

Fellowship Council Meeting:

January 29-31, 2014 in Southern California: Wed PM - Friday afternoon

Meeting at Seal Beach GBC

Lodging at Pacific Inn

Agenda - January 2014 in Seal Beach California

1. Wednesday

1. **6:00 Dinner together in Seal Beach at Yucatan Grill** - 550 Pacific Coast Hwy #111, Seal Beach, CA 90740

2. Thursday

1. **Breakfast - complementary at hotel**
2. 8:00 - Devo's - Bruce Barlow
3. 8:30 - Executive Directors Review
4. 8:40 - [Approve Minutes](#)
5. 8:45 - National Ministry Reports (10 minute report, 5 minute Q&A)
 1. Encompass (Dave Guiles) - [report](#)
 2. CE National (Ed Lewis) - [report](#)
 3. GBIF (Ken Seyfert) and Retirement Investment Plan (Ken Seyfert) - [reports](#)
 4. Women of Grace USA (Janet Minnix) - [report](#)
5. **Break 10:30**
6. 10:45 - More National Ministry reports
 1. Go2 (Tim Boal) - [report](#)
 2. Grace Schools (Bill Katip)
 3. BMH (Liz Gates)
 4. AGBM (print only) - [report](#)
7. 11:45 - Statement of Faith / Identity Project - Report from Dave Guiles
8. **12:15 - Lunch (working - at the church)**
9. 1:30 - Update on EVLC, GoNet, and Executive Directors Meeting (Bartley Sawatsky)
 1. E-Net - [report](#)
10. 2:00 - Purpose of the Executive Director and the Fellowship Council
11. **3:00 - Break**
12. 3:15 - Commission meetings
13. 4:30 - Commission report and recommendations: Structures

1. Committees: Parliamentary and Membership
2. Nominations for nominating committee
3. Manual of Procedure, Art VI, Sec Two, 1.b. - about sponsorship and control of National Ministries
4. Manual of Procedure, Art VI, Sec Two, 1.d. - about qualifications of a Cooperating Ministry
5. Manual of Procedure, Art VI, Sec Three - about districts with non-GB churches.
6. Fellowship Council re-balancing
7. Reminder - This summer, we will take action on the "no voting" clause in the constitution.

14. **6:00 - Dinner - Cafe Lafayette - 330 Main St. Seal Beach**

15. 7:30 - Task gatherings (optional)

3. Friday

1. **Breakfast - complementary at hotel**
2. 8:00 - Devo's
3. 8:30 - Social Concerns report (Don Shoemaker)
4. 8:45 - Eagle Commission Report (John Schumacher) - [report](#)
5. 9:00 Commission Recommendations: Membership (Barlow)
 1. [Metro Grace Cooperating Ministry Application](#)
 2. [Woodside Church](#)
 3. [Living the Word Church](#)
 4. [Daily Bread](#)
 5. A suggested new church covenant
6. 9:30 Commission Recommendations: Finance (Jackson)
 1. [Financial Report](#)
 2. [2013 Budget report with 2014 Budget](#)
 3. [2015 Budget](#).
7. **10:00 Break**
8. 10:30 Executive Director Report
 1. Vision2020South (Avey)
 2. Vision2020DC (Sawatsky)
 3. Conference in 2015 (Sawatsky)
 4. Focus Retreats in 2013/2014 (Sawatsky)
 5. Focus Retreats in 2014/2015 (Sawatsky)
 6. Assistant Executive Director (Sawatsky)
9. 11:45 - Looking ahead (Sawatsky)
10. 12:00 - Additional Business
11. **12:30 - Lunch (at the church)**
12. 1:30 - Dismiss

FELLOWSHIP COUNCIL MINUTES

July 26, 2013 (Buckhead Marriott Hotel, Atlanta, Georgia)

PRESENT: Bob Fetterhoff (11/13 Executive Director), Bartley Sawatsky (13/16 Executive Director), Dan Jackson (14-E), David Kennedy (15-E), Dan Thornton (16-E), Randy Weekley (17-E), Nathan Bryant (13-C), Bruce Barlow (14-C), Clancy Cruise (15-C), Jason Carmean (16-C), Greg Serafino (17-C), Roy Halberg (14-W), Michael Saldivar (15-W), Richard Todd (16-W), Matt Householder (17-W), Tom Avey (Fellowship Coordinator), and Greg Howell (Recording Secretary). GUEST: Dave Guiles (Executive Director, Encompass World Partners).

The meeting began with devotions by Executive Director, Bob Fetterhoff. .

WINTER 2013 MINUTES

A MOTION PREVAILED to approve the WINTER Fellowship Council (January 2013) minutes with the following grammatical correction: page 4, Identity section, 2) Historic: change "Dave assumes this will generation..." to "Dave assumes this will generate..."

COMMISSION REPORTS

After conferring as Commissions for about forty-five minutes the Commission chairmen reported the following:

1. Report from Structures Commission—Bruce Barlow, Chair
 1. Regarding the constitutional amendment suggested by Jeff Martin at conference 2012, Structures Committee recommends that the Council not bring this motion to the conference floor at this time. We believe that this could be considered later, after the two-year planned development of a Statement of Common Identity, which should provide a better context to evaluate this or similar recommendations. [Jeff's amendment was to "Change description of 12 articles of statement of faith from 'basic truths taught in the Bible which are common to our Christian faith and practice' to 'basic truths taught in the Bible which we will teach and practice.'"]
 2. New Changes to Constitution and Manual of Procedure
 1. Amend the Constitution, Article IV, Section two, item 3: by removing the phrase "(Exception: delegates from churches which receive members without triune immersion may not vote on any matter involving the subject of water baptism in relation to church membership. This limitation does not apply to medical exceptions.)"

--This requires a prior reading.
 2. Change requirements for National and Cooperating Ministries to match member churches "agree to live harmoniously under"
 - Manual of Procedure, Article VI, Section One, Item 1a AND Article VI, Section Two, Item 1a: Change "The ministry and its governing body must subscribe to the Statement of Faith set forth in Section Two of Article III of this Constitution." to "The ministry and its governing body shall agree to live harmoniously under the Covenant and Statement of Faith set forth in Section Two of Article III of this Constitution."

--This does not require a prior reading.
 3. Re-aligning districts in regions and re-naming regions
 - Move Heartland and Iowa/Midlands to Region A (formerly West)
 - Move West Penn and Allegheny to Region B (formerly Central)

A MOTION PREVAILED to recommend that the delegates ratify the revision of the Manual of Procedure Article V, Section Two: Nominating Committee, item 3 to read:

The geographical regions which nominees are to represent on the Fellowship Council shall include the following recognized Districts:

1. Region A: Arctic, Hawaii, Heartland, Iowa-Midlands, Mountain-Plains, Nor-Cal, Pacific Northwest, and Southern California-Arizona
2. Region B: Allegheny, Northcentral Ohio, Northeastern Ohio, Northwest Ohio, Tri-States, and Western Pennsylvania
3. Region C: Blue Ridge, Chesapeake, Florida, Mid-Atlantic, Northern Atlantic, and Southern.

--This does not require a prior reading

2. Report from Membership Commission –Michael Saldivar, Chair
 1. New Church Applications
 - Movement Church, Hilliard, Ohio; Mark Atrip, pastor.
Rittman Grace is Mark's home church

A MOTION PREVAILED to recommend to the delegates that MOVEMENT CHURCH of Hilliard, Ohio; Mark Atrip, pastor, be received into the Membership of the Fellowship of Grace Brethren Churches.

- LifeSpring, Twinsburg, Ohio; Ron Boehm, pastor

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They sent a new application based on the definition of a church approved at January 2013 Fellowship Council meetings. This is a little tricky because they were already in pipeline. They are kind of between being a Bible Study and a church. They would be at the “G” stage of GSE (Gatherer, Shepherd, Elder) model.

Discussion included: Q: Should we have some threshold requirements? (organization, bank account, attendance, etc) A: Membership committee still in process of threshold definitions. There is a note at bottom of their application about starting in homes and getting all the groups together periodically.

--The EVLC is trying to set goals for FGBC but will need details when they say they want to add x number of churches (ie: what is a church and when does it become a church?) See definitions in past minutes—but what makes it a “church” not just a start? George Bullard keeps reminding us that we need to adjust our terminology to account for multisite churches. We should be looking for general benchmarks: 25 members, connected with other GBC, intent to be long term, bank account, organized leadership.

These areas are currently reflected in the application, but we may need to be tighten up the questions on application. We also need to be sure that there is clear communication to the Nat/Orgs which are involved in church planting. Q: Should/could there be a rubric for the Membership Committee or Fellowship Council to check off these criteria/basic standards? A: But emphasis will need to also be on relationship.

The application is now in Spanish & French (on line). Tom Avey noted that the total church count seems to decrease because of multisite enfoldng.

A MOTION PREVAILED to recommend to the delegates that LIFESPRINGS of Twinsburg, Ohio; Ron Boehm, pastor, be received into the Membership of the Fellowship of Grace Brethren Churches.

- Point of Grace Church, Leonardtown, Maryland; Arthur Shepherd, pastor. This church is connected to Mechanicsville, MD, Pastor Dr. Carl Snyder. This is a model of what we are looking for, great church planter, very mission oriented.

A MOTION PREVAILED to recommend to the delegates that THE POINT OF GRACE CHURCH of Leonardtown, Maryland; Arthur Shepherd, pastor, be received into the Membership of the Fellowship of Grace Brethren Churches.

- Fraternity Family Worship Center, Sunrise, Florida; Odclair Joseph, pastor. Randy Weekley was very encouraged by his interview. We are honored to have them.

A MOTION PREVAILED to recommend to the delegates that FRATERNITY FAMILY WORSHIP CENTER of Sunrise, Florida; Odclair Joseph, pastor, be received into the Membership of the Fellowship of Grace Brethren Churches.

2. New Cooperating Ministry

- Three Strands, Medical missions work in Africa—Directed by Mike Taylor
It is not under Encompass because it is experimenting with broader cooperation of medical personal and grants that might be put off by denominational control. Though they are working with Encompass as well. This is great that teams like this desire recognition by FGBC. They view it as sort of a “brand” that they can buy into. It is not accurate, however, to be identified as “the” medical ministry arm of Encompass. Encompass is able to nominate one of their board members.

Some Discussion was generated: Q: What will we do if Cooperating Ministry is no longer cooperating? A: There is a new 5 year re-evaluation system that will question if the purpose and practices have changed.

A MOTION PREVAILED to recommend to the delegates that THREE STRANDS be recognized as a Cooperating Ministry.

- An application from 415 VENTURES was received, however it was not approved because it doesn’t meet the criteria. It seems to be a holding company looking for venture capital to lend to entrepreneurial mission enterprises.

3. New Changes to the Constitution and Manual of Procedure related to requirements for cooperating ministries.

- Change Manual of Procedure, Article VI, Section Two, 1.b. from

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"The ministry must be sponsored and controlled by members of FGBC churches. This requirement is satisfied if a majority of the board of directors are members of churches which are members of the FGBC."

to

"The ministry must be sponsored or controlled by members of FGBC churches."

A MOTION WAS MADE to change the Manual of Procedure, Article VI, Section Two: Cooperating Ministries, 1., 2. From:
 "The ministry must be sponsored and controlled by members of FGBC churches. This requirement is satisfied if a majority of the board of directors are members of churches which are members of the FGBC."
 to "The ministry must be sponsored or controlled by members of FGBC churches."

Discussion: This is not the only way to guarantee FGBC direction, but how do you prove it? A: It will be up to them to prove by questions on the application. And then they need to be asked again at 5 year review by the Membership Commission.

A MOTION PREVAILED to TABLE the change of wording for Cooperating Ministries in the Manual of Procedure in order to determine the legal and/or financial exposure.

- Change Manual of Procedure, Article VI, Section Two, 1.d. from
 "The ministry must meet a recognized need related to the fulfilling of the Great Commission."
 to
 "The ministry must meet a recognized need related to the strategic goals of the FGBC."

It was AGREED BY CONSENSUS to have the Membership Commission work on a Manual of Procedure change concerning the Cooperating Ministry requirement of meeting Great Commission needs/Strategic goals of the FGBC.

4. New discussion (for Winter Meeting) - Dual Denominational Membership
 - "Is it OK for a church to be a member of the Fellowship of Grace Brethren Churches and of another denomination?"

2. Report from Finance Commission—Richard Todd, Chair

1. Budget for 2014

- For Fellowship Council—More detailed

Note: that up to \$25,000 of the Brotherhood Mutual contribution would be used for Executive Director expenses.

- For Delegates—printed copies already in delegate packets and on line

A MOTION PREVAILED to recommend that the delegates adopt this printed budget for 2014.

3. Brotherhood Mutual contribution allocation

- The Commission recommends that the Fellowship Council authorize the use of the 2013 \$50,000 Brotherhood Mutual contribution as follows: \$28,000 to eliminate the 2012 deficit, hold \$5,000 towards a projected 2013 Conference deficit, allocate \$5,000 toward a projected Focus Retreat deficit, allocate \$3,000 toward a projected Fellowship Council deficit, and allocate the remaining amount (approx. \$9,000) to the benefits package of our Fellowship Coordinator.
- If not needed to cover deficits, extra will just stay in general operation. Deficit last year was because Conference registrations were about 50 under the 300 needed to break even. This year there are just over 300 (307).

A MOTION PREVAILED to authorize the use of the 2013 \$50,000 Brotherhood Mutual contribution as follows: \$28,000 to eliminate the 2012 deficit, hold \$5,000 towards a projected 2013 Conference deficit, allocate \$5,000 toward a projected Focus Retreat deficit, allocate \$3,000 toward a projected Fellowship Council deficit, and allocate the remaining amount (approx. \$9,000) to the benefits package of our Fellowship Coordinator.

4. Tom Avey's housing allowance

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The Finance Commission recommends that Tom's housing allowance be set at \$35,000 for the next fiscal year (2014) that begins November 1, 2013.

