

St. Paul's Church Fundraising Feasibility Study

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Executive Summary

In July 2010, Jodi Swan was approached to undertake a Campaign Feasibility Study on behalf of St. Paul's Church. The letter of agreement for the Study was signed in mid-July 2010 with plans for the Study to be carried out over the next month. The purpose of the Study was to: (1) determine St. Paul's Church's potential to raise \$1.5 million for debt eradication and the re-development or construction of a new Parish Hall and (2) to obtain and analyze appropriate data for the development of a strategy for a prospective capital appeal.

Prospective interviewees for the Study were identified by St. Paul's Church in consultation with Jodi Swan. A total of 30 interviews involving 47 individuals were conducted between July 29, 2010 and August 24, 2010. The Study also received 19 family survey responses.

The recommendations contained in this report are based on counsel's evaluation of the data derived from the Study, historical information and counsel's perception of current trends and giving patterns in Canada.

Summary of Key Findings

- Proposed goal of \$1.5 million not seen as achievable
- Lead gift not identified to support a \$1.5 million capital campaign goal
- Primary concerns regarding a potential campaign include the size of the constituency, current state of financial affairs and a lack of relationship building necessary to sustain a campaign.
- Case for support – the issues related to the deficit need to be addressed immediately. It was not recognized on any significant level that there was need for a new Parish Hall. It was however felt that broader, more well-defined plans for the Parish Hall should be considered at a time when the deficit situation is under control.
- Congregation members feel that there is a lack of communication

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- 51% of congregation members would support a campaign if the deficit did not exist.

Summary of Recommendations

- Develop a plan for debt eradication which includes swift, accurate measures that demonstrate accountability and transparency to all congregation members and the broader community
- Implement a broad-based communications plan including regular visitation and fellowship opportunities
- Implement a comprehensive fund development plan as outlined (Appendix D)
- Develop a personnel committee to address issues with staffing (both paid and non-stipendiary)
- Define a plan of action related to the Parish Hall (redevelopment/use)

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Introduction and Methodology

In July 2010, Jodi Swan was engaged to complete a Campaign Feasibility Study on behalf of St. Paul's Church with the following objectives:

- To determine St. Paul's Church's potential for raising \$1.5 million for debt eradication and the re-development or construction of a new Parish Hall.
- To obtain and analyze appropriate data for the development of a strategy for a prospective capital campaign.

The Study was based on a series of face-to-face confidential interviews with a cross-section of individuals whose opinions are highly respected and whose support is critical to the success of the proposed campaign.

The Study began with a series of discussions between Jodi Swan, staff and representatives of St. Paul's Church to obtain information and coordinate the logistics of the Study. Prospective interviewees were identified by them in consultation with Jodi Swan. A draft Statement of Intention was developed which outlined the immediate and longer-term capital needs of St. Paul's Church. (Appendix A) A letter explaining the Study process and Statement of Intention was forwarded to the list of selected interviewees (Appendix C) with arrangements to be made for the face-to-face interviews.

Thirty interviews were conducted between July 29, 2010 and August 24, 2010. On average, interviews lasted 45 to 90 minutes. A complete list of those interviewed as well as those who declined or could not be scheduled is attached to this report. (Appendix C)

During the interviews, the participants were asked to comment on a series of issues relating to the elements of successful fundraising. Interviewees were asked to comment on their personal perceptions of St. Paul's Church and the projects proposed in the Statement of Intention. (Appendix A).

Interviewees were asked about their potential giving intentions, although it was clearly stated that the interviewer was not asking for a commitment at this time and that the

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response of the interviewee would be held in the strictest of confidence. Study participants were also asked to comment on their perception of the availability of gifts and the attainability of the overall goal under consideration. They were asked to identify potential key individuals who might assume volunteer leadership positions in the campaign. In addition to the issues noted above, interviewees were asked to comment on planned giving plans, as well as questions that would reveal a strong foundation for a SWOT (strengths, weaknesses, opportunities, threats) analysis. Demographic information was also obtained for Study purposes.

In summation, participants were asked to reflect on a broad range of issues that will impact on the planning and execution of a major fundraising venture for St. Paul's Church.

In the experience of counsel, the interviewees selected for the Study represent an adequate cross section of the most significant constituencies relevant to the financial success of a campaign. When evaluated with other information on hand, it is my opinion that the views expressed by the respondents in the Study provide a relatively suitable basis for the observations and recommendations contained in this report.

Fundraising Essentials

Certain ingredients are essential for any organization to realize success in their fundraising effort, including:

A Positive Image

The organization must enjoy a positive image within its internal and key external constituencies.

A Table of Priority Needs

A list of clearly demonstrable needs must be identified and a strong consensus must be developed in support of this list of needs.

A Logical Plan

A logical plan must be formulated to meet the demonstrable needs. Both the needs and the plan must be communicated to, and accepted by, the various constituencies of the organization.

A Sufficient Source of Financial Support

There must be adequate financial resources within the organization to meet the need. Although the giving standards required for successful capital campaigns may vary slightly, depending on the nature of the appeal and the philanthropic environment, my experience suggests that significant, pace-setting gifts are invariably required to achieve success in such initiatives.

Strong and Enthusiastic Institutional Leadership

The nucleus of any campaign organization is the group that authorizes the program. Members of the governing body of an organization must be dedicated to the cause and willing to support it generously with their time and energy. They must also be prepared to make significant financial contributions proportionate to their financial means.

