

WORKING TOGETHER

WITH **JESUS**



NORTH AMERICAN DIVISION

2018 YEAR-END MEETING

NOV 1-6, 2018

## Matthew 28:18-20

And Jesus came and spoke to them, saying, "All authority has been given to Me in heaven and on earth. Go therefore and make disciples of all nations, baptizing them in the name of the Father and of the Son and of the Holy Spirit, teaching them to observe all things that I have commanded you; and lo, I am with you always, even to the end of the age. Amen.



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# Where the Money Goes:

**NAD Use of Funds in  
2017**



## **Important Facts About this Report:**

**Meant to help understand how NAD handles the funds entrusted to it —based on only 3 functions: Tithe, Non-Tithe, and Projects. (appropriations and transfers are combined/netted in a practical way hoping to make it easier to understand while remaining totally transparent).**

**Though from our audited statement, this is not meant to be a complete audited picture-it is important to go to the audited statement for that.**

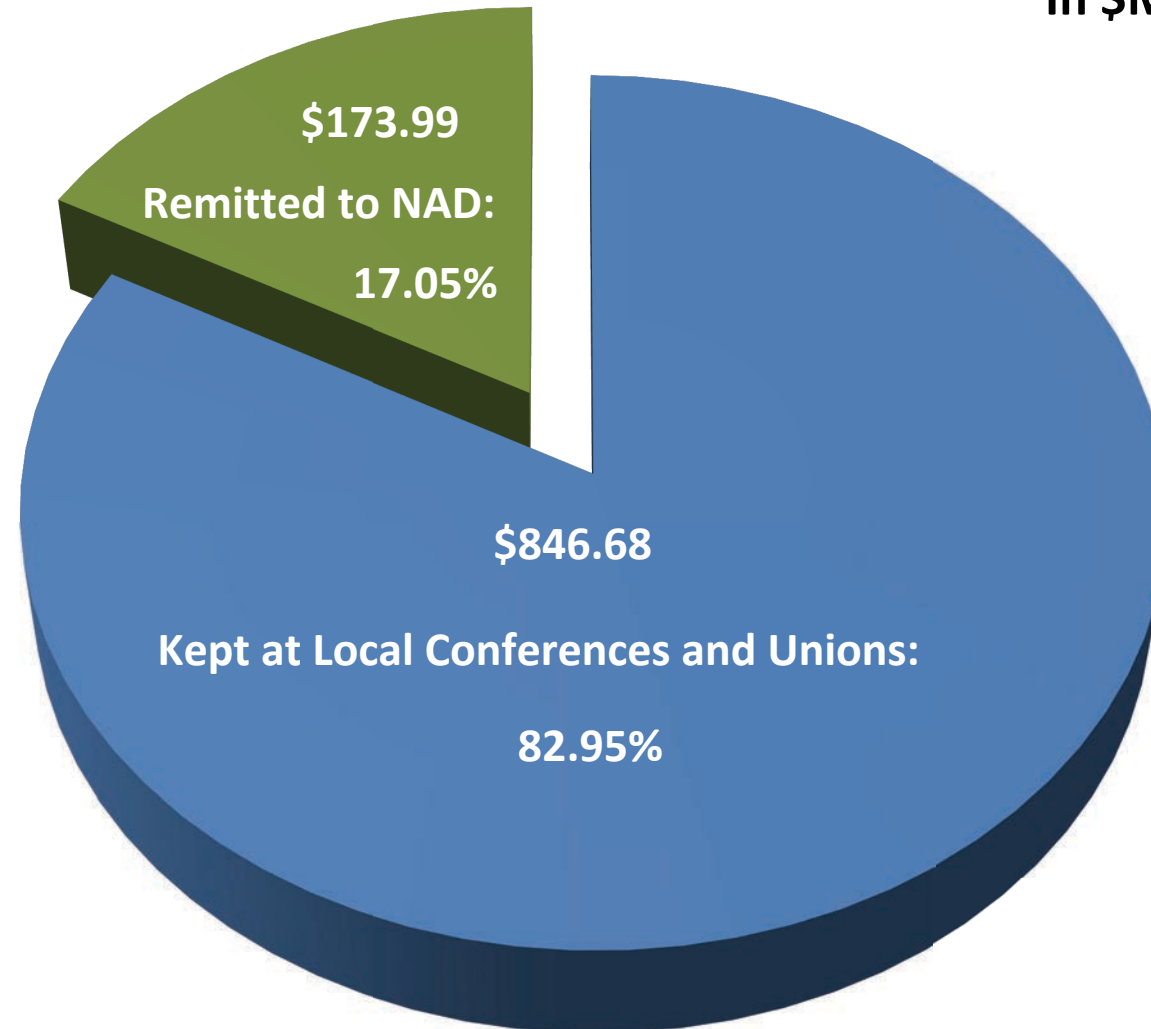
## 2017 North American Division Tithe: \$1,020.67 Million



