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# COMMUNICATING THE DENOMINATIONAL BUDGET & DATA

# Andrew Jensen

Director of Communications



# Brandy Bivens

Chief Communications Officer



# The Seven **Apportioned Funds**

## **The budget consists of the seven apportioned funds:**

- Africa University – supports education efforts on the African continent
- Black College Fund – supports 11 historically Black church-affiliated schools
- Episcopal Fund – supports the episcopal leadership for the general superintendency of the Church
- General Administration Fund – supports General Conference, the Judicial Council, Archives and History, and the Church's finance agency
- Interdenominational Cooperation Fund – supports the UMC's ecumenical work
- Ministerial Education Fund – supports United Methodist seminaries and clergy development
- World Service Fund – supports the diversity of mission through the work of church agencies and the Connectional Table

# But First, Budget Process



# What Is the Budget Process?



- The Budget process for a new quadrennium begins almost immediately after General Conference concludes.
- A group called the Budget Advisory Team is assembled with representatives from GCFA, The Connectional Table and The General Secretaries Table, guiding the overall budget process and developing the principles upon which the budget will be formed.

The Budget Advisory  
Team develops  
principals to guide  
the budget

**01**

# What Is the Budget Process?



GCFA's Economic Advisory Committee (EAC), comprised of economists, clergy, and laity, projects the local church expenditures, one of two factors in the apportionment formula.

The Budget Advisory  
Team develops  
principals to guide  
the budget

**01**

Economic Advisory  
Committee recommends  
net expenditure  
projections

**02**

# What Is the Budget Process?



The EAC's feedback, along with other financial considerations, go before GCFA's General Agency and Episcopal Matters Committee (GAEM), who makes a recommendation on final numbers to the full GCFA Board.

The Budget Advisory Team develops principals to guide the budget

**01**

Economic Advisory Committee recommends net expenditure projections

**02**

GCFA's General Agency and Episcopal Matters Committee makes recommendations to GCFA's Board

**03**



# What Is the Budget Process?



GCFA's Board accepts or modifies GAEM's recommendation. By combining the net expenditure projection and a base percentage rate, the calculation can then be figured for the total quadrennium apportionments.

The Budget Advisory Team develops principals to guide the budget

**01**

Economic Advisory Committee recommends net expenditure projections

**02**

GCFA's General Agency and Episcopal Matters Committee makes recommendations to GCFA's Board

**03**

GCFA's Board modifies or ratifies as necessary

**04**



# What Is the Budget Process?

## Great! But how do the dollars get allocated?

- GAEM makes recommendations to the GCFA Board on allocations to the Episcopal Fund, the General Administration Fund, and any fixed charges to GCFA from other funds (to support the bookkeeping and administration of these funds), considering the principles and guidelines established by the Budget Advisory Team.

GAEM recommends  
funding allocations for  
Episcopal & General  
Admin Fund

GCFA's Board  
modifies or ratifies



# What Is the Budget Process?

## What about the other five funds?

- GCFA provides the estimated total amount available for distribution among World Service, MEF, Africa University, Black College, and Interdenominational Cooperation Fund to The Connectional Table to make recommendations on allocations.

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GCFA provides  
estimated amount to  
Connectional Table



# What Is the Budget Process?

- The Connectional Table reviews program and missional priorities, special programs, and estimated amount available to program agencies.
- The Connectional Table then makes recommendations on the allocation to and within these funds.
- GCFA must agree to the proposed allocations.



GCFA provides  
estimated amount  
to Connectional  
Table

Connectional Table makes  
recommendations on  
allocations for MEF, BCF, AU,  
ICF, & World Service

GCFA and  
Connectional Table  
must agree on  
these allocations

# What Is the Budget Process?

- Phew. So that's the process?
- Not quite. This is only the first iteration of the quadrennial budget.
- Prior to General Conference, GCFA updates its projections for local church net expenditures and reviews allocations and any recommended changes from the Connectional Table and the Budget Advisory Team. A revised budget is then submitted to General Conference.

GCFA updates  
projections

Connectional  
Table and  
Budget Advisory  
Team review

Revised budget is  
submitted to General  
Conference.



