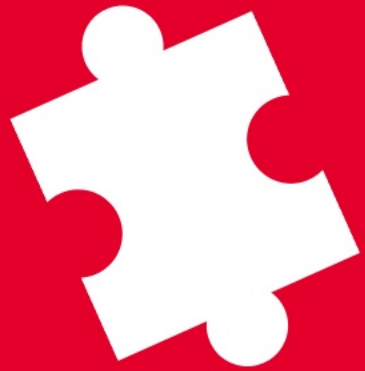


National Association of Annual Conference Treasurers

"Working, Together"

Greetings in Christ!
Rev. Moses Kumar,
General Secretary

What's On Our Minds



Disaffiliation



Budget -
Episcopal
Fund



Insurance
Concerns



General
Conference



FINANCE & ADMINISTRATION

General Council on Finance and Administration

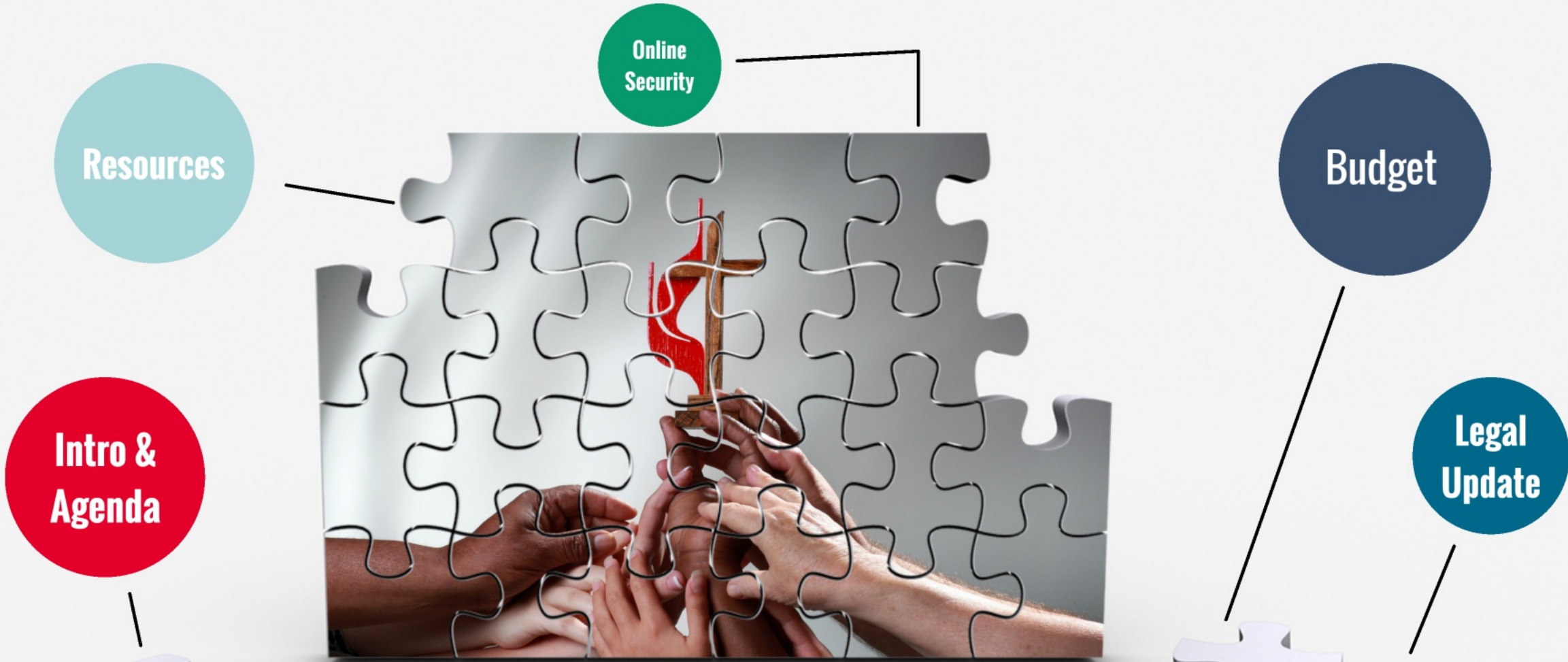
THE UNITED METHODIST CHURCH

Introductions & Agenda

Mission: The General Council on Finance and Administration serves through financial and administrative ministry the enable the fulfillment of the mission of The United Methodist Church

Agenda:

- **Jodi Chadwell, Chief Relationship Officer - *New Partners***
- **Brandy Bivens, Chief Communications Officer - *GCFA.org and Treasurer Resources***
- **Sharon Asmus, Executive Director, Information Technology - *Protect Your Churches***
- **Rick King, Chief Financial Officer - *2025 - 2028 General Church Budget, Episcopal Fund Concerns***
- **Bryan Mills, General Counsel - *Boy Scouts of America Lawsuit Update, Group Ruling, Litigation Fund***
- **Questions & Answers**



National Association of Annual Conference Treasurers

"Working, Together"

Meet Our New Ministry Partners - Foundry Commercial



- For over 50 years, Foundry has specialized in partnering with organizations in the religious, not-for-profit, and education industries to provide tailored real estate services to care for some of life's most meaningful spaces.
- Seller representation
- Property management
- Portfolio analysis and evaluation
- Buyer representation
- Project management
- To learn more, visit www.gcfa.org/foundry-commercial

Meet Our New Ministry Partners - Behr Paints

- BEHR is one of the largest manufacturers of paints, primers, decorative finishes, stains, surface preparation and application products
- Sold exclusively at The Home Depot, Behr Paint offers paint, color, and delivery services
- Dedicated and knowledgeable BEHR Pro Reps
- Join Pro Xtra, The Home Depot's loyalty program to unlock up to 20% on paints, stains, and primers.
- Email Justin Harris _L_Harris@homedepot.com



Meet Our New Ministry Partners - Park Thrive

- **Parking management to monetize your parking**
 - ▪ **No contracts, no commitments, and free to use,**
 - ▪ **All-in-one solution to accept payment for parking**
 - ▪ **Quick setup and we can send you custom signs for free**

Interested? Contact us today! Call us at 704-610-6652 or email us at hello@parkthrive.com.



Introducing GCFA.org

- Published April 2023
- Major items important to your conference:
 - Forms
 - Reports
 - Resources

The screenshot displays the website's header with the logo for FINANCE & ADMINISTRATION, a navigation menu (Services, Forms, Reports, Partners, Resources, Give), and a search bar. The main content area features a large banner for UMC SUPPORT with the tagline "Providing Solutions, Sustaining Ministries" and a focus on African Central Conferences. Below the banner, a section titled "Annual Conference Journal Submission" includes a sub-header "BOD Journal Requirements Information" and a list of requirements in English (ENG), French (FRA), and Portuguese (POR). A vertical "Contact Us" button is visible on the right side of the page.

FINANCE & ADMINISTRATION
General Council on Finance and Administration
for the United Methodist Church

Services Forms Reports Partners Resources Give

Search...

UMC SUPPORT
Providing Solutions, Sustaining Ministries

African Central Conferences

Annual Conference Journal Submission
BOD Journal Requirements Information

ENG L Pastoral record (including the records of accepted local pastors in such manner as the conference may determine)

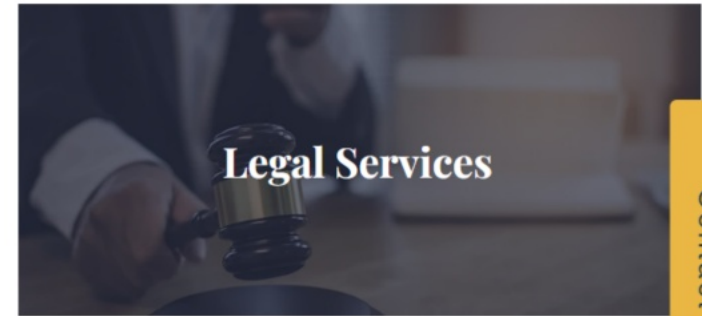
FRA L Registre pastoral (y compris les registres des pasteurs locaux acceptés de la manière déterminée par la conférence)

POR L Registo pastoral (incluindo os registros de pastores locais aceites conforme a conferência determinar)

Contact Us

www.GCFA.org

Forms and Resources



Contact Us

Treasurer's Resources, Treasurer Training

Treasurer Resources

Treasurers' Resources

Legal

[Legal Manual](#)

[Administrative and Judicial Procedures Handbook](#)

[GCFA Tax Packet](#)

[FLSA Fact Sheet for Seasonal Employees](#)

[Record Retention Policy](#)

Finance

[Financial Commitment Book \(2017-2020\)](#)

[Book of Discipline Apportionment Reference](#)

[Jurisdictional Apportionment Formula](#)

Travel and Meeting Planning

[Best Practices Checklist for Pre-event](#)

[Best Practices Checklist for Post-event](#)

Webinars for You & Your Churches

Webinars



Accountable Reimbursements

Sep 12, 2023 11:00 AM in Central Time (US and Canada)

Recap Coming Soon!

Contact Us

Empowering Ministries and Churches with Accountable Reimbursement Policies

Topics to Cover:

- ✓ Understanding the Importance of Accountable Reimbursement Policies



General Conference Planning

- Extensive Communicaton Plan leading to GC
- Objective is to provide timely Financial and Legal implication information to the Connection
- Video Updates: Episcopal Fund, Budget Process, Disaffiliation's Effect on the budget
- Trying to present the proposed budget in as many places as possible: delegations, NAACT, UMAC, UM News Live Streaming
- If your delegations would like a budget presentation before General Conference, please contact Brandy Bivens.

