

PRESBYTERIAN CHURCH (U.S.A.), A CORPORATION

2022 ANNUAL REPORT

2022 Highlights

- » Approved a revision of the A Corporation Employee Handbook
- » Revised the Gifts Acceptance Policy to affirm that the A corporation will not accept gifts with restrictions that conflict with General Assembly mission, values, policies, or stances
- » Explored partnerships with leaders in Louisville's Black community
- » Created an Information Technology Roadmap
- » Oversaw completion of the Conference Center at 100 Witherspoon
- » Helped host the 225th General Assembly (2022) committees at the Presbyterian Center
- » Committed that a tithe from unrestricted undesignated reserves held at the Presbyterian Foundation be invested in the New Covenant Trust Company's Diversity, Equity, and Inclusion Fund, effective January 1, 2023
- » Provided Spanish to English interpretation at the Hispanic Latin Presbyterian Women's Encuentro X



Helping Ministries Flourish

Grace and Peace to you from the A Corporation Board

We are excited to provide a glimpse of the ministry of the Presbyterian Church (U.S.A.), A Corporation (often called “A Corp”) in 2022. A Corp was formed in 1799 and has always been the principal corporate entity for carrying out the secular legal roles, such as owning property and handling current assets, needed by the General Assembly to accomplish the mission of our denomination.

The A Corp Board and the staff members of the related Administrative Services Group (“ASG”) carry out the ministry of administration. The goal of ASG is to help the ministries of our client partners flourish. Reviewing the many accomplishments in 2022, we highlight four items for your information:

1. The renovation of the first floor of the Presbyterian Center was completed on time and on budget - even in the face of supply chain issues. A Conference Center, complete with a state-of-the-art Production Studio, now occupies the north side of the first floor west. In addition to being used by PC(USA) agencies and entities, it is available to Louisville community organizations.
2. One of the first uses of the Conference Center was to host the committees of the 225th General Assembly (2022). Completing the center on time meant being ready for this event which took place over three weeks in June and July. Hosting the Assembly involved the ASG providing hospitality, translation and interpretation, internet access and more. Close partnership with the Office of the General Assembly (“OGA”), the Presbyterian Mission Agency (“PMA”), and other agencies and entities was also required. If you have ever helped host a meeting of the General Assembly in your area, you know the cooperation and effort required to help the meeting run smoothly. That same hard work and close cooperation made the General Assembly experience at the Presbyterian Center go well.
3. A Corp serves as the employer of record for all who work in ASG, OGA, and PMA. A careful, prayerful, multi-faceted process resulted in the most significant revision of the A Corporation Employee Handbook in at least 15 years. This handbook applies to individuals serving in ASG, OGA, and PMA. Before the revised handbook came to the A Corp Board for approval there had been input from an independent Diversity, Equity, and Inclusion consultant in Louisville, Human Resources and Legal Services staff members, and an Employee Handbook Review Team of ASG, OGA, and PMA colleagues. The A Corp Board approved the revised A Corporation Employee Handbook on December 9, 2022 and set January 1, 2023 as the date on which it took effect.
4. An equally thoughtful process created an Information Technology Roadmap that establishes a plan to improve the PC(USA)’s technology—including the website. Build Consulting, a Washington, D.C.-based technology consultant firm specializing in supporting nonprofits, worked with staff members to create the Roadmap which has five tracks: strengthen technology services; enhance core technology services; migrate to shared core business applications; leverage data with analytics; and exercise change management. The A Corp Board reviewed the contents of the Information Technology Roadmap and continues to receive updates as it is implemented.

As Co-Chairs of the A Corp Board, we are honored to be part of these and other initiatives. We give thanks for our colleagues on the board, the ASG staff, and all who work for and with the Presbyterian Church (U.S.A.), A Corporation. Together we help ministries flourish.

In Christ,

Bridget Anne Hampden

Heidi L Bolt



Bridget-Anne Hampden



Heidi L. Bolt

Conference Center at 100 Witherspoon



Renovations on the Conference Center in progress

Photo by Ian Hall

When the first in-person portion of the 225th General Assembly (2022) convened, it did so in a newly designed Conference Center using a newly designed Production Studio located in the Presbyterian Center. Hosting the General Assembly provided the impetus for this renovation and established a definitive deadline that was met.

The location of the Conference Center was once the Presbyterian Center cafeteria. This area had none of the structural columns found in many other places in the building. Three conference rooms, which can be used individually or at the same time, were created. In addition, space was made for the technology required to hold a hybrid assembly. The new space and resources will allow the PC(USA) to reduce costs for future church-related meetings and reach out to the Louisville community.

