

In analyzing and reviewing the monitoring reports each provided action and progress in the realization of the stated ends policies. The general secretary should be commended for the effort and achievement in leading staff in the accomplishment of agreed upon ends.

The committee reports to the GSC at the fall and spring meetings in executive session. As part of this process the general secretary completes a “self-evaluation” instrument, an instrument also used in the annual evaluation process for all GSC personnel. The committee addresses with the general secretary goals in areas of personal and professional improvement.

Identified objectives for 2009 focused in three areas:

1. Change management—effectively navigating the important changes in the next years in nearing the completion of Our Call, and identifying next steps in moving past 2013; providing greater alignment of General Synod/regional synods/classes; strategic relationship building with constituencies within the RCA; funding priorities; and key decision making and problem solving.
2. Communication—mastering new communication media and finding space to write and communicate across the denomination, using this strength as a positive influence within the denomination.
3. Team development—with key hires coming on board, working to develop cohesiveness and a sense of team with new cluster facilitators, and helping nurture new generation leaders both as GSC staff and with emerging pastors.

Developmental steps for 2009 in addition to the previous objectives include:

1. Strategic report to the Relationship and Review Team by August 2009 outlining the general secretary’s positioning regarding time commitments beyond the RCA, especially with regard to ecumenical relationship priorities.
2. Sabbatical proposal to the Relationship and Review Team by August 2009 as recommended in the 2008 performance review for execution in 2010.
3. Review of general secretary position description in light of governance structure for greater future effectiveness.

Report of the General Synod Council on Finance

Financing the Denominational Programs of the Reformed Church in America

Congregational Giving

In 2007 the Reformed Church in America’s 166,043 confessing members each contributed, on average, \$2,243 to their local congregations. Of that total, 88 percent was spent at the local level for minister salaries and benefits, supplies, utilities, construction and building improvements, and local benevolence programs. The funds that support the RCA’s denominational programs and services come primarily from congregations and individuals in the form of voluntary contributions (such as Partnership-in-Mission shares) and assessments. General Synod agencies (including the General Synod Council, Board of Benefits Services, Ministerial Formation Certification Agency, Western Theological Seminary, and New Brunswick Theological Seminary) received 3.8 percent in the form of voluntary contributions and 1.8 percent of total congregational giving in the form of assessments.

Assessments imposed independently and paid to regional synods and classes were 1.6 percent of total congregational giving. The amount of the total assessment varies from one

classis to another, based on classis and regional synod charges. However, the General Synod assessment is consistent for all classes. The total General Synod assessment for 2009 is \$39.91 per confessing member. It is comprised of a \$33.47 per member assessment for the General Synod Council, \$1.50 for the Board of Benefits Services Assistance Fund, \$4.71 for theological education, and \$0.23 for disability ministry. This General Synod will be asked to approve the 2010 assessment, for which information is contained on page 70 of this section.

Funding Sources for Denominational Programs and Services

Financing for the programs and services provided by the denominational agencies listed above comes from a variety of sources. For the General Synod Council, 32.7 percent of the 2009 budget is projected to come from the General Synod assessment. In addition, it is projected that voluntary contributions from congregations and individuals will provide almost half of the denomination's total sources of revenue. These funds are primarily designated for specific programs within Global Missions, church multiplication, discipleship, leadership, and revitalization that support Our Call, the RCA's ten-year goal. Other sources of revenue include income from investments.

The Board of Benefits Services is primarily funded from fees paid by retirement and insurance plan participants. In addition, the Board of Benefits Services receives \$1.50 per member from assessments for the assistance grant program, which supports retirees and widows in severe financial difficulty.

The RCA Church Growth Fund is primarily funded from interest on church building loans and investments.

Financial Summary—Fiscal Year 2008

	Fiscal Year ending 9/30/08					
	Income	Expenses	Change in Net Assets	Assets	Liabilities	Net Assets
General Synod Council	\$16,867,245	\$19,452,746	\$(2,585,501)	\$64,673,771	\$44,669,930	\$20,003,841
BOBS-Retirement Program	\$(35,413,847)	\$15,739,376	\$(51,153,223)	\$303,584,377	\$245,584	\$303,338,793
BOBS-Insurance Fund	\$15,023,424	\$12,956,538	\$2,066,886	\$11,380,518	\$98,493	\$11,282,025
BOBS-General Fund	\$2,027,916	\$1,542,548	\$485,368	\$3,473,044	\$118,168	\$3,354,876
RCA Church Growth Fund	\$2,056,803	\$808,333	\$1,248,470	\$45,274,631	\$10,430,448	\$34,844,183

The General Synod Council financial results for 2008 include \$2 million in unrealized market losses in the Investment Program and third-party perpetual trusts and a \$450,000 draw on undesignated reserves for the transition of the finance office. Contribution income, including Partnership-in-Mission shares, decreased 6 percent over the previous year. Spending was maintained at levels that matched funds available from current year income or from reserves from prior years.

The Board of Benefits Services Insurance Fund showed positive financial results for the fiscal year with a reduction in medical claims mainly as a result of changing the third-party administrator mid-year. The Insurance Fund's reserve position has continued to improve

allowing for incentives in fiscal 2009 for participants to focus on wellness and prevention. The Board of Benefits Services Retirement Program's assets were significantly impacted by the historic losses in the general market. Participant accounts lost \$66.6 million in market value in fiscal 2008. \$9.5 million was invested in the 403(b) Retirement Plan from individuals and organizations, which is slightly more than the previous year.

The RCA Church Growth Fund's financial performance continues to be strong. As of September 30, 2008, it had \$36.65 million in loans outstanding. The Church Growth Fund (CGF) continues to operate efficiently with low administrative costs when compared to other denominational church growth funds, and to offer favorable interest rates on loans to local churches. For further information regarding the work of the CGF (including its loan and investment note programs and the grant it provides to GSC for church multiplication work), see the more detailed report of the Church Growth Fund on page 141.

