

# ANNUAL COMMITMENT PLEDGE SYSTEM



## Frequently Asked Questions

### How was the recommended Annual Commitment Pledge calculated?

The recommended Annual Commitment Pledge for each fiscal year is set by the Finance Committee and approved by the Board of Trustees. It is the number that is required for Congregation Shalom to meet its Operating Need, including funding the Building Fund. The number is comparable to what we would have set for dues plus the Long-Term Maintenance (LTM) fee in previous years.

This year we have raised the recommended Annual Commitment Pledge by \$50 and we are asking all members to increase their pledge. We have restored services and activities to pre-pandemic levels and are dealing with increased costs. Because of this we are drawing significantly from the Chai Fund and continuing funding of the Building Fund at a reduced level in order to balance next year's budget. This approach is not sustainable. We hope every family can increase their pledge by at least \$50, and significantly more if possible, to provide for a sustainable annual budget.

### What does the term Operating Need mean?

The synagogue's annual Operating Need is the amount of money the synagogue needs to spend each year to fulfill its mission and to ensure that the synagogue is preserved for the future. The Operating Need includes our annual budget for Administration (office, technology, URJ dues, etc.), Education (religious school, Hebrew school, Chai School, etc.), Facilities (landscaping, maintenance, utilities, etc.), and Worship (Rabbi, High Holidays, music, ritual, oneg, etc.). Included in the Facilities part of the Operating Need is the requirement to fund the Building Fund annually so that capital expenditures, including repairs, can occur.

### Do pledges help pay for the school?

Yes. Congregation Shalom has made a commitment for many years to maintaining our religious school as an important part of our temple. Approximately 60% of the cost to run the school comes from school fees. The remaining 40% of the cost to run the school is covered by income, including pledges.

All members contribute to school by making their pledges. For those who pay school fees, they should understand that their school fees do not completely cover the cost of the school. By making a pledge, these families support the school as well as everything else the temple offers.

### How can I send payments for my Annual Commitment Pledge?

Three payment plans – one payment at the start of the fiscal year, two payments over the fiscal year, or ten payments over the fiscal year – are available. Payment by check or by online bill payment through your bank have been the most common forms of payment. For our members' convenience, we have implemented online payment. A 3% fee will be added to your pledge to cover processing costs.

There are additional payment methods that may be useful for some members to consider – payment from a Donor-Advised Charitable Fund or tax-advantaged payments with appreciated stock or with a Qualified Charitable Distribution (QCD) from an IRA. We recommend you discuss these approaches with your tax/financial advisor.

# ANNUAL COMMITMENT PLEDGE SYSTEM

## Frequently Asked Questions *(continued)*



### **Do I have to make a pledge? What if I am unable to follow-through on my pledge?**

To be a member in good standing at the synagogue you must return the pledge form, stating your desire for membership and making a pledge each year. There will be no minimum required pledge amount. You will be expected to keep up with the payment plan that you have selected. Reminders of outstanding pledges will be sent by the synagogue.

If your circumstances change and you are unable to follow-through on your pledge, please contact the Temple President and/or the Treasurer to modify your pledge. By contacting us in this situation, you will be able to indicate your desire to remain a member, while helping the synagogue have a realistic understanding of its financial health. You will not be asked why you are changing your pledge, nor will you be asked to provide any financial information.

### **Why isn't there a different recommended Annual Commitment Pledge for singles and affiliates?**

Moving from fixed dues to voluntary dues is a change in our philosophy around dues from a transactional system to a relational system. The intent is to make it clear to all members, regardless of financial and family circumstances and age, what the annual Operating Need is for the synagogue per membership unit. Members are asked to commit to a level that they are comfortable with, and that they feel will enable the temple to sustain itself. The recommended amount is a guideline to be used by members; it is not a mandatory, billed amount. All membership units will be Full Membership Units regardless of family configuration, location of residence, and age.

We hope to encourage connections, so that people will commit to supporting our temple. We choose to believe most people are emotionally committed, and will do the right thing. There is no way for someone to know the situation of another person, and we trust each household will look into their hearts when making their pledge.

