A.) for all exempt and non exempt employees working at least half time. The Synod will pay qualified medical expenses as defined in IRS Publication 502 according to the following schedule:
 - i. Full Time Employees - \$1200.00 per calendar year
 - ii. Part Time Employees - \$ 600.00 per calendar year.
 - c. For post-retirement full-time employees, reimbursement will be made to the employee for the cost of monthly Medicare insurance premiums and Board of Pensions retirement medical insurance premiums.
 - 3. Pension

A pension plan is provided through the Board of Pensions of the Presbyterian Church (U.S.A.) for all qualified exempt employees and non-exempt employees working at least half time. The Pension Plan, through the Board of Pensions of the Presbyterian

Church (U.S.A.), governs all eligibility and benefits rights, and nothing contained in these policies changes any terms or conditions of the Pension Plan.

4. Sick Leave

- a. Non-exempt employees are allowed two working weeks of sick leave in each calendar year; unused days may be accumulated up to 24 work weeks. Sick leave entitlement during the first year of employment will be prorated according to length of employment. Exempt employees will follow the same formula, except that they are granted 24 work weeks of sick leave at the beginning of employment. The maximum accumulation of 24 work weeks of sick leave applies to all employees.
- b. Sick days may be used for personal illness or injury or for illness or injury in the immediate family. At the time of termination of employment, either voluntary or involuntary, an employee shall have no claim for pay in lieu of unused sick leave.
- c. When medical leave in excess of three days is anticipated, advance approval from the executive for staff members, or from the Human Resources Committee for the Executive, should be secured.
- d. When an employee requests sick leave, accumulated sick days shall be used during the absence, with the individual receiving compensation accordingly. If sick leave exceeds accumulated sick days, an individual may request use of any accumulated vacation days.

5. Vacation

- a. The number of vacation days for any employee depends upon the length of continuous service, beginning on the Anniversary Date of hiring.
- b. Non-exempt employees are eligible for annual paid vacation according to the following schedule:

<u>Length of Service</u>	<u>Vacation</u>
First 12 months	2 work weeks
1 year to 4 years	3 work weeks
5 years or more	4 work weeks

- c. Vacation days are not cumulative and must be used within the calendar year, except when special provision has been made in writing by the synod Human Resources Committee chairperson or the synod executive.
- d. Persons leaving the synod's employ during any calendar year shall be entitled to vacation days or terminal vacation pay prorated according to the fraction of the year served if, and only if, adequate notice is given in the event of a voluntary resignation as set forth in section III.3. of these policies. Any vacation taken but not yet earned by the termination date shall be deducted from the final check.
- e. Vacation days available to exempt staff shall be set forth as a part of his or her Terms of Call and shall normally be twenty days with full pay.

6. Holidays Observed
 - a. All federal holidays shall ordinarily be observed unless established otherwise in advance of the year in question.
 - b. The office will be closed from noon on Christmas Eve when Christmas falls on Tuesday through Friday.
 - c. If a holiday falls during an employee's vacation, he or she will receive another day of vacation.

7. Personal Days
 - a. After one year of employment, a non-exempt employee is allowed two personal days with pay each year. These days are to be taken at the employee's discretion during the calendar year in which they are earned, with notice for adjustment of office responsibilities. This leave does not accrue from year to year, and unused personal leave shall be forfeited upon termination of employment.
 - b. Personal family emergencies will be approved on a case-by-case basis; non-exempt staff in consultation with executive staff, and executive staff in consultation with the Human Resources Committee.

8. Leave of Absence

Each employee is eligible to request a personal leave of absence without pay after having completed one year of continuous service. Personal leaves of absence shall be applied for and granted only in writing by the synod executive with the concurrence of the Human Resources Committee and are not to exceed 90 days. Without compliance with this provision, no one will be determined to be on leave of absence.

9. Sabbatical

A sabbatical leave of three consecutive months with pay is available to exempt staff during every seventh year of service to the synod. Sabbatical leave is offered in addition to vacation and annual study leave. Unused sabbatical leave is forfeited upon termination of employment.

10. Maternity/Paternity Leave
 - a. All employees are eligible for a twelve-week leave of absence with pay for the birth or adoption of a child.
 - b. Should additional time off be necessary, the number of weeks will be negotiated with the supervisor and/or the Human Resources Committee, with a maximum of an additional six week leave, which would be with half the regular salary/income for that period.

11. Study Leave, Training, Career Development and Continuing Education
 - a. Training is the development of particular skills through classes, seminars, conferences, and other experiences directly related to a person's position description. Training is ordinarily taken during work time.
 - b. Career development is an educational program that leads to a degree or certification that is normally pursued on personal time.
 - c. Continuing education is a program of study that helps to develop a staff member's knowledge or skills.
 - d. Exempt staff members are entitled to take up to two weeks, or 10 working days, of annual study leave with pay and reimbursement of expenses for training, career development, or continuing education, except that this

study leave may be specified by the Terms of Call. Specific information relating to study leave may be obtained from the synod executive or the chairperson of the Human Resources Committee.

- e. Unused funds and time defined in the Terms of Call will be carried over to the next year for a maximum of three years. Accrued study leave time and funds shall be forfeited upon termination of employment.
- f. All staff members are encouraged to take advantage of opportunities for training and education each year. Study leave for exempt employees should be approved by the Human Resources Committee.

12. Bereavement Leave

In the event of death in the immediate family (wife, husband, child, brother, sister, parents, in-laws, or grandparents), three consecutive days will be given with pay. If extended travel is required, an additional two days of paid leave are available.

13. Workers' Compensation Insurance

The Synod of the Covenant pays for workers' compensation insurance under the provisions of the workers' compensation laws of the State of Ohio.

C. Travel

All employees are to be reimbursed for budgeted travel under the accountable reimbursement plan as defined by the IRS.

IV. Performance Evaluations

- A. The performance of all employees will be evaluated before the end of their first six months of employment, and afterwards an annual performance review and evaluation will be conducted for exempt and non-exempt staff. Evaluations are to be conducted honestly and fairly, documented, and placed in the employee's file.
- B. Non-exempt staff members will be evaluated by the synod executive and reported to the Human Resources Committee.
- C. Exempt staff members will be evaluated by the Human Resources Committee with the participation of the executive, where appropriate.
- D. A comprehensive review and evaluation of exempt staff will be conducted by the Human Resources Committee at least every five years, or before a position is renewed.

V. Grievance and/or Misconduct

A. When Problems Arise

1. When differences occur, it is in the best interest of all concerned that they be resolved as quickly as possible. If an employee has a problem or complaint, he or she should follow the procedure below.
 - a. The employee shall discuss the problem or complaint with his or her supervising executive.
 - b. If the problem is not resolved to the employee's satisfaction, he or she, in consultation with the executive(s), will address the issue with the moderator of the Human Resources Committee.
2. If the above steps are followed, employees will not be criticized or penalized in any way.

