Report of the Board of Benefits Services

The Board of Benefits Services (BOBS) was established by the General Synod of the Reformed Church in America (RCA) and incorporated and approved by an Act of the Assembly of the State of New York on April 16, 1923.

The General Synod has delegated to BOBS the responsibility to manage and administer the retirement and insurance programs required by the Formulary No. 5 in the *Book of Church Order (BCO)* as well as the assistance programs. BOBS also has responsibility to ensure the availability of appropriate group life insurance benefits, group long-term disability insurance benefits, and other programs or services related to the financial and physical well-being of eligible ordained ministers, their dependents, and other employees of agencies, assemblies, and institutions of the RCA. Fulfilling these responsibilities is the purpose of BOBS.

The board met in Grand Rapids, Michigan, on October 17–18, 2018, and again in Tempe, Arizona, on March 18–19, 2019. The volunteer board consists of at least nine but not more than seventeen members, including pastors and professionals from business, finance, investments, and law. Board membership also includes the president and vice president of the General Synod, the moderator of the General Synod Council (GSC), and the general secretary.

**Ends and Executive Limitations**

BOBS, like the GSC, utilizes the principles of policy governance to conduct its work and to guide its oversight and supervision of its executive director in the fulfillment of the purposes it was established to accomplish by the General Synod. Key to its use of the principles of policy governance is the responsibility to state clearly the reasons BOBS exists. In policy governance, the reasons are stated as “ends.”

The board provides direction to and oversight of the executive director’s work through the following ends:

E-1: Manage and administer the retirement programs required by the *BCO* Formulary No. 5.

E-1.1: Participants and eligible participants have a means to wisely set aside funds at a rate commensurate with other church plans.

E-1.2: Participants and eligible participants have a means to convert accumulations into retirement income choices including guaranteed lifetime income options.

E-2: Manage and administer the insurance programs required by the *BCO* Formulary No. 5.

E-2.1: Reasonable health insurance benefits at rates commensurate with other church plans are available to participants and eligible participants through our partnership with Reformed Benefits Association (RBA). Recognizing that the partnership with RBA is a board decision, the executive director is tasked with the following end: “Advocate for the purposes of E-2.1 and monitor and report the effectiveness of current partnership with RBA to the board.”
E-3: Manage and administer the RCA-funded assistance programs.

E-3.1: Active and retired participants and spouses might have access to an assistance fund that may be available based on demonstrated need and is limited by available funds.

E-4: Ensure the availability of appropriate life insurance benefits and long-term disability benefits.

E-4.1: Reasonable life insurance benefits and long-term disability benefits at rates commensurate with other church plans are available to participants and eligible participants.

E-5: Provide other programs or services related to the financial and physical well-being of eligible ordained ministers and their dependents, and of other eligible employees of agencies, assemblies, and institutions of the Reformed Church in America.

E-5.1 Participants and eligible participants have access to and are encouraged to use information and educational resources that allow them to make timely financial decisions regarding their retirement and their health, life, and disability-related benefits.

E-5.2 Investigate and, if appropriate, ensure availability of programs or services related to multidimensional wellness and well-being.

Review of Services and Ministries

Retirement Services, Fidelity Investments, and Fund Management

To participate in the 403(b) plan, employers need to complete and submit an adoption agreement to the Board of Benefits Services office. The adoption agreement is a compliance document that can allow a consistory some flexibility in defining the terms of its participation in the RCA 403(b) retirement program. The agreement recognizes the RCA 403(b) plan as the retirement plan of the employer. If an employer submits funds on behalf of its ministers, the board also recognizes this action as evidence that the employer has adopted the agreement. Staff will continue to request adoption agreements from employers as required by the plan. The agreement can be downloaded from the church treasurers’ page on the RCA website: www.rca.org/resources/church-treasurers-and-administrators.

The 403(b) retirement program document was approved through the IRS volume submitter program in 2017. Under this program, the IRS issues an option letter to the plan sponsor if the plan document meets legal requirements. As a result of the IRS approval, each employer (church) must adopt the approved plan by completing a new adoption agreement. This must be done by 2020. Feifei Liu, benefit actuarial analyst, has been contacting treasurers to assist them in the process of completing and submitting the updated agreement. We appreciate the cooperation that we have received from churches thus far.

Fidelity Investments rolled out Simplified Contribution Platform (SCP), a new electronic system for churches to remit their payments directly through the Fidelity website instead of manually by check. This was a tedious and ongoing project during 2018. There are still about 40 churches that have not yet signed up for SCP. Failure to do so will result in the contribution check being returned to the church. If your congregation is a new user and
needs to sign up, please provide your contact information at https://fidelityinvestments.tfaforms.net/660093 so Fidelity can send you a temporary password and user guide.

During this process, feel free to contact BOBS at (866) 221-5480 if

- a participant’s status code or division code needs to be updated.
- you need a division code so that your church may be added to SCP.
- your division has made a contribution error that requires correction.

For all other questions about SCP, contact the Fidelity SCP team at (800) 917-4369 or via email at SCPHelp@fmr.com.

Online remittance of funds is a crucial step in reducing our administrative fees and in being more competitive for an upcoming plan review.

In collaboration with the Investment Advisory Committee (IAC), in its fiduciary role, BOBS monitors the performance of the investment options (funds) available under the two retirement programs. BOBS and the IAC are assisted in this task by outside investment consultants from Lockton Advisors.

Effective January 1, 2018, we implemented a fee reduction for our participants from 28 basis points to 22 basis points. This represents a cumulative decrease of nearly 50 percent in the past seven years. Administrative fees will remain at 22 basis points for 2019.

After three years of availability, 64 participants are enrolled in the Fidelity Personalized Planning & Advice (FPPA) program. This program was previously known as Portfolio Advisory Service at Work (PAS-W). FPPA is an optional service that provides professional management of a participant’s plan account for a small advisory fee based on total assets invested. Participants receive ongoing investment management, retirement, and financial planning support from a team of professionals. The strategy aligns with the participant’s personal goals and is monitored and adjusted based on the market or life changes. This investment service is optional. Enrollment campaigns are held annually to allow a participant to enroll at a discounted price to test the program.

We continue to work with participants and their financial advisors when participants want to purchase an annuity. Most of these are purchased from the old plan where it is required that BOBS is the owner of the annuity. Our consultant from Lockton Advisors reviews the funds and is able to provide feedback regarding the integrity and financial stability of the insurance company. Fidelity offers an annuity shopping service; however, we have found most participants prefer to work with someone they know locally.

In order to improve security and reduce fraud, Fidelity uses a two-factor authentication (TFA) for participants performing certain high-risk transactions (password and user ID requests, rollover requests, etc.) on netbenefits.com.

New participants establish accounts online through the Fidelity NetBenefits website where participants are automatically enrolled in the appropriate target date fund. Participants can also change their employee contributions and designate or update beneficiaries directly on the Fidelity website. As part of Fidelity’s NetBenefits enhancements, an alert will show at the top of the NetBenefits homepage for participants who do not have a beneficiary on file.
RCA 403(b) Retirement Contribution Verification Project

Feifei Liu continues to collect the necessary information from RCA employers for the 403(b) contribution verification project (also known as the correction project). By housing the Retirement Security Form (RSF) alongside the Consistorial Report Form (CRF), the necessary information for 2018 can be collected so staff is able to complete the contribution verification process. BOBS’s staff appreciate the cooperation of treasurers and consistory members in providing this information. Each year, there are over 200 churches that do not complete the RSF, do not respond to the requests for payment, or only provide the basic information requested to perform the review. As a result of not having the needed information, it is impossible for staff to verify that the contributions have been made and are accurate.

