

Sacred Communities & Financial Sustainability

Webinar #1

February 6, 2013

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The United Synagogue
of Conservative Judaism

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Sacred Communities & Financial Sustainability

What Do Dues Have to Do With It?



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in this presentation...

1. a look at the history of synagogues and dues
2. a review of the current challenges to financial sustainability
3. descriptions of five dues models
4. observations regarding financial sustainability and our kehillot
5. questions to frame further discussion
6. questions and answers



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A History of Giving



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Free-will giving

“Tell the Israelite people to bring Me gifts; you shall accept gifts for Me from every person whose heart so moves him.”

(Exodus 25:2)

“[They] said to Moses, ‘The people are bringing more than is needed for the tasks’...Moses thereupon had this proclamation made throughout the camp: ‘Let no man or woman make further effort toward gifts for the sanctuary!’ So the people stopped bringing: their efforts had been more than enough for all the tasks to be done.”

(Exodus 35:5-7)



Flat Tax

“This is what everyone who is entered on the records shall pay: half –shekel by the sanctuary weight –twenty gerahs to the shekel – a half –shekel as an offering to the Lord. Everyone who is entered in the records, from the age of twenty years and up shall give the Lord’s offering. The rich shall not pay more and the poor shall not pay less.”

(Exodus 30:13-15)



Tithing

The Lord said to Aaron, “You will have no inheritance in their land, nor will you have any share among them I am your share and your inheritance among the Israelites.” “I give to the Levites all the tithes in Israel as their inheritance in return for the work they do while serving at the Tent of Meeting.” (Numbers 18:20-26)

“You shall set aside every year a tenth part of all the yield of your sowing that is brought from the field.” (Deuteronomy 14:22)

Recognition

May He who blessed our ancestors, Abraham, Isaac, and Jacob, Sarah, Rebecca, Rachel, and Leah, bless this entire congregation, together with all holy congregations: them, their sons and daughters, their families, and all that is theirs, along with those who unite to establish synagogues for prayer, and those who enter them to pray, and those who give funds for heat and light, and wine for Kiddush and Havdalah, bread to the wayfarer and charity to the poor, and all who devotedly involve themselves with the needs of this community and the Land of Israel. May the Holy One Praised be He reward them; may He remove sickness from them, heal them, and forgive their sins. May He bless them by prospering all their worthy endeavors, as well as those of the entire people Israel.

(Shabbat and Holiday Torah Service - Siddur Sim Shalom, 1985)



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A History of Synagogue Dues



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American Synagogues and Money: Lessons from History

by Rabbi Dan Judson

“Throughout most of the eighteenth and nineteenth centuries, the primary way for synagogues to raise money was by the rental of seats. Additional monies were raised by selling off Torah honors, fining congregants for misbehavior during services, and charging fees for becoming a member.”

“The health of synagogues has roughly mirrored the financial health of the country.”



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Challenges to Financial Sustainability



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Challenges

- The "edifice complex"
- Personnel costs
- Aging population
- Virtual communities
- "Bowling alone"
- Competing with life



20's and 30's in our Kehillot

Our greatest success has become our greatest challenge.

Pew Forum survey (Dec. 2012):

- 32% of adults under 30 claim no religious identity
- Fewer than 10% of young adults regularly attend worship services

2007 National Spiritual Communities Study:

- More than 80 independent minyanim and communities have been founded since 1997.



Churches and Synagogues

“Synagogues and churches both appear to raise about the same amount per member ... While synagogue members pay annual dues, churches rely primarily on voluntary donations from members. ... Giving in churches is much less evenly distributed than in synagogues.”

- “Churches Versus Synagogues: Voluntary Donations Versus Dues” (freakonomics.com, October 2010)



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Five Current Kehilla Dues Models



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Traditional Model

This is the dues structure that most synagogues use these days.

- Several dues levels based on demographics: age, family status, marital status, number in household, etc.



*Dues are billed in December each year for the following January through December.
(Dues are pro-rated for those members who join mid-year, based on the day you join.)*

Annual Membership Dues

Family Membership

\$ 1,618

- *a couple with or without children*

Single Individual

\$ 809

- *with or without children*

Associate Membership

\$ 250

- *For those who are full, paid-up members in another synagogue or for former members who want to continue receiving synagogue mailings. Each year, you will be asked to provide a letter from your other synagogue.*

Progressive Tax/Fair Share Model

- Asks each congregant individual, couple or family to make an annual payment or donation based on a percentage of their annual household income.



