

APRIL 2017

SPRING MEETING SPECIAL EDITION

## Welcome

One year ago, we saw many looming financial challenges for the Church. Facing an uncertain future, we took precautions to limit expenditures and put in place several initiatives to safeguard the Lord's funds. We did our best and prayed for the Lord's blessing.

In the report, "When We Do Our Best, God Adds the Rest," I explain how God has blessed His Church during the past year and how we are planning for the future. As His financial stewards we do our best, and we thank Him for His many blessings.

In this special issue of the *Executive Committee Newsletter*, you will notice that we are focusing on the Spring Meeting that took place earlier this month. For those Executive Committee members who were not able to attend, we hope that this issue will be helpful for you to gain a quick overview of what took place, and that it will serve as a useful summary for those who were there.

In addition, you will learn about the many resources available on the new Executive Committee website in a short article by Tami Boward from GC Secretariat.

For the first time, we are including a Q & A section, featuring Claude Richli, associate secretary of the General Conference, answering questions about authorized meetings. I encourage you to read this short Q & A, as it explains financial implications for anyone using an official travel budget to attend meetings.

You will be inspired by the "Power of Mission" as you learn about the exponential growth of young people joining a mission movement set to change the world. And the popular Did You Know? sidebar will keep you up-to-date on several items presented at the Spring Meeting.

As always, we appreciate your feedback and invite you to send your questions, comments, or suggestions to us at [ECN@gc.adventist.org](mailto:ECN@gc.adventist.org).

May the Lord bless you abundantly as you continue doing your best in His service!!

—JUAN R. PRESTOL-PUESÁN,  
CFO/TREASURER  
*Seventh-day  
Adventist Church*



EDITORIAL



## WHEN WE DO OUR BEST, GOD ADDS THE REST

### THE 2016 FINANCIAL STORY

A REPORT TO SPRING MEETING 2017

BY JUAN R. PRESTOL-PUESÁN, PH.D., *CFO/Treasurer of the Seventh-day Adventist Church*

Executive Committee members may remember that last year we were facing some significant financial challenges as the U.S. dollar continued to strengthen against several major world currencies, thus affecting tithe income as these funds were converted into U.S. dollars. In addition, the U.S. was facing uncertainty as an upcoming presidential election loomed near, adding to an uncertain financial future.

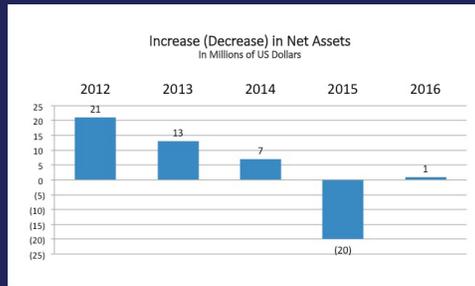
During the financial report to Annual Council last October, I stated that "We are doing our best to manage within the resources that we have . . . Our budget for 2017 is balanced, but it needs the blessing of the Lord."

Today, we are pleased to report the financial results of the operation for the year 2016. The audited financial statement testifies of the blessings as God answered our prayers and gave us strength proportionate to the trial we faced.

Since our report to Annual Council last October, changes in the political and economic arenas have impacted our world. We can report to you that: (1) the expected U.S. market decline traditional after electoral contests, did not occur, (2) the total gross tithe reported by the North American Division, thanks to a calendar with 53 Sabbaths in 2016, reached one billion U.S. dollars, (3) the exchange fluctuation of key overseas currencies did not

worsen and, (4) our fiscal discipline, holding expenditures to or below budgeted levels, led us to break-even and maintain more of our financial viability at the end of 2016.

## THE RESULTS OF THE OPERATION FOR THE YEAR 2016 AND RELEVANT DATA



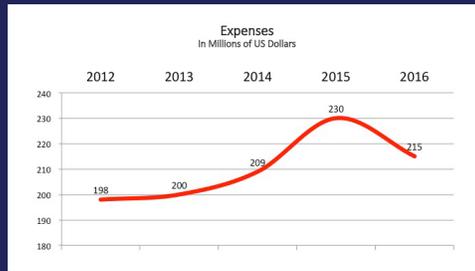
The Unrestricted and Restricted Net Assets changed from a negative of US\$20,180,003.34 at the end of 2015, to a positive of US\$1,011,538.43 as of December 31, 2016, representing a swing to the positive of US\$21,191,541.77.



