

Financial Downturn for Churches in 2010

Survey of 1,000 Protestant Pastors
October 2010



Methodology

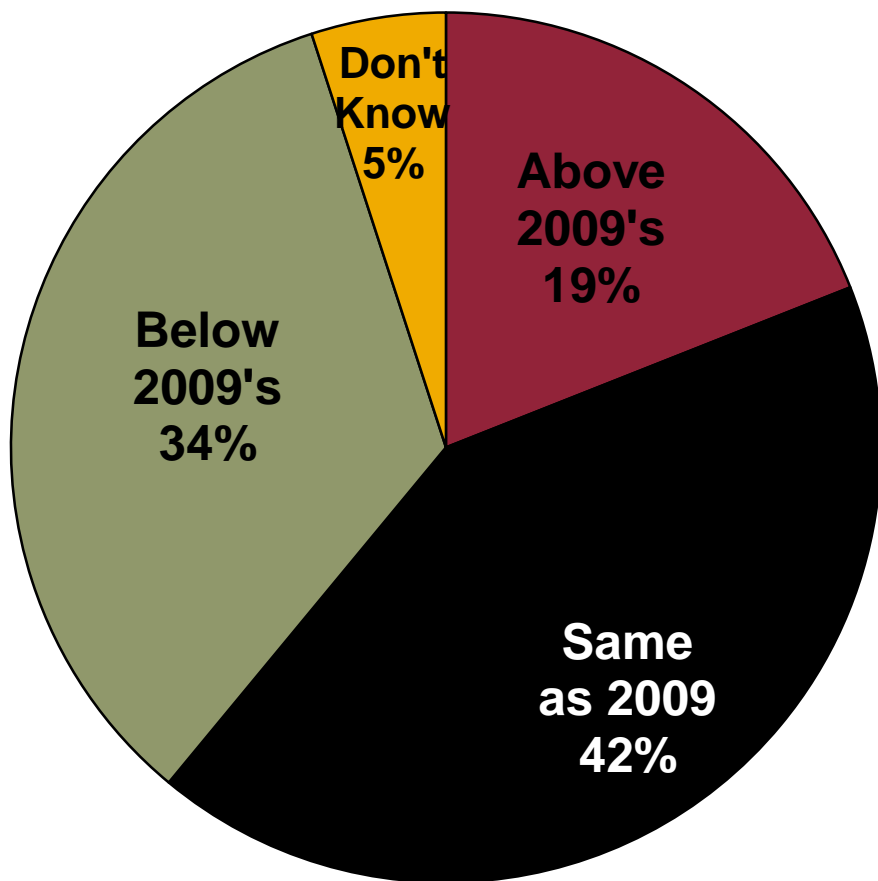
- ❑ The telephone survey of Protestant pastors was conducted October 7-14, 2010
- ❑ The calling list was randomly drawn from a list of all Protestant churches. Up to six calls were made to reach a sampled phone number
- ❑ Each interview was conducted with the senior pastor, minister or priest of the church called
- ❑ Responses were weighted to reflect the geographic distribution of Protestant churches

Methodology continued

- The completed sample is 1,000 phone interviews
- The sample provides 95% confidence that the sampling error does not exceed $\pm 3.2\%$
- Margins of error are higher in sub-groups
- Comparisons are also made to the following telephone surveys using the same methodology:
 - 1,000 pastors conducted February 2-10, 2009
 - 1,002 pastors conducted November 5-12, 2009
 - 1,000 pastors conducted March 1-9, 2010

Giving to Protestant Churches in America Slips in 2010

More Protestant churches had offerings below 2009 levels than above as of Oct. 2010



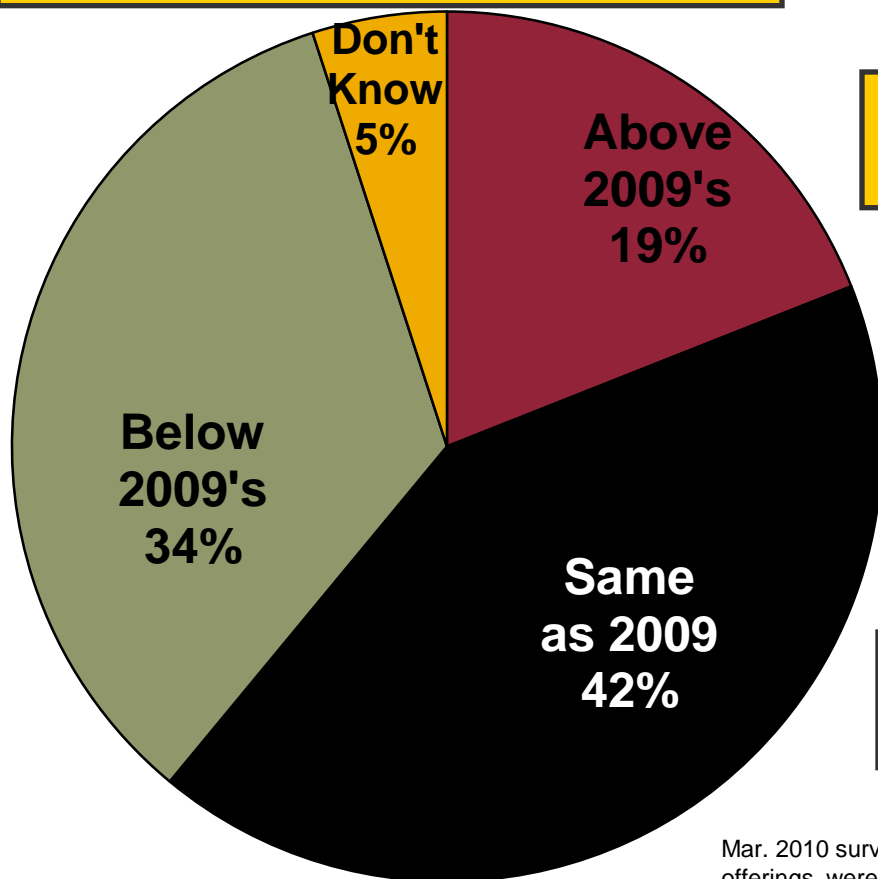
The smallest churches are least likely to have seen offerings grow in 2010

