

**REPORT OF THE FINANCE COMMITTEE  
TO THE BOARD OF GENERAL MINISTRIES  
JUNE 2013**

Following is an overview of the work of the Finance Committee:

**1. Legacies and Gifts**

The following legacies and gifts have been received for ABCUSA.

June 2012 – May 2013

• American Baptist Foundation	\$58,609.74
• R. Williams Estate	10,000.00
• Harkness Estate	<u>4,000.00</u>
<b>Total</b>	<b>\$72,609.74</b>

**2. Region Return Percentage Exceptions**

Under the current provisions of the Common Budget Covenant, Regions may retain up to 65% of United Mission for their operations. The Finance Committee monitors compliance. There are no exceptions for 2013.

**3. Roblee Fund Grant and Roberts Fund**

The Roblee bequest to the Northern Baptist Convention (now American Baptist Churches) stated a preference for income to be used for medical and educational work outside the United States. For 2014, the Finance Committee approved a request for distribution of \$197,041 on a 5% percentage draw based on a 12 quarter rolling average. The distribution for the Roberts Fund was approved for a distribution of \$4,884 on a 5% percentage draw based on a 12 quarter rolling average.

**4. Review of Common Investment Fund and American Baptist Foundation Investment**

The Committee received oral and written presentations and reports from the Treasurer for the Common Investment Fund and the Executive Director of the American Baptist Foundation in June 2013 and reviewed the performance, investment philosophy, and asset allocation of the funds under management.

**5. ABCUSA Treasurer's Report**

The Committee reviewed the Report of the ABCUSA Treasurer, including:

- Building Update
- Bequests and Gifts
- Transformed By The Spirit – Reviewed financial status of TBYTS
- ABMS Report as of 12/31/2012 and 4/30/13
- The Financial Statements for ABCUSA, Mission Resource Development, Representative Process, the Biennial and the Denominational Emphasis (Transformed by the Spirit) for the period ending April 30, 2013.

**6. Review of Regional Audits**

At the June 17, 2013 meeting, the Finance Committee reviewed regional compliance for fiscal 2011 in providing ABCUSA with an annual audited financial statement, review, compilation or other financial statement that was submitted to the Regional Boards.

14 Audits, 3 Reviews, 2 Compilations, 1 Review of Operating Activities, 1 Audit of Mission Collection Account, 1 Report to Regional Board.

**7. Audit**

The Finance Committee met by conference call with our external auditors, the Accounting Firm of Tait Weller, in their role as the Audit Committee of ABCUSA, to review the 2012 audited financial statements. The auditors reported a clean audit and an unqualified opinion.

**8. Budget**

The Finance Committee met to review the proposed budget timeline and approval process for 2014.

- 9.** The Committee recommends that a discussion of the budget be given at least one hour on the BGM agenda at the November meeting, and that a separate budget hearing not be held.

**10. Future Responsibilities**

The Committee discussed its future responsibilities, with particular emphasis on investments and adequate funding.

The Finance Committee held a joint meeting with the MRD Response Group on June 19, 2013 where the future of United Mission was discussed. The joint group recommended to the Board of General Ministries that we explore a Transformed by the Spirit process for United Mission. Secondly it was decided that we work together to find a two-year plan that focuses on United Mission, communicates the full scope of United Mission to the churches and works to grow United Mission.

**Submitted by:**

James Ratliff, Budget Review Officer; Paul Higgins, Wesley Roberts  
Absent: Beryl Hornberger, and Charity Matic

Alan Musoke, ABCUSA CFO/Treasurer

**June 17, 2013**