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Influential Campaign Leadership

The organization must have access to volunteer leadership in order to influence and motivate others. This ideally flows out of the governing committee and is one of the most vital of all the essentials of successful fundraising.

An Adequate Infrastructure

There must be sufficient financial and staff resources to ensure that the campaign is properly planned and executed, and the volunteers are fully supported.

A Sense of Urgency

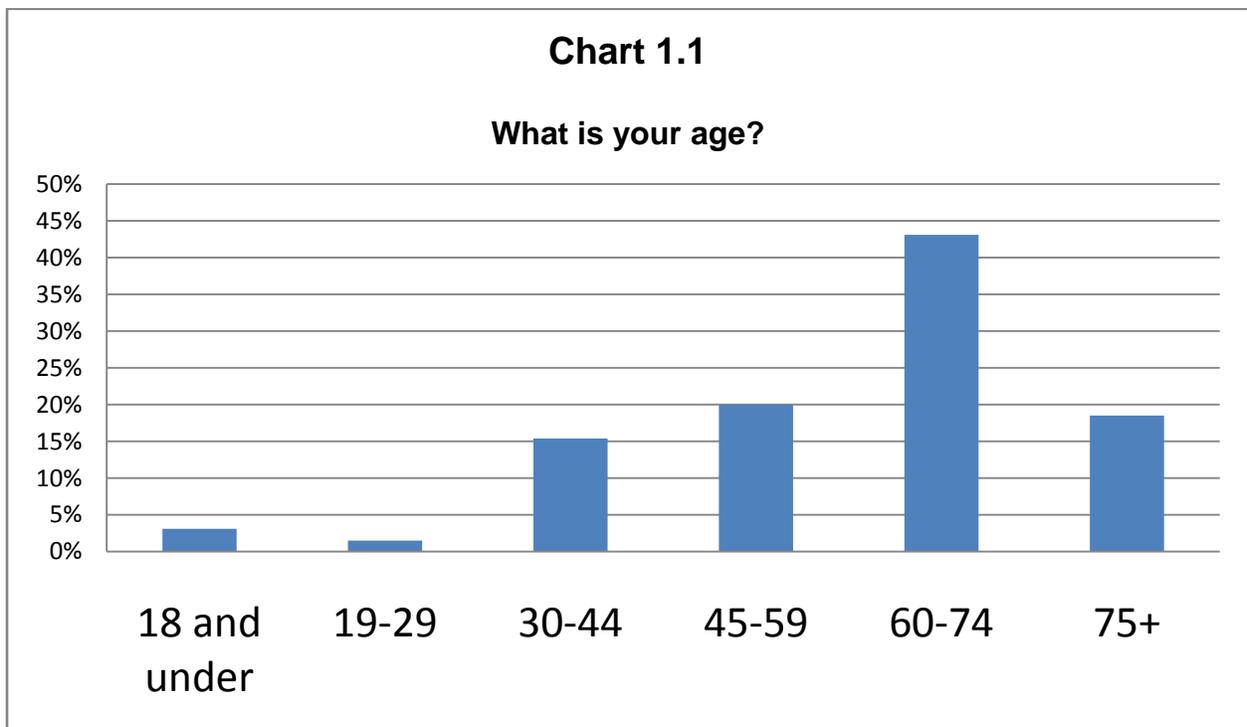
A pervasive feeling must exist, or be developed, that the elements of the projects under consideration are important and must be undertaken and completed now.

Findings & Observations

Demographics

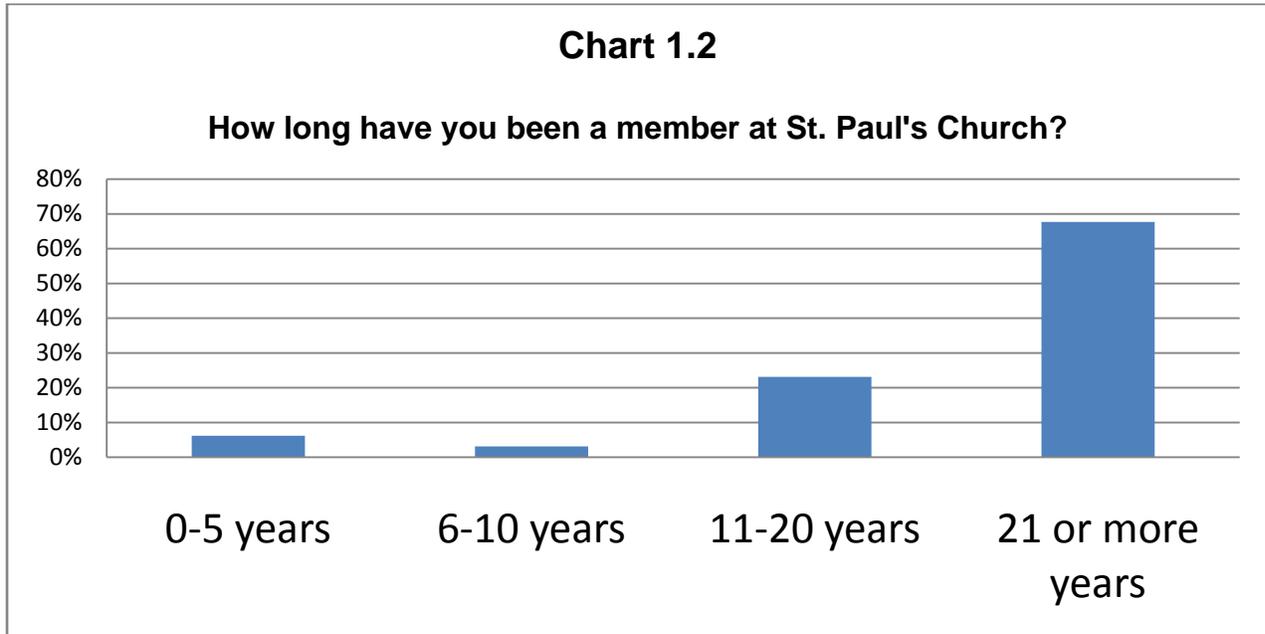
The following demographics capture key information regarding St. Paul's Church. These demographics are reflective of some of the issues identified related to membership and the need for youth resources, as well as the need to draw more families to St. Paul's Church.

