

**Mennonite Church USA-Executive Board**

**Financial Report  
And  
Supplemental Information**

**For the Year Ended July 31, 2022  
(With summarized financial information as of July 31, 2021)**



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## INDEPENDENT AUDITOR'S REPORT

To the Executive Board  
Mennonite Church USA, Inc.  
Newton, Kansas

### **Report on the Audit of the Financial Statements**

#### ***Qualified Opinion***

We have audited the accompanying financial statements of Mennonite Church USA, Inc.-Executive Board, which comprise the statements of financial position as of July 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, except for the omission of the information described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of Mennonite Church USA, Inc.-Executive Board as of July 31, 2022, and changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Qualified Opinion***

As described in Note 1 of the Notes to Financial Statements, certain affiliated organizations are not consolidated and, accordingly, the accompanying financial statements do not present the assets, liabilities, net assets, revenues, expenditures, or related commitments or contingencies related to the operation of these affiliated organizations. The effect of not consolidating affiliated organizations has not been determined. Accordingly, the accompanying financial statements are not in conformity with accounting principles generally accepted in the United States of America.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Mennonite Church USA, Inc.-Executive Board and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Mennonite Church USA-Executive Board's ability to continue as a going concern for one year after the date that the financial statements are issued.

#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Mennonite Church USA-Executive Board's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Mennonite Church USA-Executive Board's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

#### **Report on Summarized Comparative Information**

We have previously audited Mennonite Church USA, Inc.-Executive Board's 2021 financial statements, and our report dated January 20, 2022, expressed a qualified opinion on those audited financial statements for reasons consistent with that expressed in this report. In our opinion, the summarized comparative information presented herein as of and for the year ended July 31, 2021, is consistent in all material respects, with the audited financial statements from which it has been derived.

#### **Other Matter**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information on pages 24 to 29 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the effects of not consolidating certain affiliated organizations as explained in the basis for qualified opinion paragraph, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Regina Can E. Mowal, CPA*

Wichita, Kansas  
January 26, 2023

**Mennonite Church USA-Executive Board**  
**Statements of Position**  
**July 31, 2022 and 2021**

	<b>2022</b>	<b>2021</b>
<b>ASSETS</b>		
Cash and cash equivalents:		
Cash	\$ 1,920,082	\$ 1,704,906
Temporary investments	238,978	221,562
Total cash and cash equivalents	2,159,060	1,926,468
Accounts receivable	23,764	134,334
Receivables-related parties	173,040	161,603
Investments		
Investment securities	620,896	751,680
Beneficial interest in charitable trust	473,379	583,982
Student loans receivable, net of allowance for doubtful accounts in 2022 and 2021 of \$8,719 and \$8,719, respectively.	60,649	60,649
Property assets		
Property and equipment, net	146,751	165,979
Beneficial interest in land	890,000	890,000
Other assets and prepaid assets	110,299	86,306
Total assets	\$ 4,657,838	\$ 4,761,001
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Accounts payable	\$ 202,981	\$ 100,877
Payables-related parties	170,703	136,138
Deferred revenue	8,223	3,537
Annuity contracts payable	14,220	25,052
Total liabilities	396,127	265,604
Net assets:		
Without donor restrictions		
Undesignated	1,102,999	1,006,098
Board designated	741,022	892,679
Total without donor restrictions	1,844,021	1,898,777
With donor restrictions		
Purpose and time restrictions	2,212,156	2,391,436
Perpetual restrictions	205,534	205,184
Total with donor restrictions	2,417,690	2,596,620
Total net assets	4,261,711	4,495,397
Total liabilities & net assets	\$ 4,657,838	\$ 4,761,001

*The notes to the Financial Statements are an integral part of this statements.*

**Mennonite Church USA-Executive Board**  
**Statements of Activity**  
**For the Year Ended July 31, 2022**  
**(with summarized financial information for the year ended July 31, 2021)**

	2022							2021 Total
	Without Donor Restrictions				With Donor Restrictions		Total	
	Undesignated	Board Designated	Eliminations	Sub-Total	Purpose & Time	Perpetual		
<b>SUPPORT AND REVENUE</b>								
Contributions								
Firstfruit-related party	\$ 1,015,488	\$ -	\$ (4,800)	\$ 1,010,688	\$ -	\$ -	\$ 1,010,688	\$ 1,093,788
Other grants & contributions	469,465	-	-	469,465	147,933	350	617,748	686,922
Other grants & contributions-related party	137,354	-	(12,000)	125,354	-	-	125,354	37,872
Estate & annuity	114,498	363,426	(125,032)	352,892	-	-	352,892	195,685
Total contributions	<u>1,736,805</u>	<u>363,426</u>	<u>(141,832)</u>	<u>1,958,399</u>	<u>147,933</u>	<u>350</u>	<u>2,106,682</u>	<u>2,014,267</u>
Other income:								
Investment income	(30,467)	(2,367)	-	(32,834)	(115,191)	-	(148,025)	296,446
Convention revenue	144,813	-	-	144,813	-	-	144,813	276,311
Rent income-related party	47,589	-	(11,111)	36,478	-	-	36,478	44,897
Sale of services/reimbursements-related party	267,283	-	(5,944)	261,339	-	-	261,339	354,060
Paycheck Protection Program revenue	-	-	-	-	-	-	-	262,485
Miscellaneous	8,845	-	-	8,845	176	-	9,021	26,664
Total other income	<u>438,063</u>	<u>(2,367)</u>	<u>(17,055)</u>	<u>418,641</u>	<u>(115,015)</u>	<u>-</u>	<u>303,626</u>	<u>1,260,863</u>
Total support and revenue	<u>2,174,868</u>	<u>361,059</u>	<u>(158,887)</u>	<u>2,377,040</u>	<u>32,918</u>	<u>350</u>	<u>2,410,308</u>	<u>3,275,130</u>
<b>NET ASSETS RELEASED FROM DESIGNATIONS &amp; RESTRICTIONS</b>	<u>315,038</u>	<u>(102,840)</u>	<u>-</u>	<u>212,198</u>	<u>(212,198)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENSES</b>								
Program services	1,995,046	409,876	(158,887)	2,246,035	-	-	2,246,035	2,447,652
Supporting services	397,959	-	-	397,959	-	-	397,959	382,364
Total expenses	<u>2,393,005</u>	<u>409,876</u>	<u>(158,887)</u>	<u>2,643,994</u>	<u>-</u>	<u>-</u>	<u>2,643,994</u>	<u>2,830,016</u>
Change in net assets	96,901	(151,657)	-	(54,756)	(179,280)	350	(233,686)	445,114
<b>NET ASSETS-BEGINNING OF YEAR</b>	<u>1,006,098</u>	<u>892,679</u>	<u>-</u>	<u>1,898,777</u>	<u>2,391,436</u>	<u>205,184</u>	<u>4,495,397</u>	<u>4,050,283</u>
<b>NET ASSETS-END OF YEAR</b>	<u>\$ 1,102,999</u>	<u>\$ 741,022</u>	<u>\$ -</u>	<u>\$ 1,844,021</u>	<u>\$ 2,212,156</u>	<u>\$ 205,534</u>	<u>\$ 4,261,711</u>	<u>\$ 4,495,397</u>

*The notes to the Financial Statements are an integral part of this statements.*

**Mennonite Church USA-Executive Board**  
**Statements of Functional Expenses**  
**For the Year Ended July 31, 2022**  
(with summarized financial information for the year ended July 31, 2021)

