

Giving Analysis for Calendar Year 2021
for

Central Presbyterian Church
Fort Smith, Arkansas

November 4, 2022

*Due to data limitations, some figures are estimated.
Charts 5, 7, and 9 may be subject to error as a result.
See the last page of this report for disclosures.*

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Context, Key Questions, and Best-Practice Organizations

This analysis will provide church leaders with insights into the nature and patterns of members' giving. It will identify potential risks to the congregation's sustainability.

For purposes of this material, a "giving unit" is a uniquely-identifiable contributor. It could be one person, a couple, or an entire family. All data reported is based on giving units in the congregation unless otherwise specified. The terms "giving units" and "donors" and "donor families" are used interchangeably. The term "member" is used to represent individual adults listed on the church's rolls. Donors may include participants who are not members of the church.

This report does not list pledging statistics or patterns; only giving data is reviewed.

We encourage congregations to ask themselves these ten key questions:

1. How do our giving patterns compare to denominational averages?
2. Is our community more or less prosperous than average?
3. Do we consider ourselves to be more or less generous than other Presbyterians?
4. Is our church's sustainability dependent upon our oldest donors?
5. Is our church's sustainability dependent upon a small number of families?
6. Do most of our members give at similar levels?
7. Are there generational implications in our members' patterns of giving?
8. Are our most generous donors spread across various age bands?
9. What are the characteristics of those who give most generously? Of those who give modestly? Of those who do not give?
10. Does our church's leadership reflect representation of the age groups providing most of our income?

We find that most "best-practice" congregations observe these five practices:

1. They monitor philanthropic trends nationally and in the local community.
2. They examine giving patterns in the congregation and evaluate both positive and negative changes and consider various demographic variables. They evaluate correlations between engagement, worship attendance, and giving.
3. They cultivate giving through strategies that are specific to members' own giving behavior, life situation, and capacity.
4. They ensure that the church leadership is representative of its donors and that leaders are committed to their own giving at a personally-meaningful level.
5. They ask. They thank. They tell the church's story.

Findings

1. Overall giving per member at \$1589 is favorable to denominational averages by ~50%. The reader is reminded that the PC(USA)'s average is quite low and is half that of the next-largest Presbyterian denomination.
2. Giving per donor family (i.e., those families that do give) is \$4454 and is twice the national PC(USA) per-donor family average.
3. The median gift across all family units is \$175 because of low giving participation; the median gift among those families that give is \$2885. The former metric is low compared to other churches; the latter is within normal ranges.
4. Giving is weighted towards the church's oldest donors: families in their 80s and 90s provide 23% of all gifts even though they represent only 13% of the congregation.
5. Member families in the 40s and younger are estimated to account for one-third of the congregation but provide virtually no giving. This raises concerns about the ministry's sustainability going forward.
6. Giving by gift range reveals the following:
 - An estimated 46% of families give \$0;
 - 15% of families give at a modest level, which we define as \$20 or less per week;
 - thus, some 61% of the church's families give nothing or give at a nominal level;
 - however, the church has 97 families giving at \$10,000+ , a major-donor count impressive for a congregation of this size
7. The church is dependent upon five families for 29% of all gifts received. Healthy churches typically see this ratio at between 14 – 18%.
8. It is essential that the church's Pastor be provided with real-time and unencumbered access to member giving information, to include the specifics of who gives what and how often.
9. We would express concerns in the following areas:
 - the church's dependence on its oldest members and a small number of donors;
 - the relative lack of giving among the church's younger members
10. **Fun Fact:** Based on Internal Revenue Service data on the next page, if the congregational makeup were to be equal to averages for the membership's dominant zip code, and if all church families were to observe a Biblical tithe of their gross income, and if the entirety of that tithe were directed to your church, **giving would increase each year by \$1,320,538.**

Personal Income Tax Data

We believe that evaluating a community's relative generosity is essential and that community patterns should be compared to a congregation's own giving .

We evaluate publicly-available income tax return data and compare taxpayers' charitable deductions claimed within the zip code that appears most often on the church's membership rolls. We then report that data alongside giving patterns for the congregation's members.

2017 year-end data for residents of zip code 72901 shows the following:

1. 55% of taxpayers paid someone to prepare their tax returns, as compared to a statewide average of 57%.
2. 12% of taxpayers itemized their deductions; the statewide average is 23%.
3. The reported average adjusted gross income per tax return was \$42,584. Among those taxpayers who itemize their returns, average AGI was \$150,960.
4. 75% of itemized returns included deductions for charitable contributions which is lower than the statewide average of 80%.
5. The average charitable deduction claimed was \$8138. The average charitable deduction for those returns with adjusted gross income of \$75,000+ was \$11,651.

