

Memorandum of Understanding

The **Presbyterian Church (U.S.A.) Foundation** (the "Foundation"), on behalf of itself and its constituent corporations, and whose address is 200 East Twelfth Street, Jeffersonville, Indiana 47130 and **Presbyterian Church (U.S.A.), A Corporation** ("A CORPORATION") on behalf of the **Presbyterian Mission Agency** ("PMA"), whose address is 100 Witherspoon Street, Louisville, KY 40202, and the **Presbyterian Church (U.S.A.) Investment and Loan Program, Inc.** ("ILP"), whose address is 100 Witherspoon Street, Louisville, KY 40202 (hereinafter referred to jointly as the "PARTIES"), hereby covenant and agree to the following:

1. The Foundation holds certain funds that are collectively referred to as "Board designated funds" that were created and/or restricted by the Foundation or its constituent corporations, including the Board of National Missions of the Presbyterian Church U.S.A. ("BNM"), which have the authority to change how the funds are used if necessary or otherwise consistent with its fiduciary duties. These funds include the Church Extension Fund, The Special Church Extension Fund, and the remaining BNM portion of the Fifty Million Fund.
2. The Foundation has agreed that, within the current fund restrictions, these funds may be used for the church extension program outlined in the 1001 New Worshiping Communities ("NWC") proposal ("Proposal"), which is included as Attachment A to this Memorandum of Understanding and is hereby incorporated into this Memorandum by reference, and which is the current programmatic name for PMA's church extension work. PMA's church extension work also includes grants to particular congregations and presbyteries for projects associated with transforming existing congregations, or developing congregational-based ministries and as support for ministry programs related to organizing new congregations or worshiping communities, transforming existing congregations, or developing congregational-based ministries. Additionally, ILP continues to use the funds listed in paragraph 1, as it has for decades, for church extension work in the form of the following which is not an exhaustive list: making loans with interest to congregations and presbyteries for site purchase, building, equipping, renovation, retrofitting and leasehold improvement purposes.
3. The Foundation has determined that the NWC Proposal is designed to support the development and sustainability of NWC. The Foundation has further determined that PMA's church extension work, now in the form of the NWC program, is a valued program worth sustaining into perpetuity but has also noted that the program does not currently generate income to sustain itself.
4. The Foundation, through BNM, has approved the Proposal and the related budgets for 2021 and 2022 contingent upon an acknowledgment by PMA that additional funds will need to be identified to generate enough income to sustain PMA's church extension work, now in the form of NWC, beyond the 2022 fiscal year in perpetuity. By their signatures below, A Corporation, on behalf of PMA, and ILP agree and

acknowledge that the Foundation's approval of the Proposal is subject to and contingent upon the identification of, and, in certain cases, court approval of the use of, certain funds, the spending formula distributions from which will be committed and used in whole or in part to sustain the Proposal in perpetuity (the "Committed Funds"). The currently-identified Committed Funds are those which are identified in the spreadsheet included as Attachment B to this Memorandum of Understanding; provided, however, that the Parties agree and acknowledge that the division of fund balances allocated to PMA and ILP may change over time as may be agreed among the Parties. ILP specifically acknowledges and agrees that the proposed use of the Committed Funds pursuant to the Proposal will not infringe upon or in any way impact any outstanding loan obligations that may exist with regard to these funds. The Parties further specifically acknowledge and agree that the Foundation will retain title and sole fiduciary responsibility for the Committed Funds for which it currently has title and fiduciary responsibility.

5. Based upon current calculations, PMA believes that Committed Fund principal totaling \$140 million will be needed to sustain the NWC Program. This amount assumes application of the then current spending formula, which is currently 4.25% of a 20 quarter market value average with an eighteen month lag, to the principal of the Committed Funds. By their signatures below, A Corporation, on behalf of PMA, and ILP agree and acknowledge that failure to identify and obtain, as necessary, court approval for the use of Committed Funds with a total of at least \$140 million in principal will nullify the Foundation's commitment to support the Proposal beyond the 2022 fiscal year though additional conversations related to these issues may continue between the Parties and new agreements could be made if the Parties agree.
6. That Foundation staff will work with PMA staff to pursue strategic cy pres actions consistent with this Memorandum of Understanding and the January 2021 strategic plan summary for the NWC Program prepared by PMA, as amended in June 2021, which is included as Attachment C to this Memorandum of Understanding and is hereby incorporated into this Memorandum by reference. PMA has also provided the Foundation a budget consistent with the proposal attached as Exhibit C, and both parties understand and acknowledge that cost recovery will apply to funds distributed by the Foundation to PMA in support of the 1001 NWC Program at a yet to be determined amount. PMA understands and agrees that the Foundation's obligation to pursue the necessary cy pres actions is contingent upon the Foundation Board's approval of this Memorandum of Understanding. Upon such approval, the Foundation, as fiduciary, will be responsible for all aspects of the necessary cy pres actions, but agrees to collaborate with ILP, PMA, and Administrative Services Group staff as necessary and consistent with this memorandum and its fiduciary duties, to pursue the contemplated cy pres actions.
7. Separate and apart from the cy pres actions contemplated by this Memorandum of Understanding to support PMA's church extension work, now in the form of the


NWC program, ILP expresses its desire for and the usefulness of a cy pres action on certain funds to expand the purposes for which loans may be given (e.g., equipping, renovation, or retrofitting of leasehold improvement) in order to more fully utilize the available funds and meet the needs of a changing church. The Foundation acknowledges ILP's desire for and the potential usefulness of such cy pres actions, and may agree to undertake such cy pres actions in consultation with and pursuant to separate agreement with ILP.