General Conference Planning



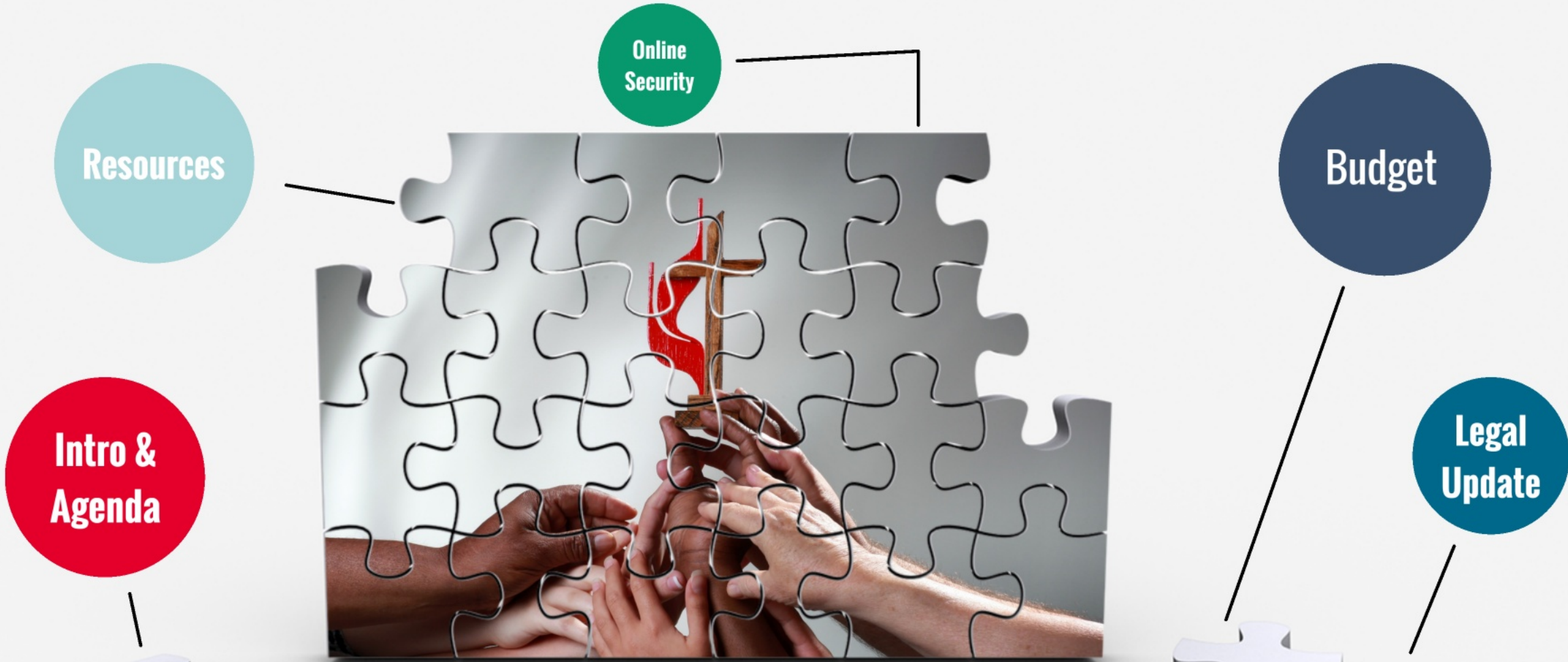
General Conference Planning



Stay in Touch with Us!

- The Collaborator - Local Church and Ministries
 - www.gcfa.org/subscribe
- Ministry Minute - Administrative Church Leaders
- Social Media -
 - Facebook: @UMC.GCFA
 - Instagram: @UMC_GCFA
 - Twitter: @UMC_GCFA
 - YouTube: @UMC_GCFA
 - LinkedIn: GCFA





National Association of Annual Conference Treasurers

"Working, Together"



Why Security Awareness?

- What is spear phishing?
 - Sophisticated impersonation via email or text
 - Impersonation from legitimate contacts who they themselves have been hacked
 - How hacked?

Did you know that 91% of successful data breaches started with a spear phishing attack?

Why Security Awareness?

This example phishing email came from a UMC conference employee - including the legitimate email address, signature, and conference address.

ACH Remittance Advice.

Legit email

ⓘ If there are problems with how this message is displayed, click here to view it in a web browser.
Click here to download pictures. To help protect your privacy, Outlook prevented automatic download of some pictures in this message.

Caution: This email originated outside GCFA's email system. DO NOT click links or open attachments unless you recognize the sender and know the content is safe.

OneDrive

Right-click here

*Dear Customer,
Please review below remittance Advice.
ACH payment is scheduled for Sept 13, 2023*

Attachments:

Invoice remittance Advice C.T.
202.pdf (1.16 KB)

Email signature
Conference of The United Methodist Church

Conf. address



Why Security Awareness?

Phishing attacks can also happen without employees being hacked.

Copycat email domain?

office@rebekahsimonpeter.com

office@rebekasimonpeter.com

We were recently targeted with a pretty sophisticated email scam. The agents of this scam were pretending to be from Rebekah Simon-Peter's organization. Since our connectional ministry/discipleship team actively participates in coaching events with this organization, the emails were not out of the ordinary. Several emails were exchanged, one of which included an invoice for an upcoming event. Again, there was nothing unusual about this as we had clergy who had registered for this particular event.

The email address used in the correspondence we received was from office@rebekasimonpeter.com. (Notice that the "h" is left off of Rebekah's domain name.) One letter difference in the domain name was the only clue and it wasn't initially noticed since the emails were professionally written with the normal organizational signature at the bottom.

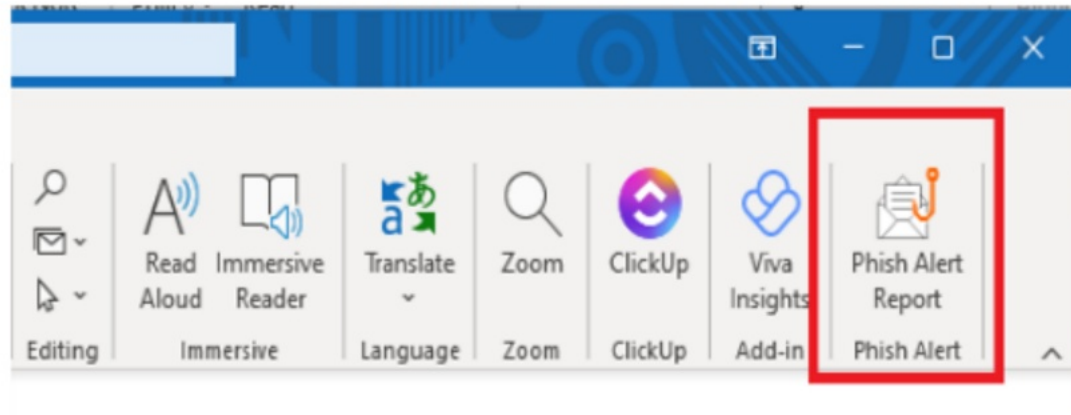
Please alert your ministry teams to be vigilant if they participate in events with Rebekah Simon-Peter's organization.

Mary Myers
Oklahoma Conference

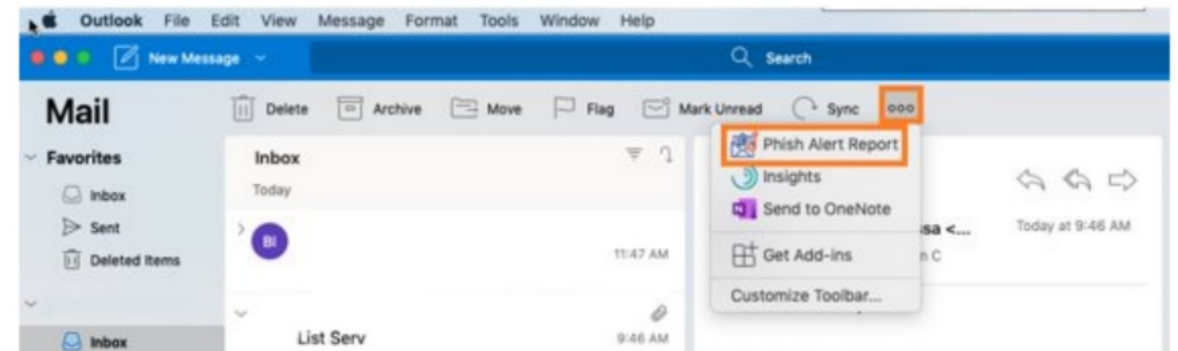
Phishing Alert Button: Use It, Love It

KnowBe4
Human error. Conquered.

PC



Mac







Note: The Phish Alert Button supports Outlook 2010, 2013, 2016 & Outlook for Microsoft 365, Exchange 2013 & 2016, Chrome 54 and later (Linux, OS X and Windows) and [Outlook Mobile](#)!

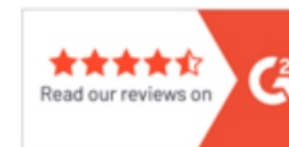
Security Resources

Kevin Mitnick Security Awareness Training (KMSAT)

Old school Security Awareness Training doesn't hack it anymore. Today, your employees are frequently exposed to sophisticated phishing and ransomware attacks.

