

## **Implementing United Church Mission (UCM) For Your Church**

### **What is the transition to UCM like in terms of budgeting?**

Transitioning to UCM will require some adjustments to a congregation's current budgeting practices that range from easy to challenging. Though these changes aren't insurmountable, they do bear careful thought and consideration as UCM is being discussed and implemented.

### **What are the *easiest* budgeting conditions for transitioning to UCM?**

One of the simplest budgeting adjustments for churches transitioning to UCM occurs when the church considers both OCWM Basic Support and Fellowship Dues as part of their mission budget. In this situation only a minor change will have to be made to the budget: two budget line-items simply combine to create one.

Similarly, churches with a separate budget category for Wider Church Support – alongside operating expenses and mission spending – only need to combine Fellowship Dues and OCWM into UCM. Again, this is relatively simple: two line-items become one.

### **What are *more challenging* budgeting conditions for making this transition?**

One situation that's a bit more complicated is when a church has a unified budget (i.e., members make a single pledge to the church and then the church determines the amount given as mission spending), and where Fellowship Dues is in the operating portion of the budget and OCWM Basic Support is in the mission section. Here we recommend moving the amount formerly allocated for Dues to the mission spending category, a relatively easy budget shift that doesn't increase expenses. The Conference's view is that this will more accurately represent the church's level of mission giving, and increase the mission spending percentage of the church's overall budget.

This budget change can, however, be problematic, depending on how the mission budget is established and/or how mission leaders view mission. If, for example, your church budget has a built-in percentage-of-budget cap on mission spending (e.g., no more than 10%), moving the amount formerly allocated for Dues to the missions budget will require a larger slice of the mission giving pie. This might put those who oversee mission giving in the position of having to make cuts to some of the church's former mission recipients to ensure that the church can make its UCM commitment. This may create resentment with mission leaders, in particular, if they are not fully convinced that wider church contributions represent "mission" in the same way as, for example, the local food pantry. In this situation, the church will want to consider increasing the mission spending cap so that UCM contributions can be made and other mission giving can continue at its historic levels.

### **What budgeting conditions make for the *most challenging* transitions to UCM?**

The most challenging situation for transitioning to UCM is when the church has a split pledge (i.e., members make separate pledges to operating budget and mission budget). In this situation, the church has two options. We strongly recommend a transfer to the mission fund of an amount equivalent to the old Fellowship Dues, making no change to the budget bottom line and providing the funds needed for all mission spending. An alternative that we don't recommend would be to continue to confine mission spending to the amount pledged by members. This second option would free up funds in the operating budget, but force decreased mission spending to maintain support for wider church mission.

This is a variation on the challenging situation cited above. If the church decides not to add funds that formerly went toward Dues payments to the mission fund, mission leaders may resent essentially having their funds for non-wider church missions cut. However, transferring dollars from the operating to the missions fund may be an even more challenging “sell” because the congregation has become used to giving toward operating budget and/or mission budget and now has a fundamental view of them as very different categories of spending. Church members may simply not feel that placing the contribution represented by UCM in the mission portion of the budget is proper.

**Are there other wrinkles in the UCM budget transition that I should know about?** Another complication concerns churches that ask their members to make a separate contribution toward Fellowship Dues. For some churches, this is income that’s relied upon to help them support wider church ministry. UCM removes the possibility of seeking additional financial support from church members on the basis of asking them to “pay their dues.” In this situation, we recommend inviting church members to continue to make an extra designated gift, perhaps suggesting to them an amount that’s equivalent to what per-member Dues were. With the dues payment rationale for additional contributions to the church off the table, this will likely mean an approach that involves heightening awareness of how the work of the wider church supports their church and other churches, and changes lives.

**What’s involved in determining a church’s UCM contribution?**

By opting in to UCM, your church commits to tying its wider church giving to a percentage of its income. To determine your church’s UCM percentage, estimate your church’s contribution, and calculate your church’s UCM contribution, we have developed a UCM Calculator Assistant in the Excel program. This will be provided to you by Conference staff upon request. **Please note that in their first year of UCM churches commit to making a UCM contribution that is not less than the combined amount of Dues and Basic Support given by the church the year before.**

**Who sets our church’s UCM contribution?**

Your church’s UCM contribution is calculated in a consultative process that involves Conference staff and a designated representative of your church. Your UCM contact needs to be someone who understands the church’s finances well enough to interpret them accurately. In many cases this will be the church treasurer, but you are welcome to identify anyone you choose to be in conversation with the Conference about UCM.

**Does anyone bill our church for UCM?**

While UCM giving statements and reminders of your church’s percentage of income commitment will periodically be sent to your church by the Conference – as we currently do with OCWM contributions – the church will not receive a bill for UCM. Your church will also not receive a bill from your Association for its Fellowship Dues. The Conference and its Associations have agreed that Associations will remove from their Dues billing lists the congregations that have opted in to UCM. However, Associations will continue to receive financial support from churches that have joined UCM. The Conference will remit to them an amount that is equivalent to what would have been contributed to them if dues had been assessed.

### **Is it possible to join UCM mid-year?**

For unavoidable Conference accounting reasons, technically speaking, it is not possible for churches to join UCM mid-year. If your church makes a decision to transition to UCM midyear, you should be aware that the Conference will only be able to officially receive you as a UCM church at the turn of the calendar year.

### **What if my church has a fiscal year that runs July 1-June 31?**

Your church's fiscal year and that of the Conference may not be in sync. The Conference follows a calendar year, and some of our churches have a fiscal year beginning July 1 or on some other date. If you want to begin making UCM payments mid-year – say, for example, at the beginning of your fiscal year – for the Conference's accounting purposes, contributions you make toward UCM will be divided between Fellowship Dues and OCWM gifts, following your church's historic level of giving toward each of these categories of wider church giving. This may be a bit confusing to you as you receive your end-of-year statement, since you'll be thinking you made contributions to UCM and the Conference will be reporting Dues and OCWM gifts. However, this doesn't in any way affect where the contributions end up going. In other words, the funds will go toward their intended purposes. Once the calendar year ends, gifts your church makes will then be recorded in the UCM category only.

**With UCM, is our church making and paying a “pledge” to the wider church?** Some people wonder if UCM is a pledge-based funding approach. Technically, this isn't the case because the church isn't pledging a set amount to the wider church. UCM asks churches to make a commitment to contributing this year a pre-determined and agreed-on percentage of the income it received during the previous year. So, in fact, this is a percentage of income commitment, not a commitment for a pledged dollar amount. The idea of UCM is that if church income decreases, wider church giving decreases proportionally, while wider church giving would increase proportionately with increased income.

### **What does the Conference need from its UMC churches?**

When notified of a church's interest in or desire to move to UCM, Conference staff will contact the church to answer questions, to obtain relevant financial information, to work through UCM calculations, to assist church leaders with presenting the change to the congregation, and to help make adjustments to current budgeting practices. **Churches that are interested in UCM**

**should be in touch with Conference staff as early as possible in the church's decisionmaking process.** This is critical, as the approach is new and mistaken assumptions can lead to misunderstandings.

### **What support will we have for implementing UCM in my church?**

Conference staff members are ready, willing, and able to walk with you at every step of the UCM transition process. In addition, Conference leaders and staff are also available to visit congregations to help educate the church about UCM and work out any challenges that emerge as the church makes its UCM transition. If you have questions about or wish to make the transition to United Church Mission, please contact Jonathan New, Associate Conference Minister for Stewardship and Financial Development. Jonathan may be reached at [newj@macucc.org](mailto:newj@macucc.org) or (508) 875-5233 ext. 231