In \$Millions

### How Tithe Received:

|                 |                 |
|-----------------|-----------------|
| Direct-ACM      | \$ 0.17         |
| From Conf.      | \$158.25        |
| From Unions     | \$ 9.16         |
| Special Assist. | \$ <u>6.41</u>  |
| <b>Total</b>    | <b>\$173.99</b> |





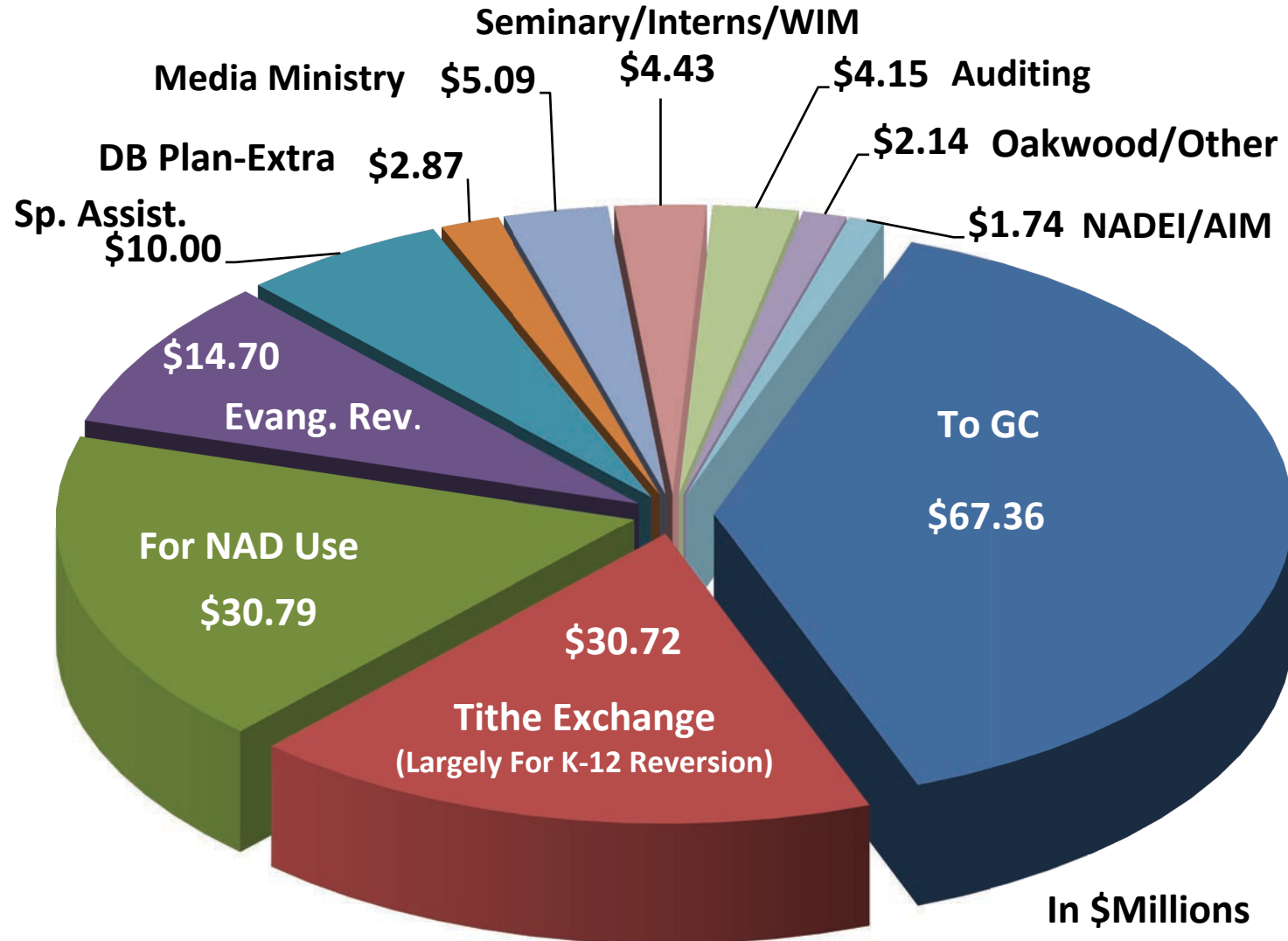
## North American Division 2017 Use of Funds:

|  |                     |                            |
|--|---------------------|----------------------------|
| <b>Tithe Income</b>                                  |                     | <b>\$173,986,369</b>       |
| <b>Sent on to GC</b>                                 | <b>\$67,364,525</b> |                            |
| <b>Tithe Exchange—(See Non-Tithe Graph Later)</b>    | <b>\$30,720,000</b> |                            |
| <b>Evangelism Reversion</b>                          | <b>\$14,704,353</b> |                            |
| <b>Special Assistance</b>                            | <b>\$10,000,582</b> |                            |
| <b>Retirement-(Defined Benefit Plan Extra Appr.)</b> | <b>\$2,865,782</b>  |                            |
| <b>Adventist Media Ministry</b>                      | <b>\$5,090,010</b>  |                            |
| <b>Seminary--Min/Bus/Com/WIM Appopr.</b>             | <b>\$4,429,585</b>  |                            |
| <b>Auditing Services (pay ½ of Conferences fees)</b> | <b>\$4,146,120</b>  |                            |
| <b>Oakwood/Other Appropriations</b>                  | <b>\$2,137,656</b>  |                            |
| <b>NADEI/AIM</b>                                     | <b>\$1,735,275</b>  | <b>\$143,193,888</b>       |
| <b>Left for North American Division Use</b>          |                     | <b><u>\$30,792,481</u></b> |

**This \$30.79 million is right at 3% of the \$1,020.67 million gross Tithe  
(3 cents per gross tithe dollar)**



## NAD 2017 Distribution of the \$173.99 Million Remitted:





## How We Used the \$30.79 Million NAD Pie Slice in 2017:

|  |                     |
|--|---------------------|
| All Admin. Functions/Expenses          | \$22,223,150        |
| Strategic Initiatives-Building Blocks  | \$2,051,448         |
| Projects-(Broken out later)            | \$1,477,326         |
| Evangelism                             | \$1,137,996         |
| Adv. Giving/Schl Pay/ACC/eAdventist    | \$1,084,151         |
| Adventist Church Treasury Solutions    | \$761,110           |
| Guam Micronesia—Our Mission            | \$502,083           |
| Adventist Rev./El Centinela/Message    | \$548,928           |
| Plusline-AdventSource                  | \$282,361           |
| Title VII Cases/Other/Misc             | \$130,500           |
| GC Session/Ministries & HR Conventions | \$352,778           |
| Esperanza TV                           | \$173,408           |
| Miscellaneous                          | <u>\$67,242</u>     |
|  | <u>\$30,792,481</u> |