Age

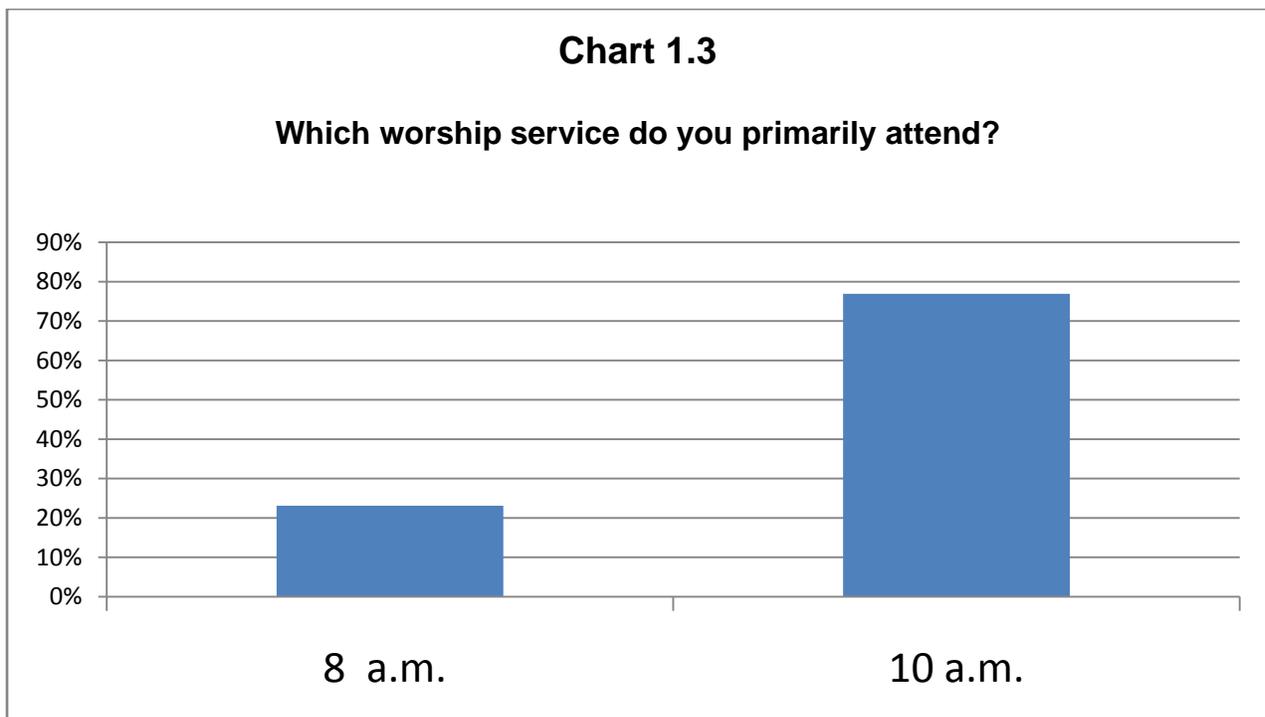


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Membership

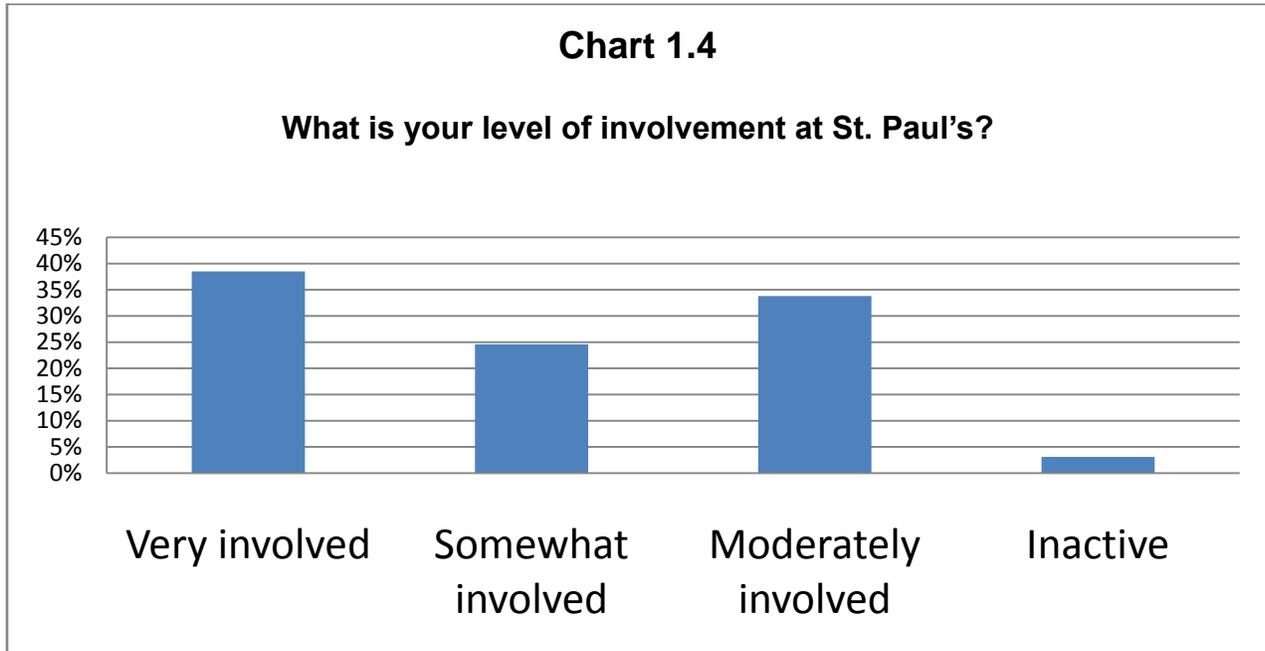


Worship



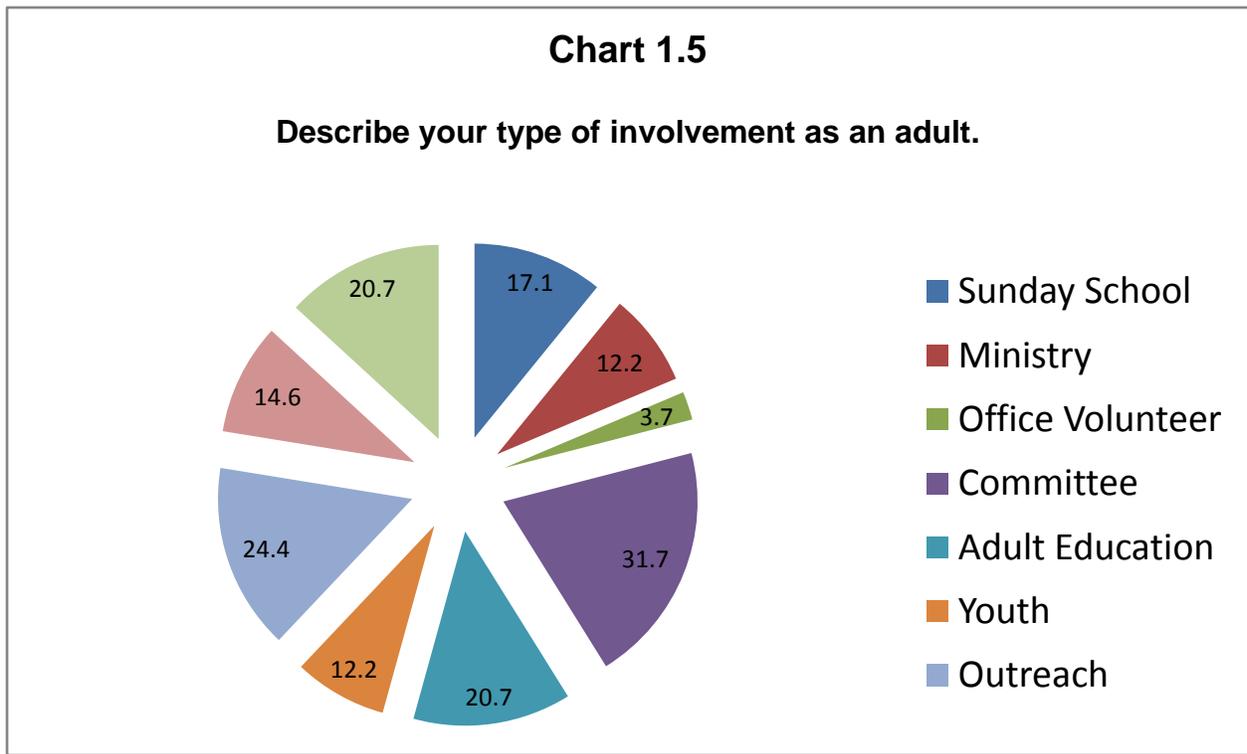
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Involvement



Type of Involvement

(*Responses were based on past and current involvement, spanning the interviewees adult years.)



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Perspective

Image of St. Paul's Church

1. Does St. Paul's provide an important ministry to the community?

The majority feels that there is an important ministry to the community by virtue of the church's location in the city's downtown core. It is felt that this should be expanded upon during the week to draw in government and other downtown employees so that they may learn about St. Paul's and its mission. It is also felt that the outreach efforts greatly enhance the importance of the ministry to the broader community.

2. Describe the impact that St. Paul's and its ministry has on you, your family and the community.

"The Church has anchored us many times"

"I feel abandoned by the Church in general. It doesn't seem interested in older people or the issues we face."