The contribution verification project was initiated in 2012 to audit the participation and payment of the required employer contributions related to the retirement accounts of eligible ministers under call or contract. Many employers were out of compliance with the plan document and the BCO and had not contributed the required 11 percent of compensation to eligible RCA ministers’ retirement accounts.

Steady progress is being made on the collection of missing contributions. Approximately $1.32 million has been collected and added to the retirement savings accounts of RCA ministers. A growing concern is the lack of response from the churches that are not providing the requested data so staff can verify the contributions to the accounts of the ministers. The plan document states that the responsibility for making contributions lies with the church employer. Staff feel confident that we have made reasonable efforts to collect these contributions on behalf of our participants, but we cannot do this without the cooperation of the churches.

The board wrote off almost $500,000 in uncollectable contributions to the 403(b) plan based on a confirmation that churches would not be paying into the plan for their ministers. An acknowledgment form was sent to each church and each affected RCA minister, along with a letter explaining the process staff have gone through to collect the contributions. The minister and his or her spouse, if applicable, were asked to complete and sign the waiver in order to properly acknowledge and document the situation. In addition to waiving any claim(s) the minister or spouse may have against the applicable consistory, classis, or BOBS, it also includes an acknowledgment by the minister that he or she may not be considered for future financial assistance grants.

There are a number of churches in each classis who have failed to respond to our request for information and have failed to complete the RSF within the CRF system. This information is critical so we can calculate and verify that the church has contributed the proper amount to the minister’s or ministers’ retirement account(s).

Reallocation Project

The Board of Benefits Services’ non-qualified retirement plan holds funds for 1,695 participants with a market value more than $229 million as of December 31, 2018. This plan was closed to new participants and contributions as of December 21, 2004. The plan has advantages and disadvantages. BOBS feels that the potential disadvantages are compelling enough to provide an opportunity for participant funds to be transitioned out of the RCA retirement plan and into the RCA 403(b) retirement program.

Following approval by the 2015 General Synod, the legal plan document of the RCA
retirement plan was amended to allow the reallocation of participant funds from the RCA retirement plan to the RCA 403(b) retirement program. BOBS implemented a process in the summer of 2015 for participants to reallocate their retirement savings. This reallocation is a two-step process that requires participants to provide relevant information to confirm their eligibility and determine the dollar amount that can be reallocated. Staff work closely with Fidelity Investments in the process, and the review is completed in strict compliance with the IRS 415(c) rules. Participation in this program is optional.

The Reallocation Project was offered for a fourth time in the summer of 2018 to participants in connection with the 2017 tax year. One hundred and seventy-six participants were able to reallocate over $6.45 million dollars.

In June 2019, the Reallocation Project will be offered to participants in connection with the 2018 tax year. Interested participants can find more information at www.rca.org/benefits/retirement/retirement-plan-reallocation-faq.

Insurance Programs

The Board of Benefits Services continues to collaborate with the Christian Reformed Church in North America (CRCNA) regarding the provision of medical benefits through the Reformed Benefits Association (RBA).

RCA and CRCNA entities are eligible to participate in RBA benefit offerings by agreeing to the Terms of Participation. The terms require that entities must agree to enroll all eligible full-time staff minimally in one of the group Basic Life insurance plans. If the employer wishes to provide medical insurance to staff, the employer must agree to enroll all full-time staff in a medical plan unless the staff member has coverage through a spouse, parent, or Medicare. The RBA offers a group basic life insurance of $175,000 or a new $75,000 basic life insurance plan. Part-time staff are eligible to participate as well. Optional benefit offerings include dental, vision, and supplemental life insurance. Accident and critical illness insurance were offered for the first time this year.

Active RCA ministers regularly working a minimum of 17.5 hours per week and who were not enrolled in life insurance through the RBA were enrolled in the Unum group life and long-term disability insurance offered and administered through BOBS. Open enrollment was held November 12–30, 2018, with a plan effective date of January 1, 2019. Premiums for insurance increased 2 percent for 2019. In providing these benefits for eligible ministers, churches have access to an affordable group plan that allows them to easily fulfill the requirements of Formulary No. 5 (BCO). Cineca Anthony, BOBS’s life and long-term disability (LTD) administrator, works with churches to ensure proper insurance coverage is available and provided to all eligible RCA ministers.

Churches are billed quarterly for BOBS’s group plans. Reminders are sent to the church when an invoice is not paid by the due date. If payment is not received, a notice of cancellation is sent to the minister, to the treasurer, and to the classis. The loss of or lack of coverage is a violation of the BCO and puts church employers out of compliance with Formulary No. 5. More importantly, this loss of coverage puts the participant and his or her dependents at financial risk should an uncovered insurance event take place. A summary of ministers without life and long-term disability insurance is communicated to each classis’s stated clerk prior to termination of the policy.

Part-time ministers who regularly work a minimum of 17.5 hours and no more than 29 hours per week may be exempt from participating in the insurance programs, as stated
in the *BCO*. To apply for an exemption, a waiver of insurance form must be completed; signed by the minister, the consistory, and the supervising classis; and returned to BOBS. The waiver is available by contacting BOBS. Ministers who work 30 hours per week or more are not eligible to be exempt from benefits.

As stated in Formulary No. 5 of the *BCO*, BOBS is responsible for defining the minimum standards for medical insurance. For 2019, the minimum standard of coverage established by BOBS is met by offering coverage that approximates the consumer plan, as offered by the RBA.

- The consumer plan carries a coinsurance of 80 percent, an individual deductible of $3,000, and a family deductible of $6,000.
- The maximum in-network, out-of-pocket cost is $6,750 for an individual and $13,500 for a family.
- Coverage is 80 percent after the deductible has been met and until the out-of-pocket maximum has been reached.
- Once the out-of-pocket maximum has been met, the plan covers 100 percent of eligible medical expenses.

Effective January 1, 2018, BOBS is also required to establish the definition of “part time.” Because each insurance provider has varying eligibility requirements, the definition of part time varies based on the product.

- For life and LTD insurance purchased through BOBS, part time is defined as working a minimum of 17.5 hours but not more than 29 hours per week.
- A definition of part time for the RCA 403(b) retirement program is not needed because consistories are required to make contributions for all ministers serving the church under call or contract.
- If insurance is obtained through RBA, its terms of participation require that any insured member must work a minimum of 20 hours per week to be enrolled in medical, dental, and vision insurance. For further clarification, contact RBA.
- For life, LTD, and medical insurance, full time is defined as anyone working a minimum of 30 hours per week.

These definitions are published in the “Annual Insurance and Retirement Benefits Information” brochure that is updated and distributed to ministers and churches each fall. The electronic version of this brochure is posted on the RCA website at images.rca.org/docs/bobs/AIRBinfo.pdf.

BOBS’s staff worked with the GSC’s web applications developer to develop a new insurance billing system that was rolled out prior to open enrollment. In addition, to create better efficiencies, the Salesforce database that BOBS uses to invoice churches and maintain church contact and billing information was merged with the main Salesforce database of the GSC. Overall, both processes were successful. A positive outcome with the new billing system is that there has been an increase in churches setting up ACH (electronic funds transfer) via the online payment site. We would like to encourage all treasurers and administrators to set up ACH for their payments.

