August 2021

From: David Gates

To: Church Council

Re: Addendum concerning our Proportional Giving conversation

At the last Council Meeting, there were many questions about how much our church should give to Our Churches Wider Mission (OCWM), now referred to as Proportional Giving.  I volunteered to gather some information about what’s recommended.  Please review the following content and links, prior to tomorrow’s Council Meeting.  This items is on the agenda to be discussed.  The following information supports the conversation you may participate in.  Thanks!

1. Jim provided a fine summary of the historical OCWM on pages 1 & 4 of the Summer 2021 Chatter.  Please review attached.
2. In this link, you can read about Proportional Giving, What it is and How it Works.  <https://www.sneucc.org/proportional-giving-what-it-is-how-it-works>
   1. We used to contribute the CT Conference via OCWM and Conference Membership Dues.  The now formed Southern New England Conference (SNEC) has converted this program to one called Proportional Giving.

                                                               i.      OCWM was based upon our decided giving to this purpose, and then perhaps increased by some $ or percentage annually.

                                                             ii.      Conference Membership Dues were based upon a per capita count of members.  Most recently $10 per member on our membership roll.  (2011-2016 @ $8.00 per member, 2017 to present at $10.00 per member.

1. For the results of the UCC 2020 Proportional Giving Campaign, please review the article at this link.  <https://www.sneucc.org/newsdetail/results-of-2020-proportional-giving-campaign-15026419>

Proportional Giving – this is sharing a portion of our local income (from our church) , with our local and national conference (the Southern New England Conference, and a portion of our contribution also goes to support the National UCC).  2020 was a transition year for beginning to use the new Proportional Giving process.  For 2021 we are supposed to be in full operation and participation in the Proportional Giving process.

In addition to Proportional Giving, we are also asked to support 4 special offerings annually.  We typically support these special offerings by including a contribution in the special offering envelope placed in the pew on the dates noted below.

1. One Great Hour of Sharing, 3/14/21.  <https://www.ucc.org/giving/ways-to-give/our-churchs-wider-mission/one-great-hour-of-sharing/>
   1. The One Great Hour of Sharing endowment fund helps families worldwide through education, healthcare, rebuilding communities, and empowering people.
2. The Strength of the Church Offering, 5/23/21.  <https://www.ucc.org/giving/ways-to-give/our-churchs-wider-mission/strengthen-the-church/>
   1. The Strengthen the Church (STC) Offering reflects the shared commitment of people across the United Church of Christ to cooperatively build up the UCC. Conferences and the national setting equally share the gifts given by members and friends through their local congregations. The funds raised support leadership development, new churches, youth ministry, and innovation in existing congregations.
3. The Christmas Fund, 12/19/21.  <https://www.ucc.org/giving/ways-to-give/our-churchs-wider-mission/christmas-fund/>
   1. The Christmas Fund has been caring for active and retired clergy and lay employees of the United Church of Christ for over 100 years, providing emergency grants, supplementation of small annuities and health premiums, and Christmas “Thank You” gift checks each December to our lower-income retirees.
4. Neighbors in Need, 10/3/21.  <https://www.ucc.org/giving/ways-to-give/our-churchs-wider-mission/neighbors-in-need/>
   1. **Neighbors in Need (NIN)** is a special mission offering of the United Church of Christ that supports ministries of justice and compassion throughout the United States. One-third of NIN funds support the [**Council for American Indian Ministry**](http://www.ucc.org/faq_what_is_caim) (CAIM). Two-thirds of this offering is used by the UCC’s Justice and Witness Ministries (JWM) to support a variety of justice initiatives, advocacy efforts, and direct service projects through grants. Neighbors in Need grants are awarded to UCC churches and organizations doing justice work in their communities. These grants fund projects whose work ranges from direct service to community organizing and advocacy to address systemic injustice. This year, special consideration will be given to projects focusing on serving our immigrant neighbors and communities.

What are the averages in our conference for Proportional Giving for 2020?

1. SNEC received $3,715,254 of contributions.
2. SNEC received contributions from 473 churches (78%).
3. The overall average contribution was $6,100.
4. When considering only the churches that made a contribution, the average increases to $7855.
5. The median contribution was $3000.  (Which means that 50% of churches gave below, and 50% gave above this amount.)

What have we (CCEH) contributed recently to:

* OCWM:  $0
* Conference Membership Dues:  In 2019 we had 146 members.  $10 x 146 = a total of $1460.  So in 2020, we presumably paid $1460 in conference dues.  (Did we actually pay this amount?)

How much should we be contributing to Proportional Giving?

1. OCWM and Conference Membership dues are replace by a single way of giving, Proportional Giving.
2. A churches Proportion Giving contributions are based on its historical giving percentage multiplied by its Total Income in a given year.  Then, presumably, we would try to increase that amount annually, until reaching 10%.

Income **included** in the PG Total Income calculation:

         Operating pledge receipts for the year

         Missions/Outreach pledge receipts for the year

         Plate offerings

         Investment income allocation for the year up to what the church’s spending policy permits. This would be the regular ‘draw’ on investment income per the church’s endowment policy.  (For sustainability, SNEUCC recommends a draw of no more than 5% of market value averaged over 5 years using quarterly data.)

         Net rental income

         Net income from programs (e.g., a nursery school)

         Net fundraising income to general operating budget

If we look at the attached proportional giving spreadsheet (attached), and if we conclude the numbers entered are accurate, then our Proportional Giving percentage is about 0.86% of our income.  This percentage is based upon our most recent historical giving pattern of paying Conference Membership dues only.

(The numbers entered in the spreadsheet need to be tweaked before being fully accurate.  For purposes of any conversation we have about Proportional Giving, it seems safe to say that our calculated PG rate is just under 1%.

Now the discussion begins about what our Proportional Giving amount could or should be moving forward.

If you have questions, please bring them to the Council meeting in Monday evening 8/23/21.

Thanks,

David Gates