Global Wesleyan Alliance Finance Leaders

Location - Free Methodist Church World Ministries Center, Indianapolis IN

Dates and times – March 14, 1pm to 5pm; March 15, 9am to Noon

**Conversation Notes**

March 14, 2017

Present: Abby Hewitt – Church of God, Anderson, Bruce Crabtree – Churches of Christ in Christian Union, Kevin Batman – The Wesleyan Church, Walt Fuge – Salvation Army, Keith Cox – Church of the Nazarene, Jo Lammey – Free Methodist Church

Ron Duncan, Exec Director Global Wesleyan Alliance – not able to attend

1:00pm - Larry Roberts Free Methodist Church COO – Welcome & devotion

1:20pm – Faith Group Update & Sharing

Jo – FMC - talked about recalibration plans, plateaued or declining churches, multiplication plans, ‘Equipping for Excellence and Expansion’ meetings to discuss and encourage renewal and implementation of recalibration and multiplication plans, changes in Missions which reduced the size of the department by half, moving some functions to the field world areas.

Kevin – Wesleyans – new Gen Supt. Dr. Wayne Schmidt, renewed focus on discipleship, equip people for serving, looking at ordination requirements, specifically with the focus on helping to get non-lead pastors serving, set up structure to move forward, changed from internal IT to contracted service, evaluating and making plans to change to contracted services where it makes sense.

Walter – Salvation Army – In 127 countries, rolling out new Sunday School curriculum moving from Blackbaud to Sales Force, six retiring national leaders in18 month period, 1200 churches in US.

Abby – Church of God – Moving to Charity Engine from Raiser’s Edge, looking at cost combination – centralization of the right things, defining the benefit provided by the movement headquarters to encourage support, no assessment to support national functions but looking at this, movement & not a denomination.

Bruce Crabtree – CCCU – added 10 Hispanic churches to the 200+ churches, declining & plateaued churches is an issue for them as well, has questions about ‘right sized’ness of current structure.

Keith – Nazarenes – 7 months on the job, restructured how churches support the Global Ministry Fund (primary support of national operations) during economic downturn a few years ago. Changed the way some missionaries are supported and the way the Global Ministry Fund was viewed in the church. His experience has been personal connection with a missionary encourages more than just support for the missionary. Not all missionaries or churches understand the changes. Desires to see renewed emphasis on communicating mission and vision in the local church.

2:30pm – Selection of discussion topics

All topics previously submitted to Ron included in discussion agenda and added international banking, reserves and M&E (measurement and evaluation) to the topics list.

2:35 - Discussion

International Banking – One org shared their bank (5th 3rd) gave them 30 days’ notice they had to find another bank. Moved to Key Bank and so far working well. Issues with international wires to places bank examiners are worried about. Cuba was mentioned several times. Western Union was mentioned as an option used by some. Salvation Army has their own bank in UK. Facilitates transfers to places US banks are balking at. So much regulation of banking industry that balances not only factor in banks working with us.

OFAC Specially Designated Nationals List – One org shared their grant process that includes checking the OFAC list when the project is approved. Discussed Missio Nexus presentation that indicated once was not enough to check the list; discussed each organization’s policy. One member who had done financial institution auditing says it is the financial institution’s responsibility to check OFAC list before sending every wire.

Missionary reporting – Wesleyans use impressed system, so does Church of God. No more funds until report is received. Wesleyans using Expensify for reporting. Salvation Army has reporting system that is tied to their structure.

3pm – Break

3:15pm – Resumed discussion

Cyber security – Some in room have background in banking who are huge targets for cybercrime. Discussed types of testing to develop healthy skepticism; penetration testing, testing for vulnerability to social engineering threats, etc. Some moving more to the cloud. Capin Crouse, offers services to test preparedness. Other suggestions, do good passwords, use only strong passwords, periodic changes (SA changes every 90 days). CCCU has payment authorization form with every request. Multiple levels of authorization based upon transaction specifics.