<u>Worship Attendance</u>	<u>Offerings Above '09</u>
1-49	10%
50-99	22%
100-249	18%
250+	26%

Compared to your calendar year 2009 offerings, have your total offerings so far for 2010 been...above 2009's, below 2009's, or the same as 2009's offerings?

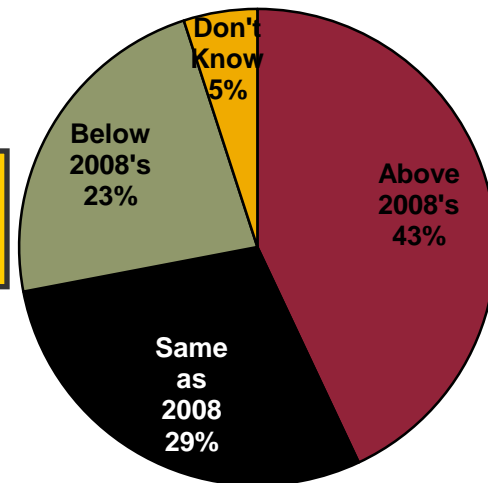
2010 is on course to be the third straight increase in the number of churches receiving less total offerings

October 2010 compared to 2009

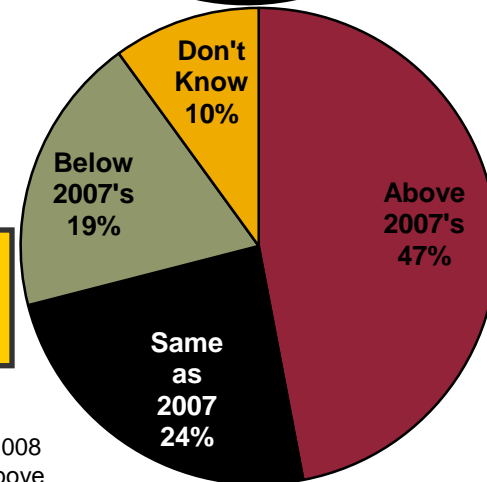


Oct. 2010 survey: Compared to your calendar year 2009 offerings, have your total offerings so far for 2010 been ...above 2009's, below 2009's, or the same as 2009's offerings?