*Retiree Chaplains Ministry and Assistance Program*

BOBS, through the retiree chaplains program, employs a network of retired pastors and elders who maintain contact with retired RCA ministers and their spouses, surviving spouses, and lay missionaries with ten or more years of service. Twenty-nine retiree
chaplains, led by Mornier Rich, call on and visit more than 1,000 retirees across the U.S. and Canada each year. The retiree chaplains see each retired pastor once per year and call or write them at least three times per year. This ministry attempts to keep retired pastors and their spouses connected to the RCA after a life of service and provides a resource for those who are experiencing significant medical, financial, or emotional needs. Retiree chaplains play a key role in the assistance program. They know the needs of the retirees, are able to identify those who might have a need, and will contact the assistance applicant or a family member to clarify the extent of the need.

We are currently recruiting two retiree chaplains to serve in New York City and Southern California.

The annual retiree chaplain meeting took place April 29–30, 2019, in Holland, Michigan.

Financial assistance grants are awarded each year to eligible ministers and their surviving spouses and dependent children. This need is established through a formal assistance application that documents income and expenses of the applicant. Assistance may be granted for housing and utilities, ongoing medical insurance premiums, higher education for children of deceased ministers, funeral grants to surviving spouses, and retirement contributions for disabled ministers. Matching grants are available for emergency needs of active RCA ministers and for the medical insurance premiums of full-time RCA ministers involved in a new church. The assistance program provided nearly $300,000 in grants to approximately 50 recipients in fiscal year 2017–2018. We are grateful that the funding continues to be available for this program because the needs are evident.

Each year, grant recipients express their gratitude with notes of thanks to the staff. One recent thank you note said:

I wrote the answers to the questions and other information because my husband can no longer control his shaking and very unsteady hands. Thank you for your help. Please include us in your prayers. We pray daily for Classis, Synod, and other RCA leaders. May God bless you all.

A recipient of a one-time gift expressed:

I don’t have words to give adequate thanks. But please know this is an enormous gift (in so many ways) after a particularly difficult year. In the midst of all of the ways that we in our denomination have talked about the covenant of care and mutuality … you all have lived it to me in unexpected and enormous ways.

The assistance program is funded through four primary sources: assessments, contributions, endowments, and administrative fees from the RCA retirement plan.

1. **Assessments**: In 2018, assessments designated for the assistance fund were $2.00 per member.
2. **Contributions**: Any donation to BOBS that is not specified for another fund is deposited into the assistance program fund.
3. **Endowments**:
   - **ERISA Insurance Endowment Fund Policy**: A board-restricted endowment fund has been established with the reserves from the medical plan that was managed by the Board of Benefits Services. Earnings from this fund are being directed to the assistance fund.
   - **Ed and Luella Mulder Pastor Assistance Fund**: This fund was established
by the Mulders specifically to support the assistance program. Only the earnings are being distributed to the assistance fund.

- **Frank Williams Fund**: This endowment specifies that the interest shall only be used to aid ministers who have special emergency needs. This has traditionally been used to provide assistance to active RCA ministers on a matching-funds basis with the consistory, other RCA employer, or classis of membership.

- **Stillwell Trust**: The interest can only be used to fund the assistance program. Beginning in 2017, the earnings are being distributed to the assistance fund.

- **Restricted legacies and assistance funds**: These are board-restricted funds to be used for assistance. In 2017, the Children’s Fund (formerly the Orphans’ Fund) was rolled into the assistance fund, expanding the coverage to include the provision of higher education grants for dependent children of deceased RCA ministers of Word and sacrament.

- **Van Brunt Trust**: The distributions from this trust are made each quarter to the assistance fund.

4. **Administrative fees (RCA retirement plan)**: Expenses for the retiree chaplains program and the assistance program that are not covered through assessments, contributions, or endowments are covered by the administrative fees charged to the plan as noted in Article V, Section 5.4 of the plan document.

A multi-year plan was established to fund the assistance program through assessments, contributions, and earnings from endowments without being supplemented by participant fees or reserves. The fiscal year budget that began on October 1, 2017, was planned utilizing $177,000 of the administrative fees for the assistance program. By October 1, 2018, we were able to reduce that amount to $25,000 without reducing grants. Next fiscal year, we hope to meet our multi-year goal of funding the assistance and retiree chaplains programs only through assessments, contributions, and endowment earnings. For this, we give thanks.

**Well-being**

The RCA received a renewable three-year $1 million grant from Lilly Endowment Inc. in 2016 to help address the economic challenges that pastors often face. One portion of that grant, the Ministerial Excellence Fund, began as a $400,000 matching grant. Due to a variety of reasons, only about $130,000 in grants were awarded from 2016 through 2018. Lilly Endowment Inc. was gracious enough to extend the grant for an additional year. BOBS budgeted $150,000 to provide the match needed to fund the grant, relaunched the Ministerial Excellence Fund, and is now administering the Ministerial Excellence Fund.

We plan to give away more than $300,000 in 2019 to pastors to relieve and eliminate personal financial debt. Lilly Endowment Inc. believes that financial burdens carried by pastoral leaders are significant barriers to effective, faithful, and fruitful ministry. We hope, through this grant program, that financially struggling clergy will be given the tools to become financially healthy clergy, and the impact will be that both pastors and their congregations thrive.

BOBS has contracted with Billy Norden, RCA minister of The Community in Ada, Michigan. Billy has a passion for this work and is a gifted administrator. Billy promoted the Ministerial Excellence fund in early 2019 and received more than 100 applications prior to a committee awarding grants in April. Through this process, applicants are expected to disclose their financial situation, agree to financial counseling, meet regularly with an accountability partner, and participate in a financial educational program. We are thrilled to be a part of this needed ministry.
The RCA website has information about the grant program:

- www.rca.org/benefits/clergy-grants-financial-flourishing

The RCA has been invited to reapply for this grant in the summer of 2019. We are hopeful that the 2019–2020 budget will allow us to use earnings from the insurance endowment to match the funds provided from Lilly Endowment Inc. so we can further help eliminate debt of pastors, allowing them to focus on building flourishing ministries.

To address the emotional well-being of pastors, we have contracted with Pine Rest Christian Mental Health Services to provide the Employee Assistance Program (EAP). Our pastors (ordained, commissioned, and retired) and their direct family members have access to a nationwide network of clinicians where they can seek confidential, short-term counseling for mental health, marital, substance abuse, financial, and work-related issues. Eligible clergy and their households also have access to a 24-hour phone line to explore their concerns with M.S.W. or Ph.D. counselors. If needed, clergy and members of their household are entitled to up to three face-to-face consultations per problem. In addition, clergy have access to assessments, articles, videos, templates for legal forms, and training via an online web tool. Services began March 1, 2018. More information can be found at www.rca.org/benefits/employee-assistance-program.

In the fall of 2016, RBA began to offer physical well-being opportunities for its members. The Real Appeal weight loss program was reintroduced during open enrollment for 2018 and is available for participants today. RBA has contracted with Allegro Coaching for well-being webinars and for the development of an individualized movement program for members. These physical well-being programs are being funded by a renewable $10,000 grant from United Healthcare. Members enrolled in the benefit programs through RBA are encouraged to participate in these physical well-being opportunities.