The U.S. financial markets showed an improvement in the last months of 2016 that contributed to a positive result in our operations for the year. The graph here shows the S&P500 index during that period.



The value of the Brazilian Real against the U.S. dollar showed an improvement throughout 2016. The graph here illustrates the journey of Brazilian currency through December 2016.



The total amount spent was approximately US\$14.9 million below 2015 levels. The expense in Office Operating reached 99.20% of the 2% of total gross tithe, which is the highest it has been in the last 16 years. Travel expense was 68.1% of the total budgeted.

The additional Sabbath in 2016 was helpful in the final results of the year. Both tithe and mission offerings benefited in the approximate amount of US\$3.3 million. The total amount of tithe reported by the North American Division was US\$1,002,275,749. It should be noted that this is the first time a single division has surpassed the one billion U.S. dollar mark in tithe.

## WHERE WERE WE? A COMPREHENSIVE LOOK

A look at the data of the previous four years helps to place 2016 in context.

	2012	2013	2014	2015	2016
ASSETS	256	273	279	258	257
LIABILITIES	31	35	34	33	31
Unrestricted NA	203	212	219	197	196
Temp. Restricted NA	22	26	26	28	30
TOTAL NET ASSETS	225	238	245	225	226

The year 2016 was a better financial year than 2015 as the operating loss of 2015 was avoided allowing us to preserve the levels of liquidity and working capital needed for the next period. However, the projection for the years 2017 and beyond looks just as challenging as 2016 did.

	2012	2013	2014	2015	2016
Unrestricted Income	201	199	201	187	193
Expenses	(198)	(200)	(209)	(230)	(215)
Unrealized Gain (Loss) in Investments	3	(2)	1	(4)	3
Restricted Income	16	18	17	23	19
Transfers Between Funds In (Out)	(1)	(2)	(3)	4	1
Increase (Decrease) in Net Assets	21	13	7	(20)	1

	2012	2013	2014	2015	2016
WORKING CAPITAL	203	217	224	203	206
% of Recommended Working Capital	107.6%	104.8%	102.7%	92.8%	88.0%
LIQUIDITY	185	216	213	194	189
% of Liquid Assets to Commitments	129.7%	132.4%	124.8%	109.1%	98.9%

We have initiated a comprehensive currency management initiative and the repurposing of the headquarters building space.

## WHERE ARE WE GOING? AN ANTICIPATION OF 2017 THROUGH 2020

The years 2017–2020 will continue to bring a significant challenge as the tithe percentage from NAD will decline as per *GC Work-ing Policy V 09 05, 2d*:

2012	8.00%
2013	7.50%
2014	7.00%
2015	6.85%
2016	6.85%
2017	6.60%
2018	6.35%
2019	6.10%
2020	5.85%
<i>and onward</i>	

Internationally, we have done our best to anticipate and minimize the negative currency fluctuation impact on our income. The expected income will be predicted one year at a time.

The Office Operating Expense in 2017 will be above the limit of 2% of total gross tithe, that we refer to as the operating cap, and we are bringing a recommendation to address it for the years 2017 and 2018. The Lord will add His blessing one year at the time, and we will continue to do all that we can to maintain adequate levels of liquidity and working capital.

