

Press On:
**The 2021-2024 Denominational Financial Spending Plan and Its Focus on the Ministry of
Making Disciples of Jesus Christ for the Transformation of the World**

*Philippians 3:14 – I press on toward the goal to win the prize for which God has called me
heavenward in Christ Jesus.*

As United Methodists we are called to make disciples of Jesus Christ for the transformation of the world in every facet of our lives – while we are at church, while we are at work, and while we are with family and friends. Each of us, as working members of one body, enabled by God, press on to transform the world for God’s glory and in God’s name. The work of GCFA is to provide the administrative support needed to enable others to do the work God has called them to do as they make disciples of Jesus Christ.

GCFA is working for you in our connectional Church as we help you make disciples. We celebrate with you that in 2018, 26 jurisdictional conferences paid 100% of the general Church apportioned funds. The 2016 General Conference approved an apportionment formula for Central Conferences and in 2018, eight Central Conferences paid 100% of the two general Church funds (Episcopal Fund and General Administration Fund) they were apportioned. The Church received 90.2% of the apportioned funds – among the highest ever paid received rates. This commitment to our connection and the work that is accomplished globally is central to what we do as United Methodists.

GCFA is called to be in ministry with local churches, annual conferences, and general boards and commissions of the United Methodist connection. The *Book of Discipline* paragraphs outline, but do not limit, the areas in which the agency works in the ministry of administration.

GCFA is charged with performing “defined responsibilities of review and oversight on behalf of the General Conference in relation to the other general agencies and to perform other assigned functions.” We are accountable in all matters relating to receiving, disbursing, and reporting the general funds of the Church. Annual reviews of proposed spending plans of all treasuries receiving general Church funds are conducted to confirm that they are fiscally responsible. Policies are established governing the functions of banking, payroll, accounting, budget control and internal auditing. GCFA provides some or all of these functions for many of the general agencies receiving general Church funds, the Connectional Table, the Council of Bishops, and several other related entities.

To work faithfully in the ministry of administration, since the last General Conference, we expanded shared services offerings to include professional meeting planning services throughout the United Methodist connection.

Because of our commitment to serving the Church, we highlight below some of the programs and process that are at work throughout the connection that helps the connection “press on toward” respective ministries.

- The Home Depot has for many years been actively serving United Methodist churches and affiliated organizations. In 2017, the Home Depot worked with Annual Conferences to support churches and parsonages in need of repair from disaster relief. Beginning in 2018, the Home Depot relationship with The United Methodist Church began to support the work of UMCOR.
- The GCFA IT Services Department is committed to the vision of supporting the servant ministry of all those working within The United Methodist Church to spread the Gospel of Christ. With our support, local churches, annual conferences, and affiliated organizations can concentrate on their core ministries and have a crucial edge in today's technological environment.
- The Legal Services Department of GCFA, in its support of the ministries of The United Methodist Church reports that during 2018 alone, more than 2,900 churches and other UMC-related entities used the on-line application process to demonstrate their status as 501(c)(3) organizations. The IRS published "guidance" late in 2018 on the new Unrelated Business Income rules relating to providing parking for employees – rules that could impact churches and other non-profit entities. Our Legal Services Department prepared and made available a white paper on the topic – helping the information become widely available.
- The GCFA Finance Department fulfills one of GCFA's *Disciplinary* responsibilities to serve as the treasury for agencies receiving general Church funding. In addition, the department performs accounting duties, and works to develop ways through improved software applications and procedures to minimize the work of general agencies and others with whom we interact in matters of Church finance. The development of the Great Plains accounting system is one way the department has automated processes and improved function and reporting of Church finances.
- The Marketing and Communications team creates, and designs administrative resources to help ministries of churches of any size, annual conferences, and affiliated organizations. Publishing an award-winning eNewsletter, "The Collaborator", and maintaining GCFA's website are just some of the ways we aid the Connection in carrying out the mission of The United Methodist Church.

Working together to make disciples takes many forms. Because of our commitment to serving the Church through the ministry of administration and our commitment to be part of the body of Christ through our work, we will continue to develop processes that enable all of us to be in ministry together.

We are grateful to the members of the United Methodist connection for the opportunity to be in ministry with you as we all press on to make disciples of Jesus Christ for the transformation of the world. When United Methodists work together, God's world becomes a better place for all of us.

Thank you!

Report No. 1

WORLD SERVICE FUND

Introduction

When United Methodist congregations give their share of apportioned funds, they participate in God's work. The World Service Fund is the heart of our collective church ministry. Through this fund, individuals partner with church agencies to be in mission and ministry at home and around the world. The World Service Fund truly makes a difference by supporting ministries across the globe.

World Service is God's people reaching out in love and compassion in the name of Christ. It represents a call and a challenge to each United Methodist. As *The 2016 Book of Discipline* states, the full payment of the World Service Fund is each congregation's "first benevolent responsibility." (§ 812)

Overview

For the 2021-2024 quadrennium, the program agencies will continue their programmatic emphasis centered around four areas of focus: (1) Making New Disciples in New Places, (2) Leading Where God Calls, (3) Overcoming Poverty Together, and (4) Seeking Health and Wholeness for All.

The proposed budget of \$244,500,350 represents a significant decrease of \$66,228,059, or 21.3%, compared to the previous quadrennium.

World Service Fixed Charges

General Council on Finance and Administration ("GCFA"). GCFA is accountable to The United Methodist Church connection through the General Conference for receiving, disbursing, and reporting all general funds. (§ 806) This line item is an estimate of the World Service Fund's share of GCFA's expenses for the quadrennium.

The Connectional Table ("CT"). As part of the total mission of the church, CT facilitates the church's program life as determined by the General Conference. Its task is to discern and articulate the vision for the church and the stewardship of the mission, ministries and resources of the United Methodist Church (§ 904)

Interpretation Resources. Along with producing materials to interpret United Methodism's connectional funds, the Marketing Team of United Methodist Communications ("UMCom") uses money from this section of the budget for "Promotion of giving," a joint effort of UMCom, GCFA and the General Board of Discipleship ("GBOD"). The "Promotion of Giving" goal is to develop comprehensive financial stewardship tools, leading to improved financial support of ministry at all levels of the connection. "Promotion of Giving" resources are financed through the World Service Fund.

Program Agencies

The World Service Fund provides basic financial support to program-related general agencies, which are especially important to the common vision, mission, and ministry of The

United Methodist Church. Through World Service funding, agencies support annual conferences and local congregations in living out God's mission for the worldwide Church. General agencies also provide essential services and ministries beyond the scope of individual local congregations and annual conferences through services and ministries that are highly focused, flexible and capable of rapid response.

STRATEGIC DIRECTIONS FOR 2021-2024

Whenever United Methodism has had a clear sense of mission, God has used our church to save persons, heal relationships, transform social structures and spread scriptural holiness, thereby changing the world (§ 121). For 2021-2024, The United Methodist Church has a clear sense of mission discerned by the Council of Bishops and CT.

Our vision remains to increase the number of vital congregations worldwide through sustained attention to the Four Areas of Focus. As such, United Methodist disciples will engage in mission and ministry throughout the connection to live out God's vision for a world where poverty is reduced and poor people and communities flourish; a world where children live to their full potential; a world where Christian leaders heed God's call to discipleship; and a world where new faith communities offer God's love and grace worldwide.

Our UMC Mission: VITAL CONGREGATIONS. *Our 2024 Vision looks forward to a United Methodist church that increases the number of highly vital congregations worldwide.*

A vital congregation is a body of Christ making and engaging disciples for the transformation of the world. This is rooted in our understanding that local congregations provide the primary arena through which Christian disciples are called, formed, and nurtured. Five markers of vitality – disciples in worship, new disciples (professions of faith), disciples in small groups, disciples in mission, and giving to mission – help us gauge our progress together through a shared approach.

The real measure of our missional impact will not be in membership increases or improved giving, but in the lives that will be touched and drawn to Christ as disciples because these vital congregations were able to reach people with the gospel of Christ who might otherwise not be reached.

Our Mission Strategies: THE FOUR AREAS OF FOCUS. *Vital congregations are shaped by and witnessed through four focus areas: leading where God calls; making new disciples in new places; overcoming poverty together; and seeking health and wholeness for all.*

1. Leading Where God Calls: *Our 2024 Vision look forward to a United Methodist Church equipping people across the connection to be “difference makers,” by leading where God calls.*

Our United Methodist Church believes that Jesus is “calling you out” for something greater than any one person. The question for every United Methodist today and into our future is: “What difference will you make?”

The simple answer is that you can make a difference by following God's call to leadership wherever you are: at the local church, in the mission field, in each community and society across our world. We believe we can equip every United Methodist across our connection to be effective "difference makers" for Jesus.

2. Making New Disciples in New Places: *Our 2024 Vision looks forward to a United Methodist Church with **new disciples** who profess their faith through renewed and new faith communities around the world.*

Creating new, vital faith communities is critical to the task of making new disciples and transforming the world. A **faith community** is a group that gathers under the lordship of Jesus Christ to worship, engage and send. It is within faith communities that we receive new disciples through professions of faith and increase professions of faith. This multilayered strategy focuses on increasing the number of new faith communities in annual conferences across the world.

3. Overcoming Poverty Together: *Our 2024 Vision looks forward to a United Methodist Church with **vibrant, flourishing, and transforming communities addressing issues of poverty together.***

As faith disciples, we are called to love our neighbors – to walk, worship, and witness so that all may enjoy God's vision of abundant life. As United Methodists, we will challenge and transform broken systems and structures that create and perpetuate poverty. Leveraging connections and partnerships within and beyond The United Methodist Church, we can transform communities and open doors for a more promising future.

4. Seeking Health and Wholeness for All: *Our 2024 Vision looks forward to a United Methodist Church that can reach **people around the world with life-saving interventions.***

Every child is a life filled with promise and potential, yet, every five seconds, a child dies from preventable causes. The United Nations Health Organization estimates that 41 million people die of preventable chronic illnesses around the world. The United Methodist Church has a sacred calling to ensure abundant health for all people, engaging disciples to be agents of God's healing transformation in the world. Jesus said, "I have come that you might have life and have it abundantly." (John 10:10)

There is a global movement to significantly improve health for all people by 2035, through education, direct health services to those in need, and increased access to medical care.

2016 General Conference Action

The 2016 General Conference approved the continuation of two initiatives begun in 2012, which are funded through the World Service Fund:

Commission on Central Conference Theological Education. Paragraph 817 provides for a Commission on Central Conference Theological Education, elected by the Council of Bishops, to determine policies and procedures and approve disbursements from this fund. The Commission includes one person from each central conference, and also includes members of the Council of

Bishops Boards of Ordained Ministry, and representatives of theological schools, the General Board of Higher Education and Ministry (“GBHEM”), the General Board of Global Ministry (“GBGM”), and the Standing Committee on Central Conference Matters.

Proceeds from this fund are to be used in central conferences at the discretion of the Commission to: (1) develop theological schools; (2) develop courses of study; (3) develop libraries and contextually developed resources; (4) provide scholarships and faculty development; (5) support associations and networks of faculty and schools; and (6) support new and innovative approaches to theological education. GBHEM administers this designated fund.

Young Clergy Initiative Fund. This Fund provides support to increase the number of young clergy among the jurisdictional conferences. This is a three quadrennium effort, which ends in 2024, to enable The United Methodist Church to focus efforts on encouraging young adults responding to the call to ordained ministry by providing a strong theological education in the United Methodist tradition. This initiative is in addition to the funds that the church already has budgeted for discernment, recruitment, nurturing, education, and support of young clergy leaders.

The boards and commissions, in collaboration with annual conference boards of ordained ministry, seminaries, bishops and cabinets, will continue to determine the most effective use of the Young Clergy Initiative Fund in response to the needs of young clergy leaders. GBHEM administers this designated fund.

Other Ministries

Contingency Fund. The Contingency Fund for World Service provides funding for emerging needs in the World Service Fund areas that occur during a quadrennium. These funds are normally granted to program agencies for new programs to address unanticipated needs with the approval of CT. CT will not make grants from the World Service Contingency Fund for general administrative costs, fixed charges or capital outlay without approval from GCFA.

