

Annual Program Fund Trends

Prepared for the January 2014 Board of Trustees Meeting

by

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Executive Summary

Throughout its history, the Annual Program Fund, or APF, has been an extraordinarily successful program. Without any significant consequence for lack of participation, a vast majority of our congregations have sought the Honor Congregation or “Fair Share” status and the program currently raises \$6.75 million of unrestricted income for the UUA each year.

The relationship works because people believe in it. Unitarian Universalist leadership has reinforced it. The Board and APF Committee were invested in it. “Fair Share” has been the gold standard for every congregation. Despite a name often described as confusing or meaningless, the Annual Program Fund has been an incredibly powerful symbol of right relationship—and participating has been an act of faith.

The following pages of charts show that since 2008, the APF symbol has been losing its cache. We point to a number of factors involved in this shift, but our analysis is that ultimately we are hovering at a potential tipping point of participation in right relationship. We know that once a congregation drops out of right relationship (ceases to be “Fair Share”) it is incredibly difficult to return, and the longer that a congregation goes without their “Fair Share” label the less powerful the APF symbol becomes.

If we don’t address our weakening covenant, we risk jeopardizing the entire APF relationship, and in turn the health of our Association. Our challenge and our opportunity is to reaffirm and rebuild the APF covenant and create an inspirational path back to “Fair Share” for all our congregations that have fallen behind.