Pension – all but Free Methodists have DCs as the operating pension now. some with frozen DBs, DBs have funding issues. SA social security age before receive pension distribution. Organization contribution rates between 3% and 12% for orgs in the room. Vesting periods for orgs in the room none to 10 years. Org’s responsibility to advise young entrants into plans? Some developing plans to increase participation. Not required by most. Debt more a problem than pension participation. Discussed Lilly grant and what was being done to help pastors be financially literate. Grants to provide actual financial help.

990 voluntary filing – no one was filing voluntarily but preparing to be able to fee the document if become a requirement or becomes a requirement for certain donors.

Vendor relationships – discussed insurance as something most were interested in. Salvation Army has there own insurance company.

Crowd Funding/text to give – Wesleyans exploring it with Mobile Cause. Consensus was that it was expensive for what you got but need methods to attract younger donors.

Missionary Budgeting – what gets included? Kevin described Wesleyan process that included the Global Partners (their branded missions arm) finance person as being crucial to the process. Budget is for a 5 year term. Must be 50% funded and 100% committed before they go to the field. Can go on payroll once they reach the 50%. Discussion turned to assessments on designated or pass-through giving. One org assesses nothing on pass-through (restricted) gifts, another 10% on missionary giving, 12% on projects.

How do your donors pay? – One org described the multiple methods donations reach them as a spider-web. Discussed merchant service providers/service providers/software. Charity Engine, Blackbaud, Authorize.net, Cashlinq, Raiser’s Edge, Sales Force all mentioned. Discussed portion received by check, ACH, and credit card, and other related items such as recurring gifts, bill pay checks, etc. Everyone had an online avenue. Some were used very little, some a primary source.

4:30pm Break for Dinner

6pm Dinner at Rick’s Boatyard

3/15/2017

Attending – Abby Hewitt, Alyse Hoover (Church of God), Keith Cox, Bruce Crabtree, Walter Fuge, Jo Lammey

9am - Prayer

Reserves – Keith lead in a discussion of stresses that would affect reserve requirements. Unemployment, economic outlook, other factors that would help set reserves to right size. Walt mentioned the Salvation Army had financial contingency plans at all levels. He also mentioned to help SA to anticipate utilization of their services they developed a Human Needs Index. Triggers action at local level if needs change. Available on their website. Unrestricted estate gifts are used to create reserves, and income stream in the Salvation Army organization

Assessments – a couple of orgs used the tithe as the basis for assessing churches. 10% of income sometimes adjusted for specific items sometimes only undesignated funds. One org applies various percentages to fund different components such as 5.5% for general funding and 2.5% for pension & benefits and an additional percentage for schools. One org allows the regional affiliates set the assessment % to the church but the national assesses 3.2% to the regional affiliate. One assesses 14% total, 10% for the denomination operations, 3% for their university, 1% to CE. Missions giving is over and above the assessment. One org does not have an assessment; the contribution to the national organization is voluntary

10:30am break

10:40am Gregg Herke gave a short history of the Free Methodist Church

10:50 Continued discussion

Keith invited group to Kansas City to the Nazarene Global Ministry Center. Dates were set for March 20 & 21, 2018. Same format of noon to noon.

CRM/Funding Platform

Charity Engine – Church of God moving away from Blackbaud, Sales force – Salvation Army moving away from Blackbaud,The Nazarene church uses a combination – Raiser’s Edge, Convao (sp??), OPAL home grown software; spider web of processes. Free Methodists - Raiser’s Edge with Blackbaud Net Community as online gateway to giving. Capin Crouse offer services to help in make the decision

Measurement and Evaluation

Salvation Army and Church of God have processes but most effort focused at the beginning.

Short discussion of archives over lunch.

12:15pm dismissed - Keith lead in prayer.

Submitted for review by Jo Lammey 3/15/2017