

St. Michael Catholic Church

Needville, Texas

(Prepared by Guidance In Giving, Inc., Stewardship, Development & Campaign Consultants)
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Development Audit Findings Summary Report

I. INTRODUCTION

The purpose of the Development Audit was two-fold: to analyze financial trends relating to the capital campaign and offertory; and to gather the thoughts and opinions of parish families regarding the parish, the capital campaign, leadership, and perceived areas of strength and need. Specifically, the Development Audit process was designed to accomplish the following:

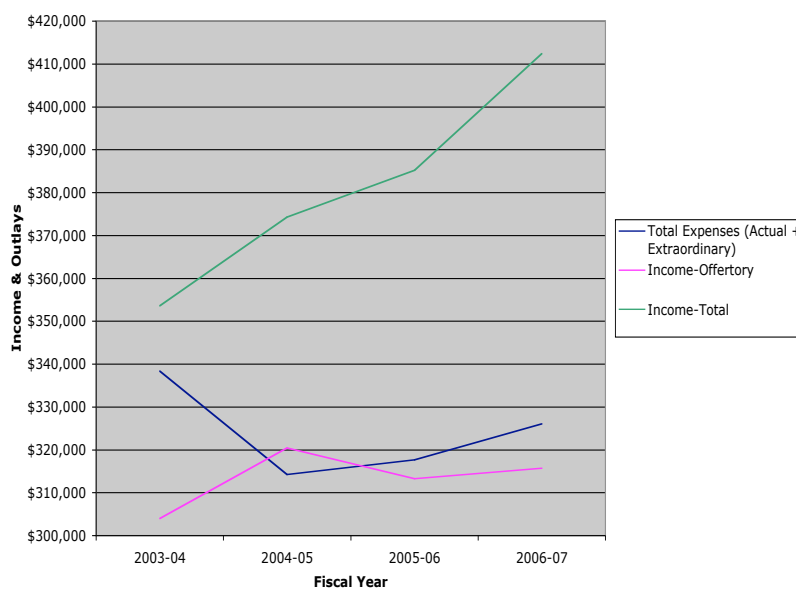
- To compare offertory trends over the preceding 3 years with both real and projected costs, parish needs, planned giving initiatives and overall stewardship;
- To determine the health of capital campaign and pledge redemption;
- To gauge the impressions of parish families as it related to a variety of areas of the parish including leadership, ministries and programs and overall parish life;
- To assist St. Michael Parish in creating plan to further parish development efforts, continuing and building on areas of strength and addressing potential areas of need.

II. OFFERTORY ANALYSIS

The Development Audit began with a detailed review of offertory and campaign records made over the past three to four years. Total income is up significantly due to increased Bazaar income and especially interest income on campaign payments.

At the same time, total expenses are tending toward a gradual (standard) increase of ~2.5% annually. Coupled with the flat/decreasing offertory, this is cause for concern.

Chart 1 - Offertory & Expenses



Calendar Year	Total Offertory	Average # of Gifts	Average Weekly Amount	Average Gift Amount	Corresponding Fiscal Year Total
2004	N/A	N/A	N/A	N/A	\$303,965
2005	\$269,052	229	\$5,174	\$22.59	\$320,436
2006	\$266,808	226	\$5,131	\$22.70	\$313,302
2007 (YTD)	\$118,878	221	\$5,362	\$24.26	\$315,763
Total Averages	\$270,209	226	\$5,199	\$23.00	\$313,367

If offertory is struggling to stay the same and expenses continue to increase at 2-3% per year, the parish will be operating at a deficit, especially with the costs associated with a new facility and the demands of more and enlarged ministries.

III. CAPITAL CAMPAIGN ANALYSIS

The parish launched an in-house capital campaign for the new Parish Center in summer 2006. The campaign raised \$912,393 from 303 gifts/pledges, averaging \$3,011 – that is 65% of the stated goal of \$1.4 million from 36% of parish families. The resulting 65% “success rate” is misleading – since the parish pledged 3.94X the previous year’s offertory. (even excluding the top gift of \$100,000, the parish still pledged 3.51X offertory with an average pledge of \$2,690). The national averages for parishes under 1,000 families are 38% participation and an average pledge of \$4,000. **With 36% participating and 3.5-3.9X offertory raised and a \$3,011 average gift, this was a good campaign.**

IV. PERSONAL INTERVIEWS

The following is a sampling of survey questions asked of those being personally interviewed.