2009 compared to 2008



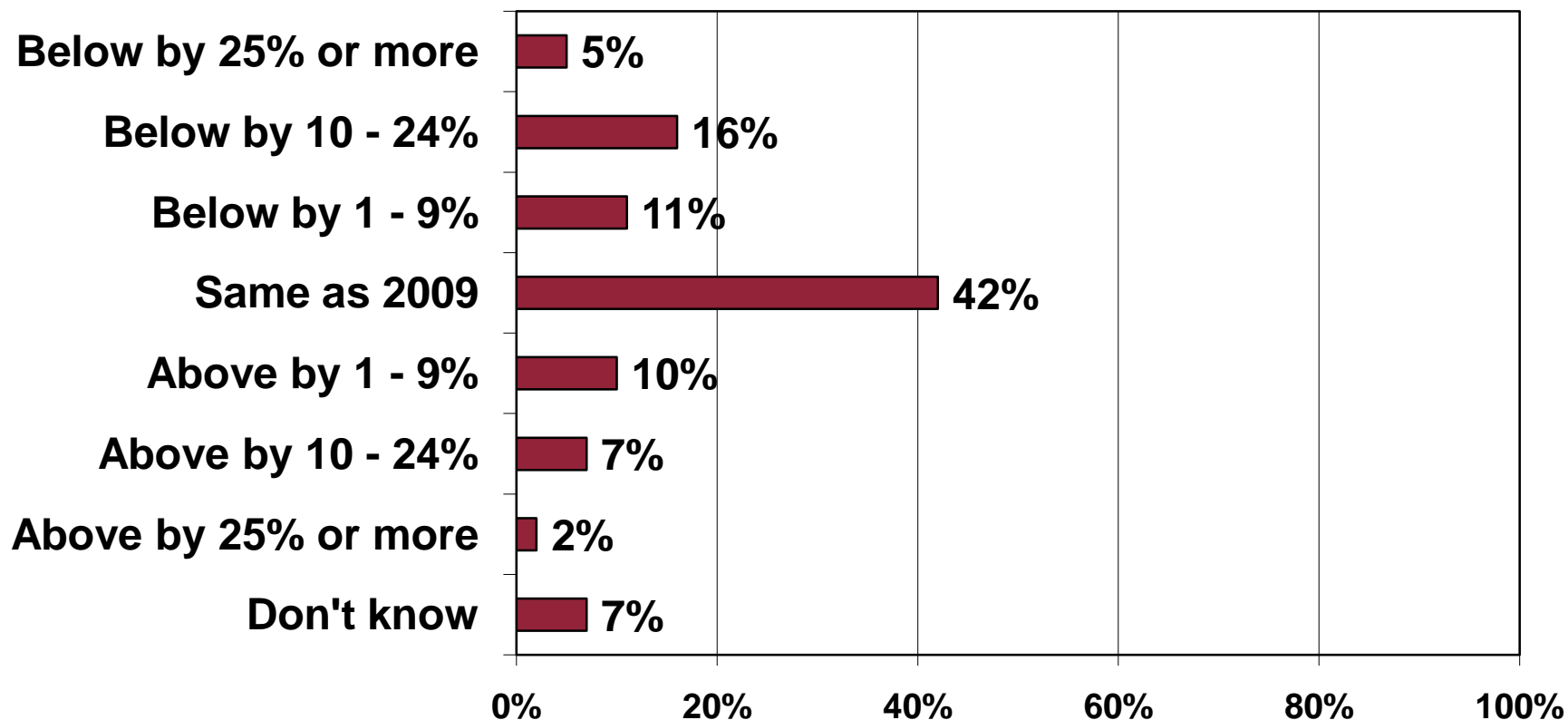
2008 compared to 2007



Mar. 2010 survey: Compared to your calendar year 2008 offerings, were your total offerings for 2009 been...above 2008's, below 2008's, or the same as 2008's offerings?

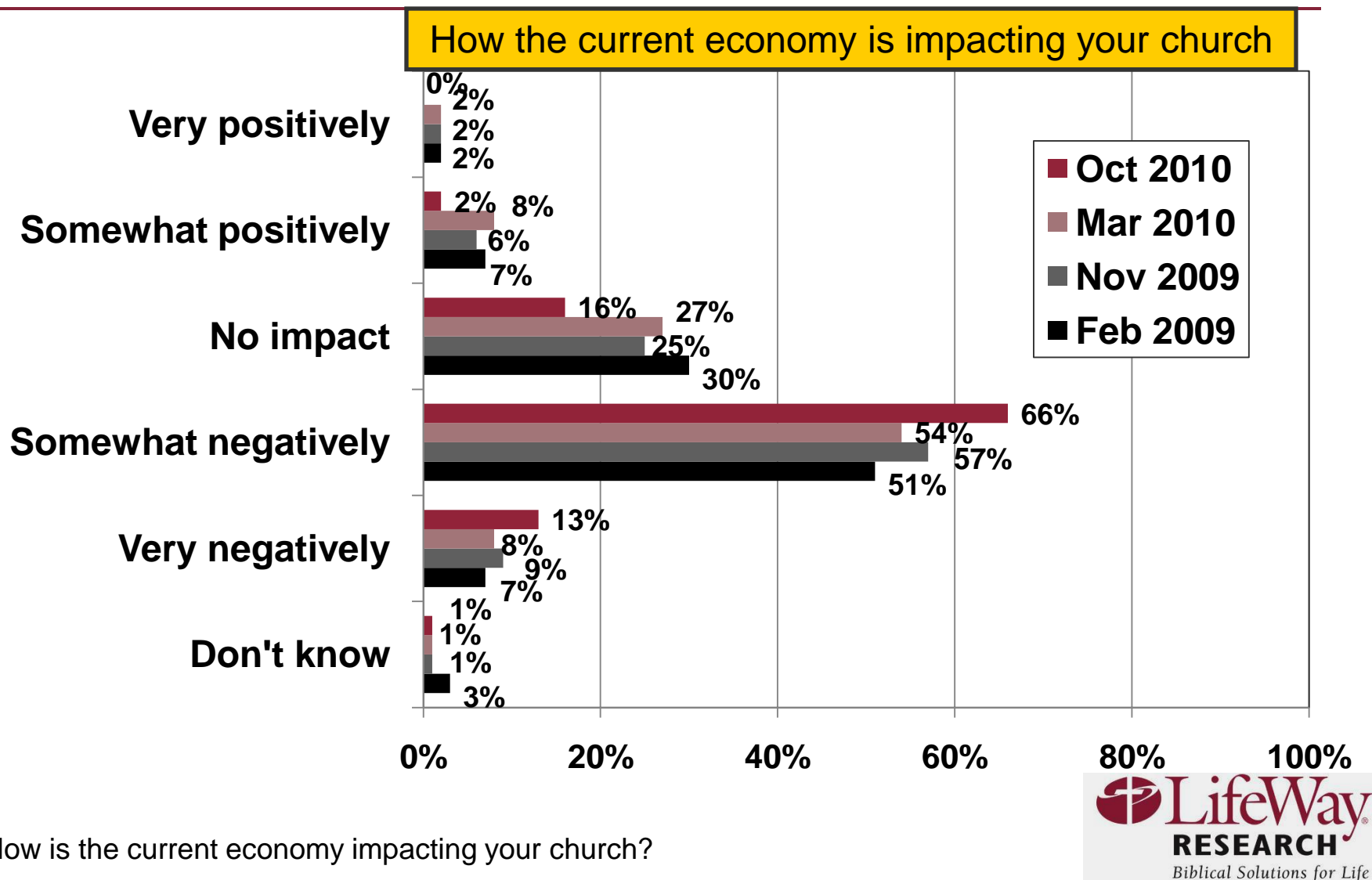
Feb. 2009 survey: Compared to your calendar year 2007 offerings, were your total offerings for 2008 been...above 2007's, below 2007's, or the same as 2007's offerings?

