

REPORT: *TASK FORCE TO EXPLORE DUES MODELS.....*



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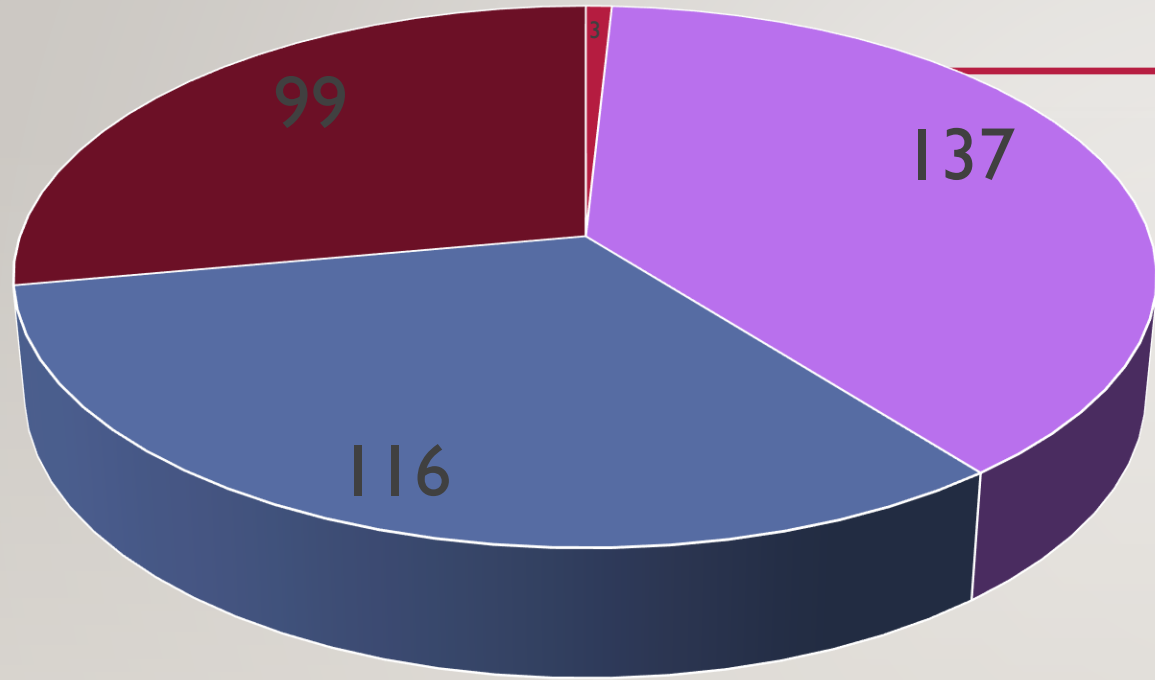
WHY ARE WE STUDYING OUR DUES STRUCTURE?

- Strengthen our relationship with congregants
- Foster fiscal transparency
- Enhance a respectful approach to fiscal sustainability
- Relational vs Transactional Models

CURRENT SITUATION

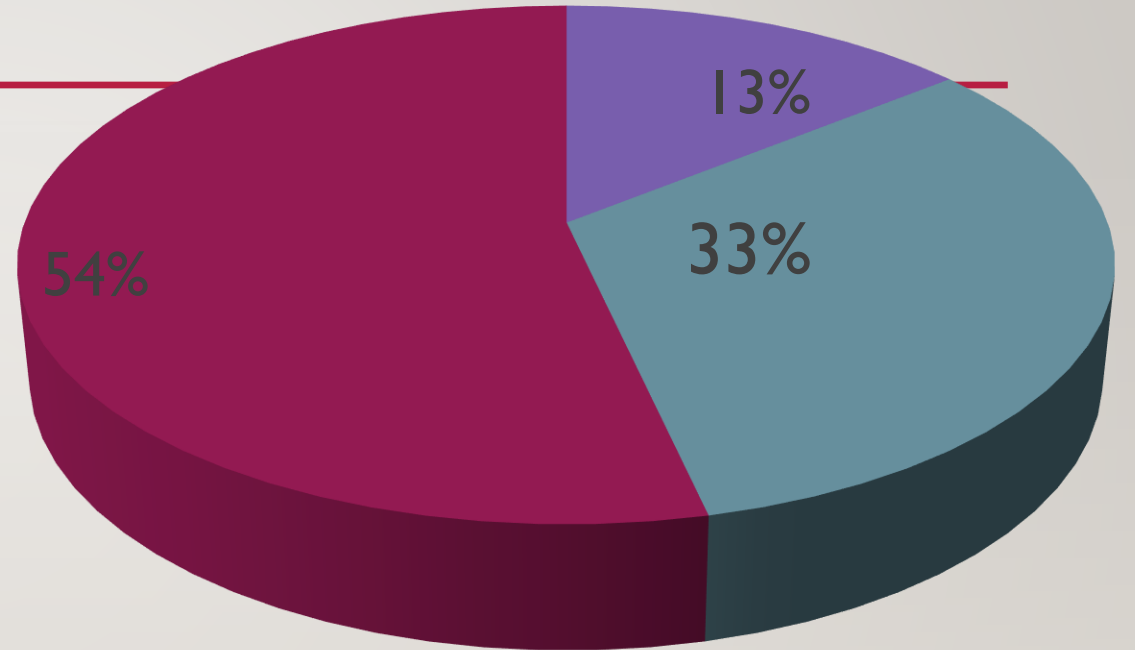
- FAIR SHARE MODEL
- SHORTFALL THIS FISCAL YEAR = \$40-50,000....WHY?
 - CANCELED MAJOR FUNDRAISER
 - MANY DIDN'T INCREASE DUES (3%) LAST YEAR
 - LOW DUES (COMPARED TO OTHER SIMILAR SYNAGOGUES)
- UPCOMING ONE-TIME "ASK"/APPEAL- NEED AVERAGE OF \$250/MEMBER TO MEET BASIC OPERATING EXPENSES....
- AND...LIKELY WILL NEED MORE REVENUE IN NEXT 3-5 YEARS ,AS EXPENSES WILL INCREASE WITH RECRUITMENT COSTS FOR NEW RABBI, CANTOR

