

The Arkansas Tithe Initiative: A New Way to Share Ministry

For the Arkansas Conference of the United Methodist Church

FAQ

Why do we need to change the apportionment formula AGAIN?

Our aim is that this is the last change we will make in how we collect apportionments. For those of you who do not appreciate the constant and confusing tweaking of a the apportionment formula, we hope that this will be a simple, straight forward, and easy to explain way. While our current formula is working fine, it can be difficult for congregations to understand. We hope that this change will not only be easy to understand, but will also encourage further conversation about tithe-based stewardship in our local churches.

As we talk about the Arkansas Tithe Initiative, what do we mean by the words “apportionment,” “tithe,” “gross revenue,” and “adjusted revenue?”

An **apportionment** is the United Methodist connection at work. Each church offers a predetermined portion of their income to the district, conference, and general church. This money goes towards a variety of things, like supporting your district office, funding conference ministry, and global missions. In our current system each church is assigned an apportionment based on previous expenses, a formula that can be difficult to understand. This is why we are looking to move to a simpler tithe.

We understand from scripture that for the individual a **tithe** is 10% of his or her earned income. For the church, a **tithe** is understood to be 10% of contributions given to support the church’s annual budget or spending plan.

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

Adjusted revenue will be determined by gross revenue minus certain deductions in keeping with line 63 of the Table III year-end statistical report: income for capital campaigns and direct costs for fund-raising; income for memorials, endowments, and bequests; pass-through funds; income from the sale of church-owned real estate (if not used for operating expenses), and income from tuition-based services (preschool, daycare, etc.). The resulting amount is the **adjusted revenue** upon which the tithe will be based.

Why recommend the tithe to replace our current apportionment formula?

- The tithe is a Biblical pattern that can be a model for talking stewardship in our congregations. A church budget can be a model for how individuals can budget personally, with 10% set aside for the church. We hope to create a culture of tithing at all levels of the church.
- A tithe of adjusted revenue will directly tie each local church apportionment to its individual financial situation and directly tie the conference budget to the financial health of the local churches, thus enhancing the sustainability of future conference and local church budgets.

- Basing apportionments on a tithe of the adjusted revenue of local congregations will be more direct, clear, and transparent than the current “expense-based system we use. It is simple to apply, easy to understand, and fair to all.
- A tithe of adjusted revenue will base the local church apportionment on the total revenue available to that congregation to spend on normal operating expenses (and thus their ability to pay apportionments) without penalizing them for decisions on *how* they will spend their revenue.
- Every church will use the same calculation rather than a complex structure that can feel unjust even if it is not.

What is the role of the local church in this Tithe Initiative?

It is the responsibility of pastors and local church leaders to keep the Arkansas Tithe Initiative and its importance before their congregation by teaching and preaching the biblical call to tithe as the scriptural way of giving to and caring for God’s church and God’s children. The local church is also the instrument through which 10% of the contributions made to it are remitted to the conference.

How will my church determine its tithe?

Beginning in 2017 each church will determine its tithe *of the previous month’s adjusted revenue*. A new remittance form will help churches to make the appropriate calculations and then send their tithe to the conference. Because this will be a big change for everyone and many unforeseen questions and issues are likely to arise, monthly reporting or adjusted revenue will begin in July of 2015. This will give both churches and CFA ample time to get used to the new approach and to make modifications if needed before full implementation of the plan begins in 2017.

How will the tithe affect my local church prepares a budget?

Each congregation will be expected to give a tithe of monthly-adjusted revenue. This will need to be taken into account as budgets are formed. For example:

Anytown UMC estimates that they will receive \$100,000 in revenue in the coming year. As they form a budget of their operating and ministry expenses they will include a 10% tithe, or \$10,000. They would then budget the other \$90,000 to cover the coming year’s expenses.

However, the ***actual tithe paid to the conference is adjusted up or down depending on actual contributions given to the church.***

If the actual contributions were \$120,000 (greater than the budget), the tithe to the conference would be \$12,000. If contributions fell short of the budget - say \$90,000 - the tithe to the conference would be \$9,000.

