

FADICA

2004 Catholic Donor Attitude Survey



**Foundations and Donors Interested in Catholic Activities, Inc.
(FADICA)**

in association with

**The Center for the Study of Church Management
of
Villanova University**

and

Zogby International

FADICA Catholic Donor Attitude Survey

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FADICA, Inc.

Foundations and Donors Interested in Catholic Activities, Inc.

Organized in 1976, Foundations and Donors Interested in Catholic Activities, Inc. (FADICA) is a consortium of private funders. In addition to facilitating the exchange of information on important trends and needs relevant to the future of religious life, FADICA serves as a forum for the discussion of common grant requests and programs of mutual interest.

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*“Within a sound ecclesiology of communion,
a commitment to creating better structures of participation,
consultation and shared responsibility...
(is) an intrinsic requirement of the exercise of episcopal authority.”*

Pope John Paul II to U.S. Bishops
September 11, 2004

Introduction

For the past three years our association of grant makers has sought to learn more about the opinions of Catholics who are especially active in their parishes as measured by church attendance. This is the segment of the Catholic population that the church relies upon the most for its financial support.

When we began this series of surveys in 2002, we were troubled by the prospect that the clergy sexual abuse crisis could eventually impact the capacity of the church to meet its mission. We felt that there should be more data available on what Catholics in the pews were thinking about the crisis and on how current events would impact decisions to give.

Through our research we have documented a growing uneasiness among Catholics not only about the crisis itself, but the way in which their donations are handled. This year's survey follows a published report by the John Jay College of Criminal Justice that \$572 million dollars had been spent by the church in legal settlements with the victims of abuse and for treatment over the past five decades. We were especially interested to know how such revelations would be received by typical Catholics in the pew. How would their decisions to support the church be influenced by the flow of events?

Working with the Center for the Study of Church Management at Villanova University, as well as Zogby International, FADICA found that the desire for fuller financial accountability and transparency continues to grow – almost half of American parishioners now *strongly* agree that the church should be made more accountable for its finances. A startling three quarters of parish donors want to see their dioceses in compliance with financial standards that have been developed by the United States Conference of Catholic Bishops.

Large numbers of parish donors say they are unaware of what happens to their contributions while over one quarter of them state that they do not even know whether their diocese had conducted an annual audit.

Worry continues to mount over whether the church will be able to meet its mission due to the impact of litigation related to clergy sexual abuse. Almost two thirds of American Catholics feel that present fundraising methods in the church – largely the collection basket – are antiquated and that newer, more effective approaches should be employed.

These are significant findings and call for appropriate and well publicized improvements to broaden parish donor involvement in the financial life of the church. Creating a culture of trust and transparency will not occur without deliberate attention to the way in which the church engages its donors in the future.

In presenting the results of this year's survey, FADICA again expresses its appreciation to Professor Charles E. Zech of Villanova's Center for the Study of Church Management, to Dr. John Zogby of Zogby International, and to those individual members of FADICA whose generosity enabled this important survey to be undertaken.

Dr. Francis J. Butler, President
Foundations and Donors Interested in Catholic Activities, Inc
Washington, DC
December, 2004

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Survey Highlights 2004

While the opinion of regular Mass attending Catholics towards the performance of the bishops in their handling of the clergy sexual abuse scandal has improved, lay attitudes concerning the importance of church financial transparency and accountability remain high, and in some cases have intensified.

