

ITEM A.101
FOR ACTION

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

Subject: Approval of Minutes

Recommendation:

That the Finance Committee approve the minutes of the meetings on (attached):

- **February 3-4, 2016**
- **March 31, 2016**
- **April 13, 2016**

Draft – Not Yet Approved

**Minutes of the Finance Committee of the
Presbyterian Mission Agency Board
Presbyterian Church (U.S.A.)**

**The Brown Hotel
Louisville, Kentucky
February 3-4, 2016**

- CALL TO ORDER** The combined meeting of the Finance Committee of the Presbyterian Mission Agency **and** the Corporate Property, Legal, and Finance Committee of the Presbyterian Church (U.S.A.), A Corporation (the Board) was called to order at 7:05 p.m. by chair, Chad Herring, and opened with devotion and prayer by Glen Snider.
- ATTENDANCE** Those present for all or a portion of the meeting were:
- Finance Committee -
Elected Members* Chad Herring (Chair)
Molly Baskin
Marvin Brangan
Kenneth Godshall
Jeffrey Joe
Alice Ridgill
Raul Santiago-Rivera
Melinda Lawrence Sanders
Glen Snider
Wendy Tajima
Kathy Trott
- EXCUSED** Thomas Fleming (Vice Chair)
- Recorder* Diane Dulaney, Shared Services
- OTHERS** Simone Adams-Andrade, Theology, Formation & Evangelism
Terri Bate, Funds Development
Gregg Brekke, Presbyterian News Service
Sylvia Carter, Shared Services
Toni Carver-Smith, Shared Services
Perry Chang, Executive Director's Office
Martha Clark, Executive Director's Office
Anita Clemons, Presbyterian Foundation
Barry Creech, Executive Director's Office
April Davenport, Executive Director's Office
Tony De La Rosa, Executive Director's Office
Diane Dulaney, Shared Services
Vanessa Elkin, Presbyterian Foundation
Shawn Ellison, Executive Director's Office
Cynthia Embry, Shared Services
Ruth Farrell, Compassion, Peace & Justice
Kathy Francis, Communications

PRESBYTERIAN MISSION AGENCY BOARD

April 27-29, 2016

Finance Committee

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Brian Frick, Theology, Formation & Evangelism
Marilyn Gamm, Chair, Presbyterian Mission Agency Board
Ruth Gardner, Executive Director's Office
Denise Hampton, Shared Services
Chip Hardwick, Theology, Formation & Evangelism
Debra Hepler, Shared Services (Ghost Ranch)
Tamron Keith, World Mission
Mike Kirk, Executive Director's Office
Shelly Lewis, Shared Services
Kathie Lyvers, Executive Director's Office
Andrea McNicol, Shared Services
Ellen Pearre-Cason, Audit Committee
Lorraine Recchia, Presbyterian Church (U.S.A.) Investment and Loan Program, Inc.
James Rissler, Presbyterian Church (U.S.A.) Investment and Loan Program, Inc.
Lisa Robbins, Executive Director's Office
Leslie Scanlon, Presbyterian Outlook
Cindy Schultz, Shared Services
Dottie Smith, Shared Services
Frank Spencer, President, Board of Pensions
Tim Stepp, Executive Director's Office
Jo Stewart, Vice Chair, Presbyterian Mission Agency Board
Tom Taylor, Presbyterian Church (U.S.A.), Foundation
Rob Weinegartner, Executive Director, Outreach Foundation
Mickey Whalen, Shared Services
Earline Williams, Shared Services

ACTION A.100
ADOPTION OF AGENDA

Chad Herring reviewed the agenda, and the Finance Committee **VOTED to adopt** the agenda, with a modification to hear a report from the Finance Education Subcommittee on Thursday at 8:00 AM.

ACTION A.104
**CONFIRMATION OF
PILP PRESIDENT**

The Finance Committee **VOTED** to Receive and forward the report of the Presbyterian Church (U.S.A.) Investment and Loan Program, Inc. to the 222nd General Assembly (2016) which recommends the confirmation of the election of James G. Rissler to the office of President of the Presbyterian Church (U.S.A.) Investment and Loan Program, Inc. for a four-year term.

ACTION A.107
**PILP REPORT TO 222ND
GENERAL ASSEMBLY
(2016)**

The Finance Committee **VOTED** to Receive and forward the report of the Presbyterian Church (U.S.A.) Investment and Loan Program, Inc. to the 222nd General Assembly (2016).

INFORMATION A.208

James Rissler, President / Chief Executive Officer, and Lorraine Recchia, Senior Vice President /Chief Operating Officer, of the Presbyterian Investment and Loan Program gave the Restoring Creation Loan Program Report.

INFORMATION A.209

James Rissler, President / Chief Executive Officer, and Lorraine Recchia, Senior Vice President /Chief Operating Officer, of the Presbyterian Investment and Loan Program gave the Coordinated Loan Program Report.

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INFORMATION A.210
PRESBYTERIAN
FOUNDATION
ENDOWMENT RETURN
ON INVESTMENT

The Chair introduced Tom Taylor, President & CEO, Presbyterian Church (U.S.A.) Foundation, and Anita Clemons, Vice President and Managing Director of Investments. Max Senter and Ted Lovejoy of Cambridge Associates, and Victor Hymes, CEO of Legato Asset Management and former Foundation Board Investment Committee Chair, joined the Finance Committee by phone. Anita Clemons presented the Presbyterian Mission Agency Investment Review as of December 31, 2015. The presentation was followed by discussion and a question and answer session.

BOARD PLAN ON
MISSION WORK PLAN
AND BUDGET

The Chair turned the floor over to Wendy Tajima who gave the update on the Mission Work plan and the 2017-18 budget. During this discussion three things were requested for the April 27-29, 2016 board meeting:

- That the budget be posted the night before the meeting;
- A budget assumptions narrative shared with the finance committee; and
- The budget should be the first thing on the finance committee agenda

MEETING RECESSED

The meeting was recessed at 9:28 PM with the Chair giving the closing prayer.

FEBRUARY 4, 2016

MEETING
RECONVENED

Chair Chad Herring reconvened the combined meeting of the Finance Committee of the Presbyterian Mission Agency **and** the Corporate Property, Legal, and Finance Committee of the Presbyterian Church (U.S.A.), A Corporation at 8:15 am.

OPENING PRAYER

Marvin Brangan offered the morning prayer.

FINANCIAL
EDUCATION
SUBCOMMITTEE
UPDATE

Chad Herring asked Kathy Trott to share the conversations around the Financial Education Subcommittee. Kathy gave an update to the Finance Committee with discussion following.

CONSENT AGENDA

- **ACTION A.101**

The Finance Committee **VOTED** to approve the following consent agenda:

- Minutes of the September 23, 2015 Finance Committee Meeting, November 11, 2015 GoToMeeting, and January 19, 2016 GoToMeeting.