	2013-2016	2017-2020	2021-2024	\$ Change	% Change
Fixed Charges					
Interpretation Resources	\$ 1,442,000	\$ 1,432,197	\$ 1,068,114	\$ (364,083)	-25.4%
Connectional Table	2,155,000	2,140,350	2,021,858	(118,492)	-5.5%
General Council on Finance and Administration	7,423,000	7,372,537	6,839,000	(533,537)	-7.2%
Total Fixed Charges	\$ 11,020,000	\$ 10,945,084	\$ 9,928,972	\$ (1,016,112)	-9.3%
On-Ratio:					
General Board of Church and Society ⁽¹⁾	\$ 11,178,712	\$ 11,021,677	\$ 8,751,773	\$ (2,269,904)	-20.6%
General Board of Discipleship ⁽¹⁾	35,497,388	34,952,169	29,537,233	(5,414,936)	-15.5%
Native American Comprehensive Plan	1,080,664	1,073,317	1,069,109	(4,208)	-0.4%
Strengthening the Black Church	1,989,960	1,976,432	1,964,176	(12,256)	-0.6%
General Board of Global Ministries	112,100,584	111,338,501	88,582,858	(22,755,643)	-20.4%
Asian American Language Ministry	1,408,000	1,398,428	1,392,327	(6,101)	-0.4%
Korean Ministry Plan	3,082,000	3,061,048	3,043,230	(17,818)	-0.6%
National Plan for Hispanic/Latino Ministry ⁽¹⁾	2,382,000	3,143,830	3,126,770	(17,060)	-0.5%
Pacific Island Ministry	544,000	540,302	537,041	(3,261)	-0.6%
General Board of Higher Education and Ministry ⁽¹⁾	27,512,708	26,932,588	21,427,920	(5,504,668)	-20.4%
Central Conference Theological Education Fund	5,000,000	10,000,000	6,961,637	(3,038,363)	-30.4%
Young Clergy Initiative: Jurisdictional Conferences	7,000,000	6,952,413	5,967,118	(985,295)	-14.2%
General Commission on Religion and Race	7,404,806	7,354,467	7,313,697	(40,770)	-0.6%
Minority Group Self Determination Fund	2,505,812	2,488,777	2,475,359	(13,418)	-0.5%
General Commission on the Status and Role of Women	3,984,606	3,957,518	3,936,309	(21,209)	-0.5%
General Commission on United Methodist Men	1,487,084	1,476,974	1,468,905	(8,069)	-0.5%
United Methodist Communications	72,141,492	71,651,059	46,601,201	(25,049,858)	-35.0%
Total On-Ratio - Program Agencies	\$296,299,816	\$299,319,500	\$234,156,663	\$(65,162,837)	-21.8%
Other Ministries					
Contingency Reserve	467,000	463,825	414,715	(49,110)	-10.6%
Total Other Ministries	\$ 467,000	\$ 463,825	\$ 414,715	\$ (49,110)	-10.6%
Total On-Ratio	\$296,766,816	\$299,783,325	\$234,571,378	\$(65,211,947)	-21.8%
Grand Total	\$307,786,816	\$310,728,409	\$244,500,350	\$(66,228,059)	-21.3%

(1) In the 2017-2020 quadrennium, the programmatic support and funding for the National Plan for Hispanic/Latino Ministry that was provided by the General Board of Church and Society, the General Board of Discipleship, and the General Board of Higher Education and Ministry, was moved solely to the plan operated by the General Board of Global Ministries. The Funding for this plan in total decreased by .7% in the 2017-2020 quadrenium compared to the 2013-2016 quadrennium.

	2021	2022	2023	2024
Fixed Charges				
Interpretation Resources	\$ 267,029	\$ 267,029	\$ 267,029	\$ 267,027
Connectional Table	505,465	505,465	505,465	505,463
General Council on Finance and Administration	1,709,750	1,709,750	1,709,750	1,709,750
Total Fixed Charges	\$ 2,482,244	\$ 2,482,244	\$ 2,482,244	\$ 2,482,240
On-Ratio:				
General Board of Church and Society	2,187,943	\$ 2,187,943	\$ 2,187,943	\$ 2,187,944
General Board of Discipleship	7,384,308	7,384,308	7,384,308	7,384,309
Native American Comprehensive Plan	267,277	267,277	267,277	267,278
Strengthening the Black Church	491,044	491,044	491,044	491,044
General Board of Global Ministries	22,145,715	22,145,715	22,145,715	22,145,713
Asian American Language Ministry	348,082	348,082	348,082	348,081
Korean Ministry Plan	760,808	760,808	760,808	760,806
National Plan for Hispanic/Latino Ministry	781,693	781,693	781,693	781,691
Pacific Island Ministry	134,260	134,260	134,260	134,261
General Board of Higher Education and Ministry	5,356,980	5,356,980	5,356,980	5,356,980
Central Conference Theological Education Fund	1,740,409	1,740,409	1,740,409	1,740,410
Young Clergy Initiative: Jurisdictional Conferences	1,491,780	1,491,780	1,491,780	1,491,778
General Commission on Religion and Race	1,828,424	1,828,424	1,828,424	1,828,425
Minority Group Self Determination Fund	618,840	618,840	618,840	618,839
General Commission on the Status and Role of Women	984,077	984,077	984,077	984,078
General Commission on United Methodist Men	367,226	367,226	367,226	367,227
United Methodist Communications	11,650,300	11,650,300	11,650,300	11,650,301
Total On-Ratio - Program Agencies	\$ 58,539,166	\$ 58,539,166	\$ 58,539,166	\$58,539,165
Other Ministries				
Contingency Reserve	103,679	103,679	103,679	103,678
Total Other Ministries	\$ 103,679	\$ 103,679	\$ 103,679	\$ 103,678
Total On-Ratio	\$ 58,642,845	\$ 58,642,845	\$ 58,642,845	\$58,642,843
Grand Total	\$ 61,125,089	\$ 61,125,089	\$ 61,125,089	\$61,125,083

Report No. 2 MINISTERIAL EDUCATION FUND

Background

The Ministerial Education Fund was established by action of the 1968 General Conference. Its mission is to engage the membership of the Church in an effort to equip annual conferences, theological schools, and the General Board of Higher Education and Ministry (GBHEM) to meet the need for increased resources for the recruitment and education of persons for ministry, deacons and elders..

Every clergyperson who has served in The United Methodist Church over the past 52 years has been shaped in part by the ministries and institutions supported by the Ministerial Education Fund. Support is provided for the thirteen United Methodist seminaries in the United States, as well as local pastor courses of study, continuing education, and other programs that strengthen the ministry of every local church. The 25% retained by each annual conference directly supports ministerial education as approved by that conference.

Recommendations

The Ministerial Education Fund was first apportioned in 1970 to the jurisdictional annual conferences as one of the Church's general funds. During the 48-year period through 2018 more than \$853 million has been raised to support this important work. The Council recommends that the General Conference approve that the amounts apportioned for the 2021-2024 quadrennium are as follows:

	2013-2016	2017-2020	2021-2024	\$ Change	% Change
On-Ratio					
Annual Conferences	\$ 26,417,000	\$ 26,237,412	\$ 19,144,503	\$ (7,092,909)	-27.0%
General Board of Higher Education and Ministry	79,251,000	78,712,235	57,433,508	(21,278,727)	-27.0%
Grand Total	\$105,668,000	\$104,949,647	\$ 76,578,011	\$ (28,371,636)	-27.0%

	2021	2022	2023	2024
On-Ratio				
Annual Conferences	\$ 4,786,126	\$ 4,786,126	\$ 4,786,126	\$ 4,786,125
General Board of Higher Education and Ministry	14,358,377	14,358,377	14,358,377	14,358,377
Total	\$ 19,144,503	\$ 19,144,503	\$ 19,144,503	\$19,144,502

Amounts received by the annual conference treasurer for this fund have been distributed as described in *The 2016 Book of Discipline*, ¶ 816.

Report No. 3 THE BLACK COLLEGE FUND

Background

The 1972 General Conference established the Black College Fund as one of the apportioned general Church funds. The objective of the fund is to provide financial support for institutions of higher education that have historically served the educational needs of black students. This support helps the institutions maintain academic quality and financial stability while limiting individual student tuition costs. More than \$285 million has been raised to assist the programs and ministries of these schools since the Fund was established.

Recommendations

The General Council on Finance and Administration (“GCFA”) recommends:

1. That the 2017-2020 apportionments be set as follows:

	2013-2016	2017-2020	2021-2024	\$ Change	% Change
On-Ratio					
General Board of Higher Education and Ministry	\$42,150,000	\$41,863,455	\$35,388,987	\$ (6,474,468)	-15.5%
Grand Total	\$42,150,000	\$41,863,455	\$35,388,987	\$ (6,474,468)	-15.5%

	2021	2022	2023	2024
On-Ratio				
General Board of Higher Education and Ministry	\$ 8,847,247	\$ 8,847,247	\$ 8,847,247	\$ 8,847,246
Total	\$ 8,847,247	\$ 8,847,247	\$ 8,847,247	\$ 8,847,246

2. That GCFA remit monthly receipts for this fund to the General Board of Higher Education and Ministry (“GBHEM”) for distribution to the colleges using the formula described in *The 2012 Book of Discipline* ¶ 815. Promotion of the Black College Fund shall be by the Division of Higher Education

3. That an annual conference may make direct and/or designated gifts for current expense or capital funds purposes to one or more of these colleges, but only after it has met its full Black College Fund apportionment. There may be reasonable exceptions to this restriction, but such exceptions will be negotiated with GBHEM prior to implementation.

Report No. 4
AFRICA UNIVERSITY FUND

Background

The 1988 General Conference approved a report of the General Board of Higher Education and Ministry (GBHEM) providing for the establishment of a United Methodist university on the continent of Africa. By the time the 1992 General Conference convened, the site selection process was complete, the Zimbabwe Annual Conference had gifted the university with a large tract of land on which to establish the main campus, and the university had been granted a charter by the government of Zimbabwe. On March 23, 1992, the College of Theology and the College of Agriculture and Natural Resources opened on a site near Old Mutare to 40 students from six African countries.

Subsequent General Conferences have heard and affirmed reports on the continuing development of this university for all of Africa. The vitality of the University was evidenced by the creation of additional courses (now over 1,500) increases in the number of faculty members and students, and the growth of the physical plant. There are currently three colleges within the University, namely: (1) College of Health, Agriculture and Natural Sciences; (2) College of Business, Peace, Leadership and Governance; and (3) College of Social Sciences, Theology, Humanity and Education.

Current Realities

The student body numbers about 1,600 full-time students and 700 part-time students from 26 African countries. All 14 Africa Central Conferences, where the United Methodist Church is experiencing significant growth, are well-represented in the student body. The university has a 97% graduation rate and more than 94% of the students live on the continent of Africa.

Africa University's more than 9,200 alumni have solidified the university's status as a leadership preparation institution. They are college and seminary presidents, faculty members, district superintendents, communicators, hospital and clinic managers, farmers and agricultural extension workers, and leaders in every walk of life.

Africa University's fourth vice chancellor (president) has prioritized fiscal accountability, resulting in the eradication of an \$800,000 budget deficit,; and moving the University to positive numbers in the 2018 audit.

The Africa University Fund supports the ministry's core needs and amounts to 17.2 percent of the institution's \$14 million annual budget. Africa University is deeply thankful to the local churches for their ever faithful and generous contributions, leading to a significant number of annual conferences paying 100 percent or more of their asking in 2018. With 94% percent in overall giving in 2018, the Africa University Fund continues to be actively supported within the church..

World Service Special Gifts have also been sought since 1988. These gifts have been held and invested by the GBHEM and the General Council on Finance and Administration, (GCFA), as permanent endowment funds for the University. As of 2018, contributions and investment earnings have resulted in an endowment fund of \$71 million, with the proceeds going primarily to pay for student scholarships.

The Africa University Board of Directors, Development Office, GBHEM, and GCFA are working to expand the basic infrastructure of the main campus and increase the permanent endowment fund.

Recommendations

GCFA has deep appreciation and respect for all who have worked diligently and successfully to bring the university to this point in its development—members and staff of GCFA, GBHEM, the General Board of Global Ministries (GBGM); the members of the three Africa University–related Board of Directors; administration, faculty, alumni and students of the university; and all of the persons, churches, conferences, and other organizations who have supported the University with their time, energy, talent, and gifts. GCFA believes that the University will continue to enjoy enthusiastic support.

The General Council on Finance and Administration (GCFA) recommends the following:

1. That the 2021-2024 apportionments be set as follows:

AFRICA UNIVERSITY FUND

	2013-2016	2017-2020	2021-2024	\$ Change	% Change
On-Ratio					
General Board of Higher Education and Ministry	\$9,433,000	\$9,368,872	\$7,956,157	\$(1,412,715)	-15.1%
Grand Total	\$9,433,000	\$9,368,872	\$7,956,157	\$(1,412,715)	-15.1%

	2021	2022	2023	2024
On-Ratio				
General Board of Higher Education and Ministry	\$ 1,989,039	\$1,989,039	\$1,989,039	\$ 1,989,040
Total	\$ 1,989,039	\$1,989,039	\$1,989,039	\$ 1,989,040

2. That GBHEM shall be authorized to disburse funds for the development and operation of Africa University and to release such funds to the Africa University Board of Directors or such other structural units as may be created for that purpose, provided that the GBHEM shall be accountable for such funds to GCFA under a written agreement developed in consultation with and approved by GCFA, and the three Africa University-related Board of Directors, and, provided further, that no such funds shall be released to any structural unit whose charter, bylaws, or other governing documents have not been approved by GBHEM.

3. That permanent endowment funds for the University be held and invested by GCFA, GBHEM and other investment managers as identified by GBHEM and the three Africa University-related Board of Directors. Permanent endowment funds include the World Service Gift receipts and any other funds that may be raised by the University and designated, by the donor for this purpose. GCFA and GBHEM are authorized to disburse income earned from the permanent endowment funds under the same conditions as set forth in ¶2 above. The provisions of this report shall not limit the authority of the Africa University-related Board of Directors to raise and administer permanent endowment funds and/or funds for the development and operation of the University from sources other than those from which contributions to the Africa University Fund or the World Service Special Gifts fund would normally be sought.

