

Starting and Developing a Community Ministry

Funding Community Ministries

That which sets community ministry apart from other non-profit or ecumenical organizations is its integral relationship with constituent churches. Translated into financial terms, the member churches make an annual pledge to the ministry just as their members make annual pledges to the churches. These pledges are the financial backbone of the ministry. A community ministry must inspire member congregations in the same way that congregations inspire their members to commit to an annual pledge that will cover the essential costs of operation.

With time, other kinds of funding might exceed that of the congregations. However, congregations almost always remain the most important funding source; their funds guarantee the survival and independence of the ministry and legitimize its presence in the community. Like the work of community ministry in general, fund-raising is congregation-based and participatory.

The Basis for Congregational Financial Participation

A community ministry does not come to congregations as an *outside* organization. It comes to them as a constituent part of each congregation. This claim, however, is valid only insofar as the congregations themselves recognize the unique relationship—a fact that underlines the importance of interpreting the work of the ministry in the congregations, showing how the program of the ministry derives from pastoral concern for that very community, showing why the program cannot succeed without

congregational participation on several levels, being visible and present in the congregations in various ways, and demonstrating an integrity of ministry in which the educational, evangelical, liturgical, and communal aspects are wedded to the social and ecumenical ones.

Determining Amounts of Congregational Support

There is no formula for determining the amount of monetary support that a congregation might contribute. Statistically, congregations pledge from one to twelve dollars per year per adult member in addition to contributions that do not appear in the budget (from special offerings, church school classes, and other groups or individuals). There is no standard amount, but when a congregation decides on its contribution, the amount should say to anyone that looks at the church's budget that the community ministry is an integral and important part of the church's mission. Only the members of that church themselves really know how this guideline gets translated into dollars and cents. Never try to evaluate the annual pledge of a congregation on the basis of comparisons with other congregations or parishes.

Not all congregations will be connected to denominations that have a long-standing commitment to the ecumenical movement, and their participation is much harder won. Churches of the "ecumenical" denominations may be expected to shoulder a proportionately greater part of the burden.

Nor is it easy to compute the real total financial support of a congregation. One must take into account the use of facilities, the involvement of church staff, and assistance in obtaining funds from other sources. One must also take into consideration other social and ecumenical ministry commitments of the congregations. Community ministry should not seek financial support at the expense of these other commitments. Congregations, like individuals, often have unique financial circumstances that are not fully understood outside the immediate family.

If the parish is supporting a school (as is the case with most Catholic parishes), that school is considered a form of community ministry. It is next to impossible to compare the finances of a

Catholic parish, in which seventy-five percent of the budget supports a school, with that of a Protestant parish of the same size.

The Long Road to Financial Security

Some ministries have raised millions of dollars in the community at large. Some now have considerable assets consisting of real estate, motor vehicles, up-to-date office equipment, and restricted and unrestricted funds of various kinds. Yet there are very few for whom congregational support is not the most important source, even fewer for whom at least part of the program is not in constant financial jeopardy, and none who can afford to delegate fund-raising to a committee or expert. Thus the board as a whole is well advised to take seriously its responsibility for financial stability.

Let those who are just starting a community ministry note that almost no community ministry achieves any degree of financial security until it has passed the fifteen-year milestone. Until then, a ministry may well be satisfied in the knowledge that it has enough commitments to cover six months of operations at a time. Furthermore—claims to the contrary notwithstanding—a track record of less than fifteen years, even a very successful record, does not lend itself well to major public fund-raising efforts.

Ministries can certainly benefit from professional fund-raisers who are willing to volunteer advice, but these considerations should not be allowed to obscure the central importance of congregational support. It is always in that light that we must consider the major categories of financial support for community ministry: congregations, government and United Way, corporations, individuals, special events, endowments, and other funds. Doing so will also require discussions on documenting need, grant writing, and fund-raising policy.

Documenting the Need

Community ministry assists congregations in understanding the community by documenting and describing its needs. This

same documentation may be used in presentations to foundations, government, and other potential funding sources.

Material descriptive of the community may be found in the reports of parish pastoral care teams. The problems and needs of parishioners will provide clues to the state of affairs in the larger community. Other methods of needs assessment will help to document the need.

Whenever a budget is submitted it should be accompanied by a rationale that contains evidence of continuing need for the program. These rationales, though submitted in the first place to the board of directors, will become a part of the fund-raising documentation. Ministries that find they are the object of study by research institutions and individual students can claim and use the results of this research in documenting the need for funding.

