

**PRESBYTERIAN MISSION AGENCY BOARD**

**March 27-29, 2019**

**Administrative Services Group**

**ITEM A.202  
FOR INFORMATION**

**Presbyterian Mission Agency Management Report**

PRESBYTERIAN MISSION AGENCY BOARD

March 27-29, 2019

Administrative Services Group

Presbyterian Church (U.S.A.)  
 Presbyterian Mission Agency - Management Report  
 The Year Ended December 31, 2018 as of February 27, 2019  
 Preliminary - Subject to Audit

	Unrestricted			Restricted			Grand Total		
	2018 YTD Budget	2018 YTD Actual	2017 YTD Actual	2018 YTD Budget	2018 YTD Actual	2017 YTD Actual	2018 YTD Budget	2018 YTD Actual	2017 YTD Actual
<b>Support from Congregations &amp; Presbyteries</b>									
Congregations	4,330,663	5,174,471	5,178,986	3,195,943	3,448,414	3,895,372	7,526,606	8,622,885	9,074,358
Special Offerings									
Christmas Joy				2,755,829	2,983,562	2,782,358	2,755,829	2,983,562	2,782,358
One Great Hour of Sharing				5,183,785	6,058,779	5,638,882	5,183,785	6,058,779	5,638,882
Peace and Global Witness				892,493	821,615	706,039	892,493	821,615	706,039
Special Offerings Catalogs				800,000	1,110,863	883,248	800,000	1,110,863	883,248
Pentecost				603,700	783,956	698,888	603,700	783,956	698,888
Witness				0	3,000	(1,374)	0	3,000	(1,374)
<b>Total Special Offerings</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,235,807</b>	<b>11,761,776</b>	<b>10,708,041</b>	<b>10,235,807</b>	<b>11,761,776</b>	<b>10,708,041</b>
Specific Appeals									
Emergency and Disaster Relief				1,700,000	7,150,117	14,547,437	1,700,000	7,150,117	14,547,437
Extra Commitment Opportunity				8,780,094	6,413,254	6,639,390	8,780,094	6,413,254	6,639,390
Special Missionary Support				508,400	630,579	606,690	508,400	630,579	606,690
Hunger				430,000	290,052	334,790	430,000	290,052	334,790
Theological Education Fund				0	325	516	0	325	516
Additional Forms of Giving									
Presbyterian Women				370,602	344,553	368,028	370,602	344,553	368,028
Gifts and Bequests	250,000	965,890	358,643	285,000	547,505	7,262,730	535,000	1,513,395	7,621,372
Grants from Outside Foundations	0	0	0	0	934	107	0	934	107
<b>Total Contributions</b>	<b>4,580,663</b>	<b>6,140,360</b>	<b>5,537,629</b>	<b>25,505,846</b>	<b>30,587,509</b>	<b>44,363,101</b>	<b>30,086,509</b>	<b>36,727,869</b>	<b>49,900,730</b>
Endowments, Interest and Dividends									
Income - Endowments held by Foundation	5,432,842	5,220,142	6,206,216	6,674,397	7,546,882	8,275,570	12,107,239	12,767,024	14,481,786
New gifts held by Foundation	0	0	0	2,000,000	2,807,345	3,286,952	2,000,000	2,807,345	3,286,952
Income from investments and other	509,000	2,095,779	2,339,078	981,061	785,483	115,493	1,490,061	2,881,262	2,454,571
Income from funds held by others	1,126,000	1,230,214	1,135,169		0	0	1,126,000	1,230,214	1,135,169
Other									
Hubbard Press	50,000	50,000	50,000	50,925	50,925	50,925	100,925	100,925	100,925
Sales of Resources	0	3,347	3,679	987,000	1,416,509	2,202,471	987,000	1,419,856	2,206,150
Program Services	0	0	0	4,043,220	3,631,539	3,896,205	4,043,220	3,631,539	3,896,205
Program Services - Church Loans	0	0	0	5,069,296	3,700,524	3,572,786	5,069,296	3,700,524	3,572,786
Other	0	170,602	0	0	3,330	2,734	0	173,933	2,734
<b>Total Endowments, Interest, Dividends &amp; Other</b>	<b>7,117,842</b>	<b>8,770,085</b>	<b>9,734,142</b>	<b>19,805,899</b>	<b>19,942,537</b>	<b>21,403,136</b>	<b>26,923,741</b>	<b>28,712,622</b>	<b>31,137,277</b>
<b>Total Revenue and Other Support</b>	<b>11,698,505</b>	<b>14,910,445</b>	<b>15,271,770</b>	<b>45,311,745</b>	<b>50,530,046</b>	<b>65,766,237</b>	<b>57,010,250</b>	<b>65,440,491</b>	<b>81,038,007</b>
Reserves - Usage/(Addition)	174,843	(4,232,748)	(2,932,162)	11,067,646	(2,201,089)	(20,441,216)	11,242,489	(6,433,837)	(23,373,378)
<b>Total Revenue, Other Support and Reserves</b>	<b>11,873,348</b>	<b>10,677,697</b>	<b>12,339,608</b>	<b>56,379,391</b>	<b>48,328,957</b>	<b>45,325,021</b>	<b>68,252,739</b>	<b>59,006,654</b>	<b>57,664,629</b>
Expenses									
Executive Director	439,223	505,141	456,666	1,614,042	1,409,026	1,392,898	2,053,265	1,914,167	1,849,564
Mission Resources	93,528	76,180	225,142	1,032,496	1,034,169	993,798	1,126,024	1,110,349	1,218,940
Theology, Formation & Evangelism	2,850,610	2,284,893	2,903,756	6,716,384	5,299,577	5,802,067	9,566,994	7,584,470	8,705,823
Compassion, Peace & Justice	1,584,760	1,447,505	1,357,549	16,491,661	14,848,649	12,476,028	18,076,421	16,296,153	13,833,577
World Mission	4,882,771	4,323,790	4,609,661	19,242,502	15,864,958	14,290,819	24,125,273	20,188,748	18,900,480
Racial Equity & Women's Intercultural Ministries	2,017,637	1,746,841	1,557,986	6,549,481	4,780,495	5,372,008	8,567,118	6,527,336	6,929,994
Shared Services	0	0	0	1,423,312	1,375,154	1,765,152	1,423,312	1,375,154	1,765,152
Santa Fe Disposal Costs	0	(98,305)	864,060	0	0	0	0	(98,305)	864,060
Stony Point Deficit Coverage	0	217,430	0	100,000	100,000	0	100,000	317,430	0
Curriculum Transfer Expenses	0	169,958	0	0	0	0	0	169,958	0
Insurance	0	0	0	1,494,966	1,236,486	1,153,326	1,494,966	1,236,486	1,153,326
Board of Pensions	0	0	0	1,405,186	1,578,954	1,422,719	1,405,186	1,578,954	1,422,719
Shared Expenses	0	0	358,818	300,000	29,500	0	300,000	29,500	358,818
Other	4,819	4,263	5,970	9,361	771,990	656,206	14,180	776,253	662,176
<b>Total Expenses</b>	<b>11,873,348</b>	<b>10,677,697</b>	<b>12,339,608</b>	<b>56,379,391</b>	<b>48,328,957</b>	<b>45,325,021</b>	<b>68,252,739</b>	<b>59,006,654</b>	<b>57,664,629</b>