	<b>2022</b>			<b>2021</b>	<b>Total</b>
	Undesignated	Board Designated	Eliminations		
<b>Program services:</b>					
Salaries & benefits	\$ 1,186,968	\$ -	\$ -	\$ 1,186,968	\$ 1,154,931
Travel	131,208	-	-	131,208	45,344
Office	41,492	-	-	41,492	48,220
Occupancy	134,248	19,228	(13,180)	140,296	173,249
Promotion & publications	50,604	-	-	50,604	166,960
Contracted services	71,271	230	(5,944)	65,557	67,461
Conferences	2,684	-	-	2,684	10,265
Contributions	163,898	390,418	(139,763)	414,553	360,659
Other expenses	147,626	-	-	147,626	123,498
Convention expense	65,047	-	-	65,047	297,065
Total program services	<u>1,995,046</u>	<u>409,876</u>	<u>(158,887)</u>	<u>2,246,035</u>	<u>2,447,652</u>
<b>Supporting services:</b>					
Salaries & benefits	230,356	-	-	230,356	223,304
Travel	10,500	-	-	10,500	1,744
Office	11,350	-	-	11,350	15,653
Occupancy	61,350	-	-	61,350	57,322
Professional fees	24,795	-	-	24,795	23,540
Contracted services	49,019	-	-	49,019	49,586
Other expenses	10,589	-	-	10,589	11,215
Total supporting services	<u>397,959</u>	<u>-</u>	<u>-</u>	<u>397,959</u>	<u>382,364</u>
Total expenses	<u>\$ 2,393,005</u>	<u>\$ 409,876</u>	<u>\$ (158,887)</u>	<u>\$ 2,643,994</u>	<u>\$ 2,830,016</u>

*The notes to the Financial Statements are an integral part of this statements.*



**Mennonite Church USA-Executive Board**  
**Statements of Cash Flows**  
**For the Year Ended July 31, 2022**  
**(with summarized financial information for the year ended July 31, 2021)**

	<u>2022</u>	<u>2021</u>
<b>OPERATING ACTIVITIES</b>		
Increase/(Decrease) in net assets:	\$ (233,686)	\$ 445,114
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Contributions restricted for long term purposes	(350)	(500)
Paycheck Protection Program debt forgiveness	-	(262,485)
Realized and unrealized (gain)/loss on investments	100,201	(137,766)
(Increase)/Decrease in beneficial interest in charitable trust	83,611	(132,734)
Depreciation	31,015	31,287
Gain on retirement of property assets	(750)	(150)
(Increase)/Decrease in accounts receivable	110,571	(69,374)
(Increase)/Decrease in receivables-related parties	(11,437)	37,891
(Increase)/Decrease in other assets and prepaid assets	(23,993)	10,949
Increase in accounts payable	102,104	8,280
Increase in payables-related parties	34,565	23,317
Increase/(Decrease) in deferred revenue	4,686	(87)
Increase/(Decrease) in annuity obligation	(3,651)	9,504
Net cash provided/(used) by operating activities	<u>192,886</u>	<u>(36,754)</u>
<b>INVESTING ACTIVITIES</b>		
Purchases of property assets	(11,788)	(15,980)
Proceeds from disposition of property assets	750	150
Purchases of investment securities	(95,351)	(50,308)
Distributions from beneficial interest in charitable remainder trust	26,993	24,965
Proceeds from sale of investment securities	125,933	99,841
Net cash provided by investing activities	<u>46,537</u>	<u>58,668</u>
<b>FINANCING ACTIVITIES</b>		
Receipt of contributions restricted for long term purposes	350	500
Proceeds from Paycheck Protection Program loan	-	262,485
Payment on annuity obligation	(7,181)	(9,581)
Net cash provided/(used) by financing activities	<u>(6,831)</u>	<u>253,404</u>
Net increase in cash and equivalents	232,592	275,318
<b>CASH AND CASH EQUIVALENTS-BEGINNING OF YEAR</b>	<u>1,926,468</u>	<u>1,651,150</u>
<b>CASH AND CASH EQUIVALENTS-END OF YEAR</b>	<u>\$ 2,159,060</u>	<u>\$ 1,926,468</u>

*The notes to the Financial Statements are an integral part of this statements.*

**Mennonite Church USA-Executive Board**  
**Notes to Financial Statements**  
**For the Year Ended July 31, 2022**  
**(with summarized financial information for the year ended July 31, 2021)**

**1. Summary of Significant Accounting Policies**

The accompanying financial statements of the Mennonite Church USA, Inc.-Executive Board (Executive Board) are prepared using the accrual method of accounting. The significant policies are described below to enhance the usefulness of the financial statements to the reader.

***Nature of operations:***

The purpose of Mennonite Church USA, Inc. (an Indiana nonprofit corporation) is joining in God's activity in the world and developing/nurturing missional Mennonite congregations of many cultures.

The Executive Board serves as the board of directors of Mennonite Church USA and was organized to give leadership and to act on behalf of Mennonite Church USA.

The Executive Board consists of the following primary teams:

- Executive Director
- Church Vitality
- Communications
- Archives
- Church-wide Operations
- Convention Planning
- Racial Ethnic Engagement
- Transformative Peacemaking

These financial statements also include several funds which are administered by the Executive Board. These funds include:

- Mennonite Women
- Mennonite Men
- The Corinthian Plan
- Native Mennonite Ministries
- Iglesia Menonita Hispana
- Convention Planning

In addition to the Executive Board, Mennonite Church USA includes five additional program agencies which are devoted to serving the Mennonite Church USA's mission. These program agencies and entities are:

- Mennonite Mission Network
- Everence
- Mennonite Education Agency
- MennoMedia
- Mennonite Health Services Alliance

These financial statements do not include the assets, liabilities, net assets, revenues, expenditures or related commitments or contingencies related to the operation of these five additional agencies and entities. Additionally, the financial statements do not include the balances or activity of the African American Mennonite Association.

***FASB codification adoption:***

The Executive Board follows accounting standards established by the Financial Accounting Standards Board to ensure consistent reporting of financial condition, results of operation, and cash flows.

***Unconsolidated entities:***

As noted above, these financial statements do not include the activity of six additional agencies and entities of Mennonite Church USA, over which Executive Board exercises control. The Executive Board's treatment of these related entities is at variance with GAAP, which require that such affiliated entities be consolidated, with all material intercompany activity eliminated.

**Mennonite Church USA-Executive Board**  
**Notes to Financial Statements**  
**For the Year Ended July 31, 2022**  
**(with summarized financial information for the year ended July 31, 2021)**

**1. Summary of Significant Accounting Policies (Continued)**

***Use of estimates:***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Display of net assets by class:***

For financial reporting purposes, the Executive Board follows the reporting requirements of GAAP, which requires that resources be classified for reporting purposes based on the existence or absence of donor-imposed restrictions. This is accomplished by classification of fund balances into two classes of net assets: without donor restrictions and with donor restrictions. Descriptions of the two net asset categories and the types of transactions affecting each category follow:

- Without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions. Items that affect this net asset category principally consist of contributions without donor restrictions, fees for service and related expenses associated with core activities of the Executive Board.
- With Donor Restrictions - Net assets subject to donor-imposed restrictions that will be met either by actions of the Executive Board or the passage of time. Items that affect this net asset category are gifts for which donor-imposed restrictions have not been met in the year of receipt. Satisfaction or expirations of restrictions on net assets with donor restrictions are reported as net assets released from restrictions.

Net assets with donor restrictions are created only by donor-imposed restrictions on their use. All other net assets, including board-designated amounts, are legally unrestricted and are reported as part of the without donor restriction class. Amounts received that are designated for future periods or restricted by the donor for specific purposes or amount of time are reported as being with donor restrictions. When the donor imposed restrictions of time or purpose is satisfied the assets are reclassified to the without donor restriction class of net assets.

Perpetually restricted net assets consist of various contributions whereby the donor has designated that the original contribution be invested in perpetuity. Earnings from the invested principal may be further restricted by the donor, or may be unrestricted by the donor. Restricted earnings are recognized and recorded as net assets with donor restrictions. Earnings which unrestricted by the donor are initially recognized as net assets with donor restrictions, and then reflected as being released from donor restrictions based upon the Executive Board's spending policy.

***Fund accounting:***

Revenues and expenses of the Executive Board's activities are maintained by funds. These funds are designated in accordance with specific objectives or activities.

Gains and losses arising from the sale, collection or disposition of investments and other non-cash assets are accounted for in the office in which such assets are recorded. Ordinary income generated from Executive Board assets is accounted for in the office controlling the assets.

Substantially all internal fund transfers have been eliminated from receipts and disbursements.