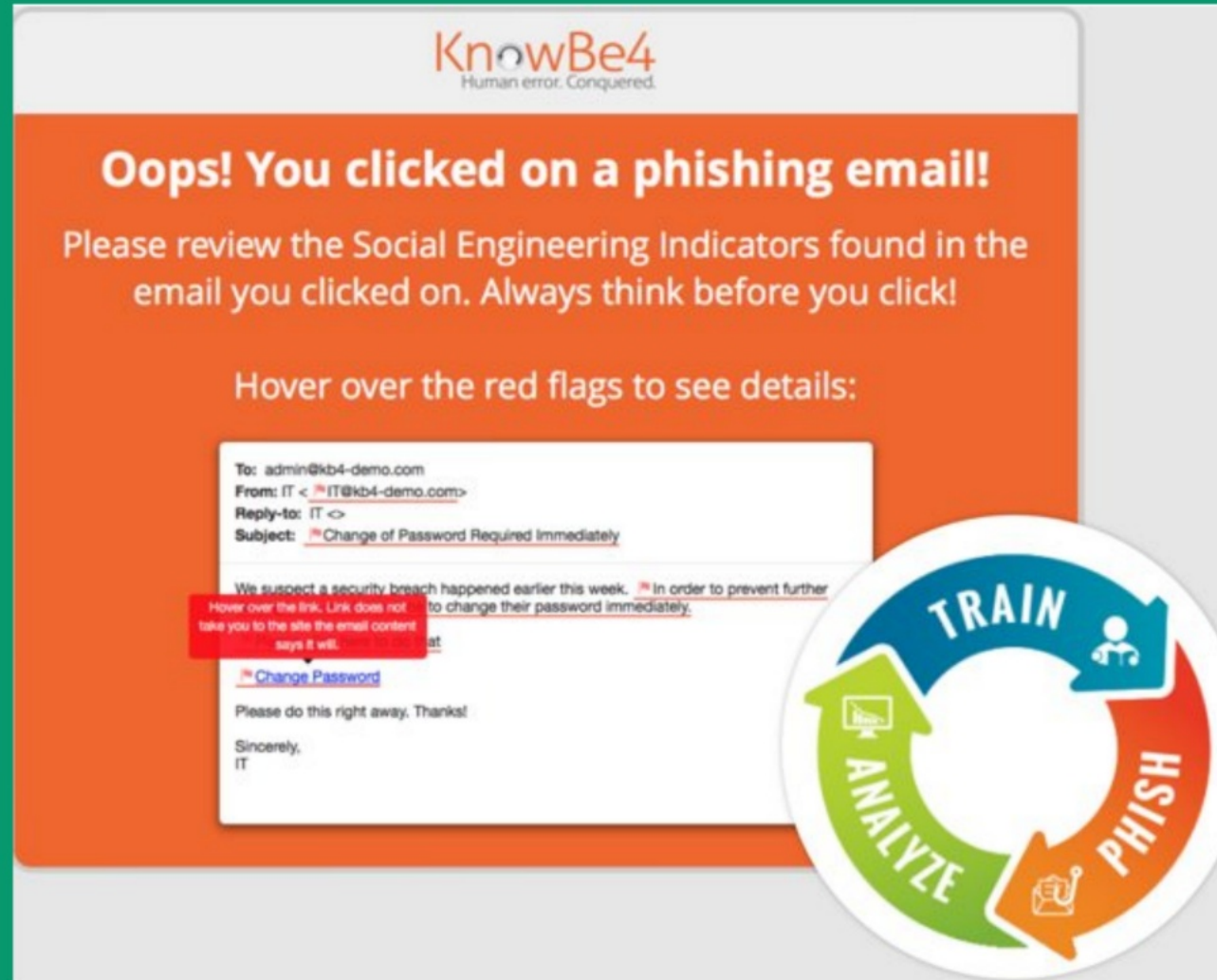
-  **Baseline Testing**
We provide baseline testing to assess the Phish-prone percentage of your users through a **free simulated phishing attack**.
-  **Train Your Users**
The world's largest library of security awareness training content: including interactive modules, videos, games, posters and newsletters. Automated training campaigns with scheduled reminder emails.
-  **Phish Your Users**
Best-in-class, fully automated simulated phishing attacks, thousands of templates with unlimited usage, and community phishing templates.
-  **See The Results**
Enterprise-strength reporting, showing stats and graphs for both security awareness training and phishing, ready for management. Show the great ROI!

See how easy it is to train and phish your users!



Training Campaigns

Security Resources



The image shows a simulation of a phishing email. At the top, the KnowBe4 logo is displayed. The main heading reads "Oops! You clicked on a phishing email!". Below this, a message asks the user to review Social Engineering Indicators. The email content includes a header with fields for To, From, Reply-to, and Subject. The body text contains a warning about a security breach and a link labeled "Change Password". A red tooltip is visible over the link, stating: "Hover over the link. Link does not take you to the site the email content says it will." To the right of the email simulation is a circular diagram with three arrows forming a cycle. The top arrow is blue and labeled "TRAIN" with a person icon. The right arrow is red and labeled "PHISH" with a hand icon. The bottom arrow is green and labeled "ANALYZE" with a magnifying glass icon.

KnowBe4
Human error. Conquered.

Oops! You clicked on a phishing email!

Please review the Social Engineering Indicators found in the email you clicked on. Always think before you click!

Hover over the red flags to see details:

To: admin@kb4-demo.com
From: IT <IT@kb4-demo.com>
Reply-to: IT <>
Subject: Change of Password Required Immediately

We suspect a security breach happened earlier this week. In order to prevent further to change their password immediately.

Hover over the link. Link does not take you to the site the email content says it will.

Change Password

Please do this right away. Thanks!

Sincerely,
IT

TRAIN

PHISH

ANALYZE

Simulation



Conference-Wide Options: Licensing

Diamond License: Leaveraging our bulk buying discount (\$21.78/email user)

OnBoarding (via hourly rate):

- Initial setup and configuration of KnowBe4 Administration Portal
- Initial creation of administrator accounts
- Initial import and verification of email domains
- Initial import of users
- Walkthrough of ASAP Security Awareness project setup
- Assistance with email security configuration

Features	Most Popular			
	Silver	Gold	Platinum	Diamond
Unlimited Phishing Security Tests ⓘ	✓	✓	✓	✓
Automated Security Awareness Program (ASAP) ⓘ	✓	✓	✓	✓
Security 'Hints & Tips' ⓘ	✓	✓	✓	✓
KnowBe4 Learner App ⓘ	✓	✓	✓	✓
Training Access Level I ⓘ	✓	✓	✓	✓
Automated Training Campaigns ⓘ	✓	✓	✓	✓
Brandable Content ⓘ	✓	✓	✓	✓
Assessments ⓘ	✓	✓	✓	✓
AI-Recommended Training ⓘ	✓	✓	✓	✓
Phish Alert Button ⓘ	✓	✓	✓	✓
Phishing Reply Tracking ⓘ	✓	✓	✓	✓
User Provisioning via Active Directory or SCIM Integration ⓘ	✓	✓	✓	✓
SSO/SAML Integration ⓘ	✓	✓	✓	✓
Industry Benchmarking ⓘ	✓	✓	✓	✓
Virtual Risk Officer™ ⓘ	✓	✓	✓	✓
Advanced Reporting ⓘ	✓	✓	✓	✓
Training Access Level II ⓘ		✓	✓	✓
Monthly Email Exposure Check ⓘ		✓	✓	✓
Smart Groups ⓘ			✓	✓
Reporting APIs ⓘ			✓	✓
User Event API ⓘ			✓	✓
Security Roles ⓘ			✓	✓
Social Engineering Indicators (SEI) ⓘ			✓	✓
USB Drive Test ⓘ			✓	✓
Priority Level Support ⓘ			✓	✓
Training Access Level III ⓘ				✓
Callback Phishing ⓘ				✓
AI-Driven Phishing ⓘ				✓
AI-Recommended Optional Learning ⓘ				✓
PasswordIQ ⓘ				✓
SecurityCoach™ - Optional Add-on ⓘ			✓	✓
Compliance Plus - Optional Add-on ⓘ	✓	✓	✓	✓
PhishER™ - Optional Add-on ⓘ	✓	✓	✓	✓
PhishER Plus - Stand-alone product or upgrade option to PhishER ⓘ	✓	✓	✓	✓



Conference-Wide Options: Licensing Plus Services

Set Up

- Verify configuration and User Lists
- Create and complete a baseline phishing campaign
- Deliver the results of the baseline test
- Configure Install Phishing Report Button
- Notify/Train Users of Phishing Report Button
- Create annual foundation training campaign
- Create remedial training campaign
- Create ongoing quarterly phishing campaign

Annually

- Update annual foundation training campaign
- Update remedial training campaign
- Update ongoing quarterly phishing campaign



Resources for Your Conference

- Encourage your churches to understand their technology and have a record for security and insurance purposes.

DIGGING DEEP

AN ACTIONABLE IT ASSESSMENT TOOL
For Beginner, Intermediate, and Advanced Users

UMC INFORMATION
TECHNOLOGY
SUPPORT 

Resources for Your Conference

- Check out our free [ransomware resources](#) for your churches and affiliated ministries.

RANSOMWARE RESPONSE CHECKLIST



Ransomware is a form of malware that keeps your data encrypted until ransom is paid. It comes in many variants (such as CryptoLocker, Petya, and WannaCry) but it's constantly evolving, making it very difficult to protect against. And although the average amount of ransom requested is \$4,300, the average cost of downtime from a single attack can be as high as \$46,800!

So what should you do if you are hit by ransomware? Check out this checklist to ensure you are taking the right steps:



Shut down infected systems immediately

To avoid ransomware spreading, disconnect the infected device from any network it is on and turn off any wireless capabilities such as Wi-Fi or Bluetooth. Unplug any storage devices such as USB or external hard drives.