"St. Paul's Church is a stabilizing force in my life"

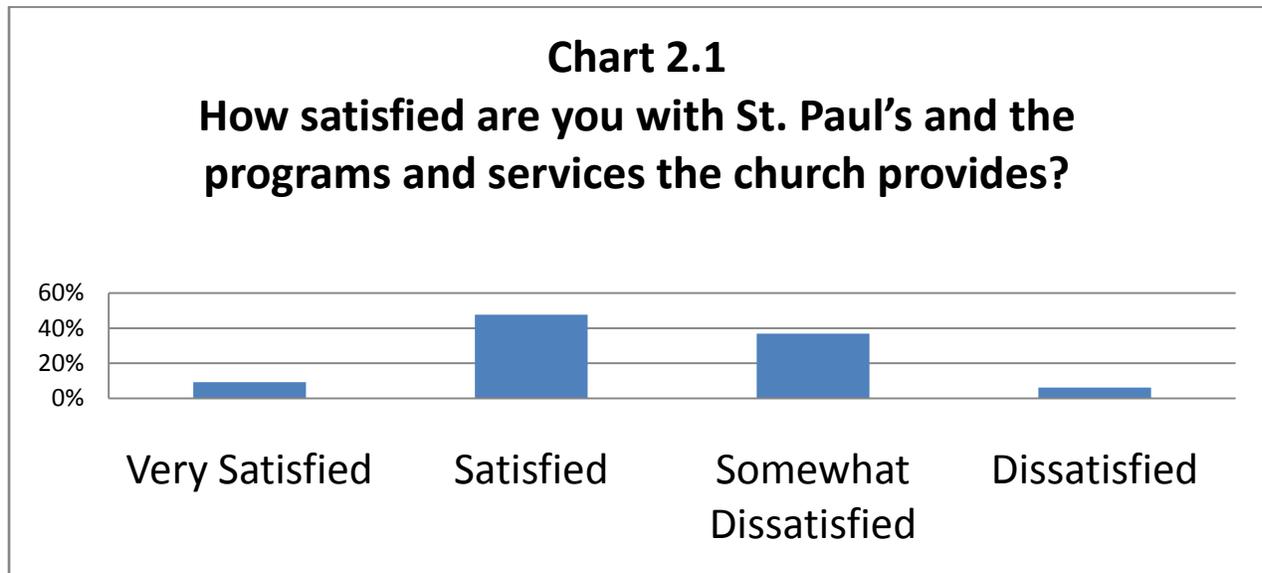
"The Church as a whole is not welcoming. It is the same people trying hard."

"The Church helps us set a moral compass for our family"

"The Church is a member of our family"

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3. How satisfied are you with St. Paul's and the programs and services the church provides?



“Our youth need resources to take the next step in their spiritual development”

“Need for intergenerational activities”

“The youth choir is the only thing keeping our kids engaged”

“Thirsty for more intellectual stimulation”

“We need to entice new families with new programs/services”

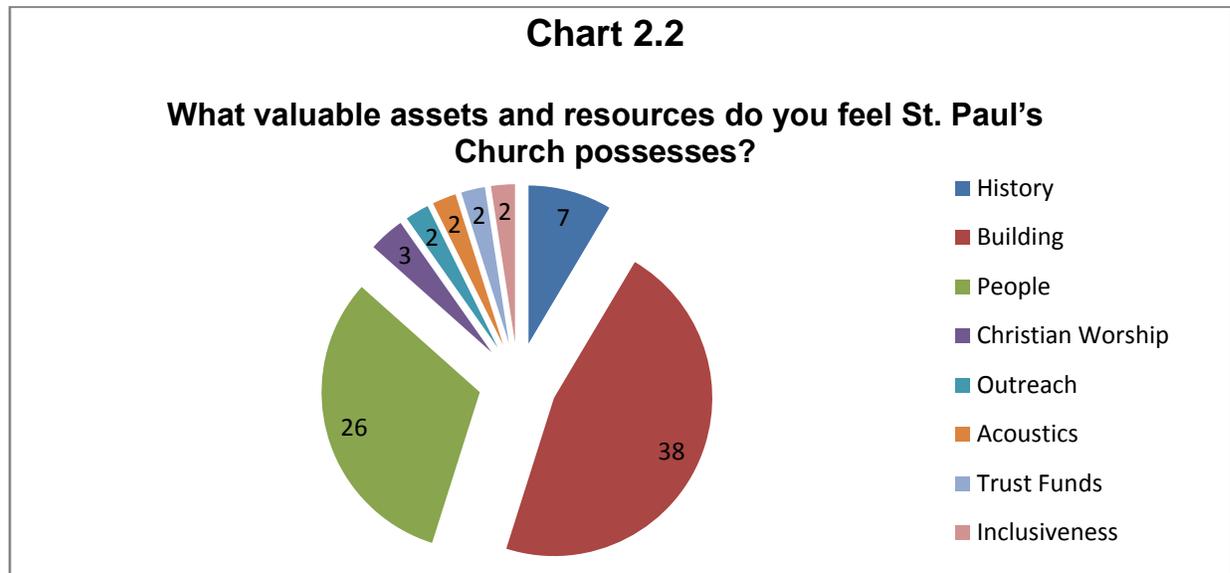
“Service has lost its family focus. We need a new service – something with the flavor of the former 9:15 a.m. service and how the people were involved in planning it”

“We need recognizable music. The music needs to provide enjoyment”

“We'd like to see the Book of Common Prayer used from time to time”

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4. What valuable assets and resources do you feel St. Paul's Church possesses?



The building/real estate/location ranked as the number one resource of St. Paul's Church. The people (congregation, clergy, staff and volunteers) ranked second, with traditional Christian worship and the sacraments ranking as the third most valuable resource. The remaining resources: outreach, acoustics, trusts/endowed funds and the inclusiveness of St. Paul's Church outlined the remainder of the list.

SWOT ANALYSIS

(Strengths, Weaknesses, Opportunities, Threats)

The strengths and weaknesses of St. Paul's Church highlight the internal measures of this analysis, with the opportunities and threats showcasing external measures.

