

Mountain Sky Conference of The United Methodist Church Mission Shares Remittance Form Instructions

Conference Mission and Ministry Funding in 2019

Mission and ministry of the Mountain Sky Conference and The United Methodist Church depend entirely on generous giving by local churches. As Christians, our giving is an expression of our faith and commitment to God.

“Mission Shares” is the means for local church support for the mission and ministry of the Annual Conference and the General Church. The intent in using this method is to maintain clarity and transparency in how, where and for what purpose funds are being used, and to continue to build a closer connection between local churches, the Conference and the General Church.

The 2019 Mountain Sky Conference budget adopted by the Annual Conference shall be apportioned to the churches of the Annual Conference in accordance with ¶1613 and ¶1615 of *The Book of Discipline of The United Methodist Church, 2016*.

The apportioning of the 2019 Mountain Sky Conference budget is based on Church Mission Shares. The calculation method is described below.

Church Mission Shares

The Church Mission Shares funding for annual Mountain Sky Conference budgets shall be a percentage of local church Adjusted Gross Revenue. The Mission Shares percentage is determined annually by the Conference Council on Finance and Administration.

For 2019 Mission Shares for a local church is 13% of Adjusted Gross Revenue. To continually improve equity in the practice of applying this rule all churches need to comply by fully reporting Gross Revenue and the allowable exclusions monthly.

Adjusted Gross Revenue is local church Gross Revenue less the following exclusions:

- Income from capital campaigns;
- Endowment donations;
- Bequest donations used for capital items or other non-operating expenses;
- Income from tuition-based services;
- Direct costs of fund-raising;
- Funds restricted by donors to be passed-through to other charitable organizations;
- Grants received from an organization of the United Methodist connection or approved by the Conference Treasurer;
- Cash expenditures to support new church development, if approved by both the Congregational Vitality Committee and the Cabinet.

Special circumstances that a local church believes should result in an exclusion from Gross Revenue may be requested to be reviewed for decision by the Conference Treasurer.

Definitions

Gross Revenue is ALL revenue received by the local church: offerings, donations, fees, rents, bequests, distributions from endowment funds, memorials, pledges, and tithe payments, whether by cash, credit card, check, stock, or transfer of assets.

Adjusted Gross Revenue is Gross Revenue less capital campaign income, endowment donations, bequest donations used for capital items or other non-operating expenses, funds restricted by donors to be passed through to other charitable organizations, income from tuition-based services, direct costs of fund-raising, grants received from an organization of the United Methodist connection, and approved cash expenditures to support new church growth initiatives. Adjusted Gross Revenue is the basis for calculating the Church Mission Shares.

Church Mission Shares Giving is thirteen percent (13%) of Adjusted Gross Revenue for a local church.

Capital Campaign Income is money received from campaigns that are defined as significant, short term fund-raising efforts for a stated project, such as a building, debt retirement, or special project with a useful life of at least ten years. Such campaigns usually have a campaign committee and may employ a professional fundraiser. The campaign normally lasts for a short time, however the donations to the campaign typically span a period of three to five years. Costs of such a campaign including professional fundraiser expenses do not qualify for a "Direct Costs of Fund-Raising" deduction since the revenue from the Capital Campaign is already deductible from Gross Revenue.

Endowment Donations are donations by persons that are intended to become a part of an Endowment Fund. Such donations are often in the form of a bequest or memorial or may be a gift from an individual or an estate. An Endowment is a gift which should never be spent. It is designed to be invested and produce earnings. A contribution to an Endowment Fund should be included in Gross Revenue and then deducted as an Endowment Donation. **Note:** When distributions from the earnings on the Endowment Fund are given to the church to use for operating expenses, the amount received by the church is to be included in Gross Revenue and included in the Mission Shares calculation.

Bequest Donations Used for Capital Items or Other Non-Operating Expenses refers to non-Endowment donations received when the church is named as a beneficiary in a will or trust. The portion of these donations used for local church operating expenses is included in the Mission Shares calculation. The portion that is not used for operating expenses should be deducted from Gross Revenue.

Income from Tuition-Based Services is payments made to the church for services provided at the church such as pre-school, child care, elder care, or other similar services. Normally such services are budgeted separately, usually by a non-profit organization affiliated with the church.

Direct Costs of Fund-Raising are those costs paid to purchase items sold to raise funds for the church through a special project or event. Typical examples include the discounted purchase and resale at face value of gift cards or the cost of food and supplies for a fund-raising dinner. These direct costs are deducted from gross funds received as a result of the fund-raising activity, and only the net proceeds should be used to calculate the Church Mission Shares. For example, if 10 gift cards are sold for \$1,000 and had a purchase price of \$950, then \$1,000 would be included in Gross Revenue and \$950 would be deducted as Direct Costs of Fund-raising.

Restricted Pass-through Donations are non-operating funds that donors have restricted for transfer to charitable organizations outside the local church. The church collects these donations and then forwards them to the recipient charitable organization. Such donor-restricted donations are not under the control of, or use by, the local church and are not to be included in the basis for the Church Mission Shares.

Grants received from an organization of the United Methodist connection, including grants from the Mountain Sky Conference, should be deducted from Gross Revenue.

Support for New Church Development includes actual cash expenditures made by the church to support new church development, which is an allowable deduction from Gross Revenue. Individual churches may take this exclusion only with the prior approval of the Conference Congregational Vitality Committee and the Cabinet.

Questions? Please contact Noreen Keleshian, Conference Treasurer/Director of Administrative Services, at nkeleshian@mtnskyumc.org or 303-325-7051.

ⁱ Version 020119 document