**Mennonite Church USA-Executive Board**  
**Notes to Financial Statements**  
**For the Year Ended July 31, 2022**  
**(with summarized financial information for the year ended July 31, 2021)**

**1. Summary of Significant Accounting Policies (Continued)**

***Cash and cash equivalents:***

For purposes of reporting cash flows, cash and cash equivalents include cash on hand, temporary investments, consisting of repurchase agreements and money market funds, and certificates of deposit with an original maturity of less than ninety days.

***Foreign funds:***

All foreign funds held by the Executive Board have been restated to U.S. dollars, using the U.S. equivalent exchange rate in effect as of that date. Foreign revenue and expense activity has been restated using the U.S. equivalent exchange rate in effect at the end of each month, and foreign fund transfer activity is stated at the rate in effect on the transfer date.

***Other receivables-allowance for loss:***

An allowance for uncollectible accounts is maintained at a level adequate to absorb probable losses. Management determines the adequacy of the allowance based upon reviews of individual activity, current economic conditions and other pertinent factors.

***Investments:***

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair values based on quoted prices in active markets in the statement of financial position. Investment earnings (including realized and unrealized gains on investments, interest and dividends) are included in the statement of activities as increases or decreases in net assets without donor restrictions unless the earnings or losses are restricted by the donor.

***Property assets:***

The Executive Board has capitalized significant fixed asset acquisitions relating to the operation of its central offices. The property assets are recorded at cost when acquired, or fair market value if donated. Property assets are depreciated using the straight-line method over their estimated useful lives.

***Charitable gift annuities:***

Contributions of certain assets are received by the Executive Board in exchange for gift annuity contracts. An annuity contract payable is recorded for the present value of the estimated annuity payments, based on the donor's life expectancy, with the excess of the fair value of the assets received over the annuity liability being recorded as contribution income in the period received.

***Federal income taxes:***

The Executive Board is exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code and, accordingly, no provision for income taxes is included in the financial statements. The Executive Board is not classified as a private foundation.

The Executive Board adopted the accounting standard on accounting for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Executive Board may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. At July 31, 2022 and 2021, respectively, there were no unrecognized tax benefits identified or recorded as liabilities.

**Mennonite Church USA-Executive Board**  
**Notes to Financial Statements**  
**For the Year Ended July 31, 2022**  
**(with summarized financial information for the year ended July 31, 2021)**

**1. Summary of Significant Accounting Policies (Continued)**

***Change in Accounting Principle:***

*Gifts-in-Kind*

In September 2020, the Financial Accounting Standards Board issued ASU No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The standard requires nonprofits to expand their financial statement presentation and disclosure of contributed nonfinancial assets, including in-kind contributions. The standard includes disclosure of information on an entity's policies on contributed nonfinancial assets about monetization and utilization during the reporting period, information on donor-imposed restrictions, and valuation techniques. The new standard, as amended, is to be applied retrospectively. Implementation of the standard did not have a material impact on the financial statements.

***Recent Accounting Pronouncements:***

*Leases*

In February 2016, the Financial Accounting Standards Board issued ASU No. 2016-02, *Leases* (Topic 842), that will supersede the current lease requirements. The ASU requires lessees to recognize a right-of-use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either financing or operating, with the classification affecting the pattern of expense recognition in the statement of operations. Currently, leases are classified as either capital or operating, with only capital lease obligations recognized on the statement of financial position. Lessor accounting under the new standard will remain similar to lessor accounting under current GAAP. The reporting of lease-related expenses in the statements of activities and cash flows will be generally consistent with the current guidance. The new lease guidance will be effective for the Executive Board's year ending July 31, 2023, and will be applied using a modified retrospective transition method to the beginning of the earliest period presented. The effect of applying the new lease guidance on the financial statements has not yet been determined.

**Mennonite Church USA-Executive Board**  
**Notes to Financial Statements**  
**For the Year Ended July 31, 2022**  
**(with summarized financial information for the year ended July 31, 2021)**

**2. Liquidity and Availability of Resources**

The following schedule reflects the Executive Board's financial assets available for general expenditure as of July 31, 2022 and 2021, reduced by amounts that are not available for general use due to donor-imposed and board designated restrictions within one year of the statement of financial position date:

	<b>2022</b>	<b>2021</b>
<b>Financial assets:</b>		
Cash and cash equivalents	\$ 2,159,060	\$ 1,926,468
Accounts receivable	196,804	295,937
Investments	1,094,275	1,335,662
Total financial assets	3,450,139	3,558,067
<b>Less those unavailable for general expenditures within one year, due to:</b>		
Board designated cash and investment reserves		
Executive Board	594,271	649,836
Mennonite Women	-	30,845
Total board designated reserves	594,271	680,681
Donor restricted by purpose and time		
Executive Board	968,274	1,072,101
Mennonite Women	130,986	195,502
Native Mennonite Ministries	222,896	233,833
Total donor restricted by purpose and time	1,322,156	1,501,436
Donor restricted for perpetuity		
Executive Board	36,830	36,830
Mennonite Women	168,704	168,354
Total donor restricted for perpetuity	205,534	205,184
Total financial assets unavailable for general expenditures within one year	2,121,961	2,387,301
<b>Liquidity resources:</b>		
Bank line of credit	435,000	435,000
Total financial assets available to meet cash needs for general purpose expenditures within one year	\$ 1,763,178	\$ 1,605,766

As part of the Executive Board's liquidity plan, the financial assets are structured to be available as general expenditures, liabilities, and other obligations become due. Cash in excess of daily requirements is invested in various money market and mutual funds. In the event of a liquidity need, the Executive Board could also draw upon an available line of credit with available borrowing of \$435,000.

**Mennonite Church USA-Executive Board**  
**Notes to Financial Statements**  
**For the Year Ended July 31, 2022**  
**(with summarized financial information for the year ended July 31, 2021)**

**3. Other Receivables**

Accounts receivable amounted to \$23,764 and \$134,334 at July 31, 2022 and 2021, respectively, and are unsecured.

Student loans receivable also require varying payments and bear interest at various rates. Principal repayments are not required while the student borrower is attending college. The allowance for doubtful accounts is determined based on management's evaluation of the collectability of individual loans.

The balances of student loans outstanding at July 31 are as follows:

	<b>2022</b>	<b>2021</b>
Student loans receivable	\$ 69,367	\$ 69,367
Allowance for doubtful accounts	(8,718)	(8,718)
	\$ 60,649	\$ 60,649

**4. Receivables – Related Parties**

Accounts receivable due from related parties are as follows as of July 31:

	<b>2022</b>	<b>2021</b>
Mennonite Mission Network-		
Health Plan	\$ 158,554	\$ 156,842
Other	14,486	4,761
	\$ 173,040	\$ 161,603

**5. Investments**

Investment securities are carried at fair value. Fair value determinations are defined by the following three categories:

**Level 1** - Quoted prices in active markets for identical assets or liabilities.

**Level 2** - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

**Level 3** - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Investment securities in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the value of investment securities will occur in the near-term and that such changes could materially affect the amounts reported in the statement of financial position.

**Mennonite Church USA-Executive Board**  
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**(with summarized financial information for the year ended July 31, 2021)**

**5. Investments (Continued)**

The following table presents the fair value measurements of investment securities measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at July 31:

	<b>2022</b>				<b>2021</b>
	<b>Fair Value</b>	<b>Fair Value Measurement Using</b>			
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
Investment securities					
Money market account	\$ 50,590	\$ 50,590	\$ -	\$ -	\$ 6,603
Mutual funds-stock	338,756	338,756	-	-	422,244
Mutual funds-bonds	118,308	118,308	-	-	194,996
Mutual funds-tactical	38,304	38,304	-	-	49,969
Mortgage-backed securities	35,330	-	35,330	-	33,316
Pooled income fund	39,608	-	39,608	-	44,552
Total investment securities	620,896	545,958	74,938	-	751,680
Beneficial interest in charitable remainder trust	473,379	-	473,379	-	583,982
	<u>\$1,094,275</u>	<u>\$545,958</u>	<u>\$548,317</u>	<u>\$ -</u>	<u>\$1,335,662</u>

Investment income consists of the following for the years ended July 31:

	<b>2022</b>	<b>2021</b>
Investment securities		
Interest & dividend income	\$ 35,787	\$ 25,946
Realized & unrealized gain/(loss)	(100,201)	137,766
Change in beneficial interest in charitable trust	(83,611)	132,734
Total investment income	<u>\$ (148,025)</u>	<u>\$ 296,446</u>

***Beneficial interest in charitable trust***

The Executive Board has a 15% beneficial interest in the assets of a charitable trust. The Executive Board expects to receive quarterly distributions aggregating 5%, of the fair value of the Executive Board's proportional share of the charitable trust's investments on an annual basis from the trust. The present value of the quarterly distributions is estimated to equal the fair market value of the beneficial interest of the underlying investments held by the trust. The fair value of the beneficial interest in the charitable trust at July 31, 2022 and 2021 was \$473,379 and \$583,982, respectively.