Bringing the project to a successful completion involved dealing with supply chain issues, permit adventures, and frequent Covid cases affecting the project's subcontractors. Relying on God's providence the hard, patient work by Administrative Services Group and Office of General Assembly colleagues resulted in the completion of the project on time and under budget.



Young Adult Advisory Delegates participate in Plenary 1 at the 225th General Assembly on June 18, 2022

Photo by Rich Copley

Conference Center Dates

October 4, 2021 - renovation began
May 23, 2022 - Mid Kentucky Presbytery Stated Meeting
May 24, 2022 - Conference Center dedication service
June 18, 2022 - 225th General Assembly (2022) begins

Conference Center Numbers

Budgeted Costs - \$3.8 million
Actual Costs - \$3.75 million
Participation by diverse suppliers - 39.5%
Seating Capacity - 300 in theatre style

Presbyterian Church (U.S.A.), A Corporation

2022 Financial Snapshot

Assets	
Cash and cash equivalents	\$ 7,824,294
Beneficial Interest in pooled investments held by the Foundation- short-term	80,878,971
Other investments and accrued income	74,860,767
Contributions receivable from congregations	2,482,627
Receivables from related entities, net	2,229,114
Due from the Foundation - FMS	314,882
Other accounts receivable	564,863
Inventories, prepaid expenses and other assets	660,216
Right of use asset - leases	946,019
Property and equipment, net of accumulated depreciation	15,321,594
Beneficial interest in pooled investments held by the Foundation - long-term	373,960,388
Other investments held by the Foundation	6,927,337
Beneficial interest in perpetual trusts	111,658,627
Total assets	\$ 678,629,699

Liabilities and Net Assets	
Liabilities	
Accounts payable and accrued expenses	\$ 5,658,705
Amounts received from congregations and designated for others	475,347
Amounts held for missionaries and committed for projects	6,226,759
Amounts due to other agencies	8,746,278
Due to the Foundation - church loans	192,880
Deferred revenue	209,630
Lease liability	981,114
Other	20,757
Total liabilities	22,511,470

Net Assets	
Without donor restrictions	
Undesignated - General Mission	16,384,470
Undesignated - OGA per capita	8,407,920
Undesignated - Presbyterian Historical Society	2,438,938
Board designated	63,335,360
Total net assets without donor restrictions	90,566,688
With donor restrictions	565,551,541
Total net assets	656,118,229
Total liabilities and net assets	\$ 678,629,699

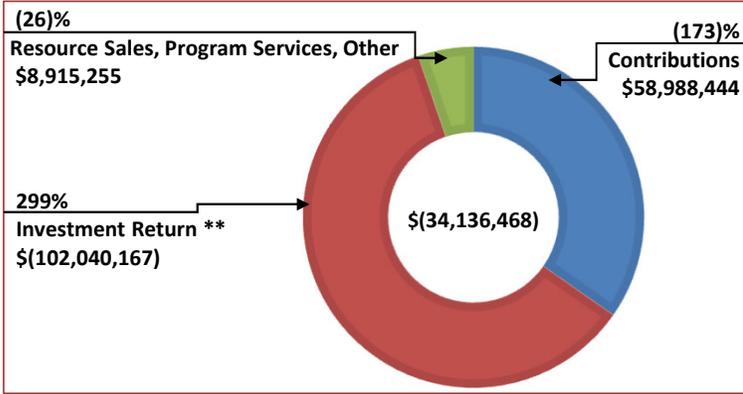
Revenues and Expenses	
Revenues, gains, and other support	
Contributions	
Congregations	\$ 19,128,495
Gifts, bequests and grants	7,051,082
Contributions of nonfinancial assets	345,000
Special giving and special offerings	32,463,867
Total contributions	58,988,444
Investment Return	
Income from endowment funds held by the Foundation	9,819,694
Income from other investments	3,609,932
Realized (loss) gains on investments, net	(2,604,174)
Unrealized (loss) gains on investments, net	(112,009,194)
Change in value of beneficial interest in life income trusts	(856,425)
Total investment return	(102,040,167)
Interest income from loans	
The Hubbard Press	785,268
Sales of resources	961,050
Program services	6,847,977
Other	299,629
Total revenue, gains, and other support	(34,136,468)
Expenses	
Presbyterian Mission Agency	42,269,767
Office of the General Assembly	9,211,443
Presbyterian Historical Society	394,547
Administrative Services Group	17,283,965
Total expenses	69,159,722
Change in net assets	(103,296,190)
Net assets at beginning of year	759,414,419
Net assets at end of year	\$ 656,118,229

See www.pcusa.org/acorp/financials for financial reports, including 2022 audits in English, Spanish, and Korean.

