

Advancing Our Mission to Serve

THE YEAR IN REVIEW 2022



THE BOARD OF PENSIONS
OF THE PRESBYTERIAN CHURCH (U.S.A.)





*The Reverend Margaret O. Fox, Chairperson,
and the Reverend Dr. Frank Clark Spencer, President*

We rose to the challenges of 2022 with dedication and commitment.

The lingering pandemic and economic volatility made for a year of tremendous uncertainty. But the dedication of our staff never wavered, and we were able to meet or exceed our goals and hold to our commitment to provide strength and stability for our evolving denomination.

As a national agency of the Presbyterian Church (U.S.A.), we're especially proud of our work around diversity, equity, and inclusion. The Board of Pensions workplace grew more inclusive in 2022 as our staff, including leadership, became more diverse through recruiting efforts and promotions. We share the Church's commitment to removing the effects of structural racism, and that includes building a welcoming work community.

Having a welcoming workplace took on special importance in 2022 because we returned to the office after two years of remote operations. Most employees began working three days in the office and remotely Monday and Fridays. The staff also experienced an updated compensation system, with standardized job titles and market-based pay ranges for each role. For the first time, employees could compare Board of Pensions compensation with that of the Philadelphia market.

Our care for our employees sets an example for the employers we serve. We provide employers with a wealth of benefits to select from, along with valuable assistance and education offerings that support wholeness.

In 2022, we introduced care navigation for Medical Plan members and their families to help them make the most of their benefits in an increasingly complex healthcare environment. Ease of managing and selecting benefits will also improve in 2023 for both members and employers because of the significant technological advancement we made in 2022.

Modernizing our technological processes for stewarding the Board of Pensions Balanced Investment Portfolio is also critical if our investments are to continue to weather volatility as well as they did in 2022. The portfolio lost an estimated 11.6 percent for the year but consistently outperformed a blended relative benchmark of index funds — meaning we performed better than expected amid volatile global markets.

The portfolio is the investment fund for the Defined Benefit Pension Plan, Financial Protection Programs, Endowment Fund, and Assistance Program assets. We manage the portfolio for the long term to achieve a return on assets that enables us to maintain and increase pension, death, and disability benefits. In 2022, that strategy meant our Board of Directors could grant a 4.2 percent experience apportionment for the pension plan, effective July 1, 2023. This, the 11th consecutive annual apportionment, yielded a cumulative increase of 40.3 percent since 2013.

2022 was a successful year all around. Our stewardship of the resources entrusted to us remained strong, as did the dedication of our staff. As a result, we advanced our mission of serving more, serving better, and serving the Church.

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The Reverend Dr. Frank Clark Spencer
President

The Reverend Margaret O. Fox
Chairperson



Advancing Our Mission to Serve

More than 300 years ago, Presbyterians embodied the commitment to care for those who serve the Church by establishing the Fund for Pious Uses. Today, that commitment flourishes in the work of The Board of Pensions of the Presbyterian Church (U.S.A.) as it meets the needs of an evolving denomination. In 2022, the Board introduced care navigation, a guide through an increasingly complex healthcare system, so members of the Church’s Benefits Plan might make the most of their medical benefits. It deepened relationships with PC(USA)-affiliated employers, who drive plan growth, and expanded access to assistance across the entire plan membership. All of this and the Board’s ongoing advancement of diversity, equity, and inclusion provided strength and support for the Church amid a rapidly changing society.

2022 AT A GLANCE

\$10.4B

in the Balanced Investment Portfolio

\$7M

in grants distributed through the Assistance Program

\$1.6M

distributed in Minister Educational Debt Assistance and Minister Debt Relief grants

\$919K

distributed in Emergency Assistance grants

4.5%

apportionment took effect in the Defined Benefit Pension Plan

198

Board of Pensions employees

14

members of the Diversity, Equity, and Inclusion Leadership Council

25K

lives covered by the Medical Plan

4,656

congregations in the Benefits Plan

263

affiliated employers in the Benefits Plan

34K

Quantum Health patient advocacy conversations

29

Board University events



Building a Welcoming Workplace

The Board of Pensions' work around diversity, equity, and inclusion was a source of pride in 2022 as the agency lived into the commitment to remove the effects of structural racism from its workplace and policies and support the call of the Presbyterian Church (U.S.A.) for the dismantlement of structural racism.

The staff-run Diversity, Equity, and Inclusion Leadership Council (DEILC) continued to play a leadership role in the agency's DEI journey. In support of a more diverse workforce, DEILC emphasized the importance of identifying a diverse slate of job candidates during the recruitment process and of expecting the same from the Board's recruiting partners.

