

PRESBYTERIAN MISSION AGENCY BOARD

April 15-17, 2015

Evangelism and Church Growth Ministry Area

**ITEM D.102
FOR ACTION**

<i>FOR PRESBYTERIAN MISSION AGENCY EXECUTIVE DIRECTOR'S OFFICE USE ONLY</i>				
	A. Finance	X	E. Corporate Property, Legal, Finance	J. Board Nominating & Governance Subcommittee
	B. Justice		F. PC(USA), A Corporation	P. Plenary
	C. Leadership		G. Audit	
X	D. Worshiping Communities		H. Executive Committee	

Subject: Approval of Mission Development Resources Committee Grant Policy and Ratification of Actions

Recommendation:

It is recommended that the corporate Property, Legal, and Finance Committee and the Worshiping Communities Committee, recommend to the Board of Directors of Presbyterian Church (U.S.A.), A Corporation the following resolution for its approval:

RESOLUTION

RESOLVED, that the Grant Policies (“Grant Policy”) and revisions thereto approved by the Mission Development Resources Committee on August 11, 2014, attached hereto and incorporated herein by referenced, are approved, ratified, and confirmed effective April 17, 2015 and

FURTHER RESOLVED, that the amendments made to the Grant Policy and the decisions made based on such amendments between September, 2008 and the date of this action be and hereby are ratified.

Background:

The Presbyterian Mission Agency Manual of Operations (“**PMA Manual**”) provides, in part in Appendix 1F, that the Mission Development Resources Committee (“**MDRC**”)

- “Reports to the Worshiping Communities Committee, typically in the form of action items, information reports and changes to the MDRC Manual of Administrative Operations” (Section III, B, 4) and
- Implements its work through various listed functions including “Recommending policies, procedures and guidelines that govern the grant and church loan programs” (Section III, 6, c).

Upon review of the MDRC Manual of Administrative Operations (“**MDRC Manual**”), it was discovered that it consists of two (2) parts: a part constituting the manual which describes the history of MDRC, the work of MDRC, and the structure of MDRC and a part which contains the grant policies and procedures. The Policies and Guidelines of the General Assembly Church Loan Program Endowment Funds are a separate document from the MDRC Manual of Administrative Operations.

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The PMA Manual requires that the MDRC Manual updates be reported to the Worshiping Communities Committee and that the grant and loan policies and procedures be recommended to the board for approval. It appears that, because the grant policies and guidelines were included in the MDRC Manual, there was a misunderstanding regarding the appropriate process for reporting and seeking approval which resulted in grant policies and procedures not being provided to the board as a recommendation for approval but rather for information in reports. The purpose of this action is to bring Grant Policy into alignment with the requirements of the PMA Manual and ratify past changes to the grant policies and procedures and all actions taken pursuant to those changes. A separate Information Item is being presented to the Worshiping Communities Committee to report the MDRC Manual. Future revisions to the Grant Policy which potentially eliminate assets or significantly change the risk of loss associated with the assets of the restricted funds used to support these programs and/or Presbyterian Church (U.S.A.), A Corporation will be submitted to the Presbyterian Mission Agency Board and Presbyterian Church (U.S.A.), A Corporation through the Worshiping Communities and Finance Committees for approval.



PRESBYTERIAN CHURCH (U.S.A.)

**MISSION DEVELOPMENT RESOURCES
COMMITTEE GRANT POLICIES**



NOVEMBER 2014

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The Office of Mission Program Grants

Evangelism and Church Growth Program Area

Presbyterian Mission Agency

Presbyterian Church (U.S.A.)

100 Witherspoon Street

Louisville, KY 40202-1396

(888) 728-7228, Ext. 5230 (Tim), Ext. 5251 (Bill)

Fax # (502) 333-7251

Applications and resources are available through the Mission Program Grant web site at <http://www.presbyterianmission.org/ministries/missionprogramgrants/>.