**PRESBYTERIAN MISSION AGENCY BOARD**

**March 27-29, 2019**

Presbyterian Mission Agency  
Management Report

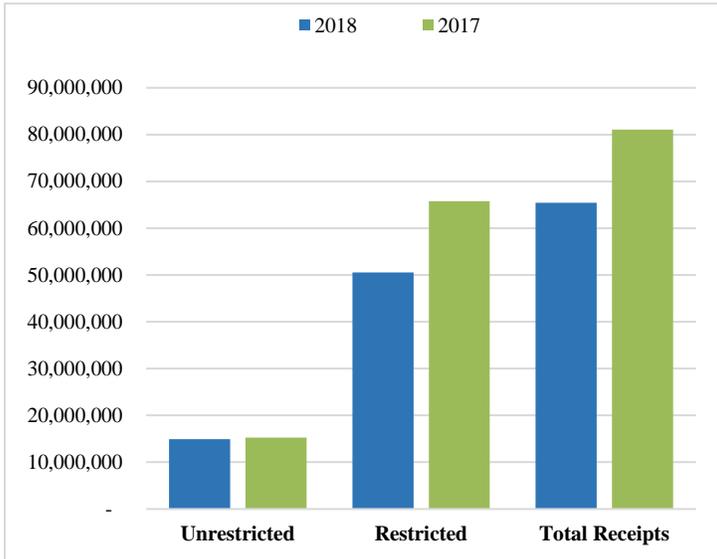
**Administrative Services Group**

For Twelve Months Ended December 31, 2018

Below are highlights that summarize significant variances between the current year and the previous year.