Determine the strain and the scope

Ransomware usually identifies itself so understanding which strain it is can help you decide how to remove it. This is also helpful to know when reporting the attack. Next, determine how many devices were infected, as well as what kind of data was encrypted.



Report the incident

You should let your organization know about the attack but it's also important to report it to the FBI or your local authorities depending on where you are located. This is to help them gain an understanding of ransomware and its impact on victims.



Evaluate your options

If you don't have a backup solution, your other options are to do nothing (lose your data) or decrypt your files using a 3rd party decryptor. If all else fails, you can pay the ransom but beware of this option as it increases the chances that you'll be targeted again.



Prevent future ransomware attacks

The first step in preventing future ransomware attacks is to educate your employees on cybersecurity awareness. You should also invest in endpoint security with a firewall or third party service that protects against ransomware. Finally, you should implement a business continuity plan. While business continuity can't prevent ransomware from attacking, it can prevent it from succeeding.

RANSOMWARE RESPONSE CHECKLIST



Ransomware is a form of malware that keeps your data encrypted until ransom is paid. It comes in many variants (such as CryptoLocker, Petya, and WannaCry) but it's constantly evolving, making it very difficult to protect against. And although the average amount of ransom requested is \$4,300, the average cost of downtime from a single attack can be as high as \$46,800!

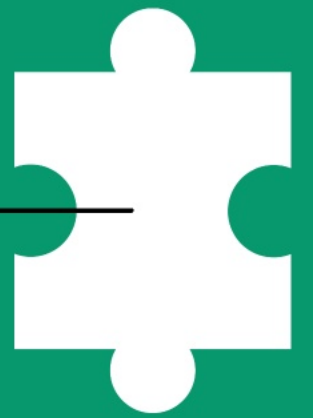
So what should you do if you are hit by ransomware? Check out this checklist to ensure you are taking the right steps:



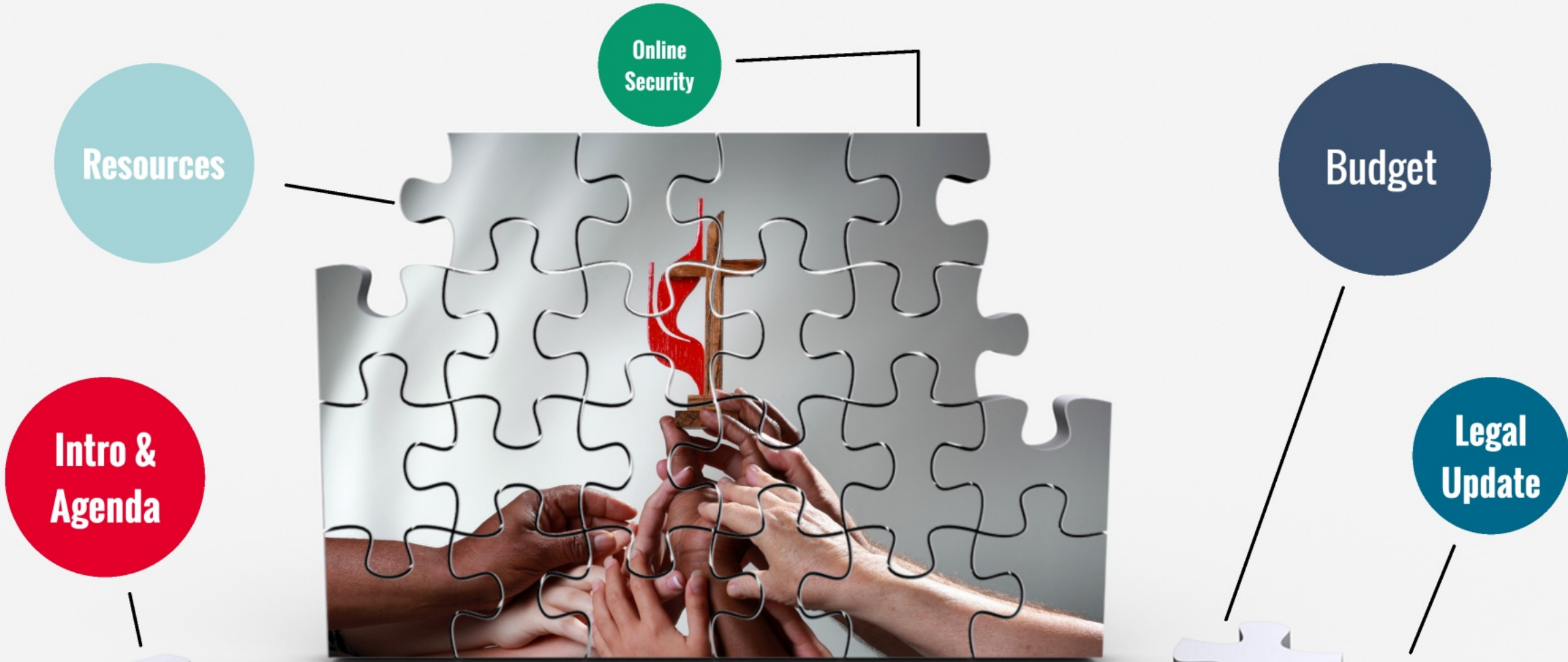
Shut down infected systems immediately

To avoid ransomware spreading, disconnect the infected device from any network it is on and turn off any wireless capabilities such as Wi-Fi or Bluetooth. Unplug any storage devices such as USB or external hard drives.

Cyber Security Awareness Month



- New resource this month for Cyber Security Awareness Month 2023!
- Ask about our KnowBe4 discount for all your churches - protect every level of your conference.



National Association of Annual Conference Treasurers

"Working, Together"

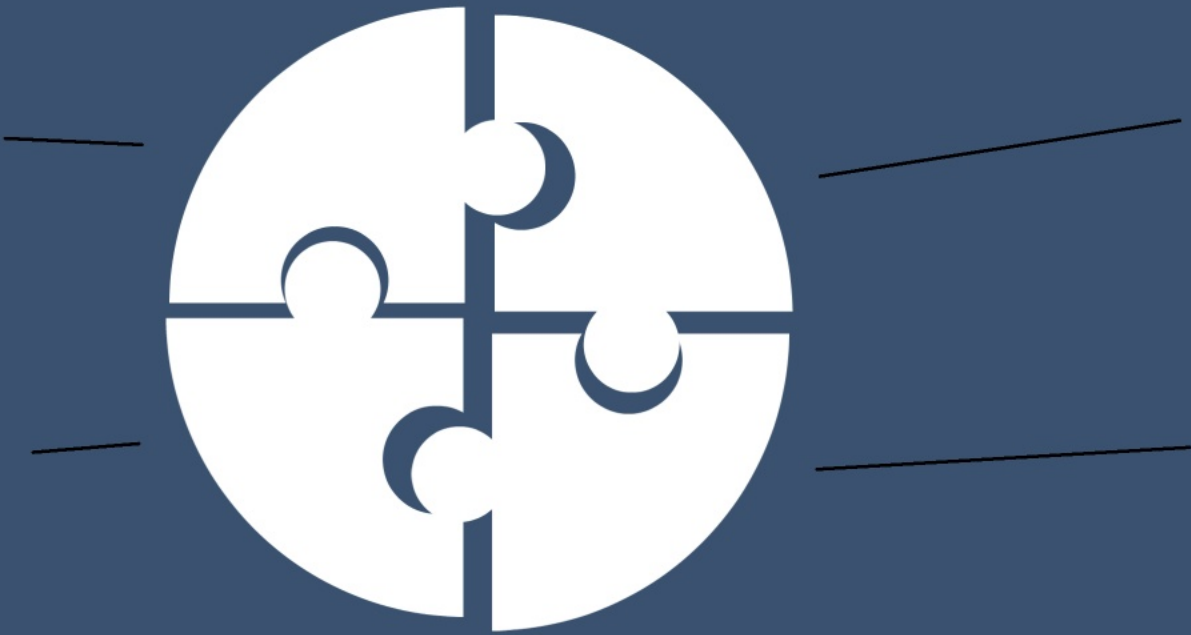
2025 - 2028

**Budget Recommendations to
the
General Conference 2024**

Budget Topics

**Denominational
Circumstances**

**2025- 2028
Proposed Budget**



**Episcopal
Fund**

Questions

Denominational Circumstances

Denominational Circumstances

Jurisdictional Conferences:

Denominational Base is Shrinking

- Prior to Covid19 and disaffiliations, worship attendance was rapidly declining at an increasing rate. Worship attendance in 2019 declined by 4% from 2018 and was 24% lower than 2009.
- Impact of disaffiliations expected to be 20%+.
 - Annual conference survey July 2022 = predicted 21.3%
- Combined, these factors will significantly impact both the local church and annual conferences.