POLICIES

Preamble

Jesus Christ commands his disciples to go into the world, preaching the good news and living a life that exhibits love for God, neighbor and self (Matthew 28:19-20). Grants are made available for organizing new worshiping communities and supporting presbytery efforts to build the capacity to continually transform existing congregations. Support for these faithful responses by the Presbyterian Church (U.S.A.) is, itself, obedience to

Jesus Christ. It is an expression of the mission of the church to go into the world, sharing the Good News.

Grants are intended to be for short-term, start-up, and supplemental operating support for projects which meet the eligibility criteria, have been well researched and planned, and demonstrate that they have a reasonably good chance of meeting their goals and objectives. Projects that are not well conceived may be denied funding even in years when there may be unexpended funds.

Grant Definitions

New Worshiping Community (NWC) Grants (For the purpose of this grant process New Worshiping Community is defined as a community that may or may not have an ultimate goal of growing into a viable and sustainable new congregation).

These grants are intended to support new worshiping communities that are related to the Presbyterian Church (USA), located within the United States and Puerto Rico and ordinarily established no earlier than July 2010.

These grants are designed to encourage the birth of new worshiping communities through congregations and presbyteries rather than to fund the expansion or support of existing congregations or programs.

New Worshiping Community Definition

- **New**
 - **Seeking to make and form new disciples of Jesus Christ**
NWCs witness in word and deed (1 John 3:18), continuing Jesus' own mission of discipling, feeding, teaching, healing, welcoming, crossing boundaries, and proclaiming God's coming realm. Those with new and renewed faith join the Spirit's transforming work in the world.
 - **Taking on varied forms of church for our changing culture**
Living out the Gospel demands ministry which engages today's cultures (John 1:14). New ways of joining Christians together for contextual ministry will use current and historic ways of "being church" as springboards for creative innovation (Matthew 9:17).
- **Worshiping**
 - **Gathered by the Spirit to meet Jesus Christ in Word and Sacrament**
We seek to hear, come to believe, and are equipped to live the promises of God revealed in the scriptures of the Old and New Testaments. NWCs welcome new members of the body of Christ (1 Cor. 12:27) through Baptism and are nourished by Christ's spiritual presence in the Lord's Supper.
 - **Sent by the Spirit to join God's mission for the transformation of the world**
The Spirit impels us outward, so that worshipers participate in the redemption of the world in Christ (Col. 1:20). Therefore, the primary beneficiaries of the NWC

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are not its own members, but rather its community and world.

- **Community**

- **Practicing mutual care and accountability**

We commit ourselves to love one another (John 13:34) in relationships of mutual care and accountability, as faithful disciples of the Lord Jesus Christ. Entrusting ourselves and the church to the Holy Spirit, we seek to grow to maturity in faith and life.

- **Developing sustainability in leadership and finances**

As distinct yet connected expressions of the body of Christ, NWCs have local leadership arising from their own community of faith (Exodus 18:21). Pastoral leadership, facilities, and ministries are all appropriately structured in order to demonstrate good and faithful stewardship.

Mission Program Grants – The following applications and supporting resources are available from the [Mission Program Grants Office website](#).

Seed Grant: New worshiping communities may apply for a one-time grant of up to \$7,500. Matching funds are not required.

For the purpose of the Seed grant, it is not a requirement for the Stated Clerk to have completed the Office of the General Assembly Church Change Form (CCF) on behalf of the project to be supported. However, it is a requirement for the Stated Clerk to complete the CCF prior to applying for the Investment Grant.

Investment Grant: All new congregations begin as new worshiping communities but not all new worshiping communities will become congregations. This grant is intended to help you develop the direction in which your ministry will grow.

At least one year after receipt of a Seed Grant, a one-time Investment Grant of up to \$25,000 is possible and will provide for the next eighteen months. Approval of Investment Grants is conditioned upon real progress toward completing the tasks set forth in [Starting New Worshiping Communities](#). Investment Grants ordinarily require a dollar-for-dollar match provided by the combined contributions of the partner congregation and presbytery and/or synod. In-kind contributions for the match are acceptable. Waivers of the match will be considered on a case-by-case basis, upon request.