The interpretation and enforceability of this memorandum shall be governed by and construed in accordance with the law of the State of Indiana.


IN WITNESS WHEREOF, intending to be legally bound, the PARTIES have hereunto set their hands and caused their names to be written and corporate seals to be affixed by its proper officers, as of the 16th day of June, 2021.

APPROVED:

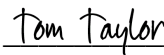
Presbyterian Church (U.S.A.), A Corporation on behalf of the Presbyterian Mission Agency

By:  7/8/2021
Rev. Dr. Diane Moffett
President and Executive Director
Presbyterian Mission Agency

Presbyterian Church (U.S.A.) Investment and Loan Program, Inc.

By:  7/9/2021
James G. Rissler
Chief Executive Officer
Presbyterian Church (U.S.A.) Investment and Loan Program, Inc.

Presbyterian Church (U.S.A.) Foundation, on behalf of itself and its constituent corporations

By:  7/9/2021
Rev. Dr. Thomas F. Taylor
President and Chief Executive Officer
Presbyterian Church (U.S.A.) Foundation

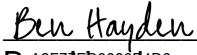
By:  7/7/2021
Ben Hayden
Chief Financial Officer
Presbyterian Church (U.S.A.) Foundation

EXHIBIT A

MARCH 2020 PROPOSAL

1001 New Worshiping Communities

Following the Spirit into the Future

Prepared for: Leadership in the Presbyterian Church (USA)

Prepared by: Nichole Collins, Coordinator 1001 New Worshiping Communities

March 2020

Overview

Since 2012, the Presbyterian Mission Agency has led the larger church, the sibling agencies of the PC(USA), and the mid councils across the denomination in a movement of innovation and risk, courage and faithfulness. This work is grounded in the conviction that the Holy Spirit has called us to proclaim the Gospel in fresh and creative ways that respond to our changing culture. Though the mandate of the General Assembly was to create the conditions in which the PC(USA) could launch 1001 new worshiping communities in a 10 year period, we believe this initiative has prepared and propelled us to answer a call for the Church that will last much longer than a decade. The learnings from our detailed longitudinal study of the movement, the structures and program of discernment and training created since 2012, and the financial grounding of the funds ultimately available through the *cy pres* action form the basis of a growing plan of church extension and evangelism in the Presbyterian Church (USA). Funding and support for the 1001 movement has been divided between two offices of the Presbyterian Mission Agency. The grant structure is supported by Racial Equity and Women's Intercultural Concerns office through the work of the Mission Development Resource Committee. The programmatic support is funded through the Office of Theology, Formation and Evangelism. The funding sources for the *grant program* are adequate through 2022. However, the previously designated funds to support the programmatic efforts of the movement are nearing depletion. The purpose of this document is to describe the scope and impact of the 1001 movement and its budget history so that the Foundation can identify appropriate interim funding for the programmatic support while pursuing the critical legal work of the *cy pres* action.

From 2012-2019, the Presbyterian Mission Agency supported the launch of **629**
New Worshiping Communities.

459 of these are active today.

Approximately **15,000** people participate in PC(USA) new worshiping communities.

How do NWCs compare to the larger church?

- Half of NWC communities have 30 or more regular participants
- 78% of NWC communities were not attending a PC(USA) congregation before participating in a NWC
- 68% of NWC participants are under the age of 45
- 53% of participants are people of color
- 29% of these communities are racially diverse (no race comprises more than 79% of its membership)
- 43% of NWC leaders are paid for the work leading the community
- 23% of leaders have a paid full-time job in addition to leading the NWC
- 35% of NWC leaders were born outside of the USA
- 60% of NWC leaders are ordained as PC(USA) Ministers of Word and Sacrament
- 29% are in their first call
- In 2018, NWCs reported 190 baptisms. 105 of these were for people over the age of 12.

How are we accomplishing this?

