

**REPORT OF THE BOARD OF GENERAL MINISTRIES FINANCE COMMITTEE
TO THE BOARD OF GENERAL MINISTRIES
June 2024**

The following is an overview of the work of the Board of General Ministries Finance Committee:

- I. 2023 Audited Financial Statements**
The committee conducted a conference call with auditors from Tait Weller on May 30, 2024. Acting as the Audit Committee (as specified in Standing Rule 11.5.2(a)), we received and reviewed the 2023 audited financial statements.
- II. Legacies and Gifts** - Legacies and gifts in the amount of \$53,025.41 were received for ABCUSA between October 2023 and April 2024.
- III. ABCUSA Treasurer's Report**
The Committee met to review the Report of the ABCUSA Treasurer, including:

Budget Timeline for 2025 (a two-year budget will be prepared this time)
Financial Report as of 12/31/2023
Financial Report as of 4/30/2024
Results of internal audit of mission receipts
- IV. Draw Rates on Endowments**
For 2025, the draw from the Roblee fund will be \$59,302 (4.5% of the 12-quarter rolling average of the market value of the fund) and will be distributed to International Ministries. The draw from the Roberts fund will be \$4,977 (also 4.5% of the 12-quarter rolling average) to be split evenly between International Ministries and the American Baptist Home Mission Societies.
- V. Review of Regional Audits**
Paul presented a report showing the audits, compilations, reviews, and internal financial statements received from each region that provided such reports for 2017-2023. While 12 of 33 regions were in compliance with reporting requirements for 2021, only 8 regions are for 2022 and 4 are for 2023. Communications about compliance will be shared with all regions out of compliance and then covenanting partners will be notified.
- VI. Change in audit requirements for regions that are Receiving Units**
The National Leadership Council voted earlier this year to change the Mission Fund Account audit requirement for regions that are Receiving Units. These regions may now enter into an agreement with our auditing firm of Tait Weller to have their Mission Fund Account examined using a series of agreed-upon procedures, at substantially lower cost than an audit. Three regions have already signed up for this arrangement.
- VII. Receiving Unit request from Cleveland Baptist Association**
Alan Musoke recently received an inquiry from the new Regional Executive Minister of the Cleveland Baptist Association, asking about the possibility of becoming a Receiving Unit. Alan was advised to inform CBA of the four criteria for requesting approval from the Board of General Ministries. It was also noted that the CBA is not currently in compliance with Common Budget Covenant reporting requirements.
- VIII. Acceptable format for region financial statements**

The Operating Guidelines Manual for the Common Budget Covenant states that “all National Corporations, all AMO’s receiving ABMS support and all Regions must prepare financial reports in such form as the Board of General Ministries may request.” We recommend that BGM state that these financial reports shall be for the end of the fiscal year and include both a Statement of Activities (aka Profit & Loss Statement) and a Statement of Financial Position (aka Balance Sheet).

Submitted by: Paul Higgins, Budget Review Officer; Brandon Bouldin, Orin Clinger, Thomas Gilmore, Cedric Jones, and Noemi Nunez-Sanchez; Alan Musoke, ABCUSA Treasurer.

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On May 30, the Committee met to consider a Mission Initiative Fund grant request from Urban Grace Church of Tacoma, WA. This request was a revision to a previous request the committee had denied.

After a presentation from Jennifer Dean of Urban Grace, the committee discussed the proposal. There were no members willing to make a motion to approve the proposal. As a result, the proposal was not approved, effectively causing it to be denied.

Submitted by: Paul Higgins, Budget Review Officer; Brandon Bouldin, Orin Clinger, Thomas Gilmore, Cedric Jones, and Noemi Nunez-Sanchez from the Board of General Ministries; Paul Vick from International Ministries; Karen Yee, American Baptist Home Mission Societies; Alan Musoke, ABCUSA Treasurer.

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