The average change in giving for Protestant churches in 2010 has been -3%, but the median has been 0%



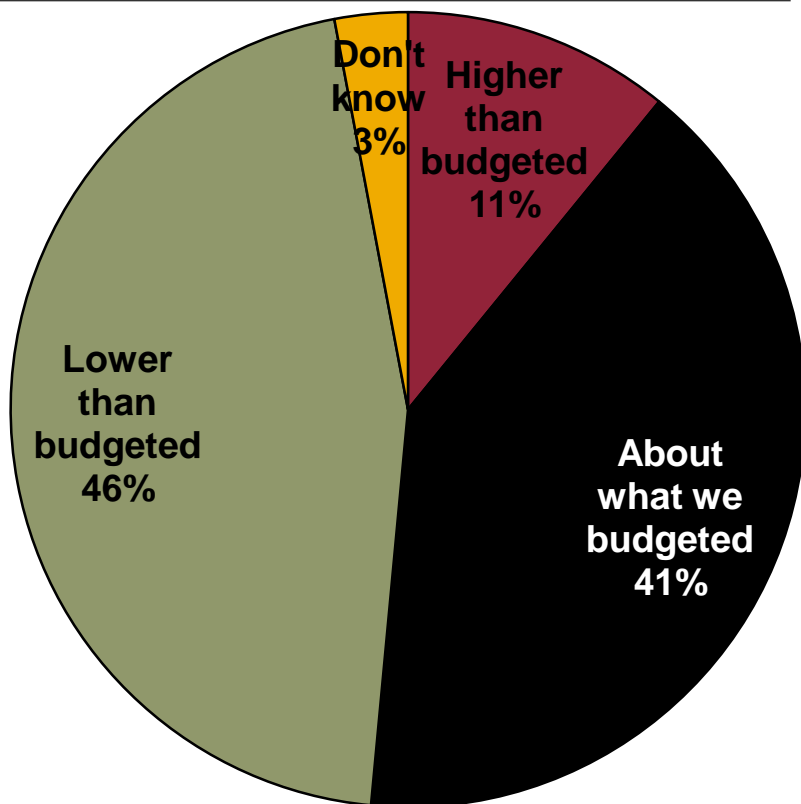
Approximately what percentage are your calendar year 2010 offerings above/below 2009's offerings?

The negative impact of the economy on churches has reached its highest level in the past two years according to Protestant pastors



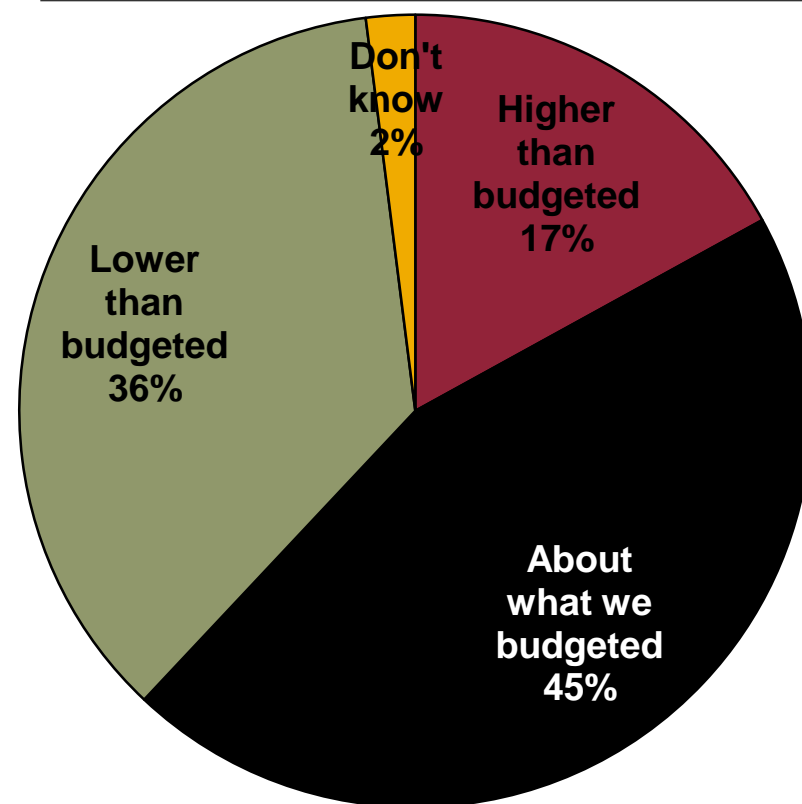
Almost half of Protestant churches are below budget as of October 2010 – 10% higher than November 2009

Oct. 2010 Offerings compared to Budget



Since the beginning of 2010, have your offerings been: higher than budgeted, lower than budgeted, or about what we budgeted?

Nov. 2009 Offerings compared to Budget



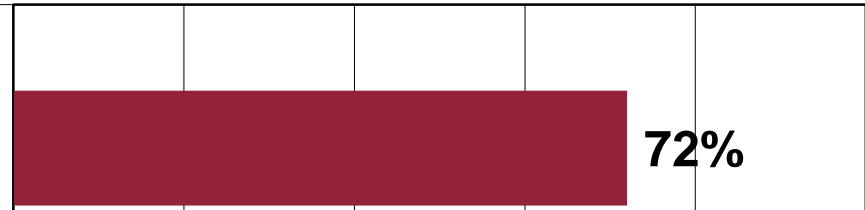
Since the beginning of 2009, have your offerings been: higher than budgeted, lower than budgeted, or about what we budgeted?