What about income for building projects, memorials and such?

We understand that not all money received by the church becomes part of the general budget. To honor the intention of these gifts they are **excluded** from the calculation of your church’s tithe. Excluded funds include: capital campaigns; memorials, endowments and bequests; and amounts received from Special Sundays, General Advance Specials, World Service Specials, Conference Advance Specials and other forms of directed benevolent (charitable) giving. For a full list of excluded items see the *Arkansas Conference Monthly Revenue Report* form.

What will tithing enable local churches and the conference to do?

Tithing will enable all of us to be good stewards of God's resources, create a culture that draws individuals to spiritual maturity and leads us into a sense of abundance rather than scarcity. We can move forward with confidence to fulfill the ministry God has placed in our hands. The apportionment model was effective at a different time in our past, but it has not allowed the conference to be as vital as it should be as we reach new generations. Tithing will define more accurately what is expected of our congregation so each of us can fulfill our connectional ministries.

What will be the effect of the Arkansas Tithe Initiative on our conference program of ministries?

We believe tithing will stimulate a new understanding of stewardship and discipleship for our members, churches and conferences. However, if at first funding from churches is reduced, then our conference-level programming will be reduced as well. In time, as United Methodists grow toward tithing, ministry will increase as our spiritual growth deepens. As a result we will be better able to plan the programs and ministries of the churches of the Arkansas Conference. We believe that this new approach to funding our connectional ministries will help our conference follow a fiscally sustainable path well into our future.

How will this affect our district apportionments?

Initially at least, the Arkansas Tithe Initiative will be used only to support Conference, Jurisdiction, and General Conference Ministries. Each district will still designate an amount for local churches to send to support the work of their district. We hope to eventually include district apportionments within the tithe, but are not able to do so at this time.

Have other conferences moved to the tithing approach and what have been the results?

Yes, we have been in contact with the Upper New York, Kansas East and West, Kentucky, Rocky Mountain, Indiana, California-Nevada, Iowa and Dakota Conferences, each whom have based their apportionments on revenue models, although there are differences among the conferences. Most base their apportionment on a percentage of adjusted revenue, but to our knowledge we will be the only conference able to budget on a true tithe of adjusted revenue. All have reported increased goodwill among their churches, especially when moving to prior-month reporting, and much of what we are proposing comes from lessons learned from their experiences.

Will this disproportionately affect smaller, newer, or historically ethnic churches?

There is no discernible pattern that will predict how a particular group of churches will be affected. Whenever the apportionment formula changes it seems about a third of the churches have a lower apportionment, a third have about the same apportioned, and a third see an increase. Each group contains large and small, new and old, rural and urban, and ethnic churches. This is true also as we move to the tithe.

The tithe proposal is based on operating income whereas the current formula is based on operating expenses. In theory, there shouldn't be a great difference. In reality, however, some churches show a significant difference between their operating income and operating expense. This could be a reporting error, but it could be the reality for some churches. If the conference decides it would like to make this change in apportioning, we will be working with any congregations who will experience a dramatic change in their apportionment to make it as smooth of a transition as possible.

What does Scripture say about Tithing?

Many scriptures address tithing beginning with Abraham in Genesis 14. As a biblical principle that Christians are called to follow (Leviticus 27:30, Nehemiah 10:35-37), tithing is a step towards spiritual maturity and to the experience of the fullness of God's blessings. The people of God gave a tithe to provide for the Priests and the relief of the needy. When Jacob made his covenant with God at Bethel it included a payment of tithes. The Pharisees even tithed a tenth of the herbs they used.

Giving a tithe is a fair and equitable way for individuals to financially support the local church and for local churches to financially support conference, jurisdiction and general conference ministries. The tithe assures that we are able to properly follow the command of Jesus to reach out and help the marginalized in our communities and around the world.

Christians confess that God is Creator of all things ("In the beginning..." Genesis 1:1) and that all things belong to God ("The earth is the Lord's and all that is in it." Psalms 24). Tithing is a response to that belief and to all that God means to us and has given to us.