A MOTION PREVAILED to adopt a housing allowance for Tom Avey for 2014 in the amount of \$35,000.

COLUMBUS OFFICE UPDATE - Tom Avey

Worthington has some office space available probably beginning in 2014. Tom has been talking with Dave Guiles and Encompass can use some of this space also. Tom is waiting on the Columbus church. Tom intends to propose a 2 year temporary office. He would travel there about two times a month to begin to connect with folks in Ohio. This would give an FGBC presence there. Office rental is reflected in the proposed budget.

EXECUTIVE DIRECTOR REPORT – Bob Fetterhoff

Bob expressed that he is very thankful for the things God has done during his term in office. He felt that the three (3) year tenure is a very good change for the FGBC. He commended the members of the commissions for doing a very good job of getting us all up. He is glad that Bartley seems to have been able to ramp up well. There were several great accomplishments:

- The Constitutional changes went very well.
- The Commitment to Common Ministry has helped our focus immensely. It is especially good that it came out of Charis so it is really global and we (North America) have just hitched on.
- The EVLC has really become active. It is functioning well so that Bartley has been able to utilize them already. --Video reports have been a great way to communicate.
- Tom Avey has done a lot to help get us connected across the FGBC.
- Jeff Bogue—GONet, where pastors of larger churches are able to interact. Something he talked of as a need when he was being considered for Moderator.
- Thankful for Dan Allen as the FOCUS retreat coordinator. The decreases at Conference may be explained because there are such good connections at FOCUS retreats.
- Prayer and triplets at past Conferences have helped people connect while they are talking to God together. Bartley will use Tom Julien in future for prayer initiatives.
- John Hannah's suggestion has led to Brotherhood Mutual premium contributions back to the FGBC. It started with a golf game with Bob. Still need to watch conference attendances/income because we can't count on Brotherhood Mutual's premium return. It is variable based on member churches' good insurance record. It could be \$50,000 one year (as it has been) and nothing the next. It may be best to just bank the check for a rainy day.
- Great how things have come together for Conference this year. Especially Dave Guiles and Encompass Learning labs. They are going to be a great venue.
- Great thanks to Tom and Sandy (Barrett) for all the planning and behind the scenes.
- Also thanks to the staff at Wooster who have worked on Conference for the last 3 years.
- Thanks to you and the Fellowship for the opportunity to serve.

Several Council members expressed that Bob was the right person to bridge during this leadership model transition. All thanked him for his service and ministry.

ASSISTANT EXECUTIVE DIRECTOR REPORT--Bartley Sawatsky

Bartley expressed appreciation for the ramp up time. He stated that Bob Fetterhoff had already been a role model, but his leadership in the transition to Executive Director and 3 year terms has caused even greater appreciation. Bartley also expressed that he greatly appreciates Tom Avey for all that he does. He said that he is glad to be surrounded by such good people.

1. Bartley's FGBC Goals for 2014

A. Regroup

1. Communicate the new vision over and over.
 - begin a steady stream of fun, inspirational communication.
 - begin telling stories through video (work with Grace Connect).
 - * Create enthusiasm for who we are.
 - * we are kind of disconnected
2. Get identity initiative moving forward (Dave Guiles has agreed to spear head this).
3. Maintain momentum of focus retreats.
4. Sponsor FGBC leaders to go to "Fellowship Forums" together.
5. Begin an ongoing prayer initiative, led by Tom Julien.

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6. Encourage more relational interdependency within the FGBC.
 - Healthy churches helping less healthy churches.
 - Retired pastors/leaders mentoring younger leaders.

B. Rejuvenate

1. Host a buzz-generating national conference.
 - goal: 350 registrations
 - create a planning team
 - see conference as more of a ministry expo to engage young leaders
 - see conference as more of a fun retreat for leaders who work hard all year
 - add some buzz-creating elements to conference that will cause young leaders to take notice
 - make music very youth-centered – high energy; set tone for coming change
 - give special financial incentive for leaders under 30, under 20 (FREE?)
2. Continue to engage and envision young leaders.
 - young leaders' meeting in Phoenix
3. Develop a new youthful "branding" of the FGBC
 - * working with a design/advertising/marketing specialist.
 - * not until identity finalized don't want name change too early
 - * bridge with youngers (Momentum)
4. Figure out how to get more young leaders and adults to National Conference.
5. Figure out how to connect declining FGBC churches with thriving, younger leaders and churches.
 - * Connect older churches with younger leaders (more J Bogue-like hostile takeovers ☺)
 - Hire someone to give attention to this?
 - * Need to get cranking out church plants
(we're like a bunch of car parts laying around—need to assemble the parts).

C. Roll

1. Develop measurable goals in relation to church planting and get all national organizations working at them together.
 - specific number goals
 - meet with each nat/org leader and see what they can contribute to the goal
 - develop a basic visual for communicating this cooperative effort
2. Continue to run on the tracks of *church planting*, *leadership development* and *integrated ministry*.
3. Clarify all FGBC "vehicles" and create visual that can be used to show young people the resources available to them.
4. Have the FGBC begin to recognize excellence in ministry.
 - not duplicating work of CE National and AGBM
5. Acquire a recruitment officer for the FGBC (full-time or part-time).
6. Make the best use of the EVLC...
 - use them to develop our visionary goals and then have the FC approve it, make goals measurable
 - keep E-Net running (Tom Julien)
 - follow through with prayer initiative (Tom Julien)
 - be forthright with EVLC that our meeting costs \$15K
Or determine if it would be better using \$15,000 for things other than EVLC meetings?
 - * decide the future of ELVC time with Nat/Orgs

2. Vision2020DC

- Great for younger families
- Buzz comments
- Affordable for youngers 20's free? 30's discount

3. Focus Retreats in 2013/14—Dave Guiles will come to help promote who we are

Dave stated that we want to get pastors to Focus because we want them to shape the future of the FGBC in tandem with Charis & three truth clusters 1) doctrine in world and history 2) what is valuable to our tribe as Brethren (just the discussion of how we "play in the sandbox" from now on may be the most valuable part of the process—maybe more valuable than the outcome). The target date for approval will be 2015 at a global gathering probably in Asia (easiest to secure visas for most other regions) and third truth cluster 3) gathering continuing resolutions. Each region of the world will contribute/shape according to culture. This would be like our Continuing Resolutions

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in North America. The up-coming FOCUS Retreats will be about: How do we prepare us (North America) leaders to dialog about what is important? The second year of Focus will be about the Doctrinal details. This will take some time

4. Identity Project

Fostering more fellowship

--creating Fellowship Forums around other existing gatherings

--scholarships to reward/promote fellowship and mentoring connections

--may need a regular recruitment person (ie Kurt Miller when he was with GBNAM) to help connect people together

COMMENTS:

--are there ways to promote Brotherhood Mutual? Reps should contact pastors/churches and encourage them to insure through them. Currently between 35-50 now insure as part of the FGBC group. (North Atlantic premium goes to their camp/youth)

--How do we get more young guys to a week in July? Who decides what to change—Executive Director or whole FC? What if he sees new wineskins? A: Nothing restricts Executive Director from extra gatherings. The only thing that requires annual meeting is corporate decisions. History: The Fellowship Council decided to do 3 Equip/Bible Conference rotations. We did three. The Equip format is not necessarily over, but changes for last couple conference were very needed. Bartley stated that he is not planning to run too far ahead of the Fellowship Council. He sees it as a kind of Elder Board. He is committed to cooperating. He wants to get young guys to both (small gatherings like Focus and to Conference).

--How willing might current Conference attendees accept reinvention? “Younger always wins—eventually” (D Guiles) Bob Fetterhoff gave the one word answer-- “Music” Music dictates a lot of the flavor of the general sessions. As we see younger leaders coming, older will embrace the changes because they see the younger leaders getting involved.

We need to change our modeling—bring/send younger staff instead of leaving them at home to run things so Senior pastor can attend. The question is not why are they not coming now, but what do we want them to come to? Bartley—wants them to come and experience the Fellowship (not just an Association).

Next year in Washington, DC we will be at Omni Shoreham Hotel (the Presidential inaugural hotel). Rooms will be \$109 and it is at the same Metro stop as the Zoo, and 3 stops to Monument Mall. The dates are, July 17-21, 2014 (before Momentum). Bartley stated that the sessions will be a little different, highlight church planting and joking with guys on stage.

The Winter meeting will be January 29-31, 2014-- Wednesday evening to Friday afternoon in S Cal, place TBA

Meeting was adjourned by the Chair at 12:23 pm.

Respectfully submitted,

Gregory M. Howell

Recording Secretary

Report to the Fellowship Council

Encompass World Partners

January 2014

Most of us are familiar with the humble beginnings of Brethren missions. On September 4, 1900, while hundreds of National Conference delegates remained in their seats, a brave group of fifty-three men and women gathered on a nearby knoll and *The Foreign Missionary Society of the Brethren Church* was born. At that critical moment in history, *everything* was vision and hope. There were no potential missionaries waiting in the wings. There was no groundswell of support from the churches. In fact, while all 53 of the original corporation members pledged their financial support, only \$35.00 was collected during that first year!

Much has changed over the past 114 years. Encompass World Partners left the margins of Brethren attention and activity to occupy a central place in the global outreach efforts of our movement. Today we enjoy the support of over 80% of the member churches of the FGBC-USA, as they actively partner with us in praying, sending and supporting cross-cultural workers in twenty countries. While in recent years we recruited a few workers from outside our 'tribe', the majority of our staff is homegrown, and the majority of giving toward our \$8 million budget comes from Grace Brethren sources. (Please see Appendix 1 for a list of countries where our movement is currently engaged, along with statistics for Points of Light and established churches.)

But to avoid weighing you down with more numbers,¹ suffice it to say that Encompass World Partners continues to enjoy the strong support of our partner churches, continues to deploy cross-cultural workers among the least-reached of our world, and continues to plant the DNA of our movement wherever new churches are taking root. We view the confidence you place in us as a 'sacred trust,' and continue to pledge ourselves before God and you to behave as faithful stewards of that trust.

At the same time, all of us are witnesses to the reality that we live in a world where change is the new normal. Those who resist change are waking up to find they are increasing irrelevant. But organizational change does not come easy. As Peter Drucker masterfully observed, "The major obstacle to organizational growth is management's inability to change their attitudes and behavior as rapidly as their organization requires."

Over the past few years, we have initiated a series of changes at Encompass designed to position us for more fruitful ministry. The more visible changes include rebranding and relocation. But we also invested significantly to improve our ability

¹ Financial records and statistical information are available upon request by any of our corporation members. Corporation membership is open to members in good standing of Grace Brethren Churches who contribute at least \$50.00 per calendar year to any of our ministries.

to recruit and train a new generation of leaders, we have implemented innovative changes to our financial model, and we have reached out to assist ethnic minority leaders in North America.

As far-reaching as some of these changes might seem, they are only the first steps in a process of re-conceptualizing, reorganizing and retooling. These three words summarize our quest to remain a relevant and fruitful tool as the cross-cultural ministries arm of the Fellowship of Grace Brethren Churches. I look forward to sharing more details in my oral report.

Allow me to close this report with a quick review of the Vision, Mission, and Values of Encompass World Partners:

VISION

To spread the knowledge and glory of God among the least reached of our world.

MISSION

To mobilize, equip, deploy and nurture multinational teams of disciple-makers who live and proclaim the good news of Jesus Christ through engaging in sacrificial service, intentional evangelism and whole-life discipleship, resulting in the creation of healthy spiritual communities (churches).

CORE VALUES:

Relentless pursuit of the Great Commission in all of its implications
 Prayer that leads to vision that leads to Risk-taking faith
 Valuing individuals And empowering teams
 The glory of the Church as God's plan for this age
 Strive for Excellence in all we do

I realize these statements represent many words packed with lots of meaning. I trust that closer examination will once again encourage you that we take our mandate seriously. But there is a shorter way to summarize our priorities, and we like to state it as follows:

More fruitful disciple-making teams.

Please take a moment to read these words four times, pausing with each reading to emphasize a different word. We think these four words effectively capture how we at Encompass World Partners can best bless the global GBC movement. And we hope you agree!

Committed to serve, to shepherd and to steward,

Dr. Dave Guiles
 Executive Director

Appendix 1: GBC Global Statistics as of April 2013

Reg	Country	Churches	Points of Light
		2013	2013
AFRICA	C.A.R.	2740	306
	Cameroon	42	38
	Chad	180	173
	Dem Rep Congo	7	8
	Nigeria	9	17
	Sudan	0	4
	Cambodia	8	24
ASIA	Iraq	0	0
	Japan	2	4
	Kyrgyzstan	1	0
	Philippines	9	15
	Russia	1	1
	Thailand	1	0
	Turkey	0	1
	Vietnam	0	0
	Czech Republic	1	0
	England	2	0
EUROPE	France	5	5
	Germany	3	3
	Ireland	1	0
	Portugal	4	1
	Spain	0	1
	Argentina	22	7
	Brazil	38	35
LATIN AMERICA	Chile	1	1
	Cuba		
	Guatemala	1	0
	Haiti	8	0
	Mexico	17	24
	Nicaragua	0	3
	Paraguay	0	1
	Uruguay	1	0
	US Total Churches		
NA	Totals	3104	672
NA	US Ethnic Minority	44	

Report from CE National

CE National's purpose is to be a catalyst for all believers to be trained and mobilized to be "on mission." This is done by impacting the rising generation, reaching neglected people, and equipping biblical leadership.

