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(12 pages)

Materials:

1. "Constitution" and "Bylaws" (Appendix F to Report of Board of Governors.
2. Appendix B (to report of Board), pp.5,6 Minutes May 1,1971 of Comm.of Administr.
3. "Application" - Corporations Act (Appendix G to Report Board)
4. "Decision of Synod" (Appendix H - to Report of Board.)

Information:

1. Since the materials were prepared only a few days ago, the Board of Governors was not able to express itself on these matters.
2. The materials as drafted by Mr. A.H.Oosterhoff, Secretary of the Committee of Administration, require adoption by Synod.

3.

Re: "Constitution" and "Bylaws"

3. The Board of Governors recommend that Synod deal with the matter.
4. The Committee of Administration <sup>is</sup> of the opinion that Synod's approval should be sought for a more liberal mandate to the Committee" (Appendix B, p.6, bottom). The Board decided to pass this matter on to Synod.
5. It is advisable that during Synod the Board of Governors meet in order to prepare an advice to Synod.
6. It is advisable that Synod give Mr.Oosterhoff the privilege of the floor.

Re: Incorporation of the College (App.G.H.)

- 7.6. The Committee of Administration has "authorized Mr.Oosterhoff to check further "into the possibility of incorporation."~~We are of the opinion that it is~~ The Committee is "of the opinion that it is highly desirable to organize the College on a corporate or quasi-corporate basis to the extent that this can be achieved within our church polity. Some form of organization is required in order that the College can be registered as a charitable organization with the Department of National Revenue."
8. The Board of Governors recommend a. that Synod deal with and express itself on the matter;  
b. that, since much legal terminology is involved, prof.A.H.Oosterhoff be added to the work-committee that has to deal with the matter, and that he will receive the privilege of the floor in these matters.

Materials:

- A, 2 Report of the Board of Governors, plus Appendices
- A, 3 *Additional Report Board of Governors*
- R, 1 Financial Statements Theological College
- R, 2 Auditing Report of the Church at Chatham, Ont.

Information:

- ✓ 1. The Board of Governors informs Synod that Mr. C. Lindhout, appointed as Treasurer by General Synod Orangeville 1968, was unable to accept his appointment; Mr. A. VanderHout, appointed member of the Committee of Administration, had to resign after some months. To fill the vacancies the Board appointed Mr. H. Dantuma, Purlington, Ont., Treasurer-member of the Committee. The Board requests Synod's approval of this appointment.
- ✓ 2. The Board requests Synod to reappoint the present members of the Committee of Administration in order to ensure a good continuation of the work.
3. The Board decided to receive the Rev. W.W.J. VanOene as a member of the Board after the Rev. L. Moes left for The Netherlands. The Board did not deem it necessary to make any changes in the membership of the Board when the Revs. M. van Beveren and W.W.J. VanOene moved to other parts of the country.
- ✓ The Board requests Synod's approval of these decisions.
4. In accordance with the decision of Synod Orangeville 1968, Art. 132, II (2,b), the Board of Governors purchased an estate for the College at 374 Queen Street South, Hamilton, Ontario, for the price of \$ 65,000 (See First Annual Report, p.3).
5. At the recommendation of the Committee of Administration and pursuant to the decision of the Board in its meeting in February 1969, the dwelling allowance of the full-time faculty was increased from \$ 1,500 to \$ 2,500 per annum.
6. The salaries of full-time Faculty members was increased by five per cent in 1970 to reflect the increase in the cost of living.
- ✓ 7. An increase in contributions from \$ 14.00 to \$ 15.00 per confessing member was requested from the Churches in 1970. The Board requests Synod's approval of this action.

