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Guidelines for Reviewing Apportionment Reductions

Note: This is a draft document and will be reviewed by Stewardship and Finance at its next meeting for approval or changes.

1. Staff send out apportionment reporting form* around February 1 with a due date of February 28.
2. Monthly Meetings use the apportionment reporting form to notify Stewardship and Finance if they are asking for a reduction of their apportionment. The request should include the reason they expect difficulty in making the full payment, how much they believe they could contribute, and a copy of their budget for the current year.
3. The apportionment forms for Meetings making a reduction request will be forwarded to the Apportionment Subcommittee and any S&F members not on the Subcommittee who are liaison with the Monthly Meetings requesting an adjustment.
4. Staff will prepare a report showing each Monthly Meeting's number of contributing households, average contribution per contributing household, average investment income per contributing household, total income per contributing household, apportionment for the Meeting as calculated by the formula, and apportionment per contributing household. In addition, this report will include the minimum, median, and maximum for each of these categories. This will be used in evaluating requests for adjustments, especially noting average contributions per household.
5. The Apportionment Subcommittee and other S&F liaisons who are not Subcommittee members will meet by conference call prior to March Interim Meeting to discuss the information submitted in step 2 and the information calculated in step 4 and will develop a tentative recommendation.
6. Approved approaches to testing possible accommodations include
 - If the request involves mortgage expense, divide the mortgage principal by the term to calculate the average principal per year. Subtract that amount from the contributions and see what the effect is on the Meeting's apportionment. If the request involves a new mortgage, do not reduce the apportionment to an amount less than what the Meeting has been paying
 - If the request involves a new, non-discretionary expense (such as rent), subtract the additional amount from the contributions and see what the effect is. Consider subtracting less than the full amount, on the principle that Meetings should not have the full cost subsidized by other Meetings in BYM
 - If the request involves an expected sudden and significant decrease in future contributions, subtract the amount from reported contributions and see what the effect is. Consider subtracting less than the full amount, on the principle that others in the Meeting may be able to cover some of the lost revenue

- If any of the formula adjustments result in an apportionment amount less than that requested by the Monthly Meeting, cap the reduction at the amount requested by the Meeting.
 - Any adjustments will be for one year only, but subject to renewal. Circumstances may change for other Meetings in the Yearly Meeting and it would not be wise to promise long term adjustments for one Meeting.
 - The record of previous adjustments must be consulted before recommendations are made for new adjustments. Precedent is not binding, but any variations should be for a documented reason and must be explained in the proposal forwarded to the full Stewardship and Finance Committee for approval.
7. The Apportionment Subcommittee's recommendations will be a topic for the Committee meeting at March Interim Meeting. At that time follow-up questions will be identified for each Meeting. Information from the report described in #4 to be shared with the Meeting will be determined. One or more members of the Apportionment Subcommittee will be identified to work with each of the Meetings requesting an adjustment.
 8. Where possible there will be in-person meetings with requesting Meetings and the Meeting liaisons and Subcommittee members assigned for follow up, that preferably will take place at one of the apportionment meetings. If an in-person meeting is not possible, a conference call will be scheduled. Reductions tentatively approved or disapproved by Stewardship and Finance at March Interim Meeting will also be shared at this time and the Meeting's response heard and considered.
 9. Following the meeting or conference call the people meeting with each Meeting will develop a recommendation for the Subcommittee. The Subcommittee will meet by conference call and prepare a recommendation for the full Stewardship and Finance Committee.
 10. The recommendations will be reviewed at the Committee meeting at June Interim Meeting and any adjustments to apportionments will be made at that time. Any reductions will be reallocated to other Meetings in the Yearly Meeting. If the full amount of the requested reduction is not approved, and it is considered unlikely that the Meeting will pay all of the adjusted amount, the difference will be included in the budgeted amount for unpaid apportionment.
 11. The minutes of the Stewardship and Finance Committee will only include the amount(s) of approved reduction and the Meeting(s) for which they were approved. The detailed analysis will be documented for the record for use in future apportionment reduction reviews but will be held as confidential.
 12. When the proposed apportionment is presented at Annual Session, any Meetings which have had their apportionment reduced will be identified, and a footnote will state "Apportionment reduced due to financial circumstances." The amount of reduction and the reason for it will not be included.

*The apportionment form will be modified prior to the 2019 apportionment to make it clear that this is the vehicle for Monthly Meetings to inform Stewardship and Finance that they expect difficulty in paying their full apportionment for the coming (not current) year.