Annual evaluations will serve not only to assess the performance of staff and the ministry as a whole but may also serve to pinpoint the places where additional funding is crucial. Evaluation serves to image an organization that is not afraid to be self-critical. Evaluations may originate with the board of directors, the staff, individual congregations, denominations, the people who are served by the programs, private and governmental funding sources, or educational institutions that are conducting research or that have field education on the scene. Any of these may be asked to initiate an evaluative process, and each would have a uniquely helpful perspective from the standpoint of fund-raising.

Finally, community ministries have many opportunities to sponsor conferences, consultations, and other types of meetings that have positive ramifications for fund-raising purposes because they generate information that may be used in documenting the need, they enhance the status of the sponsoring organization as a responder to community needs, and they stimulate networks of cooperation that help to assure the implementation of program.

Grant Writing

Next to nourishing its ties to congregations, the most important fund-raising activity of community ministry is grant writing. Grant requests are submitted to foundations, businesses,

government agencies, and denominational offices. A typical community ministry may submit dozens of proposals within a two- to three-year period. These requests are based on master proposals that are tailored to suit potential funders.

The proposal to establish the ministry is its first grant request. Addressed to a broad constituency, it will produce funds during the first several years of the ministry's existence. It should document the needs to which the ministry will respond and make a convincing argument that the community would benefit from such a ministry. It should, in fact, be a joint product of several sectors of the community, illustrating a spirit of cooperation in the writing itself, and it should assure the reader of plans for board development, needs assessment, evaluation, and longer-term funding.

At a minimum, any grant request must state precisely the purpose for which funds are being sought, describe and document the need, and convince the grantor that the organization has the capacity to implement the objectives of the grant request.

Grant writing is a skill that takes time and patience to identify potential funders, to write the grant and compile supporting documentation, and to follow through in communication with the grantor, even if the request is denied on the first try.

Therefore, the staff and board members should possess as much grant writing experience as possible. They should be encouraged to get specialized training. Nothing substitutes, however, for working side-by-side with an experienced grant writer, beginning with the first telephone call and including the writing, submission, and follow-up of the request. One might be told how to write a grant, but what makes an indelible impression is observing someone craft a grant request while explaining at each juncture why they say this or that.

Numerous resources are available to fledgling grant writers. Grantors may be willing to clarify their expectations and priorities, and they are sometimes willing to lend assistance with the process of submission. Complete information on local foundations usually can be found in the public library. Among the members of congregations may be those who have expertise in grant writing and the ability to identify potential donors.

A word of caution and a plea for foresight: Grants are not permanent! Usually, the larger the grant, the less permanent it is. It would be rare for a grant of more than twenty thousand dollars to be renewed more than twice or for a grant of ten thousand dollars to be renewed more than four times. It could be argued that for the typical community ministry, several small grants is to be preferred over one or two large ones.

Government and United Way

There are ministries that do not apply to either the government or United Way as a matter of principle. They might not want to be bound by the restrictions of the United Way or they may not wish to be identified with the philanthropic establishment in their locality. Some rule out government sources as well in order to guard their independence and/or to avoid the appearance of violating the principle of separation of church and state.

Yet community ministry has some unique advantages in regard to these two funders. Local government or the United Way may fund a community ministry program over an indefinite period. When funds for human services are on the increase, the ministries are good bets for experimentation and implementation of new programs, and they are avenues of community outreach. Moreover, when funds are short, ministries may present themselves as a means of economizing because of their access to volunteers and their low staff and facility costs.

The character of both the United Way and local government funding varies a great deal from place to place. Some would be more controlling and restrictive than others. In some communities local government and the United Way, through interlocking directorates, exercise a hegemony over the delivery of social services that is felt by grass roots organizations as oppressive.

A ministry might decide on a case-by-case basis whether to submit proposals to a United Way or government agency depending, for example, on whether there is congruence in priorities between the community ministry and the funder. The best guarantee of a ministry's independence—vis-à-vis the government or

United Way—is its own clearly stated priorities and the support it receives from member churches that sustain operations when grants are not forthcoming.

Special Events

Special events are both more and less effective than other means of raising funds. On the plus side, they can be major social events for the community and its churches, and they are opportunities for education and interpretation. A bowlathon will promote good will among bowlers; a game booth in an annual community festival will increase visibility; a horse show will make fund-raising contacts.

On the other hand, special events require many hours of planning and preparation as well as volunteers with consummate organizational skills. Unless such a core of workers can be produced, it is better not to try the special event since an unsuccessful one will have a demoralizing effect and use up valuable staff time. These events generally become a more effective part of a community ministry's funding after two to four years' operations. They may serve as a bridge to individual donors. Occasionally a ministry will raise upwards of 10 percent of the annual budget through special events, but more often the figure is 5 percent or lower.

