

RULES

RUL 26-01 | TITHE APPORTIONMENTS

SUBJECT: Tithe Apportionments

SUBMITTED BY: Molly Vetter, on behalf of the Council on Finance and Administration

ESTIMATED FISCAL IMPACT:

SOURCE OF STAFF TIME:

Proposed Rules Change, recommended by the Council on Finance and Administration, to Rule XII.D. This new rule would replace the existing rule with entirely new wording, as below.

Our intention is to change the way apportionments are calculated for churches in the conference. Instead of using a Grade Figure Formula to apportion a percentage of the Conference Budget to each church, we would set the apportionments for each church at a percentage of their total operating income.

This would change at least two significant things:

- it would set the total Conference budget in relationship to the actual operating income of our Conference churches. Instead of the Conference deciding on the amount of the budget, the total budget amount would now be determined as a percentage of line 52t in Table 3 of our Conference statistical report.
- it would change the statistics used to calculate a church’s apportionment, to a simpler formula, based on income, rather than on membership and expenses.

Our reasons for wanting the change include:

- To tie the Conference income to local church income, so that the two always exist in relationship to each other.
- To simplify the calculation of apportionments so that it is easier to understand and communicate
- To line up our practice of apportionment giving with the practice of tithing.
- Because we believe that these above changes will help us increase our faithfulness in paying apportionments.

Since last year, we did further study of impact on churches, looking at race/ethnicity as well as church size. With improved statistics collected for 2025, any disparities were reduced. We were able to further reduce disparate impact by proposing this model that apportions an amount equal to either 9% (for the churches with smaller total income) , 10% or 11% (for the churches with a larger total income). That is what we propose here.

Our proposed change is below:

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D. ~~Grade Figure Formula~~ Tithe Apportionment Formula

Each church shall be apportioned a share of the Conference budget, based on their actual income.

1. Each church’s annual apportionment shall be calculated as a percentage of their Total Income Received for Annual Budget/Spending Plan*, using the most recent published statistics.

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- 1 2. When sorted from largest to smallest by Total Income Received for Annual Budget/Spending
2 plan:
 - 3 a. The churches whose Total Income Received for Annual Budget/Spending Plan
4 represents the first third of the Conference total shall have an annual apportionment
5 asking of 11% of that amount.
 - 6 b. The churches whose Total Income Received for Annual Budget/Spending Plan
7 represents the middle third of the Conference total shall have an annual apportionment
8 asking of 10% of that amount.
 - 9 c. The churches whose Total Income Received for Annual Budget/Spending Plan
10 represents the final third of the Conference total shall have an annual apportionment
11 asking of 9% of that amount.
- 12 3. In special cases, where inequities may occur, the CFA may make certain adjustments in the
13 apportionment asking of the churches (upon recommendation) as follows:
 - 14 a. Any District Superintendent may recommend that certain adjustments be made provided
15 that 1) the total amount apportioned to the District shall remain the same and 2) the
16 churches, whose asking may thus be changed, have been notified in advance by letters
17 from the Superintendent to the pastor and to the chairperson of the Committee on
18 Finance of the church.
 - 19 b. When unusual inequities exist the CFA may make adjustments without reference to the
20 District apportionment totals.

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22 *In 2025, this is Line 52t of Table 3 of the local church's annual statistical report to the annual
23 conference

24
25 ~~The Grade Figure Formula, used to calculate each church's apportioned share of the Conference~~
26 ~~budget, shall be based on the following factors:-~~

- 27
28 ~~1. One fifth of the apportionment shall be in proportion to the membership of the church as~~
29 ~~compared to the total Conference church membership.-~~
- 30 ~~2. Four fifths of the apportionment shall be in proportion to the total church expenditure~~
31 ~~reported in Table II.-~~
- 32 ~~3. Prior to the determination of the decimal the following deduction shall be applied to the total~~
33 ~~of the expenses indicated therein:-~~
 - 34 ~~a. An amount equal to 80% of the average cash salary of the ministers of the Conference~~
35 ~~as computed in the Conference Journal plus 80% of the estimated Pension Plan Contribution~~
36 ~~paid by each church for the senior pastor.-~~
 - 37 ~~b. The maximum deduction (80% of the average cash salary) shall be applied only to the~~
38 ~~extent the church paid at least 100% of the average cash salary figure to its pastor. In the event a~~
39 ~~church pays a lesser amount than the average cash salary the deduction would be prorated in~~
40 ~~relation to the normal payments.-~~
 - 41 ~~c. 80% of the amount paid by the local church for health plan coverage for the senior~~
42 ~~pastor and family.-~~
 - 43 ~~d. 80% of the amount paid by the local church for coverage by the Comprehensive~~
44 ~~Protection Plan for the senior pastor.-~~
 - 45 ~~e. Actual housing allowance paid by the local church for all pastors up to \$24,000 per~~
46 ~~pastor.-~~

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1 ~~f. The above deductions and conditions will also be applied for one second language~~
2 ~~pastor for each segment of the congregation, which worships and carries out its ministry in a~~
3 ~~language different from the primary language of the local church as identified by the District~~
4 ~~Superintendent.~~

5
6 ~~4. In special cases, where inequities may occur, the Executive Committee of the Council may~~
7 ~~make certain adjustments in the Grade Figure of the churches (upon recommendation) as follows:~~

8 ~~a. Any District Superintendent may recommend that certain adjustments be made~~
9 ~~provided that 1) the total amount apportioned to the District shall remain the same and 2) the~~
10 ~~churches, whose Grade Figure may thus be changed, have been notified in advance by letters~~
11 ~~from the Superintendent to the pastor and to the chairperson of the Committee on Finance of~~
12 ~~the church.~~

13 ~~b. When unusual inequities exist the Grade Figure Committee may recommend to the~~
14 ~~Council that certain adjustments be made without reference to the District apportionment~~
15 ~~totals.~~

RUL 26-02 | TENURE RULE

18 **Submitted by:** Ana-Haydeé Urda, Chair, Conference Hispanic Committee, and Sunyoung Lee,
19 Co-Chair, Conference Committee on Nominations

21 **Rule to be amended:** Rule VI.D.5

23 **Current wording of Rule VI.D.5:**

25 The following are exempt from this tenure policy:

27 a) Pacific Islander Clergy serving on the Pacific Islander Commission b) All members of the Native
28 American Committee c) Conference Chancellor d) Executive Director of Connectional Ministries e)
29 Chief Financial and Benefits Officer (Conference Treasurer) f) Lawyers serving on the Lawyers'
30 Committee g) Exempt Staff and Support persons serving on the Sessions Task Force by virtue of their
31 position

33 **Proposed wording of Rule VI.D.5:**

35 The following are exempt from this tenure policy:

37 a) Pacific Islander Clergy serving on the Pacific Islander Commission b) All members of the Native
38 American Committee c) Conference Chancellor d) Executive Director of Connectional Ministries e)
39 Chief Financial and Benefits Officer (Conference Treasurer) f) Lawyers serving on the Lawyers'
40 Committee g) Exempt Staff and Support persons serving on the Sessions Task Force by virtue of their
41 position h) **Members of the Conference Hispanic Committee, except the @large membership**
42 **category. The @large members are elected by the Conference Committee on Nominations and can**
43 **be from any ethnicity.**

45 **Intent:** To exempt members of the Conference Hispanic Committee from the eight consecutive year
46 tenure limit established in Rule VI.D.3.