1 CE National in 2014

- a. Two Operation Barnabas teams which will serve in the East.
- b. An Operation Barnabas International team that will go to the Philippines.
- c. A City Life team will travel in California.
- d. Momentum is planned for Chicago.
- e. We have other programs such as Day Away, North of 55, Super Wednesdays and The National Institute. In 2013 we had 500 adults attend the four Day Aways, had more than 100 different church leaders attend the Super Wednesday events and we have about 100 in The National Institute youth ministry program.
- f. In addition to other effective speakers, we have Mark Lowery, Gordon MacDonald, Sean McDowell, Clayton King, and Dan Allan scheduled for our events and programs in 2014.
- g. Plans are coming together for CELS for Youth Workers (CE Leadership Summit). This is our annual leadership training opportunity, to be held in March at the Russell Center with Randy Rainwater from Grace Fellowship Church in Snellville, GA. There were 60 youth workers from in and outside the FGBC who attended in 2013.
- h. Momentum has grown to where almost 30% of the youth and churches are coming from beyond the FGBC. We call it FGBC Plus.

2 Urban Hope

- a. Annually 1200 people are trained in outreach through the programs at Urban Hope.
- b. Colleges that regularly come for training are Cedarville, Lancaster Bible College, Grace, and organizations include Campus Crusade (CRU), Navigators and others.
- c. Programs for the children include Camp Conquest, Kingdom Kids, and R.O.C.K (Reaching Our Community Kids—youth). We are running about 150 children in Kingdom Kids on Sunday afternoons, which is in addition to the regular Sunday services. We have almost 100 teenagers each weekend at ROCK and 70 plus children and adults went to camp this past August.
- d. We are prayerfully asking God to help us reach the Kensington community for Christ. We see the community being impacted as we have now gone to two services on Sunday. With one service at 10:00 and one at 1:00 we serve a lunch in between and have about 200 each week in the church services. Over 100 come each Tuesday evening for Family Bible Studies. Prayer groups meet daily to pray for the lost people in the community. We are seeing adults pray to receive Christ each Sunday! Incredible life change!! God is the One to be praised!
- e. There are sleeping accommodations for 80 people in the dorms. These are filled most weekends and many weeks as people come to learn how to start and develop conversations with non-believers. We have additional accommodations for pastors who want to learn how to connect cross-culturally.

3 New Ministries for Church Leaders

- a. Besides working with consulting and coaching church leaders in developing effective strategies (with Ed Short) we are starting a new program that will launch in a couple of months. This will be a new, strong program of church resources and growth for pastors and church leaders. We are blessed to announce that Knute Larson has agreed to work closely with CE National in strengthening these leadership ministries. He is in constant communication with CE.
 - b. The Super Wednesdays (offered four times a year) are bringing increased numbers of pastors to be enriched in church ministries. CE and Grace work closely in these training sessions at the Russell Center.
 - c. Our newly installed (December 2013) technology in the Russell Center will help us be more effective in the years ahead in doing seminars, classes and workshops.
 - d. We have a beautiful retreat setting at the Life Application Center in Winona Lake. Pastors, church leaders and others are welcome to come and take advantage of our facilities.
 - e. The Lending Library is being used by about 120 churches across America and around the world. We have over 1100 patrons on file with about a quarter of them active on a regular basis.
- 4 The National Institute trains almost 100 students each year in how to be effective youth workers for church ministries inside and outside the United States.
 - 5 We have a new cooperative with Grace College that is scheduled to begin in the Fall of 2014. It is the Urban Studies Program. It is designed to help train young adults to know how to reach, teach, disciple and equip people to work with the overlooked in our metropolitan areas of the United States and the world.
 - 6 We are restarting the short term program called TIME—Training In Ministry Experiences—that allows us to train people to live ON MISSION. We have plans for teams both inside and outside the United States. We had GREAT success with our first team of 11 that went to the Dominican Republic this year.
 - 7 We are calling our young people to be sold out to Jesus. Praise God for a heart that desires to see young adults who will be challenged to follow the Lord. New initiatives are being developed to train these young adults to know the Word and stay committed to living out the faith.
 - 8 We are seeing positive increases in:
 - a. Personal Bible study using the On Track Devotions.
 - b. More adults seeing the need for stretching spiritually in the areas of prayer, ministry, leaving a legacy, and mentoring younger people.
 - c. People who are embracing the ONE concept and reaching their ONE person for Christ and discipleship.
 - 9 We are using the existing technology to do more things with social media, our websites and more. We are redesigning our web presence and expanding our social media avenues to reach more people. We have also just updated our media capabilities at the Russell Center and improved our ability to serve classes and the community.

CE National is looking forward to a year where more people are reached for Christ, believers will be encouraged and ministries will be accomplished. We are grateful for the opportunity to work with the FGBC and beyond. We pray God's richest blessings on each organization and church that is working together for the cause of knowing Christ and making Him know.



GRACE
BRETHREN
INVESTMENT
FOUNDATION, INC.

S I N C E 1 9 5 5
"Investments with eternal values"

Kenneth A. Seyfert
President / Chief Executive Officer

MEMORANDUM

To: Tom Avey and Fellowship Council
From: Ken Seyfert, President and CEO
Grace Brethren Investment Foundation, Inc. (GBIF)
Date: January 2014
Subject: Report to Fellowship Council

Greetings, Everyone . . .

I am pleased to provide you with this courtesy update of our organization as a national ministry affiliated with the Fellowship of Grace Brethren Churches.

Our Board of Directors is composed of twelve individuals who reside in the several regions as prescribed in the FGBC bylaws. The Board has voted to reduce the number of directors from the original fourteen to twelve via attrition. Ted Adomanis serves as Chairman of the Board. I serve as President and CEO, with Ryan Bowell serving as Vice President and Director of Credit Services and Brenda Byers serving as Secretary, Treasurer, and Director of Finance and Administration.

GBIF exists as a "church extension fund" as defined by the North American Association of Securities Administrators. We are regulated by the securities laws of the 38 states in which we have investors. The primary purpose of the Foundation is limited in scope by these regulatory authorities: *"To enable individuals who support the objectives of the Fellowship of Grace Brethren Churches to invest funds at a reasonable rate of interest and to provide thereby a source of funding in the form of capital loans for acquiring, developing, and remodeling land and buildings for Grace Brethren churches, schools, and other associated organizations."* We are precluded from making loans to individuals and can only loan funds to 501(c)(3) churches and organizations within the Fellowship of Grace Brethren Churches.

The rate of interest paid to our investors is currently 2.0%, compounded daily. As of December 31, 2013, GBIF total assets surpassed the \$100 million mark. Total loans outstanding were around \$58.5 million and we are not experiencing any serious delinquencies in loan payments. GBIF investment reserves, at around \$41 million, are invested very conservatively with no exposure to fluctuations in the stock market.

We continue to submit our financial records for annual audit by Capin Crouse, CPA's. Their reports find us to be in full compliance with the high standards of the accounting profession for a financial institution. We also remain in good standing with state securities regulators to whom we are accountable with annual reports and registration renewals.

GBIF is a long-standing member of the Evangelical Council for Financial Accountability (ECFA), which calls its members to very high standards of financial integrity and fiduciary responsibility. ECFA's most recent summary comment about GBIF indicates: *"We found Grace Brethren Investment Foundation in full compliance with ECFA's Standards. You are to be commended for your continuing commitment to these Standards."*

It has been our practice to make "goodwill contributions" to Grace Brethren ministries for the continued growth and viability of the Fellowship. We also make generous annual contributions toward the expenses of the office of the Fellowship Coordinator, including additional appropriations in recent years to help underwrite the increased expenditures of the office of Executive Director and task forces. In addition, we serve as the administrative organization for the FGBC Chaplaincy ministry and the office of the Endorsing Agent (his report is submitted separately), providing support to the Eagle Commission and subsidizing the expenses with an annual contribution when necessary. Further, we provide voluntary, seconded leadership and staff support for the FGBC Retirement Investment Plan and contribute toward the plan's administrative expenses.

We support via goodwill contributions the financial needs of our Fellowship as categorized by the Commitment to Common Ministry: Church Planting, Leadership Development, and Integrated Ministry. Our contributions to those worthy initiatives totaled \$665,500 in 2013 from 2012 earnings, not including subsidized support of the Eagle Commission and subsidized administrative support with seconded personnel and contributions to the FGBC Retirement Investment Plan.

John Schumacher, Endorsing Agent for the Chaplaincy ministry, and I are planning to join you for your upcoming meetings in Seal Beach. We will be eager to address any questions you may have at that time.

We are grateful to serve as your fellow workers in furthering the Great Commission.

Respectfully in Him,

A handwritten signature in black ink, appearing to be "Ken", written over a horizontal line.

To: FGBC Fellowship Council
From: Ken Seyfert
Date: January, 2014
Subject: FGBC Retirement Investment Plan

Happy New Year, Everyone!

In addition to my duties as Executive Director of Operations for Grace Brethren Investment Foundation, Inc., I have for the past 16 years served as chairman and overseer of the FGBC Retirement Investment Plan. I am assisted in this work by a committee consisting of Mr. Tom Avey, Mr. Bill Burby, Dr. Jim Custer, and Mr. Jim Johnson. Daily administrative support is provided by Mrs. Linda Leonard, coordinator of administration.

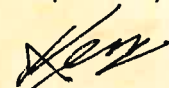
The FGBC established the Retirement Committee to administer both the 401(a)-employer contributed and the 403(b)-employee contributed plans. The committee acts on behalf of the FGBC, as administrator for each plan and reports officially on an annual basis to FGBC at annual national conference meetings. Written minutes of the meetings of the Retirement Committee are maintained in the Winona Lake office. Investment option alternatives are offered through American United Life Insurance Co. (One America Cos.) in Indianapolis. The most recent report of the Retirement Planning Committee is attached.

As part of its mission, GBIF provides annual "goodwill contributions" to FGBC- related ministries to help fund their purposes. The expenses related to the operations of the Retirement Investment Plan as a FGBC ministry to pastors have been funded through such contributions. GBIF stands ready to help as needed with any future contributions.

It is a privilege to be part of a vital ministry that is directed to assisting FGBC pastors and their families with planning for their financial future. I am grateful to the committee and to Linda Leonard with their helpful support of the plans. Where appropriate, we will continue to educate FGBC churches about their responsibility to include a fair contribution towards their pastors' retirement.

I will look forward to seeing you soon for meetings in Seal Beach, CA and would be happy to entertain any questions at that time.

Respectfully in Him,



Ken Seyfert
Chairman, FGBC Retirement Investment Plan

**FELLOWSHIP OF GRACE BRETHREN CHURCHES
RETIREMENT INVESTMENT PLAN
PO BOX 587
WINONA LAKE, IN 46590
574-267-5161**

Retirement Planning Committee

As of **December 31, 2013**, the total combined asset value of the Fellowship Retirement Investment Plan was **\$ 11,750,574.21**. Currently, we have **376** active participants in the plans.

Thirty investment options are available to plan participants. Quarterly, individual reports are sent on a timely basis.

Account information is available on-line via a secure website at www.oneamerica.com. Other enhancements have been made to the new bookkeeping system which is very user friendly. We have met with One America representatives to review our plan and discuss ways to improve our cooperative services.

As of **December 31, 2013**, we sent **1** monthly check to our retiree, Lois Schrock under the "Promise of Honor" program. The monthly need was **\$89.32**. Total current funds on hand as of **December 31, 2013** were **\$2,257.86**.

Respectfully submitted:

Mr. Kenneth A. Seyfert, Chairman
kseyfert@gbif.com

Committee Members:

Mr. Tom Avey
Mr. William Burby
Dr. James L. Custer
Mr. James W. Johnson

Coordinator of Administration:

Mrs. Linda Leonard



REPORT TO FELLOWSHIP COUNCIL
Janet Minnix, President
January 2014

Are the ministries of Women of Grace USA making a difference in the lives of women? The following comments speak for themselves.

- Regarding an article in the Grace Touch e-newsletter: “Thank you so much for sharing this experience that I’m sure you would’ve rather kept to yourself... a heartache and devastation... but one that when shared can make a difference in the lives of those who hear it... changing other lives for God’s glory.”
- Regarding another article in the Grace Touch: “So needed these words today! God is calling me to go deep in forgiveness... My flesh wants to stay shallow. Thanks for encouraging me with this!”
- Re: the Biblical Foundations of Leadership class taught by Dr. Christy Hill: “The Biblical Foundations of Leadership class was life-changing for myself and two others from my church who participated. This was definitely one of the best classes I’ve ever attended. Our pastor asked us to do a two-month discussion group for our church family introducing the principles we had learned in the class, and it has sparked some lively discussion. The principles we learned have been tremendously influential and helpful.” (Cindy Shuler, Leesburg Grace Brethren Church, Indiana)

As a national ministry cooperating with the Fellowship of Grace Brethren Churches, Women of Grace USA Inc. appreciates the opportunity to report to the Fellowship Council on the work of WGUSA in the past year. We see evidence that God is using this ministry in the lives of Grace Brethren women, and we give Him the glory.

Our mission is to encourage women to grow in Christ and be actively engaged in God’s mission. We want to help women understand how to become true women of grace who reflect the character of God. We believe that will happen as they are deeply and solidly grounded in God’s Word, internalizing biblical values and understanding who they are in Christ. They will then be equipped to minister with a gracious, Christ-like servant spirit, with a heart for God that overflows in a desire to reach lost people next door and around the world.

Women of Grace USA supports the Commitment to Common Ministry in ways that are appropriate for our ministry and mission. Our activities are primarily in the areas of Leadership Development and Spiritual and Ministry Development.

LEADERSHIP DEVELOPMENT

The **Women's Leadership Studies** classes taught by Dr. Christy Hill continue to be a key component in our emphasis on Leadership Development. Three classes were held in 2013, and two more are already scheduled for 2014.

We are grateful to be partnering with Grace Seminary to facilitate the Women's Leadership Studies program through which a woman who completes the six weekend classes can earn a certificate in Women's Leadership Studies from Grace Seminary or, with additional pre- and post-course work and a Bachelor's Degree, class credits can be applied toward a Master of Arts in Local Church Ministry with a concentration in Women's Leadership Studies. We are delighted to announce the first WLS certificate recipient. Cindy McDonald, Milford, IN, has completed six Continuing Education Units through the classes offered jointly by Women of Grace USA and The Center for Women's Leadership Studies of Grace Theological Seminary.