Individual Solicitation

Almost every instance in which ministries engage in individual solicitation began as a last-ditch survival effort after several years of resistance. Once established, however, individual giving becomes a mainstay of community ministry support. The Ministries has an elaborate, staffed system that includes direct mailing. United Crescent Hill Ministries in Louisville has had several years of successful individual solicitations based on personal contact.

There are several reasons this method is the last to be used in community ministry. It runs the risk of undermining the crucial relationship with member congregations. At first, ministries

do not have access to the large corps of volunteer workers that is required to run a successful campaign. Individual solicitation is predicated upon a certain level of visibility in the community, an understanding of the ministry's concept and purpose, widespread and meaningful contacts with individuals—all of which may take several years of operation. Thus, during their first years, community ministries rely almost entirely upon sources other than individuals.

Nevertheless, ministries may want to consider using this method at times other than when under the threat of imminent closing. Fund-raising experts seem to be nearly unanimous in saying that one should not assume that donors will not want to contribute directly if they already contribute indirectly (through a congregation). Moreover, the solicitation of individuals is an opportunity to educate persons about the ministry and to involve them to a greater degree.

Finally, when a ministry has been operating for five years or more, it is almost certainly the case that there are persons who are truly grateful for its presence and who are willing to help to assure its future through a personal contribution.

Fees

Fees are a part of the funding structure of those ministries that are engaged in the delivery of direct services. They may account for more than 50 percent of a ministry's income, particularly if it administers large child-care or family counseling programs.

Fees have a deeper significance for community ministry than first meets the eye. They make the ministry a participant in the local economy. The ministry renders itself accountable to the community at large by its promise of delivering a service that is actually worth more than the fee. The ministry demonstrates its financial integrity in the setting, collecting, and recording of fees.

For those who cannot afford to pay the fees at the set level, the ministry can offer either a sliding scale or "scholarships" on a case-by-case basis. Those who have little or no income may be asked for a nominal amount, partial payment at some unspecified time in the future, or for a contribution of time in lieu of cash—if

any of these seem appropriate; that is, if it contributes to a person's self-respect and to his or her participation in the ministry.

There is a principle of reciprocity and participation even when there is no fee as such. Recipients of emergency financial assistance may be asked for information that will help in the search for structural solutions; or they may be given opportunities to participate in representations to various branches of government on behalf of the poor.

Endowments, Restricted Funds, and Other Funding

Until recently, this was a category of support beyond the scope or imagination of the mostly fledgling ministries. Lately, however, many ministries twenty years old or older are interested in establishing funds, the principal of which remains intact for the long term or until it may be used for a designated purpose. The oldest community ministries have discovered that they have potential donors, some of whom have expressed an unsolicited interest in their ministry. Financial advisers are saying that the realities of the 1990s are making it important for even small nonprofits to have capital and endowment assets. Rank and file volunteers, who have invested as much as twenty to thirty years' service, want to do what they can to assure the future of the ministry.

A Fund for Community Ministry: One Approach to Corporate Donors

All corporations and businesses within the mission area and all that are represented among the volunteers of the ministry should be solicited at regular intervals. In cities or counties with more than one community ministry, it is worthwhile to consider coordinating the solicitation. Corporations often are not interested in contributing to an organization that is identified with just one part of a metropolitan area, but ministries can band together for the purpose of submitting joint proposals.

In Louisville, thirteen community ministries have formed the Fund for Community Ministries, with guidelines for membership,

solicitations, and distribution of grants received. The fund has raised an average of one hundred thousand dollars annually during its first three years—not enough to represent a breakthrough for the larger ministries, but large enough to have a positive impact on the budgets of the smaller ones.

The fund has benefited the ministries in unforeseen ways. For example, a group of young professionals that was raising funds for the needy during the holiday season decided to use the fund to distribute the amounts that were raised. The fund has also been a means for redistributing resources for the benefit of the younger or poorer ministries, for encouraging the formation of new ministries, and for raising the general level of cooperation between the ministries.

Fund-Raising Policy

The financing of community ministry is a subject that is much debated, and if the issue is not to be divisive, a fund-raising policy should be placed on the record and revised every few years. On the basis of policy, decisions may be made in response to the myriad fund-raising ideas that will be brought to the staff and board. If the ministry wants to rule out certain broad categories of funding, a policy statement serves the purpose. Under the exigencies of financial hardship, many schemes and proposals will be put forward, some of which—if accepted—will alienate portions of the constituency or prove to be unworkable. A fund-raising policy serves as a basis for rational reflection on the subject and protects staff and board from being pushed into hasty decisions.