Strengths

5. What would you identify as the key strengths of St. Paul's Church?

The following strengths were identified:

- Building/Land and the acoustics in the church

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- Congregational talents (untapped assets)
- History
- Trusts
- Archdeacon John Clarke
- A core group of committed volunteers
- Downtown location
- Parish Council
- Ordained ministry
- Socially inclusive
- Outreach
- Traditional Christian Worship

“Our people are our key strength. We need to tap their skills more effectively for the benefit of the whole congregation”

“We need a Parish Council that is consistently engaged”

Weaknesses

6. What do you feel the church could be doing better?

The following weaknesses were identified:

- Communications
- Leadership
- Visitation/fellowship
- Engagement
- Adult education opportunities
- Allocation of resources
- Youth engagement
- Better use of space
- Lack of acknowledgement of member loss
- Too many non-stipendiary ministers (lack of coordination/confusion)

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- Management of the debt
- Fundraising
- Parking
- Lack of direction
- Access to Parish Hall

“We need visitation. There is something missing between church and community. We need to extend our awareness past Sundays into the whole week”

“Visitation is the only way to engage people”

“We need to focus on “in-reach” as well as “outreach” “

“There needs to be communication beyond the church walls”

“We need an active stewardship committee”

“We don't need a drive for money; we need a drive for people”

“We need to be proactive about our lapsed attendees. Let them know they are missed”

“The church and buildings shouldn't be locked. It needs to be accessible”

“We need to let the young families know we appreciate them”

“We need to address the issues that our aging population faces”

“We need to know one another. Let's start with nametags!”

“There is a need for communication from the diocese. Our allotment seems excessive. What are we getting for this?”

“We have not cut our coat to fit our cloth”

“No one wants to know or address the issue of why people are leaving”

“There seems to be morale issues amongst the staff”

“We need a strong leader”

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"The hall is not accessible"

"We need to make better use of the hall. It needs to be cleaned and livened up!"

Opportunities

7. Can you think of any opportunities that you feel the church should pursue?

- Partnerships – Murphy's Centre, Confederation Centre, Festival of Small Halls
- Hall rentals
- Concerts
- Long-term social action plan
- Community kitchen
- Consolidation with other Anglican churches in the area
- On air/webcast of services

"Someone with vision needs to manage the Parish Hall"

Threats

8. Are there any challenges that you can identify that act as roadblocks for the church in fulfilling its mission? What do you feel is changing in the community that will impact St. Paul's Church in the future?

The response to this question garnered both internal and external measures. The primary purpose was to elicit external factors which will be listed. The internal factors listed in response to this question highlight the challenges that congregation members are feeling and experiencing.

External:

- Changing society – church is no longer a priority
- Competing faith-based communities
- Competing charitable organizations

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Internal:

- Attitude
- Communication
- Apathy

“The attitude of the congregation is serving as a roadblock”

“Apathy is prevalent in our congregation. People need to learn to self-identify and step forward to get involved.

Environmental scan

There are numerous factors to consider in an environmental scan:

- Demographics
 - Aging population
 - Increased longevity
 - Increased time in the workforce
 - Fewer children are being born, smaller families
 - Transient nature of young adults
- Economy
 - Employment rates
 - Retirement benefits
 - Recession
- Geography
 - Families are choosing to live in the suburbs and not in the downtown area
 - Housing market in the downtown city core is appealing to retirees
 - Significant immigrant population

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- Social
 - Priority of organized religion
 - Awareness of other religious cultures

- Technological
 - Access to religious materials and services online
 - Immediacy of needs being met online

- Philanthropic/Volunteer
 - E-philanthropy opportunities
 - Religious giving ranked third in Canada (1: Health & Hospitals, 2: Social Services)
 - Volunteers to religious causes tend to contribute more hours than volunteers for most other organizations. (1: Education & Research; 2: Sports & Recreation/Social Services)

*Statistics cited from the Imagine Canada 2004 Canada Survey on Giving, Volunteering and Participating

9. How important do you think it is to address these needs as they relate to the ministry and mission of St. Paul's?

Everyone interviewed identified the elimination of the debt as very important. The majority of those interviewed felt it would be very irresponsible of the Church to engage in raising funds for a new Parish Hall or renovations to the existing hall, in light of the current financial difficulties.

“We need to understand why there is a deficit and then we need to stop the behavior that has created it”

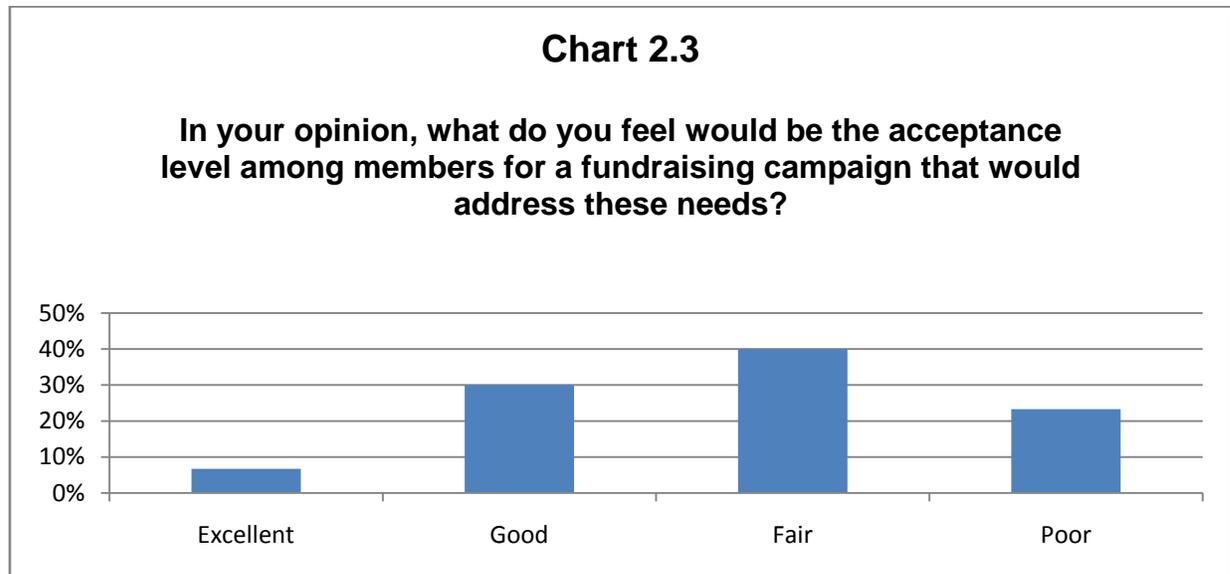
“Our staffing structure needs to be reviewed, including paid and non-stipendiary staff. We need to be “lean” and address our deficit through reductions”

