

DRAFT COVENANT AGREEMENT

This agreement is entered into as of _____, 201__, between the **Presbytery of The James (“POJ”)** and **Camp Hanover, Inc. (“Camp Hanover”)**.

I. Parties

The POJ is a council of the Presbyterian Church (U.S.A.). Camp Hanover is a non-profit Virginia corporation formed for the purpose of operating a camp and retreat center ministry for the benefit of the POJ, its member congregations and other Christian, religious, and secular groups. Camp Hanover is governed by the Camp Hanover Ministries Board (the “Camp Hanover Board”) as set forth herein.

II. Relationship Between the Parties

This Covenant Agreement affirms a present and historic relationship with mutuality of purpose and support between the POJ and Camp Hanover. To fulfill its role in its relation to the POJ, Camp Hanover operates under the direction of the Camp Hanover Board, the members of which are elected by the Camp Hanover Board with the concurrence of the POJ. The Camp Hanover Board directs the operations, programs, and fund-raising activities for Camp Hanover and seeks to fulfill Camp Hanover’s obligations pursuant to its Bylaws and this Covenant Agreement. Camp Hanover holds all of its property in trust for the POJ who, in turn, holds all of its property in trust for the Presbyterian Church(U.S.A.), in conformance with Book of Order § G.4.0203. Camp Hanover may not sell any of its real property without approval from the POJ. Camp Hanover may, without POJ approval, encumber its property up to 30% of the prior fiscal year’s gross revenue. In the event of the

dissolution of Camp Hanover, the residue of assets will revert to the POJ or its successor.

III. Duties and Responsibilities of Camp Hanover to the POJ

A. The Camp Hanover Board covenants to offer staff leadership and physical facilities for appropriate training events, programs, seminars, and a host of related activities specifically designed to meet the needs of the POJ, its member congregations, and its other organizations and institutions. Camp Hanover and its staff will consider the needs of the members of Presbyterian congregations of all sizes in the POJ, as well as to the POJ as an entity of ministry. Camp Hanover will continue its practice of providing facilities free of charge for Sabbath for clergy and other church professionals in the POJ based on availability.

B. The Camp Hanover Board and its staff will maintain the real property, fixtures, equipment, and tangible assets of Camp Hanover in good working order and repair, and will make improvements as finances allow and need requires.

C. If at any time Camp Hanover, is formally dissolved, declares bankruptcy, or has a receiver appointed, its real and personal assets remaining after provision for payment of valid debts and liabilities shall revert to the POJ or its successor.

D. The Camp Hanover Board will operate Camp Hanover according to its Bylaws. Camp Hanover will provide to the POJ an annual financial review report, prepared according to its Bylaws and in compliance with the requirements of its incorporation, along with periodic updates as necessary, appropriate, and reasonable pursuant to request by the POJ.

E. A majority of the Camp Hanover Board will be clergy members of the POJ or members of POJ congregations, all in good standing. The Camp Hanover Board will present newly elected members to the POJ for review and concurrence.

F. Camp Hanover, through its Board and staff, will strive to provide programming and leadership to uphold the historic and present focus of the Reformed tradition.

G. Camp Hanover will cooperate and collaborate with other POJ entities, including participating as an ex officio member with voice only on the Leadership Connection Team and the Communication and Coordination Team/Trustees, seeking ways to support the POJ and its member congregations and its other organizations and institutions through programs and opportunities which address training and programming needs of the POJ and its member congregations.

H. A representative of Camp Hanover will attend Presbytery meetings and make reports as needed or requested.

I. If requested, Camp Hanover will provide staff leadership for the POJ Youth Council.

J. A representative of Camp Hanover will participate in the POJ strategic planning process as a member of the POJ Strategic Planning Committee with voice and vote.

IV. Duties and responsibilities of the POJ to Camp Hanover

A. The POJ provides Camp Hanover an affiliation with the Presbyterian Church(U.S.A.) and recognizes Camp Hanover as an entity related to the POJ through this covenant and the Book of Order. The POJ encourages the full use of Camp Hanover by Presbyterian individuals and congregations. The POJ recognizes Camp

Hanover as one of its Presbyterian entities providing a variety of programs, including ecumenical programs.

