Capital Campaign Feasibility Study Report

Introduction and Background Information
At Annual Meeting in 2016, delegates authorized the Board of Directors to “proceed with the planning of a capital campaign on behalf of the churches which shall include establishing a Capital Campaign Committee, retaining a Capital Campaign Consultant and seeking final authorization to initiate the campaign from the Gathered Conference at a regular or duly called special meeting.” A committee was formed. This committee created a list of possible projects and interviewed and hired Susan Lewis and Peter Heinrichs owners of Full Harvest Fundraising as consultants. With the Consultants the project list was further developed, a brochure was created, interview questions were prepared, a list of interviewees was finalized, and the interviewees were invited to interviews.

Susan and Peter interviewed 65 individuals and the results of these interviews follow in this report. Great information has been received. As you will read in the study, the recommendation is to not proceed with a capital campaign at this time. While there is great affection for the Conference, there did not appear to be passion for the projects presented to those interviewed. The information in this report will help the Board of Directors over the next year as strategic planning is done and the vision and mission of the Conference moving into the future is honed.

Thank you to each person who was interviewed and shared their open and honest views. Also, a heartfelt thank you goes to the people involved in the planning and coordinating of the feasibility study. They are:

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Gary Schulte  Laura Sevigny  Richard Slater  Art Urie
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Feasibility Study Report for

New Hampshire Conference
United Church of Christ

Prepared in August 2017 by

Full Harvest Fundraising
Raising People. Raising Money.

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Overview

Peter Heinrichs and Susan Lewis, co-founders of Full Harvest Fundraising, LLC, have been privileged in the last two months to engage in so many good and fruitful conversations to assess the desire and readiness of the New Hampshire Conference, United Church of Christ (NHCUCC) to begin a capital campaign. It is our hope that this information will help point the way forward for NHCUCC leaders and all who care about the Conference.

Purposes of a Feasibility Study

A capital campaign feasibility study has three main purposes:

1. To assess prospective donors’ familiarity with the proposed projects, the degree of priority held for the projects, and the sense of readiness to move forward with the projects;
2. To assess donors’ financial capacity and personal commitment to a capital campaign at this time;
3. And to examine the best timing of the projected capital campaign.

Other opportunities in a study are...

- To listen for hopes and concerns among a significant cross-section of the campaign’s stakeholders;
- To identify strengths and weaknesses in the case for the campaign;
- To expand the number of individuals are familiar with the details of the campaign and what is involved in considering a capital campaign;
- And to project leadership structures and processes vital to planning a successful capital campaign.

Interview details

- From July 15 to August 18, Peter and Susan conducted confidential interviews in person and by phone with a cross-section that included 39 lay leaders, 21 active and retired clergy, 6 current NHCUCC Board members, 3 NHCUCC staff, and 2 prospective donors. (Note that one person may apply to several categories, i.e. clergy and board member)
- They interviewed 53 “households”, totaling 65 individuals.
- The initial list of interviewees was suggested by the NHCUCC’s Capital Campaign Exploratory Committee. This list was then expanded upon as new names were recommended by those being interviewed.
- Interviewees represented 35 NHCUCC churches from six Associations, including Grafton Orange Sullivan, Rockingham, Hillsborough, Southwest, Merrimack, and Carroll-Strafford. Prospective interviewees from North Country were not able to be scheduled.
- Interviewees’ relationship with New Hampshire UCC churches ranged from less than 1 year to more than 80 years.
Summary Findings

Following are the findings from the most relevant questions that were asked during the interviews:

How would you rate the effectiveness of the NHCUCC?

• Responses were almost uniformly positive
  o An “excellent” rating was given by 18 people; excellent/good: 15 people; good: 18; fair: 2; poor: 0; and don’t know enough: 12
  o Many people offered great appreciation for the effectiveness of Gary Schulte’s leadership and legacy, as well as all that Richard Slater does.
  o Other comments included:
    ▪ “Great job, but communications and education about the Conference are lacking.” (multiple mentions)
    ▪ “We never feel like a burden when we call; we’re a priority of the Conference.” (multiple mentions)
    ▪ “Some leaders know what the Conference provides but there’s a big disconnect with people in the pews.” (multiple)
    ▪ “Search and Call is excellent.” (multiple)
    ▪ “Prepare to Serve is very inspiring.” (multiple)
    ▪ “Conference is not pro-active enough in addressing the decline in churches. What can we let go of?” (multiple)
    ▪ “Staff stretched too thin to do anything more.” (several)
    ▪ “Conference is like a parking lot. You don’t notice until there are potholes!”
    ▪ “Lay leaders need more training in technical and business side of church.”
    ▪ “Some disconnect with healthy churches – attention goes to the hurting.”

