

**FINANCE COMMITTEE  
REPORT TO THE PRESBYTERY OF MIDDLE TENNESSEE  
FEBRUARY 5, 2022**

**INFORMATION**

1. The Finance Committee thanks Chris Joiner, Allen Kennedy, and Shawn Thomas Smith, who rolled off the committee, and Rosanna Anderson, who had to resign because of a new job, for their service.
2. The committee welcomes Stephen Yates, TE First Tullahoma and Moderator in Nomination, Hal Sauer, RE First Nashville, Steve Thomas, TE Honorably Retired, and Bruce McVey, TE First Fayetteville, as new members.
3. The Finance Committee also wishes to thank attorney Jack Stringham, RE First Nashville, who handled all of the property transfers from Presbytery to individual churches, plus some ancillary tasks, without compensation.
4. The Finance Committee sent a letter from Shawn Thomas Smith along with a pledge card to all pastors and clerks of session urging churches to submit their pledges for contributions to Presbytery for 2022. If your church is one we have not yet heard from, please remember that we ask you to pledge for the same reason you ask your members to pledge – it is an important planning tool and allows us to do a better job of managing our cash flow and our expenses.

**ADMIT TO RECORD**

1. The Finance Committee meets by Zoom at 11:30 on the third Thursday of each month (immediately preceding the Administrative Committee meeting at 12:40), unless that date conflicts with a stated meeting of Presbytery, in which case the committee meets a week earlier.
2. The committee selected Hal Sauer to serve as vice-moderator and Evelyn Graham to serve as clerk and to continue her role as internal auditor. Anders Hall will continue to head Presbytery's Investment Task Force, which reports to the Finance Committee. Evelyn Graham and Vance Lahey are the other members of the Task

Force. The committee also assigned members to its Budget, Property, and Stewardship Working Groups.

3. Financial reports and investment results as of December 31, 2021, are attached.
4. Presbytery received a \$10,000 grant from the Kharis Foundation for the Mathew 25 Food Bank and a donation of \$1,000 from Ministry Architects for the Latinx Ministry.
5. The Finance Committee approved a \$3,000 donation from the Disaster Assistance Fund to the Presbytery of Western Kentucky to assist in their recovery from the December tornadoes that devastated the area around Mayfield.
6. The sale of property in Rockwood Tennessee, which was previously approved by Presbytery, was completed in December. The \$7,500 sale price was deposited into the designated account for new church development.
7. The Finance Committee is preparing a revised remittance form to be used by churches when submitting contributions and other funds to Presbytery.
8. The Presbytery of Middle Tennessee has for years maintained a relationship with the Peten Q'eqchi Presbytery in Guatemala. Through Presbytery's Guatemala Task Force, it has raised money that is used to send mission teams to the Peten and to provide direct financial support to churches in Guatemala. Although this money is raised and the mission teams are recruited and operate under the auspices of this Presbytery, the Task Force has historically operated autonomously. Funds are raised and disbursed by the Task Force, and participants are recruited and sent on mission trips, with little or no oversight by anyone outside the Task Force.

Because of concerns about financial accountability and about the safety and security of mission teams (and the related potential for financial liability on the part of PMT), the Finance Committee drafted a recommendation for the October stated meeting that the Guatemala mission activities and finances either be spun off to a separate nonprofit entity established for that purpose or that PMT establish a partnership with one of the Presbyterian mission agencies that would provide the kind of expertise and infrastructure needed to conduct our mission activities in Guatemala safely and effectively. However, after meeting with representatives of the Guatemala Task Force, the Finance Committee agreed to hold that recommendation in abeyance until the February meeting to allow the Task Force time to explore options for addressing the Finance Committee's concerns.

With the assistance of Rob Weingartner, former Executive Director of The Outreach Foundation, the Task Force has determined that the Finance Committee's preferred option of partnering with The Outreach Foundation or the Presbyterian Mission Agency is not feasible. Instead, the Task Force has proposed that it be more fully integrated into Presbytery's governing structure, thus allowing for more active oversight and greater financial accountability.

The Finance Committee originally rejected that option because it believed Presbytery lacked the expertise and infrastructure needed to manage foreign missions in a professional manner. However, after working with the Task Force and consulting with Rob Weingartner, the committee has concluded that in-house management of the Guatemala mission could be done in a way that protects both the Presbytery and those who participate in the Guatemala mission trips.