*(Continued on page 3 ...)*

# SPRING MEETING HIGHLIGHTS

## APRIL 11 & 12, 2017



- **Ramon Canales** was voted as the new GC Sabbath School/Personal Ministries Director. Previously, Canales served as an associate director in that department. Learn more at <http://bit.ly/2directors>.
- **Gary Blanchard** was voted as the new GC Youth Director. Gary previously served as Youth & Young Adult Ministries Director for the Texas Conference. Learn more at <http://bit.ly/2directors>.
- Introduced by the GC Communication Department, a **new global visual identity system** was adopted for the Seventh-day Adventist Church. Visit <http://bit.ly/newidsystem>.
- Under the direction of the Biblical Research Institute Ethics Committee, a **Statement on Transgenderism** was presented. The Statement was voted almost unanimously. To read the statement and learn more visit <http://bit.ly/transgenderstatement>
- A **new website for Revival & Reformation** was introduced by the GC Ministerial Association. Visit [www.revivalandreformation.org](http://www.revivalandreformation.org)



- New resources commemorating the **Steps to Christ 125-year anniversary** were introduced, including:
  - **Adult coloring book edition of Steps to Christ** produced by GC Women's Ministries Department.
  - **Children's coloring book edition of Steps to Christ** produced by Ellen G. White Estate.
  - **Adult coloring book of Ellen White quotes** produced by Ellen G. White Estate

- **Missionary Book of the Year for 2018** introduced—*The Power of Hope*, written by Michelson Borges and Julian Melgosa.
- The Council on Evangelism and Witness featured a panel discussion moderated by Pastor Mark Finley on **strengthening Total Member Involvement through small groups**. More on this at Annual Council 2017.
- The Office of Adventist Mission reported a **large upswing in website visits** as pastors, teachers, and others visit to obtain stories for use in sermons, worship presentations, and more. Visit [www.adventistmission.org](http://www.adventistmission.org).
- The Family Ministries Department reminded committee members of the upcoming **International Leadership Conference, "Reach the World: Issues Impacting Children, Women, and Families."** The conference, to be held May 10-13, 2017 in Budapest, Hungary, is sponsored by the GC Departments of Children's Ministries, Women's Ministries, and Family Ministries. Visit: <http://family.adventist.org/rtwbudapest2017>
- The Public Affairs and Religious Liberty Department extended an invitation to the **8th World Congress for religious freedom**, to be held August 22-24, 2017 in Fort Lauderdale, Florida. Visit <http://www.irla.org/world-congress>
- The Health Ministries Department announced its **3rd Global Conference on Health and Lifestyle**, to be held at Loma Linda, California, July 9-13, 2019. The conference will highlight the role of health education around the world and establish the importance of Comprehensive Health Ministry. Visit: <http://conference.healthministries.com>
- The Communication Department unveiled the **new logo for the General Conference Session** to be held in Indianapolis, Indiana in 2020.



(Continued from page 2...)

### IN CONCLUSION

We believe that when we do your best, God adds the rest. The counsel found in the book *Steps to Christ*, page 122, still rings true:

*"You may be perplexed in business; your prospects may grow darker and darker, and you may be threatened with loss; but do not become discouraged; cast your care upon God, and remain calm and cheerful. Pray for wisdom to manage your affairs with discretion, and thus prevent loss and di-*

*saster. Do all you can on your part to bring about favorable results. Jesus has promised His aid, but not apart from our effort. When, relying upon our Helper, you have done all you can, accept the result cheerfully."* (emphasis supplied)

We take our responsibilities seriously, but the burdens are really God's. As His financial stewards we do our best, and He gives us the results He considers appropri-

ate. The glory is all His. We thank Him for His blessings and sustaining power.

We also thank our members who gave generously in 2016, an average of approximately US\$45 million per week in tithe and mission offerings alone. We are grateful for their trust, and we are well aware that when they end their stewardship of these funds, our stewardship just begins.



# AUTHORIZED MEETINGS

AN INTERVIEW WITH CLAUDE RICHLI,  
ASSOCIATE SECRETARY GC SECRETARIAT

**Q: What is an “Authorized Meeting?”**

**A:** Many people want to have meetings that represent various interests. The list of Authorized Meetings are meetings that represent activities of the world church that have the endorsement of the body as a whole. By voting, we are saying they are legitimate meetings to be attended by the individuals representing various divisions.

Authorized Meetings usually have an international membership, and are often a part of Spring Meetings or Annual Council pre-meetings. If a group is expecting financial assistance (such as travel budgets) using denominational funds, that would need to be approved before the meeting is added to the Authorized Meeting list.