B. Sexual Harassment or Misconduct.

1. Any person who alleges to have been a victim of sexual misconduct or believes in good faith that there has been a violation of this policy (See Addendum, Policy

- Regarding Sexual Misconduct) will report the violation to Synod Stated Clerk or the Synod Executive. The accuser may be a person other than the alleged victim.
2. The person who first receives the allegation from the accuser, whether verbally or in writing, shall report it in writing by the second working day to the Stated Clerk or the Synod Executive. The clerk or the executive shall refer the report immediately to the Human Resources Committee moderator. Should the accused be a person in any of the positions listed above, other steps, as appropriate, may be taken.
 3. A signed written statement by the alleged victim (or surrogate, if appropriate) shall be obtained as soon as possible. Provision shall be made for support and guidance, without pressure, to enable an accuser/victim to pursue charges.
 4. In a case of alleged child sexual abuse, the person receiving the initial report is considered a mandated reporter and shall report the incident to civil or criminal authorities if required by local or state law.
 5. The synod shall take no adverse action against any employee who in good faith lodges an allegation of sexual misconduct, and the synod shall firmly discourage any reprisal by the executive or other employees. Should the charges be proven to be frivolous or malicious, the person bringing the charges will be disciplined.
 6. Should it be necessary, the appropriate ecclesiastical and civil authorities will be notified.
 7. Should formal ecclesiastical charges be filed against the offender, the procedures in the Rules of Discipline take over.

C. Harassment in Violation of Equal Employment Opportunity

1. Any person who alleges to have been a victim of discrimination or harassment in violation of the synod's commitment to Equal Employment Opportunity or who believes in good faith that there has been a violation of this policy will report the violation to one of the following within the Synod of the Covenant: the Stated Clerk, the Synod Executive, the Human Resources Committee moderator, or the Committee on Representation moderator. The accuser may be a person other than the alleged victim.
2. The person who first receives an allegation whether verbally or in writing from the accuser shall report it in writing by the second working day to the Stated Clerk or the Synod Executive. The clerk or the Synod Executive shall refer the report immediately to the Human Resources Committee Moderator.
3. A signed written statement by the alleged victim shall be obtained as soon as possible. Provision shall be made for support and guidance, without pressure, to enable an accuser/victim to pursue charges.
4. The synod shall take no adverse action against any employee who in good faith lodges an allegation of violation of its EEO commitment, and the synod shall firmly discourage any reprisal by the executive or other employees. Should the charges be proven to be frivolous or malicious, the person bringing the charges will be disciplined.
5. The steps to be followed when investigating and responding to an allegation of a violation of the synod's commitment to Equal Employment Opportunities will be defined by the Human Resources Committee.
6. Should formal ecclesiastical charges be filed against the offender, the procedures in the Rules of Discipline take over.

VI. Ending Employment –

- A. Exempt Staff
 1. Voluntary Resignation

- a. Exempt members may always resign voluntarily. If there is a voluntary resignation the Human Resources Committee shall recommend to the Synod Assembly whether there should be “terms of dissolution of the relationship” and if so, what those terms should be.
 - b. Staff members choosing to resign are asked to give the Synod of the Covenant as much notice as possible so their succession may be arranged. Accrued, unused vacation pay is forfeited by an exempt employee unless he or she gives at least one month’s written notice of resignation.
2. Involuntary Resignation
- a. Except for voluntary resignation, employment of Exempt Staff is ended only by a majority vote of the Synod Assembly on recommendation of the Human Resources Committee, or a special committee or commission of the synod. When the committee or commission has decided to prepare a recommendation to terminate, it shall notify the person in writing, stating the reasons for proposing to terminate, and offering the staff member an opportunity to resign or to request a hearing before the committee or commission before the recommendations are adopted and reported to the Synod Assembly for action. The hearing shall be one in which the staff person may appear personally with counsel (D-7.0301, D-11.0301) to respond to the findings of the committee or commission and present reasons and evidence why the relationship should not be terminated. The hearing shall afford safeguards as in (D-14.0000). A record shall be made of the hearing, which shall become a part of the record filed under D-6.0304 in the event of a judicial complaint following the final action of the council.
- B. Non-Exempt Staff
1. Voluntary Resignation: A Staff members choosing to resign are asked to give the Synod of the Covenant as much notice as possible so their succession may be arranged. Accrued, unused vacation pay is forfeited by a non-exempt employee unless two weeks written notice of resignation is given.
 2. Involuntary Resignation: Except for voluntary resignation, employment of non-exempt Staff is ended by a decision of the Executive in consultation with the Human Resources Committee. The departure of the employee, but not the reason for the departure, shall ordinarily be communicated to the Synod assembly.
- C. Probation or Suspension
- Situations may arise in which probation or suspension of an employee is more appropriate than immediate discharge. Such a decision may be recommended by the employee’s supervising executive or the Human Resources Committee.
1. Exempt Staff
 - a. If the synod executive feels that an exempt employee should be put on probation or suspension, the synod executive must first discuss the situation with the moderator of the Human Resources Committee. Thereafter, the Human Resources Committee, with the participation of the Executive, shall prepare an evaluation form or memorandum in which the reasons for the action are set forth. The probation or suspension becomes effective when the employee receives an evaluation memorandum from the Human Resources Committee, with the participation of the Executive, stating the reasons for the probation or suspension.
 - b. At the end of the designated period, the Human Resources Committee, with the participation of the Executive, shall undertake another review of the employee's performance. If the evaluation is satisfactory, the employee will be released from probation or suspension. If the evaluation is unsatisfactory, the

employee will be asked to resign or will be dismissed. In exceptional circumstances, an extension of the probation or suspension may occur but under no circumstances may the extension of probation exceed more than six months or the extension of suspension exceed more than two weeks.

2. Non-Exempt Staff

- a. If the synod executive(s) believes that there is reason to place a non-exempt employee on probation or suspension, a written evaluation form or memorandum shall be prepared in which the reason for the action is defined. The probation or suspension becomes effective when the employee receives the evaluation memorandum from the Synod Executive stating the reasons for the probation or suspension. The memorandum shall inform the employee of the reasons for the probation or suspension, the duration of the probation or suspension and the effective date.
- b. At the end of the designated period, another review shall be made of the employee's performance. If the evaluation is satisfactory, the employee will be released from probation or suspension. If the evaluation is unsatisfactory, the employee will be asked to resign or will be involuntarily terminated. In exceptional circumstances, an extension of the probation or suspension may occur but under no circumstances may the extension of probation exceed more than six months or the extension of suspension exceed more than two weeks.

VII. Reduction of Staff

- A. There are special provisions for employees involved with a reduction of staff. Since the Synod of the Covenant is exempt from the state unemployment compensation system, synod employees are not eligible for unemployment compensation benefits.
- B. When a reduction in force or the termination of staff for reasons unrelated to the performance or conduct of the employee occurs, the synod executive and the Human Resources Committee will attempt to make that reduction in a way least disruptive to the work of the synod and to the lives of its employees. Where possible, reduction in staff will be done through attrition, retirements, restructuring, and through volunteers for separation.
- C. Severance Allowance
 - 1. In addition to the period of notice, if applicable, a severance allowance will be given to exempt or non-exempt employees who are terminated for reasons unrelated to the performance or conduct of the employee as follows:

Years of Service	Severance Allowance
Less than 6 months	2 weeks
More than 6 months but less than 1 year	3 weeks
1-4 years	3 weeks plus 1 week for each year
5 years and more	16 weeks plus 1 week for each year over 5 years with maximum of 30 weeks

- 2. Absolutely no severance allowance shall exceed the limits listed above.
- 3. Payment of severance allowance may be done in either of two ways as determined solely by the synod Human Resources Committee:
 - a. Lump sum payment — the total amount of the salary due as severance will be paid in not more than two payments. The payment or payments shall be completed within six months of the employee's last day of work. Pension and

other benefit payments will not continue if the severance allowance is made in one or two lump sum payments.