Fixed Levels

\$21,000 - \$30,000	\$420-\$600
\$31,000-\$40,000	\$620 - \$800
\$41,000-\$50,000	\$820 - \$1,000
\$51,000-\$60,000	\$1,020 - \$1,200
\$61,000-\$80,000	\$1,220 - \$1,600
\$81,000-\$100,000	\$1,620 - \$2,000
\$101,000-\$125,000	\$2,020 - \$2,500
\$126,000-\$150,000	\$2,520 - \$3,000
\$151,000-\$175,000	\$3,020 - \$3,500
\$176,000-\$200,000	\$3,520 - \$4,000
\$201,000-\$225,000	\$4,020 - \$4,500
\$226,000 - \$250,000	\$4,520 - \$5,000

Progressive Levels

This table shows the Fair Share Dues in the various income ranges.

<u>Gross Income</u>	<u>Dues Share</u>	<u>Annual Dues Range</u>
0- \$ 29,999	1.37%	\$105 to \$ 410
\$30,000 - \$ 44,999	1.37%	\$410 to \$ 615
\$45,000 - \$ 59,999	1.58%	\$615 to \$ 945
\$60,000 - \$ 74,999	1.68%	\$945 to \$1260
\$75,000 - \$ 89,999	1.68%	\$1260 to \$1515
\$90,000 - \$ 99,999	1.79%	\$1515 to \$1785
\$100,000 - \$114,999	1.79%	\$1785 to \$2055
\$115,000 - \$129,999	1.79%	\$2055 to \$2320
\$130,000 - \$149,999	2.00%	\$2320 to \$2995
\$150,000 - \$164,999	2.00%	\$2995 to \$3295
\$165,000 - \$179,999	2.00%	\$3295 to \$3590
\$180,000 - \$194,999	2.00%	\$3590 to \$3890
\$195,000 - \$209,999	2.00%	\$3890 to \$4190
\$210,000 - \$220,999	2.00%	\$4190 to \$4410
\$221,000 and up	2.00%	\$4.550

We welcome all members to contribute more than their fair share.

Special recognition is given to Patron, Guardian and Benefactor level members as follows:

Patron Dues	\$3500 - \$4999
Guardian Dues	\$5000 - \$9999
Benefactor Dues	\$10,000 and above

Sustaining Number Model

- Based on a central premise of the sustaining dues number: the amount that each family would need to pay in order to meet a kehilla's budgetary needs.



Sustaining Number Model

FORMULA:

- Admin. projects costs & # households for year
- Compute regular expenses, subtracting projected revenue streams which will definitely continue to exist
- Divide the amount for expenses by the number of households
- Determine target % to be raised by “commitments”
- Compute “Sustaining Level” – average that would cover costs



Please complete EITHER Section 1 or Section 2

1. I am pleased to offer my voluntary Annual Commitment at or above a Sustaining Level:

<u>Sustaining</u>	<u>Pillar</u>	<u>Cornerstone</u>	<u>Guardian</u>
\$2,100-\$2,899	\$2,900-\$4,199	\$4,200-\$5,499	\$5,500 or more
Our 2012-2013 Annual Commitment: \$ _____	Our 2012-2013 Annual Commitment: \$ _____	Our 2012-2013 Annual Commitment: \$ _____	Our 2012-2013 Annual Commitment: \$ _____

2. I am pleased to offer my voluntary Annual Commitment at this level:

<u>Supporting</u>	<u>Caring</u>	<u>Growing</u>
\$1,450-\$2,099	\$1,150-\$1,449	< \$1,150
Our 2012-2013 Annual Commitment: \$ _____	Our 2012-2013 Annual Commitment: \$ _____	Our 2012-2013 Annual Commitment: \$ _____

*one-adult
household*

Please complete EITHER Section 1 or Section 2

1. We are pleased to offer our voluntary Annual Commitment at or above a Sustaining Level:

<u>Sustaining</u>	<u>Pillar</u>	<u>Cornerstone</u>	<u>Guardian</u>	<u>Wellspring</u>
\$2,900-\$4,199	\$4,200-\$5,499	\$5,500-\$6,999	\$7,000-\$7,499	\$7,500 or more
Our 2012-2013 Annual Commitment: \$ _____	Our 2012-2013 Annual Commitment: \$ _____	Our 2012-2013 Annual Commitment: \$ _____	Our 2012-2013 Annual Commitment: \$ _____	Our 2012-2013 Annual Commitment: \$ _____