Because of the growing number of requests for the classes, Dr. Hill is working with us to create a program where other women can be trained to teach the courses under her supervision. We are encouraged by the positive response and excitement on the part of the women we've contacted to be a part of this program. Lord willing, a week-long intensive training class will take place on the campus of Grace Seminary this summer for these women.

The **SMM/Girls of Faith** program is another piece in our strategy for Leadership Development. The importance of the role of women in influencing the values of the next generation is enormous. We believe that the greatest contribution SMM can make to the Commitment to Common Ministry is to equip women to teach girls to know and love God and to understand how to serve Him by serving others.

SMM celebrated its 100th birthday in 2013 with a special dinner and program during Momentum. Originally named Sisterhood of Mary and Martha, the organization announced a new name in conjunction with its centennial: Sisters Mentoring with a Mission. Curriculum for the elementary grades is now available on CD.

In keeping with the new name, Nicole Miller, Girls' Ministries Coordinator for SMM, has taken advantage of an unusual opening to provide a training arena for young women desiring to disciple girls. When a local Grace Brethren Church decided to devote their energies to another ministry other than the after-school SMM they had sponsored for years, Nicole recognized the opportunity to provide experience in discipleship for students at Grace College and Seminary. The after-school program is continuing as young women work with the girls under Nicole's leadership, and has led to a request from an elementary school principal in a nearby town for a program in her school

SPIRITUAL & MINISTRY DEVELOPMENT

Supporting and encouraging women in their spiritual growth are foundational to equipping women for service and mission. We thank God for the number of young women who are

attending the Women's Leadership Studies classes as well as women's leadership summits and transformational summits. Others are developing using their skills as writers by contributing articles to our primary tools for encouragement. The monthly e-newsletter, **Grace Touch**, always includes a devotional thought, an article for Moms, a book review and a prayer focus. The current issue of *Women's Spectrum*, our annual magazine, includes inspirational stories, devotional themes and special missionary news and projects, also contains an interactive Bible study by Lois Shirk on Relationships.

God is opening doors to opportunities to serve Hispanic women. Last year I reported that board member Viki Rife was to be the speaker at a conference for Hispanic women, *Belleza que dura*, in Syracuse, IN this April. From that conference came requests for another gathering. A Hispanic Transformation Summit will be held in the Atlanta area in April, coordinated by board member Rosa Munoz.

Several Women of Grace leaders have been invited to participate in the South Focus Retreat in March and the Ethnic Gathering in Tampa, with the goal of providing encouragement to pastors' wives and discussing their importance in the work of ministry.

Short-term ministry opportunities are a part of the global focus of Women of Grace. A team of five women spent ten days in September ministering with Alice Peacock and Kevin and Holly High in Corrientes, Argentina. While the original intent of these ministry teams has been to assist the missionaries in contact-making, work projects and special outreach events, this team came home with a new perspective and burden: the missionaries themselves desperately need personal encouragement, listening ears, and a stronger of connection to the greater FGBC. Holly High has written about the team's impact for the January issue of *Grace Touch*:

"The team was designed by God specifically for our family and Alice Peacock, the other member of our team. Their ministry actually moved my heart with the reality of knowing that women's ministries are beyond a Bible study—they are about loving and caring and meeting somebody right where they are. No matter whether they're struggling in their faith or spiritually mature believers, each individual is important to God, and to Women of Grace... We were relieved that they did not expect us to fill the time with cultural experiences for them—instead, they took time to get to know us as people. Even when plans went awry, they used the "wasted" time to build relationships with us and with each other."

The next Women's GO Team will be November 11-24, 2014 to Cambodia. This team will help with English classes, spend a day with the Cambodian Ministry Partner wives and guests, visit the local church in Battambang, and encourage the missionary team.

An area where Women of Grace is being challenged in how to encourage spiritual and ministry development relates to where women fit and can use their giftedness in the Body of Christ. Women of Grace USA affirms our belief that while both women and men are gifted for service in the church, the office of an elder is limited to men as qualified by Scripture. We applaud the churches in our Fellowship that have recognized and are using highly gifted women in leadership roles. However, we hear from a growing number of young women who question why they are

limited to a few areas of service or why they are ignored, overlooked or their opinions viewed as unimportant to the growth of the Body. These are women who hold positions of leadership and responsibility in the work place where their training, skills and expertise are highly valued. They do not want to be elders; they simply wish to be affirmed for their abilities and allowed to be all that God created them to be. What do we tell them? How do we encourage our SMM girls to develop their gifts so they can use them to build up the Body of Christ? Where do women fit into the identity (DNA) of the FGBC?

GIVE THANKS TO GOD

Women of Grace USA is grateful to God for His guidance and blessing during the past year. In addition, please join us in thanking Him for preparing the next national leader for Women of Grace USA. Viki Rife, our present Communications Coordinator and Director of Girls' Ministries, will take over as Executive Director on August 1, 2014. I am deeply grateful to God for Viki's work during the past 10 years, and am confident of God's hand upon her as she will assume her new responsibilities this summer.

I would also like to acknowledge a group of women who are vitally important to this ministry. Every month 64 women, the WGUSA Prayer Force, receive and pray for requests for the various aspects of Women of Grace. We praise God for their faithful intercession on our behalf. In addition, we thank him for the individuals who give to support the work of WGUSA.

We are deeply grateful to the Grace Brethren Investment Foundation for their contributions that provide most of the funding to compensate our Communications Coordinator. The other officers and board members volunteer their time and frequently give sacrificially from their personal finances to support and maintain this ministry. We thank God for them.

And finally, we thank Executive Director Bartley Sawatsky, Fellowship Coordinator Tom Avey, and the members of Fellowship Council, for your commitment to God's Word and His mission, your vision for what God can do through the FGBC, and for your wise and prayerful direction. We are grateful for your prayer support and encouragement as we seek God's will and provision. It is our joy and privilege to partner with you and your ministries in "...the marvelous work to which we've been called—encouraging [women] to walk in the fullness of all God has called and created them to be through Jesus Christ" (paraphrasing Margaret Feinberg).

Go2 Network Report

Prepared for Fellowship Council

January 30, 2014

Thank you for this opportunity to provide an update on the Go2 Network to the Fellowship Council of the Grace Brethren Churches.

The Go2 Network is committed to influencing our changing society with Jesus' gospel! We recruit and network missionaries and their teams to start kingdom initiatives and churches in North America's many cultural areas using creative and high impact methods.

Our present Board of Directors

Rev. Robert Fetterhoff, Wooster, Ohio: Chairman of the Board
 Mr. Mark Curtis, esq.: Long Beach, California
 Rev. Mark Lingenfelter: Leamersville, Pennsylvania
 Rev. Bartley Sawatsky: Mississauga, Ontario, Canada
 Mr. Kent Semple CPA: Columbus, Ohio

At present our staff includes –

Dr. Tim Boal: Executive Director and Missional Community Director
 Dr. Dru Dodson: Integrated Ministries and Kingdom Outpost Director
 Dr. Steve Leston: Training and Recruiting Director
 Mr. Mike Silverman: Finance Officer
 Rev. Steve Galegor – Albanian apostle
 Rev. Arnold Betoney – Navajo apostle
 Rev. Michel Faulkner – Urban Training Center Director

At present Go2 Network is involved in the following areas of ministry.

- 1) We are engaged in Integrated Ministries in Haiti through the HaitiCure initiative. This is a three-way partnership between Go2, Partners Worldwide, and WorldVision. The emphasis is located in Jeremie, Haiti and focuses on training pastors, helping local business people to learn best business practices and create new jobs, and the adoption of children.
- 2) New York City Movement Project is a joint partnership between Go2, The New York City Leadership Center, and Redeemer Presbyterian Church. The goal of the project is to plant 100 new churches by 2016. To date 27 new churches have begun in the city. Among the FGBC Steve Galegor and Michel Faulkner are engaged in 5 of these plants.
- 3) Proximity Café prototype is opening in Pottstown, Pa. as what we hope will be the first of a franchise of café's designed to provide church planters with a sustainable tent making income opportunity while they work to develop missional communities and from

there new local churches. Proximity is a privately held company that has agreed to work with Go2 in finding creative funding solutions for church planters.

4) Go2 Training Center is located in Lombard, Illinois and focuses on recruiting students from Moody Bible Institute and Wheaton College, and provides them a practical church planting internship based on ideas adapted from the Center for Pioneer Church Planting. Learn more at www.toeverytribe.com

5) Two new publishing ventures will launch this year. The first is called “Kingdom Outposts” by Dru Dodson. The material serves as a Biblical Theology Primer for a discussion about the role of good works in ministry. The second is by Bartley Sawatsky and titled, “Unapologetix”, and focuses on an intuitive approach to apologetics rather than the traditional rationalistic approach. It is especially geared for those living and ministering in the post-modern, post-Christian West.

6) Go2 continues to provide free demographic help for churches in the Fellowship who want to know more about their communities. Our license with Percept allows us to run intensive demographics for any church in the FGBC. We cannot however run demographics for non-churches or individuals without a pass through financial charge.

7) Go2 continues to solicit prayer for America through our Circles of Grace prayer maps and prayer apps. The apps are free downloads in the iTunes store or the Droid marketplace. You may sign up and learn more about the Circles of Grace by going to our website.

8) Navajo ministry continues under the leadership of Arnold Betoney. The Native New Life Church has moved to the Northern section of Albuquerque and is meeting in homes. The former Indian Ministry building in Southern Albuquerque where they had been meeting is now up for sale. Primarily this is due to a changing Indian demographic within the city.

9) The following prayer requests continue to be the major ones for us to pursue.

- We must pray for workers for the harvest fields.
- We must pray for wisdom in learning to reach a post-Christian America.
- We must pray that new churches will not only start, but that they will become established and bless communities for many years functioning as salt and light in a decaying society.



REPORT TO THE FELLOWSHIP COUNCIL OF THE FGBC FELLOWSHIP
JANUARY 29, 2014

The purpose of the AGBM is to encourage, support and strengthen leaders who belong to Grace Brethren Churches and to engage in activities for the benefit of its members as determined by its board of directors.

1. BOARD OF DIRECTORS: Joel Richards – President, Dan White – Secretary, Bud Olszewski – Treasurer,
Terry Daniels, Randy Weekley, Matt Wheelock, John McIntosh, Greg Howell, Mark Lingenfelter, Bob Comb, Robert Soto, Jonathan Carey, Doug Courtier

Executive Board: Joel Richards, Dan White, Bud Olszewski, Terry Daniel, Matt Wheelock, John McIntosh

Director of Pastoral Ministries: Mark Saunders

2. STANDARDS FOR MEMBERSHIP: Association members must continue as members in good standing with a member church of the Fellowship of Grace Brethren Churches.

Category One - Men who are certified for license or ordination by a recognized examining board.

Category Two - Men preparing for licensed and ordained ministry.

Category Three - Men who qualify as elders and are approved to serve as ministry leaders in churches and agencies of the FGBC.

3. MEMBERS: 431 members as of January 10, 2014

4. REPRESENTATIVES: In order to better accomplish our purpose of encouragement, support and the strengthening of our leaders, we have divided up the US into regions. Each region has a seasoned pastor who serves as a representative of AGBM. His role is to minister to the leaders his region. We currently have 10 Representatives caring for our leaders. They are:

Roy Halberg/S.Cal.,
Joel Richards/N.Cal/Hawaii.
Greg Howell/N.West/W.Canada,
Larry Richeson/IN/MI,
Bob Combs/Ohio/E.Canada,

Larry Edwards/W.Penn
Dan White/N.Atlantic/Mid.Atlantic/Allegheny
Paul Mutchler/Chesapeake
Dan Gillette/Blue Ridge
Matt Wheelock/Fl/S. Chesapeake

5. DIRECTOR OF PASTORAL MINISTRIES' ROLE: The purpose of the Director is to coordinate the regional representatives for the purpose of encouragement, strengthening and support of the leaders of the FGBC. The Director also assists in administrative duties along with Sandi Avey (Admin. Assistant) as delegated by the President. The Director will attend the Focus Retreats and National Conference to accomplish his duties.

6. AGBM MINISTRIES

- **Yearly Awards:** These awards are given as a way of recognizing the accomplishments of our leaders in the FGBC.

2013 Pastor of the Year – Jeff Bogue; Grace Church of Greater Akron, Akron Ohio

2013 Lifetime Achievement Award – Terry White; Brethren Missionary Herald Co., Winona Lake, IN

2013 Excellence in Ministry Award – Jay Bell, Missions and Evangelism Pastor, WLGB, IN./ Regional Rep, Encompass World Partners

- **Focus Retreats Discounts:** A 20% discount was given to each member of AGBM who registered and requested the discount for a Focus Retreat. This was intended to encourage leaders to attend the retreats due to the significance of this year's discussion.
- **Leaders and Wives Meal:** AGBM has hosted a meal for leaders and their wives at conference each year. A challenge by a speaker and give aways are another way of encouraging our leaders and wives.
- **Dinner Out:** Each Representative for AGBM is authorized and encouraged to give a \$50 gift card to a pastor/leader in our fellowship who needs some encouragement to be used to take his wife out to dinner. This is a small way of giving back to our pastors/leaders who minister faithfully week by week.
- **Chaplains:** Each chaplain with the FGBC was given a free copy of Dr. Ken Bickel and Kevin Vanderground's book, *DOING RIGHT WHILE DOING GOOD, AN EXPLORATION OF MINISTERIAL ETHICS*.

We also made this book available to any pastor who wanted a copy. Ken's book is a more detailed explanation of the ethics document that can be found on the AGBM web site.
- **Honoring One Another:** members who have been involved in ministry for the Lord and as members of our association for 40+ years, and were in attendance at conference, were recognized and given a certificate of honor.
- **Promise Keeping:** We honored the commitments we have made to those who are still eligible for a gratuity upon their death.

7. Ministry Committees

Each board member serves on one of our four standing committees.