How would you prioritize the importance of services provided by the Conference?

• Here’s how people rated the services of the Conference in order of perceived priority (first to last):
  #1 Search and Call
  #2 Attention to Churches in Conflict
  #3 Training Lay Leaders
  #4 Professional Development for Clergy
  #5 Outdoor Ministries, including Horton Center
  #6 Representing NHCUCC churches in public square
  #7 Grants and scholarships for church ministry and programming
  #8 Maintaining the Pembroke Conference Center as a resource and meeting place

NOTE: 2 people indicated that Conference support for Association work, such as Church and Ministry Committees, is critical but not included in the above question
• It should be noted here that many people said they would have rated Outdoor Ministries (specifically Horton Center) as higher if they were convinced of the current viability and sustainability of Horton Center.

• Also important to note is that some said they rated the Pembroke Conference Center lower because they feel it is more space than the Conference needs and can support at this time.

Are there services not on this list that the Conference should provide?

• People offered many creative ideas, but a number noted that the addition of services is probably a moot point with the current staffing level:
  ▪ Support and funding for new church starts. “Collaborate, close, merge, plant.” (several)
  ▪ Address issue of declining membership: “See it, talk about it, be creative.” (multiple)
  ▪ Collaboration with other conferences such as Maine and Vermont? (multiple)
  ▪ “Conference staff and resources are great: but do we always know what’s there and use it?” (Multiple)
  ▪ Restructure Outdoor Ministries – with suggestions to shorten programs, offer focused events, broaden audiences, connect with Conference goals, and add Conference-wide youth mission trips. (several)
  ▪ More communication with people in the pews (several)
  ▪ Leadership of Conference (Staff, Board) could be seen more in ordinary events of church life, not just problems or transitions (several)
  ▪ Intellectual leadership on justice issues, changing demographics of communities, how to address the role of the church in forming new communities
  ▪ Strong support for adult faith formation
  ▪ Boundary Awareness for lay leaders
  ▪ Training in how to let go of old models of church and do church anew
  ▪ Better networks for church administrators, music directors, lay leaders, etc.
  ▪ Upgrade UCC “branding” in age of Trump: who are we and what do we offer?

What would be missed most if the New Hampshire Conference were no longer able to provide services?

• Lack of connection with each other and wider church (multiple)
• Some churches would “go down the tubes.” Conference strengthens local church and associations (several)
• Loss of bigger vision of UCC (several)
• Lack of Search and Call input would leave churches vulnerable (several)
• Prepare to Serve training would be missed (several)
• Horton Center would be missed (several)
• Conference is a “lifeline” for clergy (several)
• Key identity loss for all
• Lay leaders would not understand UCC polity and traditions
• Sense of unity, what moves churches forward, would be lost
• Social justice witness would decrease
• “Could connectedness then emerge in a new way?”
• “Everything is changing anyway...”
• “Gatherings” across the Conference would be missed
• “Dread the thought! Churches would become “silo’s”
• “Most important part of the house is the foundation. The Conference is the foundation that holds the (church) house together.”
• Conference represents and encourages the “larger covenant”
• “Could encourage a new ecumenical life with other denominations”

Do you have any hesitation about proceeding with a capital campaign during a time when an Interim Conference Minister will be in place?

