

LAKE INSTITUTE ON FAITH & GIVING

A Program of



2009 Congregational Economic Impact Study: *Key Findings*

How the Economy Impacted Congregations

- Overall, congregations responding to the study were more likely to report fundraising receipts increased in the first half of 2009 compared to 2008 than report a decrease.
- However, more congregations reported a decrease in fundraising receipts between 2008 and the first half of 2009 than reported a decrease between 2007 and 2008. This may indicate that the recession has had a greater impact on congregations' fundraising receipts in 2009 compared to 2008.
- Nearly 37 percent of congregations reported an increase in fundraising for the first half of 2009 compared to 2008, a drop of 13 percentage points from those reporting an increase in 2008 compared to 2007.
- The percentage of congregations reporting a decrease in fundraising receipts for the first half of 2009 compared to 2008 was 29.4 percent. This is 8.1 percentage points more than reported a decline in giving in 2008.
- Just under 40 percent of responding congregations reported an increase of 8.7 percent on average in 2009 pledged giving, while 35.1 percent reported a drop of 10.4 percent on average in 2009 pledged giving.
- Nearly one-third of responding congregations reported making budget cuts in 2009.
- To adjust to budgets that were either reduced or flat in 2009, nearly 16 percent of congregations did not increase salaries for their staff while almost 15 percent reduced their utility costs, and almost 13.6 percent reduced their program costs.
- Only 6.8 percent reduced their number of full-time staff in response to the economic recession. Slightly more, 10.7 percent, indicated that they laid off part-time staff.

How Congregations Responded

- Congregations responded to the recession in traditional ways such as an increase in donations of food, clothing, and community outreach. Others participated in non-traditional, creative ways to support congregants and community needs such as offering employment fairs, community gardens, and courses on financial planning.
- While most clergy preached or talked with congregants about charitable giving the same amount as they did last year, nearly 40 percent reported they discussed charitable giving more than last year.

Type of Congregations that Fared Better During the Recession

- Congregations that reported an increase in attendance over the past five years were statistically significantly more likely to report an increase in fundraising receipts when compared to those that reported their attendance had stayed the same, even after controlling for differences in other factors such as congregational revenue.
- Revenue size was a statistically significant predictor of 2009 pledged giving amounts. Congregations with total revenue of less than \$150,000 reported a greater percentage decrease on average, 11.1 percent, than congregations with higher revenue.
- Congregations in which the average age of congregants was older were more likely to report a decrease in fundraising receipts in 2008 and the first half of 2009. Younger congregations (those in which average age of congregants was less than 50) were more likely to report an increase in fundraising receipts in both 2008 and 2009.
- Congregations with an endowment were statistically significantly less likely to report their 2009 budgets increased, even after controlling for other factors.

For the full report, visit www.philanthropy.iupui.edu/LakeFamilyInstitute/economyGiving.aspx.