This data suggests a higher-than-average level of charitable giving for the group identified. The demographic subset of the population that is similar to Presbyterians nationally shows an attractive level of generosity.

Church leaders would be wise to assume that its members are generous to those organizations that:

- cultivate and maintain a healthy level of engagement and belonging;
- solicit their donors in a context-appropriate manner;
- communicate in such a way as to inspire donors to participate in the life of the ministry, to include regular giving;
- acknowledge their donors' support with sincere gratitude; and
- demonstrate meaningful impact and effective stewardship of the resources with which they are entrusted.

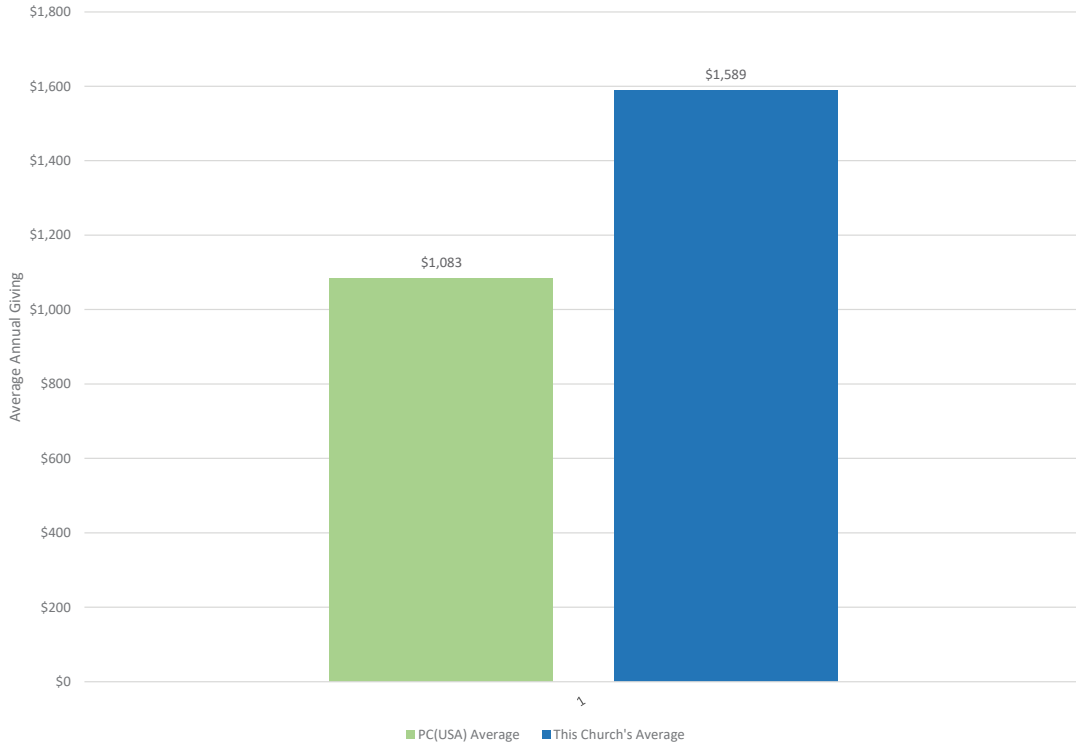
The pages following contain data tables and graphs that illustrate selected aspects of the church's giving dynamics. We encourage careful study and ongoing monitoring of the Key Indicators identified.

