



REPORT TO GOVERNANCE 2020-2018

TEST CONFERENCE OF SDA
Planned Giving and Trust Services Operations



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PGTS	Planned Giving and Trust Services
SOTO	Summary of Trust Operations
ROTO	Report of Trust Operations
A	Annuity trusts
CGA	Charitable gift annuities
E	Estates
IRR/I	Irrevocable trusts
LIA	Life income agreements
POA	Powers of attorney
REV/R	Revocable trusts
SAT	Self-administered trusts
SATC	Self-administered trusts - custodial
U	Unitrusts
W	Wills
WC	Wills - custodial

CERTIFICATION OF PGTS PERSONNEL

- [Name and job title]
- [Name and job title]
- [Name and job title]
- [Name and job title]
- [Name and job title]
- [Name and job title]

Certified	CPE hours current	Explanation, if no
Yes	Yes	
No	No	New hire
Yes	No	Retired in 20XX

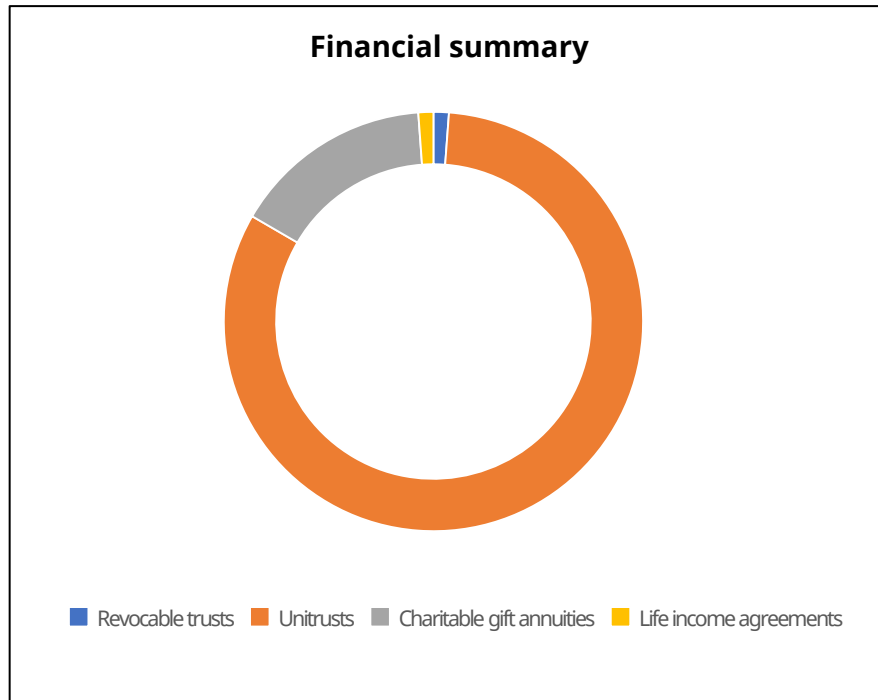
METHOD OF PGTS ACCOUNTING FOR NON-CASH ASSETS

- Donor's tax/cost basis
- Fair market value when asset is placed in trust
- Fair market value revalued annually
- Nominal value
- Not recorded in accounting records

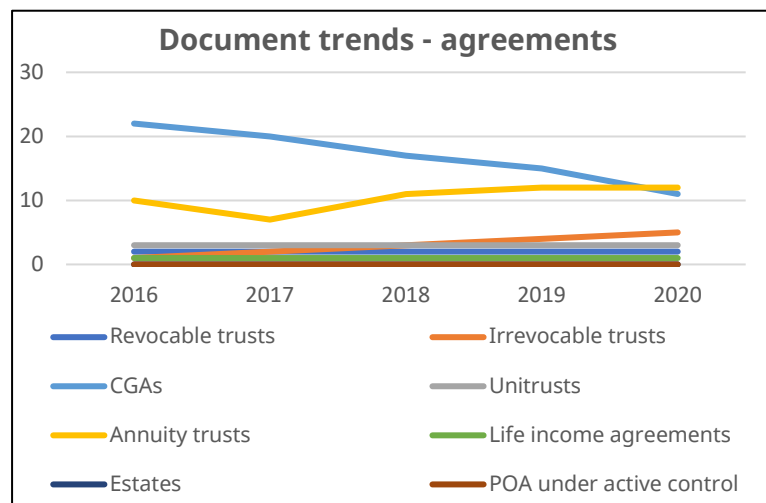
Revocable	Irrevocable	Unitrust	Annuity trusts	Self-admin trusts
X				
	NA	NA		
			NA	
				NA
				NA

RESULTS

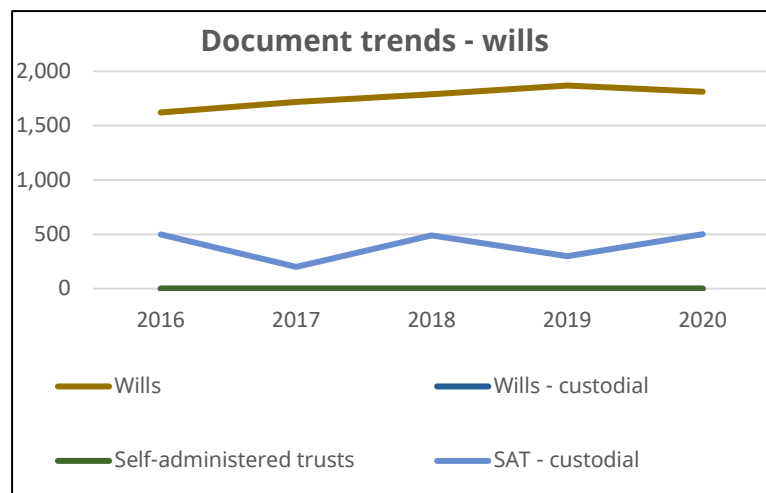
Prior accreditation level	A-2
Assets	Not present
Review findings	Present
Accounting matters	Present
Other matters	Not present



