

**World Relief Committee Policy Manual**  
**Response from World Relief Committee to the BGM Executive Committee**

7/8/15 Email from Lisa Rothenberger to Roy:

At the World Relief Committee meetings in October 2014 and June 2015 the Committee worked through the comments that the BGM Executive Committee provided to the draft WRC policy manual. You shared those comments with me and Shirley on September 26, 2014. We worked through responses and voted on June 25, 2015 to send this to you and the BGM Executive Committee.

What I have prepared that I hope is helpful, is a response to each of the questions/comments of the BGM Executive Committee. I tried to put them in narrative form—using your letter of 9/26/2014---to give some background/statistics where I felt that would be helpful and based on our conversation when we met on November 11, 2014. I've drafted that all together. Would you take a look at this and see if it is helpful to the committee? I used the format of the your original letter --- with the original question/comment from the committee...then a response...and then a proposed change.

My hope is that we can get this worked through during your remaining time as General Secretary, as you certainly have the most insight into how this has worked in the past and how it might function into the future.

Here goes....thanks for reviewing this and letting me know how we can best proceed.

Blessings,  
Lisa

**WRC POLICY QUESTIONS FROM BGM EXECUTIVE COMMITTEE**  
**RESPONSES**  
**June 25, 2015**

Letter from Roy Medley to Lisa and Shirley on September 26, 2014...

Dear Shirley and Lisa,

Thank you for the hard work you put into reshaping the policies for the World Relief Committee. The Board of General Ministries Executive Committee took considerable time to review them and requests the following changes/amendments before they come back to the Board for consideration in November:

**QUESTION**

Section 6.7 Equalization - We were not sure what this meant. Can it be explained?

Response: Equalization refers to calculations such as the one currently in place for the distribution of United Mission funds.

**Proposed Change: EQUALIZATION OF RECEIPTS IS PROHIBITED. OGHS funds are to be treated as specific contributions and, therefore, cannot be used to satisfy any ABCUSA Common Budget Covenant formula.**

QUESTION

Section 6.9 Funding Denominational Salaries – Insert ABC so that it reads “Funding American Baptist Churches Denominational Salaries” to be clear that for example, if a partner group wishes to add a development staff person this would not be prohibited. But funding of ABC region and program board staff persons except for the World Relief Officer is not permitted.

Response: Clarification as proposed below.

Proposed Change: FUNDING OF AMERICAN BAPTIST DENOMINATIONAL SALARIES IS PROHIBITED. The proceeds of the OGHS offering will not be used for American Baptist denominational salaries, except for those of the World Relief Office.

QUESTION

Section 10.2 Please add that ABCUSA may submit proposals as well. From time to time, ABCUSA has submitted proposals. The executive committee wishes for that to remain an option.

Response: There is an annual allocation of OGHS funds for “Ecumenical Commitments”. Those funds are currently allocated primarily to the ministries of Church World Service (primarily it’s immigration and refugee ministry and its development and humanitarian assistance ministry), and to a much lesser extent the World Council of Churches (for their refugee and migration ministry), the ACT Alliance (for its relief and development ministries) and IMA World Health (for its public health ministries). The current annual allocation for Ecumenical Commitments is \$203,800 and provides for operating support for these orgs, not funding for specific projects. All of the above commitments are currently listed on the Annual Projects listing of the policy.

Proposed Change: That the General Secretary makes the funding decisions related to the allocation for Ecumenical Commitments. These decisions would be made on an annual basis and therefore funding for proposals that the General Secretary wishes to fund that relate to other relief, development, and refugee ministries would be included here.

QUESTION

Section 11.1 The executive committee does not support the change in this section from current policy that all OGHS funds go through the ABCUSA treasurer’s office. The executive committee believes that this will lead to confusion in the churches and that the current system which is clear to local churches and church treasurers is best. The exception clause should be removed.

Response: Lisa met with Roy on November 11, 2014 to talk through this issue. In the case of extraordinary disasters (Haiti earthquake, Japan tsunami, Philippines typhoon) churches and individuals have given directly to IM. IM has accepted those donations and receipted and classified them as OGHS--all in an effort to best serve and recognize how churches and individuals want to give. Lisa reviewed for Roy that the majority of designated OGHS funds continue to go through normal giving channels. The following is the % of designated monies that went directly to IM in the following situations:  
Haiti Earthquake (January 2010) – 23% directly to IM

Japan Earthquake/Tsunami (March 2011) – 19.6% directly to IM

Philippines Typhoon (November 2013) – 18% directly to IM

The IM and ABHMS websites both have the functionality to quickly make giving for these extraordinary situations easy and accessible and provide avenues to be responsive to the giving direction of some of our constituents. Donors have expressed the desire to contribute directly to IM/ABHMS so that their funds are readily available to meet immediate needs of those affected by the disaster. This option in no way detracts money or donors from OGHS, as all gifts are recorded in ABCIS (the American Baptist Churches Information System) using OGHS codes in the exact same way regardless of their point of entry.

**Proposed Change:** Based on this information and conversation with Roy, we ask that the Executive Committee support the continuation of modes of giving that are responsive to our constituency while still maintaining the integrity of the OGHS offering.

#### QUESTION

Section 11.2 Remove the sentence which begins “When IM or ABHMS receives ...”

Response: See above response to Section 11.1 comment. If the Executive Committee is amenable to allowing section 11.1 to stand as is, then we would leave the above referenced sentence in place.