Protestant Churches Have Noticed A Number of Changes in Their Churches Related to the Economy

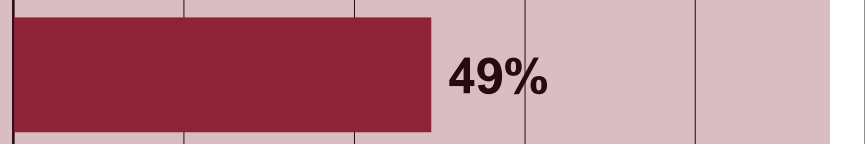
96% of pastors report that their church has experienced at least one of the eleven changes tested

Two-thirds of Protestant churches are receiving more requests for help and many have responded with increased spending and serving

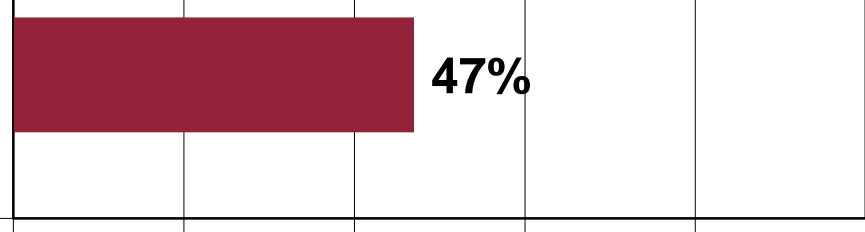
More requests from people in the community outside your congregation for financial assistance



More people volunteering their time in serving the community



Increased spending from the church budget to help the needy

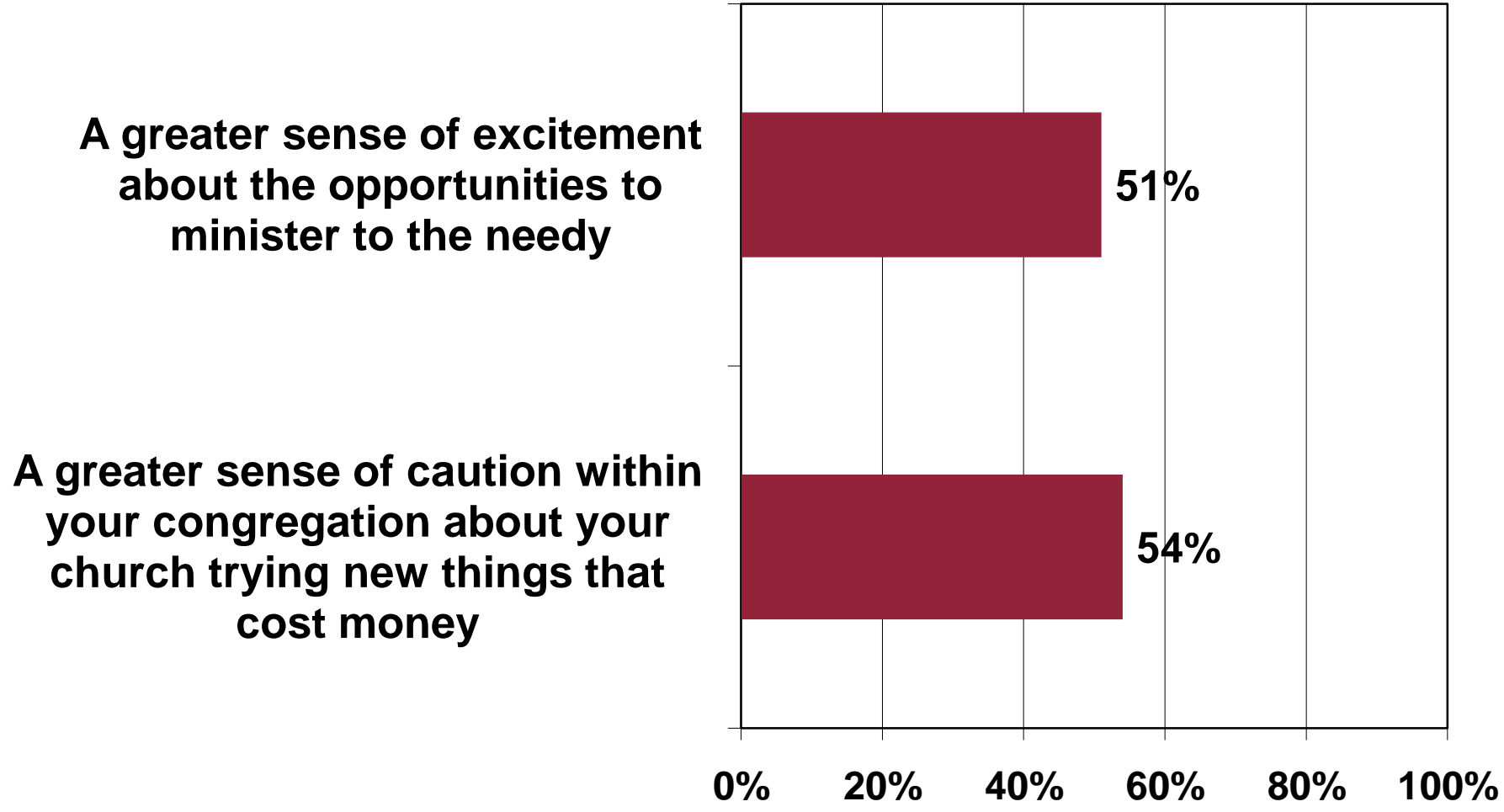


0% 20% 40% 60% 80% 100%

Compared to recent years, has your church seen changes in any of the following areas in the last year?