Central Presbyterian Church
Fort Smith, AR
Data Table for Accompanying Charts

For Calendar Year 2021
Report dated 11/4/2022

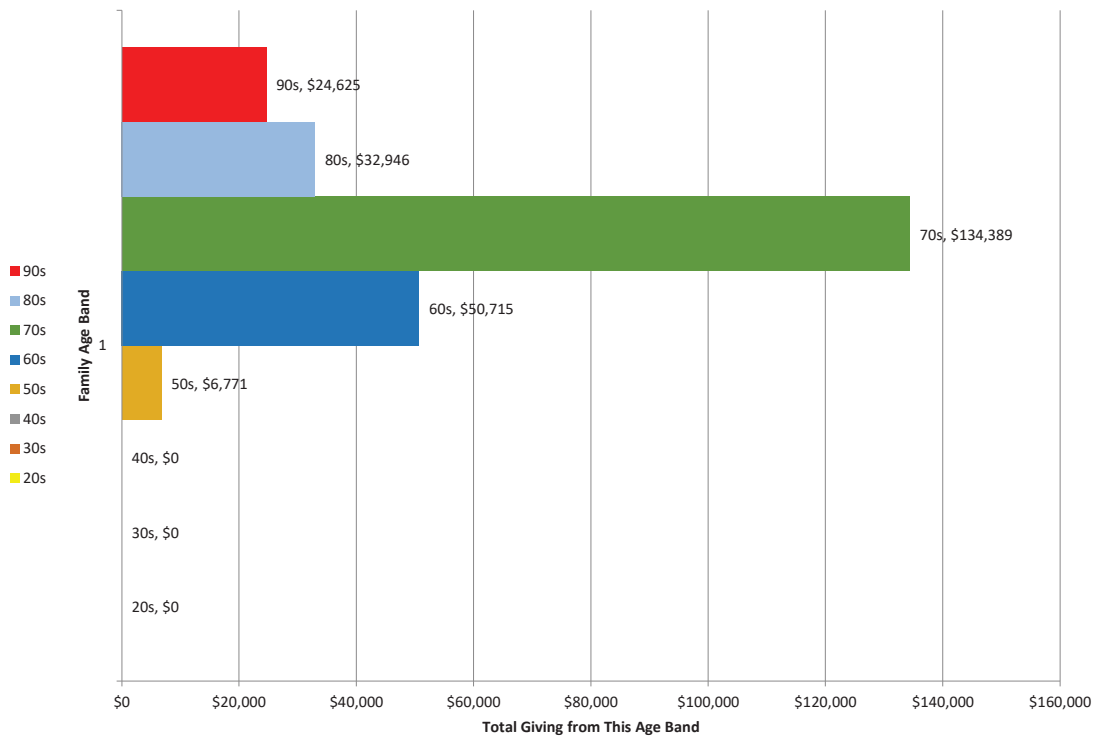
1	Chart 1	PC(USA) average per-member giving			\$1,083	
2		This church's average per-member giving			\$1,589	
3	Charts 2 & 3	Giving by Age Band				
4		<i>Age Band</i>		<i>Avg Gift</i>	<i>Total Giving \$</i>	<i>Total Giving %</i>
5		20s		#DIV/O!	\$0	0%
6		30s		#DIV/O!	\$0	0%
7		40s		#DIV/O!	\$0	0%
8		50s		\$1,693	\$6,771	3%
9		60s		\$4,226	\$50,715	20%
10		70s		\$5,169	\$134,389	54%
11		80s		\$3,661	\$32,946	13%
12		90s		\$4,925	\$24,625	10%
13		Totals & Avg Overall		\$4,454	\$249,446	100%
14	Charts 4 & 5	Congregational Composition & Giving; Participation by Age Band				
15		<i>Age Band</i>	<i>% of Families</i>	<i>% of Donors</i>	<i>% of \$ Received</i>	<i>% of these Families Giving ("Participating")</i>
16		20s	0%	0%	0%	#DIV/O!
17		30s	10%	0%	0%	0%
18		40s	23%	0%	0%	0%
19		50s	4%	7%	3%	100%
20		60s	25%	21%	20%	46%
21		70s	25%	46%	54%	100%
22		80s	9%	16%	13%	100%
23		90s	5%	9%	10%	100%
		Totals & Avg Overall	100%	100%	100%	54%
24	Charts 6 & 7	Giving by Gift Range				
25		<i>Category</i>		<i>Families</i>	<i>Sum Dollars</i>	<i>% of Total Giving</i>
26		\$0		48	\$0	0%
27		\$ 1 - \$999		16	\$7,622	3%
28		\$1,000 - \$2,499		9	\$15,899	6%
29		\$2,500 - \$4,999		12	\$42,466	17%
30		\$5,000 - \$9,999		10	\$66,377	27%
31		\$10,000 - \$14,999		8	\$99,344	40%
32		\$15,000 - \$24,999		1	\$17,738	7%
33		\$25,000 - \$49,999		0	\$0	0%
34		> \$50,000		0	\$0	0%
35				104	\$249,446	100%
36	Chart 8	Giving by Five Largest-Giving Families				
37		5 families' giving		\$73,072	as a % of total	29%