- b. Continued salary — the employee's salary will be continued on the regular schedule through the severance period. The synod will continue to pay its share of the employee's pension and other benefits during the severance period if payment of severance is on the basis of continued salary.
- c. No additional vacation entitlement will accrue during the severance period.

Synod of the Covenant
Finance Committee – Actions Since Last Assembly
01/25/2023 – 03/22/2023

Finance Committee Members (Voting):

Class of 2023

Joseph Salvato, Secretary, Cincinnati
Aaron Meadows, Eastminster

Class of 2024

Ted Fines, Mackinac
Garrett Mostowski, Detroit

Class of 2025:

Frank Walburg, President, Muskingum Valley
Charlotte Ellison, Lake Michigan

Note: Motions to approve minutes and motions to adjourn are not included.

March 22, 2023

1. Investment subcommittee recommendations for consideration:

Motion 1: For the Finance Committee to establish a Synod of the Covenant Account with Fidelity Investments to invest in two funds:

- ➔ Fidelity Government Money Market Fund (SPAXX)
- ➔ Fidelity Money Market Fund (SPRXX)
- ➔ Or equivalents.

Motion 2: Move \$1,200,000 from the PILP Mission Market Account #100106 equally to the two Fidelity Money Market Funds (SPAXX) and (SPRXX), or equivalents.

Rationale:

1. 2022 interest earned on our PILP Mission Account #100106 was 1.61% on a 2022 ending balance of \$963,463.
2. PILP Note #6830 matures March 12, 2023 with a balance of \$362,593 plus accrued interest which will increase our PILP Mission Money Account exceeding \$1,360,056.
3. There is an immediate opportunity with rapidly rising short term interest rates to gain income. Current 7-Day Yield as of 2/28/23 are SPAXX 4.22%; SPRXX 4.35%.
4. Each 1% increase would earn additional annual income approximating \$12,000.
5. There would be no restrictions on moving money into or out of the Fidelity Investments account.

Frank Walburg moved motion 1 and Joe Salvato seconded. After discussion, Aaron Meadows moved to amend the motion to drop "Or Equivalents". After discussion Joe Salvato seconded the motion to amend, and it was unanimously approved. Then motion 1, as amended, was unanimously approved as follows:

Motion 1: For the Finance Committee to establish a Synod of the Covenant Account with Fidelity Investments to invest in two funds:

- ➔ Fidelity Government Money Market Fund (SPAXX)
- ➔ Fidelity Money Market Fund (SPRXX)

Frank Walburg moved motion 2 and Charlotte Ellison seconded. After discussion, Aaron Meadows moved to amend the motion to add "up to" between Move and \$1,200,000. After discussion Joe Salvato seconded the motion to amend, and it was unanimously approved. Then motion 2, as amended, was unanimously approved as follows:

Motion 2: Move up to \$1,200,000 from the PILP Mission Market Account #100106 equally to the two Fidelity Money Market Funds (SPAXX) and (SPRXX).

It is to be noted "or equivalents" dropped off motion 2 due to being removed from motion 1.

**THE SYNOD OF THE COVENANT,
PRESBYTERIAN CHURCH (U.S.A.)**

REVIEWED FINANCIAL STATEMENTS

Years Ended December 31, 2022 and 2021

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Synod Trustees and the Synod Assembly
The Synod of the Covenant, Presbyterian Church (U.S.A.)
Bloomfield Hills, MI

We have reviewed the accompanying financial statements of The Synod of the Covenant, Presbyterian Church (U.S.A.) (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of The Synod of the Covenant, Presbyterian Church (U.S.A.) and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

May xx, 2023

THE SYNOD OF THE COVENANT, PRESBYTERIAN CHURCH (U.S.A.)
STATEMENTS OF FINANCIAL POSITION
December 31, 2022 and 2021

ASSETS

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 213,926	\$ 633,039
Contributions receivable	49,046	60,830
Investments, without donor restrictions	5,561,412	6,174,376
Property and equipment, net of accumulated depreciation	2,497	3,019
Deposits	1,000	1,000
Investments, with donor restrictions	<u>648,090</u>	<u>810,398</u>
 Total assets	 <u>\$ 6,475,971</u>	 <u>\$ 7,682,662</u>

LIABILITIES AND NET ASSETS

Accounts payable	\$ 8,352	\$ 2,836
Accrued and withheld amounts	3,804	11,498
Amounts held for others	<u>-</u>	<u>5,821</u>
Total liabilities	12,156	20,155
 Net assets		
Net assets without donor restrictions		
Undesignated	86,555	509,965
Designated	<u>5,611,437</u>	<u>6,224,411</u>
Total net assets without donor restrictions	5,697,992	6,734,376
 Net assets with donor restrictions	 <u>765,823</u>	 <u>928,131</u>
Total net assets	<u>6,463,815</u>	<u>7,662,507</u>
 Total liabilities and net assets	 <u>\$ 6,475,971</u>	 <u>\$ 7,682,662</u>

See accompanying notes and independent accountants' review report.

THE SYNOD OF THE COVENANT, PRESBYTERIAN CHURCH (U.S.A.)

STATEMENTS OF ACTIVITIES

Years Ended December 31, 2022 and 2021

	2022		
	Without Donor Restrictions	With Donor Restrictions	Totals
Revenue and other support			
Per capita apportionment	\$ 270,849	\$ -	\$ 270,849
Basic mission	50,686	-	50,686
Presbyterian women	-	-	-
Peacemaking	-	8,362	8,362
Investment income (loss)	(872,523)	(135,079)	(1,007,602)
Miscellaneous income	1,240	-	1,240
Net assets released from restrictions	35,591	(35,591)	-
Total revenue and other support	<u>(514,157)</u>	<u>(162,308)</u>	<u>(676,465)</u>
Expenses			
Mission and program expenses	329,138	-	329,138
Administrative expenses	193,089	-	193,089
Total expenses	<u>522,227</u>	<u>-</u>	<u>522,227</u>
Change in net assets	(1,036,384)	(162,308)	(1,198,692)
Net assets at beginning of year	<u>6,734,376</u>	<u>928,131</u>	<u>7,662,507</u>
Net assets at end of year	<u>\$ 5,697,992</u>	<u>\$ 765,823</u>	<u>\$ 6,463,815</u>

	2021		
	Without Donor Restrictions	With Donor Restrictions	Totals
Revenue and other support			
Per capita apportionment	\$ 312,462	\$ -	\$ 312,462
Basic mission	131,104	-	131,104
Presbyterian women	2,666	-	2,666
Peacemaking	-	14,366	14,366
Investment income	677,903	113,364	791,267
Miscellaneous income	2,172	-	2,172
Net assets released from restrictions	40,234	(40,234)	-
Total revenue and other support	<u>1,166,541</u>	<u>87,496</u>	<u>1,254,037</u>
Expenses			
Mission and program expenses	304,792	-	304,792
Administrative expenses	176,736	-	176,736
Total expenses	<u>481,528</u>	<u>-</u>	<u>481,528</u>
Change in net assets	685,013	87,496	772,509
Net assets at beginning of year	<u>6,049,363</u>	<u>840,635</u>	<u>6,889,998</u>
Net assets at end of year	<u>\$ 6,734,376</u>	<u>\$ 928,131</u>	<u>\$ 7,662,507</u>

See accompanying notes and independent accountants' review report.