ACTION A.102
2016 BUDGET
ADJUSTMENTS

The Chair introduced Denise Hampton who gave an overview of the adjusted PMA Budget. The Finance Committee **VOTED** to approve and recommend to the Presbyterian Mission Agency Board (PMAB) the 2016 Revised Mission Budget of \$74,828,993.

ACTION A.103
SHARED SERVICES
REPORT TO THE 222ND
GENERAL ASSEMBLY
(2016)

Earline Williams introduced Barry Creech and Mickey Whalen who both gave an overview of the Supplier Diversity Policy Revision and the Shared Services Report to the 222nd General Assembly (2016).

The Finance Committee **VOTED** to approve and recommend to the Presbyterian Mission Agency Board (PMAB) the Shared Services Report to the 222nd General Assembly (2016).

ACTION A.105

The Finance Committee **VOTED** to approve and recommend to the Presbyterian

PRESBYTERIAN MISSION AGENCY BOARD

April 27-29, 2016

Finance Committee

Item A.101

**SUPPLIER DIVERSITY
(MINORITY VENDOR)
POLICY REVISION**

Mission Agency Board (PMAB) the Supplier Diversity (Minority Vendor) Policy Revision.

**ACTION A.106
FINANCE
SUBCOMMITTEE TO
DEVELOP STRATEGY
ABOUT UNRESTRICTED
RESERVES**

The Chair introduced Ken Godshall who gave a PowerPoint presentation update of the Finance Subcommittee to Develop Strategy for the Unrestricted Reserves and the possible update of the 1990 GA Action. After much discussion and several changes The Finance Committee **VOTED** to Approve the recommendation of the Finance PMPF Subcommittee to Develop strategy for the Unrestricted Reserves and the update of the 1990 GA Action (**Full text not included in this report due to length. Please see attached amendment**)

**FINANCIAL REPORTS
INFORMATION A.200**

Denise Hampton, Controller, presented an overview of the Management Report as of November 30, 2015. Other financial reports received were:

INFORMATION A.201

- Presbyterian Mission Program Fund (PMPF) Report – November 30, 2015
- Per Capita Report – November 30, 2015
- Curriculum Report – November 30, 2015
- Stony Point Financials – November 30, 2015
- Ghost Ranch Financials – November 30, 2015
- New Gifts & Additions – July – December 2015

INFORMATION A.202

INFORMATION A.203

INFORMATION A.204

INFORMATION A.205

INFORMATION A.206

OTHER REPORTS

INFORMATION A.207

- The Finance Committee received the Information Technology Report.

INFORMATION

GHOST RANCH UPDATE

- The Chair recognized Debra Hepler who presented the Ghost Ranch Conference Center Update by giving an oral report.

INFORMATION A.211

COST OF DOING

MINISTRY REPORT

Earline Williams walked through the Cost of Doing Ministry Report with the Committee followed by discussion.

ELECTION OF FINANCE

COMMITTEE CHAIR

AND VICE CHAIR

Molly Baskin was elected as Chair of the Finance Committee, and Marvin Brangan as Vice Chair of the Finance Committee for the 2016-2017 term to begin with the Executive Committee Retreat in July 2016.

CLOSED SESSION

Upon motion made, seconded and approved, the meeting of the Finance Committee and the corporate Property, Legal and Finance Committee convened in closed session to discuss personnel, litigation and property matters with only voting members of the Committee and the following individuals:

Attendance:

Tony De La Rosa
Earline Williams
Dottie Smith
Denise Hampton
Toni Carver-Smith
Martha Clark
Sylvia Carter

PRESBYTERIAN MISSION AGENCY BOARD

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Mike Kirk
April Davenport
Debra Hepler
Chip Hardwick
Ellen Cason

The Chair, Chad Herring, called the closed session to order.

Upon motion made, seconded and approved, the committee rose from closed session and reported no actions were taken.

CLOSED SESSION

Upon motion made, seconded and approved, the meeting of the Finance Committee and the corporate Property, Legal and Finance Committee convened in closed session to discuss personnel, litigation and property matters with only voting members of the Committee and the following individuals:

Attendance:

Tony De La Rosa
Earline Williams
Martha Clark
Mike Kirk
April Davenport
Debra Hepler
Ellen Cason

The Chair, Chad Herring, called the closed session to order.

Upon motion made, seconded and approved, the committee arose from closed session and announced no actions were taken.

**CLOSING PRAYER AND
ADJOURNMENT**

There being no further business, the meeting was adjourned and closed with prayer by Kathy Trott at 12:34 p.m.

AMENDMENT

Procedures and Guidelines Governing the
~~General Assembly~~ Presbyterian Mission Agency Mission Budget and Program

I. Operating Guidelines

A. Presbyterian Mission Program Fund

~~Definition:~~ The funds composed of current or prior year unrestricted gifts, legacies, bequests that equal or exceed \$500,000 (five hundred thousand), and will be expended over several operating periods or years. The use of these funds will be determined as part of the normal operating budget preparation cycle and processes. The funds can be utilized to fill projected operating budget shortfalls

AB. Unrestricted Reserve Fund ~~Presbyterian Mission Program Fund~~

30.597

~~Definition:~~ The ~~A~~ funds composed of all unrestricted ~~and uncommitted~~ receipts and prior year net assets intended for the support of the Presbyterian Mission Agency ~~General Assembly Mission Program~~.

1. Sources to maintain this ~~fund~~ shall include all unrestricted unified revenue available for the Presbyterian Mission Agency ~~General Assembly Mission Program~~, including but not limited to

- b.a. unified income including receipts from congregations, presbyteries, or individuals;
- e.b. unrestricted gifts, legacies, bequests;
- d.c. unrestricted investment income;
- e.d. gift annuity excess reserves;
- f.e. such nonrecurring income as the ~~General Assembly Council~~ Presbyterian Mission Agency Board shall direct by general or specific policy statement; and
- g.f. under expenditure of the unified portion of the Presbyterian Mission Agency annual General Assembly Mission operating B budget.

2. The Uncommitted Unrestricted Reserve Funds

- a. The unrestricted reserve fund will not be used to manage projected operating budget shortfalls;
- b. The Presbyterian Mission Agency shall maintain an unrestricted reserve fund that may be accessed with the approval of the Presbyterian Mission Agency Board;
- c. Use of the unrestricted reserve fund shall be limited to revenue shortfalls and expense overruns in the current budget cycle, emergency purposes, and new mission opportunities;

d. The unrestricted reserve fund shall be held in a separate unrestricted net asset account;

e. Reserves will be increased ~~upon~~ by allocating unrestricted gifts and budget accumulations;

f. Mission areas that rely on unrestricted reserve funds will rely on an agency-wide emergency fund;

g. The unrestricted fund reserve balance will be approved by the Chief Financial Officer with concurrence of the Executive Director of the Presbyterian Mission Agency.