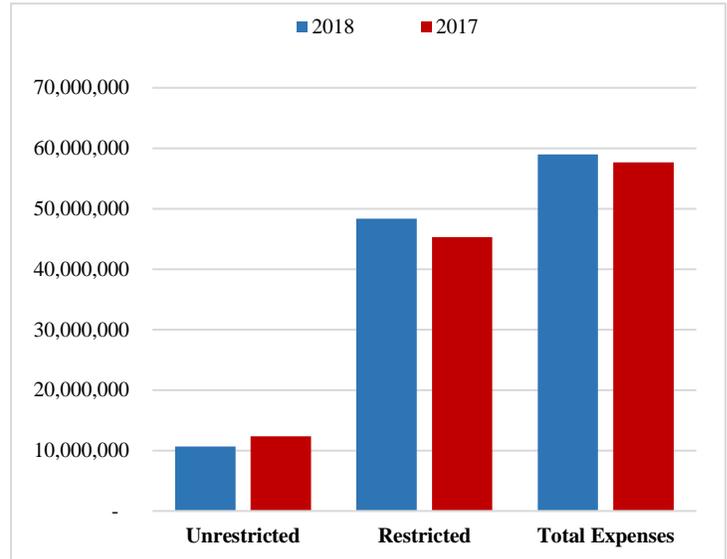
Receipts

Total receipts were less than last year's. Both the unrestricted and the restricted receipts decreased from 2017 by \$361,325 and \$15,236,191, respectively. Total receipts were less than last year's by \$15,597,516.



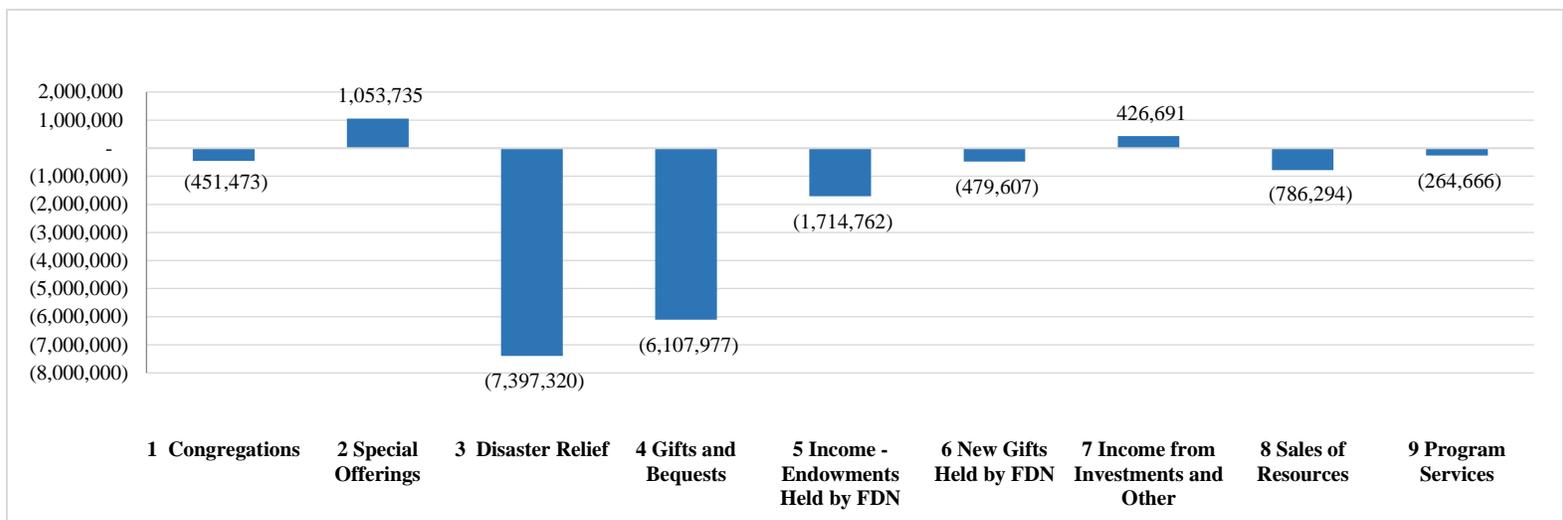
Expenses

Total expenses were greater than last year's. Unrestricted expenses were \$1,661,911 less than in 2017. Restricted expenses were \$3,003,936 more than in 2017. Total expenses were more than last year's by \$1,342,025.



