

MESSAGE FROM VAIL WELLER, SENIOR PHILANTHROPIC ADVISOR



Dear Friends,

When asked what their dreams are for the UU movement, a strong majority of Unitarian Universalists named the hope that we will “become an even more visible and influential force for good in the world” ^[1]. We can gain visibility and influence only if we are strong as congregations, and strong as an Association.

APF contributions are our UUA’s primary source of funding to support our congregations, amplify our moral voice in the world, and protect our history and our future as a religious movement. As congregations, we are independently governed, yet we are connected to one another through the Association of Congregations. As President Susan Frederick-Gray has said, we are already held within the covenant between and among us, in which we offer to one another our trust and mutual support.

Financial support for the Annual Program Fund (and previously for our Districts and or Regions) is a tangible expression of our covenant as member congregations. Thank you for supporting Unitarian Universalists in every corner of our Association through your contributions to the Annual Program Fund.

This packet is meant to explain the APF in depth. We want to also link you with further resources and opportunities for conversation” to “These pages are meant to explain the Annual Program Fund in depth. We hope to answer all of your questions here; please know that we are always available to you at apf@uua.org.

Thank you for your congregation’s generosity. You make all the work of the UUA possible.

In the Spirit of Stewardship,

Rev. Vail S. Weller

Senior Philanthropic Advisor, Unitarian Universalist Association

¹ Fulfilling the Promise survey

THE APF FORMULA

We recognize that you may be looking immediately for the bottom line. That's natural. Numbers matter and numbers also tell a story. The bottom line that you are looking for represents what is being asked of your congregation as a member congregation in relationship to all of the other member congregations. Therefore, the first thing that is asked of each of our congregations is to renew the covenant between and among us. This is spiritual work, as befits a people of faith.

This revised formula is a move away from a per-member calculation and is a move toward a percentage of certified expenditures.

This request includes your congregation's contribution to the Annual Program Fund AND your district or region. There will be no separate asks.

We wanted the formula to be simple. But there are several factors that will affect the amount that is requested of you.

Please note that we have taken great care to create a formula that considers the particular circumstances of your congregation.

Next, you can take a deep breath and be reassured. We have put in place a collar, which will support both our congregations of whom more is asked, and of whom less will be asked. What this means is that if your "new" requested amount is a decrease from what you are accustomed to contributing, we are asking you to hold steady, or to reduce your giving by no more than 10%. This is so that you can help to hold in care the congregations whose ask is increasing. If your "new" requested is an increase, we will be asking you to increase by only 10%. It is this collar, both for increases and decreases, which helps us to support one another.

*"We are called
to recognize the reality
of our interdependence.
We are an Association of
Congregations, and we covenant
to support one another. The
Annual Program Fund is the
vehicle for our mutual support."*

– Susan Frederick-Gray

THE APF FORMULA CONTINUED

THE FORMULA

The APF Formula begins with 6.75% of the congregation's reported operating expenditures. Please note that the APF contribution covers the congregation's support for both the UUA and the Region. Several data points about your congregation, in relation to all others, are then factored in. These are:

- Your Geo Index Number (a rating based on wage rates in your area, used as the basis of the UUA's Fair Compensation guidelines)
- our expense per member ratio (determined using your reported operating expenditures and number of certified members)
- The amount requested from your congregation for APF and District or Region from the last fiscal year.

These data points are used to create the following adjustments:

- The Formula reduces the full amount asked for those congregations who are in a Geo-Index rating of 4 or higher.*
- The Formula reduces the full amount asked for those congregations whose expense per member ratio is in the top 20% of all certified congregations.*

The APF Formula takes the full requested amount of support from the APF and your Region or District, and applies a transition collar, capping the increase in the amount requested at no more than 10% over the prior year, and capping the decrease so that it is no less than 10% under the prior year**.

This means:

- **NO CONGREGATION will have an ask that is more than 10% higher** (than what was previously asked for both APF and District or Region)
- **NO CONGREGATION will have an ask that is 10% Lower**** (than what was previously asked for both APF and District or Region)

*Please note, only one of these adjustments will be applied. If a congregation is in a Geo-Index of 4 or higher AND is in the top 20% of per member spending, the requested amount will be reduced by whichever number benefits the congregation the most.

