TITHE DISTRIBUTION & PROJECTION

If tithe income for the conference can be projected with a degree of accuracy it will be possible to manage your cash flow more closely. The following tables and formulas have been developed by the LUCIS Software staff by analyzing the actual tithe receipts for the Lake Union state conferences on a month-by-month basis for the years 1985-1988. Though developed 20 years ago the formulas are still applicable today since they describe the curve that tithe giving follows which appears to remain rather constant over time.

The tables and formulas can be used to set up a budget curve to distribute the budgeted tithe income throughout the year as well as project the actual annual income for the year based on the tithe received to-date.

For the years of the study (1985-1988), the projection formula was accurate to within 2% (plus or minus) 90% of the time after the third month. All projections were within 5% (plus or minus) after the third month.

MONTHLY DISTRIBUTION

Use the following table to develop the monthly percent distribution for any year. Add 1.0 % to the base percent for each five-week month (if the year has five months with five weeks also subtract .1% from each month except December and add .1% to December) to equal 100%

EXAMPLES: (* 5-week month; ** five 5-week months)

Month	Base%	2004	2005**	2006	2007
January	6.3 %	7.3 %*	7.2 %*	6.3 %	6.3 %
February	7.0 %	7.0 %	6.9 %	7.0 %	7.0 %
March	7.8 %	7.8 %	7.7 %	7.8 %	8.8 %*
April	7.8 %	7.8 %	8.7 %*	8.8 %*	7.8 %
May	7.6 %	8.6 %*	7.5 %	7.6 %	8.6 %*
June	7.7 %	7.7 %	7.6 %	7.7 %	7.7 %
July	7.1 %	8.1 %*	8.0 %*	8.1 %*	7.1 %
August	7.7 %	7.7 %	7.6 %	7.7 %	7.7 %
September	7.8 %	7.8 %	7.7 %	8.8 %*	8.8 %*
October	8.8 %	9.8 %*	9.7 %*	8.8 %	8.8 %
November	8.0 %	8.0 %	7.9 %	8.0 %	8.0 %
December	12.4 %	12.4 %	13.5 %*	13.4 %*	13.4 %*
		100.0 %	100.0 %	100.0 %	100.0 %

Use the monthly percent to distribute your budgeted tithe.

TITHE PROJECTION

You may also project your actual annual tithe income on a month-by-month basis. To do so requires that you calculate a YTD multiplier. This is a factor that, when multiplied by the actual YTD tithe received at any point in the year, will project the tithe expected to be received for the year.

The formula to calculate the YTD multiplier is: **100 / YTD%**

NOTE: The YTD% is the sum of the percents to-date (see calculations on previous page) for any month in the year.

YTD MULTIPLIER EXAMPLES:

	2004	2005	2006	2007
January	13.70	13.89	15.87	15.87
February	6.99	7.09	7.52	7.52
March	4.52	4.59	4.74	4.52
April	3.34	3.28	3.34	3.34
May	2.60	2.63	2.67	2.60
June	2.16	2.19	2.21	2.16
July	1.84	1.87	1.88	1.88
August	1.61	1.63	1.64	1.64
September	1.43	1.45	1.43	1.43
October	1.26	1.27	1.27	1.27
November	1.14	1.16	1.15	1.15
December	1.00	1.00	1.00	1.00

After calculating the YTD multipliers for each month of the year, use them to predict the annual tithe by multiplying the YTD tithe received by the YTD multiplier for the same month.

Accuracy of the formula to predict the annual tithe is dependent on how closely your organization's experience follows the data used for the study. The accuracy also increases the closer you are to the end of the year. The Lake Union office has experienced a degree of accuracy approaching 100% for predictions made during the final quarter of the year. This should be true for any organization reasonably following the seasonal variations of the study data. Predictions within 95% or better can be expected after the third or fourth month.