Honoring Members – recognizing the faithful service of our members

Cheering – Highlighting God's work among our members and creating ways for our members to know and encourage one another

Support – Finding ways to come along side our members to keep them growing and healthy

Leadership Development – Helping our current pastors reach excellence and finding and training new men for pastoral ministry

Conclusion

We are indebted to Tom Avey for his work with us in developing a daily e-mail that lists birthday and anniversaries of those in the handbook. Our original desire was to have that information available to all of our regional representatives as a way to connect with the pastors under their care. This daily e-mail is available to anyone who would like to receive it and it is one more tool that can be utilized to stay connected and deepen fellowship.

We are currently addressing how we might find ways to help those who being trained for Christian ministry. We are hoping to develop some kind of scholarship program.

God is at work among us and we are delighted to be a part of this team.

Report to FGBC Fellowship Council

Leadership Development Team

Tom Julien, January 29-31, 2014

At the 2010 National Conference, held in Cincinnati, Moderator Tom Hocking appointed three teams to help implement the three areas of ministry defined in the Commitment to Common Mission, adopted at the 2008 Charis conference. The Leadership Development Team was one of those three teams; it was composed of Mike Yoder, Keith Shearer, Dave Lawson, and myself. Tim Sprinkle was soon added as a communications coordinator.

Our first meeting was held the following January at Wooster, along with the new Moderator, Bob Fetterhoff. At that meeting it was decided that our main emphasis in leadership development would not consist of formal training for vocational leaders, but would focus rather on seeking to infuse an equipping culture into all leadership levels of our churches, according to Ephesians 4:11-16, focusing in particular on mid-level lay leadership, the joints and ligaments that hold the church together and allow it to function.

Our goal is to encourage the development of a fellowship-wide network of Equipping churches, called E-Net. By equipping church, we mean a church in which equipping the saints is a vital part of the DNA of the church's culture.

Since then, our functioning team has grown informally to well over a dozen men firmly committed to becoming equipping coordinators, and the team continues to grow. Our strategy is to create in each district a team of four to six men who will meet and pray together regularly in order to develop the equipping network in their district. Good progress has been made in six districts, and several other districts are moving ahead. Recently our team was strengthened by the commitment of Ed Short to be a part of our team. Ed is a specialist in discipleship training, and a part-time member of the CE National staff. Ed will be available for district workshops as well as for the personal recruitment of E-Net Coordinators.

Because E-Net is principle-based rather than being a programmed approach, its growth is organic rather than organizational. This has been both a strength and a weakness. It is a strength because since every church has its particular culture and organizational structure, Ephesians 4:11-17 needs to be individually adapted to every body of believers. On the other hand, organic progress is often unobservable and therefore difficult to measure. This means that our approach requires a great deal of commitment and perseverance.

In one of our meetings we agreed that E-Net will have to expand relationally in order for it to become a reality in our fellowship. Our main approach has been therefore to build relationships in which the vision of E-Net can be shared. Much of this is done through strategically placed phone calls to key men in our districts.

During its three years of existence, E-Net has produced a number of helps and documents, along with a guide, explaining what is meant by an equipping church, and how equipping can be implemented. Our team has sought to continually clarify our approach in order to help churches become more effective in unleashing their resources.

The following paragraphs give an overview of how we are currently presenting equipping ministries to our churches.

In an Equipping Church, ministry effectiveness is measured not by how well the leaders **do** ministry, but by how well they **equip others** to do ministry. For many leaders, this represents a paradigm shift: the main emphasis in our theological training is to prepare us for *doing* ministry, not to prepare us for *equipping others* in ministry. Because of this, as leaders, we tend to get our value from how well we *do* ministry, not by how well we equip others. Further, we are able to do ministry better and faster than having to equip others to do it. And finally, the people of the church pay the staff to do the ministry, not necessarily to be equipped by them.

However, the continuing spiritual vitality of a local church and of our fellowship is directly related to intentionally putting into practice Ephesians 4:11-16. The life-span of a church in which the people are merely consumers of the ministry is definitely limited, no matter how skillful the paid staff might be.

Ephesians 4:11-16 is without doubt one of the most significant passages of the Scriptures. In it we have the DNA of an equipping church

1. Every church is to fulfill five ministry functions. (These are functions, not positions.)
2. The people in our churches have been sent by the Lord to fulfill these functions.
3. Equipping seeks to encourage every member to rise to his full ministry potential, "attaining to the whole measure of the fullness of Christ."
4. Through equipping the entire church grows up into Christ, the Head, from whom the whole body is joined and held together by every supporting ligament.
5. As a result, the church grows and is built up in love, as each part does its work.

The root meaning of the term *equip* (*katartismo*) is to bond, or join together. An equipping church seeks to connect members with ministries. Equipping transforms ministry *consumers* into ministry *collaborators*.

Though equipping occurs in one way or another in every church, the challenge of every church is to make it a part of the church's DNA and culture. An Equipping Church is one in which there is an intentional **commitment** to equipping, the designation of someone to serve as an equipping **coordinator**, and an effort to make equipping an expression of the church's **culture**.

There are five components of an Equipping Church:

Intercession: infusing prayer into every aspect of the equipping process.
 Identification: matching the potential of the people with ministry needs.
 Involvement: creating ministry teams in which each member has a role to play.
 Instruction: offering training, mentoring, and coaching to those involved in teams.
 Inspiration: motivating those involved through positive affirmation.

Being an equipping church is a journey, not a destination.

Since E-Net is not a part of the organizational structure of the FGBC, the members of the E-Net team would like to appeal to each member of the Fellowship Council to do everything possible to bring an awareness of its ministry to the churches of our Fellowship, and to provide opportunities for Equipping to have a visible role in our conferences and other gatherings. Please contact any of the members of our team for further information.

May the Fellowship Council play its role in actively equipping the FGBC in its ministry.

**THE FELLOWSHIP OF GRACE BRETHREN CHURCHES
OFFICE OF THE CHAPLAIN ENDORSING AGENT
6289 W. DONALD DR., GLENDALE, AZ 85310
PH: 623-561-5485, FAX: 623-561-5492**

**THE POLICY OF THE FELLOWSHIP OF GRACE CHURCHES
ON THE MINISTRY ACTIVITY OF OUR CHAPLAINS IN RELATION TO:**

**THE RESCINDING OF THE “DEFENSE OF MARRIAGE ACT” AND “DON’T ASK,
DON’T TELL”**

The Fellowship of Grace Brethren Churches (FGBC) believes that the Bible alone (the 66 books of the Old and New Testaments) is our infallible rule of faith and of practice. We believe our calling is to live by and make known its message.

The Bible speaks on marriage. Among the many biblical statements on marriage is this foundational teaching by the Lord Jesus: “At the beginning of creation God ‘made them male and female.’ For this reason a man will leave his father and mother and be united to his wife, and the two will become one flesh.” (Mark 10:6-8)

The FGBC position statement on marriage is this:

We regard the definition of marriage to be deeply and ultimately a religious issue. We affirm that marriage is intended by God to be a life-long covenant between a man and a woman.

We resolve that no clergy, churches or individuals fulfilling their gainful employment who do not accept same-sex marriage should be coerced or punished for expressing their convictions or exercising their freedom of religion on this issue.

(2013 Resolution by the Fellowship of Grace Brethren Churches, approved by delegates at its annual meeting, July 31, 2013)

The Military Service of FGBC-endorsed Chaplains in Light of Our Position

Our chaplains are duly ordained and endorsed for military service by the FGBC. In their military service they stand by the teaching of Genesis 1:27 which establishes the value of humankind as creatures of God, who are therefore due appropriate dignity and respect. Thus, as our chaplains go about their ministries, they see all people as objects of the love of God. They are prepared to minister to all people while at the same time conducting their chaplain responsibilities in accord with the convictions of their own Christian faith. They will lovingly and compassionately relate to those they serve even when conscientiously unable to support their beliefs or condone their behaviors.

Our chaplains claim the right to strongly endorse the protection of the First Amendment to the Constitution of the United States and will exercise their right to practice their faith in accordance with the teaching of Scripture.

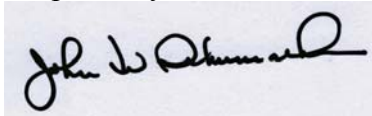
Our chaplains will minister to all persons, including those who have or intend to have relationships we do not recognize as marriage. In such cases they will minister to them as individuals but not as couples. Our chaplains are expected not to participate in any activities that ratify or promote such relationships but be willing to make referrals for these military members to sources that can help them. We acknowledge that the federal government, several state governments and several courts now recognize same-sex unions, thus granting legal privileges that had previously been reserved to heterosexual couples. Our responsibility, however, is to hold to

Biblical standards while acknowledging the changes in the law regarding these issues. As chaplains carry out their assignments and ministries, they will face many unique situations and contexts but always the final arbiter for the chaplain response is the teachings of Scripture.

We fully support the decisions made by our military chaplains as they serve these situations and contexts in keeping with the contours of the position of our denomination on marriage. We caution our endorsed chaplains to be careful about participating in any event where their involvement would be reasonably understood as an endorsement of a same-sex marriage or relationship.

We affirm the integrity and authority given our chaplains by their ordination, our Statement of Faith and the position adopted by our fellowship concerning “definition of marriage” issues to provide ministry to soldiers and their families with the proviso that such ministry agrees with our Statement of Faith and moral commitments as may be expressed in our Resolutions.

Respectfully submitted,



Dr. John W. Schumacher
CH (COL) USA, Ret.
Chaplain Endorsing Agent
Fellowship of Grace Brethren Churches

Donald P. Shoemaker

Dr. Donald P. Shoemaker
Chairman, Social Concerns Committee
Fellowship of Grace Brethren Churches

John W. Schumacher served in the U.S. Army for thirty years, including two tours in Viet Nam. He attended and taught at the Army War College in Carlisle, Pennsylvania. He has been Endorsing Agent for the FGBC for eighteen years.

Donald P. Shoemaker is Pastor Emeritus of Grace Community Church of Seal Beach, California, which he served for 28 years as senior pastor. He also serves as Senior Chaplain of the Seal Beach Police Department and has chaired the Social Concerns Committee in the FGBC since 1985.

**To The Members Of
The Chaplain Committee and Board of Grace Brethren Investment Foundation
On The
Status of Chaplains and the Activities of the Endorsing Agent
November 2013**

INTRODUCTORY COMMENTS:

This report will update the status of our chaplains. It also includes any information I have regarding chaplain prospects and status of chaplain candidates.

ATTACHED:

A new document has been written for our chaplains declaring our position on how they will respond to the new moral climate in the military. I coordinated with Don Shoemaker to complete the document. Don is the Chairman of our Social Concern Committee for the FGBC and he was a tremendous help. It has been sent to the chaplains and a number of other interested people, including the Chaplain Endorsing Agent for the NAE Chaplain Commission, and this policy statement has received, not only approval, but praise as well. The chaplains will make copies and give to their commanders and their senior chaplains. The document has been requested and nearly all faith groups have created their document as well. That document is included on a separate sheet at the end of this report.

VISITS TO CHAPLAINS AND TRAVELS COMPLETED AND ANTICIPATED:

Completed: In June Martha and I traveled to Germany and visited George Youstra at Ramstein AFB. We also visited Charles Pridgen in Weisbaden.

In September we also visited Justin Hayes at Camp Pendelton Marine Base near San Diego. At National Conference I was able to meet with the chaplains who attended in a brief update session.

Anticipated:

1. Fellowship Council (late January) in Seal Beach, CA
2. BIF Board) November (Columbus, OH)
3. NCMAF (January 2014)
4. National Conference (July, 2014).
5. As a result of the meeting I had with Dr. Katip and Dr. Gill at Grace, I have been invited to return to do a one day seminar to DMin students on the chaplaincy. Martha will accompany me. The date is June 4.
6. Mark Penfold will be promoted to Colonel early December and Martha and I plan to attend his promotion at Fort Jackson.

Chaplains Deployed: (War Zone)

1. Cpt. Richard Hurst, United Arab Emerits
2. Lt. Col. George Youstra, Germany
- 3 CPT Charles Pridgen, Germany
4. .MAJ Carl Phillips, Korea

National Conference 2013:

Thirteen chaplains attended Conference in Atlanta. Along with the Chaplain dinner we also met for

an hour to discuss common issues. Once again the Chaplain dinner turned out to be one of the highlights of the week.. We took time to present some farewell mementos to Dr. Chamberlain on the occasion of his retirement from CEO of BIF: 1) A flag carried in the rucksack of Pete Stone in Afghanistan was placed in a beautiful case with a certificate and presented to him. 2) Also presented was a plaque of the names of all the chaplains on file who have served the Fellowship and who have retired. 3) Finally, a notebook of letters of appreciation from most of the chaplains who now serve and several retired chaplains was presented to him. He later told me that he and Sherlene read all of the letters before retiring for the night. His response to the honors he received from the chaplains was a blessing to observe.

CHAPLAIN ROSTER:

Attached is a chaplain roster with information current as of this report. It is an evolving document and experiences many updates during the year. Having current correct information on all chaplains is nearly impossible but all changes are made when I am informed. I also solicit all chaplains for any changes several times during the year does not appear. Jeff found it necessary to resign his commission and leave military service several months ago. Jeff served honorably and received his honorable discharge.

CHAPLAIN RETIRED ROSTER:

A copy of this roster is also attached to this report. Thankfully, there are no new names this time.

PROMOTION INFORMATION:

Mark Penfold was selected for promotion to Colonel and will have his ceremony at Fort Jackson in early December. His next assignment is unknown at this time. Of note is that Mark was in line to replace me as Endorser. His new retirement date is 2017. If I am able to remain healthy I will be willing to remain as the Endorser until he does retire. Pray the Lord will keep me healthy and of "sound mind." ☺ Larry has agreed to stay on as Associate Endorsing Agent.

David Mvondo and John Arnoldbik will both be considered for promotion in late October and that result will be announced in January. If selected it means change of assignment. David would go to the Advanced Course for Chaplains and no projections have been made at this time for John at this time. He has been considered previously so his chances of being selected, unfortunately, are not strong. If not selected he is committed to transferring to the Reserves.