Communication and Education

Participants were able to take part in a number of webcasts in 2018. The webcasts and campaigns included topics like America Saves Week, PAS-W discount, Social Security planning, managing debt, Medicare, and beneficiary designations. A number of age-specific electronic mailings and quarterly check-ins were provided to participants. Topics varied depending on the age of the participant.

Retirement Gap Analysis statements showing the estimated shortage in expected monthly income at the time of retirement were distributed to participants in the retirement program on September 21, 2018. The project was led by Claude Bussières and was fully funded by Fidelity Investments.

The newsletter continues to be created and distributed to participants either in print or digitally.

The benefits and treasurers pages of the RCA website are evolving resources for ministers, treasurers, consistories, and stated clerks. Information available includes minimum standards for medical insurance, newsletters, housing allowance letters, a calculator for imputed taxes, life and long-term disability insurance highlights, beneficiary and address change forms, retirement plan documents, investment performance updates, and links to Fidelity and RBA.

Compliance-related documents (e.g., adoption agreements, retirement plan investment
changes, etc.) are reviewed by either the GSC’s general counsel or BOBS’s external attorneys at Conner and Winters prior to distribution to employers, supervising entities, and participants.

Participants are encouraged to contact retirement@rca.org with any questions.

**Board and Staff Transitions**

The Board of Benefits Services expresses its gratitude and appreciation to Mark Kamper and Bob Nykamp, who are completing their board terms at the end of June 2019. The board is also grateful for the service of David Bach, Sanjiv Kattekola, Roger Krutz, Ronald Lokhorst, Gene Poll, and Herman Van Galen, who have completed their employment as retiree chaplains since General Synod 2018, and for Claude Bussières, who completed his employment as the retirement services manager in January 2019. We welcome new retiree chaplains Philip Doeschot, Dennis Foemmel, Allan Janssen, Gregg Mast, Michael Otte, Lucille Perkins, and Calvin Tysen.

**Finance, Annual Audit, and New York State Audit**

Please see the report of the Office of Finance on pages 56–70 to review BOBS’s finances and annual audit.

The New York State Department of Financial Services – Insurance Division conducts a detailed audit of BOBS every five years. Two auditors from the department began their work on December 3, 2018, to examine the affairs of BOBS for the period covering October 1, 2012, through September 30, 2017. The examination was expected to last, and did last, four months. The examination began with a letter requesting 29 items. Then, throughout the four-month, on-site examination, the auditors communicated their needs by issuing written requests, to which staff had five business days to respond. To date, 26 requests have been made, and over 250 hours of staff time has been occupied by researching and responding to the examiners’ requests. Topics reviewed included third-party service agreements, funeral grants, assistance grants, board minutes and policies, hazard insurance policies, fees paid, and cyber security.

As expected, BOBS’s staff was cordial, accommodating, and responsive to the requests of the auditors. We are grateful for the support provided by our CFO and treasurer, Jillisa Teitsma, and the GSC finance team; the GSC legal team, Paul Karssen and Angela Worthley; and the GSC director of IT, Eric Sowers, who logged many hours by providing documentation for these requests.

Based upon prior experience, we do not expect a formal written report to be issued by the Department of Financial Services for several years.

**Re-domiciling Corporation in Michigan**

The board has been exploring the option of re-domiciling the Board of Benefits Services to the State of Michigan. Some of the factors considered were:

- The office location for most GSC staff that support the work of BOBS, including the general secretary, BOBS’s treasurer and CFO, and BOBS’s executive director, is in Michigan.
- We have established relationships with Michigan attorneys who know the RCA and are knowledgeable about the compliance issues regarding retirement and
insurance plans in the State of Michigan.

- The State of New York charges a fee for the audit. BOBS would experience a cost savings of over $100,000 for the audit fee and other costs associated with the New York State audit.
- The board has determined that there is not significant value added by the New York State audit every five years.
- BOBS will continue to be annually audited by CapinCrouse, LLP, an outside independent audit firm.
- BOBS will maintain office space, staff, and day-to-day operations in The Interchurch Center at 475 Riverside Drive, New York, New York.

At its March 2019 meeting, the board approved the incorporation of The Board of Benefits Services of the Reformed Church in America, Inc., a Michigan nonprofit membership corporation; authorized the adoption by Jillisa Teitsma, as incorporator, of the Articles of Incorporation and bylaws as presented to the board; and approved the transition of the operations of the Board of Benefits Services from the New York entity to the Michigan entity.

Articles of incorporation and bylaws for the new nonprofit Michigan corporation were prepared for the board by Miller Johnson attorney Kenneth Hofman and RCA general counsel Paul Karssen and are presented below for review by the General Synod delegates.

Consistent with the current Board of Benefits Services Constitution and Rules, the board seeks General Synod approval of the articles of incorporation and bylaws for the new Michigan corporation. Accordingly, the Board of Benefits Services makes the following recommendation:

BBS 19-1
To approve incorporation of The Board of Benefits Services of the Reformed Church in America, Inc., a Michigan nonprofit membership corporation; and further,

To approve the adoption by Jillisa Teitsma, as incorporator, of the Articles of Incorporation and to approve the bylaws for The Board of Benefits Services of the Reformed Church in America, Inc.; and further,

To consent to the transfer of all operations of The Board of Benefits Services of the Reformed Church in America, a New York not-for-profit corporation (including without limitation all assets, liabilities, and contract rights) to The Board of Benefits Services of the Reformed Church in America, Inc., a Michigan nonprofit membership corporation, with the transfer to occur at a time and in a manner established by the boards of directors of The Board of Benefits Services of the Reformed Church in America, a New York not-for-profit corporation, and The Board of Benefits Services of the Reformed Church in America, Inc., a Michigan nonprofit membership corporation. (ADOPTED)

The advice of the Advisory Committee on Overtures and New Business was to vote in favor of BBS 19-1.
BYLAWS OF THE BOARD OF BENEFITS SERVICES OF THE REFORMED CHURCH IN AMERICA, INC.

FOREWORD

The Board of Pensions of the Reformed Church in America was established by the General Synod of the Reformed Church in America (General Synod) and incorporated by Act of the Assembly of the State of New York, approved April 16, 1923, under the original name of “The Ministers’ Fund of the Reformed Church in America, Inc.” In June 1923, the General Synod designated the Ministers’ Fund as one of the regular boards of the Reformed Church.

The original charter was amended by Act of the Assembly, approved March 23, 1938, so that a retirement fund could be established for the benefit of lay workers of the Reformed Church. Under date of March 19, 1954, the name of the board was changed to “The Board of Pensions of the Reformed Church in America” in order to conform to the names of the other boards of the Reformed Church and pursuant to Section 40 of the General Corporation Law of the State of New York.

In order to reflect more accurately the duties and responsibilities of The Board of Pensions, its full legal name now is “The Board of Benefits Services of the Reformed Church in America, Inc.” and it is commonly known as the “Board of Benefits Services.” This corporation now is being created to replace the New York entity for The Board of Benefits Services. It is being created pursuant to the Michigan Nonprofit Corporation Act, Act 62 of 1982, as amended (the “Act”). All assets and operations of the New York entity will be transferred to this corporation following its creation, and the New York entity will be dissolved thereafter.