# Admin Functions Breakdown-2017:

|                                      |             |  |                     |
|--------------------------------------|-------------|--|---------------------|
| Adventist Chaplaincy Ministry        | \$1,150,655 | Ministerial Administration             | \$1,374,626         |
| Adult Ministries Administration      | \$333,748   | Misc. (Wrkng Policy/Yr end Mtgs, etc.) | \$229,152           |
| ASI Administration                   | \$326,488   | In House Operations                    | \$546,990           |
| Children's Ministries Administration | \$433,900   | Office of Strategic Planning/Assessm.  | \$389,026           |
| Church Resources Ctr Administration  | \$95,870    | Office of Volunteer Ministries         | \$643,216           |
| Communications & PR Administration   | \$1,376,950 | OGC Legal Costs - Court Cases          | \$479,343           |
| Community Service Administration     | \$884,014   | PARL Administration                    | \$495,988           |
| Contingencies                        | \$150,000   | Prayer Ministries Administration       | \$120,189           |
| Deaf Ministries Administration       | \$95,092    | Presidential                           | \$1,989,293         |
| Disability Ministries Administration | \$14,375    | PSI Administration                     | \$953,861           |
| Family Ministries Administration     | \$444,966   | Publishing Administration              | \$7,082             |
| General Educational Administration   | \$1,923,187 | Secretariat                            | \$1,241,896         |
| Health Ministries Administration     | \$303,966   | Stewardship Administration             | \$313,183           |
| Human Resource Services              | \$530,889   | Treasury                               | \$1,217,368         |
| Insurance and Depreciation           | \$978,402   | Trust Services                         | \$20,000            |
| IT and related Costs                 | \$1,887,367 | Women's Ministries Administration      | \$415,618           |
| Media Administration                 | 221,086     | Youth Administration                   | \$635,364           |
|                                      |             | Total Admin Functions                  | <u>\$22,223,150</u> |



This \$22.22M represents 2.18% of Gross Tithe



## 2017 Building Blocks Funding:

|                                     |                           |
|-------------------------------------|---------------------------|
| <b>Adventist Learning Community</b> | <b>\$907,887</b>          |
| <b>Emerging Immigrant</b>           | <b>\$260,773</b>          |
| <b>Retention of Young Adults</b>    | <b>\$250,000</b>          |
| <b>Social Media</b>                 | <b>\$382,788</b>          |
| <b>Transformational Evangelism</b>  | <b><u>\$250,000</u></b>   |
| <b>Total to Building Blocks</b>     | <b><u>\$2,051,448</u></b> |

## 2017 Projects Distribution:

|   |                    |
|---|--------------------|
| <b>Adult Ministries</b>                     | <b>\$150,000</b>   |
| <b>Children's Ministries</b>                | <b>\$214,177</b>   |
| <b>Church Resource Projects</b>             | <b>\$270,000</b>   |
| <b>ETV Special Projects</b>                 | <b>\$50,000</b>    |
| <b>Family Ministries</b>                    | <b>\$52,000</b>    |
| <b>Health Ministries</b>                    | <b>\$98,000</b>    |
| <b>Ministerial</b>                          | <b>\$100,000</b>   |
| <b>Ministries Convention</b>                | <b>\$30,000</b>    |
| <b>Public Affairs and Religious Liberty</b> | <b>\$30,000</b>    |
| <b>SonScreen</b>                            | <b>\$60,000</b>    |
| <b>Strategic Planning /Assessment</b>       | <b>\$100,000</b>   |
| <b>Stewardship</b>                          | <b>\$150,000</b>   |
| <b>Volunteer Ministries</b>                 | <b>(\$71,851)</b>  |
| <b>Women's Ministries</b>                   | <b>\$65,000</b>    |
| <b>Youth Projects</b>                       | <b>\$180,000</b>   |
|   | <hr/>              |
|   | <b>\$1,477,326</b> |