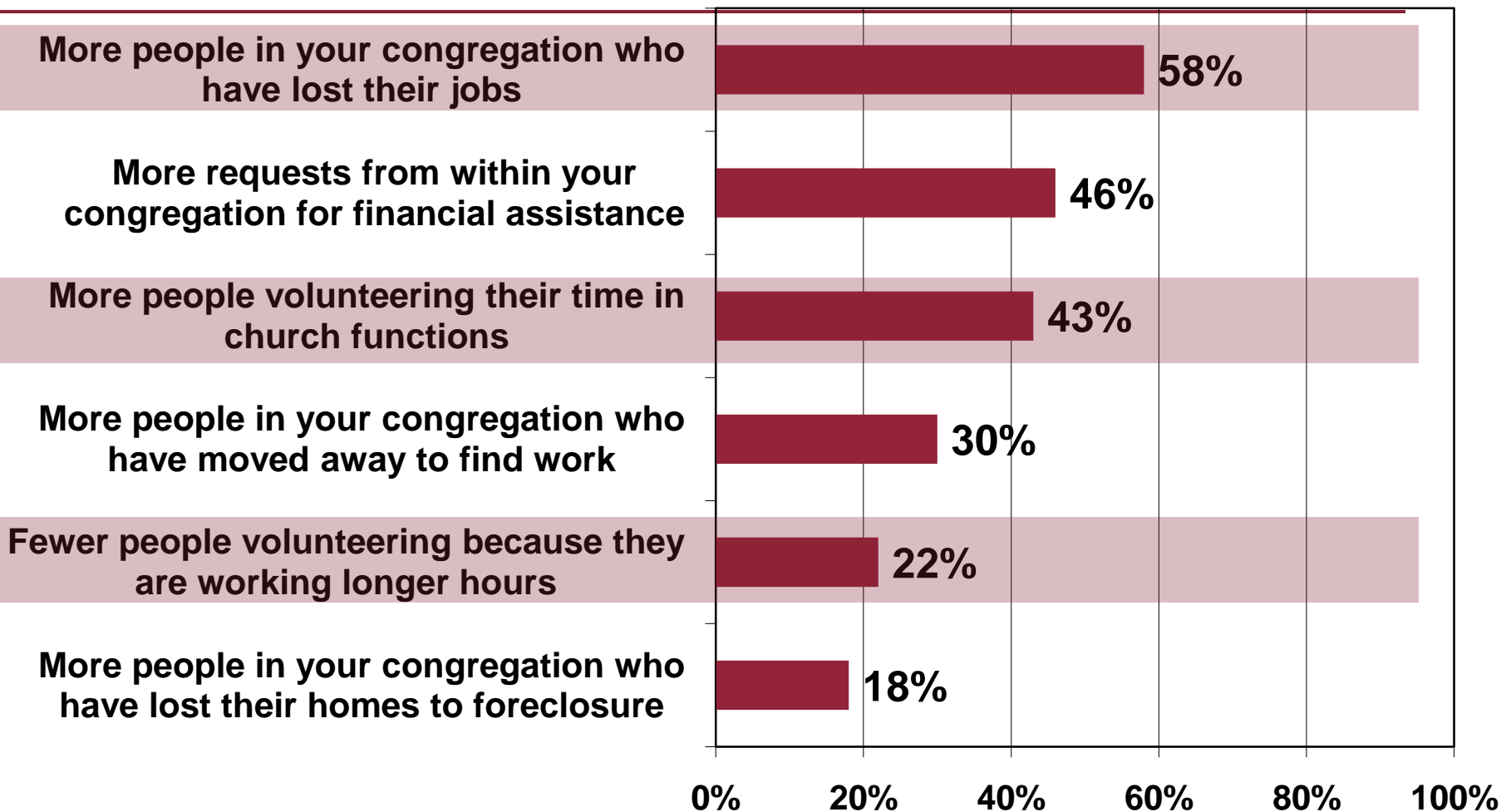
Similar percentages are seeing more *opportunities* to minister as are exercising more *caution* toward the financial impact of new ministry



Compared to recent years, has your church seen changes in any of the following areas in the last year?

