

African Methodist Episcopal Church

The Commission of the
Department of Retirement Services

General Board Meeting Report
Wednesday, June 29, 2022

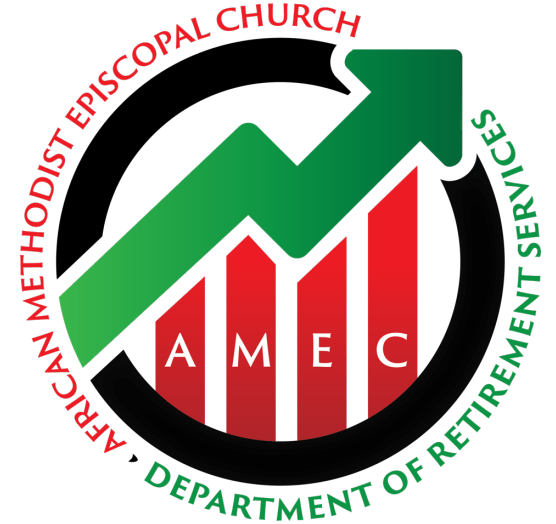


Our Commission

The Right Reverend John F. White, Commission Chair

The Right Reverend Marvin C. Zanders, II, Commission Co-Chair

The Reverend Dr. James F. Miller, Executive Director



“Hope in the Lord, for with the Lord there is mercy, and with God is abundant redemption.”

On Tuesday, June 28, 2022 the Department of Retirement Services Commission met in Room 706. Greetings were offered by Dr. James Miller, Executive Director; Bishop Marvin Zanders, II, Co-Chair; and Bishop John F. White, Sr., Chair.

Sharing in the meeting were Bishops Michael Mitchell and Wilford Messiah; CFO, Mr. Marcus Henderson, Attorney Douglas Selby, Litigator Wendell Taylor, the members of the Commission, and observers.

Bishop John White, Sr. Commission Chair, stated that it's a New Order and a New Day, the Commission and the Department has been called to be innovative and creative in serving the kingdom of God through the AME Church.

Dr. James Miller, Executive Director shared his report covering the Business, Properties, and Goals of the Department, along with the Legacy, New Life, Stewardship, Financial Statements, Fiduciary Responsibilities, and Commission Organization. The report was received as information.

A Cautionary Note

Dr. James Miller began his report by stating that the African Methodist Episcopal Church and the Department of Retirement Services have been victims of a gross and egregious criminal act which is being investigated. All plan participants' balances have been reduced to approximately 30% of their June 30, 2021 balances. The AME Church is earnestly pursuing a plan of restoration. Although this report will detail the present condition of the Department of Retirement Services, it will not contain information that will impede the audits and legal investigations which are ongoing.

This report will not go into the who, what, when, where, how and why of the investigation. However, it will provide a clear picture of the current fiscal and operational landscape of the Department of Retirement Services, and;

1. Reveal our balances ending with the Department of Retirement Services fiscal year;
2. Address our ability to execute our growth strategy;
3. Present our technological challenges;
4. Report on capital losses incurred;
5. Indicate the need for new General Conference legislation and additional changes in policy;
6. Present a detailed timeline of the work of the Commission since the December 2021 General Board Meeting held in Nashville, Tennessee;
7. And finally, present recommendations for the deliberation of the General Board.

...so the Department of Retirement Services Commission
went to work



Divided into Working Committees

Officers

Rev. Larry Banks – Vice Chair

Mr. Jerry Turner – 2nd Vice-Chair

Rev. Robert Shaw - Secretary

Rev. Kimberly McMichael - Chaplain

Operation

Dr. David W. Green, Sr.

Mr. Jerry Turner, Jr.

Dr. Michael Cousin, Sr.

Rev. Mickalia Becaroo Reynolds

Oversight

Rev. Leodis Strong

Rev. Kimberly McMichael

Dr. Michael Bouie

Rev. Gerald Cooper, Esq.

Mr. Isaac Kelly Martins

Investment

Rev. Troy Thomas

Rev. Jarrett Britton Washington

Rev. David Cousin

Dr. Rodrick Moore

Mr. Stan Simfukwe

Audit

Rev. Tyronda Burgess, CPA

Mr. Darwin Eldridge

Mr. Qiniso Tsabedze

Dr. David W. Green, Sr.

Stewardship

Dr. Reginald Blount

Dr. Demetrese Philips

Rev. Maurice Wright

Rev. Keith Links

Rev. Martin Chembo Chama

Budget

Rev. Brian Blackwell

Rev. Mickalia Becaroo Reynolds

Dr. Rodrick Moore

Rev. Robert Shaw

Insurance

Rev. Larry Banks

Dr. Michael Bouie

Rev. Thabo Matsaseng

Mr. Isaac Kelly Martins

Roadmap

Department of Retirement Services Commission Organized, December 7, 2021



Special Meeting of the General Board, March 4, 2022



Special Meeting of the General Board, April 27, 2022



General Board Zoom, May 4, 2022



Meeting of the General Board, Zoom; January 31, 2022



Commission presents new plan finalist to Council of Bishops, May 2, 2022



Full Commission in-person meeting, General Board, June 28, 2022



Additionally:

1. Weekly Commission Meetings from January 2022 through May 2022 with breaks during special holidays.
2. Committees within the Commission held special meetings from January 2022 to June 2022
3. Over 400 meeting hours logged by the Commission since the organization in December of 2021.