**Receipts Above/(Below) Last Year's**

The following graph reflects the categories of receipts with the largest variances, along with explanations below.



1 Support from Congregations and Presbyteries (Shared Mission Support and Directed Mission Support) – Support from congregations and presbyteries was less than last year's by \$451,473. This reduction was primarily due to less received in Directed Mission giving for World Mission and Mission Personnel.

2 Special Offerings – Special offerings receipts were more than last year's by \$1,053,735. This increase was a result of the expanded level of intentional and directed outreach to churches, reminding them of the excellent work being done through their support.

3 Disaster Relief – Emergency and Disaster Relief receipts were less than last year's by \$7,397,320. The most significant 2018 gift receipt categories were General Relief and Presbyterian Disaster Assistance (PDA) support, U.S. Hurricane Response, Atlantic Hurricane Relief (Harvey, Irma and Maria), and U.S. Wildfires. Receipts from 2017 included \$6,340,000 for Harvey and \$3,861,000 for Irma and Maria.

4 Gifts and Bequests – Gifts and Bequests were below last year's by \$6,107,977. Last year's receipts included a \$2,000,000 gift with the restriction that \$1,000,000 each be used for Disaster Assistance and Self-Development of People (SDOP). Also received last year was a \$4,384,000 gift for Global Missions.

5 Income-Endowments Held by Foundation – The variance of \$1,714,762 was primarily due to unrealized losses on investments in 2018.

6 New Gifts Held by Foundation – The variance of \$479,607 was due to fewer new restricted gifts received by the Foundation.

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For Twelve Months Ended December 31, 2018

Below are highlights that summarize significant variances between the current year and the previous year.

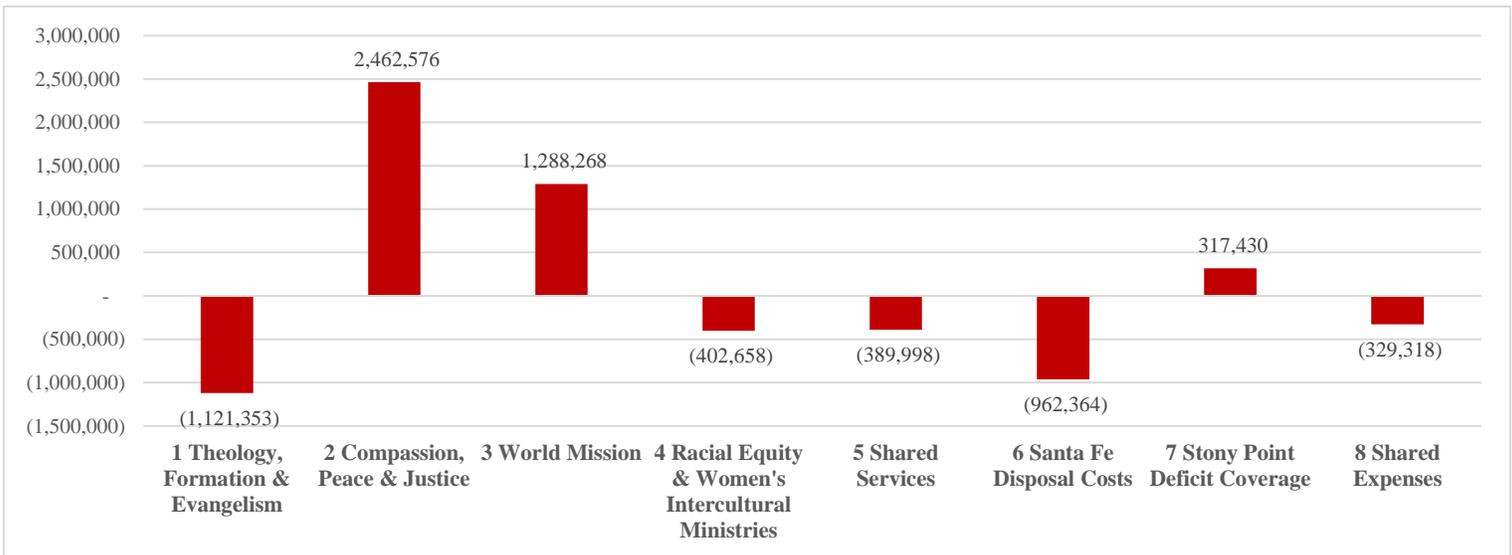
7 Income from Investments and Other – This line item includes not only current year income from investments but also amounts used from the unrestricted reserves. The variance of \$426,691 was due to usage of unrestricted reserves for expenses related to the Board of Pensions (BOP) medical rate adjustment, Mary Holmes College, PC(USA) One Store website, and the Congregational Ministries Publishing (CMP) transition, lost cost recovery.