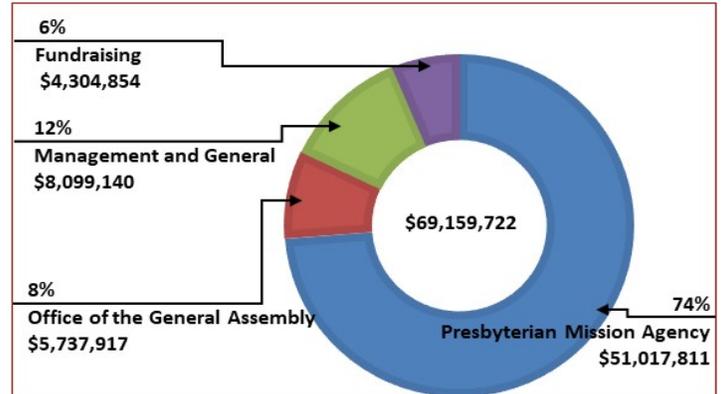
Presbyterian Church (U.S.A.), A Corporation

2022 Financial Snapshot

WHERE DOES THE MONEY COME FROM?



HOW IS THE MONEY SPENT?



Expenses by Functional Classification

	Program				Total PMA/OGA
	Presbyterian Mission Agency	Office of the General Assembly	Management and General	Fundraising	
Cost of sales	\$ 553,381	\$ -	\$ -	\$ -	\$ 553,381
Salaries and benefits	24,885,451	3,393,181	4,589,607	2,199,560	35,067,799
Travel	668,253	230,084	863,141	63,234	1,824,712
Meetings	150,867	10,253	14,784	6,034	181,938
Support costs and administration	7,711,629	828,667	1,902,929	1,275,909	11,719,134
Depreciation	647,007	235,686	216,464	54,873	1,154,030
Mission/ministry	4,157,348	1,040,046	505,211	705,244	6,407,849
Resource development	270,230	-	-	-	270,230
Grants	11,973,645	-	7,004	-	11,980,649
Total	\$ 51,017,811	\$ 5,737,917	\$ 8,099,140	\$ 4,304,854	\$ 69,159,722

**The investments and endowment funds during 2022 experienced market losses which are reflected in the investment return on the financial snapshot. These market value losses did not affect the budgeting and spending from the endowment funds. The PC(USA), A Corp operates under an endowment spending formula policy that determines the annual flow of funds from the endowments to the operating budget.

255th General Assembly (2022)



Cristi Scott Ligon (left) and Iris Santoni Ortiz (right) moderated the Leader Briefing at the 225th General Assembly on June 18, 2022

Photo by Rich Copley



Miguel Dros Lorenzo (right) moderated the Environmental Justice Committee meeting on June 23, 2022.

Photo by Rich Copley

Several firsts occurred during the 255th General Assembly (2022). The first hybrid assembly. The first assembly at the Presbyterian Center. And the first assembly with committee leaders for whom Spanish was their first language.

The Rev. Miguel Angel Dros Lorenzo served as moderator of the Environmental Justice Committee. The Rev. Iris Dalila Santoni Ortiz served as the vice moderator of the Bills and Overtures Committee.

The Global Language Resources team (GLR) helped facilitate the service of Dros Lorenzo and Santoni Ortiz in these roles. It also helped commissioners and advisory delegates with Spanish and Korean as their first languages take part more fully in the assembly.

At the assembly and beyond, GLR's ministry of interpretation and translation allows people to participate in the life and work of the church in their first language, the language of their hearts. In this way, people may take part in the life and decision-making processes of the church more effectively. That is a critical step as the church seeks to become the equitable, just, intercultural community God intends.

Administrative Services Group staff members at the 225th General Assembly (2022)

- Helped present the 2023-2024 consolidated budgets for the Office of the General Assembly, the Presbyterian Church (U.S.A.), A Corporation, and the Presbyterian Mission Agency
- Generated financial implications of General Assembly actions
- Coordinated and monitored COVID protocols
- Oversaw facilities, including cleaning and safety matters
- Served as resource persons to 13 committees
- Provided technology support

225th General Assembly (2022) – some numbers

- June 18 – July 2 in-person meetings at the Presbyterian Center
- June 18 --19 hybrid
- July 5 - 9 online
- 462 commissioners and 87 advisory delegates participated
- 750,000 words translated
- 14 interpreters (staff and contracted individuals) served in-person and during online meetings

It takes the Holy Spirit and some beverages to make an assembly happen

- | | |
|-----------------------------------|-----------------------------------|
| • Regular Coffee - 8 cases | • Splenda - 1 box |
| • Decaf Coffee - 1 case | • Stirrers - 2 boxes |
| • Sugar - 1 case (24 canisters) | • Regular Tea - 6 boxes |
| • Creamer - 1 case (24 canisters) | • Decaf Tea - 1 box |
| • Sweet & Low - 1 box | • Cups - 3 cases (1,000 per case) |

Information Technology Roadmap

Recognizing the importance of technology to the church, the Administrative Services Group launched an initiative to unify and improve the technology that helps power everything from the church’s website to its phone systems. Staff members worked with Build Consulting, a Washington, D.C.-based technology consultant specializing in supporting nonprofits, to identify needs and develop a plan to address those needs—the Information Technology Roadmap.