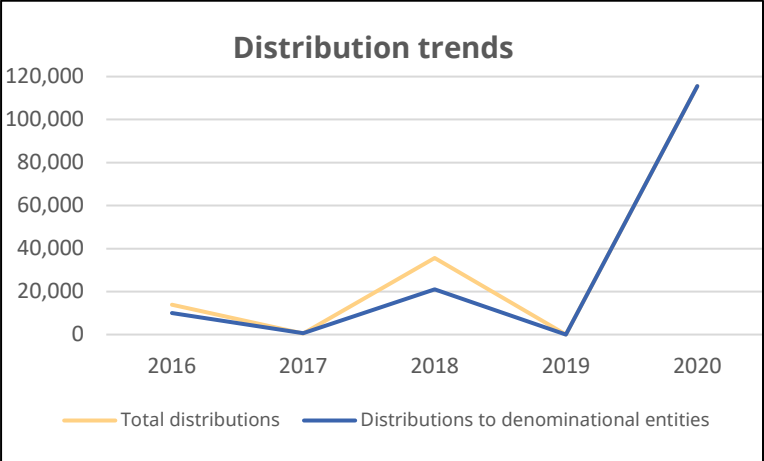
Financial summary	
Revocable trusts	\$ 10,361
Unitrusts	\$ 718,381
Charitable gift annuities	\$ 135,231
Life income agreements	\$ 10,096



Number of fiduciary documents	2016	2017	2018	2019	2020
Revocable trusts	2	2	2	2	2
Irrevocable trusts	1	2	3	4	5
CGAs	22	20	17	15	11
Unitrusts	3	3	3	3	3
Annuity trusts	10	7	11	12	12
Life income agreements	1	1	1	1	1
Estates	-	-	-	-	-
POA under active control	-	-	-	-	-
Total agreements	39	35	37	37	34



Wills	1,621	1,718	1,789	1,869	1,811
Wills - custodial	-	-	-	-	-
Self-administered trusts	-	-	-	-	-
SAT - custodial	500	200	490	300	501



Maturity distributions	2016	2017	2018	2019	2020
Total distributions	13,883	422	35,682	-	115,577
Distributions to denominational entities	10,000	600	21,000	-	115,577

To the Board of Trustees
Test Conference of SDA

June 9, 2021

We have performed a study and evaluation of the system of internal control of the Planned Giving and Trust Services (PGTS) Department of Test Conference of SDA (Organization), which has responsibility for various trust accounts that existed during the three years ended December 31, 2020. Our study and evaluation, which was intended primarily to develop recommendations to strengthen internal controls and improve overall PGTS administration policies and procedures, was conducted in accordance with standards established by the Seventh-day Adventist denomination in the United States of America and Canada.

The management of the Organization is responsible for establishing and maintaining a system of internal control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of such a system are to provide management with reasonable, but not absolute, assurance that assets for which the PGTS department has responsibility are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with appropriate authorization and in conformity with the governing instruments, and are recorded properly to permit the preparation of the required financial reports.

Because of inherent limitations in any system of internal control, non-compliance with accreditation standards and with denominational policies and procedures (whether due to error or fraud) may occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

The scope of our study and evaluation was not sufficient to enable us to express, and as internal auditors of the General Conference of Seventh-day Adventists we do not express, an opinion on the system of internal control of the PGTS department taken as a whole.

(continued)

Accordingly, our study and evaluation would not necessarily disclose all significant deficiencies in the system. This report presents our findings and recommendations which we feel will strengthen internal controls and improve overall PGTS administration policies and procedures.

This report is intended solely for the information and use of the officers of the Organization, its governing committee, the North American Division PGTS Certification and Accreditation Committee, and the officers and PGTS director of the next higher denominational organization. This report is not intended to be and should not be used by anyone other than the specified parties.

General Conference Auditing Service

PGTS STANDARDS	DEFICIENCY IN STANDARD		NADWP	REPORTED PRIOR YR?	FINDINGS
PGTS personnel who have been performing any discretionary trust/estate management for at least one year have been certified and are current on CPE	1	-	No	Exception for 1 of 3 short CPE hours 20XX	
Current signed conflict of interest statements are on file for all appropriate individuals	2	E 85 10 and 20	Yes	Exception noted for 1 of 8 tested FYE 20XX	
Copy of the death certificate or other appropriate evidence of death is obtained	37	-	No	Exception noted for 1 of 4 CGAs tested	

ACCOUNTING AND OTHER MATTERS

ACCOUNTING AND OTHER MATTERS	ACCOUNTING	OTHER	RECOMMENDATION
No evidence of preparer and reviewer on JVs	✓	-	Ensure JVs are signed off and reviewed

GCAS provides assurance and related services to organizations of the Seventh-day Adventist church. With approximately 275 professionals, operating from 45 regional offices, we make delivering excellence our signature every day.

We serve God by delivering excellent audit services to the Seventh-day Adventist Church

The auditors responsible for the PGTS review are:

Place 1" x 1"
headshot
here of RM

Brief bio here...

Jane Doe
Regional Manager
Email@gcasconnect.org

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headshot
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charge

Brief bio here...

John Smith
Audit Manager
Email@gcasconnect.org



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DEFICIENCY IN STANDARD		DOCUMENTS	DESCRIPTION
	NADWP		
1	-		Director / field rep
2	E 85 10 and 20		Board member/PGTS personnel
37	-	CGA#447, WILL#503, R#998	