2. We are pleased to offer our voluntary Annual Commitment at this level:

<u>Supporting</u>	<u>Caring</u>	<u>Growing</u>
\$1,975-\$2,899	\$1,650-\$1,974	< \$1,650
Our 2012-2013 Annual Commitment: \$ _____	Our 2012-2013 Annual Commitment: \$ _____	Our 2012-2013 Annual Commitment: \$ _____

*two-adult
household*

Tiered Model

- Can include a flat “standard” rate sustaining level – or a traditional dues level
- More donor categories above and beyond the standard rate.
- These donor level categories may include additional benefits beyond those of standard membership.
- There can also be a discounted or “entry level” category which will guarantee more access to synagogue life.



Introducing the COMMUNITY CIRCLE COMMITMENT MODEL



In order to sustain and grow the vibrancy and strength of our Jewish home at Temple Beth Hillel-Beth El, we invite you to find your place in our COMMUNITY CIRCLE.

Our Membership Spoke, Our Leadership Listened...

This year, in addition to the traditional model of dues and multiple fundraising efforts throughout the year, we are offering a new option for financial support and commitment to TBHBE. This option allows those who are able, to make a Patron commitment at the start of the membership year to support the life of the synagogue. This is a bundled commitment which incorporates annual membership dues and fundraising appeals.

This model is in response to requests from many of our members to simplify their support of the important work of the synagogue. It will allow the professional staff and volunteers to spend more time developing quality programs, fostering warm relationships and creating meaningful opportunities for spiritual growth and less time raising money. Moreover, this new model will allow us to operate with greater predictability regarding revenue for the coming year.

We know that the Patron commitment options will not work for every member. Therefore, our Traditional commitment options retain all of the features of our historical model of dues plus fundraising.

The COMMUNITY CIRCLE COMMITMENT MODEL is designed so that all members can find a comfortable way to support our congregation. It is our hope that the circle will grow and embrace all that choose to be a part of Temple Beth Hillel - Beth El.

PATRON COMMITMENT OPTIONS*

GUARDIAN \$3600 – \$4999

In appreciation, you will receive:

- Annual membership privileges, including Security and Parking Lot Fee
- Membership in TBHBE affiliate groups of your choosing
- Recognition as a Patron of the High Holiday Matanah Appeal
- Two tickets to the annual TBHBE fundraising event
- Invitation to Patron special events throughout the year

BUILDER \$5000 – \$7499

In appreciation, you will receive ALL of the above

- PLUS two tickets for the *Ruth N. Maltzman Memorial Event, A Shabbat Dinner*

SUSTAINER \$7500 – \$9999

In appreciation, you will receive ALL of the above

- PLUS two guest tickets for the High Holiday Services

BENEFACTOR \$10,000 and above

In appreciation, you will receive ALL of the above

- PLUS one reserved parking space for the High Holiday Services

**A single adult household member may choose to deduct \$1000 from the Patron commitment options*

TRADITIONAL COMMITMENT OPTIONS

SUPPORTER

Household /age based commitment rates (see annual rate schedule) . . PLUS \$500

- Annual membership privileges
- Recognition as a Supporter
- Additional opportunities throughout the year to support the High Holiday Matanah Appeal and other fundraising efforts

PARTNER**

Household /age based commitment rates (see annual rate schedule)

- Annual membership privileges
- Additional opportunities throughout the year to support the High Holiday Matanah Appeal and other fundraising efforts

***As always, requests for financial adjustments or special arrangements should be submitted in writing to the Executive Director*

ASSOCIATE \$1250

For those who have a full membership at another synagogue

- Associate member privileges, including school tuitions at a member rate
- Additional opportunities throughout the year to support the High Holiday Matanah Appeal and other fundraising efforts
- Does not include High Holiday tickets, Bar/Bat Mitzvah service or scholarship eligibility.