Current Technological Challenges

The commission is working with the Department of Retirement Services to upgrade the technology needs for the department to reduce the delays of the antiquated system, to expedite current transactions, as well as accommodate the systems associated with the New Life Plan by the fall of 2022.

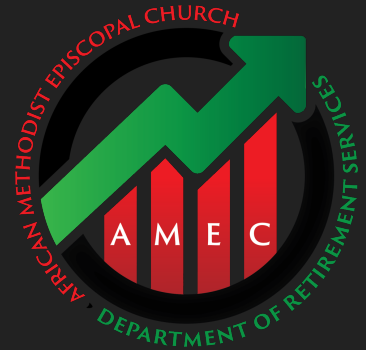
During the January 31, 2022 General Board Meeting, the General Board approved the Commission on Retirement Services' recommendation to unfreeze the accounts as of March 1, 2022.

Since that time distributions have been made. The process of distribution was taken from the earliest requests dating back to June 2021. The categories are hardships, annuit deaths, full surrender retirements and required minimum disbursements.

Building Back Better

~Sr. Bishop A.J. Richardson

We understand that trust has been broken. The following recommendations are what we are doing to rebuild that trust.



Status update on recommendations from the forensic auditor.

- 1. The forensic auditor recommends the African Methodist Episcopal Church take appropriate legal action against the perpetrators of this conspiracy, based on the advice of AMEC legal counsel.**

Progress:

The Commission and the General Board have been updated by Attorney Selby on the legal proceedings.

Status update on recommendations from the forensic auditor.

- 2. The forensic auditor recommends that a detailed internal control review be conducted of the Department of Retirement Services that will address weaknesses that allowed for the matters noted in our report to happen and go undetected.**

Progress:

The Commission after vetting several firms has secured the services of Hoskins & Associates to perform an audit. Results are expected in the fall of 2022.

Status update on recommendations from the forensic auditor.

- 3. The forensic auditor recommends that a comprehensive review be performed of the sections of The Doctrine and Discipline of the African Methodist Episcopal Church that govern the Department of Retirement Services as it relates to governance and oversight.**

Progress:

The Commission has tasked the oversight committee to address this recommendation.

Status update on recommendations from the forensic auditor.

- 4. The forensic auditor recommends that the Department of Retirement Services conducts a separate annual audit of the retirement plan assets. Furthermore, the audit results be communicated directly to the Commission by the auditors.**

Progress:

The Commission has developed and implemented an Audit Procedure Plan for a working effective Agreed Upon Procedures (AUP) for the Department to act in accordance.

Status Updates from the Commission

The General Board requested that The Department of Retirement Services and its commission will identify, engage, and establish a new annuity program with one of the Top 10 403B provider companies that will provide for direct payments from churches and management of his/her investment account by June 8, 2022.

Progress:

After systemically evaluating nine proposals the Commission recommended and the General Board approved the selection of Wespath Benefits and Investments. Documents have been executed by Wespath and AME Inc that will allow the New Life Plan to become accessible by all participants by fall of 2022.

Status Updates from the Commission

- ▶ **The Commission hired an actuarial firm. Upon its completion of the final report, it will be submitted to the Statistics and Finance Commission.**
- ▶ **The Commission completed the planning grant from the Lily Endowment.**

Episcopal Districts Contributions for Q4 2021 - Q2 2022

\$4,685,248.00

Goals of the Department of Retirement Services

- 1. Execute a secure transfer of the plan participant funds from Symetra Life Insurance to the New Life Plan.**
- 2. Establish the first formal Stewardship Department of any Black faith group or denomination, as a component within the Department of Retirement Services.**

Final Recommendations

- ▶ **We recommend to the General Board to require each Episcopal District two district representatives to work with Wespeth in the transition to the New Life Plan. Representatives will input data, will gather participants data, and will be trained by Wespeth.**
- **The Department of Retirement Services recommends that each episcopal district, will instruct every plan participant complete a new participant profile to have accurate information for the New Life Plan Database by July 15, 2022. The link will be provided through the CIO Office, Episcopal District and Presiding Elders, along with the Department of Retirement Services website.**

Final Recommendations

- **That the General Board encourages all members of the entire African Methodist Episcopal Church to seek God in prayer for the Department of Retirement Services.**

“May the God of hope fill you with all joy and peace as you trust in God.”

Romans 15:13