AN INTRODUCTION TO PROPORTIONAL GIVING

Southern New England Conference
United Church of Christ
Living the Love & Justice of Jesus
WHAT IS PROPORTIONAL GIVING (PG)?

• A new way for local churches to support the wider church.
• Replaces current giving models of Conf. dues, OCWM, and UCM
• Giving is based on a percentage of a congregation’s income.
WHY PROPORTIONAL GIVING?

- Grounded in Biblical Principles
- Consistent with best practices
- Reduces confusion
- More equitable
- An expression of Covenant Partnership
• You choose what you give.
• No financial reporting is required.
• Your gift will still support the National UCC.
WHAT ABOUT ASSOCIATIONS?

Associations are not funded in this model.
- Calculating each Association’s share is very complex.
- Complicates the relationship of Associations with the Conference.
- Delays Association funding
PROPORTIONAL GIVING AT YOUR CHURCH

Use 2019 #s to find your giving percentage.

Use your Giving Percentage to calculate a proportional gift.

We’re here to help!
HOW TO BEGIN

First, compare your 2019 wider church giving in relation to your income to establish your initial **Giving Percentage**.

Example:

\[
\begin{align*}
\text{2019 Dues} & \quad \$3,030 \\
\text{2019 OCWM} & \quad \$4,200 \\
\text{2019 Giving:} & \quad \$7,230 \\
\text{2019 Actual Total Income:} & \quad \$175,000
\end{align*}
\]

\[
\frac{\text{Giving}}{\text{Income}} = \frac{\$7,230}{\$175,000} = .041
\]

**Giving Percentage = 4.1%**
THEN, GOING FORWARD…

Apply your **Giving Percentage** to actual church income for prior year to determine what your contribution will be for the current year.

\[
\text{Prior Year Total Income} \times \text{Giving \%} = \text{Current Year’s Contribution}
\]

Example for 2021:

- Established initial Giving Percentage = 4.1%
- Total actual income for 2020 = $165,000
- $165,000 \times .041 = $6,765
- In this scenario, the Proportional Giving contribution for this church would be $6,765 in 2021, a decrease from $7,230 in 2020
WHAT’S INCLUDED IN TOTAL INCOME?

YES
• Gifts that fund your congregation’s ministry (pledges, plate offerings, general fundraising, mission pledges)
• Investment income allocation to your budget (regular “draw”)
• Net rental income (rooms, cell tower)
• Net program income (nursery school)
• Essentially, your Operating/Regular Income

NO
• Capital Campaign contributions
• One-time restricted gifts
• Memorial gifts & bequests
• Extraordinary use of endowment to balance budget (i.e. in excess of 5% draw)
• Special UCC offerings or other one-time mission giving
• Net income from fundraising for restricted purposes (e.g. to buy new handbells)
• Income from one-time sale of assets (e.g. parsonage)
• Essentially, all non-Operating/Regular Income
HELP FOR CHURCH LEADERS!

- Webinars
- In-person workshops
- Online resources at: https://www.sneucc.org/proportional-giving
- Conference Staff, especially, David Cleaver-Bartholomew, your RM or ACM
GROWING IN GIVING

Excited about the mission of the SNEC?

Set a goal to gradually increase your giving percentage.