Chart #1 - Annual Giving per Member vs. National Average



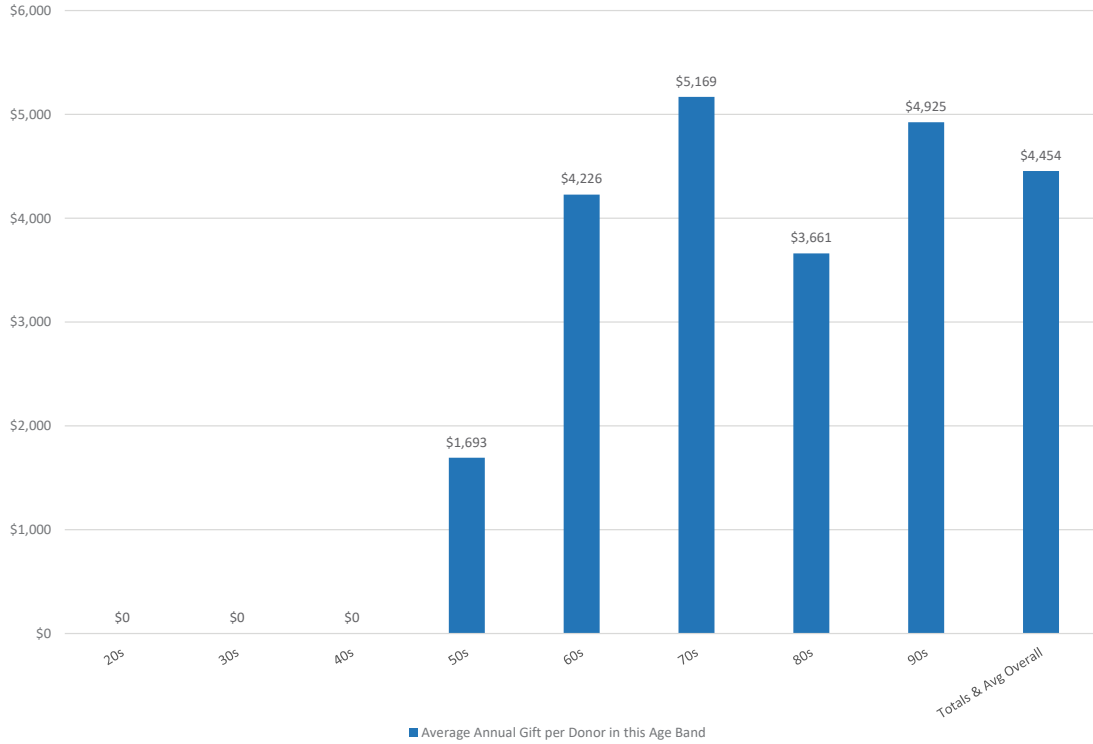
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Chart #2 - Total Giving by Age Band



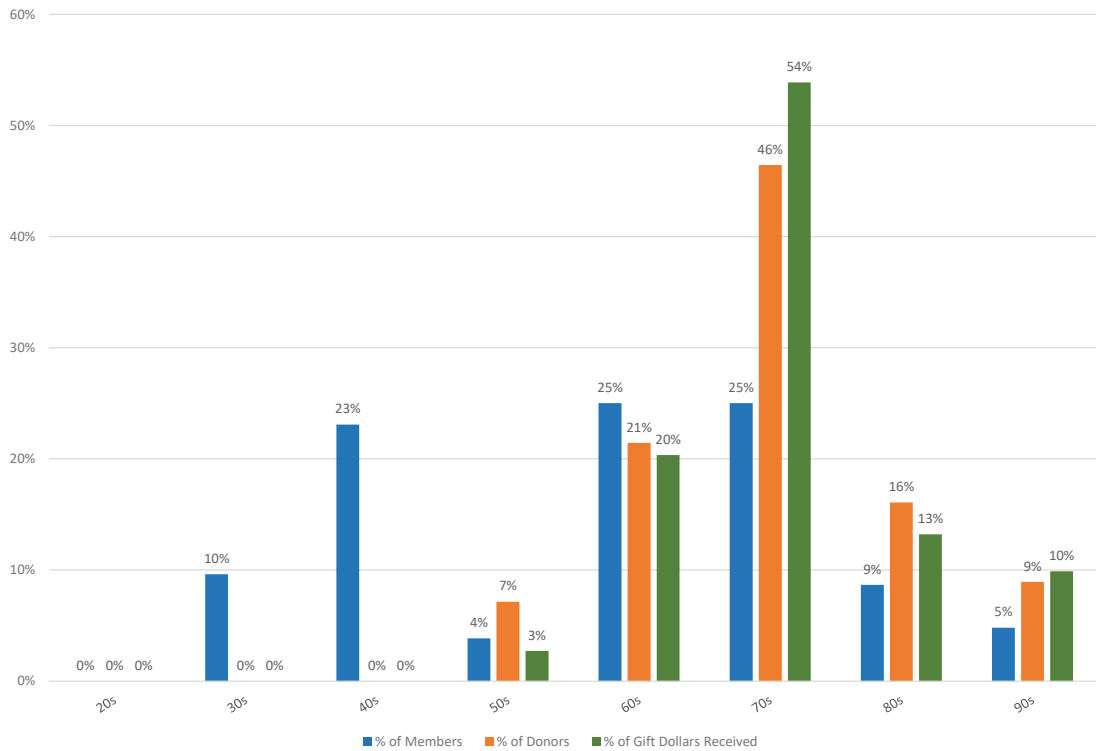
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Chart #3 - Average Annual Giving By Donor Family by Age Band