Annual Audit

The 2008 financial statements of the General Synod Council, Board of Benefits Services, and RCA Church Growth Fund were audited by Crowe Horwath LLP, Certified Public Accountants. Delegates are invited to visit the RCA website to download the complete set of audited financial statements. The statements, as well as a brief video with the stewardship report, are available at www.rca.org in "Finance Services" under the Leadership tab. The specific address is www.rca.org/finance. The GSC Audit Committee received and reviewed the audited financial statements and management letters for the corporations listed above. Each corporation received an unqualified audit opinion.

The RCA's Investment Programs

The RCA's investments are managed by outside investment managers. The treasurer, the Investment Advisory Committee, and the various boards are responsible for ensuring that the RCA's funds are prudently invested, investment managers adhere to established investment policies, and performance of the funds is monitored on an ongoing basis. The following is a brief overview of the investments in the RCA Fund, the RCA Investment Program, the RCA Retirement Program, and the GSC Planned Giving Programs. Individual investments in the RCA Fund and RCA Investment Program are listed in each audited financial statement and can be found on the RCA website, www.rca.org, in "Finance Services" under the "Leadership" tab. The specific address is www.rca.org/finance.

The RCA Fund

In 1979 the trustees of the former General Program Council designed the RCA Fund (formerly the RCA Cash Program), primarily as a means for providing capital for the RCA Extension Foundation (now called the RCA Church Growth Fund). Up to 20 percent of the RCA Fund's Outside Depositor assets may be invested in RCA Church Growth Fund (RCACGF) investment notes; however, at present, none of the RCA Fund's investments are comprised of RCACGF investment notes. In addition to providing a vehicle for raising new capital for the building of churches, the RCA Fund makes it possible for local churches, classes, agencies, and regional synods to receive a competitive rate of return for the short term investment of surplus funds.

The Bank of New York/Mellon actively manages a portfolio of fixed income securities (including Corporate Bonds, U.S. Treasuries and Agencies, and mortgage backed securities), which comprises the bulk of the RCA Fund's assets. At September 30, 2008, 14.8 per-

cent of its assets were held in two money market accounts to provide liquidity. The total rate of return (which includes unrealized gains and losses) of the assets managed by the Bank of New York/Mellon was 4.44 percent for fiscal 2008 versus a 4.45 percent return for the benchmark. RCA Fund participants receive distributions of earned income, i.e., cash earnings, on a quarterly basis. These distributions in fiscal 2008 were \$2,528,809 compared to \$1,604,702 for fiscal 2007. The average distribution to RCA Fund participants was 6.15 percent in fiscal 2008. At September 30, 2008, the RCA Fund held a reserve of \$1,209,810, which represents the accumulated unrealized gains in the fund.

The *Investment Objectives and Guidelines* for the RCA Fund marketable securities are as follows:

1. **Investment Objectives:** To preserve capital, maximize current return on investments consistent with safety of principal, and maintain a high degree of liquidity in accordance with anticipated needs. The portfolio is an aggregation of investments from denominational and affiliated agencies and at any time depositors may draw on the fund. Therefore, the fund should be structured so that 50 percent of the assets are easily liquidated.

2. **Investment Guidelines**

Maturity Restriction: The average duration of the fixed income portfolio shall remain within a 25 percent range versus the average duration of the Merrill Lynch U.S. Corporate & Government 1 to 5, A Rated and above Index. Individual investments may not exceed five years in maturity from the date of purchase.

Social Screening Constraints: The following are not permissible investments for issuers in the fixed income asset classes: alcoholic beverages, tobacco products, gambling devices, and other products or services which may be deemed unethical or in violation of biblical principles which would be determined by General Synod Council upon investigation and recommendation.

Fixed Income Investments:

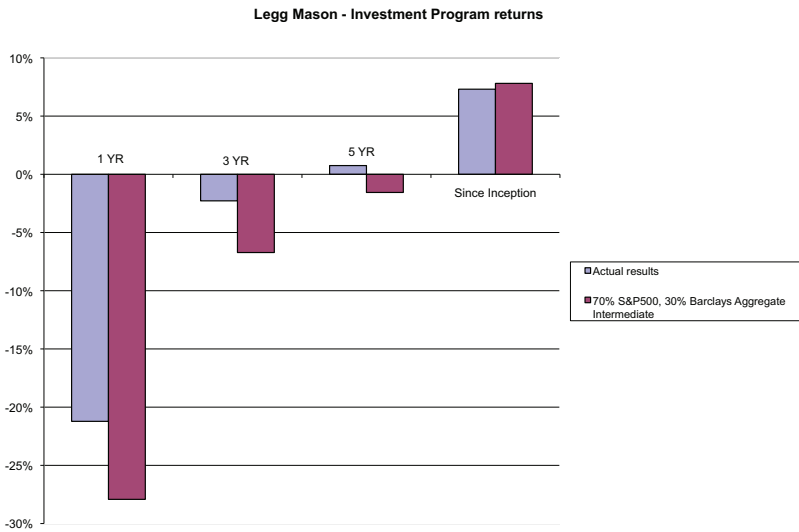
- The portfolio seeks to diversify risk by holding the securities of a variety of issuers.
- With the exception of U.S. Government and Agency securities, no single issuer will represent more than 5 percent of the overall value of the portfolio at the time of purchase.
- Individual issues shall be limited to a minimum rating of A by either Standard and Poor's or Moody's at the time of purchase. Downgrades in credit quality shall be reported to the client and sold at the discretion of the manager. The average quality of the portfolio shall be maintained at a minimum of AA, on a weighted-average basis.
- Eligible investments include U.S. Government obligations or deposits issued or guaranteed as to interest and principal by the government of the United States or any agency or instrumentality thereof. Corporate obligations, asset-backed securities, and mortgage-backed securities are allowable investments.
- Prohibited investments include instruments known as "structured notes" or instruments commonly considered "derivative" instruments (e.g., inverse floaters, leveraged floaters, equity-linked securities, options, futures, swaps, caps, floors, and collars).