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"We need to get a handle on our budgeting"

"We need to know every week where things are financially. We need to know more about what the expenses are for"

10. In your opinion, what do you feel would be the acceptance level among members for a fundraising campaign that would address these needs?



"A capital campaign at this point in time would be an irresponsible leap"

"Steps towards creating better relationships may be the first step in any campaign"

11. Are there any present barriers to the success of a capital campaign at St. Paul's?

Respondents cited the deficit as the primary barrier to the success of a capital campaign. Other issues cited include the lack of volunteerism and the recognition that all congregation members and broader community need to be involved in making a project of this scope successful.

"We need to get our ducks in a row and resolve current issues before we decide where we need to go"

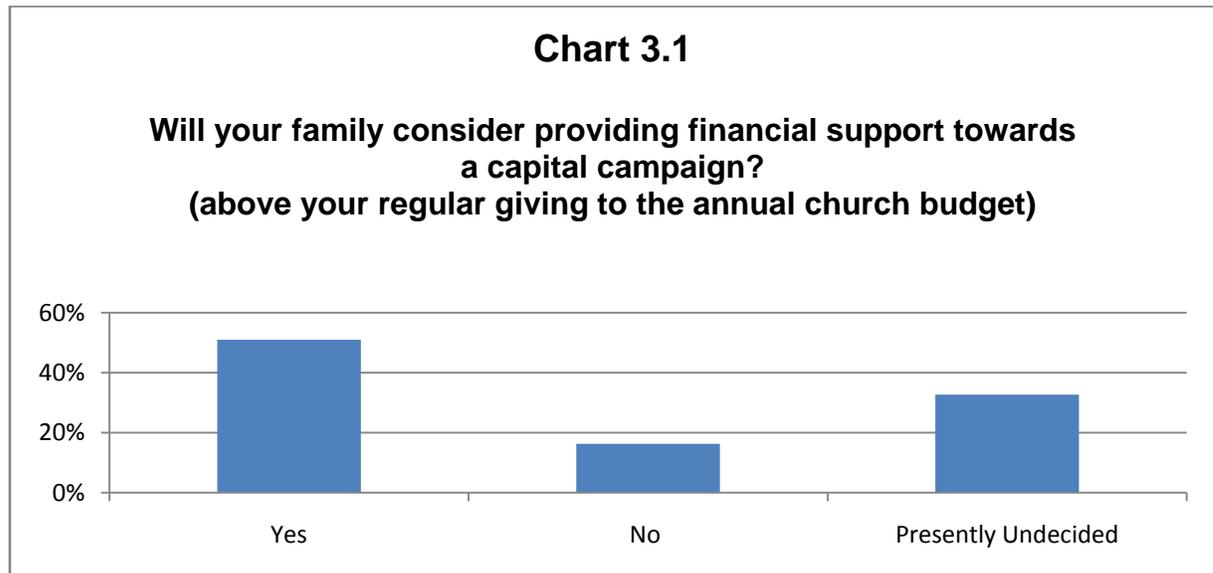
"The whole congregation needs to participate"

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“We need to define who we are so we can present a face to the community. We need to be a place where people can take part and contribute”

Support

12. Will your family consider providing financial support towards a capital campaign? (above your regular giving to the annual church budget)



The majority of respondents who indicated that they would provide financial support to a capital campaign did so with the caveat that the deficit situation be addressed first and that evidence is provided that the Church will not simply end up in a deficit situation in the near future.

Those who indicated they would not be contributing cited the fact that they were already giving the highest amount their personal budgets permitted, as well as the fact that they had made commitments to other charities.

13. Would you be interested in making a significant, designated gift and/or fully funding any particular area of the needs?

Respondents felt that there were people within the congregation to whom this option may appeal. It was also suggested that there are individuals within the community with long-standing family ties to St. Paul's Church to whom this option may seem attractive.

Leadership

14. In your opinion, who would be the three to five best people to lead a fundraising campaign for St. Paul's if we could get them to participate?

A total of 39 names of individuals were suggested in response to this question. Due to the confidential nature of this information the names have been provided under separate cover.

There was a high response rate for volunteerism related to a capital campaign.

Recommendations

The following observations and recommendations are based on Jodi Swan's evaluation of the data derived from the Study, along with counsel's experience and perception of the current trends and giving patterns in Canada.