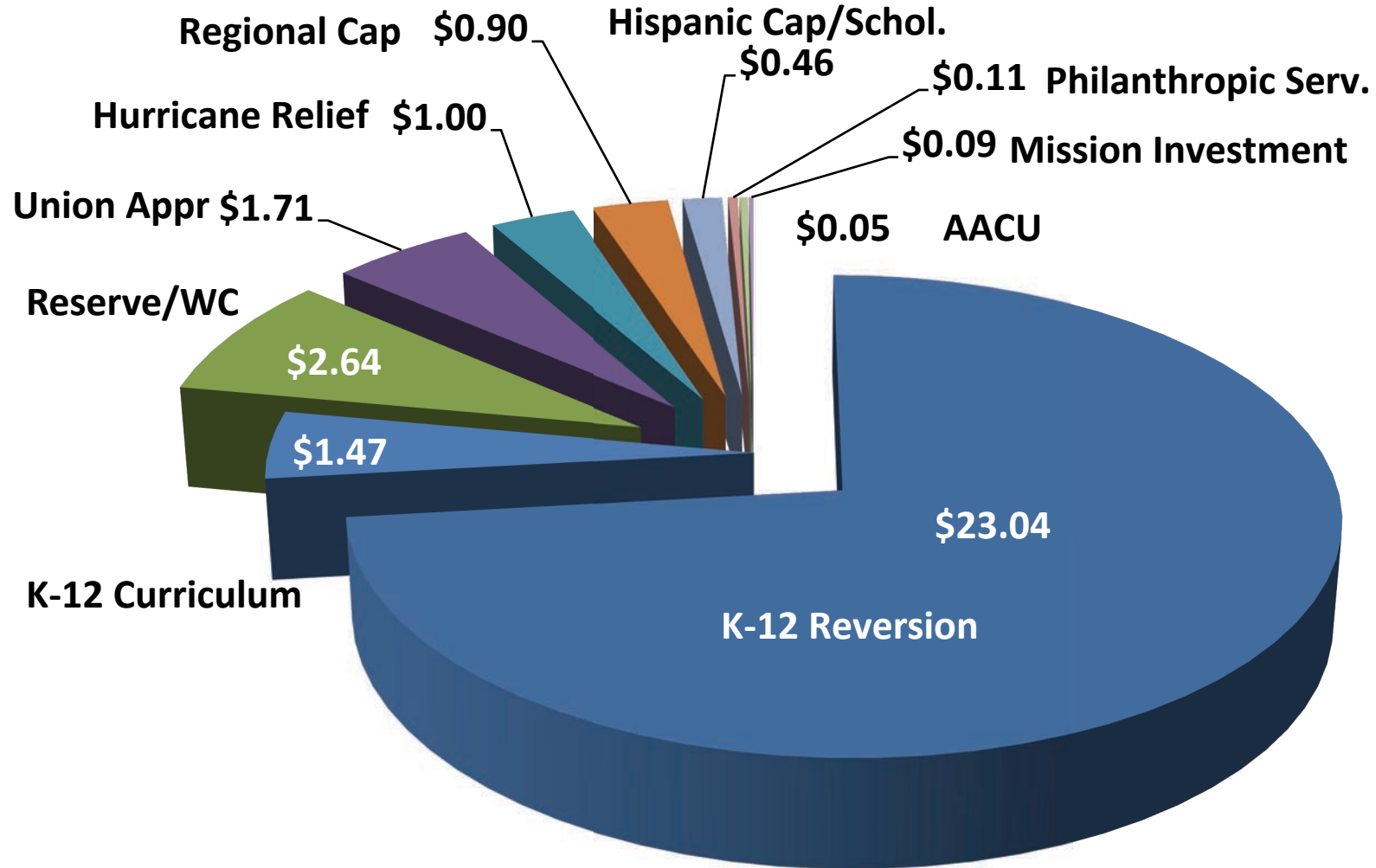
## 2017 Non-Tithe Distribution:



|  |                        |                     |
|--|------------------------|---------------------|
| <b>Tithe Exchanged, (\$30.72 million), &amp; Interest Income</b> |                        | <b>\$31,468,431</b> |
| <b>K-12/Reversion</b>  | <b>\$23,036,819</b>    |                     |
| <b>    K-12 Curriculum/Board of Ed./Textbooks</b>                | <b>\$1,470,435</b>     |                     |
| <b>Allocated Reserve—Working Capital</b>                         | <b>\$2,640,747</b>     |                     |
| <b>Special Appropriations to Unions—Non-Tithe</b>                | <b>\$1,710,000</b>     |                     |
| <b>Disaster Response (Hurricanes)</b>                            | <b>\$1,000,000</b>     |                     |
| <b>Regional Capital and Scholarship</b>                          | <b>\$904,811</b>       |                     |
| <b>Hispanic Church Buildings and Scholarship</b>                 | <b>\$457,652</b>       |                     |
| <b>PSI Awards/Appropriations</b>                                 | <b>\$110,000</b>       |                     |
| <b>Mission Investment</b>  | <b>\$87,967</b>        |                     |
| <b>AACU</b>  | <b><u>\$50,000</u></b> | <b>\$31,468,431</b> |



## 2017 Non-Tithe Funds Graphed:

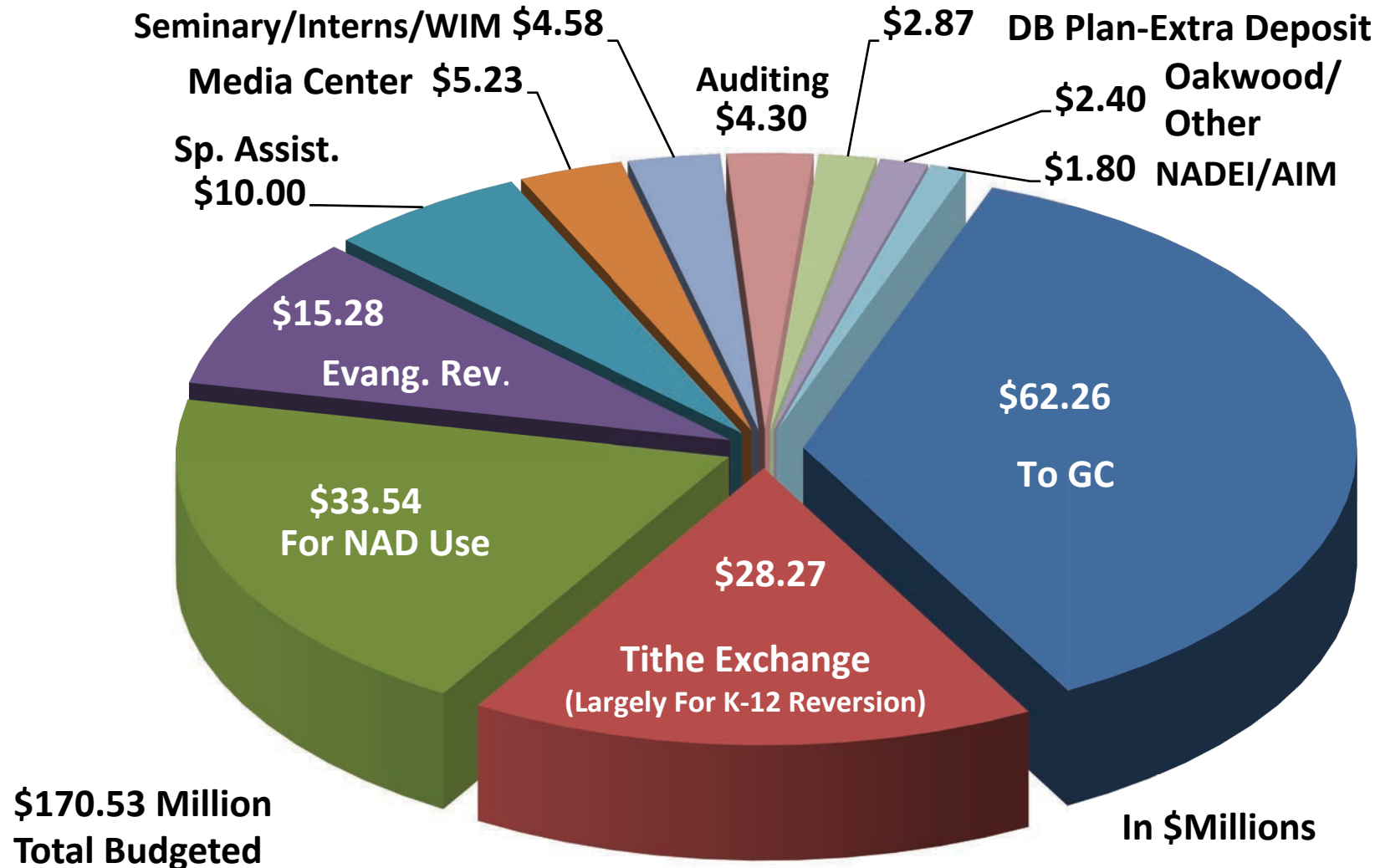


**\$31.47 Million Total**  
**Tithe Exchange & Interest Inc.**

**In \$Millions**

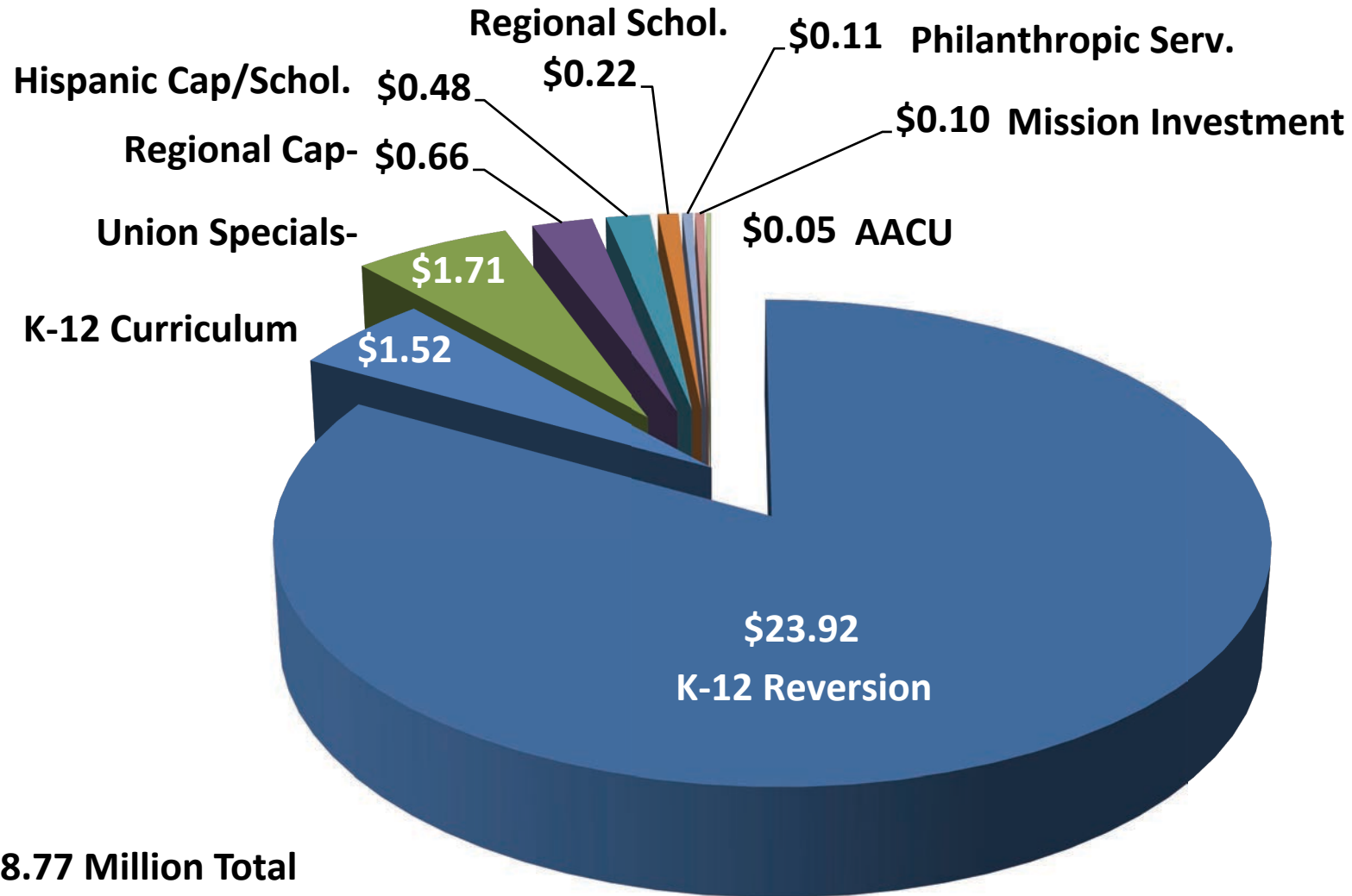


## 2019 Budgeted NAD Use of Tithe Funds:





## 2019 Budgeted NAD Use of Non-Tithe Funds:



**\$28.77 Million Total**  
(Tithe Exchange/Interest)

In \$Millions

## History of Remittances:

|      | Remitt'd/Union | Remitt'd/NAD | NAD on to GC |
|------|----------------|--------------|--------------|
| 2000 | 10.00%         | 20.00%       | 10.72%       |
| 2001 | 9.75%          | 18.00%       | 10.00%       |
| 2002 | 9.50%          | 17.50%       | 9.50%        |
| 2003 | 9.25%          | 17.00%       | 9.00%        |
| 2004 | 9.00%          | 16.50%       | 8.50%        |
| 2005 | 9.00%          | 16.00%       | 8.00%        |
| 2006 | 9.00%          | 16.00%       | 8.00%        |
| 2007 | 9.00%          | 16.00%       | 8.00%        |
| 2008 | 9.00%          | 16.00%       | 8.00%        |