- 8. Respecting insurance against accidents and sickness and income protection with respect to the full-time Faculty, the Committee, with a view to a particular case, proposed (1st Annual Report, p.11) to establish a private Reserve Pension fund by setting aside the sum of \$ 7,000 and to add thereto the sum of \$ 500 per year. The Board decided accordingly.
- 9. Chartered Accountants have examined the general fund, pension fund, Canadian library fund and special library fund balance sheets as at December 31, 1970, and the statements of revenue and expenditure for the years ended December 31, 1969 and 1970.
- 10. The Consistory of the Church at Chatham, Ont., informs Synod that it has audited the books, ledgers, Bank reconciliation statements, invoices, etc. of the Treasurer of the College over 1969 and 1970. The Consistory recommends that the books of the College be audited at the end of each fiscal year by a chartered accountant, which will render auditing by a Church unnecessary.
- 11. The Committee of Administration is of the opinion that it is important to have a professional person do the audit of the books of the College.
- 12. The Board of Governors recommends that the Board be authorized to empower the Committee of Administration to engage a professional auditor to audit the books on an annual basis.
- 13. The Committee of Administration is of the opinion that it is essential for the Committee and the Board to have the authority to prepare a Budget for each fiscal year.
- 14. The address of the Principal of the College at the First Annual Convocation on May 21, 1971, relating the activities at the College, is attached to the Report of the Board of Governors as "Principal's Statement 1971", and will be published by the Faculty.
- 15. The Board of Governors has amended the proposals of the Committee of Administration regarding salary increases for Faculty members, and recommends Synod to adopt the salary regulations as follows:
  - (a) that the professors' basic salary be increased to \$ 8,500.00 plus a dwelling allowance of \$ 2,500.00;
  - (b) that the professors be paid an additional amount of \$ 300 per annum for each child under the age of 21 (a child being considered 21 for the balance of the calendar year in which he reaches that age) unless before that age he becomes independent;
  - (c) that the Board after obtaining the advice of the Committee, have the discretion to pay to a professor such additional amounts as may appear necessary. This discretion would seem appropriate in order to provide for unforeseen events;

(d) that the above recommendations take effect as of January 1, 1971;

(e) that the remuneration for lecturers be increased from \$ 1,200 to \$ 1,500 per year.

16. The Committee of Administration in its First Annual Report, p.3, recommended "that for everyone's convenience and ease of reference a compilation be made of decisions of all General Synods respecting the Theological College, that Regulations be then drafted, based on those decisions, for each of the Board, Senate, Faculty and Committee, and that such Regulations be submitted to the next Synod for ratification, and be then published separately as a Constitution governing those several bodies."

This Synod has adopted above mentioned Regulations as "Constitution" and "Bylaws".

17. The adoption of the "Constitution" changed the name Committee of Administration" into "Trustees".

18. The Committee of Administration reported to be "of the opinion that it is highly desirable to organize the College on a corporate or quasi-corporate basis to the extent that this can be achieved within our church polity."

This Synod has made a decision concerning this matter.

Considerations:

1. It is advisable that Synod express itself on the age for retirement of professors of the College, as requested by the Board of Governors. Retirement at the age of 65 if so requested by a professor, does not seem too low. Retirement required by Synod could be set at the age of 70 years.
2. It seems warranted to give the professors and lecturers, who were appointed by Synod Orangeville 1968, and who have now served for approximately three years, a permanent tenure, as recommended by the Board of Governors.

Recommendations:

Synod decide

1. to gratefully acknowledge the work done by the Faculty, especially after the death of the Rev. Prof. F. Kouwenhoven.
2. to approve of the decision of the Board of Governors to appoint Mr. H. Dantuma as Treasurer-member of the Committee of Administration, and to receive the Rev. W. W. J. Van Oene as a member of the Board.
3. to gratefully acknowledge the work done by the Board of Governors and the Committee of Administration.
4. to reappoint the present members of the Committee of Administration as Trustees of the College.
5. to express Synod's appreciation to the Church at Chatham, Ont., for auditing the books of the College.
6. to approve of the Board's decision to change the title "candidate of Theology" into "Bachelor of Theology" (B.Th.), and to have the degree of "Bachelor of Divinity" (B.D.) conferred upon students who meet the academic requirements and ~~have~~ successfully completed their studies at the College.
7. to approve of the Board's decision in 1970 to request from the Churches \$ 15.00 per confessing member.
8. to give the professors and lecturers, appointed by Synod Orangeville 1968 a permanent tenure.
9. a. that a professor receives the <sup>right</sup> ~~possibility~~ to retire at the age of 65;  
 b. that a professor will be required to retire at the age of 70.