FRIEND of TBHBE \$400

- Monthly newsletter and email notices only
- Additional opportunities throughout the year to support the High Holiday Matanah Appeal and other fundraising efforts

Please note that all membership commitment options include single children up to age 25 and do not include tuitions, Bar/Bat Mitzvah fees, room rentals or other required or voluntary fees, unless stated.

<input type="checkbox"/> Golden Single	\$2,125	\$50	\$300/yr x 6yrs
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SILVER CHAI

<input type="checkbox"/> Silver Chai Family	\$2,500	\$100	\$600/yr x 6yrs
<input type="checkbox"/> Silver Single	\$1,250	\$50	\$300/yr x 6yrs

FAMILY

<input type="checkbox"/> Family	\$1,700	\$100	\$600/yr x 6yrs
<input type="checkbox"/> Young Family	\$960	\$100	\$600/yr x 6yrs

<input type="checkbox"/> Young Married	\$36	\$100	\$600/yr x 6yrs
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New Member **Introductory Rate** first year only. See below for continuing Membership rates.

<input type="checkbox"/> Young Married Continuing <i>Older Spouse 35 or Under as of July 1, 2012</i>	\$360	\$100	\$600/yr x 6 yrs
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<input type="checkbox"/> RUTH AND EDWARD TAUBMAN EARLY CHILDHOOD CENTER	\$360	\$100	
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SINGLE (*Age as of July 1, 2012*)

<input type="checkbox"/> Single 41+	\$795	\$50	\$300/yr x 6yrs
<input type="checkbox"/> Single 36 to 40	\$500	\$50	\$300/yr x 6yrs
<input type="checkbox"/> Young Single 36 or under	\$180	\$50	\$300/yr x 6yrs

SEASONAL MEMBERS

<input type="checkbox"/> Platinum Chai Family	\$7,200	\$100	
<input type="checkbox"/> Platinum Single	\$2,600	\$50	

Philanthropic Model

- All monies are voluntary
- Example: Chabad
- No Conservative or Reform congregations strictly using this model
- Requires level of commitment from leadership for fundraising and development



What About... Fee-For-Service?

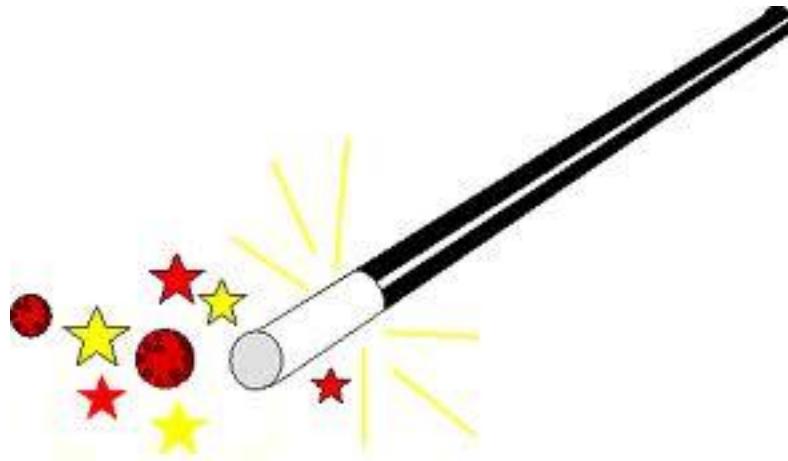
Current elements in many of our kehillot:

- Hebrew-school tuition
- Preschool tuition
- Youth group fees
- Bar/Bat Mitzvah fees
- Adult Education program fees
- High Holiday seats
- Cemetery plots



Concepts to Consider

**There is no
magic answer**



Concepts to Consider

**We must
continually
provide value to
our members – our
customers.**



Concepts to Consider



**Treat
members
like
donors**



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Concepts to Consider

**It's all about
relationships.**



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Moving Forward...



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Moving Forward...

Questions to Consider

- What dues model does your kehilla currently use?
- What percentage of your kehilla's current revenue is generated by dues income?
- What percentage of your kehilla's income would you like to see generated by dues income?



Moving Forward...



Questions to Consider

- What is your kehilla's "sustaining number?"
- How do your current dues numbers compare to your sustaining number?
- What is driving your interest in exploring alternative dues models?



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NEXT STEPS



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Sacred Communities & Financial Sustainability

NEXT WEEK'S WEBINAR:

Sustaining Member Dues Model:

A Case Study of Temple Israel of Sharon



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