Through 2019, Mission Development and Resource Committee has awarded approximately \$8.1M in grants to presbyteries for the support of new worshiping communities and their leaders. The 1001 grant program is administered under the oversight of the Racial Equity and Women's Intercultural Concerns ministry area of the Presbyterian Mission Agency. However, the support for these ministry programs is much broader than the grant assistance provided. In conjunction with the grant funding, the office of Theology, Formation and Evangelism provides a system of resources to equip mid councils, partner congregations, and emerging leaders. These resources are critical to the long-term viability of any new worshiping community and thereby serve to make the grant funding more effective when made. As the 1001 movement has grown over the past 7 years, the staff design has developed to support the increasing diversity and complex contextual needs of the movement. The budget for this support program and requisite staffing is reflected in the financial data below and includes the following key resources with the projected program costs for 2021:

- **Assessments** *approximately \$147,000*
Each year, we offer six opportunities for potential leaders to discern their call and capacity for missional leadership in a new worshiping community. In 2019, we provided assessments for 40 potential leaders and their spouses, and the Episcopal Church licensed our program for use in their new church development ministry. This year we offered our first Spanish-language assessment. These 4-day events provide an opportunity for discerning leaders and their mid councils to determine the theological, relational, leadership, and financial fit for the work of church planting. New worshiping communities led by individuals with the gifts and skills necessary for this specialized ministry are more likely to reach self-sustaining maturity.
- **Training** *approximately \$187,000*
1001 offers national and regional training events and peer cohorts for leaders and their teams for every phase of the launch of a new worshiping community. In 2020, we will launch in person and online accelerator courses in Spanish and English. This accelerator training is modeled on the best practices for entrepreneurial startups across tech and business industries and will be required training for leaders of projects before receiving an Investment Grant. Content includes developing mission focus and strategy, understanding budget and funds development, communication planning, and building a leadership team. Other training events include specialized curriculum for leaders of communities in 3-5 years of ministry as well as events specifically designed to strengthen leadership teams. In addition, more than 125 leaders are engaged in peer learning and support cohorts facilitated by 1001 coaches.
- **Apprenticeships and Residencies** *approximately \$420,000*
Discerning leaders who qualify for our carefully coached site-based learning experiences receive weekly webinar training, monthly coaching, access to our national gathering and assessment programs, and an on-site supervisor to mentor them through the process of conceiving an idea and launching an experiment in missional community. This program supports the development of 25-40 new leaders each year.

- **Coaching** *approximately \$175,000*
The 1001 coaching network consists of nearly 100 trained coaches and includes a broad representation of communities of color and languages. Coaches are equipped to work with NWC leaders, leadership teams, and mid-councils in the development of healthy and sustainable systems that lead to viability and vitality in new worshiping communities. In 2020, we will pilot the certification of coaches through the International Coaching Federation. The 1001 coaching network has reached a level of development and growing expertise now recognized by other initiatives and offices within the PMA and has become a resource to the Office of Christian Formation and the Vital Congregations Office.
- **Mid Council Support** *approximately \$10,000*
The 1001 national staff consults with presbyteries in their development of healthy ecosystems of risk and innovation, accountability and oversight. Providing insight into best practices and direct leader support, 1001 Regional Associates provide a direct link to the larger system of resources. These regional associates are nested in local communities and are seasoned new worshiping community leaders. The four Regional Associates on the 1001 team connect with every presbytery within the PC(USA) every year.

Grants

Through the office of Mission Program Grants within Racial Equity and Women's Intercultural Concerns, mid councils have access to a system of grants to support the New Worshiping Communities within their bounds. No one project may receive more than \$70,000 in total grant assistance. The Health Care Grant described below is not included in that total as it is designed to assist individual leaders.

Seed Grant *up to \$10,000*

Designed to encourage the birth of new worshiping communities through congregations and presbyteries, this one-time award does not require matching funds from the presbytery or a partner congregation.

Investment Grant *up to \$30,000*

Twelve months after receipt of a Seed Grant, a one-time grant of up to \$30,000 is possible and conditioned upon real progress having been made toward meeting the definition of a new worshiping community and completion of leader training requirements. Investment Grants ordinarily require a dollar-for-dollar match provided by the combined contributions of a partner congregation and presbytery and/or synod.

Growth Grant *up to \$30,000*

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 sustainable, Christ-centered and PC(USA) related new worshiping community. The one-time Growth Grant is available 18 months after receipt of an Investment Grant. A dollar-for-dollar match from the presbytery and/or synod is ordinarily required.

Health Care Grants *up to \$3000 each*

This grant 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 care. Presbyteries may apply on behalf of NWCs for an annual grant of up to \$3000 which is twice renewable.

Measuring Success and Building Sustainability

How will you know the 1001 movement is making a difference in the church and the world?

The statistics provided above show us how the Holy Spirit is moving among us to do a new thing:

1. We are calling new disciples to follow Jesus and join Christian community. Research suggests that only 1 in 10 new members of a church 15 years old or older, was previously unchurched, de-churched, or of a non-Christian faith. Within the new worshipping communities of the PC(USA) such participants number at least 1 in 3.
2. We are changing the face of the PC(USA). Despite decades of efforts to welcome and include younger people and people of color in the denomination, we are still a 90% white church. However, participants in new worshipping communities are much younger and much more racially and ethnically diverse than members of our established congregations. Through the 1001 movement, the PC(USA) is beginning to look more like the world around us. A significant number of new worshipping communities are creating redemptive ministries among marginalized populations including the physically and intellectually disabled, homeless women and men, children in foster care, and women in prisons.
3. The PC(USA) is experiencing innovations in worship and community engagement and shifts in pastoral leadership models as we discover new ways of creating vibrant and sustainable faith communities among varying populations previously underrepresented in the denomination. Functioning much as the research and development arm of the Presbyterian Church, the 1001 movement is breathing new life into mid councils and partner congregations across the country and opening new possibilities for joining God in the redemption of the world.