THE SYNOD OF THE COVENANT, PRESBYTERIAN CHURCH (U.S.A.)
STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended December 31, 2022 and 2021

	<u>Program</u>	<u>Administrative</u>	<u>2022 Total</u>
Expenses			
Personnel services and related expenses	\$ 131,452	\$ 124,046	\$ 255,498
Office operations and meeting expenses	73,165	69,043	142,208
Grants and scholarships	92,328	-	92,328
Leadership committee	32,193	-	32,193
Total expenses	<u>\$ 329,138</u>	<u>\$ 193,089</u>	<u>\$ 522,227</u>

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	<u>Program</u>	<u>Administrative</u>	<u>2021 Total</u>
Expenses			
Personnel services and related expenses	\$ 121,395	\$ 120,551	\$ 241,946
Office operations and meeting expenses	56,578	56,185	112,763
Grants and scholarships	88,100	-	88,100
Leadership committee	38,719	-	38,719
Total expenses	<u>\$ 304,792</u>	<u>\$ 176,736</u>	<u>\$ 481,528</u>

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See accompanying notes and independent accountants' review report.

THE SYNOD OF THE COVENANT, PRESBYTERIAN CHURCH (U.S.A.)
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2022 and 2021

	2022	2021
Cash flows from operating activities	\$	\$
Change in net assets	(1,198,692)	772,509
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Unrealized (gain) loss on investments	1,107,586	(528,751)
Depreciation expense	522	522
Write offs of note receivables	-	8,637
Changes in operating assets and liabilities:		
(Increase) in:		
Contributions receivable	11,784	45,170
Employee receivable	-	3,879
Deposits	-	233
Increase in:		
Accounts payable	5,516	(7,243)
Accrued and withheld amounts	(7,694)	11,498
Funds held for others	(5,821)	2,397
Net cash provided by (used in) operating activities	(86,799)	308,851
Cash flows from investing activities		
Proceeds from sales/maturities of investments	52,112	114,562
Purchases of investment securities	(384,426)	(252,887)
Net cash used in investing activities	(332,314)	(138,325)
Net change in cash	(419,113)	170,526
Cash at beginning of year	633,039	462,513
Cash at end of year	\$ 213,926	\$ 633,039

See accompanying notes and independent accountants' review report.

THE SYNOD OF THE COVENANT, PRESBYTERIAN CHURCH (U.S.A.)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

Note A – Significant accounting policies

Nature of operations

The Synod of the Covenant (the Synod) is one of the administrative regions of the Presbyterian Church (U.S.A.). The Synod embraces 11 presbyteries, approximately 665 congregations, and in excess of 82,000 active members primarily in Michigan and Ohio. The Synod's responsibilities include recruitment and training of leaders, coordinating ministries in higher education, assisting racial ethnic groups, coordinating resources for the development of new churches and the redevelopment of older churches, promoting responsible stewardship, and working ecumenically on behalf of presbyteries and congregations.

Basis of accounting

The Synod's financial statements have been prepared on the accrual basis of accounting. Under this method of accounting, revenues and expenses are identified with a specific period of time and are recorded as incurred without regard to the date of receipt or the payment of cash.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Cash and cash equivalents

The Synod considers all highly liquid debt instruments purchased with an original maturity of twenty-four months or less to be cash and/or equivalents and are deemed to approximate fair value. Cash balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. While the Synod's cash balances do at times exceed federally insured limits, the organization feels it is not exposed to any significant risk.

Investments

The organization's investments and certain cash equivalents are held by a national investment banking and financial services company and managed by an investment advisor in accordance with the terms of an investment advisory agreement and the Synod's investment policy.

Contributions

Contributions, including unconditional promises to give, are recorded as pledged. All contributions are available for use unless specifically restricted by the donor. Unconditional promises to give, which consist of presbytery contributions and irrevocable pooled life income funds, are deemed to be collected in future periods and are recorded at the present value of their net realizable value.

Endowment contributions within the pooled life income funds, are unconditional promises to give in which the principal is subject to donor-imposed restrictions to retain permanently. Earnings on these funds may or may not have donor-imposed restrictions, depending on the terms of the agreement.

THE SYNOD OF THE COVENANT, PRESBYTERIAN CHURCH (U.S.A.)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

Note A – Significant accounting policies (continued)

Property and equipment

Property and equipment purchased are carried at cost. Donated items are carried at the assets fair value at the date of donation. Upon retirement or disposal, the cost and related accumulated depreciation are removed from the accounts and any gain or loss is recorded as revenue or expense. Depreciation is provided using straight-line methods over the estimated useful life of the asset, ranging from 3 to 7 years. The Synod uses a capitalization policy of \$1,000.

Income and other taxes

The Internal Revenue Service has determined that the Synod is qualified as a charity exempt under Section 501(c)(3) of the Internal Revenue Code and has also determined that the Synod is publicly supported. As a result, no provision for federal or state income taxes has been made.

FASB ASC 740, *Income Taxes*, requires entities to disclose in their financial statements the nature of any uncertainties in their tax position. Tax years including the fiscal year ended December 31, 2019 and later are subject to examination by tax authorities.

Areas that IRS and state tax authorities consider when examining tax returns of a charity include, but may not be limited to, tax-exempt status and the existence and amount of unrelated business income. The Synod does not believe that it has any uncertain tax positions with respect to these or other matters and has not recorded any unrecognized tax benefits or liabilities for penalties or interest.

Leases

The Company determines if an agreement includes a lease at inception. Leases are included in the balance sheet as Right-of-use (ROU) assets and the corresponding Lease liability. ROU assets and lease liabilities are recognized based upon the present value of the future lease payments over the term. The Company does not recognize ROU assets and corresponding lease liabilities for short term leases, or those with a term less than 12 months. Instead, those payments are reflected in the income statement as expense, on a straight line basis, over the term of the lease.

Adoption of a new accounting pronouncement

The Company adopted Accounting Standards Update (ASU) 2016-02 (as amended) *Leases*, Topic 842 as of January 1, 2022. Topic 842 requires lessees to recognize a right of use asset and a corresponding lease liability for leases with terms greater than 12 months.

The Company elected the transition method and applied the following transition practical expedients upon adoption of the new standard:

- To apply the provisions of Topic 842 at the adoption date, instead of applying them to the earliest period presented in the financial statements.
- The package of practical expedients permitting the Company to not reassess (1) the lease classification of existing leases; (2) whether existing and expired contracts are or contain leases; (3) initial direct costs for existing leases.

The adoption did not result in a significant effect on amounts reported in the statement of activities for the year ended December 31, 2022.