** Congregations in the Southern Region were previously participants in the GIFT Program, which asked for an unadjusted 7% of operating expenditures. As they have already been asked to contribute at a higher rate, they are excluded from the minimum collar.

HOW WE GOT HERE

In partnership with the UUA Board of Trustees' APF Task Force (and with the help of the congregations in the Southern Region who piloted the GIFT program) we worked for several years to shape congregational giving in a way that is fair and responsive to the realities of congregational life, while at the same time providing sustainable financial support so that our congregations can be well served. We wanted to create a formula that would be based upon a congregation's ability to pay, and to inspire greater numbers of our congregations to provide the full requested amount.

WHY AN ADJUSTED FORMULA:

- Congregational leaders have been asking for a new model.
- We looked carefully at how congregations support the work of the Association as well as the changing landscape of religious affiliation in our country.
- We want to continue serving congregations with programs and resources that allow them to bring Unitarian Universalist values to life in their communities.
- The covenant that holds us is mutual: congregations are asked to support the UUA financially, and we also want our funding program to be responsive to the realities that face congregations.
- Congregations have different definitions of membership.
- In times of crisis, a congregation's membership may not reflect the reality of financial challenge.
- Linking APF to certified expenditures (rather than membership) is more responsive to what's happening within the life of the congregation, and therefore links more directly with the congregation's ability to pay.
- Separating APF contributions from membership numbers encourages congregations to welcome greater number of members.
- We are all one UUA, and we want a funding program that demonstrates this by inviting contributions to UUA nationally and locally (District or Region) in a single, unified ask.
- Contributions to APF dropped from an attainment rate of 84% in 2006 to 71% in 2015, even as congregational expenditures continued to rise.
- Unitarian Universalists are statistically the second highest paid income group [1] but dead last in terms of giving to support our own faith, as compared to other faith groups^[2]
- **We hope that talking about the APF can serve to open a deeper UUA-wide conversation about stewardship as a spiritual principle**



56.5%

of UUA fundraising dollars provided by congregations supporting the APF (largest source)



60%

of UU congregations who are fully contributing Honor Congregations



76%

of the UUA budget which goes to programming and resources for our congregations

¹ Barry A. Kosmin and Seymour P. Lachman, *One Nation under God: Religion in Contemporary American Society* (New York: Crown Publishers, 1993) 260.

² Dean Hoge, ed., *Money Matters: Personal Giving in American Churches* (Louisville: Westminster John Knox Press, 1996) 12.

PAYMENT INFORMATION

WAYS THAT YOU CAN SEND YOUR APF CONTRIBUTION

Mail Payments to:

UUA Annual Program Fund
PO Box 843153
Boston, MA 02284-3153

Please make check payable to **UUA Annual Program Fund** and include your **congregation's 4-digit identification number** and the **Fiscal Year** the check is for on the check to expedite processing. To locate the ID number, search for your congregation at [UUA.org/find](https://uua.org/find). International congregations may send payments in U.S. or local currency. APF pledge forms and other correspondence may also be sent to the PO Box listed above.

NEW THIS YEAR! We are pleased to share that we have recently implemented new online options for your congregation to be able to make secure online APF payments via direct debit:

Set-up Automatic Payments

Select from three automatic direct debit payment schedule options:

- **One-time single payment** (debited on the 10th of September)
- **Four quarterly payments** (debited on the 10th of September, December, March, and June)
- **Monthly payments** (debited on the 10th of each month, from July 2021 through June 2022)

To sign up for automatic direct debit payments please call **Patty Franz** on our congregational giving team at **(617) 948-6116**. Have your **congregation's ID#** (see above), your bank's **9-digit routing number** and bank **account number** ready when you call. *For security purposes, please do not email bank account information to us.*

Pay Online

Even if your congregation does not opt for automatic payments, you can choose to make single, one-time direct debit payments from a designated bank account at any time during the year by visiting giving.uua.org/apf-debit.

Questions? Contact: apf@uua.org | **(617) 948-6512**

- The quest to find the most equitable funding program has been ongoing for over four decades.
- Regionalization changes how our staff, regions, and districts operate and are funded.
- The times in which we live demonstrate how necessary our Unitarian Universalist values are
- Our UUA can be robust and responsive only with the full support of our congregations
- **We ask congregations to recommit to the covenant of support for one another so that we may powerfully meet the challenges of our time.**

Congregations pledge to support the Association when they become member congregations in the UUA, and this support is what allows us to serve congregations across the entire UUA. We are an Association of Congregations, and we are in covenant with one another. Support for the Annual Program Fund is a concrete expression of this promise.