RCA Investment Program

The 230 restricted and unrestricted endowment funds of the General Synod Council are managed through the RCA Investment Program. Legg Mason Investment Advisors serves as investment manager for the portfolio. The investment objective is to generate long-term preservation and growth of capital after inflation. Portfolio investments are diversified among high-quality companies and industry sectors to reduce risk. Individual stock positions are limited to 5 percent of the equity portion of the portfolio based on cost. Target asset allocation is 60 to 80 percent stocks and 20 to 40 percent bonds. As is the case with the RCA Fund, social screening constraints approved by the General Synod Council apply.

In order to preserve the corpus of the endowments, the RCA Investment Program’s policy for the fiscal year 2008 was to pay out 5.2 percent of a five-year rolling average market value to be distributed in four equal quarterly installments. At December 31, 2008, the market value of the Legg Mason portfolio was \$10.4 million and the historic dollar value was \$9.8 million; twenty-seven endowments had market value below historic dollar value, eighteen of those are designated for GSC purposes and nine are for churches and other organizations related to the denomination. Performance summary statistics are highlighted below. Included are results through January 31, 2009, as reviewed by the Investment Advisory Committee.

RCA Investment Program - Performance Summary As of January 31, 2009



RCA Retirement Plan Investments

Since January 2001, Fidelity Investments has served as investment manager and record keeper for the 403(b) Retirement Plan and the Retirement Plan. Plan participants may select from a variety of Fidelity and socially screened mutual funds that have been approved by the Board of Benefits Services. Additionally, participants have the option of transferring their account balances from one fund to another within the guidelines established by the board.

A listing of funds available in the plan as of December 31, 2008, is included below. Plan

participants receive quarterly information concerning performance versus benchmarks of all mutual funds that are part of these plans. Return information is available at www.fidelity.com.

Eighty-eight percent of participant assets in the Retirement Plan and 80 percent of participant assets in the 403(b) Plan are in the Freedom funds, which are aimed at automatically adjusting investment risk as a participant moves closer to retirement. Following are the funds currently available in the two retirement programs:

Fidelity Freedom Income
 Fidelity Freedom 2000
 Fidelity Freedom 2005
 Fidelity Freedom 2010
 Fidelity Freedom 2015
 Fidelity Freedom 2020
 Fidelity Freedom 2025
 Fidelity Freedom 2030
 Fidelity Freedom 2035
 Fidelity Freedom 2040
 Fidelity Freedom 2045
 Fidelity Freedom 2050
 Fidelity Retirement Mmkt Port
 Fidelity US Bond Index Fund
 Fidelity Balanced Fund
 Fidelity Equity Income Fund
 Fidelity Disciplined Equity Fund
 Fidelity Growth Co. Fund
 Fidelity Value Fund
 Fidelity Mid-Cap Stock Fund
 Fidelity Small Cap Value Fund
 MSIF Sm Co Gr. Portfolio
 Calvert World Value Int'l Equity
 Fidelity Diversified Int'l Fund
 PIMCO Total Return Fund III-Adm
 Pax World Balanced Fund – Indl Inv
 NB Socially Responsive Fund – Tr
 Calvert Lg Cap Gr Fund – CL A
 Calvert Social Inv Fund Equity Port – CL A
 Calvert Capital Accumulation Fund – CL A

Planned Giving Programs

The General Synod Council manages gift annuity and pooled income funds and acts as trustee for several charitable remainder trusts. State Street Global Advisors provides investment management and recordkeeping services for the RCA's planned giving programs. At December 31, 2008, State Street managed RCA planned giving assets totaling \$2,292,128. The primary investment objective is to provide for long-term growth of principal and income without undue exposure to risk. The portfolios are invested in equities, fixed income, and cash equivalents based upon an acceptable asset mix which is conducive to participation in rising markets, while permitting adequate protection in falling markets. The investment mix takes into consideration factors such as the type of life income vehicle, the payout requirements, beneficiary income requirements, and overall investment policy of the RCA.

The charitable gift annuity investments lost 24.8 percent during calendar 2008. The average payout rate to annuitants was between 12 percent and 14 percent. Ninety-seven percent of our annuity assets are managed under the laws of the State of New York, which has increased the asset to liability reserve requirement for the years 2008 through 2010. As a result, GSC injected \$300,000 into the charitable gift annuities account with State Street Global Advisors. These funds will be held in reserve in a money market account until such time as the market improves, or additional gift annuities are sold, providing an increase in the market value of the fund.

Mission Investments

In 1970 the General Synod Executive Committee (GSEC) established a mission investment policy that directed the General Program Council to make “available for mission investment purposes ten percent of the appropriated and unappropriated operating reserve” (GSEC Action 70-50). This policy continues in effect for the GSC. The main operating criteria for this policy was to assist projects owned and/or controlled by “minority” individuals, groups, or local organizations whose goal was to assist in building economic participation or growth in the community. Maximum returns on investments are not the main objective of mission investments. Rather, factors considered include social impact, need, geographic proximity to RCA mission endeavors, and investment participation by other denominations and institutions.

At September 30, 2008, mission investments in thirteen banks, credit unions, and other organizations totaled \$522,298. Mission investment monies are placed with organizations and community banks such as the NCC Minority Bail Bond Fund; the Shared Interest Group, which invests in South Africa’s democratic development; Navigators-Kenya, which makes small business loans in impoverished parts of Kenya; Oikocredit USA, Inc. and Oikocredit, Ecumenical Development Cooperative Society (Netherlands), each of which makes small business loans in impoverished parts of the world; the Central Appalachian People Credit Union; Fonkoze USA, Inc., which makes microcredit loans in Haiti; the Wisconsin Coordinating Council on Nicaragua, which makes microcredit loans and encourages fair trade practices in Nicaragua; the Reformed Church in Mozambique; Union Settlement Credit Union (New York); City National Bank of New Jersey; United Bank of Philadelphia; and the Leviticus 25:23 Alternative Fund (Elmsford, New York).