4. That an annual conference may make direct and/or designated gifts for current expense or capital funds purposes to Africa University.

5. That adjustments in the provisions of this report, except for the amount of the Africa University Fund, may be made by the GCFA on recommendations of GBHEM and the Africa University-related Board of Directors after consultation with the Council of Bishops.

Report No. 5

THE EPISCOPAL FUND

The General Council on Finance and Administration (“GCFA”) has prepared a budget for support of the bishops of The United Methodist Church which reflects current economic conditions. Healthcare costs are projected to rise annually by 6% and overall inflation is anticipated to be approximately 2% per year during the 2021-2024 quadrennium. Apportionment funding from the jurisdictional conferences is increasing by 6.7%. Support from the central conferences is decreasing by 0.5%, as professing membership is lower than the projection used in preparing the 2017-2020 budget. The net result is an increase of episcopal funding globally of 6.4%. Assuming an annual collection rate of 90% during 2019-2024, this projection would require use of \$8.4 million of accumulated reserves, with a projected ending reserve level of \$0.9 million at the close of the 2021-2024 quadrennium.

Given the already high utilization of reserves with a 90% collection rate, and the low level of reserves projected, it will be important for GCFA, in cooperation with the Council of Bishops, to closely monitor both income and expenses and find appropriate solutions to ensure Episcopal Fund reserves are not entirely depleted. Cost containment measures incorporated into this budget include:

- 1.5% annual salary increase for all bishops;
- A 12% reduction in office allowance funding compared to the 2019 level;
- No increase to the housing grant (the jurisdictional housing grant was doubled in 2017 – from \$10,000 to \$20,000, per bishop per year – which was the first increase to the grant since 2005); and
- \$1.6 million reduction in cost projections for Council of Bishops and other meetings, which will be accomplished through the increased use of online or virtual meetings, as well as selecting sites that have a lower cost base.

Section III-A below provides authority to GCFA to adjust the budget as necessary to respond to relevant changes in economic circumstances.

The Episcopal Fund, raised in accordance with ¶ 818.3, provides for the salary and expenses of active bishops from the date of their consecration and for the support of retired bishops and surviving spouses and minor children of deceased bishops. This budget provides for the same number of bishops in the jurisdictions as 2017-2020 and, as mandated by the 2016 General Conference, for five additional bishops in Africa. The average total cost of each active jurisdictional bishop for the upcoming quadrennium is projected to be \$1,415,000, while the average cost of a central conference bishop for the upcoming quadrennium is projected to be \$970,000. Subject to the approval of GCFA, the treasurer will have authority to borrow for the benefit of the Episcopal Fund such amounts as may be necessary for the proper execution of the orders of the General Conference.

GCFA presents the following recommendations concerning items in the Episcopal Fund for the 2021-2024 quadrennium, to become effective at the adjournment of the 2020 General Conference. The items will be reviewed and set annually by GCFA.

I. Bishops Elected by the Jurisdictional and Central Conferences

A proposed annual spending plan of estimated receipts on apportionment of the Episcopal Fund and expenses for each episcopal office will be submitted to GCFA on forms furnished by it. The proposed spending plan will include funding for salary, housing allowance, and office expense as recommended by the respective episcopal area, jurisdictional or central conference, or its committee on episcopacy.

A. Salaries

1. **Active Bishops.** All salaries are set annually by GCFA. The salary of a bishop newly elected in 2020 or 2021 will begin on the date of his/her consecration, or 6 weeks prior to their assignment date, whichever is later, at the annual rate established by GCFA for 2020 or 2021.

a. **Jurisdictional Conferences.** In 2019, the salary for jurisdictional bishops is \$162,350. Any salary adjustments for 2021 through 2024 will be set by GCFA annually. While the current projections are for a 1.5% annual increase, considerations for determining salary adjustments each year will include the percentage adjustment for workers in state and local government as published by the U.S. Bureau of Labor Statistic, the review of other relevant compensation studies as determined by GCFA, and the overall economic status of the Episcopal Fund and its reserves.

GCFA will notify each newly elected bishop's current salary-paying unit of the date on which payment of salary from the Episcopal Fund will begin.

b. **Central Conferences.** The salary of each bishop will be recommended by the respective central conference or its committee on episcopacy as included in the area spending plan. For 2019, the salaries for central conference bishops are as follows:

Episcopal Area / Regions	2019 Salary
Africa	\$ 79,788.00
Philippines	\$ 79,788.00
Central and Southern Europe	\$ 127,491.00
Eurasia	\$ 65,982.00
Germany	\$ 61,824.00
Nordic and Baltic	\$ 96,553.00

Any salary adjustments for 2021 through 2024 will be set by GCFA annually after reviewing the recommendations. While the current projections are for a 1.5% annual increase, GCFA will determine the salary adjustments each year with consideration to the requests individually and in total. Additional considerations will include the review of cost of living changes in each episcopal area, relevant compensation studies as determined by GCFA, and the overall economic status of the Episcopal Fund and its reserves.

2. Special Assignment (§ 408.1d)

a. Bishops who have retired pursuant to § 408.1 and who accept a special assignment from the Council of Bishops to a general agency or United Methodist Church-related institution of higher education as outlined in § 408.1d(2) will receive remuneration not to exceed 20% of an active bishop's salary in the episcopal area from which they retired. The Episcopal Fund's share will not exceed 50% of the established compensation. The agency or institution of higher learning will assume all responsibility for the bishop's operational and travel expenses related to the assignment.

b. Retired bishops who accept a special assignment from the Council of Bishops with a direct relationship and accountability to the Council of Bishops following mandatory retirement, as outlined in § 408.1d(1) (example: COB Executive Secretary or Ecumenical Officer), will receive remuneration of 20% of an active bishop's current salary in the episcopal area from which the bishop retired.

3. Salary Payment. Due to the variation in time of election, consecration, and assignment, there may be up to seven weeks of salary and benefits provided from the Episcopal Fund prior to the date of assignment for any newly elected bishop.

B. Episcopal Residence/Housing. The annual conference or conferences constituting the episcopal area to which the bishop is assigned will be responsible for providing an episcopal residence or allowance for the bishop.

1. Housing Grant (Jurisdictional Conferences). The Episcopal Fund will provide a grant of \$20,000 annually to the annual conference to assist in the cost of providing an episcopal residence or allowance.

2. Housing Grant (Central Conferences). The Episcopal Fund will provide a grant annually to the annual conference to assist in the cost of providing an episcopal residence or allowance. The amount for each episcopal area will be set annually by GCFA.

3. Guidelines will be developed by the respective jurisdictional or central conference committees on episcopacy for transition in episcopal residences.

4. If a bishop dies while in active service and the episcopal residence is provided by the annual conference, the surviving spouse may continue to occupy the episcopal residence for up to 120 days following the date of death of the bishop.

C. Office Expense

1. Each episcopal area will receive an annual grant as set each year by GCFA to be applied towards the operation of the office. Such grant will be paid quarterly to jurisdictional bishops and monthly to bishops in central conferences.

D. Pension

1. Jurisdictional bishops. For service years beginning before January 1, 1982, pensions for the support of bishops elected by jurisdictional conferences and those of their surviving spouses and minor children will include the benefits provided by the Global Episcopal Pension Program.

For service years beginning January 1, 1982, and thereafter, pensions for the support of bishops elected by jurisdictional conferences and those of their surviving spouses and minor children will include the benefits provided by the Ministerial Pension Plan, amended and restated effective January 1, 2007, as the Clergy Retirement Security Program (CRSP), and the Comprehensive Protection Plan of Wespeth.

2. Central Conference bishops. Pensions for the support of bishops elected by central conferences and those of their surviving spouses and minor children shall include the benefits provided by Wespeth.

E. Travel Expense

The Episcopal Fund will pay the travel expenses of all members of the Council of Bishops in accordance with the Episcopal Fund Travel Expense Guidelines and Policies then in effect. These travel expense policies are in accordance with the General Agency Expense and Reimbursement Policies for all general funds of The United Methodist Church as approved by GCFA.

II. MISCELLANEOUS OTHER MATTERS

A. Council of Bishops Staff Office

The Council of Bishops will submit an annual spending plan to GCFA providing for the expenses related to the Council of Bishops staff and the office located in Washington, D.C. The administrative costs and other expenses incurred by the Council of Bishops staff in the performance of the duties of this office will also be included in the spending plan. The spending plan will be subject to the approval of GCFA.

B. Ecumenical and Interreligious ministries

The Council of Bishops will submit an annual spending plan to GCFA to provide for expenses incurred pertaining to the Ecumenical and Interreligious ministries of the Council of Bishops. The spending plan is subject to the approval of GCFA.

C. Faith and Order ministries work

The Council of Bishops will submit an annual spending plan to GCFA to provide for expenses incurred pertaining to the Faith and Order ministries of the Council of Bishops. The spending plan is subject to the approval of GCFA.

III. FUNDING

A. Changes During Quadrennium

If, in the judgment of GCFA, economic conditions require increasing or decreasing the amounts authorized in this report, GCFA is authorized to make such adjustments.

B. Apportionment for the Episcopal Fund

Both the jurisdictional and central conferences will be apportioned based upon the formulas recommended by GCFA in Report No. 8. GCFA recommends the apportionment for the Episcopal Fund during the 2021-2024 quadrennium be:

EPISCOPAL FUND

	2013-2016	2017-2020	2021-2024	\$ Change	% Change
Fixed Charges					
General Council on Finance and Administration	3,000,000	2,979,605	2,600,000	(379,605)	-12.7%
Total Fixed Charges	\$ 3,000,000	\$ 2,979,605	\$ 2,600,000	\$ (379,605)	-12.7%
Jurisdictional On-Ratio					
Episcopal Fund	\$ 84,436,000	\$83,861,986	\$ 95,576,000	\$ 11,714,014	14.0%
Office of Christian Unity and Interreligions Relationships	\$ 5,213,184	\$ 5,177,744	\$ -	\$ (5,177,744)	-100.0%
Total Jurisdictional On-Ratio	\$ 89,649,184	\$89,039,730	\$ 95,576,000	\$ 6,536,270	7.3%
Total Jurisdictional Apportionments	\$ 92,649,184	\$92,019,335	\$ 98,176,000	\$ 6,156,665	6.7%
Central Conference On-Ratio (1)	\$ 3,664,928	\$ 3,690,081	\$ 3,671,650	\$ (18,431)	-0.5%
Grand Total	\$ 96,314,112	\$95,709,416	\$101,847,650	\$ 6,138,234	6.4%

(1) During 2013-2016, there was not an apportionment formula for the Central Conferences. The amounts shown were voluntary contributions from each Episcopal area.

	2021	2022	2023	2024
Fixed Charges				
General Council on Finance and Administration	650,000	650,000	650,000	650,000
Total Fixed Charges	\$ 650,000	\$ 650,000	\$ 650,000	\$ 650,000
Jurisdictional On-Ratio				
Episcopal Fund	\$ 23,894,000	\$23,894,000	\$23,894,000	\$ 23,894,000
Office of Christian Unity and Interreligions Relationships	\$ -	\$ -	\$ -	\$ -
Total Jurisdictional On-Ratio	\$ 23,894,000	\$23,894,000	\$23,894,000	\$ 23,894,000
Total Jurisdictional Apportionments	\$ 24,544,000	\$24,544,000	\$24,544,000	\$ 24,544,000
Central Conference On-Ratio	\$ 917,913	\$ 917,913	\$ 917,913	\$ 917,911
Grand Total	\$ 25,461,913	\$25,461,913	\$25,461,913	\$ 25,461,911

Report No. 6

GENERAL ADMINISTRATION FUND

The General Administration Fund (2016 *Book of Discipline*, ¶ 813) finances general Church activities that are specifically administrative in nature, as contrasted with programmatic, missional, or ecumenical in scope and purpose.

In the 2021-2024 quadrennium, the Jurisdictional apportionments for these General Administration Fund activities will decrease by 18.4% from the 2017-2020 quadrennium. Since the Central Conference apportionments are a factor of per member apportionments in the Jurisdictions (see Report # 8), they are also declining, but only by 16.1%.

Discussion of Specific Budget Items

The General Council on Finance and Administration (GCFA) (¶ 805.6). GCFA reports to and is amenable to the General Conference and is responsible for receiving and distributing general Church funds. In addition, GCFA provides certain administrative services to the General Administration Funds including general ledger processing and maintenance, cash management and group insurance plan administration. A more detailed description of GCFA's activities is found in Report #14.

General Conference (¶¶ 501-511). The apportionments for General Conference fund delegate expenses, meeting operation costs (convention center and equipment rental, publishing, petition tracking software, worship, labor), language services (printed translation of advance materials and spoken interpretation on site), expenses of the offices of the secretary, business manager, and treasurer of the General Conference and expenses of the several commissions and committees in support of the event.