**Proposed Change:** None.

#### QUESTION

Section 12.1 Suggest changing heading to Unused Funds. There was some confusion here by the executive committee. It looked within these policies for a statement as to how regions might retain funds and found none. Is there such a practice now? Also with the changes in sections 11.1 and 11.2, neither ABHMS nor IM would retain funds. So it is suggested to change the rest of paragraph to read, “Any Regional Office, ABHMS, IM or ABCUSA that receive funds given for a designated purpose shall furnish the World Relief Committee with a financial report on the disbursement of those funds.” [The rest of that section remains the same]. The committee suggests you consider establishing a date certain for the return of unused funds with the option of the recipient agency making a case for retaining on a year-by-year basis after that deadline. Also, the observation was made that the ABC agencies are required to report but most often they are passing through the funds to other partners and agencies. Is there no requirement for these organizations to report their use of funds with unused funds being returned by them and that in turn being reported to the WRC by the ABC recipient agency? Is it understood that these accountability requirements apply not just to development projects but to relief and refugee-related projects as well?

We would like to encourage the WRO and the committee to consider establishing a common reporting form based on best practices in faith-based relief and development ministries for projects funded by the WRC.

Response: Yes, funds are currently and routinely retained by Regions, IM and ABHMS. This has been allowed in practice for over 20 years. (Note: The World Relief Office maintains records on OGHS back to 1995. Those reports show that funds were being retained at that time.) The rationale is that this

enables those closest to meeting an emergency need to have access to the funds given to them directly for the need. (i.e. a Region can only retain funds that are given by churches in their Region. In the case of Hurricane Sandy, ABCNJ was able to retain funds given by churches in NJ designated as OGHS-Hurricane Sandy.)

To help explain the magnitude of what level of funds are being retained each year, which has varied greatly, the following are the totals of all OGHS funds retained by Regions, IM and ABHMS in 2010-2014:

2010	\$869,995 total (approx. \$631,000 for Haiti by IM, \$200,000 for Haiti by ABC of Metro NY)
2011	\$152,995 total (approx. \$95,000 for Japan tsunami)
2012	\$121,068 total (approx. \$65,000 for IN tornados, \$29,000 for Hurricane Sandy)
2013	\$80,780 total (approx. \$26,000 for Philippines typhoon, \$14,000 for OK tornados, \$14,000 for Hurricane Sandy)
2014	\$62,521 total (approx. \$50,500 for Philippines typhoon)

To date we have been operating whereby if an organization retains funds, it is their responsibility to be accountable for those funds it passes on and is expected to receive accountability from them. This can be made more explicit in the Policy manual if desired.

In conversation between Roy and Lisa on November 11, 2014, Roy requested that it be written into policy that any funds retained by the Region to IM/ABHMS can be kept for 2 years, After 2 years they would need to state the plan for the use of remaining funds. (We want to set an expectation that funds can't be kept indefinitely without a plan for their use.)

Roy also requested that we develop a report form for disaster funds that are retained. Anyone who retains funds must complete this. We would develop the report to be reasonable, not onerous, and require that it be completed on an annual basis.

**PROPOSED CHANGE:** That the two requests made above by Roy are incorporated into the "Funds Retained by Others" section. **NOTE:** It was noted by the Committee that the WRO has very little "teeth" in terms of requiring reporting or what to do if reporting is not submitted. The practice of being able to retain funds would need to be changed at the Common Budget Covenant level, we believe, as it is through ABCIS that entities are able to retain funds. If they don't complete the required reporting we don't have recourse---only goodwill, to encourage compliance.

Section 9.2 Annual Projects - The question was raised as well as to why of all our major ecumenical partners there are no annual projects listed for the Baptist World Alliance.

Response: Baptist World Aid, the BWA entity which pursues the ministry that qualifies for the type of funding that OGHS is restricted to, did at one time receive an annual project grant for emergency relief. That practice was discontinued in 2012, as the WRC had to make cuts to allocations due to declining OGHS receipts.

Specific BWAI projects to be funded would be considered outside of the Annual Projects, since they are not general in nature. Lisa continues to serve on the BWAI Executive Committee and encourage their more timely stewardship of funds already given to them. BWAI is also in the process of putting into place a better project assessment, application and monitoring and evaluation system. When this is in place and functioning there may be better opportunities to again consider specific projects for funding.

**PROPOSED CHANGE:** None at this time.

Appendices Although the Executive Committee realizes that appendices are historical documents and not the World Relief Committee's writings, these issues were noted:

p. 15 (Appendix 14.1)—Concern that something is missing in the last sentence: "It has allowed American Baptists to respond more adequately to emergency needs around the world and at home expeditiously hours and to support longer term developmental needs in a reasoned manner."

Response: Thanks for spotting this! Lisa has records of the appendices going back to 2000. This is how it was stated in the policy manual at that time. Note that only 1 word has been changed....

From the 2002 WRC Policy Manual.... "It was also in 1984 that the total OGHS funds received over the years surpassed \$10,000,000. In 1988, that total passed \$20,000,000. Since its inception, the One Great Hour of Sharing has lived up to the task set before it. It has allowed American Baptists to respond more adequately to emergency needs around the world and at home within hours and to support longer term developmental needs in a reasoned manner."

**PROPOSED CHANGE:** Correct the sentence as shown above.

p. 24 (Appendix 14.6)—Use of acronym in title ("BABHMS") and use of acronym under Operational Principles, #4 ("ERRSS") should be spelled out, or a list of acronyms included.

Response: Thanks for noting this!

**PROPOSED CHANGE:** Lisa will need to do the research to determine what these acronyms referred at the time the documents were created. She will then reference them appropriately. (Best guess is that BABHMS refers to the Board of the American Baptist Home Mission Societies. )