A committee whose members are GSC staff meets regularly to analyze the portfolio.

United States Internal Revenue Service Group Tax Exemption

As the denomination’s parent organization, the General Synod of the Reformed Church in America was granted a group tax exemption by the United States Internal Revenue Service (IRS) on January 17, 1986. The exemption recognizes as exempt from Federal income tax all churches, agencies, assemblies, and institutions within the RCA that have satisfied the requirements for inclusion in the group.

As a condition to the continuing effectiveness of the group exemption determination, the General Synod must file annually with the commissioner of the IRS a list of the churches, agencies, assemblies, and institutions that are a part of the group for which the exemption has been granted. The report, filed in June of 2008, listed twelve newly formed churches to be added, eight name/address changes, three revised tax identification numbers assigned by the IRS, and four churches, agencies, assemblies, or institutions to be removed from the list.

Reactions to the Economic Downturn

The start of the 2009 fiscal year was met with an unprecedented downturn in the economy. In recognition of this significant occurrence, staff implemented adjustments to the 2009 budget. Projections of contribution and investment income led to \$800,000, or 4.5 percent, in reductions in budgeted expenses. These adjustments included reductions in staffing, program, and travel expenses including the cancellation of annual staff days, implementation of a salary and hiring freeze, and the addition of a premium copay for employee medical insurance. The GSC staff remains committed to reaching the goals of Our Call while also being wise stewards of the resources available and maintaining sufficient reserves.

FY 2010 PROPOSED GENERAL SYNOD COUNCIL BUDGET

The Fiscal 2010 budget for the General Synod Council has been developed with an understanding that the economy will remain unsettled for much, if not all, of the period. Focus continues on the Our Call initiatives, including the addition of the sixth element of Our Call: “a multiracial future freed from racism.”

General Framework and Assumptions

- Assessments are used to cover infrastructure costs as well as expenses related to Our Call. In response to the state of the economy, assessment income is budgeted to remain at the same per-member amount as 2009.
- The Global Mission budget is funded primarily by Partnership-in-Mission (PIM) share contributions and designated investment income. These amounts are expected to be negatively impacted in fiscal 2010.
- The GSC development office provides fundraising services for all areas of GSC, including Global Mission. Non-PIM-share contribution income used for all areas of Our Call is budgeted at \$206,000, which is the amount raised in 2008.
- Basic services costs are charged to the Board of Benefits Services and the RCA Church Growth Fund for services provided by GSC staff for administrative functions such as finance services and information technology support.
- Investment income is provided to budget areas based on designations. Undesignated investment income is allocated to program and infrastructure budget areas based on decisions made by the general secretary and cluster facilitators.
- A portion of the overall Global Mission budget will continue to be used to create a “Mission Is One” grant to support the work of church multiplication and discipleship. The amount is reduced by \$200,000 in FY 2010.
- Funding for the 2010 budget from restricted funds has been reduced by approximately \$37,000, allowing these funds to be available in case of an unanticipated emergency.

Major Assumptions and Strategies for the FY 2010 General Synod Council Budget

These are the major assumptions and principles supporting the proposed FY 2010 General Synod Council budget.

1. Resources are being allocated to support the ten-year goal of revitalizing existing congregations and starting new congregations. Of the \$206,000 that the GSC Development Office has committed to raise from individual donors, \$98,000 is targeted to fund programs in church multiplication and discipleship; \$98,000 to programs in leadership and revitalization; and \$10,000 to Operations and Support for the Dialogue on Homosexuality.

2. The program activities of Church Multiplication and Discipleship are supported not only by designated contributions and assessments, but also by funds transferred from Global Mission via the “Mission Is One” grant, designated investment income, transfers from temporarily restricted funds, 25 percent of the net income from the RCA Church Growth Fund to fund matching grants for new ministries, and GSC development office undesignated fundraising efforts.
3. The Leadership and Revitalization budget continues to be funded and resourced in order to meet the denominational priority of providing future pastoral leadership, which includes ministers of Word and sacrament and the offices of elder and deacon. The Lilly grant was renewed in the amount of \$1 million for the period February 1, 2009, to January 31, 2014. This grant supports the office of the coordinator of revitalization. The Ministerial Formation Certification Agency’s budget continues to be administered as part of the leadership and revitalization budget. Note that the assessments received by MFCA are part of the assessment for theological education and are not part of the GSC assessment.
4. The Global Mission budget will continue to be supported by designated contributions and designated investment income. A major assumption is that it can spend to the level of anticipated contributions but must balance itself.
5. The “Mission Is One” grant will continue to provide funds for “local mission” through church multiplication and discipleship programs. The amount of funding provided will be reduced from \$317,000 in FY 2009 to \$117,000 in FY 2010.
6. The transition of the finance staff to Grand Rapids has been fully implemented. Budgeted 2010 expenses are \$450,000 less than the actual amount spent in fiscal 2007.

