

COVENANT AGREEMENT

Effective upon its incorporation, Camp Hanover, Inc. (“corporation or Camp Hanover”) enters into a covenant agreement (“agreement”) with the Presbytery of The James (“POJ”).

I. Parties

- a. POJ is a council of the Presbyterian Church (U.S.A.); and
- b. Camp Hanover is organized in the Commonwealth of Virginia and governed according to its laws, its Board of Directors (“Board”), and pursuant to its Articles of Incorporation and by-laws, as approved _____ .

II. Relationship Between the Parties

- a. The agreement affirms a present and historic relationship with mutuality of purpose and support between the POJ and the Board. To fulfill its role in its relation to the POJ, Camp Hanover operates under the direction of its Board, the members of which are elected with the concurrence of the POJ.
- b. The Board directs the operations, programs, and fund-raising activities for Camp Hanover and seeks to fulfill Camp Hanover’s obligations pursuant to its by-laws and this Agreement.
- c. Camp Hanover agrees to hold its property in trust for the POJ, which in turn, holds its property in trust for the Presbyterian Church (U.S.A.), in conformance with Book of Order § G.4.0203.
- d. Camp Hanover agrees that its real property may be sold upon collaboration, consultation and the consent of the POJ. Camp Hanover may, without prior approval, encumber its real property up to thirty percent (30%) of the prior fiscal year’s gross revenue. In the event of the dissolution, Camp Hanover’s residual assets will revert to the POJ or its successor.

III. Duties and Responsibilities of Camp Hanover to the POJ

- a. The Board agrees 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 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 Board agrees to operate Camp Hanover according to its by-laws. Camp Hanover will provide to POJ with an annual financial review report, prepared according to its by-laws 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 Board shall be clergy members of the POJ in good standing or members of POJ congregations in good standing. The Board shall present newly elected members to the POJ for review and concurrence.

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

g. Camp Hanover agrees to 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 shall attend Presbytery meetings and make reports as needed or requested.

i. If requested, Camp Hanover agrees to provide staff leadership for the POJ Youth Council.

j. A representative of Camp Hanover shall 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 agrees to 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 agrees to collaborate with Camp Hanover in planning and sponsoring at least two (2) events each year designed to meet the needs and support the mission of the Church.
- d. POJ staff and leaders agrees to 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, agrees to receive for review and concurrence the slate of newly elected Board members or individuals as are periodically provided by the Board.
- f. The POJ shall 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 agrees to provide an office for the Camp Hanover Executive Director at its principal administrative offices.
- h. The POJ agrees to provide an opportunity for Camp Hanover representation and participation at Presbytery meetings.
- i. The POJ agrees to support Camp Hanover through inclusion of financial support in its annual budget, as detailed in Addendum A. The POJ agrees to encourage all POJ congregations to participate in the financial support of Camp Hanover.
- j. If POJ requests Camp Hanover to provide staff leadership for the POJ Youth Council, the POJ shall provide financial support for that request.
- k. The POJ shall 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 initial term of this Agreement shall be five and one-half (5.5) years. The parties, and any successors thereto, shall review this Agreement and any Addendum thereto, following the conclusion of Year four (4) and may reaffirm and renew this Agreement and any Addendum thereto, to be executed following the conclusion of the current term.

VI. Agreement Effective Date

By executing this document through signature of appropriate representatives the parties agree to all terms found herein. The parties and any successors thereto may amend this Agreement at any time in accordance with the laws of the Commonwealth, Federal law, by-laws governing

the respective parties and their successors if any, including prior to Camp Hanover incorporation, by mutual written agreement.

VII. Successors, Heirs and Assignments

This Agreement shall apply to, be binding upon and enforceable against and inure to the benefit of the parties hereto and their respective heirs, successors and permitted assigns by mutual written agreement to the same extent as if specified at length throughout this Agreement.

IN WITNESS WHEREOF, the parties sign this Agreement,

**THE PRESBYTERY OF
THE JAMES**

CAMP HANOVER, INC.

By: _____

By: _____

Date: _____

Date: _____

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Camp Hanover Covenant Agreement

Addendum A (DRAFT)

1. Startup Funding

- Initial Ministry Funding of \$185,000*.
Beginning balance funding enables continuity of planned programs and staff to ensure expenses can be met throughout the first year without deficit.
Funds transferred by 07/01/2019.
- Facilities Maintenance & Improvement Funding of \$1,250,000.
Enables Camp to perform necessary facilities maintenance until sufficient funds are generated through donations.
Provides for near term capital enhancements necessary to attract and retain client base.
Funds transferred by 07/01/2019.

2. Annual Support

- **Monthly** funding to support the ministry and mission of Camp Hanover beginning 07/01/2019

Remainder of 2019: \$11,000 per month
2020: \$10,500 per month
2021: \$10,500 per month
2022: \$9,500 per month
2023: \$9,000 per month
2024: \$8,500 per month

3. Transfer Custodianship of Existing Camp Hanover Designated Funds

- On or before 07/01/2019

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 Fund Campaign
Camp Hanover Program Enhancement
Wish List for Camp Hanover
Katherine Goodpasture Gift: Environmental

*A reconciliation will be performed by 9/30/19 based on accounting records as of 6/30/19 to adjust initial funding as needed so that 2019 ministry funding totals \$250,000 (initial funding plus monthly support). Administrative and legal fees related to Camp incorporation will be funded separately by the POJ.