CHAPLAIN CANDIDATES:

2/Lt JP Prado

USAF Chaplain Candidate is listed here but also under AIR FORCE in the roster since he is a commissioned AF officer. He will be finishing seminary soon and will then be promoted to 1/LT and will be seeking a Reserve assignment

2/Lt Matthew Frost

Matt was selected for the Chaplain Candidate Program last summer. I had the honor and privilege of giving the oath of commissioning to Matt in early September.

Daniel Rosenberg,

Daniel is a student at Grace, has applied for the Chaplain Candidate Program but, as of this time I have no results to report. Matt has been assigned to the 1st Bde of the 104th Tng. Div. for Reserve duty. He will attend Chaplain Basic this summer at Fort Jackson.

POTENTIAL CHAPLAIN CANDIDATES:

Jeremy Pfeister will be considered for commissioning as a 2nd Lieutenant in the chaplain candidate but, as of this meeting, I have no results to report. Jeremy is an enlisted man in the National Guard and has not decided whether or not he should ask for the CC program of just remain enlisted and then apply for active duty when he has finished seminary.

POTENTIAL TRANSFER OF ACTIVE DUTY CHAPLAIN TO GBIF

Recently I was contacted by Chaplain, Captain, Zachary Nash, of the U.S. Air Force, now in Germany but returning this summer. “Zach” is a close friend of George Youstra, speaks very highly of him. Interestingly, and confidential to this report, Zach grew up in a GBC church but was advised by his pastor to not apply to the FGBC for endorsement. I only learned of this recently. I knew nothing of it previously. He is now a member of the Hope GBC and they have accepted his ordination. I am in touch with Tom Avey, who also attends that church, concerning Zach’s ordination. That issue can be and likely should be, discussed in this committee meeting.

CHAPLAIN UPDATES:

ARMY

John Arnoldbik:

There is nothing new about John. He is still assigned to Fort Huachuca and serves his unit with prayer breakfasts, Bible studies and takes part in the Post Chapel ministry. As mentioned above he is being considered for promotion to Major but for the second time. If selected he will be sent to the Chaplain Advanced Course. If not, he will be leaving active service to join a Reserve Unit.

John Jacobsen

John continues his ministry at Fort Leonard Wood, MO. He expects a move in the summer of 2014 and that move will likely be to attend the Advanced Course for Chaplains at Fort Jackson.

Pete Stone:

Pete’s home base is Fort Campbell, KY. Pet returned from Afghanistan back to Fort Campbell. He will have a change of assignment at Campbell in January but will be a classified assignment. Pete was flown back to Campbell during his tour in Afghanistan just to be interviewed for this assignment

Mark Penfold:

Mark was selected for promotion to Colonel in September. His anticipated promotion date will be in early December. His next assignment has not been officially announced as of this date. Martha and I plan to fly to Fort Jackson to attend his promotion ceremony.

James Schaefer:

James remains in the position of Deputy Command Chaplain for Central Command which is headquartered at Shaw AFB, SC. He returned from Kuwait this summer and now operates for the same mission from Shaw AFB. His accomplishments are too many to list here but, while in Kuwait he was involved with both Kuwaiti and Egyptian ranking officers concerning chaplain matters for their countries. He had dialogue with:

- * The Doha, Qatar Director of Interfaith Dialogue
- * Working relationships with the Egyptian Ministry of Awqaf (endowments)
- * Western Perception of Islam Center in Egypt, Jordan and Kuwait.

Bill Graham:

Bill is attending the resident course of Command and General Staff at Fort Leavenworth, KS. He does not yet have a follow on assignment when he graduates in June but it will certainly be at a

higher staff level. Billy and Robin excitedly await the arrival of their first grandchild.

Richard Hurst:

Richard was transferred to Fort Sill, Oklahoma last summer to join a unit deploying to the UAE (United Arab Emirates). He loves what he does and has refurbished an unused warehouse into a chapel for his soldiers. Star is a very vital part of his ministry and much involved in opportunities open for chaplain's wives at Fort Sill

James Murray:

James came on active duty this past May and was assigned to a battalion in Bill Graham's brigade. He too deployed to Afghanistan. It is exciting for me to be a part of this journey going back several years when he first approached me on his potential future as an Army Chaplain. Ashley is also a very involved chaplain's wife and it is refreshing to see such commitment. I hasten to add that all of our chaplain's wives are very devoted to their role in their husband's assignments. James' returned from Afghanistan last spring. He is now assigned to the same unit as Pete Stone and will take that assignment when Pete moves into his new assignment.

Charles Pridgen

Charles was reassigned to Weisbaden, Germany, just prior to Conference last summer. Martha and I had the privilege of visiting him, ADA and family in June. They are well settled and loving that part of Germany.

Scott Shaffer:

No news to report at this time.

NAVY:

Lou Urban

Lou returned to Camp Lejeune Marine base in NC after returning from his deployment last year. He was not selected for promotion to Lt. Commander (Navy equivalent to Major in the other branches). He was expecting that the Navy would drop him because of this. I have not recently heard from Lou but my last communication is that he will likely be retiring this summer.

Justin Hayes:

Justin continues his ministry at Camp Pendelton, CA (just north of San Diego). Just in has been informed that he will be transferred to another unit at Camp Pendelton. He will serve the 7th Engineering Support Battalion. This unit has 1,400 Marines. His history at CP tells me that he will do an outstanding job as their chaplain/pastor. Becca has recently had a thyroid biopsy but, as of this report I have not been formed of the outcome of the biopsy. Elizabeth Schaefer had the same issue several years ago. She was treated and is doing very well.

AIR FORCE:

George Youstra

George has redeployed to Germany where he serves on the US Army Europe Command Chaplain staff. His title indicates that he has responsibility to oversee the religious activities of any air assets in Northern Africa. Martha and I visited the Youstras at Ramstein Air Force Base in June. George is just a phenomenal chaplain and was hand picked for that assignment by the commander of US Air Forces in Germany. His General was reassigned to the position of Supreme Allied Commander of US Forces Europe. George still stays in contact with his General friend.

JP Prado:

Since JP lives here in the Phoenix area I get to see him periodically. As mentioned previously he is

a good friend of Matt Frost. They both attended Arizona Christian University and knew they had a common interest in serving as chaplains and now, with Liberty, he is a near straight A student. He is clearly another man cut out of chaplain cloth. He nears completion of his seminary degree. His future is highlighted in the early part of this report.

What an honor to have the opportunity to over see these heroes. We are known for taking care of our chaplains and referrals are not an uncommon event. We continue to grow.

VETERANS ADMINISTRATION: (See roster for current information.)

Mike Jones (part time)

No changes

Charles Card (contract)

No changes

Jack Galle

Jack has moved to his new VA Chaplain position in PA.

Respectfully Submitted



Dr. JOHN W. SCHUMACHER
CH (COL) USA, Ret.
Chaplain Endorsing Agent, NFGBC

We continue to grow:

Presently we have 15 chaplains serving on active duty or Guard/Reserve. In addition we have two commissioned chaplain candidates. Two others serve in the AF Civil Air Patrol. Three additional men serve as VA/VA contract chaplains. We also have six additional potential chaplains/candidates. The math of these numbers shows 22 men serving in some manner and 6 additional potentials.

Application for Ministries seeking Cooperation Ministry Recognition by the FGBC Inc.

Please review the Constitution and Manual of Procedure for the Fellowship of Grace Brethren Churches. Note carefully ARTICLE II, ARTICLE III and ARTICLE X of the Constitution and ARTICLE IIII of the Manual of Procedure, which deal with the cooperation ministry requirements.

How does your ministry seek to serve the Fellowship of Grace Brethren Churches?

MetroGrace serves by helping churches gather, train, send and coach teams to develop gospel-centered, community-based churches in urban neighborhoods.

How did your ministry take official action to subscribe to the Covenant and Statement of Faith as found in Article III of the Constitution of the Fellowship of Grace Brethren Churches, Inc.?

MetroGrace developed within the Fellowship of Grace Brethren Churches with the support of Crossroads Grace Brethren Church of Philadelphia and Grace Brethren North American Missions. The board of directors has approved the Covenant and Statement of Faith of the Fellowship of Grace Brethren Churches.

List the present responsible officers of the ministry with titles:

James Brown, President
Michael Connor, Treasurer
James Arleth, Secretary

Explain how the ministry is sponsored and controlled by members of FGBC churches?

All officers are members of a Grace Brethren Church.

Is the ministry a subsidiary of only one local church? (Y/N)

No

How does the ministry have a scope of ministry broader than the immediate local church ministries and exist to serve other Grace Brethren Churches?

MetroGrace helps Grace Brethren Churches develop gospel-centered, community-based churches in neighborhoods throughout the city. We provide training through short-term mission experiences, summer internships, urban missionary internships and church planting internships. We gather, train, send and coach church planting teams.

How does this ministry meet a recognized need related to the fulfilling of the Great Commission?

MetroGrace develops gospel-centered, community-based churches in urban neighborhoods.

To the best of your knowledge, does your ministry or any leadership of your ministry have unresolved problems with another Grace Brethren church, leader, district or cooperating ministry? If so, who can we contact for clarification?

No

In seeking to be a cooperating ministry of the Fellowship of Grace Brethren Churches, does the ministry recognize the obligation of mutual encouragement and cooperation with Grace Brethren churches, districts, national ministries and/or other cooperating ministries?

Yes

If accepted by the procedures outlined in ARTICLE X, Section 2 of the Manual of Procedure and the ministry becomes recognized as cooperating ministry of the Fellowship of Grace Brethren Churches, Inc., does the ministry understand that :

It is not a creation of the FGBC ? (Y/N) **Yes**

It is not an integral part of the FGBC? (Y/N) **Yes**

It is not in any way controlled by the FGBC or Fellowship Conference? (Y/N) **Yes**

The Fellowship Conference asks for an annual report only as a courtesy? (Y/N) **Yes**

Please attach a brief history and description of the ministry to this application.

In November 1999, Grace Brethren North American Missions asked Jim Brown to serve as a career missionary to develop a cluster of urban churches in Philadelphia. Crossroads Grace Brethren Church of Philadelphia and the Northern Atlantic Fellowship of Grace Brethren Churches were eager to support this World-class City Project.

Recognizing a need, MetroGrace was incorporated in the state of Pennsylvania in 2003 and determined to be a public charity by the Internal Revenue Service in 2004.

Grace Brethren Churches and people throughout the world continue to support MetroGrace as they gather, train, send and coach teams to develop gospel-centered, community-based churches in neighborhoods throughout the city.

MetroGrace has hosted many short-term missionaries, trained a variety of interns and helped some men become licensed or ordained elders in the FGBC. So far, three congregations have been established in Philadelphia in the neighborhoods of Frankford, Holmesburg and Wissinoming.

General Instructions: Fill out this application form and send it with to the FELLOWSHIP OF GRACE BRETHREN CHURCHES, P. O. Box 384, WINONA LAKE, IN 46590. The deadline for application is January 1st in order to be considered in the following annual conference.

Official Name of Ministry - **MetroGrace**

Mailing Address - **7721 Torresdale Avenue**

City State Zip - **Philadelphia, PA 19136**

Phone - **215-533-3396**

Email - **jim@metrograce.org**

Website - **www.metrograce.org**

Person filling out this application: **Jim Brown**

Contact Person: **Jim Brown**

Membership Application for ...

Woodside Church

Woodside Church

1186 township rd.1106
Ashland, Ohio 44805

419-908-8181
Seednet208@yahoo.com

Meeting place : Woodside Trailer Park

Web Site : <http://>

Is your church incorporated in your state? : No

Does your church have commercial liability insurance? Yes

Pastor or Principle Leader : Nathan Wells

1186 township rd 1106
Ashland, 44805

419-908-8181
Seednet208@yahoo.com

List the present responsible officers (or leaders) of the congregation with titles

Nathan Wells

Scott Harris

For the purpose of membership in the FGBC, we define a local church as a group of Christ followers in a specific location, committed to the Gospel as its one message, under the oversight of Biblical leadership, practicing the ordinances, and on mission to the world by discipling and sending its people. How does your church match or not yet match this definition? Comment especially on the leadership, ordinances and mission of your church.

Woodside Church exists inside of Woodside Trailer Park in Mansfield Ohio to BE the church with biblical leadership including an elder training process. We meet for worship (teaching, preaching, fellowship and prayer) weekly with other individualized bible study times. We do lifestyle and aggressive evangelism weekly because the gospel is #1.

We love to do 3 fold communion and triune baptism.

Give a brief history or testimony about your churches ministry, including any pictures that capture the heart of the congregation and mission.

Almost 2 years ago, I, Nathan Wells began praying & evangelizing the trailer park. In that process I met Doug & Terry who would become our people of peace. Through much gospel saturation and serving this low income community we now have a weekly gathering in the office trailer.

Please read the Commitment to Common Mission (<http://www.fgbc.org/files/OurCommitmentToCommonMission.pdf>). What will your church do to develop leaders, plant a new church and engage in integrated ministry in your community?

We agree with the Commitment to Common Mission and network with SEED Net, Vision Ohio & EastGate Bible Church.

We disciple our people actively to trust and follow Jesus and make disciples of their neighbors and be involved in church planting through connection with Seed Net and Vision Ohio

Read "Restoring the Household" by Todd Scoles: <http://www.bmhbooks.com/brethren/item/205-restoring-the-household-the-quest-of-the-grace-brethren-church> What questions does this raise for you and your church that we should discuss together?

Loved the book

Describe your relationship with another Grace Brethren Church, ministry or district that is helping you connect with the FGBC and process this membership application. Provide a letter of reference from that ministry before June 1 either through regular mail (to PO Box 384, Winona Lake Indiana, 46590), using the upload button at the top of this page or email to tomavey@fgbc.org.

Part of SEED Net networking with Vision Ohio. Great relationship

In what ways does your church intend to continue its cooperation with other churches in the Fellowship of Grace Brethren Churches?