How do we create a vibrant and sustainable ecosystem of new worshipping communities within our church?

While the movement is still young, our staffing structure, grant program, and training models are developing in response to what we are learning from these new communities. The average age of a NWC started within this movement is 5.2 years. Half of our starts have made it to the 4-year mark to date and 21% of the communities associated with the movement are 7 years or older. To foster sustainability among new worshipping communities, the 1001 program focuses on the following:

1. Partnering with mid councils to assess the both the project's and the larger system's capacity for funding and supporting a new community to the point of self-sustainability prior to and early in the launch
2. Providing targeted donor development training for NWC leaders in the first years of launch. This training is increasingly responsive to the particular needs of communities of color and those communities serving at-risk populations. In 2020, Montreat Conference Center has lent their support to this effort by including a cohort of NWCs in a second-generation stewardship training program. In addition, this training permeates our national events, regional gatherings, coaching, and apprenticeship and residency programs.
3. Encouraging healthy established congregations to partner with new worshipping communities throughout their development. The connectional nature of the PC(USA) provides critical support for emerging communities and lends new energy and vision to tired congregations. Support (financial or otherwise) from individuals in partner congregations increases a NWC's chance of long-term sustainability by 19%.

Funding: History, Projections, and Sources

1001 Program	2014	2015	2016	2017	2018	2019	2020 Budget
Total	\$1,143,265	\$908,082	\$746,996	\$914,401	\$1,206,919	\$1,673,339	\$2,261,324

2021 Projected Expenses			
1001 NWC Program			
Source of Funding		Detail of Expenses	
CL506	\$ 2,676,507.00	Salaries & Benefits	\$ 855,763
Church Loan - Unidentified	\$ 172,877	Travel	\$ 153,500
		Administration	\$ 551,306
		1001 Program	\$ 1,288,815
Total	\$ 2,849,384	Total	\$ 2,849,384
Mission Engagement Support			
Source of Funding		Detail of Expenses	
Church Loan - Unidentified	\$ 152,429	Salaries & Benefits and Administration	\$ 152,429
	\$ 152,429	Total	\$ 152,429
Mission Program Grants			
Source of Funding		Detail of Expenses	
Parsonage & Church	\$ -	20 Seed Grants @\$10,000	\$ 200,000
Church Extension	\$ 503,617	18 Investment Grants @\$30,000	\$ 550,000
Special Church Extension	\$ -	17 Growth Grants @\$30,000	\$ 450,000
Fifty Million	\$ 1,506,024	17 Health Insurance Grants @\$3,000	\$ 50,000
Other	\$ -	4 Transformation Grants @\$50,000	\$ 200,000
		Salaries & Benefits	\$ 185,867
		Travel	\$ 5,500
		Administration	\$ 368,274
Total	\$ 2,009,641	Total	\$ 2,009,641
			\$ 5,011,454

Salary & Benefits Detail 2021			
Church Growth 1001 Office	855,763	6 Full-time, 5 Part-time, 9 Apprentices: (20 total)	
Mission Program Grants Office	185,867	2 Full-time -Assoc. for Mission Program Grants, Admin Assistant	
Mission Program Grants Office	114,450	1 Full-time Mission Engagement Advisor	
Total	1,156,080		

2022 Projected Expenses			
1001 NWC Program			
Source of Funding		Detail of Expenses	
CL506	\$ 1,678,578.00	Salaries & Benefits	\$ 875,360
Church Loan - Unidentified	\$ 1,024,755	Travel	\$ 153,500
		Administration	\$ 364,658
		1001 Program	\$ 1,309,815
Total	\$ 2,703,333	Total	\$ 2,703,333
Mission Engagement Support			
Source of Funding		Detail of Expenses	
Church Loan - Unidentified	\$ 155,077	Salaries & Benefits and Administration	
	\$ 155,077	Total	\$ 155,077
Mission Program Grants			
Source of Funding		Detail of Expenses	
Parsonage & Church	\$ -	20 Seed Grants @\$10,000	\$ 200,000
Church Extension	\$ 509,405	18 Investment Grants @\$30,000	\$ 550,000
Special Church Extension	\$ -	17 Growth Grants @\$30,000	\$ 450,000
Fifty Million	\$ 1,506,024	17 Health Insurance Grants @\$3,000	\$ 50,000
Other	\$ -	4 Transformation Grants @\$50,000	\$ 200,000
		Salaries & Benefits	\$ 190,666
		Travel	\$ 5,500
		Administration	\$ 369,263
Total	\$ 2,015,429	Total	\$ 2,015,429
			\$ 4,873,839
Salary & Benefits Detail 2022			
Church Growth 1001 Office	875,360	6 Full-time, 5 Part-time, 9 Apprentices: (20 total)	
Mission Program Grants Office	190,666	2 Full-time -Assoc. for Mission Program Grants, Admin Assistant	
Mission Program Grants Office	117,098	1 Full-time Mission Engagement Advisor	
Total	1,183,124		

