

## Executive Summary of AC Funding Plan Model

- The AC Funding Plan Model arose out of the Strategic Planning Process that has recently been carried out through the Cooperative Ministries Committee (abbreviated “CMC”) (RAO 7-3) and has been discussed and refined through meetings of the Coordinators and Presidents in the last couple of years.
- The hope at the founding of the PCA in 1973 was that once an evangelical, Reformed, Presbyterian denomination was formed and functioning, all the member churches would support all ministries of the General Assembly. That hope has *not* been realized. The momentum toward selective, individualized, para-church, project-oriented, affinity-group giving has increased.
- There is a consensus that the per capita plan (“General Assembly Askings” and later “Partnership Shares”) has not worked well because of several underlying assumptions:
  - There could be a unified denominational budget. That idea was strongly opposed and abandoned early on in the life of the PCA. The per capita plan of giving is the vestige of that unsuccessful effort.
  - Per capita giving is based on the assumption that all churches will give. The reality is that only half do.
  - Per capita giving is based on the assumption that all churches will give to every Committee and Agency. The reality is that very few do.
  - Per capita giving is based on the assumption that all churches have the same per capita giving potential. The reality is that per capita giving potential varies a great deal from church to church.
- Due to the ineffectiveness of per capita giving, most of the Committees and Agencies implemented Development Departments and Plans to raise funds.
- The Coordinators and Presidents think any plan that required churches to give to *all* Committees and Agencies would never be approved by the General Assembly, and, even if approved, would adversely affect the development efforts now in place.
- The Coordinators and Presidents believe that it would be wise to propose *a funding plan for the Administrative Committee (AC) only* because:
  - The PCA is unique among denominations in making essential support services (AC) a separate request, and
  - It is reasonable that churches and ministers that are members of the PCA have some minimal requirement to fund essential support services (AC).
- The Cooperative Ministries Committee recommends that the proposed AC funding plan model come to the General Assembly through the AC because:
  - The CMC actions are limited by rule: “Any matters requiring General Assembly action shall be referred to the appropriate Committee or Agency for its consideration and recommendation” (RAO 7-3c).
  - The CMC believes the AC would be the appropriate committee.
- There are several documents related to the AC Funding Plan
  - A “PCA Strategic Plan,” a narrative that has been developed and refined over several years and has been considered by the ad interim Committee on Strategic Planning, the CMC, and the Coordinators and Presidents.
  - A “Strategic Planning Chart” (included in the “PCA Strategic Plan”) outlining themes, goals, and methods.

- “A Funding Plan Model for the PCA Administrative Committee/Office of the Stated Clerk,” which gives the financial details of the proposed plan.
- “Necessary Rules Changes” specifying the sections of the *Book of Church Order* and the *Rules of Assembly Operation* that will need to be amended.
- The proposed model includes several features:
  - The *ability* of all churches and ministers to participate.
  - The *necessity* of all churches and ministers to participate.
  - A *limitation* on non-participants (voting at General Assembly would be limited to participating churches and ministers).
  - A *transition* from a General Assembly registration (RAO 10-4) to an Annual Registration Fees for churches, Presbyteries, and ministers.
  - The *continuation* of funding other Committees and Agencies through Partnership Shares, Ministry Asks, and development. (RBI and PCAF are self-funded.)
- In short, the AC funding model is that:
  - Churches would be required to support the essential support services of the AC through proportional giving based on the Tithes and Offerings of the respective churches. This would be called an Annual Registration Fee.
    - The Annual Registration Fee for Churches averages one-third of one percent (0.334%, 1/3%).
    - To increase the fee to 0.4% (4/10%) or more in the future would require a majority vote of the General Assembly and of the Presbyteries.
    - There is a sliding scale so that some churches with lower income would pay as little as \$100.00.
    - There is a cap on the fees for higher-income churches so that there is a \$25,000 maximum.
  - All teaching elders would be required to pay an Annual Registration Fee of \$100.00. Honorably retired ministers would be exempted.
  - Presbyteries would pay an Annual Registration Fee of \$500.00, which would fund the Local Arrangements Committee of the General Assembly.
  - Implementation – AC/SC will record of fees paid or unpaid; only registered TEs and REs from registered churches could be commissioners to the General Assembly; non-paying churches would be reported to GA after two years.
  - The present \$400.00/commissioner General Assembly Registration fee would be *eliminated* after the AC funding plan is finally approved and implemented.
- The *Book of Church Order* will need to be changed (14-1, 4; 14-2)
- The *Rules of Assembly Operation* will need to be changed (4-11, possibly 10-4).
- The ethos of the PCA will need to change.

In our concern to insure that abuses experienced in our former denomination (taking money contributed to one General Assembly ministry and giving it to another) could not occur in the PCA, we established a system in 1973 whereby churches could have all privileges of membership and no financial responsibility at all. (Consequently half of PCA churches do not support any General Assembly ministry.) Uniquely, we made contribution to essential support services (AC) a separate funding request. The proposed plan establishes a minimal required level of financial support to the AC to be necessary for participation in decision making on the General Assembly level, but retains the right of churches to choose which other General Assembly ministries they wish to support.