The changing global nature of the church is due in part to the rapidly growing membership in central conferences. The percentage of delegates from central conferences has increased significantly since the start of this millennium. The percent of delegates from Central Conferences for the past four quadrennial is 16% in 2000; 29% in 2008; 38% in 2012; 42% in 2016, and 44% in 2020. This change in representation has resulted in two of the four major cost drivers increasing significantly:

1. The budgeted cost of language& translation services in 2024 is:
 - a. Oral interpretation - \$1,450,000
 - b. Written interpretation - \$490,000
2. In 2016, the average travel costs for delegates from within the United States was approximately \$765 for each delegate, while the average travel cost for delegates from central conferences was approximately \$3,365 each. As representation from central conferences grows, because of growth in membership, so likewise does the cost of travel for delegates.

The Commission on the General Conference launched a ministry partner program for the 2012 General Conference with the intent of creating an income stream that may permit the payment of

some of the accumulated costs. This program will continue through the 2024 General Conference. Ministry partnership net income (after expenses) provided in 2016 was approximately \$600,000 and is expected to be approximately \$800,000 in 2020.

The General Commission on Archives and History (GCAH) (§§ 1701-1712). The purpose of the GCAH is to promote and preserve the historical interests of The United Methodist Church and its antecedents. The Commission accomplishes this uniquely administrative and programmatic mission by gathering, preserving, holding title to and disseminating materials representing the history of the denomination.

The Commission's "Ministry of Memory" serves these functions for all levels of the connection. In addition, it serves UMC seminary students and professors worldwide in basic preparatory and more highly academic Wesleyan-Methodist studies. It also anticipates increased support for Central Conference historians and leaders, many beginning basic archival collections of their own.

The Commission also manages a Historic Sites and Heritage Landmarks (§ 1712) program supervising more than 500 denominational historic sites and nearly 50 heritage landmarks across the global connection.

The Judicial Council (§§ 2601-2612). The Judicial Council is the highest judicial body in The United Methodist Church connection. It determines the legality and/or constitutionality of actions by agencies, boards, conferences, and officials of the Church. ¶ 813.3 provides that the expenses of the Judicial Council will be paid from the General Administration Fund, within a budget submitted annually to GCFA for its approval.

Pension and Salary Aid. Funding for salary and pension assistance programs are included in this item. In the 2013-2016 quadrennium, funding for salary aid to the Rio Grande Annual Conference was included. Since the 2017-2021 quadrennium funding was not specifically identified for this Conference due to the merger with the Southwest Texas Annual Conference. The funding that was utilized for Rio Grande salary aid was moved to Contingency Funds for the 2017-2020 quadrennium.

The proposed budget for 2021-2024 for these purposes is:

	2013-2016	2017-2020	2021-2024	\$ Change	% Change
Oklahoma Indian Missionary Conference					
Pesnion Aid	138,000	137,062	112,420	(24,642)	-18.0%
Salary Aid	1,556,000	1,545,422	1,267,580	(277,842)	-18.0%
Rio Grande Annual Conference					
Salary Aid	805,000	-	-	-	0.0%
Total	\$ 2,499,000	\$ 1,682,484	\$ 1,380,000	\$ (302,484)	-18.0%

Contingency Reserve. This allocation provides funding for unforeseen or emergency situations that fall within the scope of general administration. There is funding from both the Jurisdictions and Central Conferences for this fund.

The amount of funding from the Jurisdictional apportionments is declining by more than 52% from 2017-2020. During 2017-2020 the majority of spending from the Jurisdictional Funds was \$1.0 million to help fund the 2019 session of General Conference, \$.2 million for Extended Cabinet meetings in the fall of 2016 and \$.15 million for the Jurisdictional Study Committee.

The funds that have come from Central Conference apportionments since 2017 have given priority to the Standing Committee on Central Conference Matters in its work to develop the *Global Book of Discipline* for presentation to the 2020 General Conference, including a third meeting during the quadrennium, the new membership composition of the Standing Committee, and the implementation of the comprehensive plan for Africa. A total of \$.5 million was allocated for these purposes during 2017-2020.

GENERAL ADMINISTRATION FUND

	2013-2016	2017-2020	2021-2024	\$ Change	% Change
Jurisdictional On-Ratio					
General Council on Finance and Administration	\$16,844,000	\$16,729,491	\$12,979,000	\$(3,750,491)	-22.4%
General Commission on Archives & History	4,162,000	4,133,706	3,927,000	(206,706)	-5.0%
Historic Shrines, Landmarks & Sites					
General Conference	11,903,000	11,822,081	10,451,000	(1,371,081)	-11.6%
Standing Committee Central					
Conference Matters	293,000	291,008	-	(291,008)	-100.0%
Judicial Council	587,000	583,009	583,000	(9)	0.0%
Pension and Salary Aid - Rio Grand Conf. (1)	805,000	-	-	-	0.0%
Pension and Salary Aid - Oklahoma Conf.	1,694,000	1,682,484	1,380,000	(302,484)	-18.0%
Contingency Reserve	861,000	1,654,674	790,000	(864,674)	-52.3%
Total Jurisdictional On-Ratio	\$37,149,000	\$36,896,453	\$30,110,000	\$(6,786,453)	-18.4%
Central Conference On-Ratio (2)					
Standing Committee Central					
Conference Matters	-	-	475,000	475,000	
Contingency Reserve	-	1,479,590	767,000	(712,590)	-48.2%
Total Central Conference On-Ratio	\$ -	\$ 1,479,590	\$ 1,242,000	\$ (237,590)	-16.1%
Grand Total	\$37,149,000	\$38,376,043	\$31,352,000	\$(7,024,043)	-18.3%

(1) Rio Grande Annual Conference has merged with the Southwest Texas Annual Conference. Apportionment support in 2013-2016 was \$805,000. These funds were moved to the Contingency Fund in 2017-2020.

(2) This represents the Central Conference apportionments as outlined by the formula in Report 8.

GENERAL ADMINISTRATION FUND

	2021	2022	2023	2024
Jurisdictional On-Ratio				
General Council on Finance and Administration	\$ 3,244,750	\$ 3,244,750	\$ 3,244,750	\$ 3,244,750
General Commission on Archives & History Historic Shrines, Landmarks & Sites	981,750	981,750	981,750	981,750
General Conference	2,612,750	2,612,750	2,612,750	2,612,750
Judicial Council	145,750	145,750	145,750	145,750
Pension and Salary Aid - Oklahoma Conf.	345,000	345,000	345,000	345,000
Contingency Reserve	197,500	197,500	197,500	197,500
Total Jurisdictional On-Ratio	\$ 7,527,500	\$ 7,527,500	\$ 7,527,500	\$ 7,527,500
Central Conference On-Ratio (1)				
Standing Committee Central Conference Matters	118,750	118,750	118,750	118,750
Contingency Reserve	191,750	191,750	191,750	191,750
Total Central Conference On-Ratio	\$ 310,500	\$ 310,500	\$ 310,500	\$ 310,500
Grand Total	\$ 7,838,000	\$ 7,838,000	\$ 7,838,000	\$ 7,838,000

(1) This represents the Central Conference apportionments as outlined by the formula in Report 8.

Report No. 7
INTERDENOMINATIONAL COOPERATION FUND

“As part of the church universal, The United Methodist Church believes that the Lord of the church is calling Christians everywhere to strive toward unity; and therefore it will seek, and work for, unity at all levels of church life: through world relationships with other Methodist churches ... through councils of churches and through plans of union and covenantal relationships with churches of Methodist or other denominational traditions.”

From the *Book of Discipline*, ¶ 6. **Article VI. Ecumenical Relations**

The Interdenominational Cooperation Fund allows The United Methodist Church to partner with Christian sisters and brothers throughout the world to fulfill a shared ecumenical mission. Our relationships with ecumenical partners enable us to witness together while respecting our unique traditions and distinctions, engaging in ministries that foster justice, mercy, and peace in God’s world.

In partnership with other Christian communions, the Interdenominational Cooperation Fund provides operating and other support for organizations that relate to the ecumenical responsibility of the Council of Bishops. The General Council on Finance and Administration (GCFA) recommends the annual budgeted amounts for the Interdenominational Cooperation Fund to the General Conference from recommendations developed in consultation with the Council of Bishops (*Book of Discipline*, ¶814.2).

GCFA, working collaboratively with the Connectional Table (CT), determined that the funding for the Interdenominational Cooperation Fund would be significantly below previous levels resulting in a reduction of 87% from the 2017-2020 quadrennium. This reduction is designed to reduce the fund balance that has increased of the past several years, with the expectation that the General Conference of 2024 may choose to increase the funding as fund balances diminish during 2021-2024. At the end of 2018 there is a total fund balance of \$5,951,812. These funds are also restricted for specific purposes as shown in the chart below.

INTERDENOMINATIONAL COOPERATION FUND BALANCES AT 12/31/18

Organization / Activity	2018 Fund Balance
National Councils of Churches / Regional Ecumenical Organizations	\$2,914,566
World Council of Churches / International Ecumenical Organizations	844,324
Christian World Communions / Methodist Unity:	
World Methodist Council	119,497
Pan Methodist Commission	240,853
Ecumenical / Multilateral Conversations	342,590
Ecumenical Representative Travel	711,674
Interreligious Relations	280,499
Churches Uniting In Christ	34,532
Contingency Reserve	463,277
Total Fund Balances	<u>\$5,951,812</u>

As a result of the increasing balances for the restricted purposes shown above and the significant decrease in funding for 2021-2024, the total of all Interdenominational Cooperation Fund balances at the end of 2020 will be transferred to a single line item called Ecumenical & Interreligious Activity & Relations. Each year the Council of Bishops will continue to present an annual spending plan for the Interdenominational Cooperation Fund to GCFA for approval. This spending plan will show the specific areas of funding. This will provide greater flexibility to provide support to organizations and areas as needs change and develop.

Explanation of Items Historically Funded by the Interdenominational Cooperation Fund:

General Council on Finance and Administration. GCFA reports to and is amenable to the General Conference and is responsible for receiving and distributing general Church funds. A portion of the Council's expenses is charged to the Interdenominational Cooperation Fund as provided in ¶ 805.6a and Report No. 14.

National Councils of Churches/Regional Ecumenical Organizations. This line includes funds to support the work of councils or organizations whose membership is limited to a specific country or geographic region. Among the specific organizations currently receiving support is the National Council of the Churches of Christ in the U.S.A. This council comprises thirty-eight member denominations and communions in the United States representing more than forty million Christians and about 100,000 local congregations.

World Council of Churches/International Ecumenical Organizations. This category includes funds to support the work of councils or organizations whose membership is not limited to a

specific country or geographic region. The Interdenominational Cooperation Fund supports the World Council of Churches, founded in 1948. The council includes 350 member communions throughout the world representing more than 500 million Christians. Funds in this category provide for United Methodist participation in the work and life of the World Council of Churches, with a focus on justice and peace. Funds are also provided for the United Methodist commitment for costs of the World Council of Churches Assembly, the next one to be held in Germany in 2021, including travel and related expenses for Christians from around the globe.

Christian World Communions/Methodist Unity. This category includes funds to support the work of ecumenical organizations whose members trace their origins to religious traditions started by John Wesley. One such conciliar partner, dedicated to nurturing unity in the Methodist family, is the World Methodist Council. Established in 1881, the World Methodist Council is a worldwide association of 80 Methodist, Wesleyan and related Uniting and United Churches representing more than 80 million people in 138 countries. The Interdenominational Cooperation Fund allocation provides for United Methodist participation in the work and life of the Council.

Pan-Methodist Commission. This allocation of funding relates to ongoing ministry on matters of mutual interest among representatives of The United Methodist Church, The African Methodist Episcopal Church, The African Methodist Episcopal Zion Church, The African Union Methodist Protestant Church, The Christian Methodist Episcopal Church and The Union American Methodist Episcopal Church. The commission is currently engaged in fulfilling the vision of full communion among its member churches.

Ecumenical/Multilateral Conversations. Provides funding for ongoing and proposed meetings with representatives of other denominations for dialogue, including but not limited to the Episcopal Church, the Evangelical Lutheran Church in America, the Moravian Church (Northern and Southern Provinces) and the United States Conference of Catholic Bishops.

Ecumenical Representative Travel. To ensure a United Methodist voice and presence in worldwide deliberations and meetings of funded ecumenical bodies, travel expenses for United Methodist representatives named by the Council of Bishops are paid from the Interdenominational Cooperation Fund (§ 814.4). Costs and expenses are paid in accordance with guidelines adopted by GCFA, with appropriate and approved limitations. Covered meetings include those of the governing board, convening tables and other units of the National Council of the Churches of Christ in the U.S.A.; the central and executive committees of the World Council of Churches, including other structural units and periodic assembly; the executive committee members and at-large delegates of the World Methodist Council; meetings of Churches Uniting in Christ, Christian Churches Together and the Pan-Methodist Commission, and United Methodist participation in concordat relationships, and other ecumenical activities of recognized bodies.

Interreligious Relations. Provides resources for United Methodists to engage more directly with neighbors of other faith communities. Funding could be used to provide information, materials and support for dialogues locally and regionally, and to support ecumenical programs involving interfaith partners, such as Religions for Peace, USA.