• Responses were pretty evenly divided, but some who feel hesitant said they would move forward if the “right” Interim Minister and/or the “right” vision were in place.
  o Feels hesitation about timing: 25; no hesitation: 24; don’t know: 11; no response: 5
• Most relevant comments and questions:
  ▪ What role would an Interim Minister play? (multiple)
  ▪ “It’s not a problem, but it is a challenge.” (multiple)
  ▪ “Would like to wait for a settled Conference Minister who has their own ideas about a campaign.”
  ▪ “The Conference Minister becomes part of the reason behind the “ask” and needs to be a trusted face.”
  ▪ “Without a settled Conference Minister, will volunteer leaders be able to see the campaign through?”
  ▪ “The Conference Minister needs to have a significant role in major gifts.”
  ▪ “If we proceed, the Interim Minister needs capital campaign experience and interest.”
  ▪ “At the Conference level, a campaign is not as dependent on a settled minister.”
  ▪ “The issues aren’t going away and need to be addressed.”
  ▪ “With a good plan, the campaign can sell itself.”
  ▪ “Horton Center can’t wait!”
  ▪ “The Capital Campaign can set the vision and the momentum for the new settled minister.”
  ▪ “The Campaign could be an incentive for a potential candidate.”
  ▪ “Could be a tribute to a ministry well done (Gary Schulte’s) and of moving forward.”
  ▪ “The goals of the Conference are independent of Gary’s leadership.”
- “Either the money is needed or it is not.”
- “A clear vision for the campaign will overcome anxiety.”
- “It’s a fresh start, let’s move forward.”
- “I believe in what God is doing.”

Is the need for the campaign clear?
- Although a large number of people (40) answered “yes”, we noticed that for some, responses to other questions indicate the presence of doubts, suggesting a more complex, nuanced perspective. There was a sense that many want to support the Conference in being as strong as it can be, so there is a clear need to do something in this time of concern about change. However, they are not always clear about the viability and importance of all of the particular projects under consideration. Three said no; and 13 said not sure.

How receptive do you think other people (primarily NHCUCC churches and individuals who go to those churches) will be to the campaign?
- Most who answered this question think the campaign would get a mixed reception (44). Only 3 people believe that the potential donors would be very receptive. Two said not receptive; 7 said don’t know.
- Most relevant comments:
  - “I want my congregation to understand that the larger church is my congregation, and how important that is to me.” (a pastor)
  - “Many people just don’t know enough about the Conference.” (multiple)
  - “My church would need to be shown the purpose of the campaign in order to be ‘all in’”. (multiple)
  - “Campaign could be an opportunity to educate people about the Conference.” (multiple)
  - “My church is in transition and this feels like an extra burden.” (multiple)
  - “My church doesn’t communicate Conference needs at all to people in the pews.” (several)
  - “People want to give to specific projects that matter to them.” (several)
  - “People will say, “Oh, no, not another fundraiser.”
  - “Some parts of the campaign will light people up, others won’t.”
  - “Not jumping up and down with joy about the campaign.”
  - “Many just won’t care.”

How would you rank the proposed projects in order of their importance?
- Here’s how people rated the proposed capital funding projects in order of perceived priority (first to last), and the most relevant questions and comments about each:
#1 Horton Center
- “Needs a business plan” (many)
- “Is Horton Center sustainable?” (many)
- “Wait for new Horton Center leader.”
- “Is Horton Center key to the future of the Conference?”
- “Horton Center could be independently owned so the Conference doesn’t have to support it.”

#2 Technology upgrades
- “Absolutely important, but new server belongs in operating budget.” (several)
- “Bring Conference into the Cloud.”
- “What about a staff position for social media to improve communication?”
- “Facebook more important today than website or email.”

#3 Grants for children and youth
- “Are youth funds in churches and associations used up?” (multiple)
- “Is this the Conference’s role, or can’t churches do this themselves?” (several)

#4 Ministerial compensation in small churches
- “An endowment won’t produce enough income to make a difference. Spend it all over 3-5 years and assess impact: coach, track, support.” (multiple)
- “Not compensation. Pay off clergy seminary debt instead” (several)
- “I support small church vitality, but is Conference assessing viability?”
- “Fund coaching and training, not compensation.”
- “Don’t invest in dying churches.”
- “Support and train for bi-vocational ministries for small churches.”

#5 Solar Panels for Pembroke Center
- “Nice idea, but can we afford to invest in a building we may not keep?” (several)
- “Can an individual buy a solar panel?”