10. to adopt the salary increases of the Faculty as recommended by the Board of Governors.
  
11. to adopt the Pension Regulations as prepared by the Committee of Administration and amended by the Board of Governors (See Draft Pension Regulations).

- (c) to remunerate Mr. M. Workman as Assistant Librarian at a rate of \$2.00 per hour provided that his hours are limited to ten hours per week in the average and written requests for reimbursement are submitted to the Treasurer, initialled by the Principal.
- (d) to establish a petty cash fund in the amount of \$100 under the control of the Principal from which day to day supplies can be purchased and other minor expenditures made. The fund will be replenished regularly upon submission to the Treasurer of petty cash slips, initialled by the Principal, totalling the amount requested.

*Information taken from  
First Annual Report Com of Adv*

16. MOVES PROFESSORS

In the case of all three professors we requested that at least two estimates of moving costs be submitted to us. In all cases the lower of the two was accepted and the moves were then arranged by the professor concerned. These moves have now been completed and the accounts paid. In the case of Prof. Faber, the move was subsidized by the Dutch Government so that we were responsible only for overweight.

Until their respective moves their former congregations permitted the three professors the use of their manses. The Committee have written suitable letters of thanks to the three consistories concerned.

17. INSURANCE PROFESSORS

A. DISABILITY AND INCOME PROTECTION

In accordance with the instructions of the Board your Committee considered a number of quotes respecting insurance against accidents and sickness and income protection with respect to the full-time Faculty from two insurance agencies. The Committee accepted the following quote (one of several), submitted by Mac. Vanderhout Insurance Agency Limited and instructed it to obtain the appropriate policies:

(1) Guaranteed Renewable Income Insurance Against Accidents and Sickness

Insureds: J. Faber, age 45  
F. Kouwenhoven, age 53  
L. Selles, age 54

Waiting Period Accidents and Sickness: 180 days

Accident: payable for lifetime

Sickness: payable to age 65

Partial Disability: pays 1/2 of monthly indemnity for a maximum of 12 months.

Monthly Income: \$200 for each professor payable to Board of Governors

Accidental Death: \$5,000 for each professor payable to Board of Governors

Annual Premiums: J. Faber	\$134.75
F. Kouwenhoven	\$160.75
L. Selles	\$160.75

Total Annual Premiums (payable quarterly)	\$456.25
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(II) Income Protection for Professors' Families in the Event of Their Early Death

Insureds: as above

Indemnity: \$100 for each professor payable to Board of Governors

Period: from date of death until the professor would have reached age 65 when premium payments and indemnity payments end.

Annual Premiums: J. Faber	\$128.70
F. Kouwenhoven	\$136.90
L. Selles	\$136.30

Total Annual Premiums (payable monthly)	\$401.90
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These quotes are in respect of insurance which is non-cancellable.

(a) DR. FABER

Dr. Faber has now been insured on the above terms. The owner and beneficiary of both policies is the Board of Governors. We report the following additional particulars:

Disability Insurance:

Insurer: The Dominion Insurance Company  
Policy No: 7,700,004

Income Protection Insurance:

Insurer: Holland Life Insurance Society Limited  
Policy No:

Additional Terms: - Waiver of premiums on total disability (6-month waiting period).  
- Option to convert to whole life prior to Sept. 10, 1984.



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(b) PROF. SELLES

The application in respect of Prof. Selles was rejected for medical reasons. We cannot suggest any other similar protection in this case although other possibilities are open to us as outlined below.