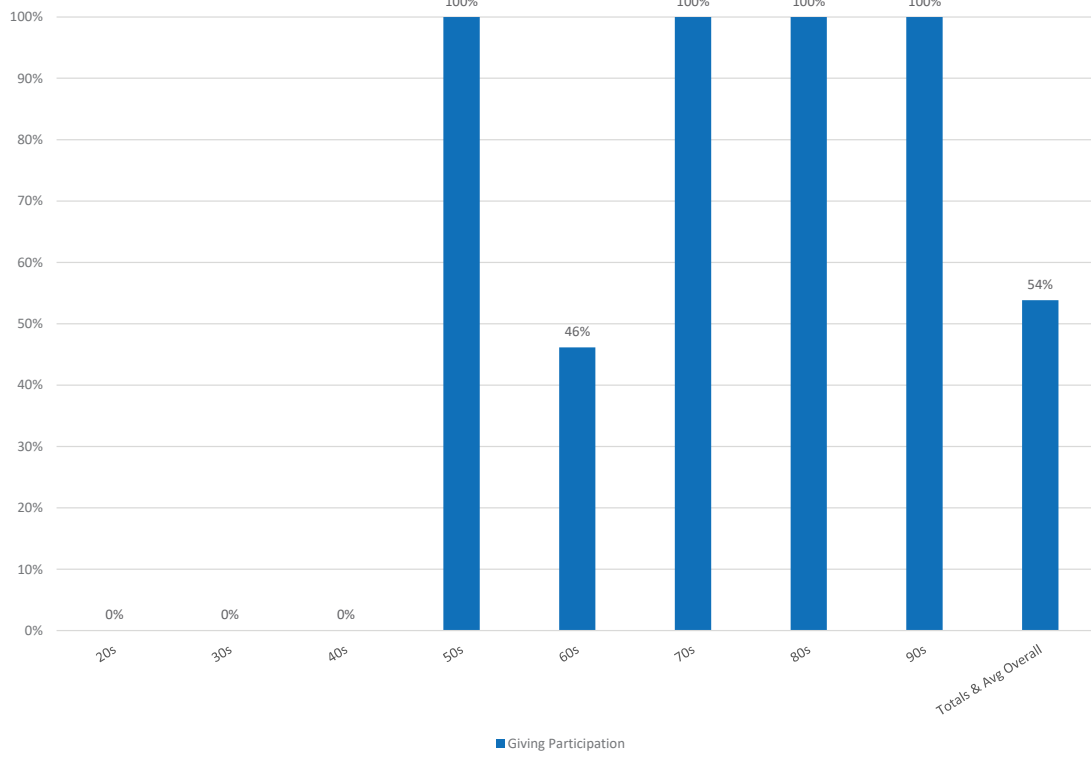
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Chart #4 - Congregational Composition & Giving by Age Band



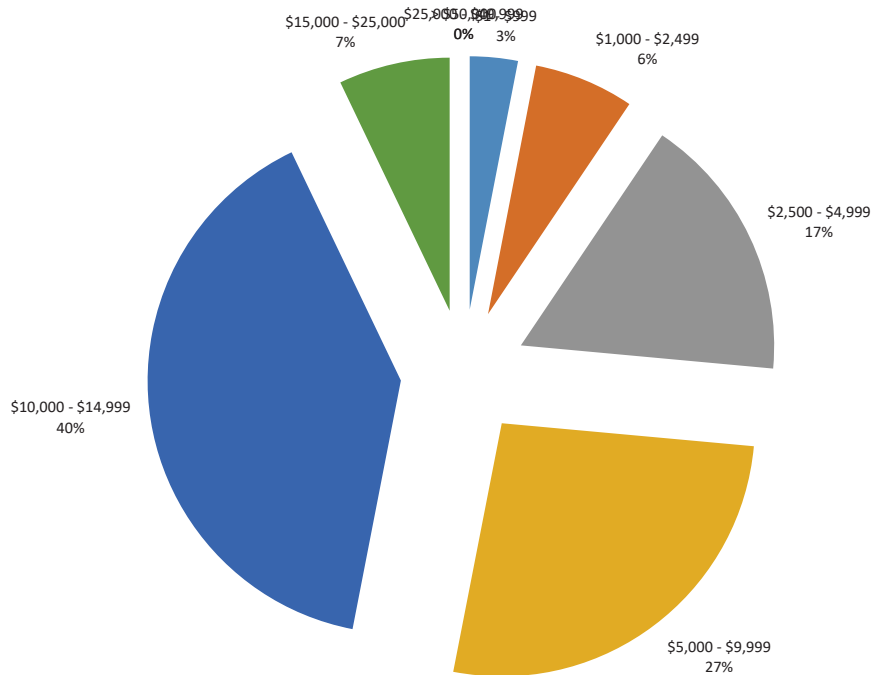
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Chart #5 - Giving Participation by Age Band



