

How Has Our Pre-Budget Subscription System Failed?

By Herbert Muenkel

To answer this question, let us first review the background history. Prior to the year 1963 our offerings for the support of Synod's budget were largely encouraged on the basis of the so-called "quota" system. The Synod's officers established a budget, the Synod convention studied it, trimmed a little here, added a little there, and finally adopted a budget. Then we indulged in a little arithmetic, dividing the amount of the budget by the communicant membership of Synod, and presto, we had our "fair share" or "quota", an average of so much per communicant! This system could furnish a reasonable guide for dedicated Christians to lend intelligent, cheerful, and generous support to the Mission program of the church. Like all systems, this one could also be abused to the point where we might decide we had given enough when we made our "quota." We could also use it to uncharitably judge those who did not reach the "quota."

Another objection voiced by many was that Synod ("they") by the "quota" system was decreeing the amount that our offerings should be, and thus robbing to a large extent the "free-will" aspect of our offerings. The argument seemed to be that the rank and file members should tell Synod how much they would contribute toward the budget, after being duly informed about the needs, and then let Synod establish a budget in conformity with these subscriptions—subscribing to the budget BEFORE it was established.

For these and other reasons the Board for Information and Stewardship (BFIAS) was assigned the task by the 1957 Synod Convention (Proceedings, 1957, 181B) to offer a Pre-Budget Subscription System (PBSS) to the 1959 convention for its consideration. In the report brought by the BFIAS to the 1959 convention, it was acknowledged that "no particular system is essential nor does it in any way produce the willingness to dedicate one's self to the Lord and His work.." On the other hand, it was also pointed out that Scripture calls for a systematic approach to our giving, and that as good stewards we "will seek the method which lends itself the least to abuse and which can most readily reflect the Scriptural concept of stewardship." (Proceedings, 1959, 217) Seven Scriptural principles were cited which should apply to all our giving, and thus elevate our offerings to their proper place as the response to God's love and blessings. "Workable" and "practical" are terms appearing in this report, and applied to the PBSS there offered for consideration. The report concluded with, "We consider the PBSS to be in harmony with the Scriptural principles we have studied and to be a method which can prove workable if the congregations of our Synod desire working with such a system and will cooperate in its functioning." (Proceedings, 1959, 220)

The Synod in its 1959 convention resolved that all districts study the matter further, that the BFIAS promote this study, and that it be considered again at the 1961 convention. To prepare the 1961 convention for conclusive action on this proposed PBSS, the BFIAS produced, at Synod's request, the study material, and mailed over 7000 copies to all congregations, districts, and conferences for their meetings. (Pro. 1961,234) In due course the 1961 convention at Milwaukee adopted the PBSS. Three of the "whereases" bear mention here, i.e., reasons for adopting this systems (1)"Whereas, the quota system of gathering offerings has repeatedly left us with a deficit," and (2) "whereas the need for a near system of gathering offerings seems to be indicated," and (3) "whereas the PBSS has been studied and appears to be practical." (Pro. 1961,209) Thus, it appears as a matter of record that we were thinking the new system would hopefully produce more revenue, as well as emphasize the Scriptural principles of giving.

During the ensuing year came the promotional literature from the BFIAS, the meetings in Milwaukee to educate all the district officers and conference visitors, and then the Stewardship Conferences with representatives of every congregation. The brochure, "How Far? It's Up To You" summed it up pretty well: "Under this plan YOU and the other 235,000 members of Synod decide ahead of time what you will return to the Lord as thanks for the bounties He has given you. On the basis of your subscription together with that of the members in 800 other congregations in the Synod a realistic program of mission work can be adopted at a Synod convention. YOU determine how much can be done... how far we can reach with the saving Message." And again, "Your representatives in the Synod convention will adopt a budget based on YOUR subscriptions... will do as much and go as far as your pledges allow."

The system was launched with nearly all of the 800 and more congregations of Synod determining during the winter of 1962-63 the amount that each was willing to contribute for the support of the Synod's work, beginning July 1, 1963. The first progress report appeared in the Northwestern Lutheran of April 7, 1963, and informed us that "statements of intention" amounted to \$2,874,148.00... "almost \$390,000, or 11 percent, more than our congregations gave to their Lord for His work" in the previous fiscal year of 1961-62. This report also contained the following appraisal: "On the whole... the first experience with the PBSS is a most encouraging one. We have something further to base this on, in addition to the figures cited above. Various indications from the field lead us to believe that the subscriptions by the congregations are conservative, and we have good reason to hope that most congregations will exceed their self-set goals." All of us were exhorted to give due thanks to the Lord for this increase, since He alone moves hearts to respond to His love.

In the meantime all department heads of Synod were drawing up budgets to be presented to the 1963 Synod convention in Milwaukee. Their figures were revised, trimmed, and after searching appraisal trimmed some more. In spite of the careful screening, the budget presented to the 1963 convention totaled a great deal more than the amount subscribed by the various congregations. In fact, it was 26.5% over the PBSS plus anticipated other revenues. (R & M, 1963, p.126)

In the same publication, page 134, the President's Advisory Council gave two reasons for proposing a budget so far above the congregations' subscriptions. It would be well to bear these in mind, to guard against too hastily judging those responsible for leadership in our Synod. The reasons given were: 1) Normal synod growth, the result of God's blessings in answer to our prayers, naturally made larger demands on the budget. 2) Revenues previously used for budgetary operations were now by synod resolution set aside for the building program. It was felt that the average congregation would rather increase its budgetary offerings each year than to be faced with special drives to erect new buildings. We were, therefore, faced with four options: 1) more severe cutbacks (curtail our mission program, and "cut out the heart of our most solid investment for the future."). 2) deficit financing. 3) overthrow the building program for expansion of our worker-training institutions adopted at the Special Convention of November 1962. 4) Secure additional income. The 1963 synod convention last August finally adopted a budget of \$4,761,465. This was a half-million more than was proposed in the "Reports and Memorials," page 126, and one and a quarter million more than the total PBSS and other income.