(i) Prof. Selles owns a small endowment policy of which his wife is the beneficiary which could presumably be purchased by the Board. The Committee are of the opinion, however, that this would not remedy the situation sufficiently to warrant the outlay. In any event this policy at present secures a loan, making it unassignable until the loan is repaid. The Committee did make a decision (although it did not so undertake with Prof. Selles) that if he were uninsurable under our proposed plans, we would reimburse him for a portion of the premium equal to the amount we would have had to pay under the proposed plan. This, of course, on the assumption that we would take over the policy. Since this will not be done there is no further obligation on us with regard to this premium or policy in our opinion. Prof. Selles, with whom we discussed this matter, agrees that little purpose would be served in our taking over this policy.

(ii) In order to obtain some protection for the College and the Churches in this particular case we PROPOSE (5) to establish a private Reserve Pension fund by setting aside the sum of \$7,000 from the \$17,000 Canada Trust Debenture which falls due February 2, 1970, to add thereto the sum of \$500 per year end to invest these moneys and reinvest the interest thereon in Guaranteed Investment Certificates. Assuming that Prof. Selles is able to continue to work until retirement age we would then have a substantial sum of money out which his pension or part of it could be paid. In this way the Churches would not then be faced with having to raise an additional salary for a new faculty member without any, or very little, assistance - which is what we face in the case of the late Prof. Kouwenhoven.

(c) PROF. KOUWENHOVEN

Unfortunately, no application could be submitted in respect of Prof. Kouwenhoven prior to his death. We refer you further to item 19 and Appendix E, PENSION KOUWENHOVEN FAMILY, infra with respect to proposals for the provision of his dependants.

B. RETIREMENT PENSION INSURANCE

We did not obtain retirement pension insurance. From the submitted quotes it was clear that such insurance was prohibitively expensive and in any event the Committee were of the opinion that there was some measure of protection under the Foundation for Superannuation, the Canada Pension Plan and Old Age Pension.

C. WORKMEN'S COMPENSATION

In order to obtain some further protection especially in view of the fact that Prof. Sollee is uninsurable, and on the recommendation of our insurance agent the Committee have decided to enrol the full-time Faculty for Workmen's Compensation. The protection afforded is well worth the small premiums payable. The Board has already approved this (Letter, Secretary of Board Apr. 23, 1969, it. 4)

D. FOUNDATION FOR SUPERANNUATION

(a) Because there was some question as to whether Dr. Faber could be covered by the Foundation initially, we took out a policy of term insurance on his life for a six-month period of \$50,000 at a premium of \$187.13. This was done after consultation with members of the Board and this action was later approved by the full Board. This policy has now been allowed to lapse.

(b) With respect to the professors' coverage under the Foundation, the Foundation proposed to amend its Statutes to permit the Board of Governors to become a member in respect of the professors. We were concerned that it did not have the authority to amend its statutes except at a general meeting of members which had not been called for the purpose. We therefore proposed that the three Churches, Chatham, Hamilton and Toronto remain members of the Foundation in respect of Professors Sollee, Faber and Kouwenhoven, their ministers emeriti respectively (as well, of course, as remaining members in their own right). These churches would then pay the required premiums to the Foundation (in the case of Chatham, from April 1, 1969, and in the case of Hamilton and Toronto from July 1, 1969) which would be reimbursed to them by the Committee. The three consistories of the churches concerned would sign a declaration of trust whereby they agreed to pay the premiums as aforesaid so long as these were being refunded to them and would hold any proceeds payable by the Foundation in trust for the Board of Governors.

The three churches concerned agreed to cooperate on this basis and have signed and returned the proper declarations of trust.

While this arrangement is not ideal it seemed to your Committee to be the most feasible in the circumstances as a temporary measure until the Statutes of the Foundation could be properly amended at a meeting of members to admit the Board of Governors as a member in respect of the professors.