We also watch for conflicting meetings before a new meeting is added.

**Q: What is the process for obtaining approval to have an Authorized Meeting?**

**A:** The process is that the request first comes to our office (in GC Secretariat), where my assistant compiles a list of all requests for Authorized Meetings. That list is submitted to the policy and projects manager in Secretariat who takes it to the GC Administrative Committee (ADCOM), where it is voted on. From there it goes to the General Conference and Division Officers, and is then discussed and voted on at Spring Meetings or Annual Council.

**Q: Who determines what is an Authorized Meeting?**

**A:** This is not the decision of one person or a small group. More than 200 people—including the members of the GC Administrative Committee and of the GC Executive Committee—determine through their votes what is an Authorized Meeting.

**Q: What are the ramifications of attending/participating in a meeting that is not authorized?**

**A:** One ramification would be, of course, financial. If a person decided to attend a meeting that is not authorized—whether within their own conference, union, or division territory, or outside of it—they would need to do so at their own expense, not using a travel budget for items such as airfare or mileage, hotel expenses, per diem, or any fees associated with the meeting. In addition, they would need to take personal vacation time rather than paid work time while attending.

**Q: Why do we have the designation “Authorized Meeting?”**

**A:** Because they’ve been authorized by the governing body of the organization. Authorized Meetings create a blanket understanding that these meetings are legitimate and their expenses will be reimbursed without any question.

*As an example, below is the list of Authorized Meetings for the Second Quarter, 2017. For a list of Authorized Meetings for the following months, visit [executivecommittee.adventist.org](http://executivecommittee.adventist.org) and sign in to the Executive Committee Portal.*

## AUTHORIZED MEETINGS FOR APRIL, MAY, JUNE 2017

### APRIL 2017

11-12	Spring Meeting	Silver Spring MD
17-May 6	IWM Mission Institute	Istanbul TURKEY
17-18	Biblical Research Institute Committee	Loma Linda CA
19-20	Faith and Science Council	Loma Linda CA
25-26	Adventist University of Africa Board	Nairobi KENYA

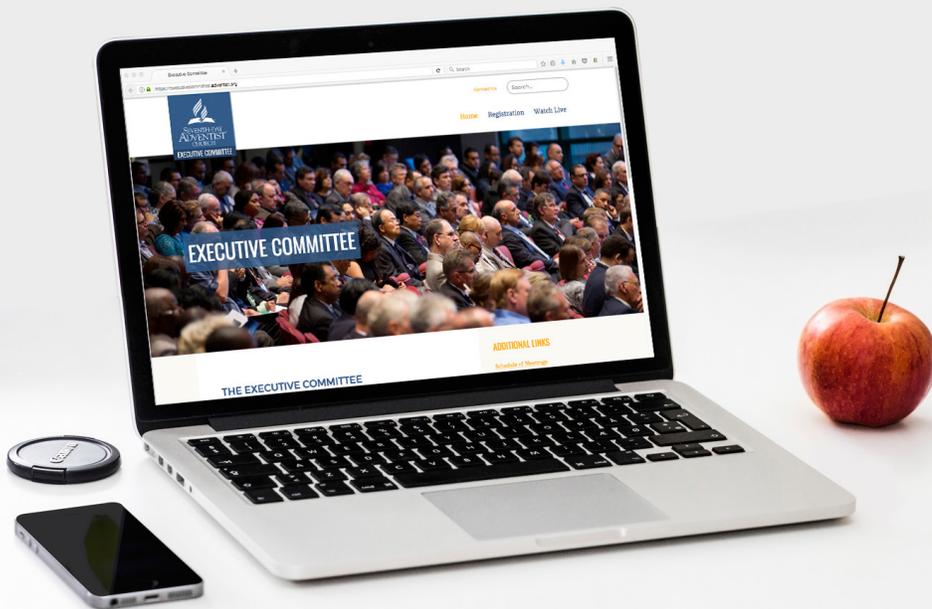
### MAY 2017

10-13	CHM, WM, and FM Intl Leadership Conference	Budapest HUNGARY
22-23	Loma Linda University Board and Committees	Loma Linda CA
30-June 4	LEAD Summit for ESD, EUD, MENA, NAD, and TED	Rogaska Slatina SLOVENIA
31(pm)	Adventist Risk Management Board Committees	Silver Spring MD