**Mennonite Church USA-Executive Board**  
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**6. Property Assets**

***Property and equipment, net***

Property and equipment as of July 31, consists of the following:

	<u>2022</u>	<u>2021</u>
Furniture, fixtures and equipment	\$ 411,038	\$ 422,032
Building	181,510	181,510
Building improvements	293,191	293,191
Land	20,000	20,000
Total	905,739	916,733
Less accumulated depreciation	(758,988)	(750,755)
Net property assets	<u>\$ 146,751</u>	<u>\$ 165,978</u>
Depreciation expense	<u>\$ 31,015</u>	<u>\$ 31,287</u>

***Beneficial interest in land***

During the year ended July 31, 2019, the Executive Board recognized a beneficial interest in land. The Executive Board is a 35% beneficiary of a trust and will receive the net farm income generated from the trust for a 10 year period, and 35% of the net assets of the trust at the end of the 10 year period. Due to the uncertainty of the farm income to be received, no amounts have been recognized as a beneficial interest related to any potential earnings from the land. Proceeds from farm income will be recognized as received. The estimated fair value of the 35% interest in the underlying land held in the trust at the time of the contribution was \$890,000. The farm income, and ultimately the value of the land, has been restricted by the donor to be used for missions.

**7. Accounts Payable – Related Parties**

Accounts payable due to related parties at July 31 are as follows:

	<u>2022</u>			<u>2021</u>
	<u>Forwardings (Contributions)</u>	<u>Operating Activities</u>	<u>Total</u>	<u>Total</u>
Mennonite Mission Network	\$ 75,112	\$ -	\$ 75,112	\$ 104,328
MennoMedia	15,638	-	15,638	3,601
Mennonite Education Agency	66,977	-	66,977	16,552
Various	11,312	1,664	12,976	11,657
	<u>\$ 169,039</u>	<u>\$ 1,664</u>	<u>\$ 170,703</u>	<u>\$ 136,138</u>

**Mennonite Church USA-Executive Board**  
**Notes to Financial Statements**  
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**8. Annuity Contracts Payable**

As part of the integration process, the Executive Board assumed the annuity contracts of the former General Conference Mennonite Church Trust Funds. Under these agreements, individuals had contributed assets with an agreement that the donors would be paid specified amounts during their lifetime. These assets were recognized at fair market value at the time of their receipt. Contribution revenue was recognized based upon the fair market value of the gift at the time it was received, less the estimated liability. An actuarial present value of the payments to be made based upon the donor's life expectancy and recent interest rates is used to estimate the liability. The interest rate used at July 31, 2022 and 2021 was 3.25%, which is based upon an average of historical prime rates.

The following summarizes activity in the annuity contracts payable during the year ended July 31, 2022 and 2021, respectively:

	<u>2022</u>	<u>2021</u>
Balance at beginning of period	\$ 25,052	\$ 25,129
Payments to annuitants	(7,181)	(9,581)
Amortization and adjustment of annuity liability	<u>(3,651)</u>	<u>9,504</u>
Balance at end of year	<u>\$ 14,220</u>	<u>\$ 25,052</u>

There were no contributions recognized as revenue from gift annuities received during the year ended July 31, 2022 and 2021. Net annuity expense amounted to \$(3,452) and \$11,332 for the year ended July 31, 2022 and 2021, respectively.

**9. Line of Credit**

The Executive Board has an unsecured \$435,000 line of credit that is renewed annually and matures on May 1, 2024. The interest rate is adjusted annually and equals prime rate plus 1.00%, with interest due monthly and principal due upon maturity. There have been no draws on the line of credit.

**Mennonite Church USA-Executive Board**  
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**10. Board Designated Net Assets**

At July 31, net assets without donor restrictions were designated by the Executive Board as follows:

	<u>2022</u>	<u>2021</u>
Executive Board		
Investment in property assets	\$ 146,751	\$ 211,998
Cash and investment reserves		
PPP loan proceeds to be forgiven	238,038	238,038
Annuity reserves	12,500	12,500
Nationwide demutualization reserve	24,749	49,750
MWC General Council	-	9,098
Church Extension Services reserve	229,996	251,462
Emergency reserve	88,988	88,988
Total cash and investment reserves	<u>594,271</u>	<u>649,836</u>
Subtotal	<u>741,022</u>	<u>861,834</u>
Mennonite Women		
Cash and investment reserves		
Endowment	-	30,845
Subtotal	<u>-</u>	<u>30,845</u>
Total board designated net assets	<u>\$ 741,022</u>	<u>\$ 892,679</u>

**Mennonite Church USA-Executive Board**  
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**11. Net Assets with Donor Restrictions**

At July 31, donor restricted net assets were restricted for the following purposes or times consistent with their mission:

	<u>2022</u>	<u>2021</u>
Executive Board		
Beneficial interest in land	\$ 890,000	\$ 890,000
Cash and investment reserves		
Other Ministries	71,997	22,104
Racial/Ethnic Ministries	49,750	86,456
Student Aid	104,600	105,097
Leadership Development	141,681	162,650
Transformative Peacemaking	117,261	92,085
Beneficial interest in charitable trust	473,379	583,982
Archives	7,246	11,319
Endowment	2,360	8,408
Total cash and investment reserves	<u>968,274</u>	<u>1,072,101</u>
Subtotal	<u>1,858,274</u>	<u>1,962,101</u>
Mennonite Women		
Cash and investment reserves		
Sister Care	54,115	82,059
Other Projects	928	928
Endowment	75,943	112,515
Total cash and investment reserves	<u>130,986</u>	<u>195,502</u>
Native Mennonite Ministries		
Cash and investment reserves		
Leadership	145,378	160,737
Other Projects	77,518	73,096
Total cash and investment reserves	<u>222,896</u>	<u>233,833</u>
Total net assets restricted by purpose/time	<u>\$ 2,212,156</u>	<u>\$ 2,391,436</u>

At July 31, the earnings from net assets with perpetual donor restrictions are restricted for use by the following offices for general purposes consistent with their mission:

	<u>2022</u>	<u>2021</u>
Executive Board	\$ 36,830	\$ 36,830
Mennonite Women	168,704	168,354
	<u>\$ 205,534</u>	<u>\$ 205,184</u>

**Mennonite Church USA-Executive Board**  
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**12. Endowments**

Executive Board's endowment funds consist of individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the Executive Board to function as endowments (board-designated endowment funds). As required by GAAP and interpretation of applicable state laws governing donor-restricted endowment funds, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Changes in endowment assets for the years ending July 31, 2022 and 2021 are as follows:

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>		<b>Total</b>
	<b>Board Designated</b>	<b>Purpose</b>		
		<b>&amp; Time</b>	<b>Perpetual</b>	
Endowment on July 31, 2020	\$ 24,878	\$ 65,085	\$ 204,684	\$ 294,647
Contributions	-	-	500	500
Investment income	6,216	67,439	-	73,655
Expenditures	(249)	(4,540)	-	(4,789)
Other transfers	-	(7,061)	-	(7,061)
Endowment on July 31, 2021	30,845	120,923	205,184	356,952
Contributions	-	-	350	350
Investment loss	(301)	(29,550)	-	(29,851)
Expenditures	(69)	(4,695)	-	(4,764)
Other transfers	(30,475)	(8,375)	-	(38,850)
Endowment on July 31, 2022	<u>\$ -</u>	<u>\$ 78,303</u>	<u>\$ 205,534</u>	<u>\$ 283,837</u>

**Mennonite Church USA-Executive Board**  
**Notes to Financial Statements**  
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**13. Convention Revenue**

The Convention Planning fund of Mennonite Church USA is responsible for the administration of the Mennonite Church USA biennial convention. Activities related to the convention occur over a two year period beginning with the year preceding the convention and the year of the actual convention. Non-refundable expenses related to the convention and its planning are recognized as they are incurred. This has resulted in expenses being recognized as incurred, however, the majority of the revenue is recognized every other year, which results in alternating years of revenue recognition.