Denominational Circumstances - Church Finances, Jurisdictional Conferences

Percent Change from 2018

	2019	2020	2021
Total Income	-0.9%	-6.5%	-5.1%
Operating Expenses	1.8%	-6.0%	-0.2%
Discretionary Spending:			
Apportionments Paid	-5.4%	-17.3%	-13.4%
Program Expenses	0.9%	-26.0%	-21.9%
Capital Improvements	1.7%	-18.2%	-14.2%

- Income has declined by 5-6% from 2018 figures
- Operating expenses in 2021 were virtually unchanged from 2018
- Less discretionary income at the local church for:
 1. Apportionments (down 13-17%)
 2. Program & mission (down 22-26%)
 3. Capital improvements (down 14-18%)

Denominational Circumstances - Survey, Jurisdictional Conferences

	Cumulative Impact of Disaffiliation on Local Church Net Expenditures by Year			
Jurisdiction	2022	2023	2024	2025
North Central	4.8%	11.7%	16.4%	18.0%
Northeastern	2.8%	8.2%	11.9%	14.9%
South Central	6.1%	15.5%	23.2%	25.6%
Western	4.0%	7.6%	10.3%	12.1%
Southeastern	5.9%	15.1%	21.1%	24.3%
Total	5.2%	13.1%	18.7%	21.3%

Source: Annual Conference Survey July 2022

Denominational Circumstances - Survey, Jurisdictional Conferences

Jurisdiction	Impact of Net Expenditures			Actual Impact as of 9-8-23		
	2022 Survey	Actual as of 9-8-23	Difference	Net Expend.	Apport. Paid	Difference
North Central	18.0%	15.5%	-2.5%	15.5%	13.6%	-1.9%
Northeastern	14.9%	8.4%	-6.5%	8.4%	7.7%	-0.7%
South Central	25.6%	26.5%	0.9%	26.5%	22.8%	-3.7%
Southeastern	24.3%	20.3%	-4.0%	20.3%	17.2%	-3.1%
Western	<u>12.1%</u>	<u>1.4%</u>	<u>-10.7%</u>	<u>1.4%</u>	<u>1.4%</u>	<u>1.5%</u>
Total	21.3%	18.0%	-3.3%	18.0%	15.0%	-3.0%

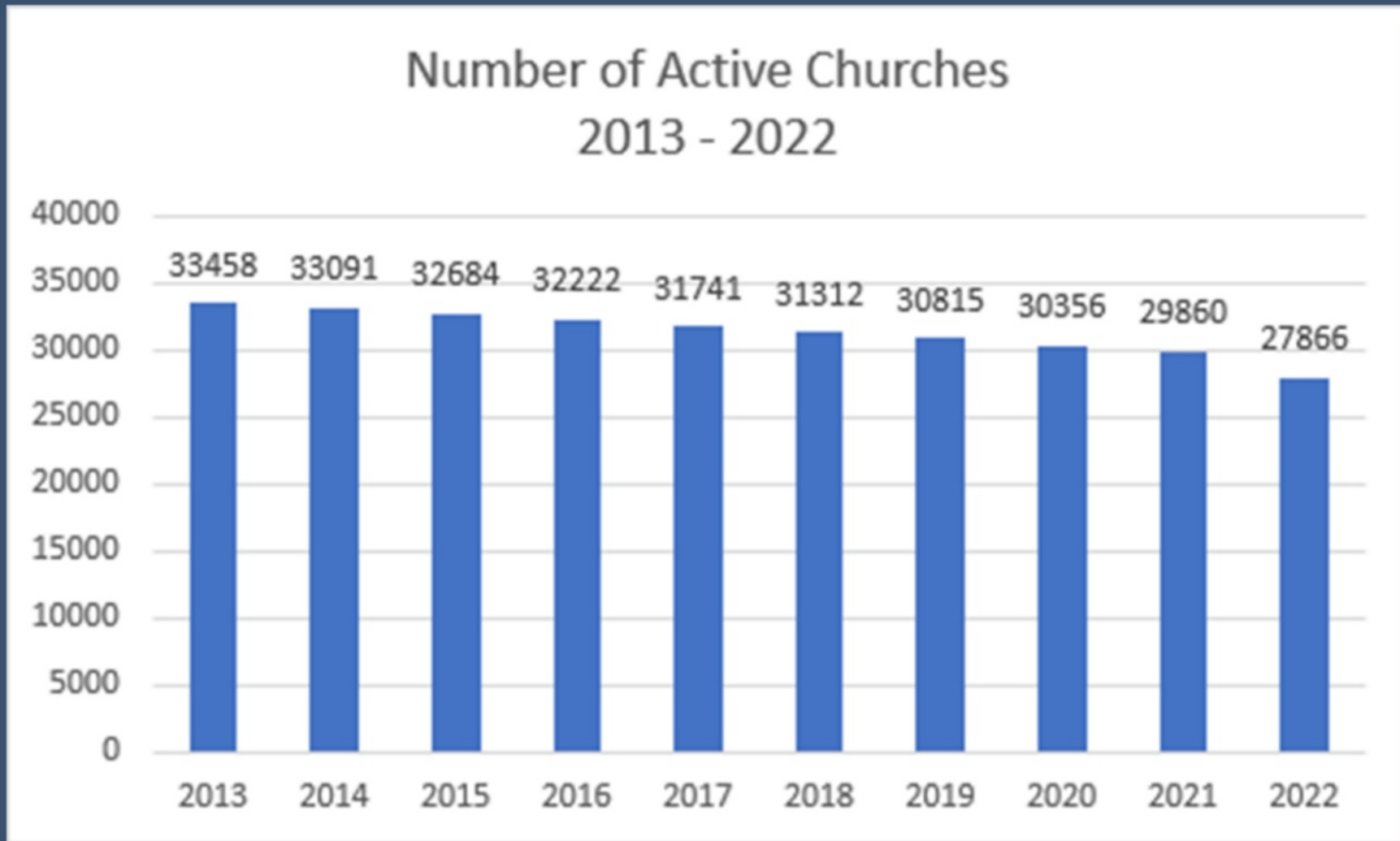
Denominational Circumstances - Church Closures, Jurisdictional Conferences

Year	Abandoned	Disaffiliation	Discontinued	Financial	Merger	No longer Ecumenical Shared Ministry	Total
2019	3	24	447	17	12		503
2020	6	79	331	38	38	1	493
2021	15	152	266	59	57		549
2022	21	1,831	221	50	49		2,172
2023	13	3,185	107	37	22		3,364
Total	58	5,271	1,372	201	178	1	7,081

Church Closure Reason Code	Definition
Abandoned	Closing based on not having members and staff to support or look after the entity
Disaffiliation	Church that are exiting/withdrawing from the UMC under the "gracious exit" petition. These are churches leaving the UMC under the new discipline code of ¶2553 churches leaving under certain circumstances. GCFA will list all churches living under ¶2553 with a reason of closure as of disaffiliation.
Discontinued	Closing due to the conference deciding to suspend activity at the church due to lack of support or resources. Operations have been or will be shut down.
Financial	Closing based on not having finance capability to continue as a functioning entity
Merger	Closed due to merging with another entity
No Longer Ecumenical Shared Ministry	Closing when church no longer wishes to be a part of Ecumenical Shared Ministry with the UMC. These are churches that are currently part of a conferences Shared Ministry form

Base Percentage Trend & Recommendations for 2025 - 2028

Jurisdictional Conferenc



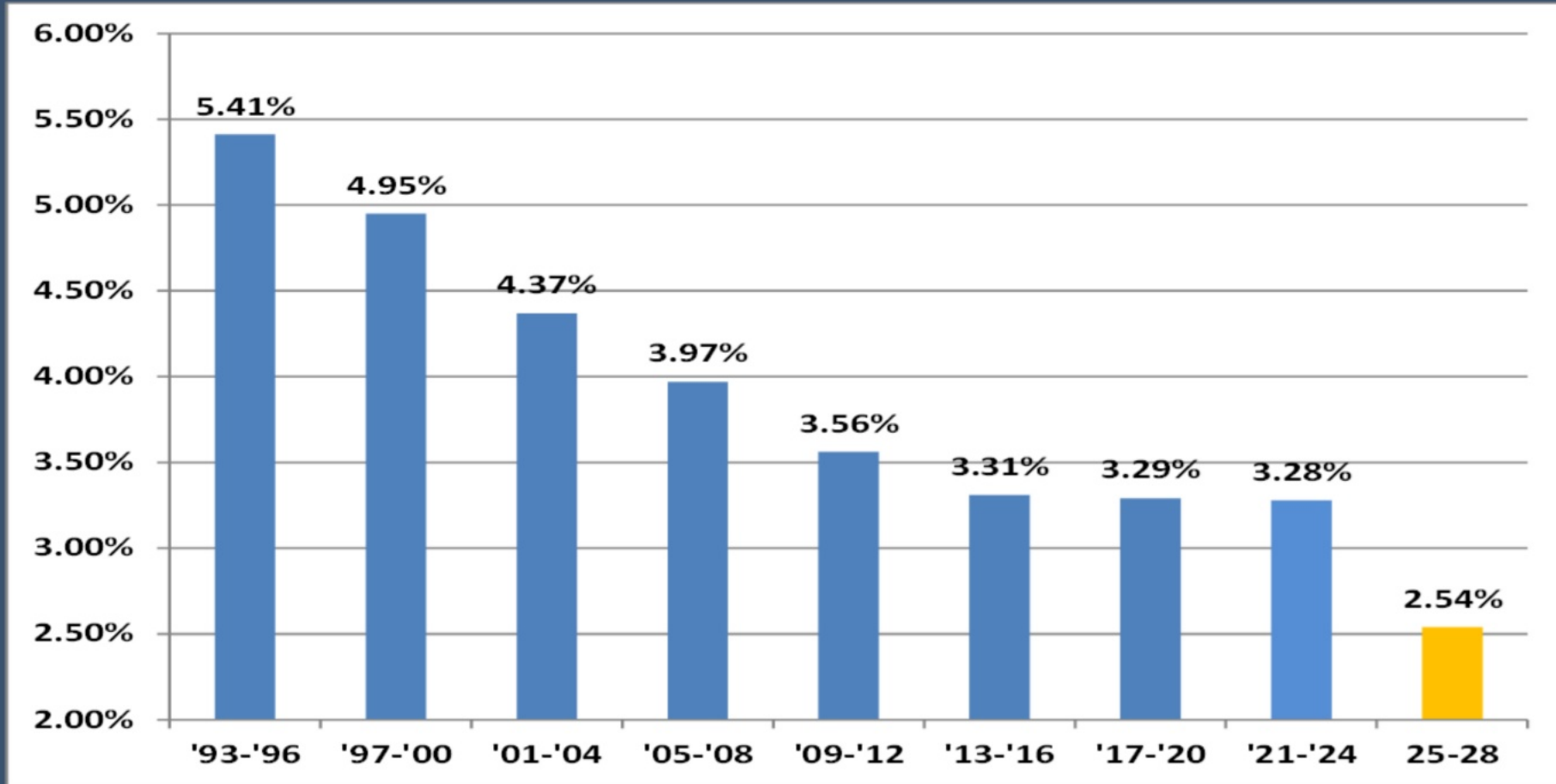
Denominational Circumstances - Jurisdictional Conferences