# What Is the Budget Process?

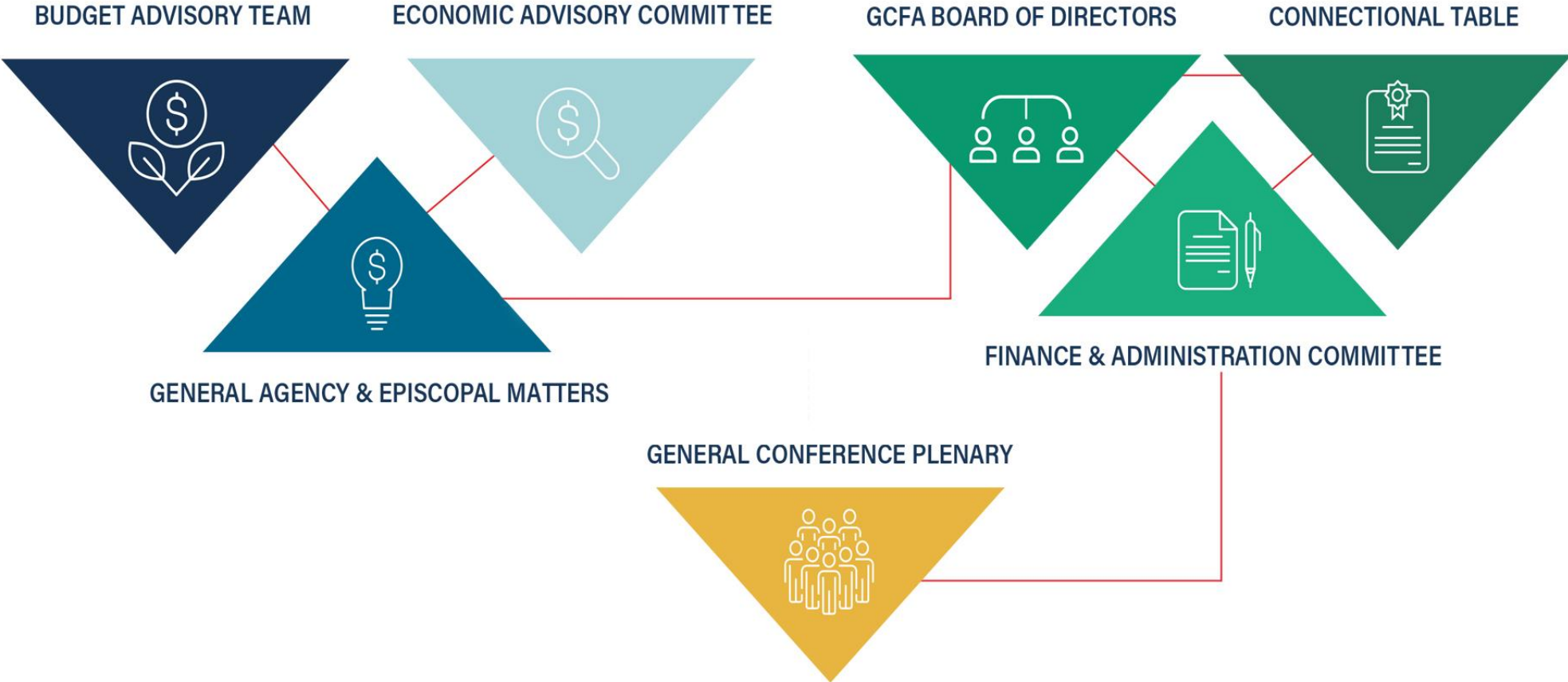
## At General Conference

- At General Conference, budget petitions are brought before the Financial Administration Committee (Week One). This committee adopts or amends the budget and makes a recommendation to the plenary regarding the quadrennial budget.
- Once the plenary starts (Week Two), GCFA and The Connectional Table meet to determine whether the proposed budget needs to be amended if any petition passes that has financial implications (outside of the budget).
- Revisions to the budget reports are made as necessary and published in the DCA.
- The final proposed reports come before General Conference on the last day for approval or amendment.
- Yay! We have a final budget!





# Budget Process Infographic





# Understanding The Budget

The Nitty Gritty, As They Say



# Understanding Apportionments

## How Is The Budget Funded



Our dollars do more in a Connectional system than a congregational system.



A portion of all dollars given at the local church level go to fund mission and ministry at a general Church level. These are called "apportionments" or "mission shares."



Local churches pay their apportionments to their annual conferences, who in turn pay apportionments to the general church for the apportioned funds.



Members and those donating to their local UMC fund our general Church budget.