~~—The unrestricted fund reserve balance will be approved by the Chief Financial Officer and the Finance and Accounting staff of the Presbyterian Mission Agency.~~

~~portion of the Presbyterian Mission Program Fund at year end must be equal to at least 30 percent of the unified portion of the General Assembly Mission Budget, which minimum provides for~~

~~cash flow needed for mission purposes; and~~

~~guarantee of the current unified budget.~~

~~Uncommitted funds above the minimum in the Presbyterian Mission Program Fund are available to provide for~~

~~unexpected program needs during a budget cycle;~~

~~unexpected needs for programmatic loans; and~~

~~support of future General Assembly Mission Budget unified portion~~

~~2.3.~~ Any use of the ~~unrestricted reserve Fund-fund~~ for the purposes outlined in the above ~~section~~ must be based on a ~~four-year~~ plan that takes into account income estimates and provisions for all the anticipated changes in the fund. Such plans will be ~~maintained approved~~ by the ~~Presbyterian Mission Agency~~ Finance Committee and ~~further~~ approved annually by the ~~Presbyterian Mission Agency Board~~ ~~General Assembly Council~~.

~~3.4.~~ Ordinarily, ~~the Presbyterian Mission Program Fund~~ ~~the unrestricted reserve funds~~ will not be used for capital expenditures, ~~except in the event of an emergency and the capital replacement funds are fully expended or allocated for use within a three (3) year period.~~ The Chief Financial Officer will report this emergency expenditure to the Finance Committee, and seek timely approval from the Executive Committee of the ~~Presbyterian Mission Agency~~ ~~Board~~, or its Chair. ~~.~~

~~5.~~ ~~Presbyterian Mission Agency Board~~ ~~General Assembly Council~~, upon recommendation of its Finance Committee, shall authorize all appropriations, expenditures, or transfers from ~~these~~ fund balances through established policies.

~~6.~~ Use of Restricted Funds: Availability of restricted funds shall be considered in conjunction with budgeting of unrestricted funds with restricted funds being depleted first. Information concerning restricted funds use and balances shall be provided by the Presbyterian Church (U.S.A.), A Corporation on a regular basis.

~~4.~~ The Uncommitted Funds portion of the Presbyterian Mission Program Fund at year end shall not exceed 50 percent of the unified portion of the General Assembly Mission Budget. Any funds in excess of the 50 percent maximum must be incorporated into the four-year plan referred to above.

~~B. Use of Excess Income Over Actual Expenditure~~~~30.598~~

~~Any excess unified income over actual unified expenditures realized at the end of a budget year shall be retained in the Presbyterian Mission Program Fund.~~

~~Unified budgeted amounts unexpended at the end of a budget year may be encumbered by those participating in the Unified General Assembly Mission Budget in order to complete projects, upon approval of the General Assembly Council's Finance Committee.~~

~~Unexpended project funds at the end of the calendar year may be reserved only when completion of a project (or the completion of an essential part of a project is authorized as a part of a total approved program; and is not otherwise provided for in the succeeding year's budget.~~

~~Unexpended project funds at year end may not be reserved when it serves to expand a general or ongoing budget, or part of a budget; and it serves to exempt the specific budget and program item from the usual review and the particular priority choices involved in building the succeeding year's budget.~~

~~Any unexpended funds reserved may be held available until completion of the project, but not for longer than one year following the year of original budgeting, unless renewed by the Finance Committee or as allowed in item d (below).~~

~~Multi-year planning for major expenditures may be accomplished by defining the entire scope, objectives, and benchmarks of the project; determining how the funds will be accumulated by setting aside a portion of more than one year's budget on a scheduled basis; and~~

~~approving carryover of the set aside amounts each year until the required funds are accumulated for the project~~

~~Upon cancellation of each specific account, any unused portion of the reserved amount shall be considered a cancelled appropriation of the General Assembly Mission Budget. In the event the reserved account shall be over expended, the resulting amount shall be charged to the current budget of the entity.~~

~~Other unexpended funds, which do not qualify as above, are general salvage and will be retained in the Presbyterian Mission Program Fund.~~

~~Under this policy a project (or essential part of a project) is defined as a specific task or activity which~~

~~has clearly defined scope, objectives and benchmarks;~~

~~is budgeted for completion in a single year;~~

~~is not expected to be repeated; and~~

~~is planned for completion in the year budgeted.~~

~~BC. C. Use of Restricted Reserve Funds~~~~30.599~~~~1. Specific Endowment "C" Funds~~

~~Definition: The reserve funds that are composed of restricted receipts with are limited use and are for the use of~~

~~the specific designation~~ subject to donor restrictions. ~~Donor restrictions limit the use of the income to specific purposes. These purposes may be narrow (i.e. scholarships for seminary students) or broad (i.e. for Christian education)~~

~~1. Sources to maintain this fund shall include all restricted revenue available for the Presbyterian Mission Agency, including but not limited to:~~

- ~~a. income including receipts from the Special Offerings;~~
- ~~b. restricted gifts, legacies, bequests;~~
- ~~c. restricted investment income; and~~
- ~~d. such nonrecurring restricted income as the Presbyterian Mission Agency Board shall direct by general or specific policy statement.~~

~~2. The Restricted Reserve Fund~~

- ~~a. The restricted reserve fund will not be used to manage projected operating budget shortfalls;~~
- ~~b. The Presbyterian Mission Agency shall maintain the restricted reserve fund that may be accessed with the approval of the Presbyterian Mission Agency Board;~~
- ~~c. Use of the restricted reserve fund shall be limited to revenue shortfalls and expense overruns in the current budget cycle, emergency purposes, and new mission opportunities within the donor restrictions;~~
- ~~d. The restricted reserve funds shall be held in a separate restricted net asset account;~~
- ~~e. Reserves will be increased through the allocation of ~~upon by~~ restricted gifts and budget accumulations;~~
- ~~f. Mission areas that rely on restricted funds will rely on the restricted reserve fund for emergencies; and~~
- ~~g. The restricted fund reserve balance will be approved by the Chief Financial Officer with concurrence of the Executive Director and the Finance and Accounting staff of the Presbyterian Mission Agency.~~

~~3. Any use of the restricted reserve fund for the purposes outlined in the above section are must be~~

~~based on a plan that takes into account income and expenditure estimates and provisions for all the~~

~~anticipated changes in the fund. Such provisions will be approved by the Finance Committee of the Presbyterian Mission Agency and further approved annually by the Presbyterian Mission Agency Board.~~

~~4. Ordinarily, the restricted reserve fund will not be used for capital expenditures.~~