INTERDENOMINATIONAL COOPERATION FUND

	2009-2012	2013-2016	2017-2020	2021-2024	\$ Change	% Change
Fixed Charges						
General Council on Finance and Administration	220,000	206,000	204,600	64,000	(140,600)	-68.7%
Total Fixed Charges	\$ 220,000	\$ 206,000	\$ 204,600	\$ 64,000	\$ (140,600)	-68.7%
On-Ratio						
National Councils of Churches/ Regional Ecumenical Organizations	\$2,600,000	\$2,500,000	\$2,483,005	\$ -	\$(2,483,005)	-100.0%
World Council of Churches/ International Ecumenical Organizations	2,290,000	2,192,000	2,177,098	-	(2,177,098)	-100.0%
Christian World Communions/ Methodist Unity:						
World Methodist Council	2,115,000	1,940,000	1,926,812	-	(1,926,812)	-100.0%
Pan Methodist Commission	135,000	100,000	99,320	-	(99,320)	-100.0%
Ecumenical/Multilateral Conversations	300,000	316,000	313,852	-	(313,852)	-100.0%
Ecumenical Representative Travel	740,000	760,000	754,833	-	(754,833)	-100.0%
Interreligious Relations	155,000	150,000	148,980	-	(148,980)	-100.0%
Ecumenical & Interreligious Activity & Relations				994,520	994,520	
Contingency Reserve	100,000	100,000	99,320	-	(99,320)	-100.0%
Total On-Ratio	\$8,435,000	\$8,058,000	\$8,003,220	\$ 994,520	\$(7,008,700)	-87.6%
Grand Total	\$8,655,000	\$8,264,000	\$8,207,820	\$1,058,520	\$(7,149,300)	-87.1%

INTERDENOMINATIONAL COOPERATION FUND

	2021	2022	2023	2024
Fixed Charges				
General Council on Finance and Administration	16,000	16,000	16,000	16,000
Total Fixed Charges	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000
On-Ratio				
Ecumenical & Interreligious Activity & Relations	248,630	248,630	248,630	248,630
Total On-Ratio	\$ 248,630	\$ 248,630	\$ 248,630	\$ 248,630
Grand Total	\$ 264,630	\$ 264,630	\$ 264,630	\$ 264,630

Report No. 8 APPORTIONMENT FORMULAS

The 2016 Book of Discipline provides that the General Council on Finance and Administration (“GCFA”) will recommend the formulas by which all apportionments to the annual conferences shall be determined, subject to the approval of the General Conference (§ 806.1c). This report is therefore concerned with the following funds: World Service, Ministerial Education, Black College, Africa University, Episcopal, Interdenominational Cooperation, and General Administration.

Recommendations:

1. GCFA recommends adoption of the following Jurisdictional Conference apportionment formula:

The recommended formula is:

$$A = E * P$$

Where:

A represents an annual conference’s **general Church apportionment**

E represents the annual conference’s “**Net Expenditures**”

P represents the “**Base Percentage**”

- a. “**Net Expenditures**” (**E**) consists of the total local church expenditures in the annual conference, less, (1) current capital expenditures, (2) expenditures on capital debt service, (3) payments toward general Church apportionments, and (4) all other benevolence giving. The net expenditures will be calculated with the most recent year for which complete data is available. All the components are currently reported through local church statistical reports. The actual and estimated net expenditures for the 2021-2024 quadrennium are:

<u>Year of Data</u>	<u>Year of Apportionment</u>	<u>Net Expenditures</u>
2018	2021	\$ 4,621,552,257 (Estimated)
2019	2022	\$ 4,609,329,278 (Estimated)
2020	2023	\$ 4,572,580,900 (Estimated)
2021	2024	\$ 4,480,122,723 (Estimated)

- i. While there is a three year lag between the year of apportionment and the data year, any churches that are closed or no longer affiliated with the United Methodist Church when the apportionments are calculated and communicated to the annual conferences will be excluded from the calculations. The apportionments are usually delivered to the annual conferences by December 31st of the apportionment year minus 2 years. For example 2022 apportionments would be given to the annual conferences by December 31, 2020.

<u>Year of Data</u>	<u>Year of Apportionment</u>	<u>Net Expenditures</u>
2018	2021	\$ 4,621,552,257 (Estimated)
2019	2022	\$ 4,609,329,278 (Estimated)
2020	2023	\$ 4,572,580,900 (Estimated)
2021	2024	\$ 4,480,122,723 (Estimated)

b. “**Base Percentage**” (**P**) consists of a simple percentage set by the General Conference on recommendation of GCFA. When applied to the “Net Expenditures” for all conferences, it will yield the total to be apportioned for all general Church funds. After determining the amount it recommends to the General Conference as the annual total of all apportioned general funds, GCFA recommends the “Base Percentage” for each year of the quadrennium as follows:

<u>Year</u>	<u>Projected Apportionment</u>	<u>Base</u>
2021	\$ 123,442,008	2.6710075%
2022	\$ 123,442,008	2.6780905%
2023	\$ 123,442,008	2.6996134%
2024	\$ 123,442,001	2.7553263%

2. GCFA recommends that the Central Conference apportionment formula for 2021-2022 apply to both the Episcopal Fund and the General Administration Fund, since both of these funds directly support the central conferences.

GCFA recommends adoption of the following Central Conference apportionment formula for the Episcopal and General Administration Funds:

The recommended formula is:

$$A = (J * M) * i$$

Where:

A represents a central conference annual conference’s **General Church Apportionment**

J represents the **Jurisdictional Apportionments per Professing Member** for each of the Episcopal and General Administration Funds

M represents the number of **Professing Members in the Central Conference Annual Conference**

i represents the central conference’s “**Economic Adjustment Factor**”

a. “**Jurisdictional apportionments per professing member**” (**J**) This factor will be calculated each year based upon the actual apportionments for that year divided by the number of professing members three years prior. For example, 2021 apportionments per professing member would use the actual apportionments for 2021 and the professing members at the end of 2018. The current estimate for this factor in 2021-2024 is shown below:

<u>Episcopal</u>	<u>General</u>	
<u>Fund</u>	<u>Administration</u>	<u>Total</u>
\$ 3.80	\$ 1.17	\$ 4.97

b. **“Professing Members” (M)** consists of the professing members of each annual conference within the central conferences as reported in the annual statistics sent to GCFA. These statistics should also agree with the data published in the annual conference journals. Membership was chosen as a basis for the apportionment formula because the availability and reliability of the data was better than revenue or expenditure based options. The membership used in this calculation will be the membership of the annual conference three years prior to the apportionment year. This is consistent with the membership used in the calculation of “J” above.

c. **“Economic Adjustment Factor” (i)** is unique to each annual conference within the central conferences. The exact value of the “Economic Adjustment” for a conference will vary during the quadrennium as new economic and statistical reports become available. The factor to be used for the economic adjustment in the annual conferences is each country’s or annual conference’s GDP (Gross Domestic Product) per capita in relation to the U.S., expressed as a percentage. The source used for this data for the current quadrennium will be a credible source as chosen by GCFA, and the most recent data point available at the time of apportionment calculations will be used. In calculating the average GDP for annual conferences in multiple countries, the country GDP data will be weighted by the number of professing members as reported in each country.

Based upon the recommended formula and the assumptions outlined above, the projected central conference apportionments for the 2017-2020 quadrennium are:

<u>Year</u>	<u>Episcopal Fund</u>	<u>General Administration Fund</u>	<u>Total Apportionments</u>
2021	\$917,913	\$310,500	\$1,228,413
2022	\$917,913	\$310,500	\$1,228,413
2023	\$917,913	\$310,500	\$1,228,413
2024	\$917,911	\$310,500	\$1,228,411
Total	\$3,671,650	\$1,242,000	\$4,913,650

3. Using the Jurisdictional formula, GCFA will first calculate the total amount to be apportioned to each annual conference for the applicable apportioned general funds. The apportionment for each fund will then be calculated in direct proportion to that fund’s approved amount. Each annual conference will therefore continue to receive from GCFA an annual statement showing its

apportionments for each applicable general fund. Each annual conference will continue to have the authority to apportion those amounts to its charges or churches by whatever formula or method it determines (§ 613.3).

4. If an annual conference decides to combine general Church apportionments with each other or with conference apportioned funds for apportioning to local churches, the receipts on such combined funds will be allocated in direct proportion to the budgeted amounts for each fund or cause included in the combined fund budget, and amounts so allocated to general Church funds will be remitted to GCFA on a monthly basis.

5. If more than 100% of the amount voted by General Conference for jurisdictional apportionments for a general fund is received in any given year, the excess funds will be held in trust by GCFA in an apportionment stabilization fund. All monies placed in such a fund will be considered as fund balances restricted by the General Conference to the fund or line item in which the surplus occurred. They will be held by GCFA until such time as shortfalls in such receipts occur during the same quadrennium, at which time they may be distributed to compensate for the shortfalls. If undistributed funds remain at the end of the quadrennium, due to excess receipts beyond the amounts needed to compensate for shortfalls, GCFA will recommend for action by the next General Conference how any remaining fund balances should be distributed, provided that those recommendations will be consistent with the purposes for which the funds were raised.

6. In adopting this report, the General Conference authorizes GCFA to make such changes in the language and definitions of this report as other General Conference actions or changed circumstances may require, while preserving as much as possible the substance and content of this report.

7. Additional information concerning local church expenditures and economic growth will be collected between the time of this publication and the meeting of the 2020 General Conference. The projected total apportioned funds presented herein represent only a current recommendation to General Conference, and the final total apportioned funds are subject to being determined by General Conference. This additional information and possible changes adopted by General Conference could alter both the projections of net expenditures and the total apportioned funds used to calculate the base percentage for the 2021-2024 quadrennium.

Report No. 9
SUNDAYS WITH GENERAL CHURCH OFFERINGS

The General Council on Finance and Administration (“GCFA”), in consultation with the Connectional Table (“CT”) and the Council of Bishops, makes recommendations to the General Conference regarding any offerings to be received in connection with special days observed on a Church-wide basis. All such recommendations are subject to the approval of the General Conference.

Sundays with General Church Offerings. The *2016 Book of Discipline* designates six Special Sundays during which offerings for general Church purposes are to be received (§§ 824, 262, 263).

1. The following table indicates the total offerings remitted to GCFA from the Special Sundays during 2013-2018

Special Sunday Offering	2013	2014	2015	2016	2017	2018
Human Relations Day	519,093	521,392	540,834	516,071	544,329	493,667
One Great Hour of Sharing	2,590,372	3,001,634	2,827,829	2,613,106	2,348,825	2,795,841
United Methodist Student Day	408,420	430,115	408,155	428,326	431,753	398,970
World Communion Sunday	795,899	836,385	832,678	819,346	777,600	711,318
Peace With Justice Sunday	209,801	216,746	226,157	220,803	221,736	255,449
Native American Ministries Sunday	359,623	265,781	318,958	325,674	301,847	329,908
Total Receipts	\$4,883,208	\$5,272,053	\$5,154,612	\$4,923,326	\$4,626,091	\$4,985,152

2. For the 2021-2024 quadrennium, GCFA recommends six general Church Special Sunday offerings be received:

- **Human Relations Day** (§§ 824.1, 263.1)
- **One Great Hour of Sharing** (§§ 824.2, 263.2)
- **United Methodist Student Day** (§§ 824.3, 263.4)
- **World Communion Sunday** (§§ 824.4, 263.3)
- **Peace with Justice Sunday** (§§ 824.5, 263.5)
- **Native American Ministries Sunday** (§§ 824.6, 263.6)

Directives. The following directives will apply to each of the six general Church Special Sunday offerings:

1. Promotion of all authorized general Church Special Sunday offerings will be by the General Commission on Communications (“UMCom”), in consultation with the administering agencies. Expenses of promotion for each offering shall be a charge against receipts in an amount determined in the manner described in Report No. 11.
2. Receipts from all authorized general Church special Sunday offerings will promptly be remitted in full by the local church treasurer to the annual conference treasurer, who will, within thirty days of receipt, remit the funds in full to the treasurer of GCFA, except where noted differently below. Local churches will report the amount of the offerings in the manner indicated

on the Local Church Report to the Annual Conference. In the case of Native American Ministries and Peace with Justice Sunday offerings, the annual conference treasurer will divide the receipts as specified in the relevant Disciplinary paragraphs.

3. The following table indicates the amounts of the respective offerings that are to be remitted and the amounts that are to be retained for use by the annual conference:

Special Sunday Offering	Authorizing Paragraph(s)	% to Remit to GCFA	% to Retain in Annual Conference
Human Relations Day	824.1, 263.1	100 %	0 %
One Great Hour of Sharing	824.2, 263.2	100 %	0 %
United Methodist Student Day	824.3, 263.4	100 %	0 %
World Communion Sunday	824.4, 263.3	100 %	0 %
Peace With Justice Sunday	824.5, 263.5	50 %	50 %
Native American Ministries Sunday	824.6, 263.6	50 %	50 %*

* Should there be no Native American ministries within the annual conference, the annual conference treasurer shall remit this 50 percent to GCFA.
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Sundays with Offerings Authorized for Use Within the Annual Conference. *The 2016 Book of Discipline* authorizes offerings in connection with five special Sundays for which the offering receipts are to be retained for use within the annual conference. These offerings may be received in accordance with the provisions of *The 2016 Book of Discipline*:

- **Christian Education Sunday** (§ 265.1)
- **Golden Cross Sunday** (§ 265.2)
- **Rural Life Sunday** (§ 265.3)
- **Disability Awareness Sunday** (§ 265.4)
- **Volunteers in Mission Awareness Sunday** (§ 265.5)

Report No. 10

COMMITTEE ON AUDIT AND REVIEW

The Committee on Audit and Review (“Committee”) of the General Council on Finance and Administration (“GCFA”) has the principal function of assessing the fiscal stewardship of the agencies and missions wholly or partly funded by The United Methodist Church. This function is only a part of the general Church’s fiduciary duty to effectively and transparently utilize funds entrusted to it by donors, and by the blessings of our God.