Overall General Church Apportionment declining by 38.7%

- **Shrinking Denomination**
- **Reduction of Base Percentage**

Base Percentage Trend & Recommendation for 2025 - 2028

Jurisdictional Conference Apportionments

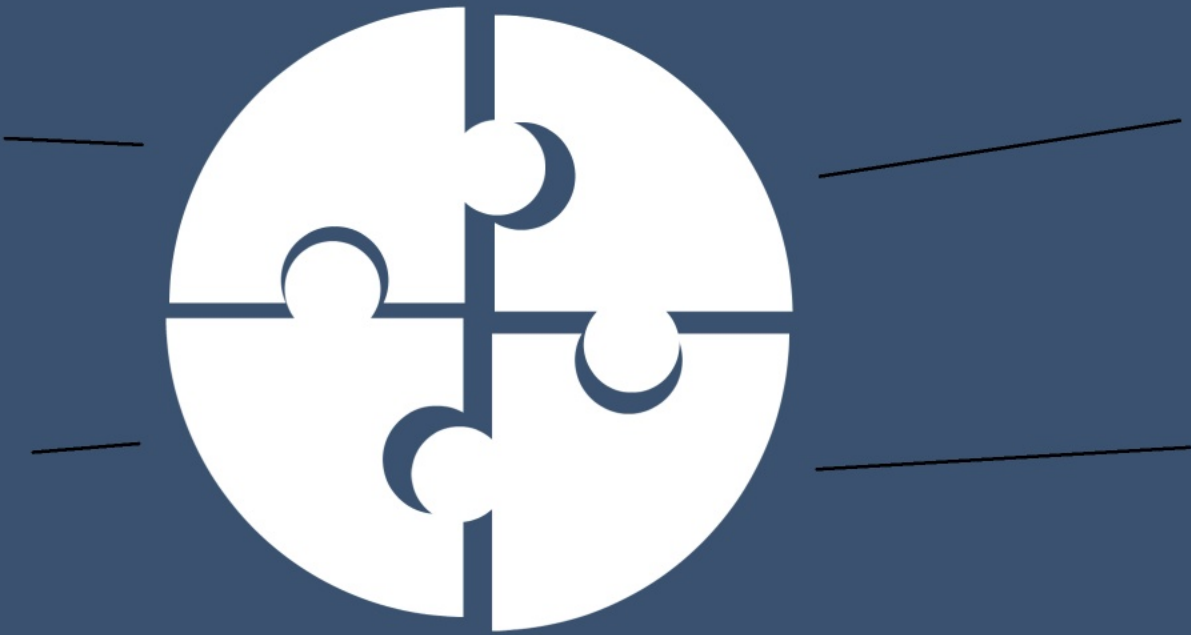


GCFA Board approved a recommendation to reduce the Base Percentage by 22.9% in 2025-2028

Budget Topics

**Denominational
Circumstances**

**2025- 2028
Proposed Budget**



**Episcopal
Fund**

Questions

2025- 2028

Proposed Budget

2025 - 2028 Apportionment Summary

Fund	2025-2028	2017-2020	\$ Change from 2017-2020	% Change from 2017-2020
World Service Fixed Charges	\$ 4,047,000	\$ 7,372,537	\$ (3,325,537)	-45.1%
Interdenom. Cooper. Fixed Charges	\$ 33,000	\$ 204,600	\$ (171,600)	-83.9%
General Administration Fund	\$ 30,410,000	\$ 36,896,453	\$ (6,486,453)	-17.6%
Episcopal Fund	\$ 68,820,000	\$ 92,019,335	\$ (23,199,335)	-25.2%
Total Other Funds & Agencies	\$ 267,225,000	\$ 467,541,066	\$ (200,316,066)	-42.8%
Total All Apportionments	\$ 370,535,000	\$ 604,033,991	\$ (233,498,991)	-38.7%

Connectional Table Fund Allocation Recommendations

Fund	2017-2020	2025-2028 Proposal	% Change
World Service (1)	\$ 303,355,872	\$ 174,842,468	-42.4%
Ministerial Education	104,949,647	\$ 60,420,567	-42.4%
Black College	41,863,455	\$ 24,101,212	-42.4%
Africa University	9,368,872	\$ 5,393,754	-42.4%
Interdenominational Cooperation (1)	8,003,220	\$ 2,467,000	-69.2%
CT Fund Recommendations to GCFA	\$ 467,541,066	\$ 267,225,000	-42.8%

(1) Amounts Exclude GCFA Fixed Charges

World Service Allocations

Agency / Fund	2017-2020	2025-2028 Proposal	% Change
Fixed Charges			
UMCOM - Interpretation Resources	\$ 1,432,197	\$ 841,368	-41.3%
Connectional Table	2,140,350	2,140,350	0.0%
National Ethnic Plans (1)	11,193,357	11,193,357	0.0%
GCORR (1)	7,354,467	7,354,467	0.0%
Core Action Plan (GCORR) (1)	2,488,777	2,488,777	0.0%
COSROW (1)	3,957,518	3,957,518	0.0%
Total Fixed Charges	\$ 28,566,666	\$ 27,975,837	-2.1%
On-Ratio:			
Church & Society	\$ 11,021,677	\$ 6,035,237	-45.2%
Discipleship Ministries	34,952,169	19,139,067	-45.2%
Global Ministries	111,338,501	60,966,604	-45.2%
GBHEM	26,932,588	14,747,715	-45.2%
Central Conf. Theological Ed. Fund	10,000,000	5,475,788	-45.2%
Young Clergy Initiative	6,952,413	-	-100.0%
United Methodist Communications	71,651,059	39,234,602	-45.2%
United Methodist Men	1,476,974	1,013,638	-31.4%
Contingency Reserve	463,825	253,981	-45.2%
Total On-Ratio	\$ 274,789,206	\$ 146,866,631	-46.6%
Total World Service Fund	\$ 303,355,872	\$ 174,842,468	-42.4%

(1) Connectional Table request to move these from "on-ratio" to "fixed charges" for the 2025-208 Quadrennium. This change is not intended to be permanent.

General Administration Allocations

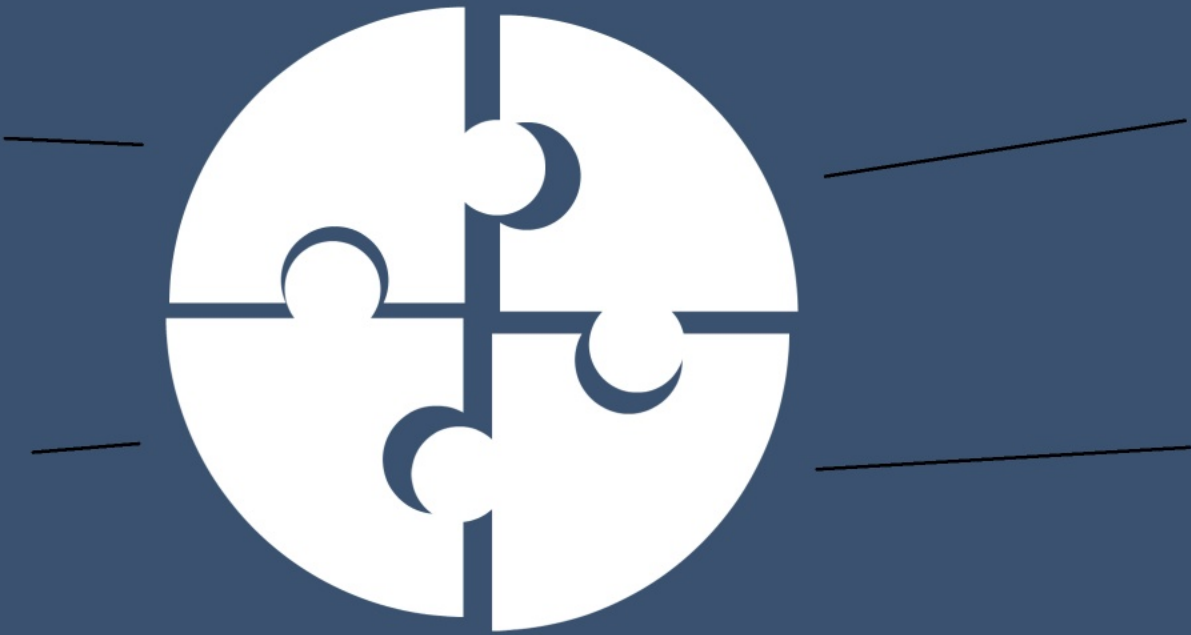
Agency	2025-2028	2017-2020	\$ Change from 2017-2020	% Change from 2017-2020
General Administration				
GCFA	\$ 8,600,000	\$ 16,729,491	\$ (8,129,491)	-48.6%
Archives & History (1)	\$ 4,150,000	\$ 4,133,706	\$ 16,294	0.4%
Commission on General Conference	\$ 14,900,000	\$ 11,822,081	\$ 3,077,919	26.0%
Judicial Council	\$ 360,000	\$ 583,009	\$ (223,009)	-38.3%
StCCM	\$ 300,000	\$ 291,008	\$ 8,992	3.1%
Missionary Conference Support	\$ 1,300,000	\$ 1,682,484	\$ (382,484)	-22.7%
Contingency Fund	\$ 800,000	\$ 1,654,674	\$ (854,674)	-51.7%
Total	\$ 30,410,000	\$ 36,896,453	\$ (6,486,453)	-17.6%

(1) Will be a fixed charge for 2025-2028 Quadrennium similar to the smaller agencies in World Service Agencies.