~~5. The Presbyterian Mission Agency, upon recommendation of its Finance Committee, shall authorize all appropriations, expenditures, or transfers from these fund balances through established policies.~~

- ~~1) Ordinarily, new funds will be used in the succeeding budget year. This allows time for~~
 - ~~1) full documentation of gift and approval of assignment for scope of use; and~~
 - ~~2) accumulation of at least one year's income to serve as a reserve~~
- ~~2) For budgeting purposes, one year's estimated income shall be used~~

- ~~3) Funds with accumulated income of \$20,000 or more will be handled in the following manner:
 - ~~1) All budgeted use of accumulated income will be identified by fund and amount budgeted in budget submissions~~
 - ~~2) Use in any one year of more than 25 percent of total accumulated income should ordinarily be part of scheduled use over a period of no less than four years. This is recommended in order to avoid putting extraordinary pressure on unified and other portions of the budget in future years.~~
 - ~~3) Funds for a one-time program event are subject to a use pattern dictated by the event~~
 - ~~4) This does not apply to capital funding~~~~
- ~~4) Funds with accumulated income of \$20,000 or less will be handled in the following manner:
 - ~~1) All budgeted use of accumulated income will be identified by fund and amount budgeted in budget submissions;~~
 - ~~2) These funds may be used at the discretion of the budgeting entity~~~~
- ~~5) For funds where the scope of use includes more than a single budgeting entity, any expenditure of accumulated income by a single budgeting entity should be identified to other units that share in the funds since it affects future availability of income.~~
- ~~6) Budgeting entities are encouraged to include in their plan for spending of accumulated income the development and maintenance of a reserve equal to one year's income as protection against years when income is below normal and to provide cash flow at the beginning of each year.~~

~~2. Restricted Expendable—"D" Funds~~

~~Definition: Both the principal and income may be spent for the specific purpose designated by the donor.~~

~~Note: Special sub-categories of "D" funds will be established by Central Treasury Corporation in order to make clear which guidelines apply~~

- | | |
|---------------|--|
| D1 | Non-recurring restricted expendable |
| D2 | Special Offerings |
| D3 | Less than annual program funds |
| D4 | Bicentennial Funds |

~~CD.~~

~~a. Restricted Expendable, Except D2 and D4 Funds~~

- ~~1) New funds will be used beginning in the succeeding budget year. This allows time for full documentation of gift and approval of assignment of scope of use.~~
- ~~2) Since these funds represent non-recurring income, a planned use of the fund, in keeping with the donor's intent, should be developed and displayed for the GAC office responsible for budgeting and for the Central Treasury Corporation.~~
- ~~3) Ordinarily all such funds, and regularly all such funds over \$20,000, shall be used in the following manner:~~

- ~~a. All budgeted use will be identified by fund and amount budgeted in budget submissions.~~
- ~~b. Use in any one year of more than 25 percent of the total fund, if that is more than \$5,000, should be part of scheduled use over a period of not less than four years. This is recommended in order to avoid putting extraordinary pressure on unified and other portions of the budget in future years.~~
- ~~c. Funds for a one-time program event are subject to a use pattern dictated by the event.~~
- ~~4) For funds where the scope of use includes more than one budgeting entity, any expenditure by a single budgeting entity should be identified to other units that share in the use of the fund since it affects future availability of funds.~~

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~~a. *Special Offerings "D2" Funds and Other Recurring Restricted Revenue*~~

- ~~1) Funds should be budgeted on basis of projection of income developed by the General Assembly Council Finance Committee~~
- ~~2) Use of funds on hand in addition to one year's anticipated revenue shall be identified on budget requests~~
- ~~3) Funds received in excess of projected income may be retained in a reserve fund as protection against years when income is below normal and to provide cash flow at the beginning of each year~~

~~b. *Bicentennial Funds "D4" Funds*~~

- ~~1) Designated funds received for approved Bicentennial Projects, upon verification and after deduction of administrative costs, will be available for use.~~
- ~~2) When such funds are used to replace previously budgeted unified or selected funds, the amount to be used must be displayed for the GAC office responsible for budgeting and for the GAC.~~
- ~~3) Non-designated funds received for the Bicentennial Fund will be allocated through an approved process. Such process will also provide for payment of administrative costs and the repayment of operating loans, until such time as the loans are fully repaid.~~
- ~~4) No guarantee of continuing funding level should be anticipated when programs are funded by the Bicentennial Fund.~~
- ~~5) Bicentennial funds received and expended will be documented in a separate category in General Assembly Mission Program displays.~~

~~3. *Overall Impact*~~

- ~~a. The GAC office responsible for budgeting will develop an overall impact statement about the use of restricted funds within the budget in each budget year.~~

~~b. The system established for the review of restricted funds by both the Central Treasury Corporation and the Presbyterian Foundation will be continued to insure that donor's wishes are understood and implemented.~~

~~c. A consequence of this budget policy is to provide expenditure projections that will enable the Foundation to plan its investment policy.~~

Use of Excess Income over Actual Expenditure

30.598

1. Any excess unrestricted income over actual unrestricted expenditures realized at the end of a budget year shall be retained in the Unrestricted Reserve Fund.

2. Budgeted amounts unexpended at the end of a budget process may be encumbered by those participating in the Presbyterian Mission Agency budget process in order to complete projects, upon approval of the Chief Financial Officer and provided as an information item to the Finance Committee.

a. Unexpended project funds at the end of the budget calendar year may be encumbered only when completion of a project (or the completion of an essential part of a project)

1) is authorized as a part of a total approved program; and

2) is not otherwise provided for in the succeeding year's budget.

b. Unexpended project funds at year-end may not be encumbered when

1) it serves to expand a general or ongoing budget, or part of a budget; and

2) it serves to exempt the specific budget and program item from the usual review and the particular priority choices involved in building the succeeding year's budget.

~~D. Reimbursement of Services~~

30.600

~~Entities participating in the General Assembly Mission Budget shall include sufficient funds within their budgets to reimburse GAC Support Services through the Central Treasury for the following categories of services:~~

~~1. Total Costs~~

~~a. In-house reproduction services (including localized copiers); and~~

~~b. Total costs (including all labor and materials), according to cost schedules circulated to all users and potential users, billed upon job completion~~

~~2. Services Costs~~

~~For all services that follow, overhead is not charged back to clients.~~

~~a. Courier (messenger): Actual costs incurred on behalf of the client which requests service, monthly voucher of actual costs.~~

~~b. Telephone: Actual charges per Phone Company billing including cost of switch, station equipment, etc. — monthly voucher of actual costs.~~

- ~~e. Purchasing/Supplies (including those for word processing): Actual charges for items purchased—monthly voucher.~~
- ~~d. Equipment Maintenance: Actual charges—monthly or annual voucher (by contract).~~
- ~~e. Travel and Meeting Arrangements: Actual charges—monthly voucher.~~
- ~~f. Mail:

 - ~~1) Actual postage used—monthly voucher.~~
 - ~~2) Bulk mail—according to cost schedule circulated to all users and potential users, billed upon job completion.~~~~
- ~~g. Materials Distribution (by Central Distribution): Programmatic materials, postage and other external handling charges—monthly voucher.~~
- ~~h. Inventory Costs

 - ~~1) Clients' materials not requested by customers for a period of six months shall be subject to disposal, after consultation with the group which assigned the materials for distribution.~~
 - ~~2) Publication Services shall be charged for storage of all inventory placed in Central Distribution.~~~~
- ~~i. Information Services: Technical assistance for new projects specific to the client according to cost schedules circulated to all users and potential users, billed upon job completion~~
- ~~j. Legal: Fees of outside council—monthly voucher.~~

~~3. Other Costs~~

~~30.601~~

~~It is understood that other reimbursements will exist by mutual agreement such as: (1) from per capita funds to the Mission Budget for services performed by entities funded through the Mission Budget; (2) from restricted funds to unrestricted revenue; and (3) for specific services performed by one unit or participant for another within the Mission Budget, when such service is beyond that normally provided.~~

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DE. Contingencies

30.602

The Finance Committee shall recommend to the Presbyterian Mission Agency Board General Assembly Council an annual Contingency expenditure line within the Presbyterian Mission Agency General Assembly Mission Budget for possible allocation by the General Assembly or the Presbyterian Mission Agency Board General Assembly Council upon recommendation from the Finance Committee ~~and Mission Priorities Committee.~~

F. Capital Expenditures (Effective January 1, 1991)

30.603

- ~~1. Items of equipment or furnishings with a total purchase value per item of less than \$1,000 will be provided for within the Mission Budget allocation of each entity~~
- ~~2. Items of equipment and furnishings with a total purchase value per item of \$1,000 or more will be provided for through a capital expenditure budget approved by the General Assembly Council upon the recommendation of the Finance Committee. Each item so purchased will be classified as follows:

 - ~~a. Class A—5 years
Typewriters, computers, and other electrical and office equipment~~
 - ~~b. Class B—10 years
Furniture, carpet and other furnishings~~~~
- ~~3. Source of funding will come from the following sources

 - ~~a. Central Treasury Corporation will provide to each entity by June 30 of each year a list of equipment and furnishings with a purchase cost of over \$1,000 assigned to the entity. The list will provide the purchase cost for each item and the classification for the expected service life for each item.~~
 - ~~b. The mission budget will include for each budget cycle a line for the replacement reserve. The amount for this budget line will be:

 - ~~1) 20 percent of the cost of all Class A items assigned to the entities within the mission budget;~~
 - ~~2) 10 percent of the cost of all Class B items assigned to the entities within the mission budget;~~~~
 - ~~c. Budgeted amounts will be credited monthly into the replacement reserve within the Plant Fund by the Central Treasury Corporation, without specification as to the contributing entities~~~~
- ~~4. Each budgeted entity will submit requests for capital purchases as part of the budget process outlined elsewhere in these procedures. All such purchases will require authorization of the entity director and the Office of Support Services.~~
- ~~5. Inventory control for capital purchases will be maintained by the Central Treasury Corporation~~

II. Administrative Procedures

A. Budget Development

30.604

- ~~1. Role and Responsibility of the Budget Work Group

 - ~~a. The goal of the Budget Work Group is to develop timely budget proposals to the General Assembly Council based on projected income, budgetary proposals by the entities, and reflecting the Churchwide Goals and Priorities.~~
 - ~~b. To complete this task, information is presented from several sources:

 - ~~1) From the Mission Priorities Committee comes the identified mission goals and priorities of the General Assembly Council.~~
 - ~~2) From the Finance Committee comes the projections of income from all sources that support the General Assembly Mission Budget and a proposed expenditure level.~~~~~~

- ~~3) From the Church Vocations Ministry Unit comes proposed salary recommendations for domestic and international staff.~~
- ~~4) From all budgeted entities come budget proposals that take into account the identified mission goals and priorities and the proposed annual expenditure level.~~

~~2. Composition of the Budget Work Group~~

- ~~a. Elected Participants (with voice and vote)~~
 - ~~One elected person from each of the nine ministry units 9~~
 - ~~One elected person from the Central Treasury Corporation 1~~
 - ~~Four elected persons from the Mission Priorities Committee 4~~
 - ~~Three elected persons from the Finance Committee 3~~
 - ~~Chairperson, elected by the General Assembly Council 1~~
- ~~b. Elected Participants (with voice but no vote)~~
 - ~~One elected person from each of the related bodies 5~~
- ~~c. Invited Participants (with voice but no vote)~~
 - ~~Synod Executives (elected by the Churchwide Administrative Coordinating Cabinet) 2~~

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- ~~d. Staff Participants (with voice but no vote)~~
 - ~~Ministry Unit Directors 9~~
 - ~~Treasurer 1~~
 - ~~Support Services Director 1~~
 - ~~Related Body Directors 5~~
 - ~~Office of the General Assembly Council:~~
 - ~~Executive Director 1~~
 - ~~Associate Director 1~~
 - ~~Coordinator of Resources and Planning 1~~
 - ~~Coordinator of Finance and Budgets 1~~
 - ~~Central Treasury Corporation:~~
 - ~~Controller 1~~
- ~~Total Voting Participants 19~~
- ~~Total Non-Voting Participants 28~~
- ~~Total Participants 47~~

~~3. New Program Initiatives~~~~a. For General Assembly Initiatives Referred~~

~~The General Assembly Council through adopted procedures will refer all actions adopted by the General Assembly to the appropriate ministry unit, related body, council committee, or other entity. Each entity will report to the General Assembly Council its response to each of these referrals.~~

- ~~1) Responses within the purview of the body receiving the referral may range from a response with all necessary funding proposed in the entity's budget to a response indicating the proposal not be funded, with a full rationale for such recommendation.~~
- ~~2) Proposals that are additions to ongoing work or new work will be considered in light of the Mission Priorities and Goals adopted by the General Assembly~~
- ~~3) Actions calling for funding will be proposed by the entity through the mission budget allocations process~~
- ~~4) Entities which have more than one referral will establish the priority of each proposal for that particular entity in light of General Assembly actions.~~

~~b. For Entity Proposals for New Initiatives~~

~~Each entity will present its recommendations for new mission initiatives for implementing Churchwide Priorities and Goals to the Mission Priorities Committee indicating~~

- ~~1) the Churchwide Priority or Continuing Goal supported by the initiatives;~~
- ~~2) linkages for the initiatives with other entities or governing bodies;~~
- ~~3) the available level of support for the initiative from the entity's budget; and~~
- ~~4) the proposed funding sources if not in the entity's proposed budget~~