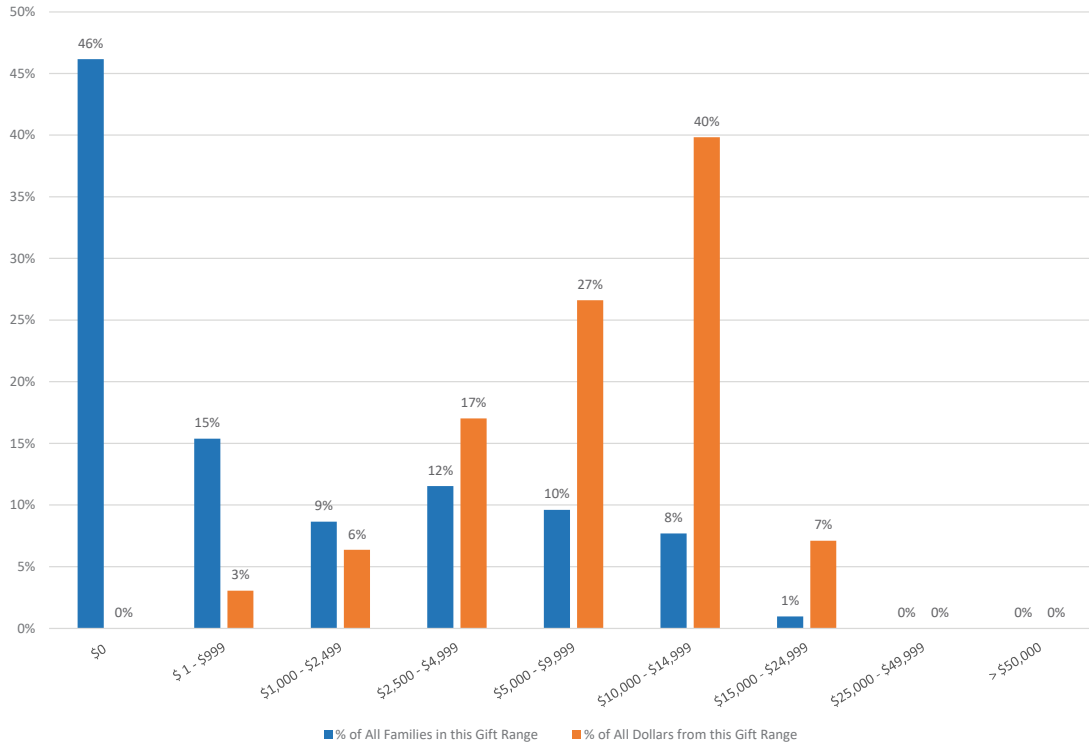
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Fort Smith, AR

Chart #6 - Total Giving by Gift Range



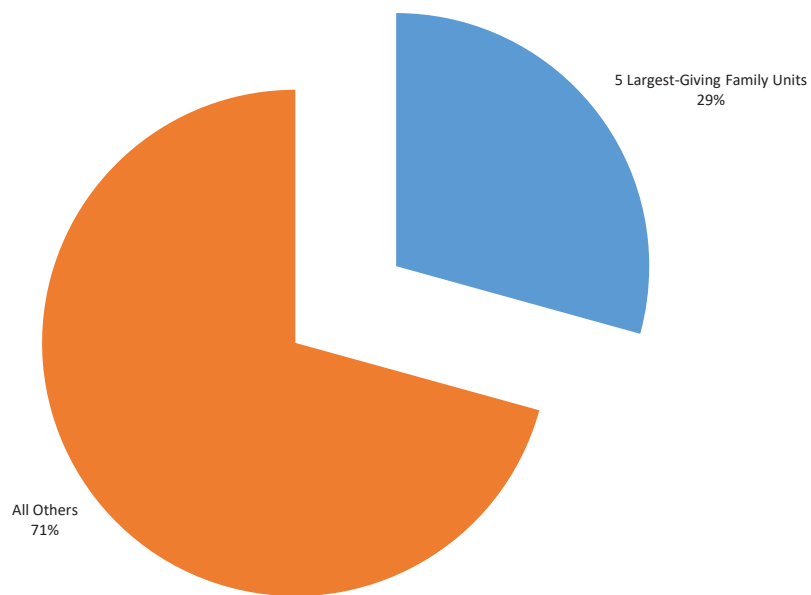
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Chart #7 - Percent of Total Giving by Gift Range