Budget Topics

**Denominational
Circumstances**

**2025- 2028
Proposed Budget**



**Episcopal
Fund**

Questions

Episcopal

Fund

Episcopal Fund - Baseline (2023 Budget)

Income, Spending, & Fund Balance

Figures in Millions

Description	2023	2024	2025	2026	2027	2028	2025-2028	2025-2028 Avg
# of Jurisdictional Active Bishops	39	39	46	46	46	46		
# of Central Conference Active Bishops	20	20	20	20	20	20		
# of Central Conference New Bishops	0	0	5	5	5	5		
Total # of Active Bishops	59	59	71	71	71	71		
Income:								
Jurisdictional Apportionments	\$ 22.7	\$22.7	\$ 17.2	\$ 17.2	\$ 17.2	\$ 17.2	\$ 68.8	\$ 17.2
Jurisdictional Collections @ 85%	\$ 19.3	\$19.3	\$ 14.6	\$ 14.6	\$ 14.6	\$ 14.6	\$ 58.5	\$ 14.6
Central Conference Collections	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 2.4	\$ 0.6
Total Income	\$ 19.9	\$19.9	\$ 15.2	\$ 15.2	\$ 15.2	\$ 15.2	\$ 60.9	\$ 15.2
Spending:								
COB and Ecumenical	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 10.1	\$ 2.5
Jurisdictional Expenses	\$ 12.7	\$12.7	\$ 15.0	\$ 15.0	\$ 15.0	\$ 15.0	\$ 59.9	\$ 15.0
Central Conference Expenses	\$ 4.3	\$ 4.3	\$ 4.3	\$ 4.3	\$ 4.3	\$ 4.3	\$ 17.0	\$ 4.3
Retirees	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.7	\$ 2.9	\$ 0.7
GCFA Fixed charge	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 1.9	\$ 0.5
5 new Episcopal Areas in Africa	\$ -	\$ -	\$ 1.3	\$ 1.0	\$ 1.0	\$ 1.0	\$ 4.4	\$ 1.1
Total Spending (1)	\$ 20.7	\$20.7	\$ 24.3	\$ 24.0	\$ 24.0	\$ 24.0	\$ 96.2	\$ 24.1
Surplus / (Deficit)	(\$0.8)	(\$0.8)	(\$9.0)	(\$8.8)	(\$8.8)	(\$8.8)	(\$35.4)	(\$8.8)
Beginning Fund Balance	\$19.8	\$19.0	\$16.6	\$7.6	(\$1.2)	(\$10.0)	\$16.6	
Ending Fund Balance	\$19.0	\$16.6	\$7.6	(\$1.2)	(\$10.0)	(\$18.8)	(\$18.8)	

(1) Assumes no cost changes from 2023 levels (i.e. meetings, office allowance, salaries, etc.)

2025 - 2028 Cost Per Episcopal Area

- Jurisdictions = \$1.4 million
- Africa & Philippines = \$0.8 million
- Europe = \$1.4 million

2024 Retirements & Number of Active Bishops Before Elections

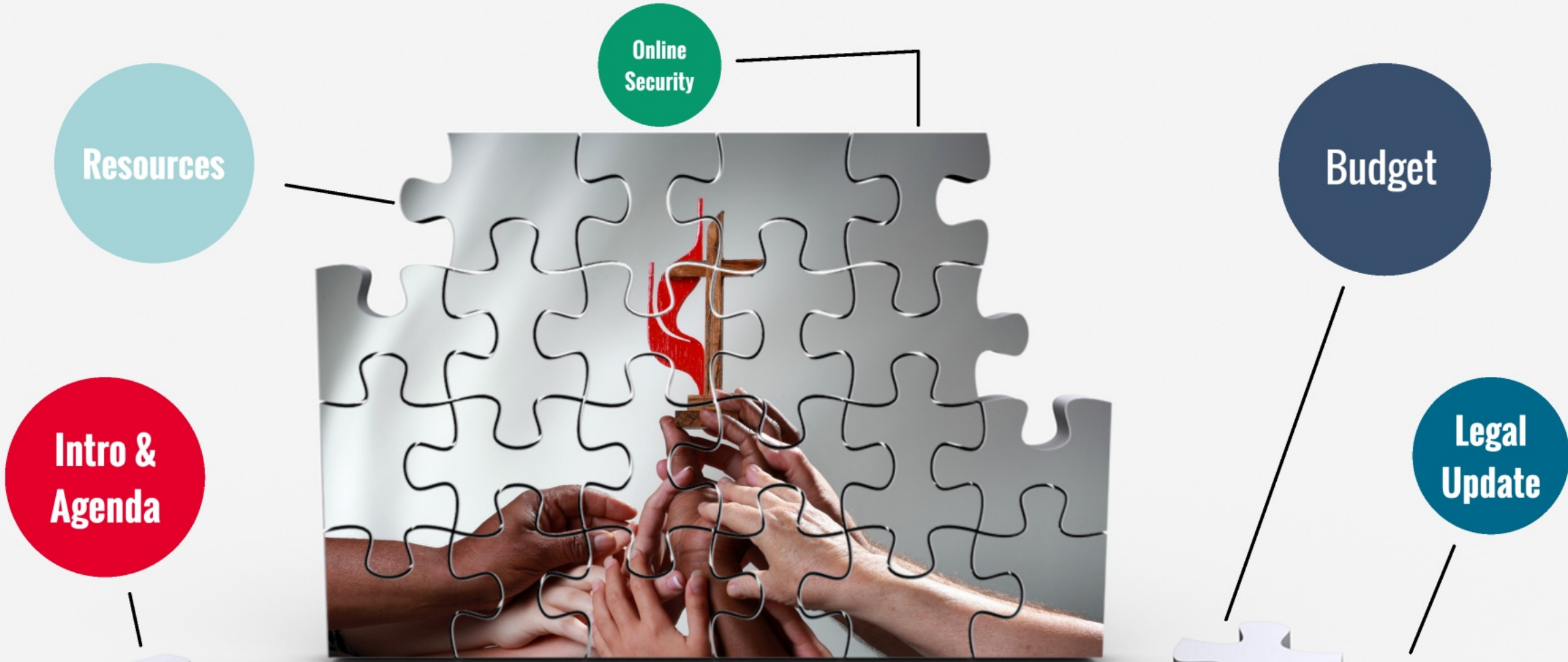
Jurisdictional Conferences	2024 Mandatory Retirement	2026 Mandatory Retirement	Central Conferences	2024 Mandatory Retirement	2024 Term Limit
North Central	2	1	Africa Central Conference ⁽¹⁾	2	0
Northeastern	1	0	Congo Central Conference	2	0
South Cenral	0	2	West Africa Central Conference	1	1
Southeastern	1	2	Europe	0	2
Western	1	1	Philippines Central Conference	0	0
Total	5	6	Total	5	3

- (1) Excludes one Bishop whose term limit retirement will depend upon the opening day of Africa Central Conference. If it is in August 2024, the Bishop will retire.
 (2) The Central Conferences do not have retirements in 2026

Descripton	Jurisdictions	Central Conf.	Total
Current Active Bishops	39	20	59
Retirements in 2024	5	8	13
Retirements in 2026	6	0	6
# of Active Bishops Before Elections	28	12	40
Number of Episcopal Areas Allowed	46	25	71
Difference (Potential Elections)	18	13	31

GCFA Areas of Responsibility

- Salary
- Housing
- Office



National Association of Annual Conference Treasurers

"Working, Together"

Legal Update

BSA Update

- Timeline
 - February 18, 2020 – bankruptcy petition filed
 - November 16, 2020 – Proof of Claim filing deadline
 - January 6, 2021 – United Methodist Ad Hoc Committee disclosure indicating its intent to participate in the bankruptcy filed
 - December 21, 2021 – United Methodist Term Sheet filed
 - March/April 2022 – Confirmation hearing on reorganization plan (22 days of testimony, 7 days of oral arguments)

BSA Update

- Timeline

- September 8, 2022 – Bankruptcy Court approves reorganization plan (“Third Modified Fifth Amended Plan of Reorganization”)
- 17 parties filed appeals (15 “non-settling” insurers and 2 victim groups)
- March 27, 2023 – District Court affirms Bankruptcy Court’s confirmation of the plan
- April 19, 2023 – Third Circuit denies appellants request for a stay pending further appeal, so plan goes effective
- 15 parties have appealed to the Third Circuit, briefing is ongoing
- August 10, 2023 – U.S. Supreme Court grants review of the Purdue Pharma reorganization plan and stays implementation (oral argument set for December)