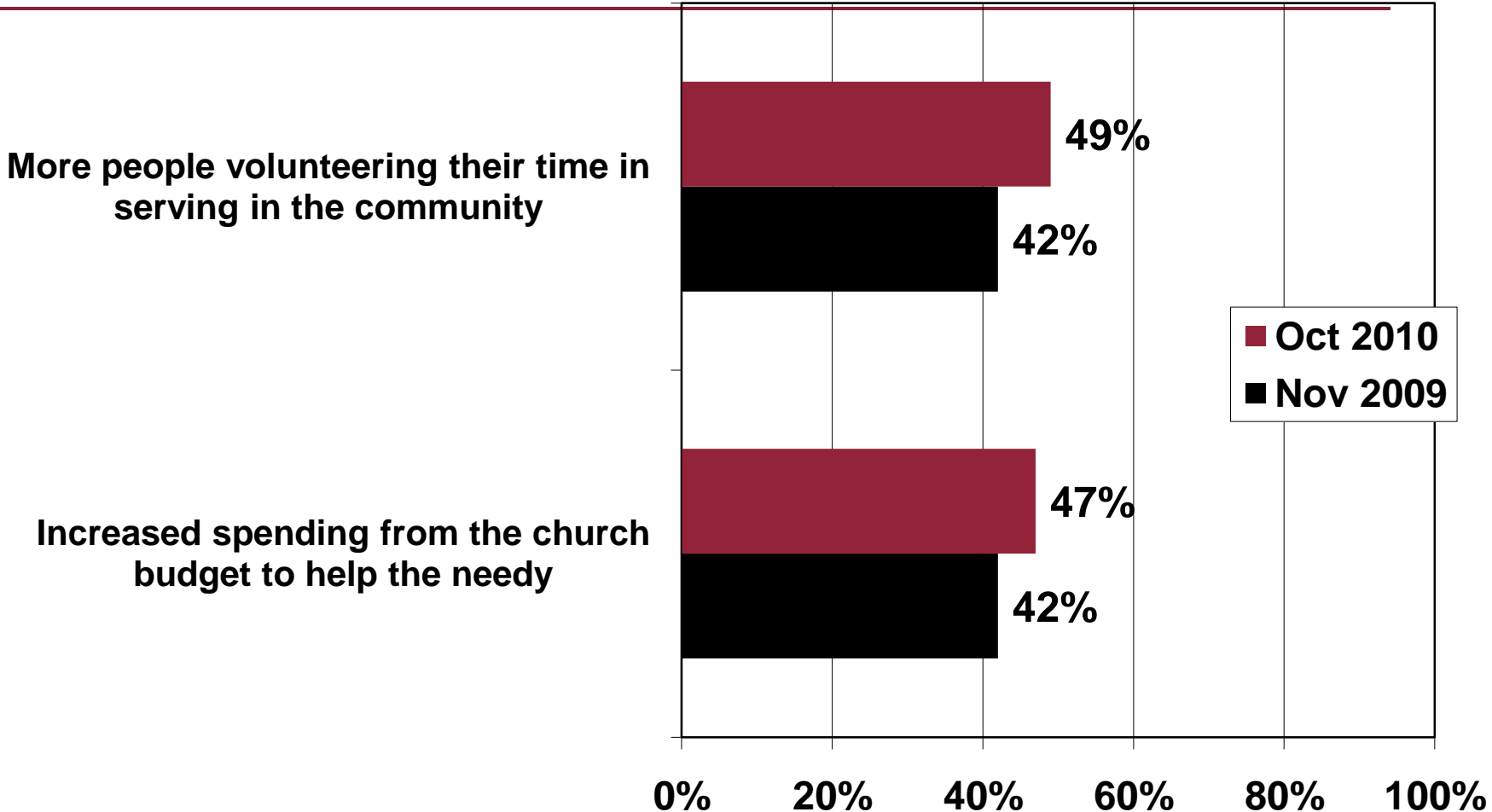


Protestant pastors report many economic impacts on the people within their church



Compared to recent years, has your church seen changes in any of the following areas in the last year?

More pastors indicate increased community service and budgeted spending for the needy than a year ago