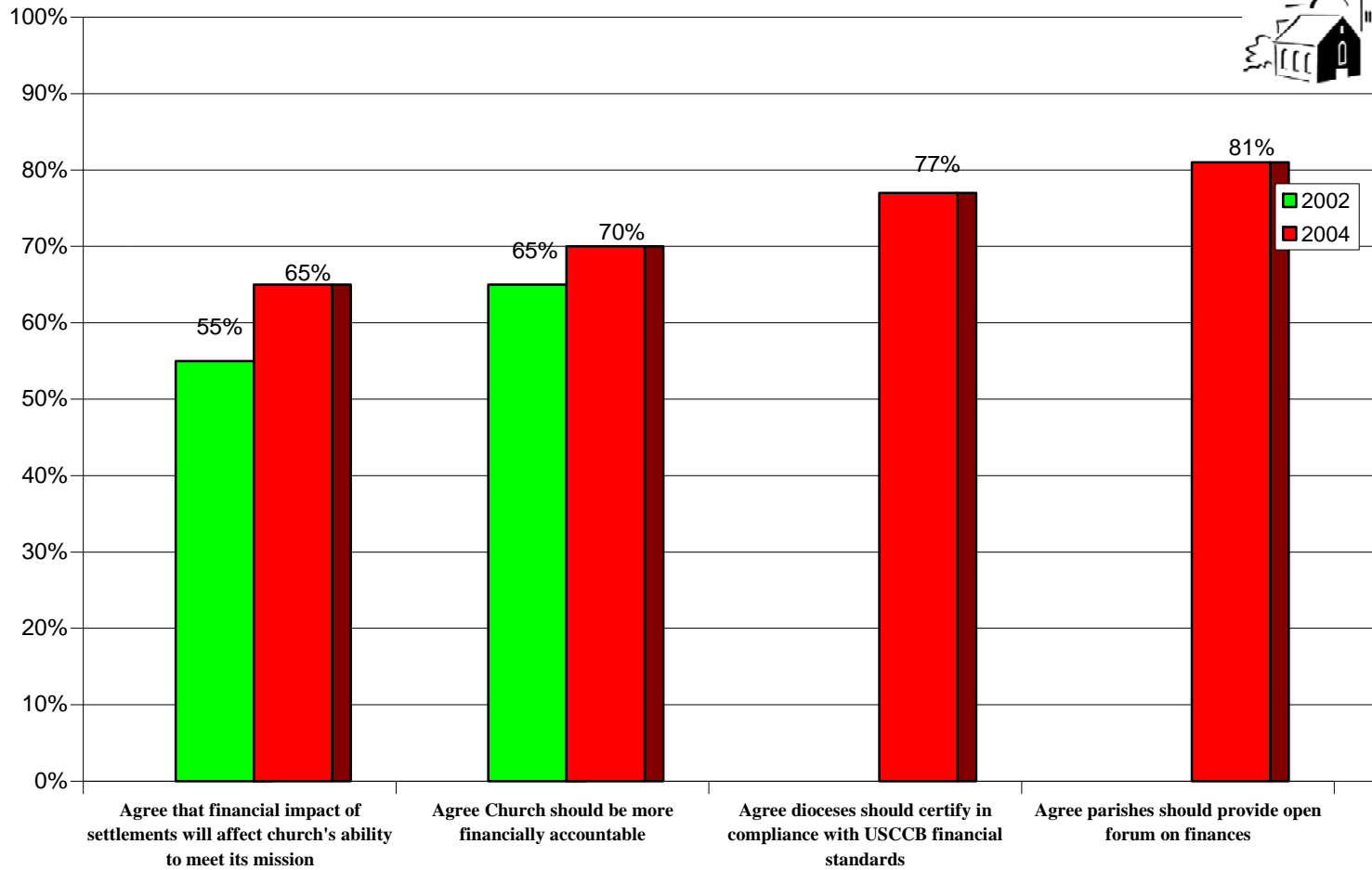
- The percentage of regular Mass attending Catholics who agreed that the Church should be made more accountable on church financial issues increased from 65% in 2002 to 70% in 2004.
- The percentage of regular Mass attending Catholics who were concerned that the financial impact of the settlements would affect the ability of the Church to meet its mission increased from 55% in 2002 to 65% in 2004.
- More than three-fourths (77%) of the 2004 sample of regular Mass attending Catholics agree that dioceses should publicly certify that they are in compliance with the national standards of financial reporting established by the United States Conference of Catholic Bishops.
- In both 2002 and 2004, more than three-fourths of Mass attending Catholics (78% in 2002, 76% in 2004) agreed that each diocesan bishop should give a full accounting of the financial costs and settlements arising from the scandal.
- More than three-fifths of regular Mass attending Catholics agreed that there should be an annual independent audit of church finances at every level, with the results to be released publicly, although the percentage decreased from 66% in 2002 to 61% in 2004.
- Catholics continue to indicate that the clergy abuse scandal has impacted their willingness to support the Church financially. In the 2004 survey 14% of regular Mass attending Catholics indicated that they had either decreased their parish giving or stopped giving altogether; at the diocesan level, the comparable figure was 17%; and the figure for national second collections was 19%. At the same time, 8% have increased their contributions to their parish; 5% are contributing more to diocesan collections, and 5% are contributing more to national second collections.