The July 2023 convention will be held in Kansas City, Missouri, preparations for which were commenced during fiscal year 2022. The July 2021 convention was held in Cincinnati, Ohio.

The following table summarizes the activity of the 2023 Kansas City convention and the 2021 Cincinnati convention:

	<b>Kansas City</b>	<b>Cincinnati</b>		<b>Total</b>
	Year Ended July 31 2022	Year Ended July 31 2021	Year Ended July 31 2020	
Contributions	\$ 10,617	\$ 36,664	\$ 22,453	\$ 59,117
Interest income	546	486	2,243	2,729
Convention revenue recognized	144,813	276,311	136,061	412,372
Miscellaneous revenue	331	293		
Paycheck Protection Program revenue	-	236,011	-	236,011
Expenses recognized	<u>(258,474)</u>	<u>(553,413)</u>	<u>(154,568)</u>	<u>(707,981)</u>
Revenue over/(under) expenses	<u>\$ (102,167)</u>	<u>\$ (3,648)</u>	<u>\$ 6,189</u>	<u>\$ 2,248</u>

**14. Employee Benefits**

The Executive Board has a defined contribution pension plan covering substantially all employees. All costs are funded currently. The total expense, which is based upon compensation of participants, was \$77,551 and \$76,742 for the years ended July 31, 2022 and 2021, respectively.

**15. Group Health Plan**

The Executive Board participates along with Mennonite Mission Network, a related party, in a self-insured group health plan (the Plan) of Mennonite Church USA. The Plan is administered by Mennonite Mission Network. The plan participates in a risk sharing arrangement for major medical claims sponsored by Mennonite Church USA called the Corinthian Plan. The Corinthian Plan is governed by the Church Benefits Board which is appointed by Mennonite Church USA and is administered by Everence (formerly known as Mennonite Mutual Aid), an agency of Mennonite Church USA. Under the Corinthian Plan, Everence provides reinsurance to the participants in the Corinthian Plan based on the claims experience of all the participants in the Corinthian Plan. The Plan is responsible for eligible claims up to \$20,000 per individual per year. The level of eligible claims for which the Plan is responsible was determined by an actuarial analysis.

## Mennonite Church USA-Executive Board

### Notes to Financial Statements

#### For the Year Ended July 31, 2022

(with summarized financial information for the year ended July 31, 2021)

#### 15. Group Health Plan (continued)

The health plan surplus payable by Mennonite Mission Network to the Executive Board for their share of the Plan surplus/ (deficit) for the year ending July 31, 2022 and 2021 was \$1,712 and (\$20,792), respectively. The aggregate receivable at July 31, 2022 and 2021 was \$158,554 and \$156,842, respectively, which would be returned upon the termination of the Plan or at some other time that would be agreed to by the employers participating in the Plan. This amount is included in receivables due from related parties on the Statement of Financial Position.

#### 16. Other Related Party Transactions

##### *Firstfruit contributions received:*

The Firstfruits Funding System is a key foundational expression of the new identity of Mennonite Church USA. Its objective is to help families and congregations support the whole of church-wide work beyond themselves. Firstfruit contributions represent contributions from other Mennonite Church USA agencies, area conferences and other related entities.

The following Firstfruit contributions were recognized during the year ended July 31, 2022 and 2021, respectively:

	2022	2021
Mennonite Church USA Agencies		
Mennonite Mission Network	\$ 329,296	\$ 312,943
Mennonite Education Agency	67,262	61,872
Everence	256,504	390,105
Mennonite Health Services Alliance	20,000	20,000
MennoMedia	-	1,000
Area conferences	337,626	307,868
	\$ 1,010,688	\$ 1,093,788

##### *Other grants and contributions:*

The Executive Board also received other grants and contributions from related entities during the year ended July 31, 2022 and 2021 respectively:

	2022				Total	2021 Total
	Executive Board	Native Mennonite Ministries	Iglesia Menonita Hispana	Eliminations		
Mennonite Mission Network	\$ 38,136	\$ -	\$ -	\$ -	\$ 38,136	\$ 37,872
Mennonite Education Agency	57,218	-	-	-	57,218	-
Executive Board	-	6,000	6,000	(12,000)	-	-
Everence	30,000	-	-	-	30,000	-
	\$125,354	\$ 6,000	\$ 6,000	\$(12,000)	\$125,354	\$ 37,872

**Mennonite Church USA-Executive Board**  
**Notes to Financial Statements**  
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**(with summarized financial information for the year ended July 31, 2021)**

**16. Other Related Party Transactions (Continued)**

***Rent income and Sale of services & reimbursements:***

The Executive Board shares common expenses with related organizations and other Mennonite Church USA agencies. Included in these common costs are occupancy, administrative salaries and overhead costs. Administrative salaries are reimbursed to Executive Board based upon the respective employees' total salary factored by their estimated percentage of time devoted to each entities duties. Occupancy and overhead costs are reimbursed to Executive Board based upon a monthly amount, which estimates the cost of each entities usage of Executive Board facilities and equipment. The following rent income and sale of services & reimbursements were recognized during the year ended July 31, 2022 and 2021:

	<u>2022</u>		<u>2021</u>	
	<u>Rental Income</u>	<u>Sale of Services/ Reimbursements</u>	<u>Rental Income</u>	<u>Sale of Services/ Reimbursements</u>
Executive Board				
Mennonite Mission Network	\$ 24,854	\$ 46,337	\$ 33,316	\$ 46,337
Everence	-	3,298	-	3,298
MennoMedia	4,968	2,000	4,968	2,000
Mennonite Education Agency	-	8,848	-	8,848
Other related entities	6,656	49,033	6,613	128,699
	<u>36,478</u>	<u>109,516</u>	<u>44,897</u>	<u>189,182</u>
Corinthian Plan				
Everence	-	151,823	-	164,878
	<u>\$ 36,478</u>	<u>\$ 261,339</u>	<u>\$ 44,897</u>	<u>\$ 354,060</u>

***Contributions to related parties:***

The Executive Board is occasionally the recipient of contributions that have been designated for use by, or are consistent with the mission of, a Mennonite Church USA program agency. When received, these contributions are recognized as revenue, and reflected as contribution expense when paid to the related program agency.

Following is a summary of contribution expense for the years ended July 31, 2022 and 2021:

	<u>2022</u>			<u>2021</u>
	<u>Bequests &amp; Estates</u>	<u>Other</u>	<u>Total</u>	<u>Total</u>
Mennonite Church USA Agencies				
Mennonite Mission Network	\$ 152,669	\$ 53,157	\$ 205,826	\$ 173,617
Mennonite Education Agency	82,700	4,000	86,700	43,959
MennoMedia	18,264	16,500	34,764	26,561
Other related entities	22,286	64,977	87,263	116,522
	<u>\$ 275,919</u>	<u>\$ 138,634</u>	<u>\$ 414,553</u>	<u>\$ 360,659</u>



**Mennonite Church USA-Executive Board**  
**Notes to Financial Statements**  
**For the Year Ended July 31, 2022**  
**(with summarized financial information for the year ended July 31, 2021)**

**16. Other Related Party Transactions (Continued)**

***Shared occupancy costs:***

During the year ended July 31, 2012, Mennonite Mission Network completed the construction of an office facility in Elkhart, Indiana that is to be shared by Mennonite Church USA agencies and related organizations, including the Executive Board. The Executive Board will reimburse Mennonite Mission Network under a cost sharing arrangement for costs associated with occupancy costs. During the years ended July 31, 2022 and 2021, the Executive Board reimbursed Mennonite Mission Network approximately \$36,000 and \$36,000, respectively.