So, the agency bolstered search firm support and changed human resources practices to better compete for and retain the diverse talent needed to fulfill its mission into the future. Sixteen search firms were engaged in 2022, compared with 13 in 2021 and four in 2020. Interviewing standards were revised to ensure diverse interviewers as well as diverse candidates. These efforts saw results. In 2022, 62 percent of new employees were diverse hires, compared with 41 percent in 2021 and 33 percent in 2020.



The Reverend John Gloucester

To attract and retain a diverse team of employees, a welcoming culture is needed. To help build such a culture, DEILC supported the regular posting of diversity-related stories on the Board's intranet, for example, on cultural holiday observances. And it introduced a video storytelling series, A Seat at the Table, to build community by encouraging employees to share stories of family, food, and culture. DEILC also partnered with diverse community-based organizations Girls Who Code and the U.S. Dream Academy, which opened volunteer opportunities for employees.

A formal DEILC proposal also led to the rededication of the Board's three conference rooms in honor of the Reverend John Gloucester. Born into slavery, Rev. Gloucester went on to become the first African American ordained a Presbyterian minister in the U.S. and to found the First African Presbyterian Church in Philadelphia.

In 2022, DEILC worked closely with the Board's new DEI consulting partner, Dr. James Smith Jr., a dynamic speaker and coach. Dr. Smith partnered with Human Resources and the Executive Team to conduct an organizational assessment to identify staff training needs. Using feedback gathered from small-group sessions with employees, the Executive Team, and vice presidents and directors, Dr. Smith carried out formal DEI training for all employees in the fall of the year.

During the training, employees reviewed unconscious bias themes and explored the Inclusive Communications Resource, a guide developed by the Marketing & Communications team to help Board employees examine their oral and written language for bias that perpetuates stereotypes. The resource, available on the Board's intranet, has generated more than 2,000 page views.

The Board's DEI work extended to business partner selection and management. Efforts were made on several fronts to increase diversity among the investment managers engaged by the agency. And an explicit statement of the agency's DEI support was added to its contracts, with vendors expected to annually acknowledge their commitment to DEI as well as to business ethics.

The Board also collected and analyzed the DEI policies of its top 68 vendors and continued the General Assembly's requests for tracking of minority- and women-owned business enterprises (MWBE).

As the Board made DEI progress within its own operation and those of its business partners, it also moved to better serve historically marginalized communities within the PC(USA). It collected DEI data on usage of the assistance and education programs to improve their reach. Communication was enhanced, including through the addition of an officer-level role to lead Board engagement with diverse communities within the Church and the expansion of Korean- and Spanish-language translations. Access to the Assistance Program was expanded as the program underwent its most extensive changes in a generation, with targeted outreach to ensure that all members of the Church's Benefits Plan were aware of the support available.

All of these were among the tangible, intentional steps the Board took in 2022 to ensure a workplace culture that inspires a sense of belonging and to actively engage throughout the Church — serving more, serving better, and serving the Church. Those steps continue in 2023.



Educational Debt Grant Gives Pastor the Opportunity to Follow His Call — and Sustain His Ministry

After graduating from Princeton Theological Seminary and working for about a year on staff at a large church in New York City, the Reverend David Black was ready to seek his first call as a pastor. He felt called to serve an urban area, but — with a higher cost of living in those areas and the burden of debt he had accumulated from his undergraduate and seminary education — his options felt limited.

“There were only certain churches that I could seriously apply for because I knew that they could pay above the minimum,” Rev. Black said. “Instead of serving a small local congregation, I would have to exclusively look at jobs at bigger, wealthier churches, which are very competitive — and there’s a good chance I wouldn’t even get one. Unfortunately, a lot of young pastors, I think, are in that position.”



The Reverend David Black

Then Rev. Black learned about Minister Educational Debt Assistance through The Board of Pensions of the Presbyterian Church (U.S.A.). Part of the Board’s Assistance Program, the program helps eligible ministers repay educational debt through student loan debt coaching and grants totaling up to \$25,000 over five years.

Because of Minister Educational Debt Assistance, Rev. Black’s opportunities expanded, and he found a home at The First Presbyterian Church of Chicago, a small congregation on the South Side of the city, in September 2020.

Rev. Black described his call at First Presbyterian as “an incredible fit” made possible by the Assistance Program.

“I’m just so grateful that I can do this ministry,” he said. “I can serve this church in this community without that stress.”

Rev. Black pointed to statistics that many pastors burn out and leave ministry within their first five years.

“There’s so much learning on the job that has to happen, and when you compound that with having to worry about being taken care of financially and all the normal considerations and stresses of being alive, it’s understandable that people burn out,” he said. Because of Minister Educational Debt Assistance, Rev. Black said he can see a long and sustainable future for himself in ministry.