Continue church planting with and through SEED Net and Vision Ohio

Why does your church desire membership in the Fellowship of Grace Brethren Churches?

Love the people and love the statement of faith

Please review the [Constitution](#) and [Manual of Procedure](#) for the Fellowship of Grace Brethren Churches. Note carefully ARTICLE III and ARTICLE IV of the Constitution and ARTICLE I of the Manual of Procedure that deal with the membership requirements new FGBC churches are to meet. What questions does this raise for you and your church that we should discuss together?

Sounds good

Have you already officially aligned with the FGBC Statement of Faith and are people in your church aware of this alignment?

Yes

To the best of your knowledge, does your church or any leadership of your church have unresolved problems with another Grace Brethren church, leader, district or cooperating organization? If so, who can we contact for clarification?

No

In seeking membership in the Fellowship of Grace Brethren Churches, does your church recognize the obligation of mutual encouragement and cooperation with other congregations and agree to fulfill the membership requirements as stated in the Constitution and Manual of Procedure?

Yes

How many people participate in your church in an average week?

20

A check payable to FGBC based on the chart below for the current year membership fee should be sent to FGBC, PO Box 384, Winona Lake, Indiana 46590 as soon as this application is submitted. Use your church's average attendance multiplied by \$4.15

When will that fellowship fee be sent?

When we get accepted in the fgbc

Is this application complete? If you plan to return to this application and complete it later, select NO!

Yes

Assigned To :

Date of Interview :

Interview comments

Approved by membership commission :

Approved by Fellowship Council :

Approved by delegates :

Membership fee recieved :

Comments

Date Created : Jan 7, 2014

Date Updated : Jan 7, 2014

Language = English

Membership Application for ...

Living The Word Church

Living The Word Church

1186 township rd. 1106
Ashland , Ohio 44805

419-908-8181
Seednet208@yahoo.com

Meeting place : Jennings apartments

Web Site : <http://>

Is your church incorporated in your state? : No

Does your church have commercial liability insurance? Yes

Pastor or Principle Leader : Nathan Wells

1186 township rd. 1106
Ashland, 44805

419-908-8181
Seednet208@yahoo.com

List the present responsible officers (or leaders) of the congregation with titles

Nathan Wells- Elder

Andy Shank- Elder

Thomas Jordan- Lay Teacher

Evelyn Jordan- Prayer Leader

For the purpose of membership in the FGBC, we define a local church as a group of Christ followers in a specific location, committed to the Gospel as its one message, under the oversight of Biblical leadership, practicing the ordinances, and on mission to the world by discipling and sending its people. How does your church match or not yet match this definition? Comment especially on the leadership, ordinances and mission of your church.

Living the Word Church exists inside of Jennings Apartments in Mansfield Ohio to BE the church with biblical leadership including an elder training process. We meet for worship (teaching, preaching, fellowship and prayer) weekly with other individualized bible study times. We do lifestyle and aggressive evangelism weekly because the gospel is #1.

We love to do 3 fold communion and triune baptism.

Give a brief history or testimony about your churches ministry, including any pictures that capture the heart of the congregation and mission.

Almost 2 years ago Nathan Wells & Andy Shank began praying & evangelizing Jennings Apartment Complex. I that process they met Thomas & Evelyn Jordan who would become out people of peace and actual church planters. Through much gospel saturation and serving this low income community. A gathering began with a few people including a couple new believers. We just named the church Living the Word this year because it captures the servant heart of the people.

Please read the Commitment to Common Mission (<http://www.fgbc.org/files/OurCommitmentToCommonMission.pdf>). What will your church do to develop leaders, plant a new church and engage in integrated ministry in your community?

We agree with the Commitment to Common Mission and network with SEED Net, Vision Ohio & EastGate Bible Church.

We disciple our people actively to trust and follow Jesus and make disciples of their neighbors and be involved in church planting through connection with Seed Net and Vision Ohio

Read "Restoring the Household" by Todd Scoles: <http://www.bmhbooks.com/brethren/item/205-restoring-the-household-the-quest-of-the-grace-brethren-church> What questions does this raise for you and your church that we should discuss together?

Loved the book

Describe your relationship with another Grace Brethren Church, ministry or district that is helping you connect with the FGBC and process this membership application. Provide a letter of reference from that ministry before June 1 either through regular mail (to PO Box 384, Winona Lake Indiana, 46590), using the upload button at the top of this page or email to tomavey@fgbc.org.

Part of SEED Net networking with Vision Ohio. Great relationship

In what ways does your church intend to continue its cooperation with other churches in the Fellowship of Grace Brethren Churches?

Continue church planting with and through SEED Net and Vision Ohio

Why does your church desire membership in the Fellowship of Grace Brethren Churches?

Love the people and love the statement of faith

Please review the [Constitution](#) and [Manual of Procedure](#) for the Fellowship of Grace Brethren Churches. Note carefully ARTICLE III and ARTICLE IV of the Constitution and ARTICLE I of the Manual of Procedure that deal with the membership requirements new FGBC churches are to meet. What questions does this raise for you and your church that we should discuss together?

Sounds good

Have you already officially aligned with the FGBC Statement of Faith and are people in your church aware of this alignment?

Yes

To the best of your knowledge, does your church or any leadership of your church have unresolved problems with another Grace Brethren church, leader, district or cooperating organization? If so, who can we contact for clarification?

No

In seeking membership in the Fellowship of Grace Brethren Churches, does your church recognize the obligation of mutual encouragement and cooperation with other congregations and agree to fulfill the membership requirements as stated in the Constitution and Manual of Procedure?

Yes

How many people participate in your church in an average week?

10

A check payable to FGBC based on the chart below for the current year membership fee should be sent to FGBC, PO Box 384, Winona Lake, Indiana 46590 as soon as this application is submitted. Use your church's average attendance multiplied by \$4.15

When will that fellowship fee be sent?

When we know we have been accepted

Is this application complete? If you plan to return to this application and complete it later, select NO!

Yes

Assigned To :

Date of Interview :

Interview comments

Approved by membership commission :

Approved by Fellowship Council :

Approved by delegates :

Membership fee recieved :

Comments

Date Created : Jan 7, 2014

Date Updated : Jan 7, 2014

Language = English

Membership Application for ...

Daily Bread

Daily Bread

1310 E. Lincoln Avenue
Orange, California 92865

949-633-5519
orangedailybread@aol.com

Meeting place : 1310 E. Lincoln Avenue, Orange, Ca.

Web Site : <http://>

Is your church incorporated in your state? : Yes

Does your church have commercial liability insurance? Yes

Pastor or Principle Leader : Phil Yoder

9722 Prichard St
Bellflower, 90706

5628678279
philyoder143@aol.com

List the present responsible officers (or leaders) of the congregation with titles

John Havlik: Outreach Coach

Sonny Ramos: Spiritual Growth Coach

Josie Ramos: Relationship Coach

Charlene Schindler: Ministry and Administration Coach

Phil Yoder: Life Development Coach

For the purpose of membership in the FGBC, we define a local church as a group of Christ followers in a specific location, committed to the Gospel as its one message, under the oversight of Biblical leadership, practicing the ordinances, and on mission to the world by discipling and

sending its people. How does your church match or not yet match this definition? Comment especially on the leadership, ordinances and mission of your church.

We match this definition since our administration is housed in a specific location and weekly groups meet throughout the city with one main service each week. The Gospel as preached and lived out in the life of Jesus Christ is our message. We have five biblical leaders who are responsible for coaching the five church purposes: relationships, spiritual growth, ministry/service, outreach and life development. Ordinances we practice are three-fold communion and trine immersion (believers' baptism). We stimulate one another to grow spiritually in groups, families and individuals, with the intent on sending them back into their network of relationships to make an impact for the gospel.

Give a brief history or testimony about your churches ministry, including any pictures that capture the heart of the congregation and mission.

The church has been meeting since September with several salvations and baptisms in the past weeks. We celebrated communion in October for the first time and hope to celebrate it again in January/February. We are intent on serving our community, so we provide several weekly opportunities to serve food to the needy and develop relationships with them that will lead to spiritual bridge-building.

Please read the Commitment to Common Mission

(<http://www.fgbc.org/files/OurCommitmentToCommonMission.pdf>). What will your church do to develop leaders, plant a new church and engage in integrated ministry in your community?

We develop leaders by sending them back into their network of relationships each week, with specific goals to touch lives and live out the gospel of Jesus Christ. The church also sponsors a food distribution ministry where peoples' physical needs can be met as a bridge to build emotional and spiritual relationships as well. Several weekly LIFE/LGT groups meet each week with the intent of developing servant leaders (coaches). We consider each "point of light" that our church members are involved in as a new mini-church.

Read "Restoring the Household" by Todd Scoles: <http://www.bmhbooks.com/brethren/item/205-restoring-the-household-the-quest-of-the-grace-brethren-church> What questions does this raise for you and your church that we should discuss together?

No questions, but we are looking forward to discussing the local implications for Daily Bread of Orange with other churches and leaders.

Describe your relationship with another Grace Brethren Church, ministry or district that is helping you connect with the FGBC and process this membership application. Provide a letter of reference from that ministry before June 1 either through regular mail (to PO Box 384, Winona Lake Indiana, 46590), using the upload button at the top of this page or email to tomavey@fgbc.org.

.We have asked Grace Church of Orange to be our mentor church, and partner with them to reach the city of Orange with the Good News. Also, Mike Jentes of CMA will coach us during this "childhood" stage of growth.

In what ways does your church intend to continue its cooperation with other churches in the Fellowship of Grace Brethren Churches?

We intend to develop a deeper relationship with Grace Church of Orange, as well as other Southwest district churches.

Why does your church desire membership in the Fellowship of Grace Brethren Churches?

We believe it is a good fit, with the FGBC emphasis on "The Bible, the whole Bible, and nothing but the Bible," as well as their challenges to reach people on the fringes. We also like the idea of a "Fellowship" with mutual accountability and support rather than a denomination structure.

Please review the [Constitution](#) and [Manual of Procedure](#) for the Fellowship of Grace Brethren Churches. Note carefully ARTICLE III and ARTICLE IV of the Constitution and ARTICLE I of the Manual of Procedure that deal with the membership requirements new FGBC churches are to meet. What questions does this raise for you and your church that we should discuss together?

We have no questions at this time.

Have you already officially aligned with the FGBC Statement of Faith and are people in your church aware of this alignment?

Yes

To the best of your knowledge, does your church or any leadership of your church have unresolved problems with another Grace Brethren church, leader, district or cooperating organization? If so, who can we contact for clarification?

There are no unresolved problems with any others in the FGBC.

In seeking membership in the Fellowship of Grace Brethren Churches, does your church recognize the obligation of mutual encouragement and cooperation with other congregations and agree to fulfill the membership requirements as stated in the Constitution and Manual of Procedure?

Yes and yes

How many people participate in your church in an average week?

A check payable to FGBC based on the chart below for the current year membership fee should be sent to FGBC, PO Box 384, Winona Lake, Indiana 46590 as soon as this application is submitted. Use your church's average attendance multiplied by \$4.15

When will that fellowship fee be sent?

12/26/13

Is this application complete? If you plan to return to this application and complete it later, select NO!

Yes

Assigned To :

Date of Interview :

Interview comments

Approved by membership commission :

Approved by Fellowship Council :

Approved by delegates :

Membership fee recieved :

Comments

Date Created : Dec 17, 2013

Date Updated : Dec 31, 2013

Language = English



December 10, 2013

Board of Directors
Fellowship of Grace Brethren Churches, Inc.
PO Box 384
Winona Lake, IN 46590

Independent Accountants' Review Report

We have reviewed the accompanying statement of financial position of Fellowship of Grace Brethren Churches, Inc. as of October 31, 2013 and the related statements of activities, changes in net assets, functional expenses, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

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

As disclosed in Note A to the financial statements, generally accepted accounting principles require that the cost of assets which have a useful life of greater than one year be capitalized. The organization has not capitalized such expenditures and the effect to the financial statements has not been determined.


Himes & Krull, LLC

FELLOWSHIP OF GRACE BRETHREN CHURCHES, INC.

Statement of Financial Position
October 31, 2013

ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 73,712
Accounts Receivable - Net of Allowance	12,946
Other Receivables	5,375
Prepaid Expenses	<u>6,299</u>
	98,332
Other Assets:	
GBIF Investment	<u>938</u>
TOTAL ASSETS	<u>\$ 99,270</u>
LIABILITIES AND NET ASSETS	
Current Liabilities:	
Accounts Payable	\$ 888
Payroll Liabilities	1,236
Deferred Revenue	17,460
Pension Liability, Current Portion	1,236
Escrow Funds	<u>250</u>
	21,070
Long-Term Debt:	
Pension Liability	4,896
(Less) Current Portion	<u>(1,236)</u>
	3,660
TOTAL LIABILITIES	<u>24,730</u>
Net Assets:	
Unrestricted	<u>74,540</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 99,270</u>

See notes to financial statements.

See Independent Accountants' Review Report

FELLOWSHIP OF GRACE BRETHREN CHURCHES, INC.

Statement of Activities and Changes in Net Assets
For The Year Ended October 31, 2013

Change in Unrestricted Net Assets:

Revenues and Gains:

Membership Fees	\$ 161,141
Conference Income	132,781
Eagle Commission	95,077
Contributions	123,645
Focus Retreats	53,642
Other Income	3,903
Interest Income	731
Decrease in Present Value of Pension Obligation	12,515
Total Unrestricted Revenues and Gains	<u>583,435</u>

Expenses and Losses:

Program

Conference	174,422
Focus Retreats	81,524
Eagle Commission	90,110

Management and General

Fellowship Council and Committees	69,929
General Administrative	115,804

Total Expenses	<u>531,789</u>
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INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	51,646
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Net Assets at Beginning of Year	<u>22,894</u>
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Net Assets at End of Year	<u><u>\$ 74,540</u></u>
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See notes to financial statements.