**REFORMED CHURCH IN AMERICA
Budget FY 2010**

GENERAL SYNOD COUNCIL										GSC
Church Multiplication/ Discipleship	Global Mission	Leadership/ Revitalization	MFCA	Operations & Support	Office of General Secretary	IT	Finance	Subtotal		
REVENUE:										
Contributions	6,772,813	22,500	24,000	0	0	0	0	0	6,861,813	
Fundraising Income	98,000	98,000	0	10,000	0	0	0	0	206,000	
Partner Income	7,000	0	0	0	0	0	0	0	7,000	
Assessment Income - Theological Assessment	0	0	259,669	0	0	0	0	0	259,669	
Assessment Income - Disability Ministry	38,500	0	0	0	0	0	0	0	38,500	
Assessment Income	552,324	550,000	0	1,884,006	482,348	455,725	401,836	4,326,239	4,326,239	
Legacy Income	0	70,000	0	0	0	0	0	0	70,000	
Investment Income	20,000	80,000	24,000	7,000	0	0	0	0	161,000	
Investment Income - Undesignated & Allocated	40,000	30,000	0	0	164,000	0	0	0	234,000	
RCA Fund Earnings	65,000	2,000	13,400	2,000	7,000	0	900	0	190,300	
Mission Is One	117,000	0	0	0	0	0	0	0	117,000	
Fees Billed	0	6,000	0	0	0	0	0	0	6,000	
Sales of Goods & Services	0	0	0	0	0	0	0	0	0	
Grants from Other Budget Areas	51,000	6,000	5,000	0	0	0	0	0	62,000	
Transfer from Designated Funds	114,500	47,000	0	0	0	0	0	0	161,500	
Other Income	50,000	200,100	100,600	29,180	0	0	83,508	0	463,388	
Basic Service Cost Assigned	0	8,100	426,669	98,256	20,000	121,678	270,740	0	518,774	
Total Revenue	1,295,824	7,269,913	426,669	2,030,442	673,348	577,403	756,984	13,783,183		
EXPENSES:										
Staff Costs	938,481	1,154,433	259,195	723,102	374,868	458,640	486,986	4,958,042		
Office Costs	139,892	151,959	36,174	158,020	37,880	44,313	86,073	736,949		
Staff Travel	91,000	95,200	20,000	52,800	60,000	15,750	10,000	410,750		
Program Costs (7XXX)	318,600	5,731,321	103,000	870,020	195,600	0	0	7,393,541		
Grants to Other Budget Areas	13,000	20,000	0	57,000	5,000	0	0	95,000		
Program Costs (8XXX)	10,000	0	8,300	169,500	0	58,500	173,925	426,225		
Mission Is One	0	117,000	0	0	0	0	0	117,000		
Total Expenses	1,510,973	7,269,913	426,669	2,030,442	673,348	577,403	756,984	14,137,507		
Net Revenue/(Expense)*	(215,149)	0	0	0	0	0	0	(354,324)		

* (Amount) represents funds in reserves to be used in 2010 fiscal year

REFORMED CHURCH IN AMERICA
Budget FY 2010

	GSC Subtotal	GSC Development	GSC Fundraising	Mailroom	Comm.	Production	Eliminations	GSC 2010
REVENUE:								
Contributions	6,961,813	0	0	0	0	0	0	6,961,813
Fundraising Income	206,000	0	206,000	0	0	0	(206,000)	206,000
Partner Income	7,000	0	0	0	0	0	0	7,000
Assessment Income - Theological Assessment	259,669	0	0	0	0	0	0	259,669
Assessment Income - Disability Ministry	38,500	0	0	0	0	0	0	38,500
Assessment Income	4,326,239	332,505	0	0	954,006	0	0	5,612,750
Legacy Income	70,000	0	0	0	0	0	0	70,000
Investment Income	161,000	0	0	0	0	0	0	161,000
Investment Income - Undesignated & Allocated	234,000	0	0	0	0	0	0	234,000
RCA Fund Earnings	190,300	10,000	0	0	2,000	0	0	202,300
Mission Is One	117,000	0	0	0	0	0	(117,000)	0
Fees Billed	6,000	32,000	0	0	0	0	0	38,000
Sales of Goods & Services	0	0	0	370,000	0	906,045	0	1,276,045
Grants from Other Budget Areas	62,000	90,000	0	24,000	0	36,000	0	212,000
Transfer from Designated Funds	161,500	102,963	0	0	0	0	0	264,463
Other Income	463,388	3,000	0	0	0	0	0	466,388
Basic Service Cost Assigned	518,774	0	0	0	26,000	0	0	544,774
Total Revenue	13,783,183	570,488	206,000	394,000	982,006	942,045	(323,000)	16,554,722
EXPENSES:								
Staff Costs	4,958,042	382,686	0	117,648	316,803	542,171	0	6,319,360
Office Costs	736,949	49,292	0	37,217	26,203	60,874	0	910,535
Staff Travel	410,750	50,000	0	2,000	17,000	8,000	0	487,750
Program Costs (7XXX)	7,393,541	0	0	200,000	620,000	327,000	0	8,540,541
Grants to Other Budget Areas	95,000	23,000	206,000	0	0	0	(206,000)	118,000
Program Costs (8XXX)	426,225	65,500	0	500	0	4,000	0	496,225
Mission Is One	117,000	0	0	0	0	0	(117,000)	0
Total Expenses	14,137,507	570,488	206,000	357,365	982,006	942,045	(323,000)	16,872,411
Net Revenue/(Expense)*	(354,324)	0	0	36,635	0	0	0	(317,689)

