

PRESBYTERY OF THE COSTAL MID-ATLANTIC
Stewardship Committee

For: Ministers and Clerks of Sessions

SUBJECT: Percent of Income (POI) Explanation and Understanding

1. The Presbytery is proposing to change our method of giving or supporting the Presbytery financially from the older Per Member Asking (PMA) method to a new Percent of Income (POI) method. This new POI method is proposed to start during the 2024 budget cycle.
2. The work at the Presbytery Level is currently supported solely by contributions from member churches. Currently, congregations are asked to give \$25.00 per active member toward the work of the Presbytery.
3. Membership is no longer a reliable measure of a church's size or capacity for giving to the work of the Presbytery. We must now have a formula that will better define terms and conditions of giving for all churches in the Presbytery.
4. We believe that percentage of giving is the most equitable basis for giving as we move forward in the work of the Presbytery.
5. The percentage formula would allow the church's giving to fluctuate each year with their undesignated offerings rather than membership.
6. Percentage of Income (POI) is defined as: Dollars spent on staffing, operations, maintenance, missions (from general funds), and internal programs of the church. It does not include capital campaign projects, and specifically designated outreach/missions (i.e. external ministries and causes) or in most cases any designated activity that is outside of the general budget. Designated funds for an activity included in the general budget would be included in the Percent of Income calculation.
7. The **primary** source used to calculate the Percent of Income (POI) is the information provided in the EPC Annual Church Report, Finance Section. We will use the block on the report titled, "Income to General Operating Fund" to determine the income received for the year. Per the annual Church Report, this block is defined as: Total funds received during the year used for the church unified budget (income to a congregation's general operating fund). This does not include designated income, special projects, or income that is outside of the operating budget. For example, if a church has a preschool and its income and budget are outside of the church's operating budget, then it would not be included. (Will be used for the POI calculation).
7. The Percentage of Income for 2024 is recommended to be 1.25% based upon our budget requirements for 2024.