The General Synod has delegated to The Board of Benefits Services the responsibility to manage and administer the retirement and insurance programs required by the Reformed Church in America Book of Church Order (BCO) Formulary #5, the Reformed Church in America funded assistance programs, and to also ensure the availability of appropriate life insurance benefits, long-term disability benefits, and any other programs or services related to the financial and physical wellbeing of eligible ordained ministers and their dependents, and of other employees of agencies, assemblies, and institutions of the Reformed Church in America. Fulfilling that responsibility is the purpose of this corporation, and it does so in accordance with these Bylaws.

These Bylaws are the official rules adopted by The Board of Benefits Services and approved by the General Synod and supersede the constitutions and rules of the following funds and departments which heretofore comprised the Ministers’ Fund of the Reformed Church in America, Inc.:

- The Widows’ Fund, organized 1837
- The Disabled Ministers’ Fund, organized 1855
- The Ministerial Pension Fund, established 1928
- The Widows’ Department of the Ministerial Pension Fund, established 1932
- The Contributory Annuity Fund, organized 1936
- The Retirement Fund for Lay Workers, organized 1937
- The Children’s Christmas Fund (Orphans’ Fund)
ARTICLE I

NAME AND PURPOSES

Section 1.1  Name. This corporation shall be known as The Board of Benefits Services of the Reformed Church in America, Inc.

Section 1.2  Purposes. This corporation is organized exclusively for charitable and religious purposes within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future United States internal revenue law (the “Code”). The purposes of this corporation are to manage and administer the retirement and insurance programs required by BCO Formulary No. 5, the Reformed Church in America funded assistance programs, and also to ensure the availability of appropriate life insurance benefits, long-term disability benefits and any other programs or services related to the financial and physical well-being of eligible ordained ministers and their dependents, and of other employees of agencies, assemblies and institutions of the Reformed Church in America. The corporation may engage in any activity in connection with the above-stated purposes for which a nonprofit corporation may be organized under the Act.

Section 1.3  Limitations. Notwithstanding its mission and purposes described above the corporation:

a)  has not been formed for pecuniary profit or gain.

b)  assets and profits do not inure to any person’s private benefit.

c)  may not devote any substantial part of its activities to carrying on propaganda or otherwise attempting to influence legislation.

d)  may not participate or intervene in any political campaign for any candidate for public office. Participation and intervention include publishing and distributing statements.

e)  may not engage in any activity prohibited by a corporation:

   i.  exempt from federal income taxes under Code section 501(c)(3); or

   ii. to which contributions are deductible under Code section 170(c)(2).

ARTICLE II

MEMBER

Section 2.1  Sole Member. This corporation is organized on a membership basis. The sole member of the corporation is the General Synod. The General Synod is served by an executive committee, which is the General Synod Council of the Reformed Church in America, a New York not-for-profit corporation exempt from Federal income tax under Section 501(c)(3) of the Code (the “General Synod Council”). Neither the General Synod’s membership in this corporation nor its rights and responsibilities resulting from such membership is transferrable, in whole or in part, to any other entity,
nor may those rights and responsibilities be exercised by any other party (including an officer, director, or committee of the General Synod, including the General Synod Council) on behalf of the General Synod.

This corporation is an “agency” of the General Synod and as such is subject to all provisions of the BCO (as it may be amended from time to time) applicable to such agencies. The BCO is incorporated herein by reference as though fully set forth. Any amendment to the BCO shall be effective and applicable to this corporation immediately upon its effectiveness. If at any time any conflict or inconsistency exists between the BCO and these bylaws, the BCO shall control. As of the date of the adoption of these Bylaws, the term “agency” is defined in BCO Chapter 3, Part I, Article 7.

Section 2.2 Meetings. Meetings of the General Synod shall constitute meetings of the General Synod as the sole member of this corporation for purposes of the member taking any action as may be required by applicable law. The corporation shall prepare or have prepared a report of the corporation for the preceding fiscal year and distribute and present that report to the General Synod at its annual meeting. The report shall include all of the following for the corporation’s preceding fiscal year:

a) Its income statement;

b) Its year-end balance sheet, including trust funds and funds restricted by donors or the board;

c) Its statement of source and application of funds, if the corporation prepares that statement;

d) Any other information required under the Act.

Section 2.3 Notice to the Member. Inclusion of any proposal in the annual report of this corporation to the General Synod shall be treated as any notice(s) as may be required under applicable law of the proposal to the General Synod as the sole member of this corporation.

Section 2.4 Voting. All voting rules of the General Synod under the BCO shall apply to the General Synod when acting as the sole member of this corporation.

ARTICLE III

DIRECTORS

Section 3.1 Board of Directors. The corporation shall have a “board of directors”, which under the Act, shall be construed to be synonymous with a “board of trustees” under the Act, and the term director shall be construed to be synonymous with a trustee under the Act and these Bylaws.

Section 3.2 Powers. The affairs of the corporation shall be managed by the board of directors subject to the limitations of the Articles of Incorporation of the corporation, these Bylaws and the laws of the State of Michigan. The board of directors is empowered on behalf of the corporation to do and perform all acts reasonably necessary, appropriate or incident to the accomplishment of the purposes of the corporation, as determined by the board of directors in their sole discretion.

Section 3.3 Number and Term of Directors. The board consists of at
least nine (9) and not more than seventeen (17) directors. The composition of the board shall be as follows: the president and vice president of the General Synod, the moderator of the General Synod Council, the general secretary of the General Synod or his or her designee, and at least five (5) and no more than thirteen (13) directors-at-large who shall be nominated and elected in the manner set forth in BCO Chapter 3, Part I, Article 4 (as it may be amended from time to time). Eligibility for each at-large director, method for election and/or appointment (including the filling of vacancies for any reason), and the term of office shall be as provided for General Synod agencies in the BCO. The terms of office on the board of directors of the corporation for the member of the General Synod Council shall be limited to his or her term of service as such member, and of the general secretary of the General Synod shall be limited to his or her term of service as such general secretary. The Commission on Nominations (as defined in the BCO) should strive to assure that no more than one third of the at-large director terms expire annually. The at-large directors shall have such experience, qualifications, and professional backgrounds as are necessary or appropriate to ensure that the board of directors is properly equipped to monitor the performance of the Executive Director and effectively represent the various constituencies in the Reformed Church in America that have an interest in the proper and effective functioning of the corporation, and may include one or more ordained ministers, dependents of ordained ministers or employees of institutions or agencies of the Reformed Church in America who are participants in the plans and programs that are managed and administered by the corporation at the date of their nomination. No more than one half of the board of directors shall be dependents of ordained ministers or employees of institutions or agencies of the Reformed Church in America. The general secretary shall use every opportunity to bring the work of the corporation before the Reformed Church in America.

Section 3.4 Removal. The General Synod may remove a director. Any director may be removed at any time upon the affirmative vote of a majority of all directors, for reasonable cause as determined by the governing board as a part of such vote.

Section 3.5 Resignation. A director may resign at any time by giving written notice of resignation to the Secretary. The resignation is effective upon its receipt by the Secretary or at a later date specified in the notice. Acceptance by the board is not necessary to make the resignation effective.

Section 3.6 Vacancies. Notwithstanding any provision seemingly to the contrary under the Act, a vacancy shall be filled only in the manner described in Chapter 3 of the BCO.

Section 3.7 Compensation and Expenses. Directors serve without compensation. The corporation may reimburse directors for reasonable expenses of attending board and committee meetings. Nothing in this section prohibits a director from being compensated for serving the corporation in a non-director capacity.