#6 Grants for Justice and Witness ministries
- “Instead of endowment, let’s address one big issue in our own NH communities: refugee crisis, racism, opioid crisis, other. Train clergy and churches how to play a role in addressing the crisis.” (multiple)

Most relevant questions and comments about the campaign projects:
- “Address possible conference consolidation with Vermont and Maine conferences before starting this campaign.” (multiple)
- “No endowments. Use it and make it count.” (multiple)
- “If there is a bold vision for the campaign – then it will be a real YES.” (several)
- “How does this campaign fit in with new OCWM plan?”
- “Projects are fine for 20th century ministry.”
- “Give me a cause, not a memo of causes!”
- “If funding for current operations, then forget it. Let me help you pay for growth in future years!”
- “Some projects (such as funding for youth scholarships) are local church responsibility, not the Conference.”

Would you consider making a pledge to the NHCUCC capital campaign (if and when it happens)?
- Forty-eight (48) people said yes; 7 said perhaps; 1 said no; 2 said they would consider it if they could designate their gift; and 7 didn’t respond.
- Nearly half of the households interviewed provided an estimated pledge size; the rest did not. In many cases, the latter group would want to see the Conference provide answers to questions they have about possible future consolidation with other conferences, about the sustainability of Horton Center, etc.
  - Yes: $136,500--$170,500 from 24 interviews
  - Range of pledges: $500-$25,000
  - Don’t know yet or no response from the remaining interviews

Do you see your church making a pledge to the campaign?
- Many people shared that, given declining membership and budgetary challenges and/or decreasing support in their congregation for OCWM gifts, a Conference capital campaign would likely be met with a lukewarm response. Yes: 19; Perhaps: 16; No: 13; Yes, if their church does a wrap-around campaign: 5; No response: 12.
- Most relevant questions and comments:
  - “Our church will do something but won’t be what we would have done at one time” (many)
  - “Would like to see individual contributions sent to my church, which then pledges to the Conference” (several)
  - “If we do this as a church, it will open the door to conversation about the Conference: What can we do together?”

Would you be willing to volunteer in this proposed campaign?
- Many are willing, some for Horton Center especially. But most are not ready to commit to a particular role at this time.

Would your church be interested in participating in a wrap-around campaign in which the Conference would assist in providing capital campaign training and in return the church would donate a percentage of its proceeds to the Conference?
- This idea was met with interest by many people and has the potential to be explored further. Many who said no, noted that their church recently completed, or is currently
doing its own capital campaign, so another campaign would not be needed in the near future. Highly Likely: 11 (6 from the same church); Perhaps: 20; No: 19; Not sure: 7; No response: 8.

General comments, questions and ideas shared by people

- “First, we need to know if the Conference is considering consolidation with other Conferences. Why do a campaign if there is fundamental change coming?” (many)
- “Don’t just fund what exists now, but propose a new model for small churches and vital ministries. Why not explore funding licensed ministries?”
- “I need a high level of trust in the due diligence and clear mission of the campaign (i.e. We need Horton Center because....)”
- “Not an easy time to raise money.”
- “This is a good process. Needs to be a partnership of churches and Conference.”
- “Pretty thorough questionnaire. If there is a vote to move forward with a campaign, there will need to be a lot of education, nurturing relationship and conversation.”
- “Gary’s leaving is a loss to consider. His energy and message will be missed.”
- “Would delay decision on campaign until Conference leadership question settled.”
- “Nothing about campus ministry in the plan. Catch youth in their college years!”
- “Good process to gauge feasibility. Leadership needs to be in place. Timing is everything.”
- “Finally getting considered! Let’s move forward!”
- “Impressed with feasibility questions – right questions.”
- “Packet of materials is excellent!”
- “Very full interview.”
- “If the Conference decides to go forward, pray that it will be successful.”
- “Let go of memory of last campaign!”
- “Send advocates with video and vignettes to churches for Sunday morning, include church members’ testimonies.”
- “I get so much out of the Conference. I wish others could have the same experience.”
- “I was negative about this, but something has shifted. Now it’s like, OK, yeah, this is a great idea. Need to be transparent in process all the way.”
- “Horton Center could benefit from hands-on ownership. Passion leads to gifts...”
- “Timing for the campaign is probably good. The case needs to be built for an enthusiastic vision for the future.”
“The New Hampshire Conference is at a transition point and I think this Conference can make a really big impact. I’d like to see us step up to say: This is what we do well!”