***Other agreement:***

The Executive Board and Mennonite Mission Network agree that it may be desirable for Mennonite Church USA to hold title to the real estate, equipment and furnishings that make up the office facility. Mennonite Mission Network has agreed that upon request from the Executive Board it will transfer title of the office facility to the Executive Board provided that the following condition is met; all loan commitments, liens and obligations related to the office facility have been satisfied and released.

**17. Operating Leases**

The Executive Board leases copiers and printers under separate operating leases. The operating leases require monthly payments, with additional charges for copies. Future minimum lease payments at July 31, 2022 are as follows:

<b>Year-Ended</b>	
<b>July 31</b>	<b>Total</b>
2023	\$ 6,537
2024	6,077
2025	1,020
2026	1,020
2027	680
	<u>\$ 15,334</u>

Expenses recognized related to the copiers and printers were \$6,649 and \$6,705 for the years ended July 31, 2022 and 2021, respectively.

**18. Transition-Related Agreements**

The integration of the Mennonite Church and the General Conference Mennonite Church has resulted in agreements that may result in future obligations for the Executive Board. Agreements currently in place, may call for future payments to Mennonite Church Canada. These payments would be related to the proceeds received from the sale of real estate, or disposition of other assets that existed at the time of the initial integration. If certain property or assets were sold, Mennonite Church Canada would receive a portion of the proceeds retained by the Executive Board. There were no such payments required during the years ended July 31, 2022 and 2021.

**Mennonite Church USA-Executive Board**  
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**19. Concentration and Risk**

The Executive Board maintains cash balances in financial institutions, which at times exceed federally insured limits. The Executive Board has not experienced any losses related to these accounts and believes it is not exposed to any significant credit risk.

**20. Paycheck Protection Program**

On March 20, 2021, the Executive Board qualified for and received a loan pursuant to the Paycheck Protection Program, a program implemented by the U.S. Small Business Administration (SBA) under the Coronavirus Aid, Relief, and Economic Security Act, from a qualified lender (the "PPP Lender"), for an aggregate principal amount of \$262,485 (the "PPP Loan"). The principal amount of the PPP Loan is subject to forgiveness under the Paycheck Protection Program upon the Executive Board's request to the extent that the PPP Loan proceeds are used to pay expenses permitted by the Paycheck Protection Program, including payroll costs, covered rent and mortgage obligations, and covered utility payments incurred by the Executive Board. The Executive Board applied for forgiveness with the lender and received forgiveness of \$262,485. The amount of loan forgiveness is presented as Paycheck Protection Program forgiveness the statement of activities for the year ended July 31, 2021.

**21. Subsequent Events**

Subsequent events were evaluated through January 26, 2023, which is the date the financial statements were available to be issued.

## **Supplemental Information**

**Mennonite Church USA-Executive Board**  
**Supplemental Information-Statement of Financial Position by Fund**  
**July 31, 2022**

	Executive Board	Mennonite Women	Mennonite Men	Corinthian Plan	Native Mennonite Ministries	Iglesia Menonita Hispana	Sub-Total	Convention Planning	Total
<b>ASSETS</b>									
Cash and cash equivalents									
Cash	\$ 1,284,413	\$ 96,778	\$ 220,634	\$ 74,984	\$ 62,028	\$ 86,342	\$ 1,825,179	\$ 94,903	\$ 1,920,082
Temporary investments	234,703	-	-	-	4,275	-	238,978	-	238,978
Accounts receivable	10,911	-	223	12,630	-	-	23,764	-	23,764
Receivables-related parties	173,040	-	-	-	-	-	173,040	-	173,040
Investments	199,157	242,647	-	-	179,092	-	620,896	-	620,896
Beneficial interest in charitable trust	473,379	-	-	-	-	-	473,379	-	473,379
Student loans receivable, net allowance	60,649	-	-	-	-	-	60,649	-	60,649
Property assets, net	146,751	-	-	-	-	-	146,751	-	146,751
Beneficial interest in land	890,000	-	-	-	-	-	890,000	-	890,000
Other assets and prepaid assets	29,273	-	-	-	-	-	29,273	81,026	110,299
Total assets	<u>\$ 3,502,276</u>	<u>\$ 339,425</u>	<u>\$ 220,857</u>	<u>\$ 87,614</u>	<u>\$ 245,395</u>	<u>\$ 86,342</u>	<u>\$ 4,481,909</u>	<u>\$ 175,929</u>	<u>\$ 4,657,838</u>
<b>LIABILITIES AND NET ASSETS</b>									
Liabilities									
Accounts payable	\$ 81,166	\$ 2,242	\$ 1,606	\$ 25	\$ 50	\$ 16	\$ 85,105	\$ 117,876	\$ 202,981
Payables-related parties	170,703	-	-	-	-	-	170,703	-	170,703
Deferred revenue	8,223	-	-	-	-	-	8,223	-	8,223
Annuity contracts payable	14,220	-	-	-	-	-	14,220	-	14,220
Total liabilities	<u>274,312</u>	<u>2,242</u>	<u>1,606</u>	<u>25</u>	<u>50</u>	<u>16</u>	<u>278,251</u>	<u>117,876</u>	<u>396,127</u>
Net assets									
Without donor restrictions									
Undesignated	591,838	37,493	219,251	87,589	22,449	86,326	1,044,946	58,053	1,102,999
Board designated	741,022	-	-	-	-	-	741,022	-	741,022
Total without donor restrictions	<u>1,332,860</u>	<u>37,493</u>	<u>219,251</u>	<u>87,589</u>	<u>22,449</u>	<u>86,326</u>	<u>1,785,968</u>	<u>58,053</u>	<u>1,844,021</u>
With donor restrictions									
Restricted by time/purpose	1,858,274	130,986	-	-	222,896	-	2,212,156	-	2,212,156
Perpetually restricted	36,830	168,704	-	-	-	-	205,534	-	205,534
Total with donor restrictions	<u>1,895,104</u>	<u>299,690</u>	<u>-</u>	<u>-</u>	<u>222,896</u>	<u>-</u>	<u>2,417,690</u>	<u>-</u>	<u>2,417,690</u>
Total net assets	<u>3,227,964</u>	<u>337,183</u>	<u>219,251</u>	<u>87,589</u>	<u>245,345</u>	<u>86,326</u>	<u>4,203,658</u>	<u>58,053</u>	<u>4,261,711</u>
Total liabilities and net assets	<u>\$ 3,502,276</u>	<u>\$ 339,425</u>	<u>\$ 220,857</u>	<u>\$ 87,614</u>	<u>\$ 245,395</u>	<u>\$ 86,342</u>	<u>\$ 4,481,909</u>	<u>\$ 175,929</u>	<u>\$ 4,657,838</u>

**Mennonite Church USA-Executive Board**  
**Supplemental Information-Statement of Financial Position by Fund**  
**July 31, 2021**