The Committee has two primary methods for accomplishing its function.

The first is to evaluate the qualifications, independence, experience, and expertise of an outside auditing firm and engage the best firm available to examine the records, financial statements, and procedures of each Church agency. The Committee’s task is to evaluate the auditor’s findings and reports to determine whether there are any opportunities to improve on the fiscal transparency or accountability of each agency. Each year, this audit firm reports all findings resulting from its examination of each agency directly to the Committee.

The second is to employ an internal audit firm to examine areas of particular concern in agency or mission operations, in partnership with the external auditor. While the outside auditor can evaluate an agency’s fiscal processes and procedures on an overall scale once a year, the internal audit function identifies specific areas within an agency for additional focused examination throughout the year, and reports to the agency and to the Committee opportunities for improvement of the areas examined.

Awareness of the fiduciary obligations to the general Church and its donors must be continually reinforced by the Committee, as must the importance of the perception and the reality of financial and operational transparency. Identifying opportunities for improving methods of achieving these goals, followed by prompt, effective action, is central to this effort.

Internal Audit Function

The internal audit function is performed by the accounting firm of LBMC, PC. The firm was recommended by the Committee and approved by GCFA. LBMC has performed the internal audit function since 2012. The internal audit firm reports to the Committee. This reporting relationship ensures that the internal audit function can remain objective and independent while performing audits.

The internal audit function is responsible for auditing the general agencies and other affiliated entities that receive general Church funds. A cornerstone of strong governance, internal auditing bridges the gap between management and the board, assesses the ethical climate and the effectiveness and efficiency of operations, and serves as an organization’s safety net for compliance with rules, regulations, and overall best business practices. General agency staff involved in internal audits throughout the quadrennium expressed appreciation for the work done by LBMC, for a high degree of professionalism in its work, and for helpful and relevant feedback given to improve fiscal operations at the agencies. In 2018, the Committee approved a new four-year contract to continue with LBMC as the internal audit firm through 2022.

External Audit Firm

The certified public accounting firm of Cherry Bekaert has performed external audit services for the general agencies since 2014. The treasurers and chief financial officers of the general agencies have expressed gratitude for the quality of work, timeliness of the audits, and the professionalism of the Cherry Bekaert team. In 2018, the Committee approved a new two-year contract with Cherry Bekaert through the fiscal year 2019 audits.

Audit and Review Observations

The overall level of financial controls at the general agencies continues to improve. The Committee would like to point out three areas that continue to need focused attention by the Committee as well as agency staff during internal and external audits.

Incomplete Operational Documentation. The lack of documented operational procedures continues to weaken the overall level of control at the agencies. This is especially true for those agencies that have lost key employees. A great deal of institutional and operational knowledge has been lost because a number of key operational processes were not documented. While time is critical and limited for all agency personnel, time is saved overall with effective succession planning and procedure documentation when staff transition does occur.

Incomplete Financial Documentation. For some agencies, the external audit work revealed inadequate documentation for financial asset classification, including endowment, permanently restricted, and board-designated funds. Documentation of asset classification and fund reconciliations will strengthen internal controls and provide more information for board and management decisions in the future. Recommendations were made to help ensure adequate documentation is available moving forward.

Unsecured Network and Internet Applications. Unsecured network and internet applications continue to present a significant risk to the general agencies. As reliance on these applications to conduct critical business functions increases, the risk associated with unsecured applications increases. Both internal and external audit work has been performed to identify key areas of vulnerability and corrective actions have been recommended. This work will continue as new technologies emerge and relevant feedback is given to increase security in this area.

Episcopal Area Audits

Coordination of the receipt of the episcopal offices external audits is being handled by GCFA's Committee on General Agency and Episcopal Matters ("GAEM"). The Committee's internal audit firm works with GAEM by providing reviews of the audits. Any findings/observations noted are reported to both committees.

All episcopal offices are required to have audited financial statements. The option of separate audits or the inclusion of a supplemental schedule in the related annual conference office is acceptable. The Committee is pleased to report that all episcopal office audits were received and reviewed for fiscal year 2018. These include reports from 46 jurisdictional conference episcopal offices and 19 central conference episcopal offices. Some deficiencies were noted in both internal controls for offices and consistency in information provided in the audit reports. Feedback was

provided to the episcopal office staff where deficiencies were noted in order to assist in complete and accurate reporting for fiscal year 2019.

In addition to the external financial statement audits, the Committee has requested the internal audit function to perform process and internal control reviews at a sample of jurisdictional and central conference episcopal offices for fiscal years 2016-2018. The purpose of the reviews has been to ensure appropriate processes and internal controls are in place within the episcopal offices (or the related annual conferences) to provide reasonable assurance that allocations from the Episcopal Fund are spent only for their intended purposes and are not misappropriated or otherwise misused. Further, the reviews are an opportunity for the internal audit function to provide training to the office personnel on sound internal control practices. Based on feedback received from the related bishops and episcopal office (or annual conference) personnel, the reviews have been a welcomed service from internal audit. Further, a residual positive impact is that many of the recommendations may also be implemented by the related annual conference, which will strengthen the conferences' internal controls as well.

Future Activities

The Committee remains committed to leading the church in fiscal accountability and transparency. The Committee is continually working with its internal audit firm to perform risk assessments and to address those areas where gaps in internal controls may be present.

Report No. 11
DIRECTIVES FOR THE ADMINISTRATION OF THE GENERAL FUNDS

1. Fixed Charges. Fixed charges in any of the general funds will be paid as expended within the limits of the approved budgets. However, the General Council on Finance and Administration (“GCFA”) is authorized to adjust the fixed charges amounts in general fund budgets as emergencies, changing conditions, or the responsibilities placed upon the general agencies by the General Conference may require.

2. On-Ratio Allocations. All allocations from the general funds of The United Methodist Church shall be paid on ratio of net receipts after payment of fixed charges.

3. Validity of Claims. GCFA will be authorized to determine the validity of claims in all matters involving the World Service Fund, the Episcopal Fund, the General Administration Fund, the Black College Fund, the Ministerial Education Fund, the Interdenominational Cooperation Fund, the Africa University Fund, World Service Special gifts, the Advance, the Special Sundays offerings, or any other general fund, where these are not specifically set forth or determined by the General Conference.

4. Conformity with Other General Conference Actions. GCFA is granted authority to make such editorial changes in its reports as may be needed to bring them into conformity with the approved general fund budget amounts and totals, and any other applicable actions of the 2020 General Conference.

5. GCFA Expenses. General fund allocations to GCFA fall into two categories, as provided in ¶ 805.6 of *The 2016 Book of Discipline*: 1) an on-ratio line item in the General Administration Fund budget; and 2) fixed charges in certain other funds for which GCFA incurs significant administrative costs, proportionate to their estimated receipts. The budget of GCFA is presented in its Report No. 14.

6. Travel Expense and Meeting Policy for Special Committees Funded by the General Funds. Any special committee, study group, special commission, or any other special group created by the General Conference and funded by the general funds of The United Methodist Church will be subject to the travel and expense reporting and reimbursement requirements established by GCFA. If the special committee, study group, special commission, or other special group is not directly responsible to a general agency, it will make all meeting and travel arrangements through GCFA.

7. Application of Apportionment Formula. As the apportionment formula is applied during the quadrennium to actual events, the outcome of the calculation may result in a different amount being apportioned than those amounts contained in the published reports. When each annual apportionment is determined, GCFA will calculate the total amount to be apportioned for each of the general funds and to each fund line item, including fixed charges, in direct proportion to the amounts approved in its Reports numbered 1 through 7.

8. Consultants. As part of its oversight function, GCFA will prepare and make available an annual listing of all consulting contracts entered into by agencies and organizations amenable to the

Connectional Table. This shall also include the Council of Bishops. This listing will be prepared by March 1 of each year and will include contracts in place during the preceding calendar year. The list will include the name of the individual or corporate entity, address, length and purpose of the contract, and the amount of money paid for the contractor.

9. General Agency Audits. All treasuries receiving general Church funds are required to have an annual audit as provided in ¶ 806.5.

10. Internal Audit Functions. GCFA has the responsibility to establish and conduct the internal auditing functions for all agencies receiving general Church funds. (¶806.6) All agencies receiving general Church funds are required to comply with fiscal accountability policies and practices established by GCFA. The Committee on Audit and Review will monitor compliance with such policies and practices. If the Committee determines there are any violations it shall proceed in a manner as outlined in ¶ 806.13 and within established policies of the Committee at that time.

11. General Agency Budget Review. As outlined in ¶¶ 806.3, 806.4, 806.7, 806.11, and 806.12, GCFA will review the proposed spending plan and the financial operations for each agency receiving general Church funds. If GCFA determines that an agency is not in compliance with the provisions of these paragraphs, it will proceed within its established policies at that time.

12. Approving Emerging Ministry Opportunities Between Sessions of General Conference. In the interim between quadrennial sessions of the General Conference, potential programs and initiatives of Church-wide consequence may arise in response to unforeseen opportunities for mission and ministry. When these opportunities involve the expenditure of general Church funds, the proposed programs or initiatives shall require the joint approval of GCFA, the Council of Bishops, and CT. When timeliness of action warrants, the executive committees or equivalent of these bodies may act in such matters for the body itself, but only by a three-fourths vote. Such programs and initiatives shall be governed by established policies of the General Conference. A report on any such programs and initiatives will be made by CT to the General Conference at its next quadrennial meeting.

13. General Commission on Communication. The General Commission on Communication (“UMCom”) serves as the central agency for promoting general Church funds throughout the Church, as provided in ¶ 1806.12.

Promotion is aimed at individual United Methodists and seeks to foster an understanding of how giving of one’s financial resources is an integral part of the Christian life. The focus is on shared ministries that change lives. Print, video, and computer-delivered resources help United Methodists see their mission outreach, understand how their diverse ministries make a difference in human lives, and learn how the local church benefits from shared outreach.

Interpretation is aimed at the leadership of annual conferences, districts and local congregations. It provides specific information about Church funds, and encourages leaders to be faithful in remitting funds to conference and general Church benevolent causes. UMCom provides resources in a variety of media to be used by conference leadership, pastors and local church leadership, and staff of other general agencies.

The cost of promotional resources related to a particular fund or group of funds is covered by a fixed-charge line item in the budget of the respective funds. UCom, following consultation with the general agency responsible for administering the fund, recommends the annual budget of fixed-charge amounts, subject to approval by GCFA. For 2021-2024, the fixed charges line items total \$2,472,114, which is a 19.7% decrease compared to the 2017-2020 quadrennium.

In 2021-2024, as in the past, one resource item may interpret or promote several funds. UCOM will be promoting all of the general apportioned funds using the monies provided by the fixed charges for the World Service Fund, as well as with other monies from its share of the World Service Fund. In such cases, UCom is authorized to allocate costs for such items among the funds included in particular resources.

No promotional funds will be taken from general Advance Special gifts or World Service Special gifts except for the \$ \$947,240 for promotion of the Advance, a 20.4% decrease from 2017-2020. Any additional costs of promoting these funds is borne entirely by the administering agencies or from other funds approved by the General Conference.