THE SYNOD OF THE COVENANT, PRESBYTERIAN CHURCH (U.S.A.)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

Note A – Significant accounting policies (continued)

Net asset categories

Net assets, revenues, gains and losses are classified based upon the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions

Net assets that are available for use in general operations and not subject to donor or grantor imposed restrictions.

Net assets with donor restrictions

Net assets that are subject to donor or grantor imposed restrictions. Some donor imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor imposed restrictions are perpetual in nature, where the donor stipulates the contribution be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Functional expense allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain expenses have been allocated among the programs and support services on several bases and estimates. Although the methods of allocation used are considered appropriate, other methods could be used that would produce different amounts.

Reclassifications

Certain 2021 amounts have been reclassified to conform to the 2022 presentation.

Subsequent events

Subsequent events were evaluated through May xx, 2023, the date the financial statements were available to be issued.

Note B – Liquidity and availability of financial assets

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the Statement of Financial Position, comprise the following:

	2022	2021
Cash and cash equivalents	\$ 213,926	\$ 633,039
Contributions receivable	49,046	60,830
Total	\$ <u>262,972</u>	\$ <u>693,869</u>

As part of the Synod's liquidity management, they retain a reserve of about \$100,000 in the checking account at all times. If operating cash shortfalls did occur, any board designated funds could be directed for use by the Trustees of the Synod. The Synod has not had any cash shortfalls in recent years, and as such, has no need for any additional cash resources.

THE SYNOD OF THE COVENANT, PRESBYTERIAN CHURCH (U.S.A.)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

Note C – Investments

Investments consist of marketable securities managed by a third party brokerage firm. The change during the period in the aggregate market value of marketable securities held at the end of the period is reported as appreciation of investments. Investments consist of the following as of December 31, 2022 and 2021 measured at quoted prices in active markets for identical assets (level 1):

	2022	2021
Mutual funds	\$ 4,876,629	\$ 5,982,128
Depository/money market accounts	1,332,873	1,002,646
Total	<u>\$ 6,209,502</u>	<u>\$ 6,984,774</u>

Investment income for 2022 and 2021, is made up of the following:

	2022	2021
Dividends and interest, net of fees	\$ 72,170	\$ 63,594
Realized gains on investments	27,814	198,562
Unrealized gains (losses) on investments	(1,107,586)	528,751
Total	<u>\$ (1,007,602)</u>	<u>\$ 791,267</u>

Note D – Property and equipment

Property and equipment consisted of the following at December 31, 2022 and 2021:

	2022	2021
Leasehold improvements	\$ 3,256	\$ 3,256
Furniture	15,969	15,969
Total costs	19,225	19,225
Less accumulated depreciation	16,728	16,206
Net property and equipment	<u>\$ 2,497</u>	<u>\$ 3,019</u>

Depreciation expense for both years ending December 31, 2022 and 2021 was \$522.

Note E – Irrevocable split interest agreements

The Synod has recorded contributions receivable for amounts due under pooled life income funds and gift annuities established through irrevocable split interest agreements with donors.

The basis for recognizing the asset in the Statement of Financial Position is the present value, which was determined by the actuaries of the Presbyterian Church (U.S.A.) Foundation. The discount rate used in the calculation to determine the amount necessary to invest to meet future obligations was 4% for both 2022 and 2021. The present value represents the current fair market value of the account, reduced by the estimated actuarial liability necessary to meet future payments to the life income beneficiaries.

The market value of the assets held under life income gifts represents the gross fund value that would be available if there were no future payment obligations to an income beneficiary. The market value changes due to income earned, payments to the life income beneficiaries and market fluctuations.

THE SYNOD OF THE COVENANT, PRESBYTERIAN CHURCH (U.S.A.)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

Note F – Benefit plans

The Synod contributes to a multiple employer benefit plan for its eligible clergy and lay employees that is administered by the Presbyterian Church (U.S.A.). The Synod contributes to a defined benefit pension plan and death and disability insurance plan at 11% of each eligible member’s annual salary. This amounted to \$42,840 and \$59,930 for the years ended December 31, 2022 and 2021, respectively.

The Synod’s employees are also eligible to participate in a multi-employer 403(b) plan administered by the Presbyterian Church (U.S.A.). This plan does not provide for employer contributions.

Note G – Operating leases

The Synod leases its office facility from an unrelated party and is accounted for as a short term lease. The Synod also leases certain office equipment over various terms, that began prior to 2022.

Future minimum lease payments under these leases are as follows:

2023	\$	5,016
2024		3,420
2025		3,420
2026		3,420
2027		-
Total	\$	<u>15,276</u>

Rent expense for the years ended December 31, 2022 and 2021 was \$18,216 and \$17,380, respectively.

Note H – Functionalized expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, depreciation, and amortization which are allocated on a square footage basis, as well as salaries and wages, benefits payroll taxes, professional services, office expenses, information technology, interest, insurance, and other, which are allocated on the basis of estimates of time and effort.

THE SYNOD OF THE COVENANT, PRESBYTERIAN CHURCH (U.S.A.)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

Note I – Net assets

Net assets without donor restrictions consist of the following at December 31, 2022 and 2021:

Board designated funds for:	2022	2021
Support of the established mission and ministry of the Synod	\$ 3,724,333	\$ 4,528,739
Support presbyteries and congregations for acquisitions of funds necessary for church development	1,332,873	1,002,656
Support for Synod Campus Ministry	554,231	693,016
Total designated	5,611,437	6,224,411
Total undesignated	86,555	509,965
Total net assets without donor restrictions	\$ 5,697,992	\$ 6,734,376

Net assets with donor restrictions were available for the following purposes as of December 31, 2022 and 2021:

	2022	2021
Mobile health fair	\$ 5,330	\$ 5,330
Self-development of people	3,501	3,501
Heiserman	35,000	35,000
Miller Ohio campus ministry	100	100
Covenant mission exchange	4	4
Peace offering from churches	33,766	33,766
Disaster relief	1,732	1,732
Campus ministries	648,090	810,398
Perpetual continuation of the Synod tradition	38,300	38,300
Total	\$ 765,823	\$ 928,131

THE SYNOD OF THE COVENANT, PRESBYTERIAN CHURCH (U.S.A.)
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

Note J – Fair value measurements

FASB ASC 820, *Fair Value Measurements and Disclosures*, (ASC 820) establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement). The three levels of the fair value hierarchy under ASC 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Synod has the ability to access.

Level 2: Inputs to the valuation methodology include

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The Synod's investments are all considered classified as level 1.

Note K – Risks and uncertainties

The Synod holds various types of investments. Investments in mutual funds are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the financial statements.



The Synod of the Covenant

Presbyterian Church (U.S.A.)

**Commissioners/Administrative Commission Assembly
Committee on Nominations
Report to Synod
May 2, 2023**

Committee Members: Mary Jean Blackmon (R.E., Miami Valley, Class of 2023), Michael March (T.E., Mackinac, Class of 2023), Lora Manon (R.E., Maumee Valley, Class of 2025); *Ex Officio* Matt Skolnik (T.E., Muskingum Valley)

Staff: Charles B. Hardwick, Interim Synod Executive

The Committee on Nominations met electronically and by Zoom on multiple occasions, including on March 16, 2023.