He shared a powerful recollection of when he moved from inquirer to candidate in the ordination process. “My pastor said a blessing over me, and he said, ‘There will be a time in your life when you may have to choose between a job that will pay you well and your calling. I pray that you will always be able to follow your calling.’ And in coming to this church, I truly feel like I was following my calling,” he said. “It’s amazing to be able to just follow that sense of genuine call — that God has made me for this moment, for this church.”

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A Path of Care Through a Complex Healthcare System

The desire for wholeness is at the heart of the Gospel call. As a nonprofit defined by faith, the Board of Pensions designs and delivers benefits and programs to foster wholeness in individuals in four key areas: spiritual, health, financial, and vocational. Doing so means finding business partners who can create positive well-being outcomes for members of the Benefits Plan of the Presbyterian Church (U.S.A.) — partners who share the Board's values.

As the healthcare system grew more and more complex, Board leaders knew it was time to find a partner who could create positive outcomes for plan members receiving medical coverage through the Board. The Board found that partner in Quantum Health, a leading provider of care navigation services for over 20 years. Quantum Health has the specialized clinical expertise and industry knowledge the Board was looking for to guide members on their healthcare journeys.

So, on April 1, 2022, care navigation was added to all three Medical Plan coverage options — the preferred provider option (PPO), exclusive provider organization (EPO), and high deductible health plan (HDHP). Members and their families are served by a designated team of Quantum Health Care Coordinators — including nurses, benefits experts, and claims specialists — who help to ensure the right care, at the right place, at the right time.

Based on member feedback, care navigation proved to be as valuable as the Board had hoped. Quantum spoke to more than 25,600 people covered under the Medical Plan or to a provider on their behalf from April through December 2022. One member, who had “a rather sticky problem,” said, “These folks really care about helping us make our way through the tangled maze of healthcare in America. ... They have been no small partner in my healing process.”

Care Coordinators assist members with things as basic as ordering a replacement ID card to answering questions about a medical test or procedure, including whether precertification is needed.

“

I have had a wonderful experience with Quantum! I needed several tests and surgery just as they started. They took care of all the preauthorizations and continued to follow up to see how my recovery and treatments were going. — Diane A.

”

They help find network providers; explain copays, coinsurance, and deductibles; and can help reduce out-of-pocket costs. If members have questions about a claim, Care Coordinators are there to help, and they're on hand to design health improvement plans and advocate for care when a member has a health issue. They respond to questions about prescription drug benefits, provided through Express Scripts, as well as medical benefits, which are through Highmark Blue Cross Blue Shield.

Much was required behind the scenes to make for a smooth transition as well. For Quantum Health to become members' primary point of contact for questions about medical and prescription drug benefits, the systems of the two Medical Plan vendors had to be able to communicate with Quantum Health's system. So, the Board developed data interfaces between Quantum Health and Highmark and Express Scripts.

And a comprehensive communications plan was put in place to help employers and members view care navigation as a guide to receiving the right care, at the right place, at the right time.

An important part of communicating this shift to members was assuring them that they could still count on the Board of Pensions to be there for them, as it has been for decades. Questions about pension, death, and disability benefits, and the assistance and education programs are still handled by the Board. And members were reminded that Board representatives are always available to answer any questions.

The thoroughness with which care navigation was introduced underlines the Board's desire for wholeness for all. It also reflects the commitment to supporting member wholeness.



Madison Avenue Presbyterian Church and Board of Pensions Build Partnership on Shared Values

Located in Manhattan, one block from Central Park in the Upper East Side neighborhood, Madison Avenue Presbyterian Church considers itself a community church — a place where all are welcome. “Most of our congregants live within a mile or so, either in the neighborhood here or across Central Park,” said John Clemmer, who joined Madison Avenue Presbyterian Church as Director of Administration & Finance in spring 2022.

Built in 1901, the expansive church employs approximately 70 staff members and four pastors. Before Mr. Clemmer joined the church, his predecessor began to explore the possibility of a new medical benefits provider for staff in hopes of cutting costs. “We were getting fairly significant cost increases from our past provider,” explained Mr. Clemmer.

With Madison Avenue’s installed pastors already enrolled in benefits through The Board of Pensions of the Presbyterian Church (U.S.A.), the church was familiar with — and importantly, trusted — the agency. Madison Avenue Presbyterian Church’s Personnel Committee approved the proposal to partner with the Board of Pensions to offer medical, dental, and vision eyewear benefits to full-time staff — “an easy decision between the rates, the [Medical Plan’s Blue Cross Blue Shield] network, and the reputation of the Board of Pensions,” commented Mr. Clemmer. For medical coverage, the church decided to offer the preferred provider organization (PPO) and high deductible health plan (HDHP) to best meet the needs of its staff.