1. Implementation of a comprehensive fund development plan.

A comprehensive fund development plan provides a framework from which to find, develop and receive gifts. This plan is usually developed with an annual focus/cycle in mind. This organized effort to obtain gifts on a yearly basis, assists in raising funds for general operations. It is the foundation for fundraising and serves to establish a base of donors that can be involved and informed about the activities, mission and vision of St. Paul's Church.

A fund development plan for St. Paul's Church would include the following elements:

- Offerings
- Special Events
- Tribute Giving
- E-philanthropy
- Direct Mail
- Major Gifts
- Planned Gifts
- Grants
- Other (Fundscrip etc.)
- In-kind gifts

These elements each represent a building block on which St. Paul's can develop a comprehensive annual fund plan.

Appendix D outlines each of these elements and the corresponding methods used to secure these gifts. As part of Appendix D there is also a worksheet included which will assist the fundraising committee in developing its plan. It is based on the premise that

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each element will have two-three goals associated with its development, the objectives required to achieve these goals, communications, resources, requirements and evaluation/metrics to determine the success of these initiatives. It is recommended that these elements become part of an annual calendar of fundraising based on the most opportune times on which to capitalize on people's engagement, i.e. special events in spring/fall as opposed to summer.

It will be essential that policies and procedures be developed as part of this fund development plan. Issues such as confidentiality, access to information, privacy, donor recognition, receipting etc. all need to be taken into account before delving into the program.

I would also urge those responsible to ensure the accuracy and relevance of data kept within the Power Church database. It is imperative that all individuals be entered and coded as part of the St. Paul's Church community whether or not they are parishioners. It is also of utmost importance to keep former parishioners on the list unless they have asked to be removed from database. (This information should be documented and kept on file)

The most significant component of this fund development plan would be the introduction of an annual pledge. In order to accurately budget and attempt to prevent deficit situations, it will be essential for parishioners to annually indicate their level of giving. The annual pledge form should also contain information about the availability of church services and programs, the need for volunteer involvement and how parishioners can become engaged in making St. Paul's Church the vibrant faith community that they envision.

2. Implement a broad-based communications plan.

Parishioners cited the lack of communications as one of the major weaknesses of St. Paul's Church. It is essential that people are communicated with in a timely manner using a variety of communication tools. The use of social networking sites, the existing

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website and Rector's blog, bulletins, and face-to-face contact made during visitations are some of the tools employed for effective communication.

It will be imperative that the communications plan be SMART!

- Specific
- Measureable
- Achievable
- Realistic
- Time-focused.

All fundraising materials and the messages associated therewith should be developed in conjunction with the overall communications plan, highlighting the key messages that are being conveyed.

3. Development of a personnel committee to document and review personnel issues.

The development of a personnel committee will be essential on a go-forward basis given the concerns expressed by parishioners. Many have noted that the budget which is based heavily on salaries needs to be addressed. The development of job descriptions, contracts, annual reviews and evaluations, policies in keeping with those of the diocese and others will need to be developed. The establishment of this committee should not be viewed as a threat to those in paid and non-stipendiary positions, but rather as a protective measure for both the staff and Church. The development of this committee is demonstrative of the Church's accountability and transparency.

4. Define a plan of action of the Parish Hall.

As part of this Study, it was proposed that a new Parish Hall be constructed. A number of respondents feel that a new Parish Hall may or may not be the answer. It was revealed that the majority feel that the existing hall is not being used to its potential, or maintained in a fashion that would promote its availability as a rental facility. It has been

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suggested that some refurbishment be considered as a ways and means to attract hall rentals, encourage congregational use and increase the accessibility to the building. Other suggestions have included the sale of the property for development within the community.

The Parish Council in consultation with the property committee should develop a plan for action for the hall, including both short and long-term plans. These plans should be open for discussion and include the input of parishioners.

5. Establish an active, vibrant and engaging visitation/fellowship program.

Respondents cited a lack of communication as one of their primary concerns and as part of that, stated that they do not feel engaged in the St. Paul's Church faith community. Parishioners are looking for opportunities to participate in ongoing adult education, youth and intergenerational activities and to develop social connections with fellow parishioners to participate in making St. Paul's an engaging and respectful environment for all.

It was noted throughout the Study that people have requested visitation as part of this relationship development.

It is recommended that a wide-reaching visitation program be developed as a first step in putting St. Paul's on track in addressing its deficit situation, the need for more volunteer participation and in the future a capital campaign for a well-defined project.

6. Develop a plan for debt eradication which includes swift, accurate measures that demonstrate accountability and transparency to all congregation members and the broader community

The majority of respondents have indicated that the time has come (or has passed) for swift, accurate measures to be put in place to address the deficit situation and prevent this problem from continuing.

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The above recommendations in concert with this action, will serve to put St. Paul's Church back on solid footing and hopefully prevent future situations in which the congregation feels disengaged, uninformed and in a state of financial despair.

Conclusion

It has been a pleasure to serve St. Paul's Church through the conduct to this Feasibility Study. The interviews and survey responses were extremely helpful and I wish to thank the participants for their time, candor and thoughtful answers to my questions.

I am especially grateful to Archdeacon John Clarke, Secretary Nora Gregory, the members of Parish Council and the members of the communications committee for the information and insight that has been provided and for their assistance in providing background information.

On a professional note, I extend my thanks and appreciation to Dr. Lisa Pottie, CFRE for sharing her wisdom and experience.

Thank you once again. I look forward to discussing the recommendations of the report with you in order to chart the course ahead.

Respectfully,

Jodi Swan

Consultant