Growth Grant: The Growth Grant supports and encourages new worshiping communities whose process of faithful discernment has led them to establish a new ministry, responsive to the needs of a new group of people, with the ultimate goal of growing a viable and sustainable new congregation.

At least eighteen months after receipt of an Investment Grant, a one-time Growth Grant of up to \$25,000 is possible and will provide for the next eighteen months. Approval of a Growth Grant is conditioned upon significant progress being made toward meeting the goals and objectives as outlined in the Investment Grant proposal. A dollar-for-dollar match provided through presbytery and/or synod is ordinarily required. In-kind

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contributions are acceptable and waivers of the match will be considered on a case-by-case basis, upon request.

While the dollar-for-dollar match is a requirement for the Investment and Growth Grants, the source of those funds may be provided through a mid council, by a congregation, clusters of congregations, individuals outside or within the new worshiping community and other sources deemed appropriate by the mid council providing oversight.

Health Insurance Grant: This grant program provides supplemental funding to the partner congregation and/or presbytery in support of new church organizing pastors or new worshiping community leaders who would not otherwise be able to afford health insurance. These grants are limited to new congregations and new worshiping communities that are related to the Presbyterian Church (USA), are located within the United States and Puerto Rico and were ordinarily established no earlier than July 2010.

Presbyteries may apply at any time on behalf of new congregations and new worshiping communities for an annual grant of up to \$1,500. This grant is twice renewable, for a total of three years, upon approval of an application each year. Subsequent year grants require reapplication one year from when funding is received. A dollar-for-dollar match provided through the partner congregation and/or presbytery is ordinarily required. Waivers of the match will be considered on a case-by-case basis.

If a new congregation or worshiping community has not previously been approved to receive a Seed Grant or is applying for an Investment Grant, it is a requirement of the Health Insurance Grant for the presbytery Stated Clerk to complete the Church Change Form prior to making application.

However, if a new congregation or worshiping community has been approved to receive a Seed Grant, it is not a requirement of this grant for the Stated Clerk to complete the Office of the General Assembly Church Change Form on behalf of the project to be supported.

Note: No one project may receive more than \$57,500 in total grant assistance. The Health Insurance Grant does not figure into this amount since it is designed to assist individual leaders.

Presbytery Grant for Congregational Transformation: This ordinarily is a one-time grant of up to \$50,000 in support of presbytery efforts to build the capacity and framework to encourage and enable continual congregational transformation. The application form includes a readiness assessment tool that provides the presbytery an opportunity for self-examination as it begins the challenging task of leading transformational change.

The first year lump-sum payment will be for up to \$30,000 and, assuming satisfactory progress has been made toward meeting stated goals, a second year lump-sum payment of up to \$20,000 will be disbursed. A dollar-for-dollar match provided through presbytery and/or synod is required but waivers will be considered on a case-by-case basis, upon request. This grant is not intended to provide funding for congregational-

level transformation efforts.

Sources of Funds

Funding for grants is provided by interest earned on Church Loans and other endowments. The disposition of funds is made in accordance with the donor's instructions.

Application Procedures

Applications are to be prepared, approved and submitted by a presbytery and/or synod to the grants office. The MDRC will review and make funding decisions. Staff is not authorized to prejudge the decisions of the MDRC.

Grants office staff support the efforts of the MDRC and the applicants by being available to answer questions and provide guidance concerning the grant application criteria, the process to be followed when preparing a proposal, and other related application information.

Staff and coaches of the Presbyterian Mission Agency, Evangelism & Church Growth and the Racial Ethnic & Women's Ministries Program Areas are available for consultations to answer questions and provide guidance in the design of the project and feedback concerning the content of the proposal.

If a mid council cannot fulfill any of the requirements of the grant program, a request for waiver may be submitted with the application.

Project Criteria

The Ministry Plan Should:

- Represent new work in the areas of new worshiping communities or presbytery-level congregational transformation;
- Demonstrate its commitment to witness the Gospel of Jesus Christ;
- Relate to the life and development of the surrounding community and respond, within the context of the Gospel of Jesus Christ, to human needs not otherwise being adequately met;
- Involve appropriate partners in planning and funding the project.