~~4. Central Treasury Corporation Responsibilities~~

~~a. Review the entities' detailed budgets prior to submission to Budget Work Group to determine~~

- ~~1) compliance with donor wishes;~~
- ~~2) compliance with General Assembly and General Assembly Council policies and procedures;~~
- ~~3) compliance with standard accounting and audit procedures;~~
- ~~4) consistency between entities in following policy and procedure;~~
- ~~5) accuracy of sources and availability of revenue at the detailed level; and~~
- ~~6) mathematical accuracy and technical assistance in reviewing the budget.~~

30.605

~~b. Comment to the budget entities on its findings from the above review and submit written communication to the Budget Work Group regarding unresolved differences~~

B.A. *Budget Submissions*

30.606

1. The Presbyterian Mission Agency General Assembly Council's staff Finance Committee will provide annually for the acceptance approval by the Finance Committee and for review quarterly by the Audit and Finance Committees
 - a. common format for budget submissions which shall use the following definitions:
 - 1) Unified — guaranteed by Presbyterian Mission Program Fund;
 - 2) Selected — restricted revenue that is reasonably dependable. There is an interrelationship in each unit/related body budget between these funds and unified funds; however availability of Selected Funds is not guaranteed. Together they represent the agreed upon budget for the cycle; and
 - 3) Supplementary — restricted revenue where the program definition makes receipt of the dollars unsure or where donor intent mandates that it be used in addition to the mission budget;
 - b. guidelines for preparing budget requests;
 - c. proposals for common expenses, including:
 - 1) building operations;
 - 2) audit costs; and
 - 3) contingency reserve fund;
 - d. projections of income from all sources available in support of a Presbyterian Mission Agency General Assembly Mission Budget and Program; and
 - e. format for a General Assembly Mission Presbyterian Mission Agency Budget and Program budget to be presented to the Presbyterian Mission Agency Board General Assembly Council and to the General Assembly, in consultation with the Central Treasury Corporation.
 - g. 382
2. The following shall be funded by the Presbyterian Mission Agency General Assembly Mission Program
 - a. all ministry units;
 - b. all related bodies except the Board of Pensions and the Presbyterian Foundation (U.S.A.) Inc. which may, however, receive specific program grants; and
 - c. Support Common and -Shared Services of the Presbyterian Mission Agency General Assembly Council except Offices of News Service and Legal Services; and the Presbyterian Church (U.S.A.), A Corporation.
 - d. Central Treasury
3. Building Capital Projects Operations-submissions
 - a. Space at 100 Witherspoon Street
 - 1) Support Shared Services will submit to the Finance Committee a total budget for all costs related to maintenance, repair, upgrading, updating, managing, and otherwise carrying out the functions related to the building which have been assigned to Support Shared Services.

- 2) The mission operating budget will contain a single line titled "Building Operations" that will fund a proportionate share of the total building operations and contribute to the capital reserve fund based upon percentage of square footage occupied.
 - ~~3) The Publications Enterprise Fund will fund out of its budget a proportionate share of the total building operations budget based upon square footage occupied, including the bookstore~~
 - ~~4) Square footage allocations will be based on office and special use spaces contained in buildings A and B and will not include space in the lobby or balcony reception areas~~
- b. Rent and Lease Charges at Locations Other than 100 Witherspoon Street
- 1) Permission to rent or lease office or other space outside 100 Witherspoon Street shall require prior approval of the Presbyterian Mission Agency Board General Assembly Council upon recommendation of the supervising entity or ministry area with the concurrence of the Deputy Executive Director Shared Services ~~Support Shared Services;~~
 - 2) After Presbyterian Mission Agency Board General Assembly Council approval, all rental agreements and leases must be negotiated by the entity mission area or shared services and reduced to writing by Property General Council Counsel Office of the Presbyterian Church (U.S.A.), A Corporation Central Treasury Corporation at the request of ~~and subject to concurrence by~~ the supervising entity;
 - 3) Supervising entity will be solely responsible for making budget provision for any rent or lease charges incurred;
- ~~e. Salary Adjustments submissions: Proposed salary increases for domestic and international staff (exempt and non-exempt) shall be submitted by the Church Vocation Ministry Unit to the Budget Work Group by the Presbyterian Mission Agency Human Resources area to the Personnel Sub-Committee of the Presbyterian Mission Agency Board or its successor.~~
- ~~e. The definition of capital projects shall also include the acquisition or development of any new system, including technology, telecommunications or other similar property and equipment on behalf of the Presbyterian Mission Agency, or major upgrades or modifications to same; and~~
- ~~d. Use of Restricted Funds: Availability of restricted funds shall be considered in conjunction with budgeting of unrestricted funds with restricted funds being depleted first. Information concerning restricted funds use and balances shall be provided by the Presbyterian Church (U.S.A.), A Corporation Central Treasury Corporation on a regular basis.~~

C. Budget Timeline

30.607

~~Presbyterian Mission Program budgets shall be developed at the General Assembly level according to the Budget Process and Timeline approved by the General Assembly Council~~

B. Budget Adjustments**30.608**

1. Items of business the General Assembly approves, the Presbyterian Mission Agency budgets may be adjusted to include financial implications by:

a. Stopping program(s) or initiative(s); and/or

a.b. Identifying alternative revenue sources.

~~1. General Assembly Council~~

~~Adjustments which affect the total allocation to any budgeted entity require action by the General Assembly Council upon recommendation of its Finance Committee~~

~~2. Budgeted Entities~~

~~Adjustments between offices within a budgeted entity's approved budget require approval by the ministry unit/related body/other committee upon recommendation of its director~~

~~3. General Assembly Council Staff~~

~~After appropriate consideration by Central Treasury Corporation~~

~~a. the Executive Director may approve use of Highly Restricted Funds upon application approved by entity director;~~

~~b. budgeted entity directors may approve line item changes within office budgets;~~

~~c. Coordinator of Finance and Budgets may approve requests for reprints within approved guidelines.~~

~~D. Accounting~~**30.609**

~~1. Control of the Chart of Accounts shall be lodged with the Central Treasury Corporation.~~

~~2. All revenue shall be received by the Central Treasury Corporation.~~

~~3. Expenditures shall be handled as follows:~~

~~a. They shall be paid by the Central Treasury Corporation, Procedures for verification and approval of expenditures shall be determined by the Central Treasury Corporation in light of accepted accounting requirements~~

~~b. Units, related bodies, and committees shall establish annual estimated expenditure schedules for all unified, selected, and supplementary funds, wherever possible. Monthly schedules estimating use of such funds shall be filed with the Treasurer and followed to the extent possible.~~

~~c. Certain restricted funds, unable to be calculated during the budget development process, may be expended~~