EXHIBIT B

DIVISION OF FUNDS SPREADSHEET

PROPOSED DIVISION OF CHURCH ENDOWMENT FUNDS
TO CREATE SUSTAINABLE FUNDING FOR
PMA CHURCH EXTENSION WORK (1001 NWC)

		Committed Fund Principal Designated to Support PMA Church Extension Work (currently in the form of 1001 NWC)*	Remaining Balance of Church Loan Fund Available to ILP*
Endowment Funds For Which Cy Pres Actions May Be Pursued to Support PMA Church Extension Work (currently in the form of 1001 NWC)			
1	Building Campaign Fund	\$ 56,000,000	\$ 20,087,933
2	Loan A	\$ 42,000,000	\$ 28,548,437
3	Bailey, Ellen M.	\$ 236,895	\$ -
4	Sundry Bequests - Building Aid (Church Erection)	\$ 500,000	\$ 318,607
5	Sundry Permanent Building Aid Fund	\$ 1,000,000	\$ 887,871
6	Johnston, Cora (f/k/a Building & Church Extension)	\$ 8,085	\$ -
7	Van Meter, Artemesia and Martha J.	\$ 32,060	\$ -
8	Smith, Charles K. O/T - Church Erection Fund	\$ 18,000,000	\$ 3,460,794
	Subtotal	\$ 117,777,039	\$ 53,303,642
Current PMA Funds Not Requiring Cy Pres That May Be Designated to Support PMA Church Extension Work (currently in the form of 1001 NWC)			
<u>General Assembly Mission Board Funds (not held by the Foundation)</u>			
1	GAMB General Fund	\$ 1,555,203	\$ -
2	GAMB Restricted	\$ 4,624,840	\$ -
<u>Board Designated Funds Held by The Foundation or Constituent Corps.</u>			
1	Church Parsonage & Church Loan Fund	\$ -	\$ 4,603,229
2	Church Extension Fund **	\$ 3,300,000	\$ -
3	Special Church Extension Fund **	\$ 4,000,000	\$ 9,783,249
4	Fifty Million Fund **	\$ 9,000,000	\$ 25,455,343
	Subtotal	\$ 22,480,043	\$ 39,841,821
Other Church Loan Funds Available to ILP			
1	Ely, Ambrose K. Memorial	\$ -	\$ 820,340
2	Loan X	\$ -	\$ 61,859,602
3	Barber, Phineas M.	\$ -	\$ 2,991,938
4	Kennedy (John S.)	\$ -	\$ 4,046,865
5	Manson, Helen H. P.	\$ -	\$ 176,995
6	Garret, George	\$ -	\$ 468,709
7	Manse	\$ -	\$ 2,317,329
8	Raynolds, William F.	\$ -	\$ 4,789,830
9	Hoyt, Ezra P.	\$ -	\$ 217,164
10	Dunlap, George M. and Sophia R.	\$ -	\$ 10,779,635
11	Anderson, Margaret B. and Harrison Ray	\$ -	\$ 182,757
	Subtotal	\$ -	\$ 88,651,164
Totals for Division of Funds		\$ 140,257,082	\$ 181,796,626

*Balances based upon market value fund balances net of endowed principal as of 3/31/2021.

**Balance adjusted to allow for 2021 and 2022 budgeted expenses.

EXHIBIT C

JANUARY 2021 STRATEGIC PLAN SUMMARY

2022 – 2027 Vision and Strategy



Presbyterian Mission
**1001 New Worshiping
Communities**



**Prepared
January 2021**

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EXECUTIVE SUMMARY

The 220th General Assembly issued a clear and compelling mandate to the church:

create the conditions in which the PC(USA) could launch 1001 new worshipping communities in a 10-year period.

In response, the church established the 1001 New Worshipping Communities initiative and has gone to work to answer this call.

Since 2012, the Presbyterian Mission Agency has led the larger church, the sibling agencies of the PC(USA), and mid councils across the denomination in a movement of innovation and risk, courage, and faithfulness. This work is grounded in the conviction that the Holy Spirit has called us to proclaim the Gospel in fresh and creative ways to respond to our changing culture.

In less than 10 years, we have

- ***Launched and supported more than 650 new worshipping communities***
- ***Awarded over \$10,000,000 in grants to directly support these new communities***
- ***Welcomed over 15,000 new disciples into the worship and witness of the PC(USA)***
- ***Built a system of resources to identify new leaders, assess their gifts, and train and coach them for sustainability and vitality***
- ***Witnessed the PC(USA) grow younger, more diverse, and more representative of the world around us.***
 - ***78% of participants were not participating in a PC(USA) congregation before participating in a new worshipping community***
 - ***68% are under the age of 45***
 - ***53% of participants are people of color***
 - ***35% of new worshipping community leaders were born outside the USA***
 - ***Half of the baptisms in new worshipping communities are of young adults or adults***

The support of new worshipping communities is spread across the Presbyterian Mission Agency, but primary elements of the program are housed in the Office of Theology, Formation and Evangelism which provides the training and coaching resources that undergird the initiative. The Office of Racial Equity and Women's Intercultural Ministries administers grant funding and provides expertise and support particularly for communities of new immigrants. **The Office of the General Assembly** offers ongoing constitutional guidance and support for mid councils as they consider issues of leader credentialing and charter.