The Operating Income and Expense Budget, if required, Should:

- Include an itemized and balanced income and expense operating budget for the full grant period. The budget is to include income amounts from the new worshiping community, partner congregations, mid councils, the Presbyterian Mission Agency and other sources;
- As an expression of connectional stewardship it is a requirement for Growth Grant proposals that at least 5% of a new worshiping community's operating budget be directed to Basic Mission Support. The proposal should also exhibit a clear desire to be generous by committing an additional 5% of their operating budget in support of those outside the congregation through local, national and global mission work.

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- Basic Mission Support is the total of all monies given to mid councils and Presbyterian Mission Agency entities, including payments toward the mission budgets of these entities.
- Proposals should describe how the project will continue to be financially supported following the completion of the grant.
- As an expression of connectional stewardship it is encouraged that grant recipients remember to “pay it forward” to the Extra Commitment Opportunity account found at <http://www.presbyterianmission.org/give/E051547/>. Your support will help provide future funding for the establishment of new worshipping communities such as your own, and to mid councils that wish to build the capacity to enable continual congregational transformation. Please help to continue this important work for the Kingdom of God.

Mid Council Required Documentation

Mid councils participating and giving oversight and assistance must provide on a single separate page, a concise and independent evaluation of the current status of this NWC. Also, describe how you are maintaining regular contact with the NWC and your plan for continued support to help ensure sustainability in the following areas.

- What arrangements have been made for liability / indemnity insurance for the NWC?
- How and where will memberships through baptism be recorded?
- How will the mid council oversee the administration of the sacraments?
- How will the NWC receive charitable donations and their donors receive acknowledgement for their gifts?
- What is the plan for sustaining leadership and resources in the NWC, such as finances and talent?
- How is the link between the NWC coach and the sponsoring session being maintained?

Date of Presbytery representative(s) meeting with NWC: _____

Grant Guidelines

- **Project Leadership:** The Seed and Investment Grants will support a project with a project leader. The Growth Grant will support ministries with a pastor, including a tentmaker, a stated supply, a designated pastor, a Commissioned Ruling Elder, a co-pastor, or an interim pastor. The Growth Grant will not support an interim pastor appointed at the *onset* of a project. The New Worshipping Community grants will not support a mid council or Presbyterian Mission Agency staff person. Disbursement will normally be made in accordance with the start date of the leader.
- **Unexpended Grant:** The grants support the specific project for which it has been approved. Any portion of a grant not expended for the approved project should be returned to the grants office.
- **Funding Interruption:** If a project is on hold, either initially or during the term of funding for a period of twelve months, presbytery leadership may be asked to

resubmit an updated proposal.

- **Funding Conditions:** A project is not able to receive its funding until any conditions placed on the project by the MDRC are fulfilled.
- **Defaulted Loans:** Where a borrower or guarantor has received a loan and where that loan is 90 days or more delinquent in payment, a mutually acceptable repayment plan must be approved by the Church Loan Team of the MDRC before additional loans are approved and new grants are disbursed.

Progress Reports

Seed Grant recipients are to submit a progress report in narrative form at the conclusion of the one-year term of funding.

Investment and Growth Grant recipients are to submit a progress report describing the project's progress in reaching its goals and objectives at the end of the eighteen-month funding period. A progress report form will be provided by the Mission Program Grants office.

Presbytery Grant for Congregational Transformation recipients are to submit a progress report describing the project's progress in reaching its goals and objectives prior to the beginning of the second year of funding. A progress report form will be provided by the Mission Program Grants office.

Payment of subsequent grant requests from within a given presbytery is dependent upon receipt of final progress reports for funded projects.

The Grants Team members and the Associate for Mission Program Grants review the progress reports to ensure that future disbursements are appropriate and for learnings that may be beneficial to other projects that apply for assistance.

Action Appeals

If a mid council is dissatisfied with a decision made by the MDRC, an appeal which sets forth clear reasons why the committee should reconsider its decision may be submitted through the grants office.

Additional Funding Requests

The MDRC does not ordinarily consider requests for funding in addition to the amount originally allocated to a given project.