How long have you been a member of St. Michael the Archangel parish?

<u>RESPONSE</u>	<u>Responses</u>
<u>0-20 years</u>	<i>34% of Interviewees</i>
<u>21-40 years</u>	<i>28% of Interviewees</i>
<u>41-60 years</u>	<i>30% of Interviewees</i>
<u>61+ years</u>	<i>8% of Interviewees</i>

In your opinion, what does the parish do well?

By far, the most commonly cited strength of St. Michael’s was **the parishioners, that they are friendly and tight-knit**. The second most mentioned strengths were the **reverence of the Mass/quality of homilies** and the **CCE program**. Next is the **youth ministry** program, followed by **Father Ramsey** and the **traditional/old-fashioned feel** of the parish.

In your opinion, what are the greatest opportunities for the parish?

The top opportunity cited was the **area’s growth with new people and young adults/families coming into the parish**. The **new Parish Center** and **getting more people involved** were also mentioned.

How well do you think parishioners support the parish?

	1 Poor	2 Below Average	3 Average	4 Above Average	5 Excellent	Mean on numerical scale
Overall	4%	31%	52%	10%	2%	2.75
Mass Attendance	4%	21%	48%	23%	4%	3.02
Ministry Involvement	13%	38%	33%	16%	0	2.54
Financial Support	6%	48%	35%	11%	0	2.50
Spiritual Support	8%	21%	50%	21%	0	2.83
Totals	7%	32%	44%	16%	1%	2.73

How well does the parish support Father Ramsey in his efforts to grow the parish to meet new challenges and needs?

Parish Supports	Does Not Support	Unsure	Total
31 (59%)	12 (23%)	10 (18%)	53

Will you support Father Ramsey in his efforts to grow the parish to meet new challenges and needs?

Will Support	Will Not Support	Unsure	Total
46 (87%)	2 (4%)	5 (9%)	53

V. OBSERVATIONS

Based on the above information, counsel makes the following observations. While grouped loosely into categories, there are multiple inter-relations among many of the points.

Offertory & Expenses

- The parish is currently financially sound
- Parish operating costs are rising (at an apparently normal rate of ~2-3% per year)
- Parish annual offertory is stagnant, rather than growing with the parish

Capital Campaign

- The campaign reflected a good effort given St. Michael’s parish size and offertory
- There is widespread agreement on the need for the Parish Center

- The capital campaign, as executed, identified the need for improved communication, consensus-building and leadership
- There are concerns over the handling of the capital campaign and whether the parish will be able to afford the new Parish Center

Parish Leadership

- Parishioners look for strong leaders and leadership from the parish, both religious and lay
- The parish relies on a small number of very dedicated leaders
- There is widespread desire for Father Ramsey to be more personally connected with the parish, to be a more active ambassador for the parish in the community and work with parish laity on parish issues and concerns

General

- Most parishioners are long-time members and are invested in the parish
 - There is an overwhelming desire for more welcoming, involvement and fellowship
 - There is a widespread desire for better communication and transparent finances
 - There is concern over growth and development in the area – uncertainty over the future
- There are no glaring crises of money, ministries or scandal in the parish

VI. RECOMMENDATIONS

Based on findings of the Development Audit combined with the knowledge and experience of executives and staff of Guidance In Giving, the firm recommends the following:

- A. Offertory**
Offertory collection is stagnating, as reported on fiscal year summaries.
- B. Capital Campaign**
The parish should constantly monitor the pledge redemption and continue to encourage more families to participate in the campaign to ensure success
- C. Planned Giving**
Planned Giving should be added to all stewardship conversations within the parish.
- D. Parish Leadership**
Leadership needs to be engaged to establish goals for the parish (that are practical, realistic and challenging) and create avenues to achieve these goals in a timely manner. A working model of parish leadership must be created to build cohesive leadership
- E. PARISH RENEWAL: Leadership, Fellowship, and reinvigorating ministries**
It is vital that the renewal is a well-planned program with clearly defined goals and timetables. Parishioners need to be engaged in a large variety of ways.
- F. Parish Communication**
Communications within the parish should be improved. Present a *Summary of the Audit Findings* and an updated *Financial Report* detailing annual budget and update on the current financial status of the parish and capital campaign.

Guidance In Giving would like to thank all those who participated in the Development Audit. It was a pleasure to serve your parish community and we look forward to assisting you in the future.