Section 3.8 Conflicts of Interest. Conflicts of interest shall be addressed in accordance with a Conflict of Interest Policy adopted by the directors, as it may be amended from time to time. Any amendments to the Conflict of Interest Policy shall be immediately effective for the corporation.
ARTICLE IV

BOARD MEETINGS

Section 4.1 Regular Meetings. The board may adopt a schedule of board meetings ("regular meetings") and must hold at least two meetings annually. The annual meeting of the corporation shall be held immediately prior to the annual meeting of the General Synod. At the annual meeting of the corporation all officers shall be elected and reports prepared by the Secretary and any report of auditors shall be considered and adopted for presentation to the General Synod.

Section 4.2 Special Meetings. Notwithstanding any provision seemingly to the contrary under the Act, the President or at least one third of all of the directors may instruct the Secretary at any time to schedule a special director meeting, defined as any meeting other than a regular meeting.

Section 4.3 Notice of Meetings. The Secretary will give to each director a) notice containing a schedule of regular meetings at least 10 days before the first meeting on that schedule, and b) notice of any special meeting at least 5 days before but not more than 60 days before that meeting. Notice of regular meetings shall include an agenda and any supporting materials. Notice of a special meeting must state the business to be considered and, notwithstanding Section 521 of the Act, only that business may be transacted at that meeting. Notices may be given only using the methods and other rules described in Article VII.

Section 4.4 Waiver of Notice: By Writing or Attendance. A director may waive a meeting notice in writing before or after the meeting. A director’s attendance at a meeting waives that director’s objections to that meeting’s notice unless that director objects to the transaction of any business for the reason that the meeting is not lawfully called or convened.

Section 4.5 Participation in Meeting by Remote Communication. Any director may participate in a meeting by means of conference telephone or other means of remote communication by which all persons participating in the meeting can communicate with each other. Participation in a meeting under this section constitutes presence in person at the meeting.

Section 4.6 Quorum and Vote Required. A majority of all of the directors is a quorum for the transaction of business at any meeting. Board action requires the affirmative vote of a majority of directors present at a meeting having a quorum, unless law or these bylaws requires a larger vote.

Section 4.7 Place of Meetings. Meetings may be held in or outside of Michigan.

Section 4.8 Unanimous Action Without a Meeting. Unless prohibited by the articles, any action required or permitted to be taken at a board meeting may be taken without a meeting if all directors consent in writing before or after the action. The Secretary must file the consents with the minutes of the board meeting. The consents have the same effect as votes of the directors. A vote may be taken by ballot without a meeting.

Section 4.9 Conduct of Meetings. The President will preside at all board meetings. If the President cannot attend or preside, the Vice President will be the presiding officer. In absence of authority provided by these Bylaws relating to the conduct of meetings, Roberts Rules of Order shall apply.
Section 4.10  No Proxies or Agents. A director may not submit a proxy allowing another person to cast that director’s vote at a meeting. A director may not designate any agent or other person to attend a board meeting in that director’s absence.

ARTICLE V

OFFICERS

Section 5.1  Officers: General Provisions. The corporation shall have a President, Vice President, Secretary and Treasurer. The board must elect the President, Vice President and Secretary. Officers must be either members of the board of directors or staff employed by the General Synod Council. Each officer serves a 1 year term and until that officer’s successor is elected and qualified. Terms commence on July 1 and end June 30. Two or more offices may be held by the same person, but an officer may not execute, acknowledge or verify an instrument in more than one capacity if by law two or more officers must execute, acknowledge or verify the instrument. No term limits apply. Officers have the duties specified in these bylaws and other duties the board specifies.

Section 5.2  President. The President must be a member of the board of directors. The President presides over all board meetings, and performs such other duties as are usually required of that officer or as may be requested by the board. The President shall be a member or ex-officio member of all committees of the board, with such rights, responsibilities and privileges as may be established at the time of formation of the committee.

Section 5.3  Vice President. The Vice President must be a member of the board of directors. The Vice President performs the President’s duties during the President’s absence or disability.

Section 5.4  Secretary. The Secretary gives notice of each board meeting and other meetings as the President directs, attends and records meeting minutes, and keeps custody of corporation records. The Secretary need not be a member of the board of directors. The Secretary shall be responsible for the preparation of the annual report for the corporation to act upon and present to the General Synod and other duties generally required of a recording and/or corresponding secretary.

Section 5.5  Treasurer. The Treasurer of the General Synod and the General Synod Council shall be the Treasurer of this corporation. The Treasurer shall not be a member of the board of directors. The Treasurer keeps financial records and reports on receipts, expenditures and the corporation’s financial status to the board.

Section 5.6  Executive Director. The Executive Director shall be an officer of the corporation, but shall not be a member of the board of directors. The Executive Director shall be an employee of the General Synod Council and shall have such duties, responsibilities, power, authority, and limitations as the board of directors shall establish from time to time, in consultation with the General Synod Council. Any vacancy in the office of Executive Director shall be filled by the General Synod Council with an employee of the General Synod Council in consultation with the board of directors.

Section 5.7  Removal. A majority of the directors may remove any officer at any time with or without cause, except for the Treasurer (whose service as such is described in Section 5.5 of these Bylaws and who may be removed by an action of the General Synod Council) and except for the Executive Director (whose appointment,
service, and removal is described in Section 5.6 of these Bylaws and who may be removed by an action of the General Synod Council). The removal of an officer does not prejudice that officer’s contract rights, if any.

Section 5.8 Vacancies. Except for the Treasurer and the Executive Director, the board may fill any officer vacancy.

Section 5.9 Resignation. Any officer may resign by giving a written resignation to the directors. The resignation is effective upon its receipt by the Secretary or President, as applicable, or at a later time specified in the notice. Resignation is effective without board acceptance.

Section 5.10 Compensation and Expenses. Officers who are not staff members of the corporation serve without compensation. The corporation may reimburse officers for reasonable expenses of attending meetings and other necessary expenditures incurred by any officer on the corporation’s behalf. Nothing in this section prohibits an officer from being compensated for serving the corporation in a non-officer capacity or as a staff member.

ARTICLE VI

COMMITTEES

The board may create committees from time to time. All committee chairs must be directors. With or without cause, the board may at any time disband any committee, including any executive committee, or remove any committee member.

ARTICLE VII

LIABILITY PROTECTION; INDEMNIFICATION

Section 7.1 Protection from Corporate Obligations. No director, officer, employee or agent is personally liable for obligations of the corporation, except as applicable law requires otherwise.

Section 7.2 Volunteer Protection from Personal Actions. To the extent the articles describe, volunteer directors, volunteer officers, and other volunteers are protected against personal liability for actions taken on the corporation’s behalf.

Section 7.3 Indemnification: Service and Conduct. The corporation has the power to indemnify a person who meets the following service and conduct requirements:

a) Service. The person is a party to a proceeding by reason of that person’s service as either:

i. one of this corporation’s directors, officers, employees, volunteers or agents, or

ii. if at the request of this corporation, as one of another profit or non-profit enterprise’s directors, officers, partners, trustees, employees or agents.
b) **Conduct.** The corporation determines that:

i. the person acted;
   
   (a) in good faith; and
   
   (b) in a manner that the person reasonable believed to be in, or not opposed to, either the corporation’s or its directors’ best interests;

ii. if the proceeding is criminal, that the person had no reasonable cause to believe that the conduct was unlawful; and

iii. per Section 564A(5) of the Act, a director may be indemnified without a determination that the director has met the above standards of conduct, except the corporation shall not indemnify a director for:

   (a) The amount of a financial benefit received by a director to which he or she is not entitled;

   (b) Intentionally inflicted harm on the corporation or its members;

   (c) A violation of Section 551(1) of the Michigan Nonprofit Corporation Act, relating to distributions, share purchases and loans to certain persons;

   (d) An intentionally committed criminal act; or

   (e) A liability imposed under Section 497(A) of the Michigan Nonprofit Corporation Act, relating to a proceeding that was commenced or maintained in bad faith or without reasonable cause.