The schedule of amounts authorized for program and benevolence interpretation resources for the 2021-2024 quadrennium are shown in the following tables:

Connectional Giving Interpretation Budget

	2013-2016	2017-2020	2021-2024	\$ Change	% Change
World Service Fund	\$1,442,000	\$1,432,197	\$1,068,114	\$ (364,083)	-25.4%
Human Relations Day	255,000	255,000	208,000	(47,000)	-18.4%
One Great Hour of Sharing	400,000	400,000	416,000	16,000	4.0%
Native American Ministries Sunday	290,000	290,000	156,000	(134,000)	-46.2%
Peace With Justice Sunday	200,000	200,000	188,000	(12,000)	-6.0%
World Communion Sunday	260,000	260,000	248,000	(12,000)	-4.6%
United Methodist Student Day	240,000	240,000	188,000	(52,000)	-21.7%
Total Fixed Charges	\$3,087,000	\$3,077,197	\$2,472,114	\$ (605,083)	-19.7%

Allocation for interpretation resources for Special Gifts

The Advance (paid by participating agencies)	\$1,190,000	\$1,190,000	\$ 947,240	\$ (242,760)	-20.4%
Grand Total	\$4,277,000	\$4,267,197	\$3,419,354	\$ (847,843)	-19.9%

Connectional Giving Interpretation Budget

	2021	2022	2023	2024
World Service Fund	\$ 267,029	\$ 267,029	\$ 267,029	\$ 267,027
Human Relations Day	52,000	52,000	52,000	52,000
One Great Hour of Sharing	104,000	104,000	104,000	104,000
Native American Ministries Sunday	39,000	39,000	39,000	39,000
Peace With Justice Sunday	47,000	47,000	47,000	47,000
World Communion Sunday	62,000	62,000	62,000	62,000
United Methodist Student Day	47,000	47,000	47,000	47,000
Total Fixed Charges	\$ 618,029	\$ 618,029	\$ 618,029	\$ 618,027

Allocation for interpretation resources for Special Gifts

The advance (paid by participating agencies)	\$ 236,810	\$ 236,810	\$ 236,810	\$ 236,810
Grand Total	\$ 854,839	\$ 854,839	\$ 854,839	\$ 854,837

Report No. 12
PAY EQUITY IN THE GENERAL AGENCIES OF
THE UNITED METHODIST CHURCH

Executive Summary The *Book of Discipline*, ¶ 807.12a, requires the General Council on Finance and Administration (“GCFA”) to “gather from all general agencies, at such intervals and in such format as it may determine, information regarding salary remuneration and pay equity and number of agency employees and staff.” Annually, GCFA’s Committee on Personnel Policies and Practices (“CPPP”), per ¶ 807.12b, presents recommendations to GCFA on an appropriate salary schedule, based upon the responsibilities of covered personnel. Pay equity is at the core of these recommendations, as a means of ensuring there is no discrimination in the wage-setting system.

Current Situation

During 2017, CPPP facilitated and affirmed the work of an all-encompassing Compensation Study, which resulted in the development of Salary Administration Guidelines, a new job evaluation process, job families, and a new salary structure. The compensation philosophy and evaluation processes established covered all staff at all general agencies receiving general Church funds.

Equality in pay is a significant affirmation of our faith and is taken seriously. All agencies of the general Church support the belief of a united pay structure that is fair to all. Today, we follow the structure provided to us from the pay equity study performed in 2017. As a result of that study, great emphasis was placed on supporting racial, gender and ethnic equality.

CPPP has maintained its commitment to an annual review and evaluation process of internal wage structures and practices. During these annual reviews, small, incremental adjustments have been made to the salary scale. A review of the compensation structure will be conducted each year to determine if the salary structure needs to be adjusted based on cost of living. Such evaluation will consider both salary and benefit packages. Furthermore, in 2018, CPPP implemented a Pay Equity Sub-Team to ensure no discrimination in the wage-setting system occurs. This team will annually review the compensation data of all general agencies receiving general Church funds to ensure no racial, gender and ethnic inequality occurs. The findings of the Pay Equity Sub-Team reviews will be reported to CPPP and the GCFA Board.

Adopting these recommendations for an overall compensation philosophy statement and evaluation process have validated our beliefs of human value and equal worth for all those employed by the agencies of the general Church.

Recommendations:

1. General Conference reaffirm the Church's commitment to pay equity.
2. General Conference direct each general agency receiving general Church funds to continue to work collaboratively in efforts to gather, analyze, and report on pay equity issues within and across the general Church.
3. GCFA be directed to obtain from its Committee on Personnel Policies and Practices recommendations relating to overall compensation philosophy and structure that will reach pay equity goals.

Report No. 14
GENERAL CHURCH SOURCES OF FUNDING TO
THE GENERAL COUNCIL ON FINANCE AND ADMINISTRATION

The General Council on Finance and Administration (“GCFA”) fulfills a wide variety of oversight responsibilities within The United Methodist Church. Spending by GCFA is in support of various processes and activities mandated by *The 2012 Book of Discipline* and are entirely administrative in nature. The projected income for GCFA from general Church funds for the 2021-2024 quadrennium is \$20,624,400, representing a decrease of \$5,196,420, or 20.1% compared to the 2017-2020 quadrennium. The funding comes primarily from the General Administration Fund, the World Service Fund and the Episcopal Fund, collectively representing 96% of the total budget. GCFA’s administrative ministries mandated by *The 2016 Book of Discipline* include:

1. Coordinating preparation of the quadrennial budget for the denomination’s boards and agencies (§806.1);
2. Administering the collection and distribution of apportionments (§§ 806, 806.2);
3. Reviewing annually the budget of each agency and treasury receiving general Church funds (§806.4);
4. Coordinating external audits for all agencies and treasuries receiving general Church funds (§ 806.5) ;
5. Maintaining an internal audit function to conduct audits of general Church agencies and treasuries (§ 806.6);
6. Performing various fiscal responsibilities, such as accounting for the general funds, GCFA, the United Methodist Church Foundation, the Permanent Fund, The Board of Trustees, , certain other general Church agencies, and performing all payroll, banking, and check preparation responsibilities for all general agencies receiving general Church funds, except banking and reconciliation services for the General Board of Global Ministries (§ 806.7);
7. Ensuring no board, agency, committee, commission, or council expends funds in a manner that is in violation of the expressed commitments of The United Methodist Church (§§ 806.9-.11);
8. Serving as custodial trustee for donations or bequests given to the denomination (§ 807.1);
9. Protecting the legal interests, rights, and intellectual property of the denomination (§§ 807.9-.11);
10. Developing and overseeing investment policies and guidelines for all agencies receiving general funds, including managing an investment pool for the general Church agencies (§ 807.12);
11. Maintaining a consultative travel and meeting planning service to assist general agencies in planning and making arrangements for national meetings, conferences, and convocations (§ 807.13);
12. Managing, interpreting, and maintaining various statistics and records for the denomination (§§ 807.15-.16);
13. Providing guidance and consultation to various groups within The United Methodist Church, including through training programs and workshops, establishment of professional standards, certifications, informational resources, and staff support (§§ 807.18);
14. Overseeing an insurance program for the denomination (§ 807.23);
15. Assisting in the preparation for, and management of, General Conference; and

16. Administering the Episcopal Fund (§ 818).

In addition to *The 2016 Book of Discipline* mandates, GCFA, in the form of shared services, also performs other administrative functions in support of general agencies and the denomination as a whole. Examples of shared services include:

1. Travel and meeting planning services that include online event registration, meeting planning, and travel arrangements;
2. Information technology services that include financial accounting software, database creation and maintenance for the denomination, and an online system to track those who are entering the ministry;
3. Legal services related to The United Methodist Church trademark and insignia, tax exemption status, and other areas of legal consultation.
4. Data services, including systems allowing electronic submission of data to GCFA from annual conferences, and an online tool providing the general public certain information and statistics about the United Methodist connection.

General Church Sources of Funding to The General Council on Finance and Administration

	2013-2016	2017-2020	2021-2024	\$ Change	% Change
On-Ratio Allocations:					
General Administration Fund (1)	\$14,980,976	\$14,348,820	\$10,278,400	\$ (4,070,420)	-28.4%
Fixed Charges: (2)					
World Service Fund	\$ 7,423,000	\$ 7,423,000	\$ 6,839,000	\$ (584,000)	-7.9%
Episcopal Fund	3,000,000	3,000,000	2,600,000	(400,000)	-13.3%
Interdenominational Cooperation Fund	206,000	206,000	64,000	(142,000)	-68.9%
Human Relations Day	82,000	82,000	82,000	-	0.0%
One Great Hour of Sharing	453,000	453,000	453,000	-	0.0%
United Methodist Student Day	79,000	79,000	79,000	-	0.0%
World Communion Sunday	154,000	154,000	154,000	-	0.0%
Peace With Justice Sunday	31,000	31,000	31,000	-	0.0%
Native American Ministries Sunday	44,000	44,000	44,000	-	0.0%
Youth Service Fund	20,000	-	-	-	0.0%
Total Fixed Charges	\$11,492,000	\$11,472,000	\$10,346,000	\$ (1,126,000)	-9.8%
Total General Church Funding	\$26,472,976	\$25,820,820	\$20,624,400	\$ (5,196,420)	-20.1%

(1) This represents the actual collections for 2013 - 2018 and estimates for 2019-2024.

The projected collection rate for 2021-2024 is 80.0%. The total 2021-2024 apportionments to the Council from the General Administration Fund is \$12,979,000 as shown in Report # 6.

(2) The collection rate for fixed charges is 100%.

**General Church Sources of Funding to
The General Council on Finance and Administration**

	2021	2022	2023	2024
On-Ratio Allocations:				
General Administraion Fund (1)	\$ 2,945,494	\$ 2,945,494	\$ 2,945,494	\$ 2,945,494
Fixed Charges: (2)				
World Service Fund	\$ 1,709,750	\$ 1,709,750	\$ 1,709,750	\$ 1,709,750
Episcopal Fund	\$ 650,000	\$ 650,000	\$ 650,000	\$ 650,000
Interdenominational Cooperation Fund	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000
Human Relations Day	\$ 20,500	\$ 20,500	\$ 20,500	\$ 20,500
One Great Hour of Sharing	\$ 113,250	\$ 113,250	\$ 113,250	\$ 113,250
United Methodist Student Day	\$ 19,750	\$ 19,750	\$ 19,750	\$ 19,750
World Communion Sunday	\$ 38,500	\$ 38,500	\$ 38,500	\$ 38,500
Peace With Justice Sunday	\$ 7,750	\$ 7,750	\$ 7,750	\$ 7,750
Native American Ministries Sunday	11,000	11,000	11,000	11,000
Total Fixed Charges	\$ 2,586,500	\$ 2,586,500	\$ 2,586,500	\$ 2,586,500
Total General Church Funding	\$ 5,531,994	\$ 5,531,994	\$ 5,531,994	\$ 5,531,994

- (1) This represents the actual collections for 2013 - 2018 and estimates for 2019-2024.
The projected collection rate for 2021-2024 is 80.0%. The total 2021-2024 apportionments to the Council from the General Administration Fund is \$12,979,000 as shown in Report # 6.
- (2) The collection rate for fixed charges is 100%.

Report No. 15
INCOME FROM THE BOARD OF TRUSTEES AND THE PERMANENT FUND

The General Council on Finance and Administration (“GCFA”), by action of the 1972 General Conference, serves as the Board of Trustees of The United Methodist Church, as the successor to its predecessor bodies. In this capacity, GCFA provides for the management of assets that have been given to The United Methodist Church as part of the Permanent Fund (*Book of Discipline*, ¶ 807.3), or are under the purview of the Board of Trustees for the benefit of specified ministries.

GCFA maintains records of all distributable income received in the name of both the Board of Trustees and the Permanent Fund. The Permanent Fund provides funding for the World Service Fund from its distributable income as affirmed by successive General Conferences. In the four-year period of 2016 to 2019, the Permanent Fund has provided a total of \$2,238,507 to the World Service Fund. Thus, the Permanent Fund has continued to help underwrite the mission and outreach of The United Methodist Church.

GCFA recommends that a portion of the Permanent Fund distributions be made a part of the World Service Fund receipts annually for distribution during the 2021-2024 quadrennium.

Report No. 16
REPORT ON GENERAL AGENCIES HEADQUARTERS/STAFF LOCATION

Background and Mandate

Via ¶ 807.6 of the *Book of Discipline*, the General Conference has assigned the General Council on Finance and Administration (“GCFA”) the following responsibility:

To establish general policy governing the ownership, sale, rental, renovation, or purchase of property by a general agency in the United States. [GCFA] shall consider the plans of any general agency proposing to acquire or sell real estate or erect a building or enter into a lease in the continental United States and determine whether the proposed action is in the best interest of The United Methodist Church. On the basis of that determination it shall approve or disapprove all such proposed actions. In the case of such proposed action by a general program agency, it shall solicit and consider the recommendation of the Connectional Table.

Procedure

Paragraph 807.7 requires GCFA “[t]o establish a procedure for making a quadrennial review, initiating proposals and/or responding to proposals by the general agencies regarding the location of headquarters and staff and reporting the same to the General Conference.”

GCFA’s Committee on Fiduciary, Foundation, and Property Matters reviews any proposal and other relevant information, including input from the Connectional Table, then makes a recommendation to GCFA’s Board for its action.

Activity Concerning Headquarters/Staff Relocation

During the 2017-2020 quadrennium, GCFA received a proposal on behalf of the General Board of Higher Education and Ministry (“GBHEM”) and the General Board of Discipleship (“Discipleship Ministries”) relating to potential sale of the Kern Building, which is jointly occupied by the two general Church agencies in Nashville, Tennessee. Historically, the Kern Building has housed all of the GBHEM employees and some employees of Discipleship Ministries. GBHEM is currently evaluating its relocation options should a sale of the Kern Building take place. After hearing from representatives of the two agencies, the GCFA Board determined as follows:

GCFA supports the official launching of the joint effort by the General Board of Higher Education and Ministry and Discipleship Ministries to evaluate and recommend a way forward for the Kern Building and its seven associated parcels, with a clear plan of the long-term implications for these two agencies.

Once a final plan is in place with specific details, the committee will be happy to review those details and take final action.

Headquarters Property Report

The Headquarters Property Report is summarized in another GCFA Report to General Conference in volume 3 of the *Advance Daily Christian Advocate*. It will detail the resources and methodologies used to compile the information contained in the report. Findings relevant to the location, condition, and status of agency properties are also presented in that report.