The Presbyterian Foundation has joined this effort by making cy pres funding available to support the 1001 New Worshipping Communities Initiative. They are also offering scholarships providing critical funding to support the entire initiative and for leaders to attend critical training events. Foundation staff have opened resources like the Stewardship Navigator and the Stewardship Kaleidoscope conference to new worshipping community leaders, and the Foundation continues to partner with 1001 staff to imagine new ways local resources might be leveraged for the future of the church and the sake of the Gospel.

Our colleagues at **the Board of Pensions** have created a new grant program to make way for new worshipping community leaders to participate in the full benefits program of the church. **Presbyterian Publishing Corporation** has offered new resources and established relationships with new worshipping community leaders and 1001 staff for the creation of new curriculum and other publications. **Mid councils** have invested millions of matching dollars, immeasurable wisdom, and countless people hours in support of these new communities. The 1001 movement clearly meets the Assembly's goal of spanning the entire church and all of our agencies in the work of calling new disciples and starting new churches.

Because we have befriended new disciples, witnessed new forms of church communities grow and flourish, and believe God will continue to meet our courage and faithfulness, we dare to imagine a Presbyterian Church (USA) that becomes

***A diverse gathering of courageous followers of Jesus
committed to calling and forming disciples who seek justice,
love mercy, and walk humbly with God.***

This vision statement reflects the Presbyterian Mission Agency's commitment to the Matthew 25 vision with the tri-fold foci of eradicating systemic poverty, dismantling structural racism, and building congregational vitality.

FIVE-YEAR GOALS

Over the next five years, the 1001 New Worshiping Communities initiative aims to scale our capacities. Building on the successes and learnings of the past decade, we will:

Build our capacity so that by 2027 we are **launching up to 80 new communities each year** while equipping existing young communities to grow into chartered congregations or other vital expressions of Christian community.

Ensure that **75% of these communities achieve sustainable funding** and leadership.

Celebrate the **charter of more than 100 new worshiping communities** becoming churches by 2027.

Expand the PC(USA)'s welcome of new leaders and new worshiping communities who reflect the diversity of the American landscape into all levels of denominational leadership through **new avenues of credentialing and community recognition**.

Provide key resources and relationships to further the Mission Agency's core objectives.

BUILDING THROUGH *CY PRES* FUNDING

This strategic plan demonstrates the pathway to sustained church vitality through the launch of new worshiping communities. The program and budget described will

Provide essential financial grounding for long-term evangelism

Accelerate the formation of new congregations

Expand grant resources to increase the number of communities launched annually

Build staff expertise

Deepen mid council relationships

Reaching these goals will require additional funding from a successful *cy pres* action of \$140M of under-utilized endowment funds. Consultation with The Presbyterian Investment and Loan Program indicates that a corpus of this amount will not impinge on their use of these funds. The following budget projections are based on an assumed corpus of \$140M and the projected spending formula that decreases to 4% by 2027.

THE 1001 TEAM

\$6.9M OVER 5 YEARS

The mission of the 1001 team is to inspire and equip congregations and mid councils to start new communities of worship and witness, to call and prepare local leaders to serve these ministries, and to support and encourage innovation and connection across the denomination and with ecumenical partners. The staff supporting this movement are housed in three program areas of the Presbyterian Mission Agency: Theology, Formation and Evangelism, Racial Equity and Women's Intercultural Ministries, and Mission Engagement Support.

Nikki Collins, Coordinator

With 20 years of experience in church leadership, mid council ministry, and the founding of two new worshipping communities, Nikki is well-equipped to support presbytery executives and new worshipping community leaders as they follow the Spirit into new ways of sharing the Gospel and shaping community.

The 1001 team is a talented and faithful group of leaders each of whom has direct experience in launching and providing funding support for new worshipping communities. They possess practical wisdom, technical skill, and passionate commitment to this movement and the new people we welcome to the church through it. These leaders have cultivated transformative relationships across the church and built a valuable system of resources to help us accomplish the mission of growing the Presbyterian Church through new worshipping communities.

Sean Chow	Associate for Training and Leadership Cohorts
Sara Hayden	Associate for Apprenticeships and Residencies
Michael Gehrling	Associate for Assessments and the NE Region
Jeff Eddings	Associate for Coaching and Spiritual Formation
Shawn Kang	Central and Western Regional Associate
Gad Mpoyo	Southeastern Regional Associate
Eva Slayton	Administrative Professional
Molly Atkinson	Administrative Professional
Tim McCallister	Coordinator of Mission Program Grants
Mary Oxford	Administrative Professional, Mission Program Grants
Jon Moore	Mission Engagement Advisor

OUR KEY RESOURCES

The Presbyterian Mission Agency provides both financial support and a system of resources to foster a successful launch and build sustainability in new worshipping communities. To date, grant awards exceed \$10M in direct support. The staff and program design have developed over the past 9 years to effectively serve an increasingly diverse movement with complex contextual needs. We anticipate maintaining these critical programmatic elements for the next five years even as we anticipate they will expand in scope and content.

