

Religious Giving in Uncertain Times Conference

May 4, 2009

Sponsored by Lake Institute on Faith & Giving and Christian Theological Seminary

PROGRAM SUMMARY

Overview

Religious communities are beginning to feel the effects of the recession but in general not as acutely as other charitable sub-sectors. Still the largest recipient of philanthropic dollars, this subsector has strong traditions and practices from which to draw guidance during difficult times.

Size can pose special challenges

Mega churches may be experiencing the largest decrease in funding, the most staff layoffs, and the most difficult budget cuts. Nonprofits and organizations reliant on endowments are experiencing roughly 25-30% decreases in value, and a good number are freezing salary and cutting staff when necessary. One large nonprofit's capital campaign has virtually "hit the wall" about halfway through fundraising.

By contrast, one mid-sized church's ongoing capital campaign is still on target, and small churches in survival mode seem to be holding steady in terms of budget and income.

Mindset matters

Across the country a significant number of congregations appear to have been in a state of denial as to the realities of the recession, just hoping that it will quickly pass, while struggling to continue "business as usual." Some of those congregations are now facing more severe cutbacks as they experience the ripple effect of the recession and live with the consequences of poor budgeting and planning.

The panel of congregational representatives from a variety of religious congregations underscored what we are finding to be true elsewhere: those congregations who are riding out this recession with more aplomb are those who have been pro-active in their teaching and preaching about money and what it means to be faithful in the use made of the possessions with which people have been blessed. Marrying teaching and practice with core faith values seems to be the most positive indicator of a congregation's ability to weather this economic climate.

Strong leadership in the face of the pending crisis has thought through the financial implications for a particular congregation; the upshot is that these congregations are not being met with surprises and many report their financial status – while below pre-recession years – to be somewhat better than expected.

This is a time for congregations to plan for a more robust future – which is sure to come – by addressing those neglected financial and programmatic issues that have been crying for attention and change for some time.

How to serve increased need with diminished resources

Not surprisingly, requests for aid from the community have gone up. Organizations cannot match this need with diminishing funds; if it is being met, it is being met by way of an increase in direct donations to the human service/outreach programs of churches. Some congregations using this opportunity to highlight their human service work are experiencing an increase in giving for those causes—many of these congregations have made this work a priority in their activities during good times and bad, and it is expected that funds will go to these causes before going elsewhere, regardless of the economic climate.

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How to serve increased need with diminished resources (continued)

Several congregations placed special importance on collaboration, using this opportunity to forge new relationships and to share thin resources in innovative ways.

Three major faith traditions were represented at the conference: Christian, Jewish, and Muslim. All three religious traditions provide rich and vital insights as to how to deal with and live through testy economic times. Organizations would do well to consider what can be learned from congregations that do not necessarily operate in ways to which they are accustomed.

Program Details

The conference was held at Christian Theological Seminary in Indianapolis, Indiana, 9:00am to 2:00pm on Monday, May 4. It included a presentation by staff from the Center on Philanthropy and the Lake Institute of research and anecdotal data related to giving—and, specifically, religious giving—during times of recession. This was followed by two panels, question & answer sessions, lunch discussion, and a wrap-up session.

Congregational Panel

Dennis Sasso (Moderator)

Rabbi, Congregation Beth-El Zedeck
Lake Institute Advisory Board member

Larry Voelker

Priest, Church of the Holy Cross

Kent Millard

Reverend, St. Luke's United Methodist

Michael Jones

Reverend, Progressive Missionary Baptist

David Kosene

Past President, Congregation Beth-El Zedeck

Frank Mansell

Pastor, John Knox Presbyterian Church

NonProfit Panel

Elizabeth Lynn (Moderator)

Director, Project on Civic Reflection
Lake Institute Advisory Board member

Ellen Annala

President & CEO, United Way of Central Indiana

Winifred Goldblatt

Director of Endowment, Jewish Federation of Greater Indianapolis

David Bethuram

Director, Catholic Charities

Ahmed El-Hattab

Secretary General, Islamic Society of North America

Eric Ellsworth

President & CEO, YMCA of Greater Indianapolis

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