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~~by entities during a budget year even if such expenditures exceed the authorized Selected or Supplementary General Assembly Mission Budget and Program. These expenditures include funds held for others; receipts from activities such as conference centers; emergency funds given by the church in response to unforeseen needs; and response to the General Assembly action requesting new mission thrusts where such restricted funds are available. However, requests to~~

~~increase the use of other restricted funds during a budget year must be approved by the General Assembly Council, upon recommendation of its Finance Committee.~~

~~4. Enterprise Fund shall be handled as follows.~~

- ~~a. The enterprise fund receives revenues, makes expenditures, and holds assets and liabilities of a designated entity.~~
- ~~b. Establishment of enterprise funds may be recommended by the Finance Committee and, where appropriate, after consultation with the Committee on Support Services.~~
- ~~c. Year-end balances will be reviewed by the Finance Committee and, where appropriate, the Committee on Support Services. In addition, enterprise fund balances should be reported regularly to the Finance Committee through the Central Treasury. Approval and review of budgets from enterprise funds rests with the unit or related body supervising the entity and shall be submitted to the Finance Committee for information.~~

~~5. Working Capital [This item is currently under reconsideration~~

~~Costs for production of materials by mission budget participants shall be included in their unrestricted Mission Budget. The Central Treasury Corporation shall report to mission budget participants quarterly, the receipts from sales of materials, by item, showing number of items sold and the amount of revenue realized. Mission budget participants requiring additional funds for reprinting cost during a budget year shall apply to the Finance Committee for such funds~~

E.C. Budget Control and Reporting

30.610

- ~~1. The chief administrative officer of each entity participating in the General Assembly Mission Budget shall be responsible for control of allocation of funds in their respective operating units. Financial Resource Coordinators of the Central Treasury Corporation maintained within operating units will be available to aid the chief administrative officer in control procedures for the verification and approval of expenditures.~~
- ~~2. No expenditure in excess of the amount authorized within the approved General Assembly Mission Budget and Program shall be permitted without prior approval of the General Assembly Council's Finance Committee. Should such an over expenditure occur for any reason, ordinarily the corresponding budget line(s) of the entity involved will be reduced in a like amount for the current year.~~
1. Presbyterian Mission Agency Board, through the Finance Committee, shall act in a fiduciary role by maintaining oversight of the finances. The Finance Committee will review periodic financial reports to ensure Presbyterian Church (U.S.A.), A Corporation has the necessary resources to carry out its mission. (30.606)

- 3-2. All financial reports for Presbyterian Church (U.S.A.), A Corporation shall be provided to ~~participants the General Assembly through the Central Treasury Corporation~~ annually through independent audited financial statements prepared in accordance to the manual of operations, according to the timeline agreed upon.
4. ~~Balances available for mission through the General Assembly Mission Budget (income or principal where appropriate) shall be reviewed by the Finance Committee on a regular basis.~~

[End of Policies and Procedures]

Attachment A

Presbyterian Mission Agency Board
Report of the Finance Subcommittee on Unrestricted Reserves
December 10, 2015

1. What is the subcommittee's task?

The task of the subcommittee is to develop a comprehensive reserve plan linked to the strategic plan and annual operating and capital budgeting processes of the Presbyterian Mission Agency.

In addition the subcommittee is to consider updating the 1990 General Assembly Action, Section 30.597.3.

2. What's the background for this assignment?

Unrestricted reserves in the Presbyterian Mission Program Fund (PMPF) represent money received by the mission agency with no restrictions on use. PMPF reserves are spent with the approval of the Board.

In the past there were ample unrestricted funds for unplanned emergencies. Recently there has been a need to monitor spending more closely at lower reserve levels.

Unrestricted reserves are projected to disappear by 2017 as a result of large amounts of spending to balance the operating budget. For example, the PMPF is expected to provide \$4.2 million in funding to balance the 2016 budget.

In effect PMA has been using PMPF to avoid reductions in mission spending. Soon this will no longer be possible.

3. What resources are available to develop a comprehensive plan?

PMA's outside auditor Crowe Horwath provided two documents that describe the need for reserves at non-profit institutions and an overview of best practices.

Crowe Horwath emphasizes that there is no cookie-cutter formula for financial reserves. Each organization is different and needs to come up with a plan that works in their environment.

4. Why does the mission agency need unrestricted reserves?

Although current reserves will be exhausted soon, PMA will continue to need a rainy day fund to offset unbudgeted expenditures and revenue shortfalls, as well as for genuine emergencies.

Unrestricted reserves may also be used to take advantage of new mission opportunities not included in the operating budget. This kind of discretionary activity can't be funded without unrestricted reserves.

5. How are unrestricted reserves defined?

Currently unrestricted reserves are defined as net assets, the difference between agency assets and liabilities. The subcommittee recommends that in the future all PMPF funds be tied to an asset on the balance sheet that can be easily converted to cash.

This change is needed because the PMPF today includes assets like Stony Point receivables that can't be collected and therefore overstate the size of the reserve.

6. How will unrestricted reserves be accumulated in the future after current reserves are depleted?

The mission agency will continue to solicit and accept large unrestricted gifts (\$1 million or more) that will be placed in PMPF and spent with Board approval. These gifts are by nature sporadic and unpredictable.

In addition, the subcommittee recommends that we rebuild reserves with budget set asides. These set asides are included in the annual operating budget as line items for contingency expenses. Using this strategy the agency can rebuild reserves over time by reducing mission spending each year and capturing the savings as set asides until an agreed-upon reserve level is reached.

7. How will reserves be accumulated in mission areas funded primarily by restricted funds?

PMA mission areas that benefit from restricted funding areas will be required to accumulate and manage reserve funds on their own.

In the past these mission areas have been encouraged to do this but have not done so consistently because of budget pressures. The subcommittee recommends that restricted fund mission areas do this in the future as a matter of policy.

8. How will reserves be accumulated in mission areas funded primarily by unrestricted funds?

Because of the number of mission areas of this type and the smaller size of their budgets, the subcommittee recommends that this reserve be accumulated and managed by the agency as a whole. The budget and accounting process is the same, but the reserves will be managed as an agency-wide resource.

9. How will the reserve policy affect new fundraising efforts now underway?

Several mission areas that now rely primarily on unrestricted funds are attempting to raise additional money that will be restricted to their use.

There will be no reserve requirement on these restricted funds until the initial round of funding has been substantially completed. This temporary exclusion will help these mission areas establish financial viability before a reserve tax is imposed.

10. How will reserve levels for the agency's mission areas be defined?

The size of the emergency fund for each restricted fund mission area will be determined by that area with the approval of the CFO and her staff.

The size of the agency-wide emergency fund for mission areas funded by unrestricted donations will be determined by the CFO and her staff.

Reserve levels will be reviewed by the Board's finance committee as needed.