Recommendations

It is GCFA's recommendation that the location of the other headquarters buildings and staff of the general agencies of The United Methodist Church connection remain at their current locations for the 2021-2024 quadrennium. This recommendation is contingent upon any actions of the General Conference that may affect agency headquarters locations.

Report No. 17
THE UNITED METHODIST CHURCH
FOUNDATION INVESTMENT MANAGEMENT
Progress in the Face of Change

The United Methodist Church Foundation Investment Management (“Foundation Investment Management”/“FIM”) will celebrate its twentieth year of growth as a ministry of the Church at the end of the last quadrennium. The mission of the FIM is to create opportunities for growth and vitality throughout the Church. The FIM’s founding board set direction and policy to continue ongoing ministries to accomplish this mandate through 1) a multi-faceted investment program offering common investment funds and specialized portfolios to all general agencies, organizations and conference foundations (but not to local churches) with a progressive rollout of avoidance screens and shareholder advocacy consistent with the United Methodist Social Principles and 2) a general agency endowment program collaborating with United Methodist agencies and organizations that has now established twenty five endowment efforts to date, for future financial efficacy of ministries of the agencies and organizations benefited.

A Season of Change: The United Methodist Church Foundation was founded in 1999 as a non-profit Foundation supporting the United Methodist Church. Over the following two decades, our focus moved to become more a partner for the investment management of our partner’s assets and less of a resource to help them raise those assets from donors. Because of this strategic shift, the Foundation Investment Management Board decided that a more accurate name would be beneficial. In 2018, The United Methodist Church Foundation changed its name to The United Methodist Church Foundation Investment Management, marketed as Foundation Investment Management, or FIM. This name appropriately describes the role we play as a partner to the Foundations, Agencies, organizations and endowments of The United Methodist Church. Though the name has changed, our commitment to providing world-class investment opportunities continues unchanged.

Endowments: Foundation Investment Management has initiated and is growing the twenty five endowment efforts for the ministries currently served by almost all of the agencies receiving general Church apportioned funds, as well as the Council of Bishops. Endowment efforts that come to the FIM for its services and administration give testimony to the trust and confidence earned in a short time. Annual distributions are available to fund ministry once a fund has grown to a prescribed amount as agreed by the ministry benefited. Almost \$2.5 million is in place today to fund future ministry through the endowments that would not have been given without this vital ministry.

Funds Management: The funds management program of the FIM provides superior investment performance as well as environmental, social, and governance witness. Foundation Investment Management provides many investment strategies, from protection of principle to growth strategies. Though most participants chose to emphasize total return from capital appreciation, dividend, and interest income, we have the capability to create a portfolio that is allocated to suit each participant’s long-term needs. The primary objective in the investment management for the FIM’s participant assets is to achieve current income consistent with the preservation of the purchasing power of the investment principal. Over the long-term investment

horizon (ten years or more), the goal for investment return is to meet or exceed the return required to fund the strategic programs as defined in the FIM's mission and vision statements.

The downside capture strategy of the FIM's funds management program is designed to minimize loss and to maintain value during down market periods. Market conditions from 2016 to the present have served to vindicate the decisions of the FIM's Investment Committee in this regard. In 2018, the Foundation Investment Management Board of Directors voted to create a new series of funds that will track the various equity indexes. This will allow FIM to diversify our portfolios, creating further opportunity for long-term growth. FIM's Board of Directors continues to enjoy the collective wisdom and expertise of some of the best minds and resources in the field within our denomination.

Since its inception, FIM has included social screens in its investment policies and applied those screens to further the principles and policies in the United Methodist Social Principles. FIM continues to expand its socially responsible investment ministry through portfolio screening and shareholder advocacy. FIM has filed or co-filed resolutions with corporations to achieve corporate behavioral change in the areas of board diversity, EEO reporting, reduction of violence in video gaming, greenhouse gas emission reduction and reporting, and the fight against human trafficking. FIM has been a primary participant in dialogue with management at major corporations regarding climate change initiatives. FIM has also negotiated improved commitments to diversity in board policies relating to persons of color and women with many others.

Foundation Investment Management continues to give thanks for the opportunity to be a growing participant in a ministry of administration to support vital congregations. Always keeping a primary focus on growth and stewardship in the pews of our local churches, FIM seeks to build a strong financial base for future denominational ministries that seek to eradicate poverty, train leaders, vitalize congregations, and pursue health and wholeness of all people worldwide. FIM's leadership and board members are poised to increase the dimensions of general Church caretaking and giving in exponential ways.

Report No. 18
UNITED METHODIST INSURANCE CO., INC.
(A non-profit, captive insurance company owned by
the General Council on Finance and Administration)

Introduction

Since 1976, the General Conference has required the General Council on Finance and Administration (“GCFA”) to make available a “church-wide [property and liability] insurance program.” The General Conference revisited the issue of property and liability insurance in 1992, and local church boards of trustees were required to do the following:

[R]eview annually the adequacy of property, liability and crime insurance coverage on church-owned property The board shall include in its report to the Charge Conference the results of its review and any recommendations it deems necessary. (*See ¶ 2533.2, 1992 Book of Discipline*)

Without affordable, widely and consistently available comprehensive property and liability insurance, the assets with which the Church wins disciples to Christ and the gifts of generations of United Methodists given for that purpose are at risk. The journey toward fulfilling the potential of the connection for protecting its own ministries and ministry resources remains important to us today.

After much study, it was determined that a single member captive insurance company could deliver additional savings and flexibility to benefit local churches, annual conferences, and general agencies. The company began issuing policies in its own name on October 1, 2012, with the support of top-rated reinsurance companies. In December 2013, UMI merged with its predecessor (UMPACT), bringing together the capital invested in both companies.

In 2018, GCFA and the board of directors of UMI determined that ongoing operational losses and a need for significant addition of capital made it necessary to discontinue the use of UMI as a captive insurance company. UMI entered into an agreement with AmVenture Insurance Agency to provide coverage to churches on a fully insured basis using A.M. Best A-rated insurance companies. On January 1, 2019 AmVenture began insuring churches through the newly formed United Methodist Insurance Program (UMI Program). As a result, UMI no longer has exposure to underwriting risk and has no current need to raise capital to fund its captive insurance company.

In 2018, the United Methodist Insurance Agency (UMIA) was formed to facilitate the operation of the UMI Program. A portion of the policy premiums written through the UMI Program are retained by UMIA.

Mission

UMI’s sole mission is to protect the property and ministries of the United Methodist Church.

The “business” of UMI is to provide access to comprehensive insurance coverage with limits sufficient to cover property losses and liability claims in the current litigious environment, and to stabilize

(and ultimately reduce) the cost of insurance by leveraging the combined purchasing power of the churches within the United Methodist Connection.

Our ministry includes using revenue generated by the business of providing insurance for the benefit of local churches, annual conferences and general agencies. In addition, our focus is on helping local churches protect resources and the people they seek to serve. For example, UMI actively helps the entire connection by providing access for local churches, conference and agencies to obtain background checks for clergy and volunteers. UMI works with AmVenture, its insurance partners, and experts within the Church to provide access to risk management programs and information to assist local churches in establishing policies and programs designed to protect finances, people, and property.

As stewards of the denomination's financial resources, local church and conference trustees have a duty to focus on the cost of coverage because the purchase of insurance is a "business transaction." However, as stewards we are also obliged to ensure our churches have coverage limits sufficient to respond in the event of loss and to recognize the importance of denomination-specific resources and training in preventing losses.

Moving Forward

The availability of GCFA-sponsored insurance programs has laid the foundation for a new understanding of insurance as a tool for living out "trust-related stewardship." We have, in turn, set a new standard for the commercial insurance market. Following are a few examples:

- UMI offered limits and coverages previously unavailable, forcing the commercial insurance market to improve their offerings to match ours.
- UMI has involved several annual conferences and GCFA in establishing minimum levels of insurance required for local church boards of trustees to use in evaluating whether a church had adequate insurance.
- UMI's presence in the property and liability insurance market benefits the entire denomination.

In order to be of service to as many churches as possible, the UMI Program plans to expand the number of carriers it represents. The carriers will include those dedicated to serving the church market and other carriers providing specialty coverage for difficult to place risks and specialty lines of coverage. With the elimination of the risk of underwriting losses, UMI will be better positioned to provide additional services and resources to local churches, annual conferences, and general agencies.

Report No. 19
WORLD SERVICE SPECIALS

Program Definition

The 2016 Book of Discipline defines a World Service Special as “a designated financial contribution made by an individual, local church, organization, district, or annual conference to a project authorized as a World Service Special project.” (§ 820.2) These are approved by the General Conference (and in the interim by the General Council on Finance and Administration (“GCFA”) and the Connectional Table). The World Service Special projects are listed below with their applicable receipts:

<u>Project</u>	2001-2004	2005-2008	2009-2012	2013-2016	2017-April 2019
Africa University	2,956,727	4,402,684	3,098,083	5,187,083	2,691,485
Perryman Scholarship	3,541	1,800	5,535	900	-
Global Education	-	-	4,436	800	-
Total Receipts	\$2,960,268	\$4,404,484	\$3,108,054	\$5,188,783	\$2,691,485

With certain conditions, general agencies receiving support from the general funds of the Church are eligible to participate in this program. Those units of general agencies authorized to receive general Advance Special support are not eligible to participate in this giving program.

Administration of Program

GCFA has the responsibility for receipt and distribution of World Service Special Gifts funds.

Summary of Jurisdictional Apportioned General Funds, 2021-2024

This table summarizes the amounts recommended to the 2020 General Conference for the seven apportioned funds which will support connectional ministries at the general Church level during the 2021-2024 quadrennium. Detailed provisions related to each of these funds are found in Report Numbers 1-7, found on pages **xxx-xxx** of the Advance Edition of the Daily Christian Advocate (the "ADCA").

<u>Fund</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>Total 2021-2024 (2)</u>	<u>Total 2017-2020</u>
World Service Fund	\$ 61,125,089	\$ 61,125,089	\$ 61,125,089	\$ 61,125,083	\$ 244,500,350	\$ 310,728,409
Percent Change	-21.3%	0.0%	0.0%	0.0%	-21.3%	1.0%
Ministerial Education Fund ⁽¹⁾	19,144,503	19,144,503	19,144,503	19,144,502	\$ 76,578,011	104,949,647
Percent Change	-27.0%	0.0%	0.0%	0.0%	-27.0%	-0.7%
Black College Fund	8,847,247	8,847,247	8,847,247	8,847,246	\$ 35,388,987	41,863,455
Percent Change	-15.5%	0.0%	0.0%	0.0%	-15.5%	-0.7%
Africa University Fund	1,989,039	1,989,039	1,989,039	1,989,040	\$ 7,956,157	9,368,872
Percent Change	-15.1%	0.0%	0.0%	0.0%	-15.1%	-0.7%
Episcopal Fund	24,544,000	24,544,000	24,544,000	24,544,000	\$ 98,176,000	92,019,335
Percent Change	6.7%	0.0%	0.0%	0.0%	6.7%	-0.7%
General Administration Fund	7,527,500	7,527,500	7,527,500	7,527,500	\$ 30,110,000	36,896,453
Percent Change	-18.4%	0.0%	0.0%	0.0%	-18.4%	-0.7%
Interdenominational Cooperation Fund	264,630	264,630	264,630	264,630	\$ 1,058,520	8,207,820
Percent Change	-87.1%	0.0%	0.0%	0.0%	-87.1%	-0.7%
Total	\$ 123,442,007	\$ 123,442,008	\$ 123,442,008	\$ 123,442,001	\$ 493,768,024	\$ 604,033,991
Percent Change	-18.3%	0.0%	0.0%	0.0%	-18.3%	0.2%

(1) Includes amounts apportioned, but retained by annual conferences for the Ministerial Education Fund (25%)

(2) These amounts reflect estimated apportionment amounts proposed to the 2020 General Conference. These amounts are used to establish the apportionment formula's base percentage for the upcoming quadrennium.

Summary of Central Conference Apportioned General Funds, 2021-2024

This table summarizes the amounts recommended to the 2020 General Conference for the two apportioned funds which will support connectional ministries at the general Church level during the 2021-2024 quadrennium. Detailed provisions related to each of these funds are found in Report Numbers 5-6, found on pages **xxx-xxx** of the Advance Edition of the Daily Christian Advocate (the "ADCA").

<u>Fund</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>Total 2021-2024 (1)</u>	<u>Total 2017-2020</u>
Episcopal Fund	917,913	917,913	917,913	917,911	\$ 3,671,650	3,690,081
Percent Change	-0.5%	0.0%	0.0%	0.0%	-0.5%	N/A
General Administration Fund	310,500	310,500	310,500	310,500	\$ 1,242,000	1,479,590
Percent Change	-16.1%	0.0%	0.0%	0.0%	-16.1%	N/A
Total	\$ 1,228,413	\$ 1,228,413	\$ 1,228,413	\$ 1,228,411	\$ 4,913,650	\$ 5,169,671
Percent Change	-5.0%	0.0%	0.0%	0.0%	-5.0%	N/A

(1) These amounts reflect estimated apportionment amounts proposed to the 2020 General Conference.