MEMBER COUNT BY DUES CATEGORY



- \$0-\$100
- \$100-\$999
- \$1,000-1,999
- \$2,000+

OR CHADASH: TOTAL BILLED BY DUES CATEGORY



- \$0-\$100
- \$100-\$999
- \$1,000-1,999
- \$2,000+

SHORT TERM ACTIONS TO ADDRESS SHORTFALL

Board & Finance Committee identified ten areas for immediate action:

- * Membership Dues
- * Fundraising Events
- * Rabbi's Circle
- * Yahrzeit Board
- * Cemetery
- * Committees
- * Onegs
- * Personnel
- * Advertising in New Light
- * Review Organizational Dues



HOW WE STUDIED DUES MODELS?

- Articulate the need to change
- Create a lead team....
- Conduct external research.....
- Evaluate financial and membership situation....
- Obtain board feedback
- TOWN HALL WITH CONGREGANTS FEB 10
- Board Discussion/Decision Feb 25

BACKGROUND: WHAT INFORMATION DID WE GATHER?

- Analysis of our current dues: baseline information
- UJA-Federation/NY- Report, 2015 & 2017
- Queries to Additional Synagogues: Bet Shalom, Leo Baeck Temple (LA), Phx Temple
- National Queries: Eight Reform synagogues from UJA reports
- Consider alternatives: Voluntary vs Continue Fair-Share vs Traditional
- Board of Directors- input

FIVE MODELS FOR FINANCIAL SUSTAINABILITY

- **Fixed Dues Model** (Traditional)
- **Fair Share Model** (similar to a progressive income tax)
- **Sustaining Model** (calculate operating expenses / members = average needed)
- **Tiered Model** (flat standard rate + more fundraising requests)
- **Philanthropic Model** (the Chabad model...)

UNITED FEDERATION OF...A RESEARCH ON CHANGING TO VCM (2015)

- Analysis of 26 Synagogues using VCM (11 our size)
- **Three reasons:**
 - Financial reasons
 - Values-based reasons
 - Engagement reasons

RESULTS OF 2015 STUDY ON VOLUNTARY DUES

- More new members, but they were often paying less
- Members who paid less than under the fixed dues model, typically increased their contributions with a voluntary commitment model
- None had a “free rider” problem
- Most members donated right at the sustaining amount

UJA FOLLOW-UP REPORT ON VOLUNTARY DUES (2017): RETURNED TO 19 /26 FROM 2015

- Almost uniformly pleased
- Average of 3.6% annual increase in membership
- Average of 1.8% annual increase in pledge revenue
- Need to continue promoting/reintroducing model
- *Noted congregations do not adequately track their financial data...

OUR OWN QUERIES

- **Who:**
 - 7 national & local synagogues contacted
- **Why:**
 - Improves recruitment of new members “I didn’t expect it to be so easy”
 - To attract more younger families, Bar/Bat Mitzvah stay after the events
 - Eliminates “those horrible conversations”...
 - Allows pledge to fluctuate when members situations change...decreases resignations
 - “Whatever you can pay, we want you”

PROCESS

- Took 1-2 years to plan, some did a 3 year “experiment”
- Safety Net: People who promised to cover any shortfalls (never necessary)
- Meetings with 10+ congregational leaders for support before rolling it out
- Board agreement on how to calculate the sustainable level (expenses/#members)
- Transparency..... congregants need to understand the process

ACTUAL OUTCOMES:

- Membership numbers are more stable or increasing
- Attracting more young families/ singles
- Fewer resignations
- Improved relationship with congregants...”Treat me like an adult”
- Still need to do fundraisers, transparency with financial reports
- Challenge is getting people to move from initial “gift” amount: “Give from the heart”
- “You can join for \$1, but every day I ask G-d to pay the electric , and she has yet to do it”.

QUESTIONS? DISCUSSION?



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