* (Amount) represents funds in reserves to be used in 2010 fiscal year

**REFORMED CHURCH IN AMERICA
Budget FY 2009**

GENERAL SYNOD COUNCIL										GSC
Church Multiplication/ Discipleship	Global Mission	Leadership/ Revitalization	MFCA	Operations & Support	Office of General Secretary	IT	Finance			Subtotal
REVENUE:										
Contributions	7,268,053	32,500	24,000	0	0	0	0	0	0	7,434,553
Fundraising Income	250,000	200,000	0	45,000	98,000	0	0	0	0	593,000
Partner Income	70,000	0	0	0	0	0	0	0	0	80,000
Assessment Income - Theological Assessment	0	0	263,600	0	0	0	0	0	0	263,600
Assessment Income	524,119	569,132	0	2,012,544	313,626	436,261	424,441	0	0	4,280,123
Legacy Income	0	100,000	0	0	0	0	0	0	0	100,000
Investment Income	25,000	170,000	9,000	12,000	0	0	0	0	0	241,000
Investment Income - Undesignated & Allocated	35,000	0	0	0	260,000	0	0	0	0	295,000
RCA Fund Earnings	40,000	6,000	10,000	3,000	2,000	0	0	0	0	121,000
Lilly Interest	0	20,000	0	0	0	0	0	0	0	20,000
Mission Is One	317,000	0	0	0	0	0	0	0	0	317,000
Fees Billed	0	7,500	0	0	0	0	0	0	0	7,500
Sales of Goods & Services	0	0	0	0	0	0	0	0	0	0
Grants from Other Budget Areas	293,000	0	0	3,500	0	39,634	0	0	0	382,134
Transfer from Designated Funds	40,000	20,000	10,000	0	0	0	0	0	0	240,000
Other Income	65,500	172,000	133,800	12,500	0	0	95,000	0	0	493,800
Basic Service Cost Assigned	0	8,100	0	63,738	18,000	122,282	379,754	0	0	591,874
Total Revenue	1,769,619	7,950,053	949,232	450,400	691,626	595,177	895,195	0	0	15,460,584
EXPENSES:										
Staff Costs	985,740	1,168,030	563,413	788,225	407,557	469,326	672,255	0	0	5,303,146
Office Costs	112,579	262,140	78,819	151,157	51,569	46,210	80,360	0	0	829,834
Staff Travel	120,000	146,050	71,000	56,800	56,000	17,500	16,000	0	0	508,350
Program Costs (7XXX)	605,100	5,996,833	236,000	935,100	176,500	0	0	0	0	8,086,533
Grants to Other Budget Areas	52,000	60,000	0	44,000	0	0	0	0	0	156,000
Program Costs (8XXX)	6,200	0	0	177,000	0	65,141	130,580	0	0	391,071
Mission Is One	0	317,000	0	0	0	0	0	0	0	317,000
Total Expenses	1,881,619	7,950,053	949,232	2,152,282	691,626	595,177	895,195	0	0	15,592,934
Net Revenue/(Expense)*	(112,000)	0	0	(20,350)	0	0	0	0	0	(132,350)

* (Amount) represents funds in reserves to be used in 2009 fiscal year

**REFORMED CHURCH IN AMERICA
Budget FY 2009**

	GSC Subtotal	GSC Development	GSC Fundraising	Mailroom	Communications	Production	Eliminations	GSC Total
REVENUE:								
Contributions	7,434,553	0	0	0	0	0	0	7,434,553
Fundraising Income	593,000	7,000	600,000	0	0	0	(600,000)	600,000
Partner Income	80,000	0	0	0	0	0	0	80,000
Assessment Income - Theological Assessment	263,600	0	0	0	0	0	0	263,600
Assessment Income	4,280,123	403,018	0	0	954,609	0	0	5,637,750
Legacy Income	100,000	0	0	0	0	0	0	100,000
Investment Income	241,000	0	0	0	0	0	0	241,000
Investment Income - Undesignated & Allocated	295,000	40,000	0	0	0	0	0	335,000
RCA Fund Earnings	121,000	2,000	0	0	2,000	0	0	125,000
Lilly Interest	20,000	0	0	0	0	0	0	20,000
Mission Is One	317,000	0	0	0	0	0	(317,000)	0
Fees Billed	7,500	0	0	0	0	0	0	7,500
Sales of Goods & Services	0	0	0	370,000	0	912,000	0	1,282,000
Grants from Other Budget Areas	382,134	90,000	0	24,000	0	35,000	0	531,134
Transfer from Designated Funds	240,000	36,160	0	0	0	0	0	276,160
Other Income	493,800	3,000	0	0	0	0	0	496,800
Basic Service Cost Assigned	591,874	0	0	0	26,000	0	0	617,874
Total Revenue	15,460,584	581,178	600,000	394,000	982,609	947,000	(917,000)	18,048,371
EXPENSES:								
Staff Costs	5,303,146	412,081	0	125,000	339,400	547,948	0	6,728,575
Office Costs	829,834	55,097	0	48,686	33,104	62,910	0	1,030,631
Staff Travel	509,350	45,000	0	0	21,000	5,000	0	580,350
Program Costs (7XXX)	8,086,533	0	0	200,000	589,105	331,142	0	9,206,780
Grants to Other Budget Areas	156,000	23,000	600,000	0	0	0	(600,000)	179,000
Program Costs (8XXX)	391,071	46,000	0	500	0	0	0	437,571
Mission Is One	317,000	0	0	0	0	0	(317,000)	0
Total Expenses	15,592,934	581,178	600,000	376,186	982,609	947,000	(917,000)	18,162,907
Net Revenue/(Expense)*	(132,350)	0	0	17,814	0	0	0	(114,536)

*(Amount) represents funds in reserves to be used in 2009 fiscal year

2010 PROPOSED GENERAL SYNOD ASSESSMENT

The General Synod Council budget is based on a fiscal year ending September 30th, whereas the assessment budget approved by General Synod is on a calendar year basis. Therefore, in FY 2010, GSC will receive assessments based on the 2009 rate for the first quarter of the year (10/1/09 – 12/31/09) and assessments based on the 2010 rate for the last three quarters of the year (1/1/10 – 9/30/10).