# How Are Apportionments Calculated

## Jurisdictional Conference Formula

- The budget, as passed by General Conference, is a formula of two major factors that goes into the apportionment formula, or the rate at which apportionments will be assessed. **(A)**
- We start with the TOTAL budget for the UMC, which consists of the net expenditures of local churches. **(E)**
- The second factor is the Base Percentage, which is the rate of apportionment. **(P)**

The formula is:  **$A = E * P$**

**A**

Represents an annual conference **General Church Apportionment**

**E**

Represents the annual conference **Net Expenditures**

**P**

Represents the **Base Percentage**

# How Are Apportionments Calculated

## Central Conference Formula

The formula is:

$$A = (J * M) * i$$

**A**

Represents a central conference annual conference's **General Church Apportionment**

**J**

Represents the **Jurisdictional Apportionments per Professing Member** (only for Episcopal & Gen Admin funds)

**M**

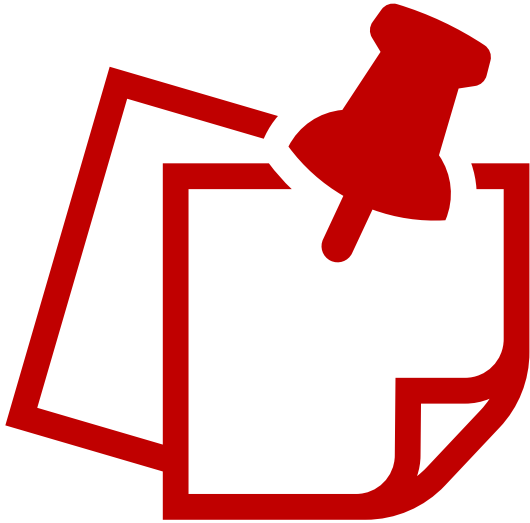
Represents the number of **Professing Members in the Central Conference Annual Conference**

**i**

Represents the **central conference's "Economic Adjustment Factor"**

# To Note:

## Central Conference Formula

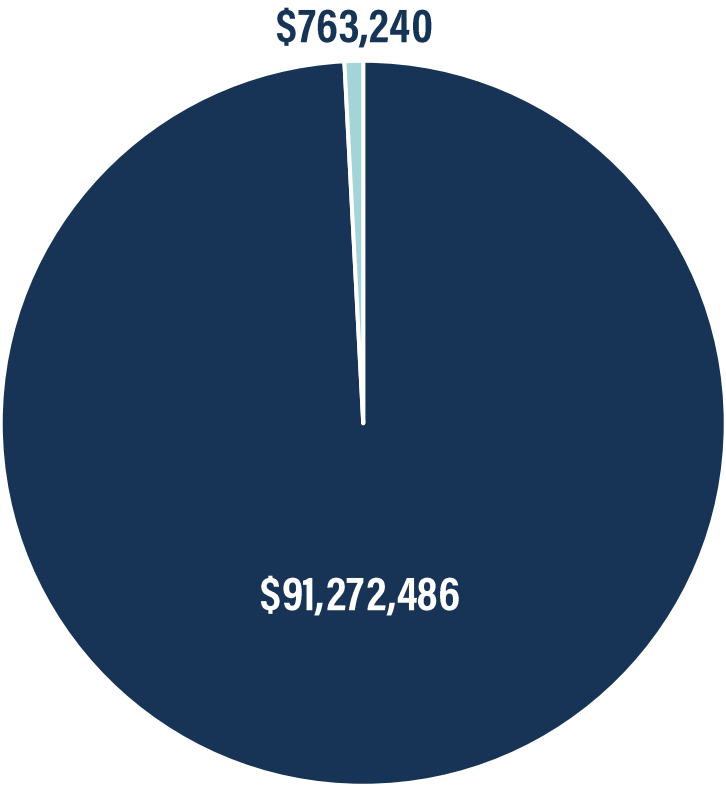


- We don't have net expenditures for local churches in the Central Conferences, so we use membership as a base.
- Central Conference apportionments only go toward the Episcopal Fund and the General Administration Fund
- More information can be found in the [Financial Commitment Booklet \(published Q1 2025\)](#).

# Apportionments By The Numbers, 2024

**Jurisdictional Conferences**  
\$ 91,272,486

**Central Conferences**  
\$ 763,240





# How Are Apportionments Paid?

- Payment in full of these apportionments by local churches is the first benevolent responsibility of the Church – Paragraph 812.6 *BOD*
- Using the jurisdictional formula, GCFA will first calculate the total amount to be apportioned to each annual conference for the applicable apportioned general funds. The apportionment for each fund will then be calculated in direct proportion to that fund's approved amount. Each annual conference will therefore continue to receive from GCFA an annual statement showing its apportionments for each applicable general fund. Each annual conference will continue to have the authority to apportion those amounts to its charges or churches by whatever formula or method it determines (§ 613.3).
- If an annual conference decides to combine general Church apportionments with each other or with conference apportioned funds for apportioning to local churches, the receipts on such combined funds will be allocated in direct proportion to the budgeted amounts for each fund or cause included in the combined fund budget and amounts so allocated to general Church funds will be remitted to GCFA on a monthly basis. (§ 619.1a(2)(c))

# How Are Apportionments Paid?

- It is important to note that GCFA collects the apportionments that are sent in by Annual Conferences – not necessarily what is collected from the local churches.
- Some annual conferences supplement from reserves to reach 100% apportionments.