**Section 7.4 Eligible Expenses.** The corporation may indemnify for any, some or all of only the following amounts to the extent actually and reasonably incurred in connection with the proceeding:

a) **Derivative Actions.** If the proceeding was on the corporation’s behalf, expenses (including attorney fees) and amounts paid in settlement; but if the court finds that the person is liable to the corporation, indemnification may be made only to the extent the court determines that, in view of the circumstances and despite the person’s liability, the person is fairly and reasonably entitled to indemnification.

b) **Non-derivative Actions.** If the proceeding was not by the corporation or on its behalf, for expenses (including attorney fees), judgments, penalties, fines and amounts paid in settlement.

**Section 7.5 Procedure for Determination.** Unless a court orders otherwise, the corporation must make a specific indemnification determination for each proceeding in one of the following ways:
a) By majority vote of a board quorum consisting of directors who are not parties to the proceeding or threatened to be made parties to the proceeding.

b) If that quorum is not obtainable, then by a majority vote of a committee consisting of at least 2 directors, each of whom i) is disinterested and ii) is not a party to the proceeding or threatened to be made a party to the proceeding.

c) By a written opinion from independent legal counsel to the corporation.

Section 7.6  Other Rules.

a) **No Limit on Proceedings.** Indemnification applies regardless of whether the proceeding is i) formal or informal, ii) threatened, pending or completed, or iii) civil, criminal, administrative or investigative.

b) **Termination Creates No Presumption.** A proceeding’s termination creates no presumption that the person did not meet the standard of conduct described above, regardless of whether the termination was by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent.

c) **Mandatory Indemnification.** To the extent that a person is successful in a proceeding’s defense, the corporation must indemnify that person against the expenses described above and for attorney fees incurred to enforce this mandatory indemnification. The corporation may, but shall not be required to, advance expenses for mandatory indemnification prior to the final resolution of the proceeding, claim or issue subject to a claim for indemnification. This mandatory indemnification applies equally to a proceeding to enforce this mandatory indemnification and applies whether or not:

   i. the defense is on the merits; and
   
   ii. the defense is successful against the entire proceeding or against only one or more claims, issues or matters in the proceeding.

d) **Expense Advances.** The corporation may loan funds to the person before the proceeding is over if i) the person promises to repay those funds if the person is not entitled to indemnification and ii) the person’s promise is a general unlimited obligation but need not be secured. The promise may be made by someone other than the person being indemnified.

e) **Continuation of Rights.** The indemnification rights described above continue to apply regardless of the corporation’s merger into or conversion with another entity.

f) **Rights Not Exclusive.** This indemnification does not exclude any indemnification rights the person may also have under the Articles, Bylaws, contract or applicable law, except that the person may not be
indemnified for more than the amount that person actually incurs.

g) **Insurance.** The corporation may purchase and maintain insurance covering i) the corporation’s liability for indemnification, and ii) any liability of a person for serving in a capacity described above regardless of whether the corporation would have the power to indemnify that person.

**ARTICLE VIII**

**GENERAL**

Section 8.1 Authority to Execute Documents. The board may authorize any number of officers or other persons to execute any document on the corporation’s behalf. That authority may be general or limited to specific transactions. The board may also ratify any execution. If the board authorizes a document’s execution without specifying the executing persons, then the President may execute the document.

Section 8.2 Fiscal Year. The fiscal year of the corporation shall, at all times, be consistent with the fiscal year of the General Synod Council.

Section 8.3 Amendments. Either the General Synod or the Board of Directors of this corporation may propose amendments to these Bylaws.

These Bylaws may be amended by a two-thirds vote of the Board of Directors of this Corporation, provided that the proposed amendment has been presented in writing at a previous regularly constituted Board meeting. The amendment shall become effective only after approval by the General Synod, by a majority vote of those present and voting at any regularly constituted meeting.

These Bylaws also may be amended by the General Synod by a majority vote of those present and voting at any regularly constituted meeting, provided that the proposed amendment has been submitted in writing to the Board of Directors of this Corporation for its consideration at least three calendar months before the meeting of the General Synod in order that the Board may be able to present its views on the matter.

Section 8.4 Notice Requirements.

a) **Permitted Methods.** Notice may be given only in one or more of the following methods:

i. hand delivery

ii. U.S. first class, registered or certified mail

iii. electronic transmission (email or fax) if the recipient consents as described below.

b) **Addresses and Expense.** Unless otherwise provided by law, any notice or other communication required or permitted under these bylaws must:

i. be in writing,
ii. have its delivery expenses prepaid by the sender,

iii. for notices given by the Secretary on the corporation’s behalf, addressed to the address most recently received by the Secretary from the recipient,

iv. for notices given to the corporation, be addressed to the Secretary’s attention unless otherwise provided in these bylaws. If the sender holds the office of Secretary, that sender must give the notice to the President. If that sender also holds the office of the President, that sender must give the notice to each director, and

v. for notices of meetings, describe the means of remote communication by which the recipient may participate.

c) **Option for Electronic Methods.** By written notice containing the recipient’s electronic mail or facsimile address, a recipient may authorize the sender to give notices and other communications to that recipient by electronic mail or facsimile.

d) **Effective Date of Notice.** Notice given on the corporation’s behalf i) that is mailed by first-class, registered or certified mail is deemed given when deposited in the U.S. Postal Service, postage prepaid, and ii) that is sent by electronic transmission is deemed given when electronically transmitted to the person entitled to the notice in a manner that person authorized, and iii) that is hand delivered is deemed given when handed to the recipient by the sender or left at the recipient’s address in either a mailbox or with a person the sender reasonable believes will deliver the notice to the recipient.

**Section 8.5 Dissolution**

a) **Member Approval.** No voluntary dissolution of this corporation may occur unless expressly approved in advance by an action of the General Synod.

b) **Procedure.** If the General Synod approves a voluntary dissolution, the corporation will stop conducting its affairs except as may be necessary for the corporation’s winding up. The board must promptly file a certificate of dissolution as required by the Act.

c) **Distribution of Assets.** Upon dissolution, and unless other requirements are established in any action of the General Synod approved or otherwise related to such voluntary dissolution of this corporation, the Board of Directors shall transfer all of the assets of the corporation to the General Synod Council, any successor-in-interest to the General Synod Council which is also tax exempt under Section 501(c)(3) of the Code, or one or more entities that are tax exempt under Section 501(c)(3) of the Code that the Board of Directors identify with the approval of the General Synod Council.
Pursuant to the provisions of Act 162, Public Acts of 1982, the undersigned corporation executes the following Articles:

**ARTICLE I**

**NAME OF CORPORATION**

The name of this corporation is The Board of Benefits Services of the Reformed Church in America, Inc.