Information gathering began the process. This included:

- interviews with 65 staff representing more than 15 teams or business functions,
- walkthroughs of currently used systems to explore what works well and what challenges exist,
- conversations around the existing technology infrastructure and Information Technology staffing model,
- survey responses by 187 staff members,
- and a review of 274 documents provided by the PC(USA).

The completed Information Technology Roadmap identifies five tracks, or work areas:

- strengthen technology services,
- enhance core technology services,
- migrate to shared core business applications,
- leverage data with analytics,
- and exercise change management

It will take about five years and cost between an estimated \$5.6 million and \$10.5 million to implement the Information Technology Roadmap fully. This reflects the impact of an underinvestment in technology and a significant reduction in staff for over a decade. It also represents a commitment to upgrade and enhance the use of technology to serve client partners and the PC(USA) more effectively.

Information Technology Roadmap Tracks with Initiatives

1.0 Strengthen Technology Services Function	1.1	1.2	1.3	1.4
	Establish Technology Steering Committee	Hire and Onboard Director, IT	Design Services Delivery Model	Augment Capacity
2.0 Enhance Core Technology Services	2.1	2.2	2.3	2.4
	Finish Moving to the Cloud	Address Security Findings	Standardize Productivity Tools	Develop Training Program
3.0 Migrate to Shared Core Business Applications	3.1	3.2	3.3	3.4
	Build and Relaunch Website	Map Constituent Data and Optimize Existing CRM Systems	Long-Term CRM & Digital Engagement	Others As Prioritized
4.0 Leverage Data & Analytics	4.1	4.2	4.3	
	Identify Performance and Impact Indicators	Implement Interim Analytics Strategy	Develop and Implement Long-Term Analytics Strategy	
5.0 Exercise Change Management Muscle	5.1	5.2	5.3	5.4
	Create Framework for Managing Change	Conduct Change Readiness Assessment	Train Staff on Change Management Framework	Launch Change Management Framework

BOARD OF DIRECTORS

SanDawna Ashley

Presbyterian Mission Agency Board
East Syracuse, New York

Heidi Bolt, co-chair

At-Large
Red Wing, Minnesota

Samuel L. Bonner

Committee on the Office of the General
Assembly
Burlington, New Jersey

Bridget-Anne Hampden, co-chair

Presbyterian Church (U.S.A.) Foundation Board
Charlotte, North Carolina

Rebecca Kirkpatrick

Presbyterian Publishing Corporation Board
Bryn Mawr, Pennsylvania

Mark Lu

Board of Pensions of the Presbyterian Church
(U.S.A.)
San Diego, California

Christopher M. Mason

At-Large
New York City

Thomas McNeill

Presbyterian Investment and Loan Program
Board
Avon, Connecticut

Jason Micheli

At-Large
Yorba Linda, California

Joyce Rarumangkay

Racial Equity Advocacy Committee
Dumfries, Virginia

JoAnne Sharp

Advocacy Committee for Women's Concerns
Stafford, Virginia

William (Bill) Teng

At-Large
Lake Suzy, Florida

Carol Winkler

Presbyterian Women
Dayton, Kentucky

Kathy Luechert

President, Presbyterian Church (U.S.A.),
A Corporation
Louisville, Kentucky

J. Herbert Nelson, II, ex-officio

Stated Clerk of the General Assembly of the
Presbyterian Church (U.S.A.)
Louisville, Kentucky

2022 By the Numbers

- » \$38.6 million disbursed
- » 45,724 resource orders shipped
- » 1,057 grants and contracts reviewed
- » 423 staff supported
- » 1.2 million words translated into Korean and Spanish and 6 other languages
- » 712 reports provided by Research Services
- » Exceeded the goals set in the Diverse Supplier Policy:
 - % of annual spend with diverse suppliers: Goal - 10%; Actual - 20%
 - % of diverse suppliers in the vendor/supplier pool: Goal - 10%; Actual - 24.3%

The Presbyterian Church (U.S.A.), A Corporation (“A Corp”) is a corporate entity of the General Assembly. Established in 1799, it holds funds and title to property. A Corporation provides business services for the PC(USA). It is accountable to the General Assembly and works closely with all PC(USA) agencies.

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