The Church of Toronto was reimbursed for the portion of the premium to the Foundation prepaid by it for the month of June, 1969, by Prof. Kouwenhoven, and we have repaid the same to Prof. Kouwenhoven.

(c) We would further PROPOSE (6) that the Board as one of the members propose to the Foundation that it consider at its next members' meeting doubling the premiums and the benefits payable. In the Committee's view the protection afforded is inexpensive even at double the premium, and especially in respect of those ministers who are otherwise uninsurable; but the benefits at the moment are much too low. If they were doubled even the smaller churches, and, of course, the Churches in general with respect to the College, would have some hope of being able to pay another minister's or professor's salary when the first came to die or retire, and they would not be in the position where they could afford only to pay the retired minister or professor the difference between what the Foundation now pays and what he should in fact receive.

#### E. HOSPITAL AND MEDICAL INSURANCE, CANADA PENSION

The Board decided that the Faculty members had to pay their own premiums for medical and hospital insurance. The Faculty have requested that these be paid in whole or in part by the College, being of the erroneous opinion that there would be non-taxable benefits.

The Committee are of the opinion that in order to give the full-time Faculty members some salary increment in addition to the one mentioned below, while yet remaining within the spirit of the budget set by Synod, that is without recommending an actual spendable increase, it would be desirable to pay one-half of such premiums, and we so PROPOSE (7). We have several grounds for this proposal. In the first place, the standard of living is constantly increasing, and this has been reflected in these premiums over the past several years. Secondly, it is a general practice for employers to contribute to such premiums. And thirdly, we are already paying one-half of the Canada Pension Plan contributions, being required to do so by law.

#### 18. SALARIES FACULTY

The faculty salaries have been paid regularly on or about the first of each month in advance after deductions for income tax, Canada Pension and other purposes where applicable. We are required by law to pay one half of the Canada Pension Plan contributions, but we are exempt from making deductions for unemployment insurance.

Prof. Feber's salary was paid from January 1. Prof. Selles', Rev. VanDooren's and Rev. Scholten's from April 1, and Prof. Kouwenhoven's from June 1, 1969, being the dates on which they respectively assumed their duties at the College.

At the recommendation of the Committee and pursuant to the decision of the Board at its meeting in February, 1969, the dwelling allowance of the full-time faculty was increased from \$1,500 to \$2,500 per annum. This required an adjustment in favour of Prof. Feber which was duly made. We were advised that this increase cancelled any obligation of the Board to provide a dwelling for each of the professors.

We PROPOSE (8) that the salaries of full-time Faculty members be increased by five per cent in 1970 to reflect the increase in the cost of living. This proposed increase is already shown in our proposed budget.

As grounds for this proposal we submit the following:

(a) The continued increase in the cost of living as reflected by the Consumer Price Index which has risen approximately 4.5 per cent in each of the past three years.

(b) This rise is especially evident in the prices of those consumer goods most required by young and large families - the basic costs of food, clothing and shelter.

(c) This rise is strongest in the larger urban centres of which Hamilton is one.

(d) In fact this increase does not represent an increase in salary since the real purchasing power of the salary remains the same.

(e) Requests for this type of increase on the part of employees is becoming (although only very recently) a common one.

We have not proposed any other salary increases because (a) the Faculty has made no requests therefore, and (b) we do not know whether such proposals lie within our province. Nevertheless we submit that regular increases should be considered by the Board, whether on the basis of merit, length of service or otherwise, on the ground that the present salaries are still only minimal, compared to those paid in other institutions of learning at University level, to those paid to ministers who have neither the many expenses nor the heavy tax burden to bear as do the members of the Faculty, and to the general rise in salaries throughout the economy. We, therefore, RECOMMEND (3) that the Board take a decision in this regard for future years and set down the guidelines to be followed in awarding salary increases from year to year. The salary increases should be related not only to professorial rank but also to length of service.