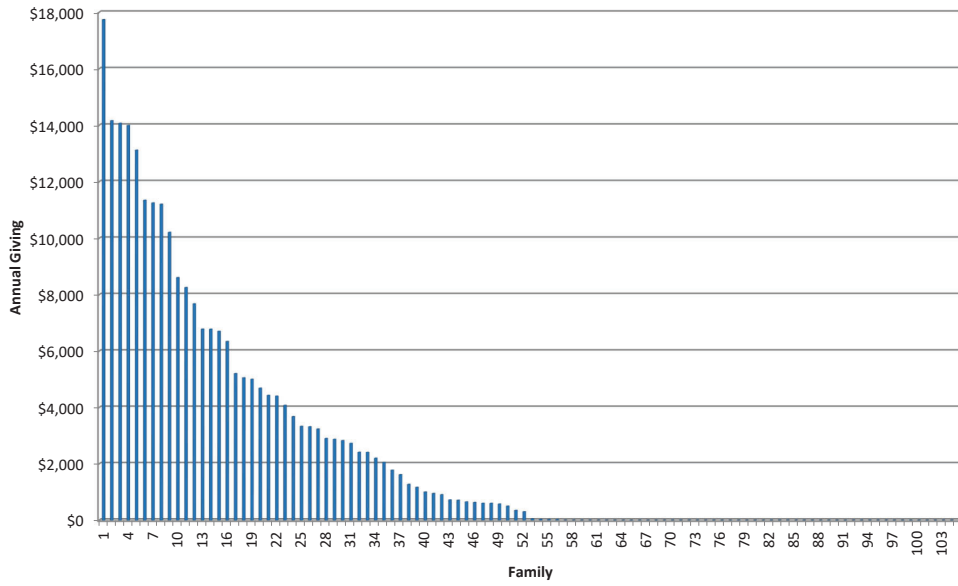
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Chart #8 - Percent of Total Giving by Five Largest-Giving Families



Central Presbyterian Church
Fort Smith, AR

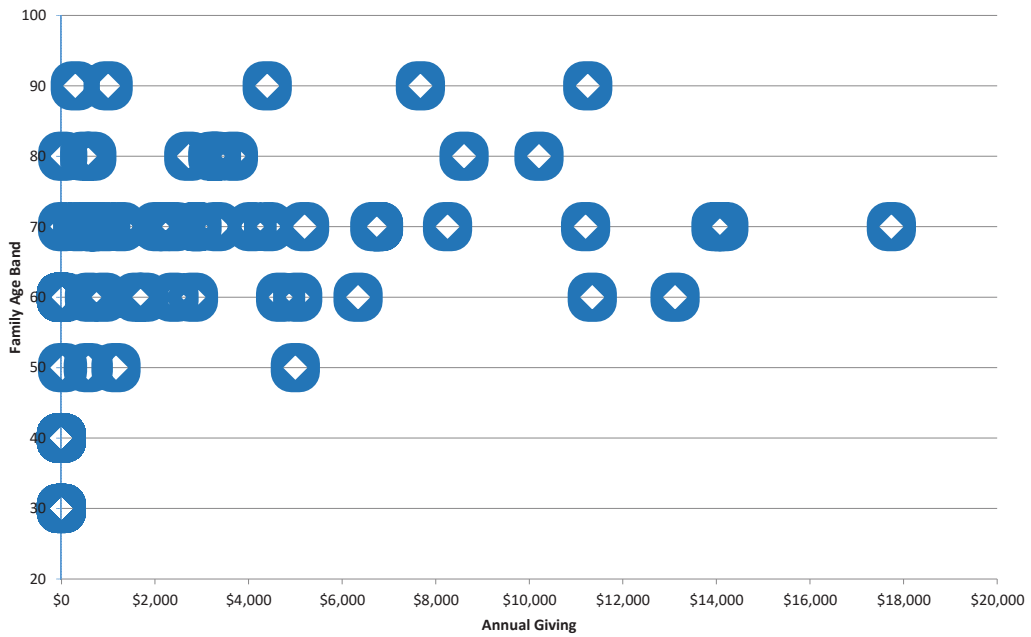
Chart #9 - Annual Giving by All Families in Descending Order