United Methodist Entities

- “each and every (i) United Methodist local church, federated, or union church, including any Federated Church or Union Church that includes a historically United Methodist Church congregation, that sponsored, promoted, hosted, or provided any support in connection with Scouting activities, regardless of whether such local, union, or federated church is or was a Chartered Organization at any time; (ii) church currently federated or yoked, and which current federated or yoked church includes a current or former United Methodist Church congregation that sponsored, promoted, hosted or provided any support in connection with Scouting activities; (iii) other United Methodist related or affiliated organizations that sponsored, promoted, hosted, or provided any support in connection with Scouting activities, including any social service organization, ministry, camping ministry, camp facility, camp, retreat, or other facilities in the nature of a camp or retreat; (iv) any camp, retreat, or other facility in the nature of a camp or retreat that is not United Methodist related or affiliated, but otherwise promoted, hosted, or provided any support in connection with Scouting Activities for an entity described in (i), (ii) or (iii); (v) **all organizations affiliated or related to (i) (ii), (iii) or (iv), including, but not limited to, the UMAHC, each district, annual conference, and jurisdictional conference of The United Methodist Church, the general, annual conference, district, and local church agencies of The United Methodist Church, the Council of Bishops of The United Methodist Church, and the non-jural bodies commonly referred to as “The United Methodist Church,” the “Judicial Council of The United Methodist Church,” and the “General Conference of The United Methodist Church”;** and (vi) **all Representatives of the foregoing.”**

or federated church is or was a Chartered Organization at any time; (ii) church currently federated or yoked, and which current federated or yoked church includes a current or former United Methodist Church congregation that sponsored, promoted, hosted or provided any support in connection with Scouting activities; (iii) other United Methodist related or affiliated organizations that sponsored, promoted, hosted, or provided any support in connection with Scouting activities, including any social service organization, ministry, camping ministry, camp facility, camp, retreat, or other facilities in the nature of a camp or retreat; (iv) any camp, retreat, or other facility in the nature of a camp or retreat that is not United Methodist related or affiliated, but otherwise promoted, hosted, or provided any support in connection with Scouting Activities for an entity described in (i), (ii) or (iii); (v) **all organizations affiliated or related to (i) (ii), (iii) or (iv), including, but not limited to, the UMAHC, each district, annual conference, and jurisdictional conference of The United Methodist Church, the general, annual conference, district, and local church agencies of The United Methodist Church, the Council of Bishops of The United Methodist Church, and the non-jural bodies commonly referred to as "The United Methodist Church," the "Judicial Council of The United Methodist Church," and the "General Conference of The United Methodist Church";** and (vi) **all Representatives of the foregoing."**

Going Forward

- Initial settlement deposit is due 180 days after the effective date (April 19, 2023)
- Total amount due 3 years after the effective date
- Any remaining balance of holdback for channeling cases due six years after the effective date
- Issues that will come up
 - UMAHC has made the recommendations agreed to in the Term Sheet
 - Discovery requests from the Settlement Trust
 - Channeling of lawsuits/claims to the Settlement Trust

Going Forward

- Supreme Court's handling of Purdue Pharma could change everything or nothing
- Question posed: "Whether the Bankruptcy Code authorizes a court to approve, as part of a plan of reorganization under Chapter 11 of the Bankruptcy Code, a release that extinguishes claims held by nondebtors against nondebtor third parties, without the claimants' consent."
- Those 3rd-party releases are an important aspect of both the Purdue Pharma and BSA reorganization plans
- Third Circuit rejected a request to stay the BSA plan due to the Supreme Court reviewing and staying Purdue Pharma

Litigation Grants: What to Know


- Available to help fund “litigation-related expenses in cases of denominational significance”
- Grants typically:
 - Do not exceed 50% of the costs incurred
 - Are not given for expenses incurred prior to drafting of an initial court pleading
 - Are not given in advance
- Request form is available from Leticia or Bryan, when needed
- Requesting multiple grants for the same matter is permitted

Litigation Grants: What to Know

- Denominational significance examples:
 - Special nature of The United Methodist Church
 - Church-State Constitutional law issues
 - Establishment and Free Exercise Clauses-First Amendment
 - "Ministerial Exception"
 - Protection of our way of doing things as United Methodists
 - Right of UMC to exist and operate freely within and among nations
 - Trust clause disputes
 - Protection of the tax-exempt status of the denomination
 - Protection of the denomination's intellectual property
 - Protection of the reputational interests of the UMC

New UM Group Ruling Site

umgroupuling.org/einstart



General Council on Finance and Administration
THE UNITED METHODIST CHURCH

[Group Ruling Application](#)

[Group Ruling FAQ](#)

[GCFA Tax Resources](#)

[GCFA Legal Manual](#)

[Other Legal Resources](#)

[GCFA Website](#)

[Contact Us](#)

Welcome to the United Methodist Group Ruling Website


The Internal Revenue Service (IRS) delegates some of its responsibility to central organizations to streamline the process for organizations to be recognized as tax-exempt organizations under the 501(c)(3) tax code. For a more detailed explanation and additional information, please see our FAQ section on the side menu.

Start your application below

What is your EIN?

What type of organization are you?

- Church
- District
- Conference
- Charge or Parish
- United Women in Faith or United Methodist Men
- Other

I'm not a robot 

[Submit](#)



Providing Solutions. Sustaining Ministries.

PO Box 340029
Nashville, TN 37203-0029
1-615-329-3393

See Terms of Service for additional information.
For privacy policy information, view GCFA's Privacy Policy. © 2023
The General Council on Finance and Administration of The United Methodist Church.

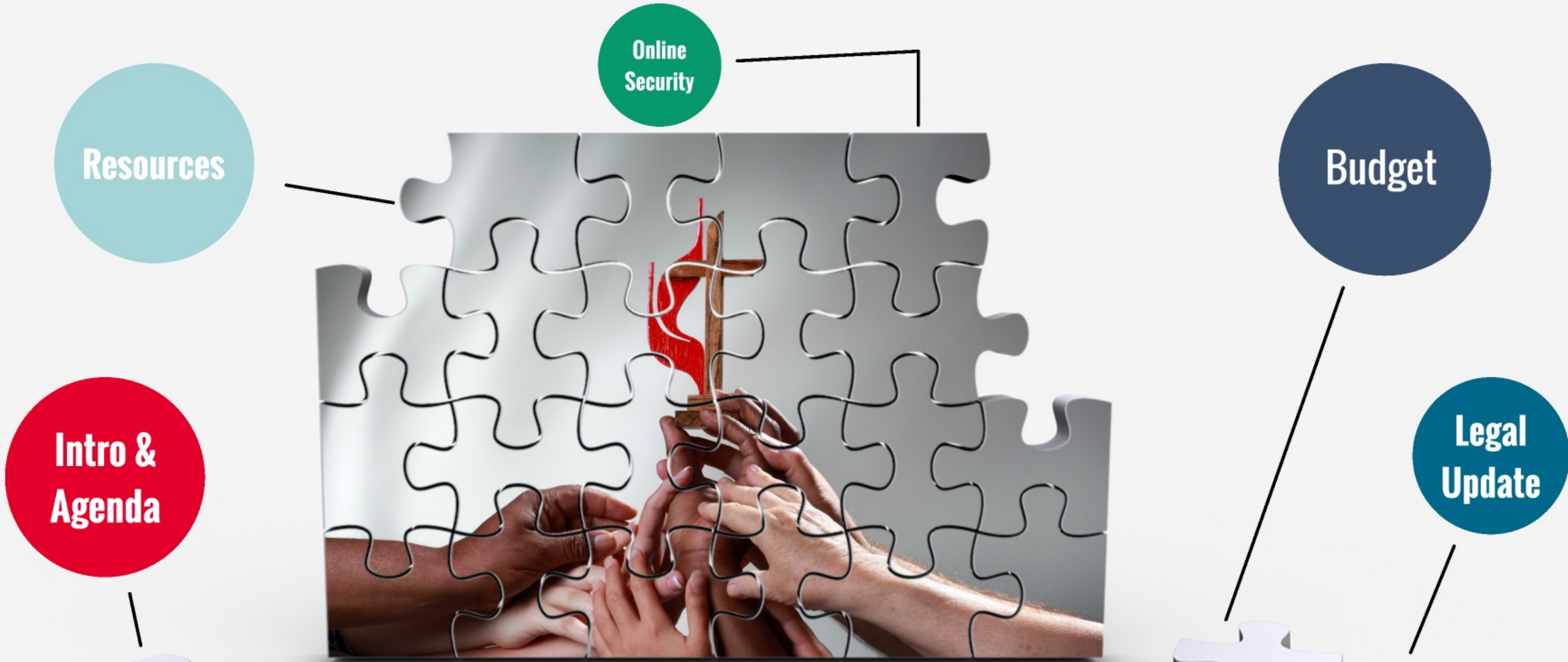


New UM Group Ruling Site

- New group ruling site was launched in early 2023
- Churches can request EOBFM and GuideStar inclusion when obtaining a letter
 - GuideStar is the most “responsive” choice – typically no more than 6 weeks after making the request
 - EOBFM (the IRS’s larger list of nonprofit organizations) can only be updated through the IRS, turnaround time is much longer (and may never happen)
- New church starts
 - Must have an EIN and be a separate legal entity (there are pros and cons to this approach from the AC standpoint)
 - Site is tied to GCFA’s church database, so new church start must have been reported to us in order to use it
 - If AC doesn’t want to report the church yet, it can verify the church’s existence and status and we can issue a letter manually

New UM Group Ruling Site

- Disaffiliated churches
 - Once our database is updated based on AC's disaffiliation report, the church would not be able to use the site
 - We have no way to claw back letters previously issued, but a name change by the disaffiliated church might render them unusable
- New GCFA main contact for group ruling issues: Meg Villeneuve (mvilleneuve@gcfa.org; 615-369-2399)
- Still waiting on the IRS to publish final rule on group exemptions (initial proposed changes were released May 2020)



National Association of Annual Conference Treasurers

"Working, Together"