Other findings included:

- Only 47% of a 2004 sample of regular Mass attending Catholics agreed that they have an adequate understanding of how their contributions to the Catholic Church are used.

- Only 49% of a 2004 sample of regular Mass attending Catholics rate the Church as above average in its competence in the handling of money.
- Many Catholics remain ignorant or uninvolved in Church financial issues. Among the 2004 sample of regular Mass attending Catholics, 27% were not aware that some dioceses had declared bankruptcy, 27% did not know if their diocese had issued certified audited financial statements in the last year, and 22% did not know if their parish had issued certified audited financial statements in the last year.
- Among options available for dioceses to pay for the clergy abuse financial settlements, the 2004 sample of regular Mass attending Catholics gave highest priority to selling Church property (38%), followed by conducting a diocesan special collection (36%), declaring bankruptcy (35%), reducing diocesan program offerings (30%), and closing parishes (28%).
- The 2004 sample of regular Mass attending Catholics strongly favored some innovative (for the Catholic Church) financial arrangements, including holding open forums for discussing parish financial plans (81%) and developing more modern methods of fundraising (60%).

Survey of Parish Catholics Attitudes toward Financial Accountability



On Financial Accountability and Catholic Church Support: Findings of the 2004 Donor Attitude Survey

**Dr. Charles E. Zech
Center for the Study of Church Management
Villanova University**

This study reports the findings of a FADICA sponsored Zogby International poll which was a follow-up to a similar poll conducted each of the previous two years. In 2002, we surveyed 1001 Catholics, of whom 732 indicated that they were regular Mass attenders. Results were reported on the opinions of the regular Mass attenders. In 2003, we attempted to re-survey these same regular Mass attenders. Unfortunately, the number of respondents to that survey was too small to identify many significant patterns. In 2004, we surveyed a separate sample of 1000 Catholics, 803 of whom indicated that they were regular Mass attenders. This report presents the results of that sample and, where appropriate, compares any findings with those of the 2002 survey.

It is clear from this survey that, as many observers had predicted, the financial implications of the clergy sexual abuse scandal have continued to linger. This is true for both the laity's expressed desire for greater Church financial accountability and transparency and for the impact of the scandal on Catholics' willingness to support their Church financially.

It is important to remember that the analysis in this report is based on the opinions of regular Mass attending Catholics, those who attend Mass daily, weekly, or almost every week. The opinions of those disaffected Catholics who only attend Mass twice a year (Easter and Christmas) or perhaps twice a lifetime (weddings and funerals), while of interest from the perspective of evangelization, are not included here. The fact that regular Mass attending Catholics are speaking here confers some additional weight to these findings. This population can be considered the major source of donor support for the church.

Financial Accountability and Transparency

In the fall of 2002, as the full scope of the clergy abuse scandal was still unfolding, respondents to our survey of regular Mass attenders indicated that they desired greater financial accountability and transparency and, in fact, more lay input into Church financial matters, at all levels. That same desire is still evident among regular Mass attenders two years later. For example, in 2002, only 46 percent of our sample rated the bishops as a group as above average on their financial accountability. By 2004, that figure had fallen to 38 percent. Likewise, in 2002, 65 percent of the sample agreed that the Church needed to be more accountable on its finances. By 2004, that figure had risen to 70 percent.