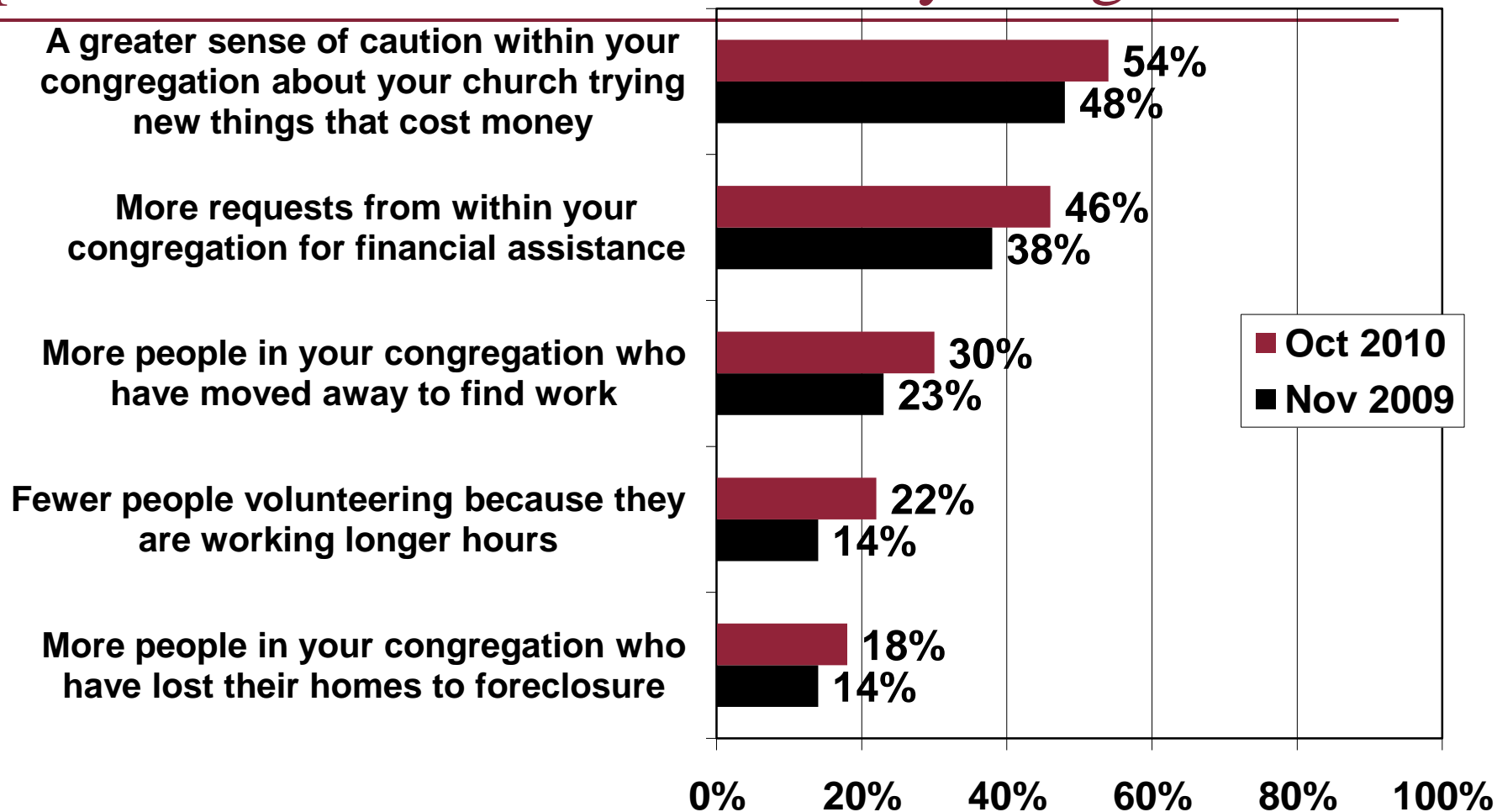


Note: All differences shown are statistically significant

Compared to recent years, has your church seen changes in any of the following areas in the last year?



More pastors indicate specific economic pressures on their church than a year ago



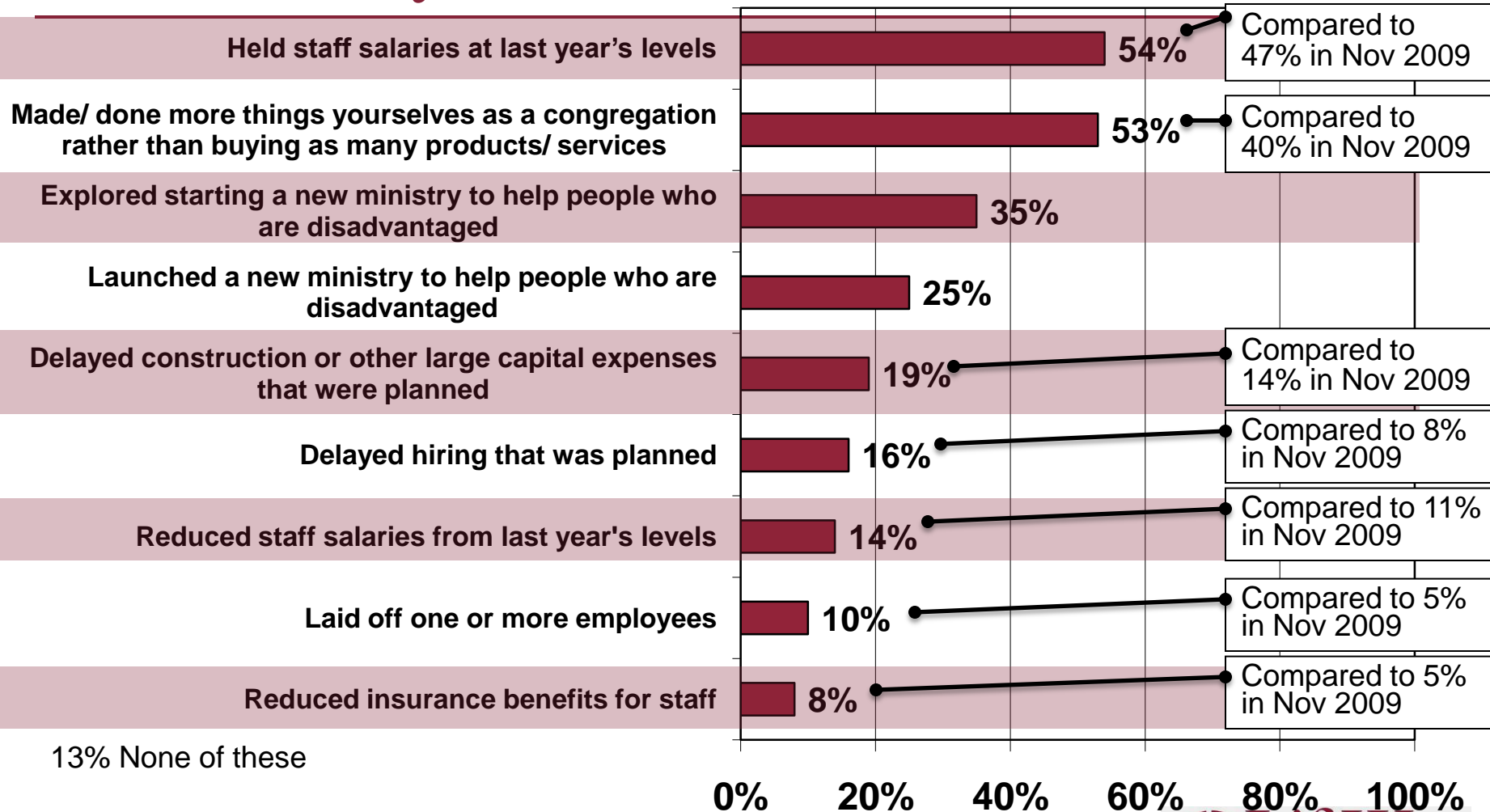
Note: All differences shown are statistically significant

Compared to recent years, has your church seen changes in any of the following areas in the last year?

Doing More With Less...

Salary freezes and reduced outsourcing are common among Protestant churches, but 1 in 4 have launched a new ministry to help the needy

Actions churches have taken in response to the economy as of October 2010



Have the recent problems in the economy caused your church to take any of the following actions?

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