B. The POJ will give Camp Hanover first consideration as a site for its programs each year and will also encourage congregations and individuals to give Camp Hanover first consideration for their programs, retreats, and events.

C. The POJ will collaborate with Camp Hanover in planning and sponsoring at least two events each year designed to meet the needs and support the mission of the Church.

D. POJ staff and leaders will support and interpret the mission of Camp Hanover by being well informed about its programs and policies.

E. The POJ, through its Committee on Nominations, will receive for review and concurrence the slate of newly elected Camp Hanover Board members or individuals as are periodically provided by the Camp Hanover Board.

F. The POJ will include a representative of Camp Hanover as an ex officio member with voice only on the Leadership Connections Team and the Communication and Coordination Team/Trustees, or their successors; and regular opportunities to report at these meetings.

G. The POJ will provide an office for the Camp Hanover Executive Director at its principal administrative offices.

H. The POJ will provide an opportunity for Camp Hanover representation and participation at Presbytery meetings.

I. The POJ will support Camp Hanover through inclusion of financial support in its annual budget, as detailed in Addendum A. The POJ will also encourage all POJ congregations to participate in the financial support of Camp Hanover.

J. If the POJ requests Camp Hanover to provide staff leadership for the POJ Youth Council, the POJ will provide financial support for that request.

K. The POJ will include a representative of Camp Hanover as a member of the POJ Strategic Planning Committee with voice and vote.

V. Term, Review, and Renewal of Covenant Agreement

The term of this Covenant Agreement shall be 5 years. The parties shall review this Covenant Agreement and any Addendum thereto following the conclusion of Year 4 and may reaffirm and renew this Covenant Agreement and any Addendum thereto, to be executed following the conclusion of the current term.

VI. Covenant Agreement Effective Date

By executing this document through signature of appropriate representatives the parties agree to all terms found herein. This Covenant Agreement shall take effect on the date Camp Hanover is incorporated. The parties may amend this Covenant Agreement at any time, including prior to Camp Hanover incorporation, by mutual written agreement.

IN WITNESS WHEREOF, the parties sign this Covenant Agreement,

**THE PRESBYTERY OF
THE JAMES**

By: _____

CAMP HANOVER, INC.

By: _____

DRAFT
Camp Hanover Covenant Agreement
Addendum A

1. Startup Funding:

- Initial Ministry Funding of \$125k.
Beginning balance funding equivalent to one year ministry support.
Enables continuity of planned program and staff to ensure expenses can be met throughout the first year without deficit.
POJ will transfer amount to Camp Hanover by 12/31/2019
- Facilities Maintenance & Improvement Funding of \$600k
Provides Camp Hanover with the means to perform necessary/critical facilities maintenance until sufficient funds are generated via donations and revenue streams.
Provides for near term capital enhancements necessary to attract and retain client base.
POJ will transfer amount to Camp Hanover by 12/31/2019

2. Annual Support:

- Annual funding to support the ministry and mission of Camp Hanover. POJ will transfer one-twelfth of the annual amount to Camp Hanover each month. Annual amount decreases over time so that Presbytery can better support its other ministries.
 - 2019: \$125k
 - 2020: \$125k
 - 2021: \$120k
 - 2022: \$115k
 - 2023: \$110k
 - 2024: \$100k

3. Transfer Custodianship of Existing Camp Hanover Designated Funds:

- On or before 1/1/2020

Restricted, Interest-Only Funds

Bowdler Fund: Camperships
Jo Wayne Daughton Fund: Camperships
John & Ruth Ensign Fund: Camperships
Taylor Estate: Camperships
Sallie W. Peake Trust: Specialized Staff

Restricted Funds:

Camp Facilities Improvement Fund
Capital Funds Campaign
CH Program Enhancement
Wish List for Camp
Katherine Goodpasture Gift: Environmental
Volunteer Recognition Fund
Forest Stewardship/Timber Management