APF History Since 1983

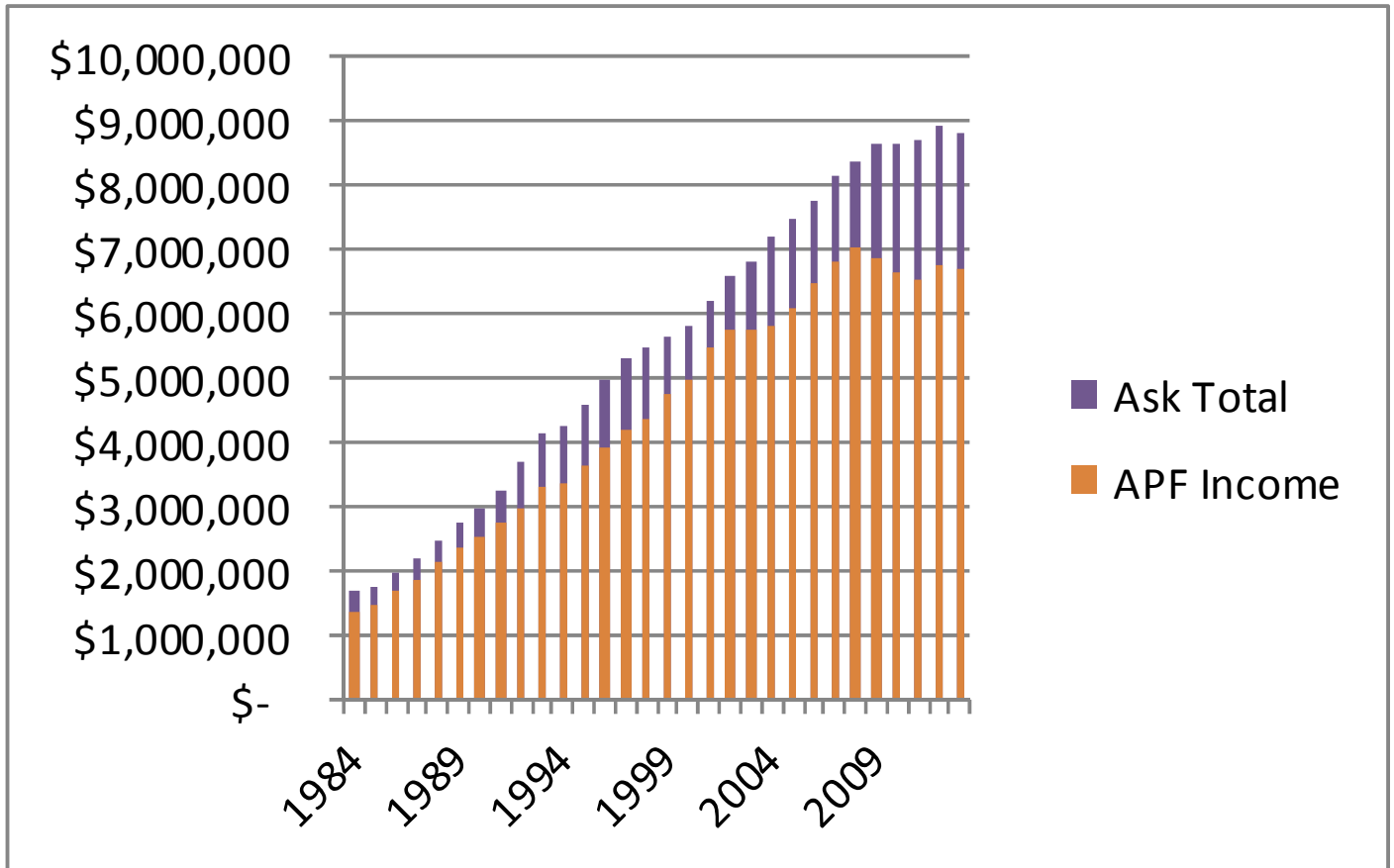


Chart A

- In the last 30 years, the APF ask has increased nearly 600% from \$10 per member to \$58 per member. However, APF attainment rates (percent of income received v. the ask) have remained relatively consistent, ranging from 75% to 87% and averaging at 82%.
- The most we've raised in the last 20 years was \$7,039,166 in 2008, with an ask of \$54/member and an attainment rate of 84%.
- Beginning in 2010, we have seen the only sustained dip in APF history under a 79% attainment rate for multiple consecutive years.

APF History Since 1983

	Certified Members	Ask / member	Ask Total	Growth	APF Income	Attainment Rate *
1983		\$10.00	\$ 1,480,414		\$ 1,225,195	83%
1984	133,548	\$12.00	\$ 1,706,630		\$ 1,336,264	78%
1985	132,318	\$12.00	\$ 1,735,052	-0.92%	\$ 1,459,484	84%
1986	132,886	\$14.00	\$ 1,956,421	0.43%	\$ 1,702,268	87%
1987	132,269	\$16.00	\$ 2,207,169	-0.46%	\$ 1,862,581	84%
1988	132,929	\$18.00	\$ 2,475,928	0.50%	\$ 2,135,921	86%
1989	133,049	\$20.00	\$ 2,724,902	0.09%	\$ 2,353,679	86%
1990	134,218	\$22.00	\$ 2,976,920	0.88%	\$ 2,528,804	85%
1991	135,683	\$24.00	\$ 3,261,454	1.09%	\$ 2,754,960	84%
1992	140,681	\$26.00	\$ 3,670,304	3.68%	\$ 2,979,355	81%
1993	143,798	\$29.00	\$ 4,149,626	2.22%	\$ 3,311,139	80%
1994	144,219	\$30.00	\$ 4,245,489	0.29%	\$ 3,377,100	80%
1995	145,547	\$32.00	\$ 4,594,690	0.92%	\$ 3,629,149	79%
1996	148,014	\$34.00	\$ 4,966,069	1.69%	\$ 3,929,002	79%
1997	149,404	\$36.00	\$ 5,299,804	0.94%	\$ 4,172,742	79%
1998	151,268	\$37.00	\$ 5,498,217	1.25%	\$ 4,384,071	80%
1999	152,904	\$39.00	\$ 5,640,650	1.08%	\$ 4,767,618	85%
2000	154,462	\$40.00	\$ 5,833,706	1.02%	\$ 4,997,695	86%
2001	155,491	\$42.00	\$ 6,218,206	0.67%	\$ 5,459,962	88%
2002	157,161	\$44.00	\$ 6,567,864	1.07%	\$ 5,742,999	87%
2003	156,525	\$46.00	\$ 6,827,724	-0.40%	\$ 5,731,096	84%
2004	157,289	\$48.00	\$ 7,175,985	0.49%	\$ 5,807,887	81%
2005	157,299	\$50.00	\$ 7,507,596	0.01%	\$ 6,068,616	81%
2006	158,986	\$51.00	\$ 7,738,598	1.07%	\$ 6,463,856	84%
2007	162,280	\$53.00	\$ 8,158,052	2.07%	\$ 6,785,083	83%
2008	163,875	\$54.00	\$ 8,376,176	0.98%	\$ 7,039,166	84%
2009	165,277	\$56.00	\$ 8,664,232	0.86%	\$ 6,869,856	79%
2010	164,557	\$56.00	\$ 8,660,693	-0.44%	\$ 6,659,057	77%
2011	162,087	\$56.00	\$ 8,685,232	-1.50%	\$ 6,527,112	75%
2012	161,163	\$58.00	\$ 8,903,019	-0.57%	\$ 6,756,859	76%
2013	156,028	\$58.00	\$ 8,826,722	-3.19%	\$ 6,724,244	76%