	Executive Board	Mennonite Women	Mennonite Men	Corinthian Plan	Native Mennonite Ministries	Iglesia Menonita Hispana	Sub-Total	Convention Planning	Total
<b>ASSETS</b>									
Cash and cash equivalents									
Cash	\$ 1,284,242	\$ 56,710	\$ 210,239	\$ 48,876	\$ 37,407	\$ 62,710	\$ 1,700,184	\$ 4,722	\$ 1,704,906
Temporary investments	218,451	-	-	-	3,111	-	221,562	-	221,562
Accounts receivable	16,522	-	411	12,683	-	-	29,616	104,718	134,334
Receivables-related parties	161,603	-	-	-	-	-	161,603	-	161,603
Investments	240,572	311,714	-	-	199,394	-	751,680	-	751,680
Beneficial interest in charitable trust	583,982	-	-	-	-	-	583,982	-	583,982
Student loans receivable, net allowance	60,649	-	-	-	-	-	60,649	-	60,649
Property assets, net	165,979	-	-	-	-	-	165,979	-	165,979
Beneficial interest in land	890,000	-	-	-	-	-	890,000	-	890,000
Other assets and prepaid assets	21,325	-	-	-	-	-	21,325	64,981	86,306
Total assets	<u>\$ 3,643,325</u>	<u>\$ 368,424</u>	<u>\$ 210,650</u>	<u>\$ 61,559</u>	<u>\$ 239,912</u>	<u>\$ 62,710</u>	<u>\$ 4,586,580</u>	<u>\$ 174,421</u>	<u>\$ 4,761,001</u>
<b>LIABILITIES AND NET ASSETS</b>									
<b>Liabilities</b>									
Accounts payable	\$ 78,169	\$ 4,187	\$ 2,575	\$ 756	\$ 50	\$ 939	\$ 86,676	\$ 14,201	\$ 100,877
Payables-related parties	136,138	-	-	-	-	-	136,138	-	136,138
Deferred revenue	3,537	-	-	-	-	-	3,537	-	3,537
Annuity contracts payable	25,052	-	-	-	-	-	25,052	-	25,052
Total liabilities	<u>242,896</u>	<u>4,187</u>	<u>2,575</u>	<u>756</u>	<u>50</u>	<u>939</u>	<u>251,403</u>	<u>14,201</u>	<u>265,604</u>
<b>Net assets</b>									
<b>Without donor restrictions</b>									
Undesignated	539,664	(30,464)	208,075	60,803	6,029	61,771	845,878	160,220	1,006,098
Board designated	861,834	30,845	-	-	-	-	892,679	-	892,679
Total unrestricted	<u>1,401,498</u>	<u>381</u>	<u>208,075</u>	<u>60,803</u>	<u>6,029</u>	<u>61,771</u>	<u>1,738,557</u>	<u>160,220</u>	<u>1,898,777</u>
<b>With donor restrictions</b>									
Restricted by time/purpose	1,962,101	195,502	-	-	233,833	-	2,391,436	-	2,391,436
Perpetually restricted	36,830	168,354	-	-	-	-	205,184	-	205,184
Total with donor restrictions	<u>1,998,931</u>	<u>363,856</u>	<u>-</u>	<u>-</u>	<u>233,833</u>	<u>-</u>	<u>2,596,620</u>	<u>-</u>	<u>2,596,620</u>
Total net assets	<u>3,400,429</u>	<u>364,237</u>	<u>208,075</u>	<u>60,803</u>	<u>239,862</u>	<u>61,771</u>	<u>4,335,177</u>	<u>160,220</u>	<u>4,495,397</u>
Total liabilities and net assets	<u>\$ 3,643,325</u>	<u>\$ 368,424</u>	<u>\$ 210,650</u>	<u>\$ 61,559</u>	<u>\$ 239,912</u>	<u>\$ 62,710</u>	<u>\$ 4,586,580</u>	<u>\$ 174,421</u>	<u>\$ 4,761,001</u>

**Mennonite Church USA-Executive Board**  
**Supplemental Information-Statement of Activity by Fund**  
**For the Year Ended July 31, 2022**

	Executive Board	Mennonite Women	Mennonite Men	Corinthian Plan	Native Mennonite Ministries	Iglesia Menonita Hispana	Eliminations	Sub-Total	Convention Planning	Total
<b>SUPPORT AND REVENUE</b>										
Contributions										
Firstfruit-related party	\$ 1,015,488	\$ -	\$ -	\$ -	\$ -	\$ -	(4,800)	\$ 1,010,688	\$ -	\$ 1,010,688
Other grants & contributions	264,816	138,786	150,392	-	18,621	34,516	-	607,131	10,617	617,748
Other grants & contributions-related party	125,354	-	-	-	6,000	6,000	(12,000)	125,354	-	125,354
Estate & annuity	477,924	-	-	-	-	-	(125,032)	352,892	-	352,892
Total contributions	<u>1,883,582</u>	<u>138,786</u>	<u>150,392</u>	<u>-</u>	<u>24,621</u>	<u>40,516</u>	<u>(141,832)</u>	<u>2,096,065</u>	<u>10,617</u>	<u>2,106,682</u>
Other income										
Investment income	(105,023)	(25,716)	(582)	-	(17,250)	-	-	(148,571)	546	(148,025)
Convention revenue	-	-	-	-	-	-	-	-	144,813	144,813
Rental income - related party	47,589	-	-	-	-	-	(11,111)	36,478	-	36,478
Sale of services/reimb.	108,823	-	-	158,460	-	-	(5,944)	261,339	-	261,339
Miscellaneous	7,599	1,037	54	-	-	-	-	8,690	331	9,021
Total other income	<u>58,988</u>	<u>(24,679)</u>	<u>(528)</u>	<u>158,460</u>	<u>(17,250)</u>	<u>-</u>	<u>(17,055)</u>	<u>157,936</u>	<u>145,690</u>	<u>303,626</u>
Total support and revenue	<u>1,942,570</u>	<u>114,107</u>	<u>149,864</u>	<u>158,460</u>	<u>7,371</u>	<u>40,516</u>	<u>(158,887)</u>	<u>2,254,001</u>	<u>156,307</u>	<u>2,410,308</u>
<b>EXPENSES</b>										
Program services	1,717,076	141,161	138,688	131,674	1,888	15,961	(158,887)	1,987,561	258,474	2,246,035
Supporting services	397,959	-	-	-	-	-	-	397,959	-	397,959
Total expenses	<u>2,115,035</u>	<u>141,161</u>	<u>138,688</u>	<u>131,674</u>	<u>1,888</u>	<u>15,961</u>	<u>(158,887)</u>	<u>2,385,520</u>	<u>258,474</u>	<u>2,643,994</u>
Change in net assets	(172,465)	(27,054)	11,176	26,786	5,483	24,555	-	(131,519)	(102,167)	(233,686)
<b>NET ASSETS-BEGINNING OF PERIOD</b>										
	<u>3,400,429</u>	<u>364,237</u>	<u>208,075</u>	<u>60,803</u>	<u>239,862</u>	<u>61,771</u>	<u>-</u>	<u>4,335,177</u>	<u>160,220</u>	<u>4,495,397</u>
<b>NET ASSETS-END OF PERIOD</b>										
	<u>\$ 3,227,964</u>	<u>\$ 337,183</u>	<u>\$ 219,251</u>	<u>\$ 87,589</u>	<u>\$ 245,345</u>	<u>\$ 86,326</u>	<u>\$ -</u>	<u>\$ 4,203,658</u>	<u>\$ 58,053</u>	<u>\$ 4,261,711</u>

**Mennonite Church USA-Executive Board**  
**Supplemental Information- Statement of Activity by Fund**  
**For the Year Ended July 31, 2021**