FELLOWSHIP OF GRACE BRETHREN CHURCHES, INC.

Statement of Functional Expenses
For The Year Ended October 31, 2013

	Conference	Focus Retreats	Eagle Commission	Fellowship Council and Committees	General Administrative	Total
Operating Expenses						
Salaries and Benefits	\$ 41,898	\$ 23,597	\$ 33,336	\$ 5,443	\$ 55,768	\$ 160,042
Office and Administration	80	22	4,529	35	36,509	41,175
Travel	6,619	4,002	42,478	25,769	9,141	88,009
Printing and Promotion	8,208		3,966	33	8,422	20,629
Special Events	117,574	53,713		37,386		208,673
Other	43	190	5,801	1,263	5,964	13,261
Total Operating Expenses	\$ 174,422	\$ 81,524	\$ 90,110	\$ 69,929	\$ 115,804	\$ 531,789

See notes to financial statements.

FELLOWSHIP OF GRACE BRETHREN CHURCHES, INC.

Statement of Cash Flows
For The Year Ended October 31, 2013

Cash Flows From Operating Activities:	
Total Increase (Decrease) in Net Assets	\$ 51,646
Adjustment to Reconcile Changes in Net Assets to Net Cash	
Provided by Operations:	
(Increase) Decrease in Accounts Receivable	(9,779)
(Increase) Decrease in Other Receivables	(5,375)
(Increase) Decrease in Other Assets	7,142
(Increase) Decrease in Prepaid Expenses	57
Increase (Decrease) in Accounts Payable	(17,858)
Increase (Decrease) in Deferred Revenue	17,460
Increase (Decrease) in Escrow Funds	250
Increase (Decrease) in Payroll Liabilities	930
Increase (Decrease) in Pension Liability	<u>(12,515)</u>
Net Cash Provided by Operations	31,958
 Cash and Cash Equivalents - Beginning of Year	 <u>41,754</u>
Cash and Cash Equivalents - End of Year	<u><u>\$ 73,712</u></u>

See notes to financial statements.

Notes to Financial Statements

Note A – Summary of Significant Accounting Policies

The Fellowship of Grace Brethren Churches, Inc. (the Organization) exists to encourage and enable member churches in equipping and uniting the saints in fulfilling the Great Commission. These member churches are located throughout the United States and are independently organized and locally controlled. The major programs include the annual conference of Grace Brethren Churches and local leadership retreats. The principal sources of funding are annual membership fees and registration fees for conferences and retreats.

The financial statements have been prepared on the accrual basis of accounting and accordingly reflect receivables, payables and other liabilities of the Organization.

To ensure observance of limitations and restrictions placed on the use of resources available to the Organization, the accounts of the Organization are maintained in accordance with the principles of fund accounting. This procedure provides that resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund, however, in the accompanying financial statements, funds have been combined into fund groups as recommended by the Financial Accounting Standards Board. Under generally accepted accounting principles, the Organization is required to report information regarding its financial position and activities according to three classes of net assets; Unrestricted, Temporarily Restricted and Permanently Restricted. The Permanently Restricted fund consists of funds that the donors have stipulated that only income from the funds is to be used. The Temporarily Restricted fund consists of funds with donor stipulations that limit the uses of the funds. When the restriction is satisfied the temporarily restricted net assets are reclassified to the unrestricted net assets and reported in the statement of activities as net assets released from restrictions. If restrictions to donations are met in the same fiscal year as the donation is made, the funds are recorded as unrestricted. The Unrestricted fund includes funds available for unrestricted use including any funds that may be designated by the board of directors for a particular use.

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

Management has performed an analysis of the activities and transactions subsequent to October 31, 2013 to determine the need for any adjustments to and/or disclosures within the reviewed financial statements for the year ended October 31, 2013. Management has performed their analysis through the date of this report.

The Organization expenses advertising the first time it takes place.

Generally accepted accounting principles require that the cost of assets that have a useful life greater than one year should be capitalized and depreciated over its estimated useful life. The Organization has not capitalized such costs and the effects on the current financial statements have

Notes to Financial Statements

not been determined.

Membership in the Organization is made up of local Grace Brethren Churches, which subscribe to a common covenant and statement of faith. Membership fees are sent to the Organization based on the membership of the local church.

For the purposes of the statement of cash flows, the Organization considers all cash and cash equivalents to include monies in banks and highly liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

The Organization is an Indiana corporation exempt from taxation under section 501(c)(3) of the Internal Revenue Code. Accordingly no provision for federal or state income taxes has been made. The Organization is not classified as a private foundation. The Organization believes it has appropriate support for any tax positions taken, and as such does not have any uncertain tax positions that are material to the financial statements.

No amounts have been reflected in the financial statements for donated services. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific assistance programs and various committee assignments.

NOTE B – Cash

The total cash held by the Organization at October 31, 2013 was not in excess of amounts covered by insurance provided by the federal government.

Note C – Fair Value of Financial Instruments

The Organization's carrying amount for financial instruments, which include cash and cash equivalents, accounts receivable, accounts payable, and pension liability, approximates fair value.

Note D – Accounts Receivable

Accounts receivable is recorded at the amount the Organization expects to collect on balances outstanding at year-end. Management closely monitors outstanding balances and writes off, or records allowances, as of year-end, all balances, or portions thereof that it feels are uncollectible.

Accounts receivable are recorded net of allowance for doubtful accounts of \$-0- for the year ended October 31, 2013.

Notes to Financial Statements

Note E – Deferred Revenues

Deferred revenues received in advance for conferences and retreats are deferred and recognized over the periods to which the revenues are related.

Note F – Retirement Plan: Promise of Honor

The Organization sponsors a defined benefit plan. Participation in the plan was closed as of December 31, 1986. Benefits continue to be paid out of the plan assets. This plan has a non-interest bearing checking account through PNC Bank and a savings account with Grace Brethren Investment Foundation earning 2.0% interest in 2013.

Obligation and Funded Status:	
Fair value of plan assets	\$ 2,439
Present value of benefit obligation	<u>4,896</u>
Unfunded status	<u>\$(2,457)</u>
Donations	-0-
Benefits paid	\$ 5,964

Present value calculation based on life expectancy estimates from Social Security Agency's life expectancy calculator and a discount rate of 2.4% (rev. rul. 2013-21 table 5).

The following benefit payments are expected over the next five years:

10/31/14	\$1,236
10/31/15	1,172
10/31/16	1,141
10/31/17	1,122
10/31/18	225
Thereafter	<u>0</u>
Total	<u>\$4,896</u>

Note I – Retirement Plan: Employee Plan

The Organization also has a defined contribution plan for its full time employees and for eligible pastors of member churches. The Organization contributes to the plan a percentage of each eligible employee's salary. Contributions for the year ended October 31, 2013 were \$16,342

2013 Budget Report with 2014 Budget

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		2013 Budget	2013 Activity	2014 Budget as approved
Revenues				
(1)	Membership Fees	\$ 159,000	\$ 161,141	\$ 169,000
(2)	Conference Income	91,000	132,781	100,000
(3)	Focus Retreats	25,000	53,642	35,000
(4)	Donations	64,000	71,645	68,750
(5)	Brotherhood		52,000	25,000
	Other Income	1,000	4,634	500
	Total Revenue	\$ 340,000	\$ 475,843	\$ 398,250
Expenses				
Program Services				
(2)	Conference			
	Direct Expenses	\$ 92,000	\$ 132,524	\$ 100,000
	Salaries and Benefits	38,000	41,898	38,000
	Total Conference	130,000	174,422	138,000
(3)	Focus Retreats			
	Retreat Costs (lodging and food)		52,536	32,000
	Speaker Cost (travel and honorarium)		4,208	4,200
	Admin Costs (office support and travel)		1,183	2,300
	Salaries and Benefits		23,597	22,000
	Total Focus Retreats	50,000	81,524	60,500
Supporting Services				
(6)	Fellowship Council and Executive Director			
	Exec Honorarium	12,000	12,000	12,000
	Assistant	7,500	8,775	6,000
	Travel	7,500	9,738	7,500
	New Initiatives	3,500	500	29,000
	EVLC	15,000	13,983	15,000
	GoNet		2,765	5,000
	Fellowship Council meetings	17,200	22,168	17,200
	Total Fellowship Council and Executive Director	62,700	69,929	91,700
General Administration				
	Salaries and Benefits		121,262	124,000
	Allocated to Conference and Focus Retreats		(65,495)	(67,000)
	Rent		3,600	3,600
	Phone/Web/Internet		6,165	6,000
	Web Developer (contract)		2,824	500
	Supplies/Postage		2,092	1,000
	Equipment/Software		1,236	1,500
	Merchant Fees		13,895	14,000
	Legal/Insurance/Accountant		4,462	3,000
	Misc		1,346	450
	Printing/Promotion		2,064	2,000
	Travel		8,993	8,000
	Handbook		7,396	5,000
	Retirement Investment Plan		5,964	6,000
	Total General Administration	97,300	115,804	108,050
	Total Expenses	\$ 340,000	\$ 441,679	\$ 398,250

Footnotes

(1) Fellowship Fee Schedule (2014)

Per attendee (before May 15)	\$ 4.40
Per attendee (after May 15)	\$ 4.60
Maximum per church	\$ 6,600.00

(2) National Conference Income and Expenses

National Conference income and expense amounts will change with the size (attendance) of conference. The difference between these amounts is the amount of salaries allocated to conference from office staff salaries.

(3) Focus Retreat Income and Expenses

Focus Retreat income and expense amounts will change with the size (attendance) of the retreat. The difference between these amounts is the allocation of office salaries to focus retreats plus anticipated loss due to financial aid and operation costs.

(4) Donations From National Ministries

National Ministries have voluntarily supported the National office since 1997. Additional funds have been given for the establishment of a moderators office since 2011.

(5) Brotherhood Donation

Brotherhood Mutual provides commercial liability insurance to many of our churches. If we have a low claim-rate in 2013 we will receive a check from Brotherhood in 2014 for a portion of the profit they realize. The amount shown as "Brotherhood Donation" income is not guaranteed nor predictable. This amount and an equal portion of the Fellowship Council and Executive Directors expenses is contingent upon the amount received. Anything above the amount indicated "Brotherhood Contribution" will be held for use in 2015.

(6) Fellowship Council and Moderator's Office Expenses

Fellowship Council expenses include the cost of annual meetings of the Fellowship Council and operational and ministry costs for the Moderator's office. A portion of this amount is contingent upon the Brotherhood Mutual donation.

2015 Budget Draft

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		2014 Budget	2015 Budget preliminary
Revenues			
(1)	Membership Fees	\$ 169,000	\$ 182,000
(2)	Conference Income	100,000	100,000
(3)	Focus Retreats	35,000	35,000
(4)	Donations	68,750	68,750
(5)	Brotherhood	25,000	25,000
	Other Income	500	500
Total Revenue		\$ 398,250	\$ 411,250
Expenses			
Program Services			
(2)	Conference		
	Direct Expenses	\$ 100,000	\$ 100,000
	Salaries and Benefits	38,000	38,000
	Total Conference	138,000	138,000
(3)	Focus Retreats		
	Retreat Costs (lodging and food)	32,000	32,000
	Speaker Cost (travel and honorarium)	4,200	4,200
	Admin Costs (office support and travel)	2,300	2,300
	Salaries and Benefits	22,000	22,000
	Total Focus Retreats	50,000	60,500
Supporting Services			
(6)	Fellowship Council and Executive Director		
	Exec Honorarium	12,000	15,000
	Assistant	6,000	6,000
	Travel	7,500	7,500
	New Initiatives	29,000	29,000
	EVLC	15,000	15,000
	GoNet	5,000	5,000
	Fellowship Council meetings	17,200	17,200
	Total Fellowship Council and Executive Director	91,700	94,700
General Administration			
	Salaries and Benefits	124,000	127,720
	Allocated to Conference and Focus Retreats	(67,000)	(66,414)
	Rent	3,600	3,600
	Phone/Web/Internet	6,000	6,000
	Web Developer (contract)	500	500
	Supplies/Postage	1,000	2,000
	Equipment/Software	1,500	1,500
	Merchant Fees	14,000	14,000
	Legal/Insurance/Accountant	3,000	4,500
	Misc	450	2,000
	Printing/Promotion	2,000	2,144
	Travel	8,000	9,500
	Handbook	5,000	5,000
	Retirement Investment Plan	6,000	6,000
	Total General Administration	108,050	118,050
Total Expenses		\$ 387,750	\$ 411,250

Footnotes

- (1) **Fellowship Fee Schedule (2014)**

Per attendee (before May 15)	\$ 4.60
Per attendee (after May 15)	\$ 4.85
Maximum per church	\$ 6,800.00
- (2) **National Conference Income and Expenses**
National Conference income and expense amounts will change with the size (attendance) of conference. The difference between these amounts is the amount of salaries allocated to conference from office staff salaries.
- (3) **Focus Retreat Income and Expenses**
Focus Retreat income and expense amounts will change with the size (attendance) of the retreat. The difference between these amounts is the allocation of office salaries to focus retreats plus anticipated loss due to financial aid and operation costs.
- (4) **Donations From National Ministries**
National Ministries have voluntarily supported the National office since 1997. Additional funds have been given for the establishment of a moderators office since 2011.
- (5) **Brotherhood Donation**
Brotherhood Mutual provides commercial liability insurance to many of our churches. If we have a low claim-rate in 2014 we will receive a check from Brotherhood in 2015 for a portion of the profit they realize. The amount shown as "Brotherhood Donation" income is not guaranteed nor predictable. This amount and an equal portion of the Fellowship Council and Executive Directors expenses is contingent upon the amount received. Anything above the amount indicated "Brotherhood Contribution" will be held for use in 2016.
- (6) **Fellowship Council and Moderator's Office Expenses**
Fellowship Council expenses include the cost of annual meetings of the Fellowship Council and operational and ministry costs for the Moderator's office. A portion of this amount is contingent upon the Brotherhood Mutual donation.