Assessment Summary

Confessing Members as of 12/31/07 (used to calculate 2010 budget) **166,043**

Confessing Members as of 12/31/06 (used to calculate 2009 budget) **166,921**

	Total	Per-Member
2010 GSC Assessment	\$5,557,459	\$33.47
2009 GSC Assessment	\$5,586,510	\$33.47
Change	-\$29,051	\$ 0.00
Percent Change	-0.06%	0.00%
2010 BOBS and Theological Education Assessment	\$1,031,127	\$ 6.21
2009 BOBS and Theological Education Assessment	\$1,037,226	\$ 6.21
Change	-\$6,099	\$ 0.00
Percent Change	-0.06%	0.00%
2010 Total General Synod Assessment	\$6,588,586	\$39.68
2009 Total General Synod Assessment	\$6,623,736	\$39.68
Change	-\$35,150	\$ 0.00
Percent Change	-0.06%	0.00%

Upon the advice of the Advisory Committee on Finance and Benefits, the synod voted:

R-10

**To approve the General Synod Council 2010 assessment of ~~\$33.47~~
\$35.02 per confessing member. (ADOPTED AS AMENDED)**

A continuation of this special assessment for disability ministry in 2010 will enable the GSC to establish a program at a scale and scope that is financially sustainable later in 2009 with funds from the current assessment and provide funding to continue the program into 2011. Staff and the GSC will continue efforts to bring the program fully into the regular budgeting process during this time.

R-11

To approve a special 2010 assessment for disability ministry in the amount of \$0.23 per confessing member. (ADOPTED)

Explanation of Assessment Allocations

The dollar and percent change in the allocation of assessments to the general secretary is a result of the reduction in the amount of fundraising dollars available to this function. Budgeted expenses for the general secretary's programs are down 2.6 percent for 2010. Non-assessment revenues are projected to decrease 49.5 percent. As a result, even though overall assessment revenues show no increase for 2010, the portion allocated to the Office of the General Secretary shows a material increase.

EXECUTIVE COMMITTEE OF THE GENERAL SYNOD 71

**REFORMED CHURCH IN AMERICA
PROPOSED 2010 GSC ASSESSMENT
FISCAL YEAR BASIS**

Budget Area	Assessment Amount		Percent of Total	
	2009	2010	2009	2010
Leadership/Revitalization	569,132	550,000	10.1%	9.8%
Communications	954,609	954,006	17.0%	17.0%
Church Mult./Discipleship	524,119	552,324	9.3%	9.8%
Office of General Secretary	313,626	482,348	5.6%	8.6%
Operations & Support	2,012,544	1,884,006	35.9%	33.6%
Finance	424,441	401,836	7.6%	7.2%
Information Technologies	436,261	455,725	7.8%	8.1%
GSC Development	378,018	332,505	6.7%	5.9%
Total	5,612,750	5,612,750	100.0%	100.0%

Function	Assessment Amount		Percent of Total	
	2009	2010	2009	2010
Our Call				
Leadership/Revitalization	361,464	355,725	6.4%	6.3%
Communications	534,605	558,500	9.5%	10.0%
Church Mult./Discipleship	162,827	171,589	2.9%	3.1%
Total Our Call	1,058,896	1,085,814	18.9%	19.3%
RCA Communication Methods	420,004	395,506	7.5%	7.0%
Governance Structure				
Commissions	130,415	83,500	2.3%	1.5%
General Synod	549,500	483,000	9.8%	8.6%
General Synod Council	96,400	85,400	1.7%	1.5%
General Synod Operations	982,538	978,127	17.5%	17.4%
General Secretary	102,828	246,265	1.8%	4.4%
Ecumenical	187,798	177,983	3.3%	3.2%
Racial-Ethnic Councils	677,960	681,510	12.1%	12.1%
Total Governance	2,727,439	2,735,785	48.6%	48.7%
Finance Services	424,441	401,836	7.6%	7.2%
Information Technologies	436,261	455,725	7.8%	8.1%
Personnel	151,191	152,979	2.7%	2.7%
Planning & Development	394,518	385,105	7.0%	6.9%
Total	5,612,750	5,612,750	100.0%	100.0%

GENERAL SYNOD/JUNE 2009

REFORMED CHURCH IN AMERICA
PROPOSED 2010 GSC ASSESSMENT
FISCAL YEAR BASIS

Budget Area	Assessment Amount		Percent Change 2010 vs 2009
	2009	2010	
Leadership/Revitalization	569,132	550,000	-3.4%
Communications	954,609	954,006	-0.1%
Church Mult./Discipleship	524,119	552,324	5.4%
Office of General Secretary	313,626	482,348	53.8%
Operations & Support	2,012,544	1,884,006	-6.4%
Finance	424,441	401,836	-5.3%
Information Technologies	436,261	455,725	4.5%
GSC Development	378,018	332,505	-12.0%
Total	5,612,750	5,612,750	0.0%

Function	Assessment Amount		Percent Change 2010 vs 2009
	2009	2010	
Our Call			
Leadership/Revitalization	361,464	355,725	-1.6%
Communications	534,605	558,500	4.5%
Church Mult./Discipleship	162,827	171,589	5.4%
Total Our Call	1,058,896	1,085,814	2.5%
RCA Communication Methods	420,004	395,506	-5.8%
Governance Structure			
Commissions	130,415	83,500	-36.0%
General Synod	549,500	483,000	-12.1%
General Synod Council	96,400	85,400	-11.4%
General Synod Operations	982,538	978,127	-0.4%
General Secretary	102,828	246,265	139.5%
Ecumenical	187,798	177,983	-5.2%
Racial-Ethnic Councils	677,960	681,510	0.5%
Total Governance	2,727,439.25	2,735,785.25	0.3%
Finance Services	424,441	401,836	-5.3%
Information Technologies	436,261	455,725	4.5%
Personnel	151,191	152,979	1.2%
Planning & Development	394,518	385,105	-2.4%
Total	5,612,750	5,612,750	0.0%

2010 General Synod Assessment for the BOBS Assistance Program

At least as far back as 1971, the Board of Benefits Services has been the recipient of a General Synod assessment that provides funding to help support retired participants, spouses, and widows who have not received adequate retirement benefits and who have demonstrated financial need. For FY 2009, the \$1.50 per member assessment totaled \$249,000 toward the assistance grant budget totaling \$545,145.

Typically, additional funds are transferred from the General Fund to the Assistance Fund to make up any shortfall that may occur after inclusion of donations and investment income. It is expected that approximately \$250,000 will need to be transferred from the General Fund in FY 2010.