GRANTS

\$8.6 over 5 years

Through the Office of Mission Program Grants, mid councils have access to a system of grants to support new worshipping communities within their bounds. A project can receive up to \$70,000 in grant assistance and leaders are eligible for an additional health insurance grant. In 2021, the amount of these grants grew to reflect a cost of living scale adjustment. Seed Grants increased from \$7500 to \$10,000. Investment and Growth Grants increased from \$25,000 to \$30,000.

- Seed Grant** **up to \$10,000** to encourage the birth of a new worshipping community
- Investment Grant** **up to \$30,000** and conditioned upon real progress and leadership training.
- Growth Grant** **up to \$30,000** for new worshipping communities whose process of discernment and development indicates a sustained trajectory of becoming a chartered congregation or other vital witness.

TRAINING AND DEVELOPMENT PROGRAM

\$6.7 over 5 years

In conjunction with the grant funding, the office of Theology, Formation and Evangelism provides a system of resources to equip mid councils, partner congregations, and emerging leaders. These resources are critical to the long-term viability of any new worshipping community and thereby serve to make the grant funding more effective when made. This section describes these program resources and the growth we anticipate in them over the next 5 years.

Assessments

Each year, we offer at least six opportunities for potential leaders to discern their call and capacity for missional leadership in a new worshipping community. In 2019, the Episcopal Church licensed our program for use in their new church development ministry. These 4-day events offered in Spanish and English provide an opportunity for discerning leaders and their mid councils to determine the theological, relational, leadership, and financial fit for the work of church planting. Our research shows that new worshipping communities led by individuals with the gifts and skills necessary for this specialized ministry are more likely to meet self-sustaining maturity. By 2023, we will develop a set of second-level assessments to provide insight for leaders and communities discerning transitions in their maturing ministries.

Training

The 1001 team offers national and regional training events and peer cohorts for leaders and their teams in every phase of launching a new worshipping community. In 2020, the 1001 team created a web-based resource with a growing library of training courses for virtual learning. A new Accelerator course (in Spanish and English) is modeled on best practices for entrepreneurial startups across tech and business industries and is now required for leaders before receiving an Investment Grant. In addition to training programs, more than 125 leaders are engaged in peer learning and support cohorts facilitated by our coaches.

Apprenticeships and Residencies

Discerning leaders who qualify for our carefully coached, site-based, learning experiences receive weekly webinar training, monthly coaching, and an on-site supervisor to mentor them through the process of conceiving an idea and launching an experiment in missional community. This program supports the development of 25-40 new leaders each year, and 80% of leaders who complete this program are now leading a new worshipping community.

Coaching

The 1001 coaching network consists of nearly 100 trained coaches and includes a broad representation of communities of color and many languages. Coaches are equipped to work with leaders, leadership teams, and mid councils in the development of healthy and sustainable systems that lead to viability and vitality in new worshipping communities. The 1001 coaching network has reached a level of development and growing expertise now recognized by other initiatives and offices within the PMA and has become a resource to the Office of Christian Formation and the Vital Congregations Initiative.

Mid council support

The 1001 national staff consults with presbyteries in their development of healthy ecosystems of innovation, accountability, and oversight. Providing insight into best practices and direct leader support, the 1001 Regional Associates provide a direct link to the larger system of resources and they connect with every presbytery within the PC(USA) every year. Over the next 5 years, we anticipate strengthening our relationships with mid councils as we provide feasibility study resources for new starts as well as more localized training.



Based on a \$140M corpus and with the expected spending formula declining to 4.0% by 2027, we will end up with \$28.6M over five years to fulfill the work of 1001 New Worshiping Communities.

SWOT ANALYSIS

With nearly 10 years of longitudinal study of the 1001 movement, we have observed the following Strengths, Weaknesses, Opportunities, and Threats (SWOT) to the work of starting new worshipping communities in the PC(USA). The five-year plan which follows is in response to this analysis.

S

- Diverse, skilled, and effective team
- Highly effective system of resources
- 139 presbyteries engaged in starting new communities
- Participants reflect the face of the world around us and our desire to become a Matthew 25 church

W

- We've picked the low-hanging fruit
- Sustaining communities beyond initial funding is a challenge - especially among immigrant and marginalized communities
- Credentialing leaders can be a long and burdensome process
- Transitioning a NWC to chartered congregation requires crossing many barriers

O

- Sharing the Gospel in places and with people in need of home and grace
- Strengthening the witness of the PC(USA) as a diverse and welcoming church
- Expanding the church's ecclesiology to make space for emerging models and fresh expressions of church
- Collaborating with other PMA ministry areas to fulfill the Matthew 25 vision
- Providing pipelines for developing new leadership in the PC(USA)

T

- Future funding not yet committed
- Mid council budget reductions challenge their ability to match funding
- Risk of burnout among NWC leaders and staff
- Low compensation rates for leaders is a barrier to service
- The church still faces a lack of imagination and willingness to risk for the sake of the Gospel.