# 100% Apportionments Collection, 2024

## Jurisdictional Conferences

- California - Nevada
- Central Appalachian
- New England
- New York
- Northwest Texas
- Oklahoma Indian Missionary
- Wisconsin

## Central Conferences

- Central and Southern Europe
- Germany
- Liberia
- Mozambique
- Nordic-Baltic
- Zimbabwe

# The Budget By The Numbers: **Base Rate**

The 2020/2024 General Conference **passed a base rate for the quadrennium of 2.6%**

However, the General Conference also stated that if the collection rate meets or **exceeds 90% in 2025-2026, the base rate will increase to 2.9%. You may hear this referred to as the “conditional base rate.”**



# The Budget By The Numbers: **Budget Numbers**

**Total Forecasted Budget:** ~\$353.1 million:

- \$347 million from Jurisdictional Conferences;
- \$6.1 million from Central Conferences



**But, how much will we really see? Let's Do Some Math!**

# The Budget: And Now, Some Complexity

## There are seven apportioned funds:

- Africa University
- Black College Fund
- Episcopal Fund
- General Administration Fund
- Interdenominational Cooperation Fund
- Ministerial Education Fund
- World Service Fund

## Interdenominational Cooperation Fund

- This fund took the largest “cut” at General Conference. – 72%
- This fund has sufficient reserves, creating capacity to continue in their work.
- However, during next budget cycle, the intention is to begin with the funding level “restored” before additional reductions are recommended.



# The Budget: And Now, More Complexity

## The General Administration Fund:

- General Administration Fund: Allocations to the General Administration Fund are reduced 27.5%.
- General Conference is budgeted for a 15.4% increase, due to an additional \$7 million for a special called General Conference Session in 2026. This cannot pay for the 2026 Leadership Gathering.

## Other reductions include:

- GCFA – almost 60% decrease;
- Archives & History – almost 10% decrease;
- Standing Committee on Central Conference Matters – a 5.6% decrease; and
- Judicial Council – a 43.5% decrease.

# The Budget: **Even More Complexity**

**The World Service Fund - supports the diversity of mission through the work of church agencies and the Connectional Table**

- The Connectional Table, COSROW, GCORR, and the Ethnic Plans were prioritized by The Connectional Table in this budget cycle and receive less than 1% decrease. (fixed charges)
- The Central Conference Theological Education Fund and Contingency Fund was reduced by 50%.
- United Methodist Men received a 41.8% reduction.
- GBCS, GBGM, UMCOM, Discipleship Ministries, and GBHEM – 52.8% reduction.

# The Budget: So Much Complexity

Why do have some ministries receive hardly any cuts and some seem to take the lion's share?

**Short Answer:** Priorities!

**Long Answer:** Fixed Costs vs. On Ratio

Fixed Costs – Fixed costs are paid 100% in full before anything on-ratio is paid

On-Ratio – Paid (you guessed it) on ratio as collections come in

# Budget Resources

## The Financial Commitment Booklet: Let's Vote!

- The Financial Commitment Booklet – who's afraid of Commitment?
- The UMC Budget Handbook - Other Ideas???

## Collections – Reports, Videos, and More!

- [General Conference Reports](#)
- [Reports Page](#) – GCFA: Collections Videos, Apportionments, General Agency Finances, etc.

## Giving Campaign





## Empowering the Connection

Explore United Methodist Church Jurisdictional Data



### Churches

Discover a wealth of church data to help you connect with churches within the United Methodist denomination effortlessly.

[Explore →](#)



### Bishops

Discover the tenure, appointment history, and service areas of our bishops to enhance your engagement with United Methodist spiritual leadership.

[Explore →](#)



### People

Explore the status, locations, and conferences of spiritual leaders within the United Methodist denomination.

[Explore →](#)



### Leadership



### Statistics



### Charts

[DataServices@gcfa.org](mailto:DataServices@gcfa.org)

# A Final Question On Budget Data

Are quarterly "Updates from Denman" helpful?





# Questions?



# How Else Can You Interact With GCFA?

- [Gcfa.org/subscribe](https://gcfa.org/subscribe)
- Reprint/Republish/SHARE any of our resources?
- They are YOURS!

**Subscribe to the  
Collaborator!**





# Thank You!

**Brandy Bivens**



[Bbivens@gcfa.org](mailto:Bbivens@gcfa.org)

**Andrew Jensen**



[Ajensen@gcfa.org](mailto:Ajensen@gcfa.org)

**Melissa Jackson**



[MJackson@gcfa.org](mailto:MJackson@gcfa.org)



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