### **Why are school fees a separate charge?**

Changing from a compulsory dues system to an Annual Commitment Pledge system was a very significant change in the way in which the synagogue has been funded. Changing our approach to school fees could impede our ability to understand how the change to pledges affects the Temple and we are still in the process of evaluating the change to pledges. The school budget will continue to be funded in part by school fees (60%) and in part from other income, i.e. pledges, donations, and fundraising to the synagogue (40%). School fees will be mandatory, and there will be no abatement system for these fees. The process for B'nai Mitzvah pass-through costs will not change.

### **What happened to the Long-Term Maintenance (LTM) fee? Are we stopping the practice of putting money aside for the long-term needs of the facility?**

When you decide upon your pledge, please remember that in the past (prior to 2019) we had billed separately for an LTM fee. Now your pledge must include dollars to maintain our Building Fund. A portion of your pledge commitment will be used to fund the Building Fund. What used to be the LTM fee is contained within the recommended Annual Commitment Pledge. The recommended Annual Commitment Pledge is designed to provide funding for the synagogue's Operating Need, which includes both annual costs for the synagogue as well as money to fund the Building Fund. We will continue to fund the Building Fund in this way and money will therefore continue to be available for the long-term capital needs of the Temple. We will still perform long-term maintenance, capital planning, and capital expenditures as we have done in the past.

# ANNUAL COMMITMENT PLEDGE SYSTEM

## Frequently Asked Questions *(continued)*



### How is the pledge system being monitored and evaluated?

The Board of Trustees along with the Pledge Committee is closely monitoring this pledge system, including keeping metrics. There has been a renewed membership recruitment effort targeting not only former members, but new members as well. Information about these efforts is presented by our leadership to our members throughout the year.

We will continue to keep statistics on how the pledge system performs in the coming year, and will adjust our approach, if needed, in future years. The monitoring and reevaluation will be ongoing for the foreseeable future.

### Why did we move from Mandatory Dues to an Annual Commitment Pledge System?

Many synagogues, both Reform and Conservative, have moved to a voluntary dues type system as a reflection of the changing face of religious participation in the United States. Our temple over the previous 5 years had seen a steady decline of about 3% per year in our membership, and a recent survey of the congregation had shown an overall dissatisfaction with our existing dues model. This switch to a pledge driven system was a positive, proactive step forward intended to strengthen our synagogue for many years to come. This system results in a positive cultural shift for our membership with a move towards a relational system, and away from a transactional system. This shift in our culture allows us to be more aligned with our congregational values, and to stay in line with best practices within the Reform movement.

### Why is the tagline for our Annual Commitment Pledge System - Connect, Strengthen, Inspire?

We believe that a synagogue isn't just a building, but rather an extended family where people can connect in meaningful ways, throughout all of life's stages, to each other and to Judaism.

We ask you to be as generous as possible to ensure that Congregation Shalom continues to grow and strengthen for many decades to come.

As a Kehillah Kedoshah, a holy community, we strive to inspire both our adult members and our youth to live Jewishly through spiritual, educational, and social opportunities- and to truly live out l'dor v'dor - from generation to generation.

### Can time be donated instead of money if you can't pay the suggested amount?

Volunteerism is the lifeblood of our synagogue community, and many of our members give their time, in ways big and small. While we will rely on volunteerism very heavily as always, we ask each membership unit to make a financial pledge commitment that reflects both their financial ability and how they value temple membership. Additionally, as part of our renewed membership efforts, there will be an increased focus on how members can give of their time and skills to our temple community.

# ANNUAL COMMITMENT PLEDGE SYSTEM

## Frequently Asked Questions *(continued)*



### What is the difference between a pledge and a donation?

#### **Pledges**

- The dollar amount written on your pledge form is your pledge and the full amount, even if over the recommended Annual Commitment Pledge amount, will go directly to the Operating Fund and the Building Fund
- Pledges will be kept strictly confidential, and there will be no public acknowledgment
- Pledges are made only by members

#### **Donations**

- Donations will still be able to be made separate from your pledge amount, and are encouraged and appreciated
- Donations go to the Operating Fund unless otherwise specified by the donor
- Donations can be made by members and non-members
- Donations will be publicly acknowledged as usual; names only to be published, not amounts