Table A

**The APF Attainment Rate is calculated by dividing actual APF income received by the total APF ask*

APF History Since 1983

APF Ask as a % of Congregational Expenditures

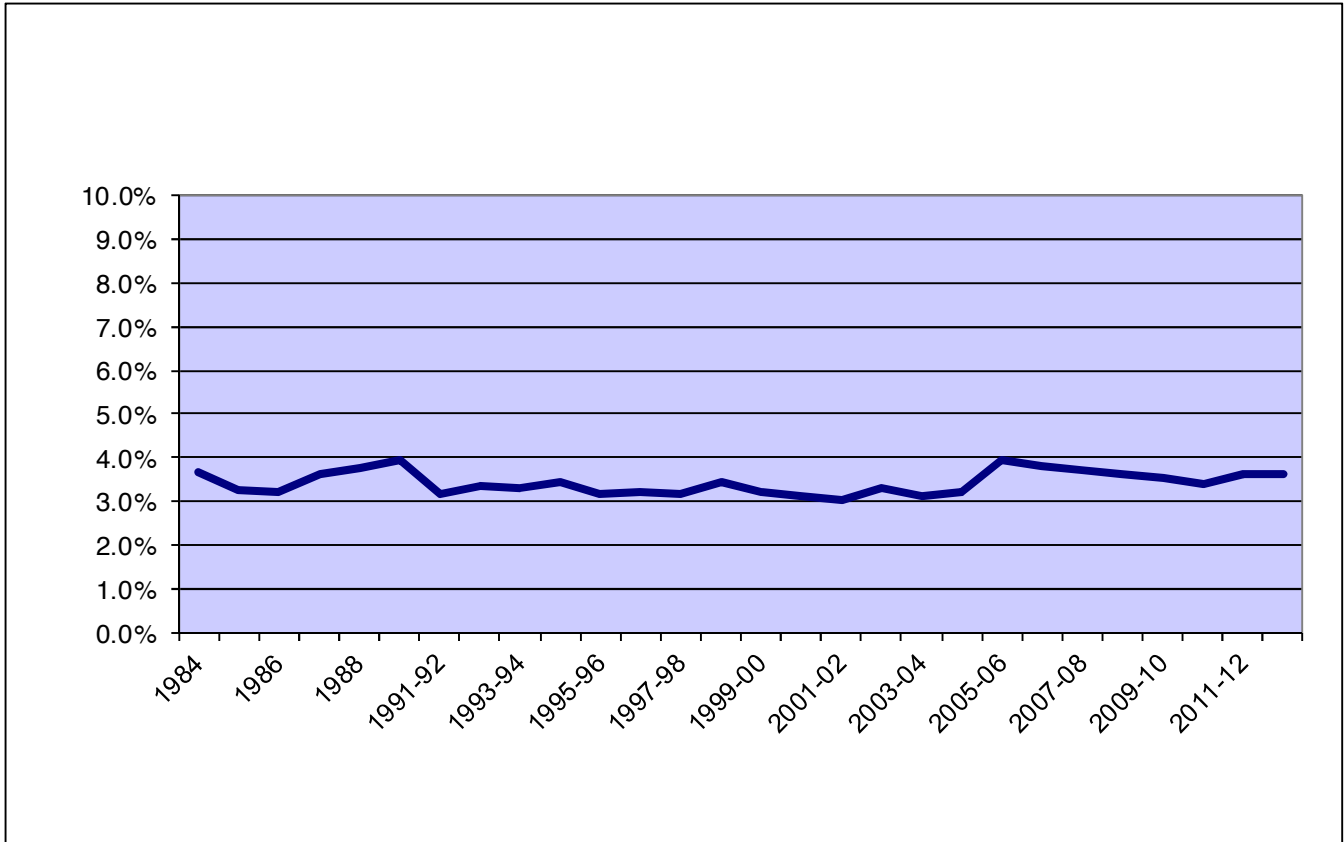


Chart B

- Though the APF ask has consistently increased in dollars per member, this chart shows that it has remained relatively flat in terms of percentage of congregational expenditures.
- Congregational expenditures are self-reported during the annual certification process.