Commissioned Ruling Elder Lora Manon (Maumee Valley) served as Moderator of the Committee on Nominations.

The Committee worked to identify individuals to recommend for appointment for service on the various committees of the Synod. To that end, the Nominations Committee respectfully submits the recommendation that **Valerie Lyons (R.E., Western Reserve, Class of 2025) be appointed to the Finance Committee.**

The Committee also recommends that **Garrett Mostowski (T.E., Detroit, Class of 2024) be appointed to serve on the Governance Committee.** Commissioner Mostowski was previously appointed to the Finance Committee.

The Nominations Committee further recommends that **Mike Wakeland (T.E., Miami Valley, Class of 2025) be appointed to the Nominations Committee.** Mr. Wakeland was previously appointed to the Governance Committee.



The Synod of the Covenant

Presbyterian Church (U.S.A.)

The Nominations Committee was further tasked with identifying individuals to serve on the Finance Advisory Subcommittee (Investments) that assists the Finance Committee. These are not required to be Commissioners elected to the work of the Synod. The Nominations Committee respectfully identifies **Bruce Blonder** of Cleveland Heights, Ohio, and **Mike Beels** of Canton, Ohio, for tentative appointment to this subcommittee, pending final confirmation of interest.

Erin Guzman of Maumee Valley Presbytery is submitted for appointment to the Grants and Scholarships Committee. One need not be an elected Commissioner to the Synod to serve on this Committee. If appointed, Erin will be directed to the committee moderator to join in the continuing work of this committee. [The Grants and Scholarships Committee still needs one other member.]

In accordance with the recently adopted Bylaws for the Synod, the Nominations Committee Reports that if the aforementioned appointments are made the various committees will include the following members:

FINANCE: Charlotte Ellison, (T.E., Lake Michigan, Class of 2025) Ted Fines, (R.E., Mackinac, Class of 2024); Aaron Meadows (T.E., Eastminster, Class of 2024);; Joseph Salvato, (R.E., Cincinnati, Class of 2023) and Valerie Lyons (R.E., Western Reserve, Class of 2025) Frank Walburg is the previously Moderator.

GOVERNANCE: Mark Johnson (R.E., Scioto Valley, Class of 2025); Jonathan Carlisle (T.E., Scioto Valley, Class of 2024); Tom James (T.E., Maumee Valley, Class of 2024); and Garrett Mostowski (T.E., Detroit, Class of 2024) . Andy Thorburn (R.E., Lake Michigan, Class of 2023) was previously elected Moderator.

HUMAN RESOURCES: Sandy Seaton- Todd (T.E., Western Reserve, Class of 2023 and SOC Vice Moderator); Jim Bennett (R.E., Eastminster, Class of 2023); Andrew Pomerville (T.E., Lake Huron, Class of 2024); Georgia McCall (R.E., Lake Huron, Class of 2025). Mary Jane Knapp (T.E., Muskingum Valley, Class of 2023) was previously elected Moderator.



The Synod of the Covenant

Presbyterian Church (U.S.A.)

NOMINATIONS: Mary Jean Blackmon (R.E., Miami Valley, Class of 2023), Michael March (T.E., Mackinac, Class of 2023), Lora Manon (R.E., Maumee Valley, Class of 2025) and Mike Wakeland (T.E., Miami Valley, Class of 2025). Lora Manon (R.E., Maumee Valley, Class of 2025) was previously elected Moderator.

Respectfully Submitted,

CRE Lora Manon, Moderator
Committee on Nominations.



DRAFT
Minutes of the Synod Assembly
January 31, 2023
at 4:30 p.m. Via Zoom

MEETING ORIENTATION: Heather Johnston, Office Manager, provided an orientation to meeting technology/protocols just prior to the meeting.

ROLL AND QUORUM: Moderator, Elder Adrienne Adams (Detroit), called the meeting to order at 4:39 p.m. in prayer. A quorum was present. (The roll is attached). Elder Adams welcomed guests, visitors, and corresponding members.

APPROVAL OF THE DOCKET: A motion prevailed to approve the docket.

APPROVAL OF THE CONSENT AGENDA AND CLERK'S REPORT: A motion prevailed to approve the Consent Agenda and the Clerk's Report, which included the following items:

Synod of the Covenant Assembly Meeting
Consent Agenda and Clerk's Report
January 31, 2023

1. **To seat** as corresponding members the following executive presbyters, general presbyters, presbytery leaders, and stated clerks in attendance at this meeting: Lisa Allgood (Cincinnati), Charon Barconey (Detroit), Cathy Ulrich (Eastminster), Barry Chance (Eastminster), Ted McCollough (Lake Huron), Cal Bremer (Lake Michigan), Fran Lane-Lawrence (Lake Michigan), Chrissy Westbury (Lake Michigan), Kay Morrill (Mackinac), Alison Blondheim (Muskingum Valley).
2. **To excuse** the following commissioners at their request: Elder Mary Jean Blackmon (Miami Valley) and Elder Andy Thorburn (Lake Michigan).
3. **To seat** as corresponding members guest teaching elders and ruling elders from congregations within the Synod of the Covenant in attendance at this meeting.
4. **To approve** the Minutes of the Assembly of the Synod of the Covenant and Annual Meeting of the Corporation of October 22, 2022.
5. **To approve** the Minutes of the Called Assembly of the Synod of the Covenant of December 12, 2022, for the purpose of approving the bylaws.
6. **To receive** the following report of the Synod of the Covenant Finance Committee regarding actions taken on behalf of the Synod October 20, 2022 – December 7, 2022. See attached full report of the Finance Committee.

October 20, 2022

Review insurance coverage/policies:

The Finance Committee reviewed the adequacy of the insurance coverage for the Synod of the Covenant and found it adequate.

November 09, 2022

Synod Office Lease Review:

The Finance Committee approved the Lease for the Synod of the Covenant.

Engagement Letters as Available:

The Finance Committee approved the engagement letter for the Skillman Group, PLC., to continue providing bookkeeping services.

December 07, 2022

DeMarco & Associates 2022 Engagement Letter:

The Finance Committee approved the Engagement Letter for DeMarco & Associates. The Engagement Letter was signed on December 12, 2022.

7. **To receive** the Report of the Stated Clerk for today as follows:

**Report of the Stated Clerk
Fran Lane-Lawrence
January 31, 2023**

1. Former members for the last six years of the **Synod of the Covenant Permanent Judicial Commission** who may be called upon when necessary to constitute a quorum (D-5.0206b).

Class of 2022: Lori Schmidt, Stefanie Lewis, Sung Yang

Class of 2020: Catherine Borchart, Richard Mickley, Rhonda O'Reilly

Class of 2018: Fred Bohse, Russell Brandt, Norma Carnahan, Greg Gibson

Class of 2016: Doyll H. Andrews, Jr, Beverly Esterly, Inkyu Park (Eastminster)

2. **Appointment/Resignations - Administrative Commission for the Presbytery of Detroit:** The following individuals were appointed to serve on the Administrative Commission for the Presbytery of Detroit: Jessie MacMillan (TE-Western Reserve), Alice McCollum (RE-Miami Valley), Cal Bremer (TE-Lake Michigan), Jim Wilson (RE-Scioto Valley). The following individuals resigned from the Administrative Commission for the Presbytery of Detroit: Carmen Cox-Harwell, Andrew Pomerville, and Betsy Rees. Jeanne Gay (TE-Maumee Valley) and Robert Sullivan (RE-Cincinnati) remain on the Commission from a previous appointment.