Therefore, for 2010 the Board of Benefits Services recommends the continuation of the \$1.50 assessment to go to the assistance of pastors who have not received adequate retirement benefits and have demonstrated financial need.

R-12

To approve the \$1.50 per member assessment for the Board of Benefits Services to provide sufficient assistance funding for retired pastors who have a demonstrated need in 2010. (ADOPTED)

2010 General Synod Assessment for Theological Education

Until about 1960, the RCA provided theological education “tuition free” for its ministerial candidates as an expression of its deep and abiding commitment to raising up new generations of pastoral leaders. During the 1960s and 1970s, there was a slow but steady growth of tuition that remained modest in comparison to the tuition charged at colleges or graduate schools. In the 1980s, an assessment partially replaced the substantial subsidies the denomination had historically provided the seminaries, and the tuition charged by seminaries became comparable to that of many other graduate institutions, causing a financial burden for a number of our candidates.

In 1997, the theological assessment was set at 13.4 percent of the General Synod Council assessment plus the Board of Benefits Services assessment. Since 1997, the assessment for theological education has risen at the same rate as the denominational assessment and has been divided equally between Western Theological Seminary, New Brunswick Theological Seminary, and the Ministerial Formation Certification Agency.

The assessment for theological education clearly helps form and deploy new generations of pastoral leaders, especially in this time in which we are endeavoring to plant many new congregations as well as renew our present churches. The proposed assessment for 2010, unchanged from 2009, is \$4.71 per member.

R-13

To approve the \$4.71 per member assessment for theological education in 2010. (ADOPTED)

The summary of all changes to the assessment amounts are as follows:

Original Assessment Recommendations for 2010

General Synod Council	\$33.47
Disabilities Ministry	0.23
Board of Benefits Services Assistance	1.50
Theological Education	<u>4.71</u>
Total	\$39.91

Assessment Changes for 2010 through New Initiatives from General Synod 2009

2008 R-28 Constitutional inquiry	\$0.03
R-14 and R-15 Additional delegates	0.12
R-38 Worship initiative	0.05
R-40 Studies on baptism	0.01
R-41 Commissioned pastors	0.09
R-74 Office of Women	1.30
R-79 Theological assessment study	0.04
New initiatives budget (\$15,000)	<u>(0.09)</u>
Total	\$1.55

Final Assessment Amounts for 2010

General Synod Council	\$35.02
Disabilities Ministry	0.23
Board of Benefits Services Assistance	1.50
Theological Education	<u>4.71</u>
Grand Total	\$41.46

The total General Synod assessment per confessing member for 2010 is \$41.46.

REPORT OF THE GENERAL SYNOD COUNCIL ON DEVELOPMENT

The purpose of the GSC's development office is to connect people and their resources to the kingdom of God through the Reformed Church in America. Its focus is to provide opportunities for people to become involved in the following three programs: 1) RCA Global Mission, which has connections with over forty countries, 2) Our Call, which enables new congregations to be started, provides resources for existing congregations to grow, and enables children's, youth, and discipleship issues to be explored, and 3) the RCA Church Growth Fund, which has been in existence since 1861 and enables RCA churches to borrow money to build new or renovate existing buildings to carry out ministry to their communities. In the past ten years it has also given over \$2 million in grants for new congregations.

The Van Bunschooten Bequest

The RCA continues to recognize those who respond through membership in a giving society known as the Van Bunschooten Society.

The summary for use of the Van Bunschooten Bequest is as follows:

At a meeting of the General Synod in New York City on June 9, 1814, Dominie Elias Van Bunschooten, one of the advisory members, walked up the aisle and laid down on

the table ten bonds amounting to \$13,800 and \$800 in cash and asked synod to accept the gift for the education of pious youth for ministry.

On January 10, 1815, in his seventy-seventh year, Dominie Van Bunschooten went home to his reward and was buried in the church yard of First Reformed Church in New Brunswick, New Jersey. In his last will and testament he added more than \$3,000 to his former donation, making a total of more than \$17,000—a princely sum for those days.

Dominie Van Bunschooten thus had the honor of making the first substantial contribution for assisting young students of theology. His example has been followed from time to time by others, thus realizing his desire as expressed in the bequest “that he might be a humble pattern for others to copy after.”

It would be impossible to catalogue all the results that have flowed from these donations. For more than a century they have made possible the education of candidates for the ministry, for the work both at home and abroad. All honor to him and the other liberal donors who have followed his example (*MGS 2004*, pp. 187-188).

In honor of Dominie Elias Van Bunschooten, the Van Bunschooten Society was formed in the Reformed Church in America to honor those who have included the Reformed Church in America in their wills.

REPORT OF THE GENERAL SYNOD COUNCIL ON THE RCA ARCHIVES

The RCA Archives exists to serve as the memory of the church. The corporate memory of what we have done and who we have been constitutes our heritage as we seek to serve our Lord faithfully in mission throughout the world. The RCA Archives preserves records from congregations, classes, regional synods, the General Synod, and staff offices in order to document how we have followed the call to mission since a strong future is built upon a solid understanding of the past. The primary goal of the Archives in this process is to offer stability and relevance to the long term mission of the church.

The archivist has to make decisions about what should be kept and what may be disposed without serious consequence so a faithful record exists of who we are and what we have been about. In order to see where we can go, we must first understand where we have been. Researchers, synod committees and agencies, denominational staff offices, and others who seek to understand the rich heritage of the RCA as it grows into the future actively make use of this record. This past year, the archivist answered more than 175 queries for information about the RCA, research questions, and assistance with records management issues, including more than thirty individuals who visited the archives to undertake research.

Report of the African American Council

The African American Council (AAC) will celebrate forty years of ministry and work within the Reformed Church in America this year. Since its beginning in 1969 the council has been a voice for people of the African Diaspora within and without the denomination. It has challenged the RCA to reach out and be inclusive of blacks; and the council has pro-