	Executive Board	Mennonite Women	Mennonite Men	Corinthian Plan	Native Mennonite Ministries	Iglesia Menonita Hispana	Eliminations	Sub-Total	Convention Planning	Total
<b>SUPPORT AND REVENUE</b>										
Contributions										
Firstfruit-related party	\$ 1,110,215	\$ -	\$ -	\$ -	\$ -	\$ -	(16,427)	\$ 1,093,788	\$ -	\$ 1,093,788
Other grants & contributions	393,894	88,504	120,767	-	12,618	34,475	-	650,258	36,664	686,922
Other grants & contributions-related party	37,872	-	-	-	6,000	6,000	(12,000)	37,872	-	37,872
Estate & annuity	237,766	-	-	-	-	-	(42,081)	195,685	-	195,685
Total contributions	<u>1,779,747</u>	<u>88,504</u>	<u>120,767</u>	<u>-</u>	<u>18,618</u>	<u>40,475</u>	<u>(70,508)</u>	<u>1,977,603</u>	<u>36,664</u>	<u>2,014,267</u>
Other income										
Investment income	187,777	64,231	3,044	-	40,908	-	-	295,960	486	296,446
Convention revenue	-	-	-	-	-	-	-	-	276,311	276,311
Rental income - related party	58,077	-	-	-	-	-	(13,180)	44,897	-	44,897
Sale of services/reimb.	183,989	-	-	176,015	-	-	(5,944)	354,060	-	354,060
Paycheck Protection Program revenue	-	16,676	9,798	-	-	-	-	26,474	236,011	262,485
Miscellaneous	24,797	1,429	145	-	-	-	-	26,371	293	26,664
Total other income	<u>454,640</u>	<u>82,336</u>	<u>12,987</u>	<u>176,015</u>	<u>40,908</u>	<u>-</u>	<u>(19,124)</u>	<u>747,762</u>	<u>513,101</u>	<u>1,260,863</u>
Total support and revenue	<u>2,234,387</u>	<u>170,840</u>	<u>133,754</u>	<u>176,015</u>	<u>59,526</u>	<u>40,475</u>	<u>(89,632)</u>	<u>2,725,365</u>	<u>549,765</u>	<u>3,275,130</u>
<b>EXPENSES</b>										
Program services	1,484,339	123,842	200,696	127,559	2,276	45,159	(89,632)	1,894,239	553,413	2,447,652
Supporting services	382,364	-	-	-	-	-	-	382,364	-	382,364
Total expenses	<u>1,866,703</u>	<u>123,842</u>	<u>200,696</u>	<u>127,559</u>	<u>2,276</u>	<u>45,159</u>	<u>(89,632)</u>	<u>2,276,603</u>	<u>553,413</u>	<u>2,830,016</u>
Change in net assets	367,684	46,998	(66,942)	48,456	57,250	(4,684)	-	448,762	(3,648)	445,114
<b>NET ASSETS-BEGINNING OF PERIOD</b>	<u>3,032,745</u>	<u>317,239</u>	<u>275,017</u>	<u>12,347</u>	<u>182,612</u>	<u>66,455</u>	<u>-</u>	<u>3,886,415</u>	<u>163,868</u>	<u>4,050,283</u>
<b>NET ASSETS-END OF PERIOD</b>	<u>\$ 3,400,429</u>	<u>\$ 364,237</u>	<u>\$ 208,075</u>	<u>\$ 60,803</u>	<u>\$ 239,862</u>	<u>\$ 61,771</u>	<u>\$ -</u>	<u>\$ 4,335,177</u>	<u>\$ 160,220</u>	<u>\$ 4,495,397</u>

**Mennonite Church USA-Executive Board**  
**Supplemental Information- Statement of Functional Expense by Fund**  
**For the Year Ended July 31, 2022**

	Executive Board	Mennonite Women	Mennonite Men	Corinthian Plan	Native Mennonite Ministries	Iglesia Menonita Hispana	Eliminations	Sub-Total	Convention Planning	Total
<b>Program services:</b>										
Salaries & benefits	\$ 887,114	\$ 79,821	\$ 40,826	\$ 87,932	\$ -	\$ 3,837	\$ -	\$ 1,099,530	\$ 87,438	\$ 1,186,968
Travel	105,466	13,538	2,505	429	-	6,149	-	128,087	3,121	131,208
Office	24,603	3,640	1,956	1,554	-	292	-	32,045	9,447	41,492
Occupancy	56,534	3,204	83	4,170	-	-	(13,180)	50,811	89,485	140,296
Promotion & publications	6,986	7,808	29,043	54	-	2,777	-	46,668	3,936	50,604
Contracted services	15,301	13,572	3,058	37,182	1,388	1,000	(5,944)	65,557	-	65,557
Conferences	300	2,034	350	-	-	-	-	2,684	-	2,684
Contributions	549,016	2,300	2,500	-	-	500	(139,763)	414,553	-	414,553
Other expenses	71,756	15,244	58,367	353	500	1,406	-	147,626	-	147,626
Convention expense	-	-	-	-	-	-	-	-	65,047	65,047
Total program services	<u>1,717,076</u>	<u>141,161</u>	<u>138,688</u>	<u>131,674</u>	<u>1,888</u>	<u>15,961</u>	<u>(158,887)</u>	<u>1,987,561</u>	<u>258,474</u>	<u>2,246,035</u>
<b>Supporting services</b>										
Salaries & benefits	230,356	-	-	-	-	-	-	230,356	-	230,356
Travel	10,500	-	-	-	-	-	-	10,500	-	10,500
Office	11,350	-	-	-	-	-	-	11,350	-	11,350
Occupancy	61,350	-	-	-	-	-	-	61,350	-	61,350
Professional fees	24,795	-	-	-	-	-	-	24,795	-	24,795
Contracted services	49,019	-	-	-	-	-	-	49,019	-	49,019
Other expenses	10,589	-	-	-	-	-	-	10,589	-	10,589
Total supporting services	<u>397,959</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>397,959</u>	<u>-</u>	<u>397,959</u>
Total expenses	<u>\$ 2,115,035</u>	<u>\$ 141,161</u>	<u>\$ 138,688</u>	<u>\$ 131,674</u>	<u>\$ 1,888</u>	<u>\$ 15,961</u>	<u>\$ (158,887)</u>	<u>\$ 2,385,520</u>	<u>\$ 258,474</u>	<u>\$ 2,643,994</u>



**Mennonite Church USA-Executive Board**  
**Supplemental Information- Statement of Functional Expense by Fund**  
**For the Year Ended July 31, 2021**

	Executive Board	Mennonite Women	Mennonite Men	Corinthian Plan	Native Mennonite Ministries	Iglesia Menonita Hispana	Eliminations	Sub-Total	Convention Planning	Total
<b>Program services:</b>										
Salaries & benefits	\$ 816,461	\$ 79,163	\$ 45,058	\$ 84,045	\$ -	\$ 22,800	\$ -	\$ 1,047,527	\$ 107,404	\$ 1,154,931
Travel	32,455	3,139	774	459	-	1,393	-	38,220	7,124	45,344
Office	25,253	2,748	7,035	1,547	-	692	-	37,275	10,945	48,220
Occupancy	60,269	889	167	3,981	-	-	(13,180)	52,126	121,123	173,249
Promotion & publications	10,701	11,481	132,592	54	-	2,380	-	157,208	9,752	166,960
Contracted services	21,676	9,418	2,880	37,155	1,276	1,000	(5,944)	67,461	-	67,461
Conferences	6,257	1,508	2,500	-	-	-	-	10,265	-	10,265
Contributions	402,665	2,300	9,327	-	-	16,875	(70,508)	360,659	-	360,659
Other expenses	108,602	13,196	363	318	1,000	19	-	123,498	-	123,498
Convention expense	-	-	-	-	-	-	-	-	297,065	297,065
Total program services	<u>1,484,339</u>	<u>123,842</u>	<u>200,696</u>	<u>127,559</u>	<u>2,276</u>	<u>45,159</u>	<u>(89,632)</u>	<u>1,894,239</u>	<u>553,413</u>	<u>2,447,652</u>
<b>Supporting services</b>										
Salaries & benefits	223,304	-	-	-	-	-	-	223,304	-	223,304
Travel	1,744	-	-	-	-	-	-	1,744	-	1,744
Office	15,653	-	-	-	-	-	-	15,653	-	15,653
Occupancy	57,322	-	-	-	-	-	-	57,322	-	57,322
Professional fees	23,540	-	-	-	-	-	-	23,540	-	23,540
Contracted services	49,586	-	-	-	-	-	-	49,586	-	49,586
Other expenses	11,215	-	-	-	-	-	-	11,215	-	11,215
Total supporting services	<u>382,364</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>382,364</u>	<u>-</u>	<u>382,364</u>
Total expenses	<u>\$ 1,866,703</u>	<u>\$ 123,842</u>	<u>\$ 200,696</u>	<u>\$ 127,559</u>	<u>\$ 2,276</u>	<u>\$ 45,159</u>	<u>\$ (89,632)</u>	<u>\$ 2,276,603</u>	<u>\$ 553,413</u>	<u>\$ 2,830,016</u>

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<b>EL DORADO</b>	117 W. CENTRAL AVE	EL DORADO, KS 67042-0847	316-321-1150
<b>TUCSON</b>	4801 E. BROADWAY BLVD., STE. 501	TUCSON, AZ 85711-3648	520-624-8229
<b>TULSA</b>	4200 E. SKELLY DR., STE. 560	TULSA, OK 74135-3209	918-494-8700
<b>WAGONER</b>	509 S. MCQUARRIE AVE	WAGONER, OK 74467-6223	918-485-5531
<b>WICHITA</b>	300 W. DOUGLAS AVE., STE. 900	WICHITA, KS 67202-2914	316-264-2335