Specifically, what kinds of accountability and transparency are the laity expecting? First, they want each bishop to give a full accounting of the financial costs arising from the scandal. In 2002, 78 percent of the sample agreed with this idea, and in 2004 it was still supported by nearly the identical proportion (76 percent). Steps were taken to provide this information through the

release of the John Jay College Report in February, 2004. (*The Nature and Scope of Sexual Abuse of Minors By Catholic Priests and Deacons in the United States 1950-2002*, USCCB, 2004). The John Jay College Researchers surveyed each diocese in an attempt to learn the scope of the scandal, both in human and financial terms. Unfortunately, fully 14 percent of the dioceses and religious orders failed to report any financial figures at all in the John Jay Report. In addition, other dioceses only reported partial figures: 40 percent failed to provide data on the cost for priest treatment expenses, 38 percent had missing data on attorney's fees, and 20 percent failed to provide complete cost figures for victim compensation.

The laity also want publicly released annual independent audits at every level. That was supported by 66 percent of the sample in 2002, although support dropped to 61 percent in 2004. Are they receiving this information? When asked about diocesan audited financial statements, only 38 percent of the 2004 sample indicated that their diocese had issued audited financial statements within the past year. The record was slightly better at the parish level, where 51 percent of the same sample stated that their parish had issued certified financial statements within the past year. As a result, only 47% of the 2004 sample believed that they had an adequate understanding of how their contributions to the Church are used. This is especially noteworthy, since the USCCB has issued national standards for financial reporting. (*Diocesan Financial Issues, USCCB, Dec., 2002*) More than three-fourths (77 percent) of the 2004 sample agree that dioceses should certify that they are in compliance with these standards.

Finally, Catholics want to be consulted on Church financial matters. This is most practical at the parish level. A substantial majority, 81 percent of the 2004 sample of regular Mass attenders, agrees that parishes should provide open forums where parishioners can have an input into the parish's financial planning and methods of fundraising. Of interest here is the fact that 60 percent of this same sample believe that the Church needs to develop more modern methods of fundraising to complement the traditional collection basket.

Decisions on Individual Household Contributions

Both the 2002 and the 2004 surveys asked about the impact of the clergy abuse scandal on parishioners' decisions to contribute financially at three different levels: to support their parish; for diocesan collections such as Catholic Charities, or the Bishops' Annual Appeal; or to support the national collections sponsored by the USCCB, such as, *Aid to the Church in Central and Eastern Europe*. The questions across the two years were not identical, so the results are not exactly equivalent, but some insights can still be gleaned. At the parish level in 2002, 12 percent of the respondents chose a response that indicated that they had either given less or had ceased to contribute to their parish altogether. In 2004, 14 percent of the respondents selected comparable options. For diocesan giving, the figures were 19 percent in 2002 and 17 percent in 2004. When asked about USCCB second collections, 19 percent of the sample in both 2002 and 2004 selected responses that revealed either a decrease in contributions or an unwillingness to contribute at all.

At the same time, some parishioners responded to the scandal by increasing their financial support to the Church. In 2002, 3 percent of the respondents told us that they had increased their

national collections levels the figures were identical in both surveys: 2 percent of the 2002 sample had increased their contributions, and in 2004 that figure increased to 5 percent. These findings are consistent with some national tallies that reported a decrease in the number of givers at each level while dollar giving has remained fairly constant.

Paying for the Scandal

In the 2004 survey we asked the respondents about a number of options available to dioceses to pay the costs resulting from the scandal. None of them received the endorsement of a majority of the respondents, but some were viewed more favorably than others. The most popular was to sell Church property (38 percent) followed closely by holding a diocesan-wide special collection with the funds specifically designated for the settlements (36 percent). Somewhat surprising, declaring bankruptcy was supported by 35 percent, followed by reducing diocesan programs (30 percent), and closing parishes (28 percent). Parishioners would rather see their diocese declare bankruptcy than experience a decrease in diocesan services or parish closings.

Parishioner attitudes on bankruptcy were revealing. For this sample of regular Mass attending Catholics, more than a quarter (27 percent) were not aware that any Catholic dioceses had declared bankruptcy. Of those who were aware of the bankruptcies, a solid majority (57 percent) indicated that the bankruptcies would have no effect on their decision to contribute. A few (7 percent) told us that as a result of the bankruptcies they were likely to contribute more, while 9 percent were contributing less because of the bankruptcies.