The practice of tithing ultimately helps us keep our priorities and values in balance thus enabling us to live more fulfilled lives while the needs of all are cared for. As Jesus said in Matthew 6:21, "Where your treasure is, there your heart will be also." Tithing is a tangible demonstration of our trust and faith in God, for individuals and congregations alike.

What did John Wesley teach about Tithing?

Several of Wesley's sermons well as the *Explanatory Notes Upon the New Testament*, detail his thoughts about our relationship to money and giving.

He understood the position of the church in this world in a radical way that is foreign to the prevailing church culture of today. For Wesley the ultimate concern was service to God and not creature comforts. He seemed to accept Paul's terminology that the church is an ambassador on earth for the Kingdom of Heaven and as such was entrusted with resources to be used to benefit the Body of Christ and beyond.

Wesley's teaching on stewardship is more inclusive than the matter of funding church programs. It is surprising to see him refer to tithing at "the lowest rule of Christian prudence." Wesley felt that the Christian should not merely tithe but give away all extra income once the family and creditors were taken care of. He believed that ***with increasing income, what should rise is not the Christian's standard of living but the standard of giving.***

Wesley's Three Rules

- **Gain all you can.** Despite its potential for misuse, money in itself is something good. There is no end to the good it can do: “In the hands of (God’s) children, it is food for the hungry, drink for the thirsty, raiment for the naked. It gives to the traveler and the stranger where to lay his head. By it we may supply the place of a husband to the widow, and of a father to the fatherless. We may be a defense for the oppressed, a means of health to the sick, of ease to them that are in pain. It may be as eyes to the blind, as feet to the lame: yea, a lifter up from the gates of death!”¹
- **Save all you can.** He urged his hearers not to spend money merely to gratify the desires of the flesh, the desires of the eye, or the pride of life. He cried out against expensive food, fancy clothes, and elegant furniture: “Despise delicacy and variety and be content with what plain nature requires.”²
- **Give all you can.** One’s giving should begin with the tithe. He told the one who does not tithe, “Thou dost undoubtedly set thy heart upon thy gold” and warned, “It will ‘eat thy flesh as fire!’”³

But one’s giving should not end at the tithe. All of the Christian’s money belongs to God, not just the first tenth. Believers use 100 percent of their income as God directs. And how has God directed Christians to use their incomes? Wesley listed four scriptural principles:

- Provide things needful for yourself and your family (I Tim. 5:8). The believer should make sure the family has “a sufficiency of plain, wholesome food to eat, and clean raiment to put on” as well as a place to live and enough to live on if something were to happen to the breadwinner.
- “Having food and raiment, let us be therewith content” (I Tim. 6:8) . “Whoever has sufficient food to eat, and raiment to put on, with a place to lay his head, and something over, is rich,” he said.
- “Provide things honest in the sight of all men” (Rom. 12:17) and “Owe no man anything” (Rom. 13:8). Wesley said the next claim on a Christian’s money is the creditors’. He adds that those who are in business for themselves need to have adequate tools, stock, or capital for the carrying on of that business.
- “As we have therefore opportunity, let us do good unto all men, especially unto them who are of the household of faith” (Gal. 6:10). After the Christian has provided for the family, the creditors, and the business, the next obligation is to use any money that is left to meet the needs of others.

In giving these four biblical principles, Wesley recognized some situations were not clear-cut. He accordingly offered four questions to help his hearers decide how to spend money:

- In spending this money, am I acting like I own it, or am I acting like the Lord’s trustee?
- What Scripture requires me to spend this money this way?
- Can I offer up this purchase as a sacrifice to the Lord?
- Will God reward me for this expenditure at the resurrection of the just?

References

1. Wesley, John. “Sermon 50: “The Use of Money, 1760.
2. Wesley, John. “Sermon 51: The Good Steward, 1768, based on Luke 16:2

3. Leadership Magazine, Winter 1987

How can I learn more?

For more information please visit our page on the Arkansas United Methodist Church's website, www.arumc.org/tithe.

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