SWOT ANALYSIS

ANNUAL OBJECTIVES

2022 TILLING NEW GROUND

- ❖ Provide grant funding in the amount of \$1.5M and support the launch of 55 new communities
- ❖ Scale program to accommodate additional new communities and leaders
 - Develop resource and engage 75% of maturing NWCs in advanced training focused on long-term sustainability, chartering, and leadership transitions
 - Develop new recruitment pipelines for potential NWC leaders
- ❖ Hire additional part time regional associate to allow current staff to develop recruitment strategies and relationships
- ❖ Study successful ecosystems of church planting and determine common markers of vibrant church-planting congregations and presbyteries
- ❖ Advocate for and support anticipated GA overture regarding credentialing and representation of NWCs in the larger church
- ❖ Increase shared understanding of the unique gifts and challenges of new immigrant leaders and communities at all levels of church life and leadership
- ❖ Partner with PMA staff to share learnings and resources for the fulfillment of the Matthew 25 vision
- ❖ Celebrate the gifts of new worshipping communities through storytelling in all available communication channels

2023 ESTABLISHING REGIONAL PARTNERS

- ❖ Provide grant funding in the amount of \$2.0M and support the launch of 60 new communities
- ❖ Create partnership with key mid councils through shared vision and resources
- ❖ Develop and launch Level II Assessments
- ❖ Partner with Vital Congregations Initiative to encourage healthy congregations to start new worshipping communities
 - Launch new resource based in prior year learnings
 - Host joint national event with Vital Congregations
- ❖ Host recruitment and training events on 3 seminary campuses
- ❖ Expand residency sites to 10 locations
- ❖ Engage and support 5 innovation clusters among mid councils to address issues of sustainability, immigration, representation, ecclesiology, charter, and missiology
- ❖ Integrate new worshipping community leaders into working structure of mid councils and GA committees
- ❖ Scale coaching, assessment, training, and residency programs to accommodate growth in new seed grant awards

2024 NURTURING SUSTAINABLE SYSTEMS

- ❖ Provide grant funding in the amount of \$1.85M and support the launch of 65 new communities
- ❖ Further knowledge base through a study of new worshiping communities that fail to thrive
- ❖ Increase participation in advanced training and Level II assessments by 20%
- ❖ Leverage learnings from innovation clusters among mid councils to address issues of sustainability, chartering, immigration, representation, ecclesiology, and missiology through recommendations to General Assembly
- ❖ Partner with PMA staff and leaders within the 1001 movement in the creation of 3-5 new culturally specific training resources for immigrant and non-English speaking leaders
- ❖ Scale coaching and cohort programs to accommodate 75% of leaders in supportive relationships grounded in learning, encouragement, and accountability to deepen spiritual formation and increase sustainability
- ❖ Celebrate the gifts of new worshiping communities through storytelling in all available communication channels

2025 HARVESTING LEARNINGS

- ❖ Provide grant funding in the amount of \$1.7M and support the launch of 70 new communities
- ❖ Ensure appropriate resources and support to achieve and maintain 75% sustainability rate
- ❖ Develop and maintain systems that foster transparency, feedback, and knowledge-sharing among leaders, mid councils, PMA staff, and PC(USA) leadership
- ❖ Celebrate the gifts of new worshiping communities through storytelling in all available communication channels

2026-2027 SHARING THE FRUITS

- ❖ Provide grant funding in the amount of \$2.0M and support the launch of 75-80 new communities
- ❖ Ensure appropriate support to achieve and maintain 75% sustainability rate
- ❖ Integrate new leaders into positions of influence to shape the future direction of the movement and the larger church
- ❖ Maintain strong ecumenical partnerships with colleagues engaged in church planting and vitality for collaboration and co-creation of resources
- ❖ Celebrate the gifts of new worshiping communities through storytelling in all available communication channels

FINAL THOUGHTS

Research across the American church is clear: starting new worshiping communities is the most effective way to call new disciples to follow Jesus. A successful *cy pres* action will ensure that the Presbyterian Church (USA) is prepared to grow and serve the world around us in perpetuity. This strategic plan and funding proposal represent the highest and best use of the funds entrusted to our care – nothing less than the proclamation of the Gospel for the salvation of humankind. It is the first of the Great Ends of the Church. When asked for her hopes for the PC(USA) through the 1001 New Worshiping Communities movement, Columbia University student and former 1001 Resident Gabriella Lisi responded,

This is going to define the Presbyterian Church for the next 50 years.

And Dr. Chris Neufeld-Erdman, pastor of Davis Presbyterian Church, partner congregation of Davis Mosaics, a new worshiping community founded in 2013, the first year of this initiative celebrates,

People are coming. People are awakening to new expressions and experiences of the Holy. People are thriving – body, mind, and soul.

Thanks be to God!

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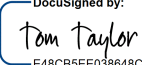
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