2008 v. 2013

Ask v. Income

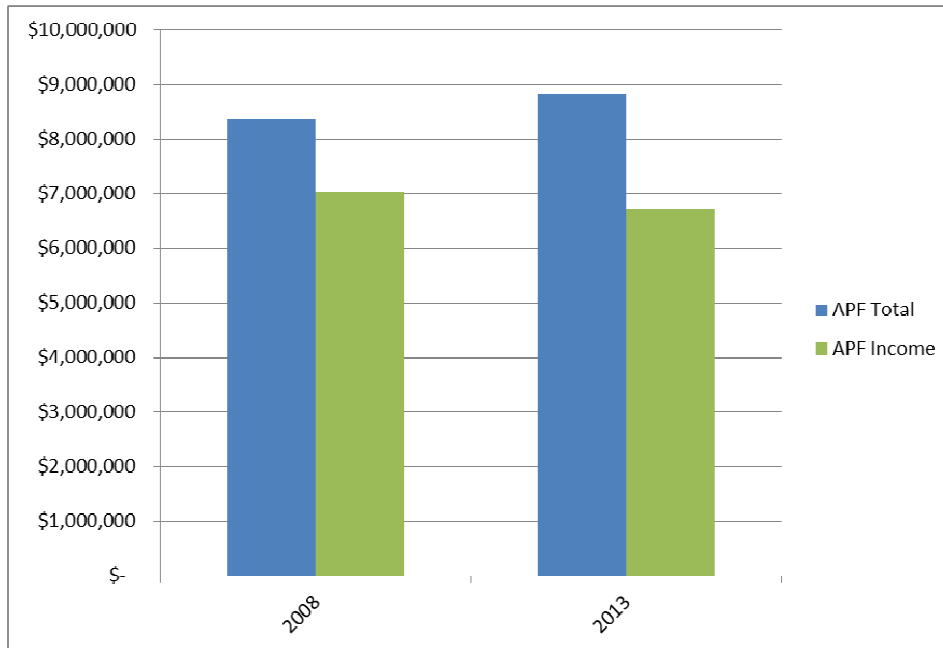


Chart C

Attainment Rate (percent of income received v. the ask)

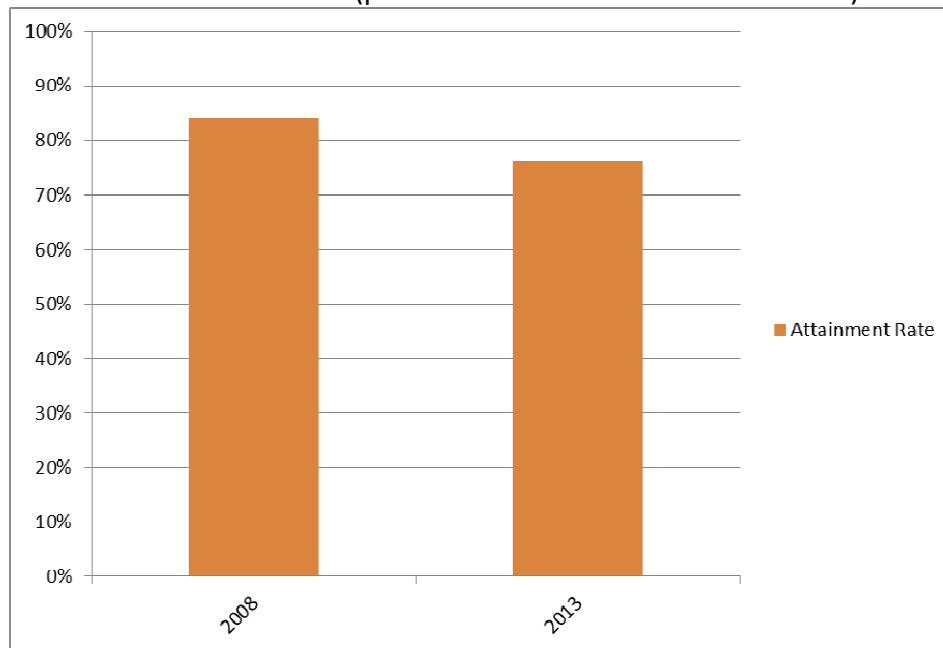


Chart D

A few things happening in 2008:

- APF-specifically: ask amount was set by the UUA Board; APF annual celebration during GA plenary in Ft. Lauderdale; APF Committee appointed by Board, chaired by Barb Brown.
- UUA-wide: high optimism about future growth; ending of a UUA presidency; finishing the Now is the Time fundraising campaign; awakening concern about governance changes; prospect of a strongly contested UUA presidential election.
- Nationally: this was the last fiscal year before the Great Recession.

2008 v. 2013

Attainment Rates by Congregation Size

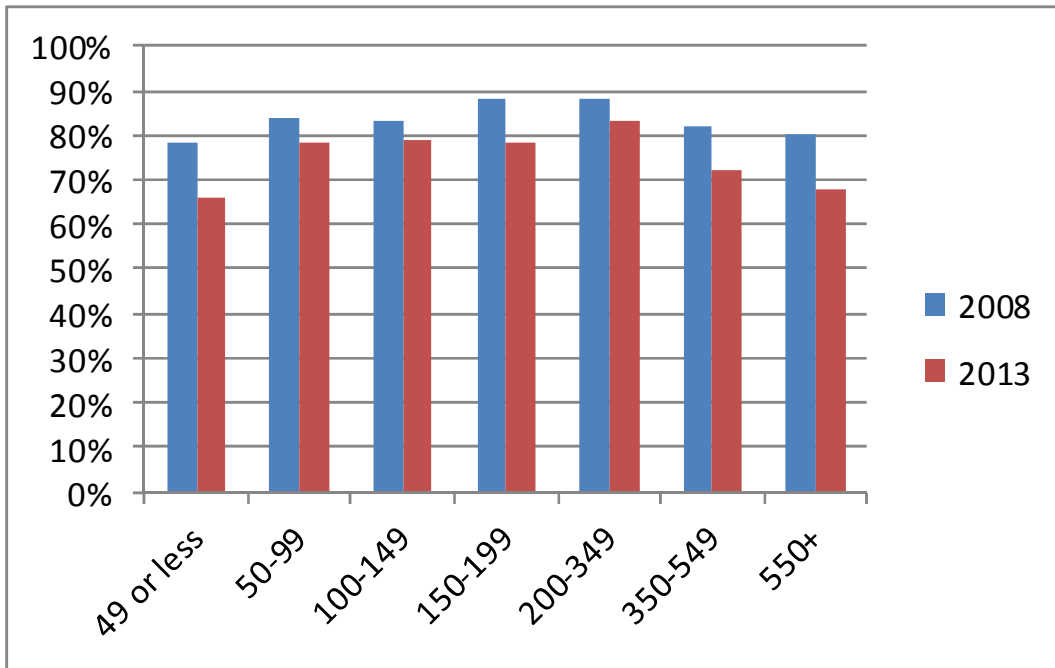


Chart E

APF Income by Congregation Size

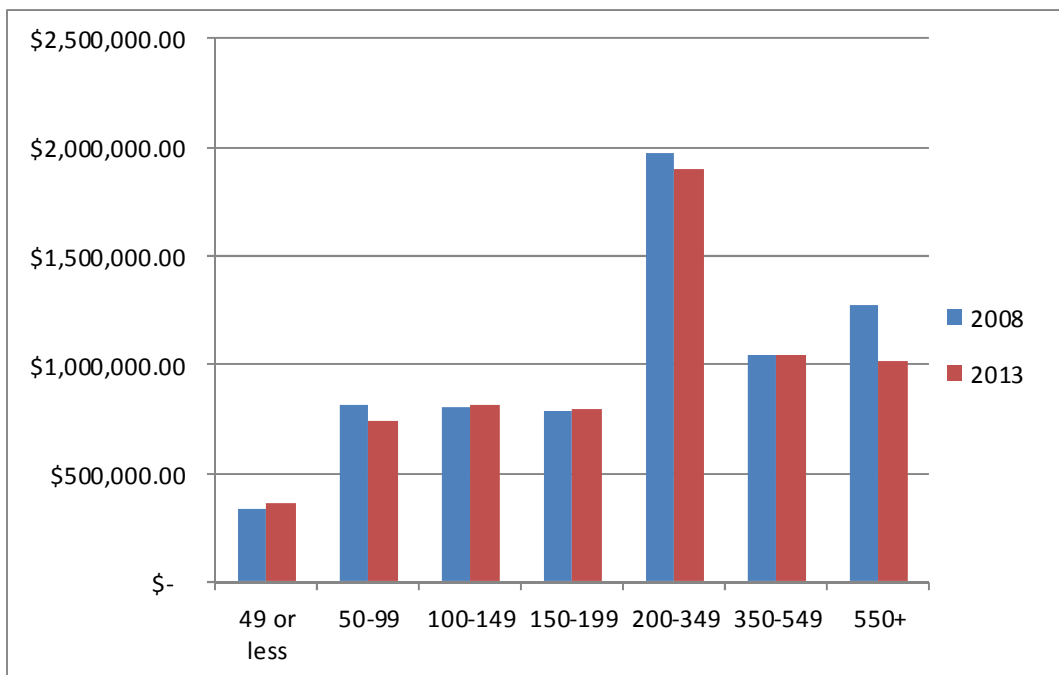


Chart F

Overall Trends for Large Congregations

Large Congregation v. Overall Congregational Average Attainment Rates

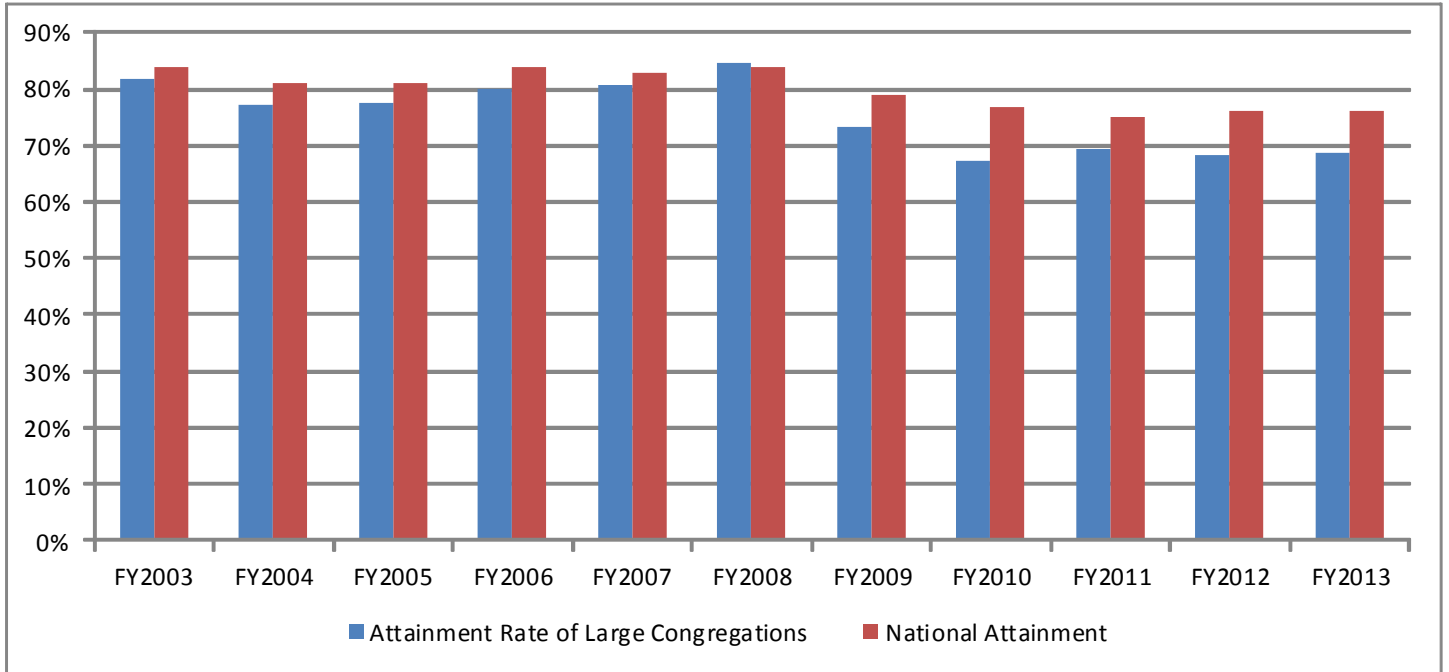


Chart G

Large Congregations Requested and Actual APF Contributions

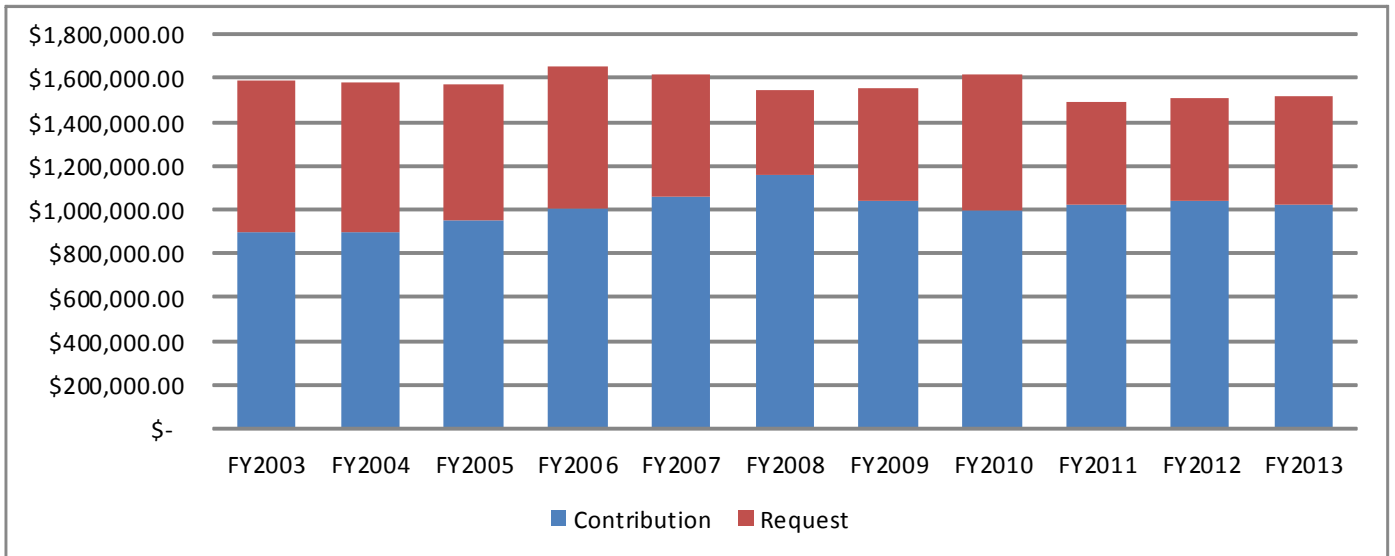


Chart H