8 Sales of Resources – The variance of \$786,294 was related to loss of sales due to transfer of Curriculum to Presbyterian Publishing Corporation (PPC).

9 Program Services – Program services decreased by approximately \$264,666. This was primarily due to decreased shipping revenue as a result of a change in the process made by the new PC(USA) One Store website.

**Expenses Above/(Below) Last Year's**

The following graph reflects the categories of expenses with the largest variances, along with explanations.



1 Theology, Formation & Evangelism – Total expenses in 2018 were \$1,121,353 less than in 2017. This was due to multiple staff vacancies and related program work and travel in the Director’s office, and in the ministry areas of Christian Education, Theological Education, and Theology & Company of New Pastors, in addition to consolidating Congregational Ministries Publishing (CMP) and Presbyterian Publishing Corporation (PPC).

2 Compassion, Peace & Justice – Expenses increased in 2018. Approximately half of the increase was due to Presbyterian Disaster Assistance (PDA) grants. Additionally, PDA had increases in salary and travel. Peacemaking increased in program and salary, Self-Development of People (SDOP) increased in grants and travel, and Presbyterian Hunger Program (PHP) decreased in grants expense.

3 World Mission – There was an increase in grants issued to Global Partners. In 2017 a new grant process was adopted which reduced the ability to issue grants timely, and in 2018 the process was streamlined which allowed more grants to be issued. Additionally, there was an increase in program expenditures for new initiatives involving Global Partner consultations (which is a regional event with their partners), and Africa and Middle East gatherings were hosted in 2018.

4 Racial Equity & Women’s Intercultural Ministries – In 2018 there were fewer expenditures due to the transition of the Investment and Loan Program (ILP)/Church Loan Program (CLP) to the Presbyterian Church (U.S.A.) Investment and Loan Program (PILP); the closure of the DREAM grant program; and fewer grants made for New Worshipping Community Investment and Presbytery Transformation in the Mission Program Grants office.

5 Shared Services – There were fewer 2018 expenditures due to the Presbyterian Publishing Corporation (PPC) One Store website agreement that transferred shipping charges from Presbyterian Distribution Service (PDS) to PPC.

6 Santa Fe Disposal Costs – Expenses were incurred in 2017 to remediate the soil of the Santa Fe property to prepare the property for sale.

7 Stony Point Deficit Coverage – This represents the amount in the Presbyterian Mission Agency (PMA) budget used to cover the Stony Point loss.

8 Shared Expenses – There were fewer 2018 expenditures for legal fees (\$255,000) and the Mary Holmes College allowance (\$71,000).

**PRESBYTERIAN MISSION AGENCY BOARD**

**March 27-29, 2019**

**Presbyterian Church (U.S.A.), A Corporation Administrative Services Group**

**Expense Detail**

**The Year Ended December 31, 2018 and 2017**

<u>Expenses by Program Area</u>	2018	2017
Executive Director	\$ 1,914,167	\$ 1,849,564
Mission Resources	1,110,349	1,218,940
Theology, Formation & Evangelism	7,584,470	8,705,823
Compassion, Peace & Justice	16,296,153	13,833,577
World Mission	20,188,748	18,900,480
Racial Equity & Women's Intercultural Ministries	6,527,336	6,929,994
Shared Services	1,375,154	1,765,152
Santa Fe - Disposal Costs	(98,305)	864,060
Conference Center - Stony Point Deficit Coverage	317,430	0
Curriculum Transfer Expenses	169,958	0
Insurance	1,236,486	1,153,326
Board of Pensions	1,578,954	1,422,719
Shared Expenses	29,500	358,818
Other	776,253	662,176
<b>Total</b>	<b>\$ 59,006,654</b>	<b>\$ 57,664,629</b>

<u>Expenses by Functional Classification</u>	2018	2017
Cost of Sales	578,688	556,577
Salaries & Benefits	29,393,380	29,234,325
Travel	1,675,665	1,432,194
Meetings	697,598	579,693
Administration	4,069,433	6,062,632
Programs	7,420,008	6,236,791
Resource Development	336,184	291,298
Grants	14,835,698	13,271,119
<b>Total</b>	<b>\$ 59,006,654</b>	<b>\$ 57,664,629</b>