New Worshiping Community Coaches

It is a condition of funding for the Investment and Growth Grants that the leader be assigned a coach. For information contact The Rev. Shannon Kiser, Mission Catalyst, by calling (502) 631-0216 or by e-mail at shannon.kiser@pcusa.org.

Consultants for Transformation

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Presbytery Grant for Congregational Transformation recipients may wish to use a consultant. For recommendations, please contact the Rev. Ann Philbrick, Presbyterian Mission Agency, by calling (888) 728-7228, X5514 or by e-mail at ann.philbrick@pcusa.org.

Value-Added Services for New Worshiping Community Leaders

1. The grant receiving worshiping community leader is eligible to receive a \$100 discount to one Evangelism & Church Growth Conference. For information, please contact Ms. Sherry Britton, Program Assistant, by calling (888) 728-7228, X5247 or by e-mail at sherry.britton@pcusa.org.
2. The grant receiving worshiping community leader is invited to receive a free one-hour consultation with a Mission Catalyst or coach. For information contact The Rev. Shannon Kiser, Mission Catalyst, by calling (502) 631-0216 or by e-mail at shannon.kiser@pcusa.org.
3. It is strongly recommended that the worshiping community leader (and spouse, when applicable) complete the "Discerning Missional Leadership: A Potential Church Planters Assessment" early on in the life of the ministry. *In any event, the worshiping community leader must complete that assessment prior to the project being considered for a Growth Grant.* This free offer is valued at \$775 and includes room, board, materials and the actual assessment. Travel expenses are not included. For information, please contact The Rev. Caz Minter, 1001 Associate, South Central Region, by calling (502) 797-1428 or by e-mail at caz.minter@pcusa.org.

The Sam & Helen R. Walton Award

In late December 1991, Sam & Helen R. Walton made a generous gift to the Presbyterian Church (U.S.A.), through the Presbyterian Foundation, of six million dollars. This gift included an endowment in the amount of three million dollars, the earned interest to be used by new church developments (NCD) that have placed a particular emphasis on site acquisition.

The Mission Development Resources Committee (MDRC) annually offers an opportunity to sessions, presbyteries and synods to nominate projects that are working in creative ways to bring the gospel to their local communities. Each selected NCD will receive a one-time financial award, which is made over and above funding received from other Presbyterian Mission Agency sources, i.e., Mission Program Grant and/or a Church Loan. The number of projects approved and the amount of the financial award is based in part on funds available.

The intent of the selection process by the MDRC is in keeping with the June 1992 action of the Evangelism and Church Development Ministry Unit "to be as inclusive as possible in making grant selections with a goal that at least 20% of the projects be racial ethnic new church developments."

For the granting of the Walton Awards, the MDRC takes into account the status of a NCD as defined by the presbytery. *Ordinarily, Walton Awards will be given to*

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congregations that have been organized not less than four years or more than ten years, as recognized by the presbytery.

The Walton Award may be used for the following purposes.

- Site acquisition / site preparation
- Construction costs
- Rental costs for the church
- Planning / design services for construction of first unit and/or other building projects
- Purchase of additional property
- Parking lot, build/enlarge/resurface, etc.
- Reinvesting moneys: the interest earned is to be reinvested into the corpus for later use in one of the other listed allowable uses

The Walton Award may also be used to help define the NCD and expand its mission and ministry. Uses could include:

- Evangelism and nurture ministries;
- Training events for church leaders in church growth;
- Advertising / promotion of the congregation's mission and message;
- Assistance with the salary and benefits for the pastor and staff.

Such uses of the funds are for short-term periods where the church is holding the funds for later use on one of the allowable uses. This is to be done in consultation with the presbytery. The award funds are to be used within five years of being received.

Specific criteria on which nominations are based and nomination/selection procedures are outlined on the Walton Award Nomination form.

Names of nominees are forwarded to the Presbyterian Mission Agency Board for approval, after which the recipients are announced to the wider church.

Cut-off for receipt of Sam & Helen R. Walton Award nominations is January 31 and will be considered during the March review date.