Next Steps

Our goal is to rebuild the APF covenant through strengthening relationships with congregations. UUA leadership is convening staff from various departments for a comprehensive relational approach to enhancing the APF brand. Together, we are exploring:

- Bringing together staff from Stewardship and Development, Congregational Life, and Ministry departments in summits on a regular basis to discuss specific congregational cases and plan multi-pronged engagement strategies to reinforce the APF brand.
- Offering “workout plans” for congregations to get back to full APF contributions, that will recognize those congregations as “Fair Share” as they work along that path.
- How congregations’ APF status can be raised up as a part of all UUA programs and recognitions, by all UUA staff.
- Developing a new APF volunteer corps.
- Celebrating APF in various ways at General Assembly.
- A UUA-wide standardized signature line recognizing that congregations participating in APF is what makes all UUA work possible.
- Including APF celebration and recognition in *UU World*.
- Creating a “Fair Share” badge that will appear for participating congregations in the congregational search tool on uua.org.

We are seeking Board partnership and support in making these dreams a reality and in exploring the Board’s unique role in strengthening APF, including:

- How might the Board enhance the power of APF? Would you consider setting the ask, honoring APF in highly visible ways throughout the year and at General Assembly, and endorsing the new APF volunteer corps?
- How might the Board take part in our relational strategies with congregations?
- What factors do you believe have influenced the decline in APF? Internally, including restructuring, staff transitions, governance changes, cultural shifts in our congregations? Externally, including national economic and fundraising conditions?