Of the issues raised by the Finance Committee, those dealing with financial accountability are the easiest to resolve. We are willing to work with the Task Force to establish procedures for fund transfers and reporting that will permit us to monitor and verify what happens to money that is sent to Guatemala to support the work of Presbytery's mission partners. The Task Force has itself recognized the need for better financial controls and reporting for those funds, and it has already taken steps in that direction.

Providing for the safety and security of mission trip participants – and the liability that entails – are the harder issues. We recognize that some degree of risk is unavoidable for people participating in a foreign mission. Our concern is ensuring that we have taken all reasonable efforts to reduce and manage that risk. People who go on a mission trip sponsored by this Presbytery are entitled to assume that we have done our due diligence, in conjunction with trusted and responsible local mission partners, to determine that the trip is advisable, that the participants have been well prepared, and that the trip will be planned and managed in a professional manner.

While this is in the first instance the responsibility of the Task Force, which has experienced and well qualified leaders, their decisions must be subject to review by others who are not part of the Task Force and personally invested in its mission. Although the Guatemala Task Force has been subject to nominal oversight by the Committee on Mutual Support, the Finance Committee would strengthen the role of CMS in supervising the work of the Task Force, particularly its funding activities and mission trips. All important decisions involving programs and mission trips should be approved not only by the Committee on Mutual Support, but also the Executive Presbyters.

In addition, we would require all mission trip participants to sign a waiver of liability form approved by CMS and the Finance Committee. CMS has already reviewed and approved two possible waiver forms, and we expect no difficulty in getting agreement on this issue.

A final requirement, to protect Presbytery in case there is liability exposure not covered by a waiver, is that the Guatemala Task Force must obtain and pay for an insurance policy providing protection for Presbytery that is similar in kind to the coverage The Outreach Foundation maintains for its foreign mission activities (allowing for the difference in the scope of activities covered). This must be supplemented by appropriate insurance protection for the individual participants, including a medical evacuation policy. If there are insufficient funds in the Guatemala account when the initial premium is due, we recommend that Presbytery advance the premium, which can then be repaid as the account is replenished.

While it is uncertain if all of these measures can be put into place before the mission trip currently scheduled for early March, the Finance Committee believes we owe it to those who have committed to that trip to try. However, they must understand that these steps are for the protection of all concerned – the missionaries who are going and the presbytery that is sending them. If the trip ends up being cancelled or postponed, that will be unfortunate, but it is preferable to taking shortcuts.

The Finance Committee's specific recommendations are set out below.

## **RECOMMENDATIONS**

1. The Finance Committee recommends that the Guatemala Task Force continue as a mission of this Presbytery, and that it be authorized to send funds and mission teams to Guatemala in furtherance of this mission, but only on the following conditions:
  - a. The Task Force must draft (and subsequently adhere to) procedures for making money transfers to foreign mission partners. These procedures must be approved by the Committee on Mutual Support and the Finance Committee. Disbursements for approved purposes must be made using official vouchers submitted by the Task Force Chair with appropriate documentation and approved by the Chair of CMS and the Executive Presbyters.

- b. The Task Force must report regularly to the Committee on Mutual Support, which is charged with exercising active oversight of its work. The Task Force must submit detailed plans for any mission trips it wishes to undertake, as well as information about proposed funds transfers, to the Committee, and subsequently to the Executive Presbyters, for review and approval. The Committee or the Executive Presbyters may set conditions that must be met before the funds transfer or mission trip takes place, or they may veto it completely.
  - c. The Task Force is encouraged to formulate a due diligence checklist that can be used as a template both for those charged with planning mission trips and those who are reviewing those plans.
  - d. The Task Force must obtain approval from both the Committee on Mutual Support and the Finance Committee for a waiver of liability form to be signed by all mission trip participants.
  - e. The Task Force must procure insurance to protect the Presbytery in connection with mission trips and other activities in Guatemala. The coverage must be similar to that maintained by The Outreach Foundation in connection with its missionary activities and must be approved by the Committee on Mutual Support and the Finance Committee. The Finance Committee is authorized to advance funds to cover the initial premium if necessary, to be repaid from Guatemala funds as that account is replenished. This coverage must be supplemented by insurance purchased by the individual participants, including medical evacuation and crisis response coverage.
2. First Cookeville is requesting permission to sell a lot that was donated to the church, which the church cannot use. There was a contract on the property for \$12,500, but the buyer opted not to go forward with the purchase based on problems discovered during the presale inspection. The church intends to put the property back on the market. The Finance Committee recommends that Presbytery approve the sale.