Observations and Opportunities

1. The modest size and number of potential gifts projected during the Study don’t indicate a readiness to proceed immediately with a capital campaign. While many said they would likely make “some kind of gift”, it was clear that there isn’t widespread eagerness to make a strong commitment to the list of projects outlined in the case brochure. Two things could change this. First, the Interim Conference Minister time could present an open opportunity for the Board and leadership to address these ground floor questions and then communicate the results to NHCUCC stakeholders. In addition, a thoughtful re-evaluation of the capital campaign projects could result in new and compelling ways to connect the Conference with more of the 18,000 people it serves.

2. The Study raises up some key big picture questions that many people (from all groups we interviewed) are thinking about and which influenced their responses to the proposed capital campaign -- questions about the purpose and sustainability of the NHCUCC in its current form. Specifically, people are wondering:
   - Is the NHCUCC considering a merger with conferences in Vermont and Maine in the near future? The question invites clarifying communication from the NHC Board.
   - How can the NHCUCC directly address the impact of the loss of support from OCWM contributions arising from declining membership/attendance in member churches?
   - Does it make sense for the NHCUCC to continue ownership and support of Horton Center? Is there a new business model for Horton Center that would be sustainable and worth supporting?
   - How can a capital campaign demonstrate the NHCUCC’s pro-active vision for the Conference during this time of great change? What is the vision for the Conference and how does a capital campaign move that vision forward?
   - Can the Conference bring churches and their members a project to fund that’s truly alive and vital in response to today’s most pressing issues? As one person said: “These projects are fine for the 20th century church.” Others said they want to feel a personal connection to projects that make a direct impact on their community. Can the Conference take an active role in leading NHCUCC churches (through funding and training) who wish to address specific issues in their
communities, such as immigration and deportation, racism training or the impact of Opioid addiction on New Hampshire communities?

- Can the Conference tackle the challenge of bringing pastors to small churches in a more effective way than funding ministerial compensation? Some suggested an opportunity to provide more attractive support for recent seminary graduates in helping them pay down their seminary loans, which can be overwhelming given modest pastoral salaries.

- A number of interviewees suggested that rather than funding projects through endowments (Ministerial Compensation, Justice and Witness grants, and grants and scholarships for NHC children and youth) that a more effective strategy may be to spend all of the funds, perhaps over 3-5 years, thereby providing a greater current impact.

3. We did not find any likely nonprofit foundation funding sources for the campaign as it is currently configured. However, we did learn that there may be opportunities for outside funding for Horton Center, especially if handled as a separate funding opportunity. This would also assume the presence of a sustainable business and marketing model. Furthermore, a number of interviewees said Horton Center is the primary draw for them among the campaign projects. Some indicated they would prefer to designate their campaign gift to Horton Center. Some also said they would be willing to volunteer their time to raise funds for Horton Center.

4. Low awareness among the NHCUCC’s members about the value of the Conference emerged in the Study as a key challenge to a successful capital campaign. The two services interviewees value most about the Conference – Search and Call, and Attention in Times of Conflict -- are often provided within a confidential circle of leaders, so most members don’t see the direct impact the Conference has on the life of their church and in their own lives. Likewise, although Prepare to Serve is highly valued by attendees, it reaches only 4-500 NHCUCC members per year out of 18,000 souls. Many pointed out that pastors are in a strong position to communicate the value and importance of the Conference and its services to their congregations and that while some do so routinely and even passionately, others do not.

5. The positive response to the question about wrap-around campaigns indicates an opportunity for the Conference. It is the nature of such campaigns to occur on the schedule of need by churches, which makes it a long-term fundraising strategy for the Conference. But once in place, the wrap-around campaign strategy would provide a compelling opportunity for churches in need of their own capital campaigns to partner
with the Conference in raising money for both. Churches could be given a choice of funding one of several Conference-sponsored projects that matter most to them, and receive training on best practices for fundraising in today’s churches.

Finally, we believe that although the proposed capital campaign isn’t ready to move forward right now, the Feasibility Study was perfectly timed, as it has opened conversation with more people who care about the Conference and generated essential feedback that will help inform, enrich and enliven the NHCUCC’s upcoming Interim Conference Ministry phase and consideration of a capital campaign in the future.