**ARTICLE II**

**CORPORATE PURPOSES**

2.1 **Purposes.** This corporation is organized exclusively for charitable and religious purposes within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future United States internal revenue law (the “Code”), to manage and administer the retirement and insurance programs required by the Reformed Church in America Book of Church Order Formulary No. 5, the Reformed Church in America funded assistance programs, and also to ensure the availability of appropriate life insurance benefits, long-term disability benefits and any other programs or services related to the financial and physical well-being of eligible ordained ministers and their dependents, and of other employees of agencies, assemblies and institutions of the Reformed Church in America. The corporation may engage in any activity in connection with the above-stated purposes for which a nonprofit corporation may be organized under the Michigan Nonprofit Corporation Act of 1982, as amended (the “Act”).

2.2 **Limitations.** Notwithstanding its mission and purposes described above the corporation:

   a) has not been formed for pecuniary profit or gain.

   b) assets and profits do not inure to any person’s private benefit.

   c) may not devote any substantial part of its activities to carrying on propaganda or otherwise attempting to influence legislation.

   d) may not participate or intervene in any political campaign for any candidate for public office. Participation and intervention include publishing and distributing statements.

   e) may not engage in any activity prohibited by a corporation:

      i. exempt from federal income taxes under Code section 501(c)(3); or

      ii. to which contributions are deductible under Code section 170(c)(2).
2.3 **Structure.** As designated below, this corporation is organized on a membership basis. The sole member of the corporation is the General Synod of the Reformed Church in America (the “General Synod”). The General Synod is served by an executive committee, which is the General Synod Council of the Reformed Church in America, a New York not-for-profit corporation exempt from Federal income tax under Section 501(c)(3) of the Code (the “General Synod Council”). Neither the General Synod’s membership in this corporation nor its rights and responsibilities resulting from such membership is transferrable, in whole or in part, to any other entity, nor may those rights and responsibilities be exercised by any other party (including an officer, director, or committee of the General Synod, including the General Synod Council) on behalf of the General Synod.

2.4 **Board of Directors.** The corporation may have a “board of directors”, which under the Act, shall be construed to be synonymous with a “board of trustees” under the Act, and the term director shall be construed to be synonymous with a trustee under the Act and these Articles.

2.5 **Dissolution.** No dissolution of this corporation may occur unless expressly approved in advance by an action of the General Synod. Upon dissolution, the Board of Directors shall transfer all of the assets of the corporation’s assets to the General Synod Council, any successor-in-interest to the General Synod Council which is also tax exempt under Section 501(c)(3) of the Code, or one or more entities that are tax exempt under Section 501(c)(3) of the Code that the Board of Directors identify with the approval of the General Synod.

**ARTICLE III**

**ORGANIZATION AND FINANCING**

The corporation shall be organized on a nonstock, membership basis.

The corporation does not own any real or personal property at the present time.

The corporation shall be funded by contributions, donations, grants and bequests from individuals and organizations, public and private.

**ARTICLE IV**

**REGISTERED OFFICE AND RESIDENT AGENT**

The street address of the initial registered office of the corporation is 4500 60th Street, S.E., Grand Rapids, Michigan 49512. The name of the initial resident agent of the corporation is Kelly Oliveira.

**ARTICLE V**

**INCORPORATOR**

The name of the incorporator of the corporation is Jillisa Teitsma. The incorporator’s address is 4500 60th Street, S.E., Grand Rapids, Michigan 49512.
ARTICLE VI

TERM OF CORPORATION

The term of the corporation is perpetual.

ARTICLE VII

LIMITED LIABILITY

a) Protection From Derivative Liability: Directors and Volunteer Officers. Each director and volunteer officer is not personally liable to this corporation for money damages for any action taken or any failure to take any action as a director or volunteer officer, except liability for any of the following:

i. The amount of a financial benefit received by a director or volunteer officer to which he or she is not entitled;

ii. Intentional infliction of harm on the corporation;

iii. A violation of section 551 of Michigan’s nonprofit corporation act;

iv. An intentional criminal act; or

v. A liability imposed under section 497(a) of Michigan’s nonprofit corporation act.

b) Protection From Third-Party Liability: Directors of 501(c)(3) Corporations. If the corporation’s purposes, structures, and activities are exclusively those described in section 501(c)(3) of the Internal Revenue Code, the corporation assumes all liability to any person other than the corporation for all acts and omissions of a volunteer director incurred in the good faith performance of that volunteer director’s duties. A claim may not be brought or maintained against a volunteer director for monetary damages for that director’s breach of duty to any person other than the corporation. The claim may instead be brought or maintained only against the corporation, which is liable for that breach.

c) Protection From Third-Party Liability: All Volunteers Regardless of 501(c)(3) Status.

(1) Regardless of the corporation’s status under Code section 501(c)(3), the corporation assumes the liability for all acts or omissions of a volunteer director, volunteer officer, or other volunteer. This protection applies only if all of the following are met:

i. The volunteer acted, or reasonably believed that the volunteer acted, within the scope of the volunteer’s authority;
ii. The volunteer acted in good faith;

iii. The volunteer’s conduct did not amount to gross negligence or willful and wanton misconduct;

iv. The volunteer’s conduct was not an intentional tort; and

v. The volunteer’s conduct was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed under section 3135 of Michigan’s Insurance Code (MCL 500.3135).

(2) A claim described in (1) may not be brought or maintained against the volunteer.

d) Law Changes. If Michigan’s non-profit corporation act is amended after this article is effective and that amendment further eliminates the liability of nonprofit corporation directors, officers or other agents, then the liability of those persons is automatically eliminated or limited to the fullest extent permitted by that amendment. This does not apply, however, to the extent that the amendment is inconsistent with the corporation’s status as a tax-exempt entity under Code section 501(c)(3) or imposes a tax under Code section 4958.

e) Amendments Not Retroactive. No amendment of this article adversely affects a person’s liability with respect to acts or omissions occurring before the amendment’s effective date.

f) Definitions.

“Volunteer” means an individual who performs services for a corporation, other than services as a volunteer director, who does not receive compensation or any other type of consideration for the services other than reimbursement for expenses actually incurred.

“Volunteer director” means a director who does not receive anything of more than nominal value from the corporation for serving as a director other than reasonable per diem compensation and reimbursement for actual, reasonable, and necessary expenses incurred by a director in that person’s capacity as a director.

g) No Adverse Effect On 501(c)(3) Status. This article is ineffective to the extent it adversely affects the corporation’s status under Code section 501(c)(3) or to the extent it imposes a tax under Code section 4958.
ARTICLE VIII

AMENDMENTS

Either the General Synod or the Board of Directors of this corporation may propose amendments to these Articles of Incorporation.

These Articles of Incorporation may be amended by a two-thirds vote of the Board of Directors of this Corporation, provided that the proposed amendment has been presented in writing at a previous regularly constituted Board meeting. The amendment shall become effective only after approval by the General Synod, by a majority vote of those present and voting at any regularly constituted meeting.

These Articles also may be amended by the General Synod by a majority vote of those present and voting at any regularly constituted meeting, provided that the proposed amendment has been submitted in writing to the Board of Directors of this Corporation for its consideration at least three calendar months before the meeting of the General Synod in order that the Board may be able to present its views on the matter.

Inclusion of a proposed amendment in the annual report of this corporation to the General Synod shall be treated as notice as may be required under applicable law of the proposed amendment to the General Synod as the sole member of this corporation. The annual meeting of the General Synod shall constitute the meeting of the General Synod as the sole member of this corporation for purposes of the member when taking any action as may be required by applicable law.