### JUNE 2017

1	Adventist Risk Management Board	Silver Spring MD
5-24	General Conference Mission Institute	Cancun MEXICO
5-8	Prime Time	Silver Spring MD
8	General Conference Leadership Council	Silver Spring MD
9-18	Secretariat IAD Division Experience	Miami FL
11	Andrews University Governance Committee	Berrien Springs MI
12	Andrews University Board	Berrien Springs MI
26-Jul 6	GRI Field Conference on Faith and Science	ITALY





## DID YOU KNOW?

## NEW GC EXECUTIVE COMMITTEE WEBSITE LAUNCHED

The General Conference Secretariat has developed a website to better communicate with the General Conference Executive Committee. Here are some of the things you will find at [executivecommittee.adventist.org](http://executivecommittee.adventist.org):

- An official “Sharing Book of the Year” has been published by the GC Publishing Department since 2007.
- Since the program began, more than 400 million copies of the Sharing Book of the Year have been distributed in 50+ languages. One way to share books in multiple languages is through the Sharing Hope App. Visit [www.sharinghope.com](http://www.sharinghope.com).
- In Japan, 13 young people visited 20,000 people, sold 2,000 Adventist books, in just 3 weeks! Learn more at <http://bit.ly/YouthRushJapan>.
- The construction of the foundation for the new hospital complex at Loma Linda University Health began on March 25.
- You can watch construction of the new hospital complex through live camera feeds at <http://bit.ly/LLUlivefeed>.
- A new Hope Channel TV station is coming to Southeast Asia in May 2018. The station will be located at the Asia-Pacific International University in Thailand.
- The Spirit of Prophecy Committee has a goal to publish 12 books by Ellen White in 54 different languages by 2020.
- Resources for commemorating the 125th anniversary of *Steps to Christ* are available at <http://bit.ly/sc125resources>.
- Small groups are an essential part of any effective outreach soul-winning strategy.
- The seven panels in the new Adventist Church visual identity design represent the seven days of the week. Full identity package available at <https://identity.adventist.org>.

- **Registration and Travel Information**—Rather than sending a long, detailed invitation letter to Executive Committee members ahead of each meeting, the new site provides the schedule of upcoming meetings and information regarding registration and travel information.
- **Annual Council and Spring Meeting Details**—Ahead of each meeting, the website will provide details such as the meeting agenda, information on the devotional speakers, and other announcements.
- **Live Streaming**—One of things we’re most excited about is the live streaming of Executive Committee meetings that will be available on the new website. The streaming allows EXCOMM members who aren’t able to be present to still attend the meetings virtually (although virtual voting is not possible). In addition, the live-stream allows church members and others to observe the committee’s work and better understand how the Seventh-day Adventist Church operates.
- **Presentations and Video Archives**—Following each meeting of the Executive Committee, a video archive of the meetings will be preserved and made available on the website. Presentations and important documents will be posted. This will allow committee members to share what they’ve learned when they return to their home territories.
- **Executive Committee Portal**—The Executive Committee portal includes additional resources and information for Executive Committee members, such as meeting minutes and access to the General Conference *Working Policy*. During Spring Meeting and Annual Council, the portal will also include the Daily Schedule of meetings. Access to the portal requires the same username and password that is used for registration. You will find a link to the portal on the website.
- **Executive Committee Newsletter**—This monthly newsletter prepared by the office of the chair, addresses important issues for Executive Committee members, and contains helpful articles, brief stories and reports, and fast facts well worth sharing. The current newsletter, as well as past issues, will be posted to the website every month. It may also be accessed directly at <https://executivecommittee.adventist.org/newsletter/>

We hope this new website is a helpful resource to Executive Committee members. If you have ideas for additional content, please let us know!