In the face of such a decision, the conclusion would seem to be justified that we as a synod did not do what we promised to do: adopt a budget according to the subscriptions made. But, how could we do less, in the light of all the work the Lord was calling us to do? Would this not be an appropriate place to pause, and resolve to lean a little less on the system, and, relying in childlike confidence on the promises of our God, cry: "The Lord will provide"? The optimism that most of our congregations would exceed their subscriptions, expressed in the progress report in the April 1963 Northwestern Lutheran was pretty well gone by January, 1964, when the same publication reported that we brought forth 99.7% of our pledges. It comes as no surprise then to read in the "Report To The Nine Districts" p. 98, that at the end of this fiscal year we will have a deficit of \$65,000, which will have to be covered by using monies set aside for building purposes. Apparently budget expenditures were drastically trimmed, by about a million dollars from the adopted budget, or our deficit would be much larger. (budget: \$4,761,000 vs. expenditures: \$3,770,000).

For 1964 our pledges amounted to \$2,947,548. With five months of this year now passed, we should have raised 5/12 of that pledge, or \$1,228,145. Actually, we have brought forth \$1,333,385, according to the latest figure I received from Mr. Koopmann, our Synod Treasurer. So, we are \$105,240 ahead of schedule. Our current "Report To The Nine Districts", page 99, also notes that "in the first four months of this year our offerings have exceeded those of the first four months of last year by \$175,000."

However, we adopted a budget for the year 1964-65 of \$5,097,562 at the synod convention last year, (R&M, 270), which apparently has been pared down to \$4,469,536, if our present "Report To The Nine Districts", page 99, is correctly interpreted. Even so, on the same page we are told that there will be a deficit of \$904,000 a year from now. Either our offerings will have to far exceed our subscriptions, or we will have to curtail further the work we voted to do, until funds are available.

How have we fared as the Minnesota District? Last year we pledged \$490,542 and raised \$502,093, or \$11,551 above our goal, 102% performance. For the year 1964 we pledged \$508,981. The first four months of this year our offerings were \$210,964, 124% of what we should have done by this time, according to Koopman's report in the May 31, 1964 issue of the Northwestern Lutheran. This sounds excellent, but it would be well to bear in mind that these are the offerings mostly from the festival half of the Church-Year, usually the most fruitful months where offerings are concerned. Or, as stated in "Report to the Nine Districts," p. 99: "Let us not assume from the performance to date that the increase in the following four-month periods will be equal to or more than that of the first four months, especially in view of an early Easter date." It may also be of significance to note that, according to our District Statistician, Prof. Howard Birkholz, our Minnesota District grew by 1,010 communicants during 1963, from 39,005 to 40,015. For purposes of comparison with the discarded "quota" system, we averaged \$12.55 per communicant, using the 40,015 membership figure for 1963, while in 1962, under the old "quota" system we averaged \$11.90 per communicant, an increase of 65¢ per communicant this year. Didn't we read somewhere in the literature sent out by the BFIAS that \$20 per communicant would be a realistic figure to strive for?

On the basis of statistics, then, we will have to answer the question of our assignment, "How Has Our PBSS Fared?" by saying in general, "No better than our old quota system." As far as it is humanly possible to judge, and we can only judge fruits, not hearts, it seems safe to say, that while we are very orthodox and conservative confessional Lutherans, we are still a long way from putting our pocketbooks where our mouths are!

Perhaps it is too early to judge, but as of now, the complaint leveled at the quota system that it "repeatedly left us with a deficit" could apply also to the PBSS.

What shall we say? Do we point the finger at Synod's officials and say that they did not keep faith with our people? They set a budget far beyond our subscriptions! Or, do we point the finger at ourselves and say that we did not fully comprehend our God-given opportunities and responsibilities to do the Lord's work, and our love for or Him was not equal to the tasks He set before us? Or, is there a third answer we would want to give our Lord, that we simply cannot afford the kind of program we so prayerfully and studiously adopted at our last convention?

All of the promotional materials to prepare us for this system emphasized, "It's up to YOU, a sanctified and dedicated Christian. YOU are Synod." If this is so, and there can be no arguing to the contrary, then who is to blame for our financial dilemmas? Our BFIAS spent thousands of dollars to confront us all directly with the tasks and opportunities our Lord has given to us. This material has repeatedly stressed the proper motivation for our giving. We are reminded in the Report To the Nine Districts that "The goals of this system are not short-range but long-range; not institutional but personal; not primarily financial, but spiritual." (p.103) Let us, then, not look at the \$1,000,000 deficit projected for 1965 as a problem. It is no problem at all, but represents a goal, that is, work which the Lord has set before us. Goals or objectives may change, but the problem never. The problem? Our old Adam.

At this early stage of our experience with this system, it would scarcely be wise to judge the system very critically. Rather, our application of its principles should be analyzed, and efforts be made to improve our performance of them. On page 66 of the Report to the Nine Districts of May 1962 we are reminded by the Committee on Organization, Control, and Procedure of the PBSS: "The only criteria to be suggested to the congregations are not mechanical formulae, but simply the message of Christ's cross and His empty grave, with the appeal to grow in the grace of Christian giving, to show an increasing trust in Christ and an increasing love for Christ." And in "God's Charter For You", page 9, we have another pertinent point to ponder: "Your Lord asks you to remember to think of your gift not in terms of 'for what?' but rather in terms of 'to whom?' The gifts you will bring in the years ahead are given not FOR A CAUSE, but TO A SAVIOR, the only Savior you are ever going to have."