3. **Report of the Administrative Commission for the Presbytery of Detroit**

**Report to Synod of the Covenant Meeting
January 31, 2023**

Administrative Commission for the Presbytery of Detroit

Appointment of Administrative Commission

The Synod of the Covenant, at its February 01, 2022 meeting, responded to reports of disorder in the Presbytery of Detroit by appointment of an Administrative Commission (AC) with a multi-faceted mandate and defined scope of authority. Those appointed as members were: Carmen Cox-Harwell, Jeanne Gay, Andrew Pomerville, Betsy Rees, and Robert Sullivan.

The AC members met with committee leaders and key functionaries within the Presbytery from February through October 2022.

Expansion of Purpose and Scope

October 22, 2022 - The AC made its report and recommendations to the Synod of the Covenant Assembly meeting that day. Observations of the AC included, "As reported above, the Synod of the Covenant Administrative Commission to the Presbytery of Detroit, upon investigation, has discovered that the disorder within the Presbytery is much broader than initially believed. The dynamics of mistrust and animosity include leaders beyond those serving on the Operations Committee and the Coordinating Cabinet. This disorder, which is both systemic and structural, needs to be addressed and resolved."

The Synod of the Covenant took the following actions.

A motion prevailed to approve the following amended recommendation.

The Administrative Commission recommends that the Synod of the Covenant expand the purpose, scope, and authority of the AC to include the following:

Purpose

Inquiring into and settling disorder that exists throughout the structure of the Presbytery of Detroit by working across all ministry teams/committees/ leaders to:

- Review and clearly define the tasks and authority of each ministry team/committee and how they relate to other ministry teams/ committees and the Presbytery as a whole.
- Review position descriptions of each member of staff and revise as needed as soon as possible.
- Review the bylaws, manual of operations, and staff structure, and revise as needed so the documents are consistent with one another and add further clarity as to roles and authorities of ministry teams/committees, staff, and elected leaders.
- Explore the use of power, processes, and procedures in deliberative and decision-making processes and provide education from outside trainers and coaches about appropriate uses of the same. Expenses for these services, if needed, are to be paid by the Presbytery of Detroit.

- Address issues of mistrust, lack of transparency, and conflicts of interest between leaders and members of the presbytery.

Scope and Authority

Affirming the Administrative Commission's authority as follows:

- That the Administrative Commission has the full authority of the Synod of the Covenant, except where limited by provisions of the PC(USA) Book of Order, only in matters pertaining to the Presbytery of Detroit to address personnel matters, boundaries, authority, process, mistrust issues, misuse of power, systemic and structural disorder that exists in the Presbytery of Detroit and among presbytery leaders and some members.
- If it is determined by the Administrative Commission that the Presbytery of Detroit is unable or unwilling to manage wisely its affairs, the Administrative Commission may, after a thorough investigation and full opportunity to be heard has been accorded to the presbytery, recommend to the Synod that it assume original jurisdiction of the presbytery, which shall cease to act until such time the Synod shall otherwise direct (G-3.0303e)

Reconstitution of the Commission

November 22, 2022 - Synod of the Covenant Moderator Deb Uchtman noted that three members resigned from the Commission; she thanked Carmen Cox-Harwell, Andrew Pomerville, and Betsy Rees for their service on the Commission. Moderator Uchtman noted that Teaching Elder Jeanne Gay (Maumee Valley) and Ruling Elder Robert Sullivan (Cincinnati) were continuing their service on the Commission. She appointed Ruling Elder Alice McCollum (Miami Valley); Teaching Elder Jessie MacMillan (Western Reserve); Teaching Elder Jeannie Harsh (Scioto Valley); and Teaching Elder Cal Bremer (Lake Michigan) to the Commission.

December 08, 2022, the reconstituted Commission met for introduction to each other, orientation, and to review of what the Commission had done in the past. It also established a regular meeting time on the first and third Thursdays of each month, with additional meeting times to be scheduled as appropriate.

January 05, 2023, the AC met and reviewed documents that had been distributed on December 05, 2022, asking questions for clarification and making comments regarding certain inconsistencies among the policies, procedures, and bylaws.

The AC agreed on the overall direction for moving forward. It elected Jessie MacMillan as Moderator and Cal Bremer as Clerk. It also established a list of individuals/functionaries with whom it wished to speak.

January 19, 2023, the AC met and acknowledged that Jeannie Harsh had resigned from the Commission AC due to unexpected challenges as she transitioned into retirement. Ruling Elder Jim Wilson had been appointed to fill this vacancy and was present for the meeting. The AC reviewed and analyzed the conversations that it had with Synod of the Covenant Stated Clerk Fran Lane-Lawrence; Presbytery of Detroit functionaries: COM

chair Melissa Allison; Suzanne Lewand, chair of Operations/Personnel; Jasmine Smart, Chair of Coordinating Cabinet; Planning and Vision Team Moderator Stephanie Lewis; and with Kara Hildebrandt, Chair of Strategic Planning Committee. The AC is grateful for the reports of specific actions that are in process, and it recognizes concerns expressed regarding the pervasive nature of the disorder within the Presbytery. The AC did not perceive coherent coordination between various groups or entities to address inconsistencies between practices, policies, procedures, and Bylaws. Many of those the AC spoke to expressed anxiety and voiced concern regarding the impending vacancy when the current Presbytery Stated Clerk completes her term on March 31, 2023, and the uncertainty surrounding a position description for the person to fill that vacancy.

The AC has scheduled meetings for February 02, 2023, and looks forward to meeting with the Presbytery of Detroit Stated Clerk at that time. The AC continues to obtain and review pertinent information and documents regarding the functioning of the Presbytery of Detroit.

We solicit your prayers for discernment and wisdom,

Jessie MacMillan, Moderator
Alice McCollum
Jeanne Gay
Robert Sullivan
Jim Wilson
Cal Bremer, Clerk

THIS ENDS THE CONSENT AGENDA AND REPORT OF THE STATED CLERK

WORSHIP

Rev. Sandy Seaton-Todd (Western Reserve), Vice Moderator, led the Assembly in a time of worship. Rev. Mike Wakeland (Miami Valley) proclaimed the message. It was a meaningful time of worship for all.

NOMINATIONS COMMITTEE: Elder Lora Manon (Maumee Valley) referred commissioners to the written report of the Nominations Committee. Elder Manon placed Elder Frank Walburg (RE, Muskingum Valley) into nominations as Moderator of the Finance Committee for 2023.) There were no nominations from the floor, so nominations were closed. **A motion prevailed** approving Frank Walburg (R.E., Muskingum Valley, Class of 2025) as the Moderator of the Finance Committee for 2023.