“Anytime you change a medical provider, people get nervous,” said Mr. Clemmer. “I think it was helpful right away to say, ‘This is Blue Cross Blue Shield. It’s through the Board of Pensions. They’re part of the Church.’”

“I love serving employers and employees in my territory and am gratified we can do the holy work of providing greater access to benefits not just for Madison Avenue staff, but for anyone who answers a church’s call to ministry.”

The Board’s implementation team ensured church staff were prepared from an administrative standpoint. “They anticipated our questions — and when we did have a question, they answered quickly. Everything was very organized,” said Mr. Clemmer of the experience.

Since transitioning to benefits through the Board of Pensions, staff have relayed positive feedback to Mr. Clemmer.

In particular, the Call to Health online well-being program has resonated with staff enrolled in the Medical Plan. “The participation rate has been really excellent,” said Mr. Clemmer. Call to Health is one of several unique features included with all medical options that delivers outstanding value in promoting wholeness and well-being at no additional cost to the employer.

The Reverend Dr. Carrie Mitchell, Church Consultant for the Board of Pensions, expressed gratitude for her experience of working closely with Madison Avenue leadership to transition the church to the Benefits Plan of the PC(USA). “I love serving employers and employees in my territory and am gratified we can do the holy work of providing greater access to benefits not just for Madison Avenue staff, but for anyone who answers a church’s call to ministry,” she said.

In addition to the high level of satisfaction among his staff, Mr. Clemmer appreciates that the ease of administration has allowed him to focus on other important church matters. “The transition has been seamless, and the benefits and the service have been great,” he said. “It’s just everything that we had hoped for.”



Board Of Pensions Partnership Lowers Costs and Elevates Service for Zephyr Point

On a trip to Lake Tahoe, the Reverend Dick Young and his wife stumbled upon Zephyr Point, a Presbyterian Church (U.S.A.) conference and retreat center located in Nevada along the picturesque shores of the lake. “We drove in and spent a couple of hours just walking on the property, and we fell in love with it,” he said. “It’s one of the most beautiful places I’ve ever been in my life.”

That impromptu trip came as Rev. Young, after 30 years of full-time parish ministry, sensed that God was calling him to something else. Several months later, he found that new calling with Zephyr Point, first serving as Development Director and now as Executive Director.



The Reverend Dick Young

Having been a member of the Benefits Plan of the PC(USA) for decades, Rev. Young felt it was important to explore ways for Zephyr Point to connect with the PC(USA) in all the ways they could, including partnering with the Board of Pensions to provide benefits for employees. Comparing Zephyr Point’s previous plan to medical coverage through the Board, “we realized that not only would it be a great thing for our employees in terms of the benefits that they would receive, but that it was a very competitive price in our market,” said Rev. Young.

The switch to medical coverage through the Board saved money for both Zephyr Point and its employees.

“We were able to lower deductibles and out-of-pocket expenses for all of our employees,” explained Rev. Young. Zephyr Point’s employees also have benefited from the features of the Medical Plan that deliver outstanding value in promoting wholeness and well-being, such as Call to Health.

Zephyr Point also partnered with the Board of Pensions to offer the Dental Plan, Vision Eyewear Plan, Retirement Savings Plan of the PC(USA), and Minister’s Choice. In setting up the Retirement Savings Plan, Rev. Young appreciated the flexibility to tailor the plan to meet the needs of the conference center as well as its staff. To help support the financial well-being of its employees, Zephyr Point decided to make an employer contribution to all employees’ RSP accounts and offer a matching contribution up to a certain percentage.

“We knew that, for some of our employees, if we only did a match, they either wouldn’t choose to or be able to afford to participate in that,” explained Rev. Young. “Recognizing that, we decided that we would provide that base amount for every employee so that they would start that savings plan, and then hopefully encourage them to also make a contribution by offering a matching amount.”

Shifting benefits providers can be challenging, but the Board of Pensions provided resources and support to help ensure a smooth transition for Zephyr Point. Among the services the Board provided, materials in both English and Spanish were particularly helpful for Zephyr Point’s many Spanish-speaking staff members.

“It was much less disruptive than I would have imagined,” Rev. Young said of the transition. “The Board of Pensions could not have been more helpful.”

“We drove in and spent a couple of hours just walking on the property, and we fell in love with it... . It’s one of the most beautiful places I’ve ever been in my life.”



*Vivian D. Wesson, Patricia M. Haines, Michael F. Fallon Jr.,
Rev. Dr. Frank Clark Spencer, Linda Jacobsen, Kelly Riley,
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