| 2009 | 9.00%          | 16.00%       | 8.00%        |
| 2010 | 9.00%          | 16.00%       | 8.00%        |

**Note: The NAD retained Tithe was reduced to 8%, but it continued to pay out the same % for Evang, Education, Special Assistance, Scholarships, etc. Soon, budget wasn't balanced.**







## History & Scheduled Remittances:

|      | Remitt/Union | Remitt/NAD | NAD on to GC |
|------|--------------|------------|--------------|
| 2011 | 9.00%        | 16.00%     | 8.00%        |
| 2012 | 9.00%        | 16.00%     | 8.00%        |
| 2013 | 9.00%        | 16.00%     | 7.50%        |
| 2014 | 9.00%        | 16.00%     | 7.00%        |
| 2015 | 9.00%        | 16.00%     | *6.85%       |
| 2016 | 9.00%        | 16.00%     | *6.85%       |
| 2017 | 9.00%        | 15.50%     | *6.60%       |
| 2018 | 9.00%        | 15.35%     | *6.35%       |
| 2019 | 9.00%        | 15.15%     | *6.10%       |
| 2020 | 9.00%        | 15.00%     | *5.85%       |

**\*Note: The 15 basis point reduction in 2015 was to allow us to continue to support Oakwood University at the same rate as when it was with the GC.**

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