11. How will unrestricted reserves in the future be spent?

Spending from unrestricted reserves will be approved by the Board as it does now with one change. The subcommittee recommends that the Board not use reserves to mask projected budget shortfalls.

The Board should refrain from this practice because the large budget adjustments made recently have exhausted the PMPF. We can have PMPF support for the bi-annual financial plan or a reserve fund available for emergencies. We can't have both.

12. Will General Assembly language about PMPF be altered?

Barry Creech and Earline Williams have determined that the projected depletion of PMPF will violate General Assembly language adopted in 1990. We will work with them to provide new language for GA approval.

13. When will the new PMPF policy take affect?

The subcommittee recommends that the new reserve policy be approved at the February Board meeting and used by the PMA staff to prepare the two year budget that will be presented for approval at the April board meeting.

The PMPF has been a topic of discussion and a source of financial concern for some time. The subcommittee requests that the new policy be adopted to demonstrate that the Board and the agency are taking concrete steps to address the situation.

14. What's at stake?

PMA has unrestricted assets of \$230 million available for mission and ministry. PMA has additional restricted assets of \$270 million that must be maintained in perpetuity but which generate income each year for restricted mission purposes. PMA has annual revenues of \$69 million.

By any measurement the agency has significant financial resources.

By allowing PMPF reserves to be depleted to cover projected budget shortfalls, we have inadvertently created an atmosphere of scarcity rather than abundance.

The recommended policy changes will improve our ability to manage the agency's resources wisely.

15. Summary of recommendations:

- a. The PMA needs to maintain Board-authorized reserves.
- b. The reserves will be used for emergencies and new mission opportunities.
- c. Reserves will not be used to manage projected budget shortfalls.
- d. Reserve levels will be defined as liquid net assets.
- e. Reserves will be built up by unrestricted gifts and budget accumulations.
- f. Mission areas that benefit from restricted funds will accumulate and manage their own reserve fund.
- g. Mission areas that rely on unrestricted PMPF funds will rely on an agency-wide emergency fund.
- h. *Fundraising for new initiatives will be excluded from the reserve requirement until the initial round of fundraising is substantially complete.*
- i. Reserve levels will be approved by the CFO and her staff.
- j. New language will be developed for the reserve plan for GA approval.

Draft – Not Yet Approved

**Minutes of the Finance and Audit Committee of the
Presbyterian Mission Agency Board
Presbyterian Church (U.S.A.)
GoTo Meeting of March 31, 2016**

CALL TO ORDER	<p>The called meeting of the Finance and Audit Committee of the Presbyterian Mission Agency Board (“the Board”) was called to order at 1 p.m. (Eastern time) by the Chair, Chad Herring, who opened with prayer and a word of welcome to the members and others.</p> <p>The agenda was approved as presented.</p>
ATTENDANCE	<p>Roll call was taken in the usual manner. Those present for all or a portion of the meeting were as follows:</p>
FINANCE/AUDIT COMMITTEE MEMBERS PRESENT	<p>Molly Baskin, Marvin Brangan, Tom Fleming, Ken Godshall, Chad Herring (Chair), Jeffrey Joe, Raul Santiago-Rivera, Glen Snider, Kathy Trott, Ellen Cason, Kears Pollock, Richard Turpen, Eileen Lindner</p>
MEMBERS ABSENT	<p>Alice Ridgill, Melinda Lawrence Sanders, Wendy Tajima</p>
OTHERS IN ATTENDANCE	<p>Cynthia Embry, Andrea McNicol, Kathy Francis, Tony De La Rosa, Martha Clark, Shawn Ellison, Earline Williams, Denise Hampton, Shelly Lewis, Toni Carver-Smith, Tim Stepp, Greg Brekke, Leslie Scanlon</p>
RECORDER	<p>Shelly Lewis</p>
FINANCIAL REPORTS	<p>Denise Hampton provided an overview of the following financial reports for the year ended December 31, 2015, noting that the year-end financial reports are unaudited and will not be complete until the Audit Committee meets to finalize the audit report.</p> <ul style="list-style-type: none">• Glossary of Financial Terms (included for reference)• Management Report - Unaudited• PMPF Report• Dashboard• Consolidated Financial Statements - Unaudited• Reconciliation of unrestricted, undesignated net assets to PMPF (Crosswalk) <p>Denise talked about the variances, explained the receipts and expenditures and covered the necessary and appropriate items on each financial report. Following each portion of the presentation, staff answered all questions and clarified gray areas of the financial reports as needed.</p>
FINANCIAL EDUCATION SUBCOMMITTEE UPDATE	<p>Kathy Trott provided an update on the PMAB Financial Education Subcommittee project. She indicated that this PowerPoint presentation could possibly be recorded for staff and board training, and other possible uses to make it valuable and not just a one-time event.</p>
NEW BUSINESS	<p>The following meetings need to be scheduled and confirmed with the Board members (a) Audit Committee (Tony De La Rosa will setup a meeting with the Audit Committee to discuss the Budget Process), and (b) Finance Committee (Earline Williams will setup a meeting with the Finance Committee to set the agenda for the PMAB meeting in April).</p>
APPRECIATION	<p>Chad expressed appreciation to staff, board members and others in attendance for their participation in the meeting.</p>
CLOSING PRAYER AND ADJOURNMENT	<p>There being no further business, Chad Herring closed the meeting with prayer and adjourned at 2:17 p.m.</p>

Draft – Not Yet Approved

**Minutes of the Finance Committee of the
Presbyterian Mission Agency Board
Presbyterian Church (U.S.A.)
GoTo Meeting of April 13, 2016**

CALL TO ORDER	The called meeting of the Finance and Audit Committee of the Presbyterian Mission Agency Board (“the Board”) was called to order at 2:35 p.m. (Eastern time) by the Chair, Chad Herring, who opened with prayer and a word of welcome to the members and others.
ATTENDANCE	Those present for all or a portion of the meeting were as follows:
FINANCE COMMITTEE MEMBERS PRESENT	Molly Baskin, Ken Godshall, Chad Herring (Chair), Alice Ridgill, Melinda Sanders, Glen Snider, Kathy Trott
MEMBERS ABSENT	Marvin Brangan, Thomas Fleming, Jeffrey Joe, Raul Santiago-Rivera, Wendy Tajima
OTHERS IN ATTENDANCE	Toni Carver-Smith, Martha Clark, Barry Creech, Diane Dulaney, Denise Hampton, Shelly Lewis, Andrea McNicol, Earline Williams
RECORDER	Diane Dulaney
DRAFT AGENDA	Following revisions, the Committee VOTED to approve the changes to the agenda.
APPRECIATION	Chad expressed appreciation to staff, board members and others in attendance for their participation in the meeting.
CLOSING PRAYER AND ADJOURNMENT	There being no further business, Chad Herring closed the meeting with prayer and adjourned at 3:06 p.m.