

**Covenant Statement of Relationship  
Between United Methodist Retirement Communities (UMRC)  
And the Detroit Annual Conference of The United Methodist Church**

**Introduction:** United Methodist Retirement Communities (UMRC) has its corporate headquarters in Chelsea, Michigan, within the boundaries of The Detroit Annual Conference of The United Methodist Church (The Conference, which reference includes successor organizations), with locations throughout the State of Michigan. UMRC was founded in 1906 with benevolent care as its cornerstone, seeking to ensure that residents who have outlived their savings always have a home. UMRC's ministry to older persons has remained in relationship to The United Methodist Church and is in keeping with our United Methodist tradition. Built on a foundation of more than 100 years of service, UMRC's mission is to promote the wellness, dignity, and independence of older adults by providing high quality and innovative residential and supportive services. Our faith-based mission and belief in charitable care continue to be at the heart of all we do in service to seniors. UMRC's mission is accomplished through comprehensive multiple service campus settings and outreach services throughout Michigan.

**Purpose:** The Conference and UMRC celebrate a long-standing and valuable relationship. The parties share the Wesleyan values of respect, compassion, diversity, generosity, partnership, and service. These are encompassed in UMRC's Guiding Beliefs: "Based on our founding principles, and guided by the teachings of our Christian heritage to serve our community, we believe in: Inclusiveness, Stewardship, Excellence, Family, Our Employees, Integrity, Social Accountability, and Community."

The parties view this covenant statement as setting forth elements of an enduring and dynamic relationship which is important to each. The covenant relates specifically to all UMRC ministries and programs. In keeping with our United Methodist tradition, UMRC is committed to this covenant in order to enhance the quality of life and holistic growth of older persons, and to be steadfast in its identity as a values driven, faith-based nonprofit organization that is committed to the service of older adults in the communities we serve. The Conference is committed to the covenant as an opportunity to make a difference in the lives of older adults by bringing core United Methodist values to UMRC. According to our Guiding Beliefs, UMRC is accepting of and open to all, affirming the sacred worth of all persons and welcoming all to access its ministries.

**History:** UMRC has been a leader in senior care since 1906, when a group of Methodist pastors and lay leaders envisioned a way to provide a lifetime of caring and dignity for

“the lonely aged.” At this time, Methodist pastors did not own a house or property and had nowhere to go once their service to the church ended. Their alternatives were to move in with a child or, if they had no children, to live in the county poorhouse. These visionaries called upon the Detroit Annual Conference of the Methodist Episcopal Church to create a home for ministers, spouses, and widows where they could live for the rest of their lives. The Church responded and “The Old People’s Home” opened its doors to its first ten residents in 1907.

A vision for the future and a commitment to caring for the elderly have served as the guiding principles for UMRC for over 100 years and continue to shape our organization today. With a tradition of exceptional quality and a commitment to cutting-edge care, UMRC provides seniors with an innovative array of services and living options. UMRC offers a continuum of care, including independent and assisted living apartments, skilled nursing, short-stay rehabilitation, memory care, affordable assisted housing, Programs of All-inclusive Care for the Elderly (PACE®), and home healthcare.

*UMRC Foundation* was created in 1998 as UMRC’s fundraising arm, providing over \$15 million to date in benevolent care for residents who have outlived their savings. Benevolent care is provided completely anonymously, ensuring that all residents receive the same dignity and quality of care. Typically, benevolent care needs exceed \$1 million annually. In addition, the UMRC Foundation also supports growth opportunities for the organization as UMRC strives to meet the growing and changing needs of seniors. **UMRC Foundation’s mission** is to promote the wellness, dignity, and independence of seniors by supporting the residents, staff, and communities UMRC serves.

**Communications:** In any relationship, clear and regular communication is essential. The primary communication linkage will be the President and CEO of UMRC and the Chairperson of The Conference Board of Trustees. Information shall be consistently shared so that both organizations will feel a connection and commitment to each other’s interests. UMRC Foundation staff also communicates regularly with The Conference to arrange opportunities to share the mission of UMRC with The Conference and its members as appropriate.