REPORT OF THE SYNOD EXECUTIVE: The Rev. Dr. Charles B. Hardwick, Synod Executive, welcomed Rev. Barry Chance, the new General Presbyter/Stated Clerk for Eastminster Presbytery, and Rev. Alison Blondheim, new stated clerk for the Presbytery of Muskingum Valley; thanked those who were part of the Synod Christmas Eve service; presented information about various LeaderWise Training the Synod will make available during 2023.

REPORT OF THE ORGANIZER FOR THE SYNOD OF THE COVENANT COMMUNITIES OF COLOR: The Rev. Lindsey Anderson, Organizer for the Synod of the Covenant Communities of Color, presented her report. She has made connections and had conversations with members of all eleven presbyteries. Rev. Anderson is hopeful and inspired by the potential within the Synod as it redevelops. She is looking forward to in-person visits in the spring and hosting several events to bring people together. Rev. Anderson looks forward to continued work together.

REPORT OF THE LEADERSHIP COMMITTEE: Rev. Deb Uchtman (Cincinnati), moderator of the Leadership Committee, presented the report of the Leadership Committee. She reviewed the successes of 2022, including approval of the new Bylaws, and looks forward to the exciting opportunities 2023 will bring.

CONVERSATION WITH PRESBYTERY LEADERS: Elder Lisa Allgood (Cincinnati), Rev. Ted McCollough (Lake Huron), and Rev. Cathy Ulrich (Eastminster) shared their perspectives on the Synod of the Covenant's progress in meeting goals established for 2022. They reviewed the goals set by the Synod for 2022 and overwhelmingly agreed that the Synod has made good progress. They expressed a desire for the Synod to continue working toward those same goals. Each expressed appreciation for the excellent work and support provided by Rev. Dr. Chip Hardwick, Synod Executive.

PCUSA BOARD OF PENSIONS: The Rev. Luke Choi, Church Consultant for the Synod of the Covenant, provided information about changes in benefits offered by the Board of Pensions of the Presbyterian Church (U.S.A.) related to Pastor's Choice, Pastor's Participation, CREDO, and Employee Assistant Programs.

HUMAN RESOURCES: Elder Mary Jane Knapp (Muskingum Valley), moderator of the Human Resources Committee, presented the report on behalf of the Committee. The Committee has completed revisions to the Personnel Manual and has sent a draft to the Governance Committee for review. The Committee has begun staff evaluation and will share the results at Synod Assembly in May.

TREASURER'S REPORT: Elder Martha Blenman (Detroit), Treasurer, reported the following: Financial statements for 2022 were forwarded to DeMarco CPA firm for a financial review the last week of January 2023; the market did not perform well in 2022, and there was approximately \$1,000,000 loss of unrealized investment gains. Elder Blenman reported that financial information relative to a 2022 Operating Expenses Report or a 2022 Assets & Liability Report is unavailable at this time.

FINANCE COMMITTEE: Elder Frank Walburg (Detroit), moderator of the Finance Committee, presented the report on behalf of the Finance Committee. Elder Walburg Financial reports for 2022 have not been completed to distribute to commissions, but initial information indicates that the Synod was within one percent of the budgeted amount for 2022. The Finance Committee is hoping to have reviewed financial statements to present to the Assembly in May 2023. Relative to investment losses, there were two separate components that were impacted. Unrealized gains in restricted accounts equaled a loss of \$275,000 (20%). Unrealized gains in operational accounts showed a loss of \$832,00 (18%). The Committee elected not to withdraw funds from the investment accounts in 2022 and has elected not to withdraw funds in 2023. The Committee is in the process of populating an investments sub-committee to explore the possibility of more actively managing investment accounts and will make a recommendation at a future assembly.

REQUEST FROM THE PRESBYTERY OF DETROIT: The Rev. Fran Lane-Lawrence, Stated Clerk, reported that the Synod of the Covenant had received a request from the Presbytery of Detroit to assume original jurisdiction of a judicial process related to a Statement of Offense that has been submitted. **A motion prevailed** to assume original jurisdiction of the judicial process per the Presbytery of Detroit's request.

ADJOURNMENT AND PRAYER: Elder Adrienne Adams (Detroit) thanked commissioners for their work. **A motion prevailed** to adjourn the meeting at 6:22 p.m. The meeting was closed in prayer by the Rev. Andrew Pomerville (Lake Huron).

Respectfully submitted,

Rev. Fran Lane-Lawrence
Stated Clerk

THIS ENDS THE MINUTES OF THE SYNOD ASSEMBLY OF JANUARY 31, 2022

**The Next Synod Assembly Retreat and Annual Meeting is on
October 26-28, 2023
At Maumee Bay Lodge in Oregon, Ohio**



The Synod of the Covenant
Presbyterian Church (U.S.A.)

Synod of the Covenant
Budget vs. Actuals: SOC 2023 BUDGET - FY23 P&L
 January - March, 2023

	Jan - Mar, 2023			
	Actual	Budget	over Budget	% of Budget
Income				
4000 Per Capita	63,196.31	67,852.74	-4,656.43	93.14%
4002 Mission	9,112.64	48,951.00	-39,838.36	18.62%
4008 Presbyterian Women		624.99	-624.99	0.00%
4060 Investment Earnings	35,933.82		35,933.82	
Total Income	\$ 108,242.77	\$ 117,428.73	-\$ 9,185.96	92.18%
Gross Profit	\$ 108,242.77	\$ 117,428.73	-\$ 9,185.96	92.18%
Expenses				
5000 Ministry	7,121.40	33,450.00	-26,328.60	21.29%
5900 Office Expenses	16,731.17	20,565.27	-3,834.10	81.36%
6200 Committee Expense		1,249.95	-1,249.95	0.00%
6600 Executive	48,063.97	44,401.26	3,662.71	108.25%
6615 Continuing Education		1,374.99	-1,374.99	0.00%
6620 Travel	2,408.65	4,212.51	-1,803.86	57.18%
6624 Honorarium	-1,796.90	-1,125.00	-671.90	159.72%
6630 Office Manager	4,520.67	8,922.51	-4,401.84	50.67%
6640 Stated Clerk	4,201.62	4,201.50	0.12	100.00%
6650 OSCC	6,633.59	4,603.74	2,029.85	144.09%
6700 Presbytery Support Expenses		2,500.02	-2,500.02	0.00%
Uncategorized Expense	-1,150.00		-1,150.00	
Total Expenses	\$ 86,734.17	\$ 124,356.75	-\$ 37,622.58	69.75%
Net Operating Income	\$ 21,508.60	-\$ 6,928.02	\$ 28,436.62	-310.46%

Synod of the Covenant
Balance Sheet Summary
 As of March 31, 2023

		<u>Total</u>
ASSETS		
Current Assets		
Bank Accounts		232,791.07
Accounts Receivable		56,557.34
Other Current Assets		1,335,348.52
Total Current Assets	\$	1,624,696.93
Fixed Assets		3,019.00
Other Assets		5,009,305.52
TOTAL ASSETS	\$	6,637,021.45
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		1,823.00
Credit Cards		540.74
Other Current Liabilities		7,107.67
Total Current Liabilities	\$	9,471.41
Total Liabilities	\$	9,471.41
Equity		6,627,550.04
TOTAL LIABILITIES AND EQUITY	\$	6,637,021.45

Thursday, Apr 27, 2023 06:27:03 PM GMT-7 - Accrual Basis