Central Presbyterian Church
Fort Smith, AR

Data for Calendar Year 2021

Chart #10 - Family Age Band & Annual Giving



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Fort Smith, AR

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Key Indicators

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Report dated 11/4/2022

1	membership at beginning of year	157
2	total giving	\$249,446
3	family units	104
4	persons per family unit	1.5
5	donor units (i.e., families that give)	56
6	giving per member	\$1,589
7	giving per family unit	\$2,399
8	giving per donor unit	\$4,454
9	median gift: all family units	\$175
10	median gift: donor family units	\$2,885
11	giving participation	54%
12	% of family units who do not give	46%
13	% of family units who give but do so modestly	15%
14	families aged 80 & older: % of membership	13%
15	families aged 80 & older: % of total giving	23%
16	families younger than 50: % of membership	33%
17	families younger than 50: % of total giving	0%
18	five largest-giving families: % of total giving	29%
19	five largest-giving families: median gift	\$14,067
20	five largest-giving families: average age band	68
21	five- and six-figure gifts: number	9
22	five- and six-figure gifts: median amount	\$13,117
23	gift range: lowest annual gift received	\$0
24	gift range: highest annual gift received	\$17,738
25	gift range: highest gift as a multiple of median gift	6.1
26	zip code of residence: most frequently appearing	72901
27	zip code of residence: % incidence of dominant zip code	23%

Weekly Giving Equivalents

- \$ 20 per week = \$ 1,000 per year - *"I need a cup of coffee ..."*
The average American spends \$1,095 annually on coffee. ^[1]
- \$ 50 per week = \$ 2,500 per year - *"I'll sign up for that razorblade subscription"*
The average American family spends \$2,844/year for subscription services. ^[2]
- \$100 per week = \$ 5,000 per year - *coffee + dinner out*
The average American family of four spends \$4,160 each year on weekly visits to restaurants like Outback Steakhouse and Cheesecake Factory. ^[3]

Donors giving \$10,000 and more tend to make decisions and commitments on an annual-plan basis. Best-practice congregations ensure that their communications are customized accordingly and encourage cash and non-cash giving.

Non-Cash Giving

We encourage you to speak with your Ministry Relations Officer to explore opportunities for the church to promote members' gifts of appreciated securities, IRA distributions, donor-advised fund (DAF) distributions, and other non-cash assets.

Electronic Giving Capabilities

If not already in place, we encourage you to immediately secure an e-giving platform. This style of giving was growing quickly before COVID-19; since the outbreak of the epidemic its use has skyrocketed and is a "must have" component of an effective generosity strategy in nearly every congregation.

The Presbyterian Foundation offers a competitively priced, easily implemented, and user-friendly platform to PC(USA) congregations. Speak with your Ministry Relations Officer for more information.

Data Sources, Footnotes, & Conclusion

- This report was prepared by Presbyterian Foundation staff using church-provided data. Neither member nor donor names were provided.
- Members listed without an age band assigned are automatically categorized as being in their 60s, since the average Presbyterian age is 66 years. To enhance anonymity, teenage members are included in the 20s category and members aged 100+ are included in the 90s category.
- Income tax data comparisons are based on 2017 data due to changes in federal tax law related to charitable deductions beginning in 2018. We believe this remains a valid comparison.
- The zip code used for analysis and comparison is the one most often appearing in church rolls for the year reported.
- National data is gleaned from reports issued by the Presbyterian Church (U.S.A.) Office of the General Assembly. Because not all PC(USA) congregations submit data, national averages are subject to error.
- Data on members who did not give was limited and at times unavailable. Through the careful estimations of the church's Treasurer, we have provided calculations which we believe are reliable if imperfect.

Credits:

The definition of a "giving unit" quoted herein is taken from the 2015 Annual Report of North Avenue Presbyterian Church, Atlanta, Georgia. It is, we believe, a clear and easily understood description of a term many congregations struggle to define. We use this definition with the Church's permission.

Giving-equivalent data sources:

- ^[1] "Feeling Broke? Banish These 6 Bad Habits!" *Forbes*, May 11, 2019; quoting Acorns Grow Inc. *Money Matters Report*
- ^[2] "Better Money Habits: How do you stack up?" Bank of America / Khan Academy. Accessed online 12/02/2021; <https://bettermoneyhabits.bankofamerica.com/en/saving-budgeting/average-household-monthly-expenses>
- ^[3] "How Much It Costs to Eat at 22 Chain Restaurants;" *Business Insider*, March 23, 2015.

Questions about this report should be directed to:

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