— TAMI BOWARD  
Policy and Projects Manager/Recording Secretary, General Conference Secretariat



# THE POWER OF MISSION

*What if there were an effective way to influence a generation of young people to have a clear vision for mission, to disciple bright minds who have great potential for church leadership, to prepare participants to return to their local churches as a positive influence for other young people, and to develop future influential professionals and leaders of the church who will have a strong commitment to mission?*

In a meeting with General Conference and Division officers held just prior to this year's Spring Meeting, Pastor Erton Kohler, president of the South American Division (SAD) shared how the One Year in Mission (OYiM) initiative is doing just that across South America.

When OYiM (an initiative of the GC Youth Ministries Department) was launched in 2013, 14 young adults (one from each of the world divisions, plus the Middle East/North Africa region) served in the pilot program in New York City. During their service, the young people learned a variety of missionary skills including door-to-door outreach, community service, health evangelism, Bible study/small group ministry, public evangelism, and more.



These young people then took their newly acquired skills and enthusiasm back to their home divisions, helping to train other young people from union and local conferences where the program was replicated.

The South American Division has been one of the most active in encouraging OYiM throughout their territory.

## BEST WAY TO DISCIPLE

"One Year in Mission is the best way to disciple young people," explained Pastor Kohler. "We work with them in small groups—teams of 8 to 12. We aren't sending 20 to 50 young people to one place. Every team has an average of 10 people. They work together with good leadership for one year. In this way, we can do discipleship in a more efficient, effective way.

"We believe that young people are trying to find something to embrace," he continued. "OYiM can be that movement. It's not just something little for them to do in their local church each Sabbath, which might

1,010 YOUNG PEOPLE  
DOOR-TO-DOOR  
COMMUNITY SERVICE  
HEALTH EVANGELISM  
BIBLE STUDIES  
SMALL GROUP MINISTRY  
PUBLIC EVANGELISM

not be so relevant to them. They need to do something that they can put their lives into.

"OYiM is calling them to do something bigger in the church—to defend a cause—to change the city where they are. It is relevant for them. We believe with this movement, we can integrate and retain the young people in the church, prepare a new group of leaders for the church, and prepare professionals for the community with a vision of mission."

## EXPONENTIAL GROWTH

In 2014, SAD had 104 volunteers participating in OYiM. By 2015, the number of participants increased to 174, and in 2016 the number climbed to 314. This year enthusiasm for OYiM has reached record numbers, with 1,010 volunteers comprising 95 teams across South America.

"We see many benefits in preparing a new generation of young people, and we are investing a lot of money in this because we believe it is a priority," said Pastor Kohler. "We are losing young people, and we need to do something to retain them—we need to involve them. If this is a priority, we need to invest money in that."

Currently, the Church in South America is investing US\$800,000 in sponsoring young people in the OYiM initiative, and \$200,000 to sponsor the division team, involving one young person from each union forming a special team to reach a large city within SAD. Next year the division is planning to invest US\$1.2 million to sponsor OYiM in local conferences and unions.

Activities for the young missionaries center around organizing Centers of Influence in cities, being in the community, giving Bible studies, preaching in the evenings, and planting churches.

## MISSION IN THEIR HEARTS

"We just took the project that the General



## BANKING ON MISSION

When an older child or teen is baptized in the South American Division (SAD), they are presented with a special "future missionary bank" where they can start saving money to join one of the mission options available, such as One Year in Mission or other programs offered by the Church. The idea is to encourage young people to make mission a priority, and baptism is the best time, according to Pastor Kohler, to point them to mission service.

Conference created," said Pastor Kohler. "Our goal by the end of this quinquennium is to involve one young person from every pastoral district in the division—and there are 3,200 pastoral districts in SAD. Every year the local pastor can find just one young person to send to the movement, and then the next year another young person will join."

After One Year in Mission, participants often decide to become church workers such as pastors, teachers, and doctors, because, according to Kohler, "they learn to love the church and the mission. Others follow their careers, but they will have mission in their hearts."

For more information about the One Year in Mission program, contact the General Conference Youth Ministries Department at 1.301.680.6140.

— GINA WAHLEN  
Editor & Project Manager, GC Presidential