FREQUENTLY ASKED QUESTIONS

Why has the Annual Program Fund (APF) formula been adjusted?

- Various studies of APF have been done for decades. The UUA Board of Trustees empowered an APF Task Force to make a final recommendation for a revised formula that would be responsive to financial realities in congregations while also providing sustainable financial support so that our congregations can be well served. As part of the APF Task Force's work, a workshop was presented at GA 2016, a survey was sent out to all identified treasurers and presidents, and specific follow up was made with those congregations that were flagged for concern.
- In the first year of the adjusted formula, the Southern Region, the Central East Region, and the New England Region moved to the New APF. The Districts of the Pacific Western Region and the MidAmerica Region moved to the New APF in FY20. We no longer refer to the program as "New" because all Regions are utilizing the same formula and some areas of the country have been doing so for a few years now.

What is the APF formula?

- The formula starts with 6.75% of the congregation's reported operating expenditures. Several data points about your congregation, in relation to all others, are then factored in. These include your Geo Index, your expense-per-member ratio, and the amount requested for APF support last year. A transition collar is applied so that no congregation's ask will go up by more than 10% over last year, and no one's ask will go down by more than 10% under last year. There is quite a bit to say about the formula, and there is more detail provided elsewhere in this document as well as **here** on our website.

Is the APF request amount based upon our congregation's membership number?

- No. The APF is designed to be based on your ability to pay, so it is linked to the congregation's Certified Operating Expenditures. (This means as your income goes up, so does your requested amount. Similarly, as your income decreases and your expenditures decrease, so does your requested amount.)

How do we calculate our Certified Operating Expenditures?

- A guide is currently available at www.uua.org/operating-expenses, and our team is available to help talk your congregation through the process. Reach out to us at apf@uua.org.

Will we be asked to pay APF in addition to our district or regional dues?

- No. The APF formula is designed to fund both the UUA and our Regions in a single request.

When will we receive our Anticipated Ask listing our APF request amount?

- Your congregation will receive your customized Anticipated Ask form in late October.

How can we budget for the next fiscal year when we don't yet have our APF requested contribution amount?

- If you need to work with specific figures before the Anticipated Ask arrives, you can look at what was requested last year. From there, be reassured that no congregation's ask will go up by more than 10%. Additionally, no congregation's ask will go down by more than 10%.

When will we receive our Pledge Form?

- Pledge forms will be sent out in March of the current Fiscal Year. We encourage all congregations to return a pledge form. Just as is true within your congregation, it is necessary for us to know what our anticipated income is in order to plan responsibly.

FREQUENTLY ASKED QUESTIONS

I'm not sure about our congregation's level of commitment to APF over the years. How can I get this information?

- Congregations may request a copy of their Congregational History Report at any time. Please send an email to apf@uua.org indicating that you would like a current copy of the report. Please include identifying information (**4 Digit Congregational ID/Congregation Name/City/State**) with your request. You will receive a PDF of the document in return by email.

We have always been an Honor Congregation. How can we retain that status?

- Honor Congregation designation will be given to congregations who contribute the full amount requested by the APF formula.

For a variety of reasons, we have not been able to maintain Honor Congregation level giving. How can we get back there?

- We are so glad that you have this aspiration. We'd love to partner with you. Please contact our team at apf@uua.org so that we can support your leadership in making a multi-year plan.

How do you stay in touch with our congregation's leaders?

- Please be sure to visit myuua.org and update the contacts for your congregation. We rely on you to identify your leaders!

What happens if we DON'T update our certification?

- Per UUA Bylaws, all member congregations must participate in the annual certification. If we do not have a current figure from your congregation, we will use the most recent data available to us.

What do we "get" for our contributions?

- Through your congregational support of the APF, we get a stronger Unitarian Universalism, within our congregations and beyond. The Annual Program Fund is the primary source of income for the Unitarian Universalist Association's larger ministry in the world. Your contributions to APF make possible the things that we could never do as individual congregations. There are so many ways that the UUA is empowered to serve thanks to your support. Here are just **some of the ways**.