UMRC will maintain active membership in The United Methodist Association of Health and Welfare Ministries.

**Board Representation:** The Conference and UMRC are independent corporations, governed and financed separately and without fiscal or legal responsibility for one another. UMRC by-laws state that: The Board of Trustees shall consist of not less than

fifteen (15) and not more than nineteen (19) Trustees, and shall include the President and CEO and a cabinet representative or designee of the Detroit Annual Conference, who shall serve as ex officio Trustees with vote. However, because of the deep connection with The United Methodist Church, UMRC has a strong commitment to including a significant number of United Methodist members, both Detroit Annual Conference clergy and lay representation, on its Board of Trustees, as per UMRC by-laws.

**Legal and Financial Considerations:** The Conference and UMRC are financially and legally separate and independent corporations, each operating under the laws of the State of Michigan. As such, there is no expectation or requirement that either will make financial contributions to the other, or that either will be responsible for any legal obligation or liability of the other. Neither UMRC nor The Conference are responsible for financial or legal commitments or liabilities of the other. UMRC and The Conference do not have any authority to act for, bind or obligate one another on any matter and cannot make governance decisions for one another. The assets and liabilities of each organization are its own.

UMRC and its fundraising arm, UMRC Foundation, on behalf of its ministries to older persons, may request financial support from The Conference as a health and welfare ministry, including The Conference's Mission and Ministry and Golden Cross programs. Their legal and financial independence does not preclude The Conference and UMRC from working together on projects of mutual interest, nor does it prevent either organization from contributing to the charitable programs of the other. UMRC will not pursue a church-by-church financial campaign without written permission from the Council on Finance and Administration of The Conference. Both tangible and intangible support may be felt by The Conference and by UMRC from the other as they work together in areas of common ministry, but the decision as to what is supported and the extent of support is a mutual or negotiated decision for each item and may not be assumed.

**Structural Links:** The Conference and UMRC are both Michigan tax-exempt, nonprofit corporations. UMRC is governed by its Board of Trustees; its assets and property are held in the name of UMRC or in the names of wholly owned subsidiaries of UMRC. In the event of dissolution of UMRC, the UMRC Articles of Incorporation state: "Upon dissolution of the Corporation, the property remaining after providing for debts and obligations of the Corporation shall be distributed to the Detroit Annual Conference of

The United Methodist Church, its successors and assigns, for use for purposes which are similar to the purposes of the Corporation.”

In the event that neither The Conference nor any successor to The Conference is in existence at the time, the Board of Trustees of UMRC shall, after making provision for the discharge of all liabilities and obligations, dispose of the assets to Internal Revenue Section 501(c)(3) qualified organizations organized and operating exclusively for charitable, educational, religious, or scientific purposes in such manner as further described in the Articles of Incorporation of UMRC.

The Conference is subject to and governed by the Discipline of the United Methodist Church and UMRC is subject to and governed by its founding principles and Guiding Beliefs, which are based on its Christian Heritage.

**Relationship Review:** This statement of covenant relationship affirms UMRC’s ability to market, publicize, or promote itself as having a connection to The Conference or to The United Methodist Church denomination and use the official United Methodist insignia or the term “United Methodist” in any permitted way. (*The Book of Discipline*, ¶2517). This covenant statement will be reviewed every quadrennium by UMRC with the Board of Trustees of The Conference as part of the ongoing communication and cooperation between The Conference and UMRC. Any change in this statement requires the approval of The Conference through its Board of Trustees and the approval of UMRC through its Board of Trustees. The covenant relationship shall continue until either party, upon a year’s notification, indicates the desire to terminate the relationship.

UMRC  
(a Michigan nonprofit corporation)

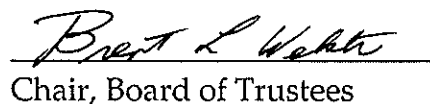
  
Chair, UMRC Board of Trustees

Date: March 7, 2016

Approved:

By UMRC Board of Trustees 2/26/16

Detroit Annual Conference of  
The United Methodist Church  
(a Michigan nonprofit corporation)

  
Chair, Board of Trustees

Date: 5/23/16