Recommendations

Clearly, nearly three years after the clergy abuse scandal broke, one of the lingering elements is that parishioners are still not content with the financial stewardship of the church. Dioceses and parishes that seek to live by the values of Christian stewardship should consider constructive measures that help parishioners understand where their donations go and how parishioners can become more familiar and informed about the financial dimensions of Catholic life.

Constructive steps that might be taken could include:

- The publication of diocesan and parish audits in their entirety. To insure greater transparency, each diocese and parish should publish a “reader friendly” annual financial statement, as well as an approved budget and strategic plan for the coming years.
- Diocesan compliance with all USCCB approved financial standards and practices and fundraising policies. The latest technology should be employed to increase the accuracy of financial reporting with the possibility of the USCCB providing a website to deliver financial management training to members of diocesan and parish finance councils.

- Parish and diocesan forums with finance council members present who can explain and respond to parishioner questions. Bishops should provide ongoing forums where financial issues and decisions of the dioceses and the parishes can be discussed.
- Best practices should be published in financial reporting and diocesan financial councils should encourage professional and consistent reporting in every parish.
- Every diocese should provide competent centralized resources to assist every parish within its territory in development and fundraising.
- Financially experienced parishioners should be selected for the parish finance councils and should be engaged in training and developing additional members.
- Educational efforts for professional church employees, clergy, financial council members and parishioners on accounting standards and church policies on the use of donations.
- Every parishioner should have access to a written report on all national and diocesan appeals which contains complete financial information and a progress report.

Questionnaire Survey and Answers from Zogby International

Percent of Frequent Mass Attenders Familiar with Clergy Sexual Abuse Who Expressed an Opinion

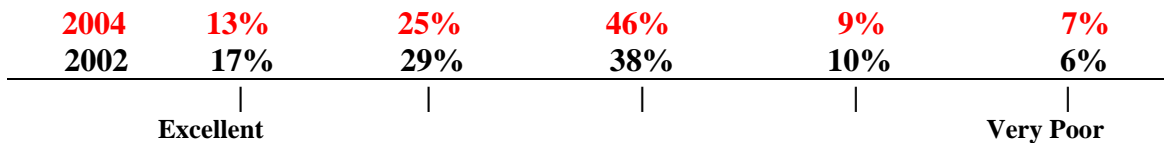
How to read the data: The figures in red represent Zogby International polling data for 2004. The black figures represent a national survey taken in 2002 by The Gallup Organization. Note: Some survey questions included in 2004 were not included in 2002.

How often do you attend mass?	<u>2002</u>	<u>2004</u>	
• At least once a week	79%	81%	
• Almost every week	21%	19%	

1. How many hours per month do you spend participating in activities at your parish?

	<u>2002</u>	<u>2004</u>	
• None/Less than one hour	27%	46%	
• 1 to 3 hours	25%	29%	
• 4 to 7 hours	23%	10%	
• 8 to 10 hours	10%	8%	
• 11 hours or more	14%	7%	

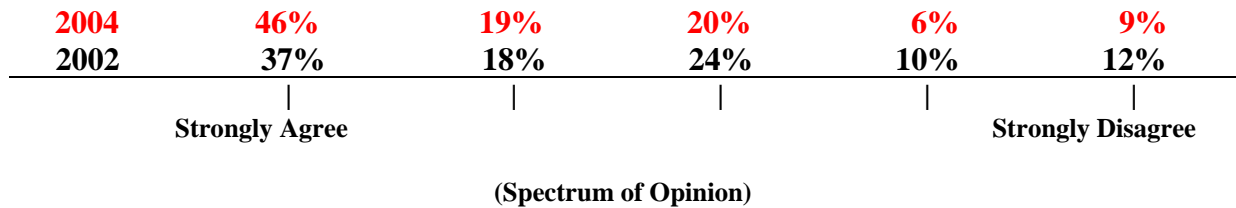
2. Using a five-point scale where 5 means excellent and 1 means very poor, how would you rate the U.S. bishops as a group on their accountability on issues such as church finances?



(Spectrum of Opinion)

	<u>2002</u>	<u>2004</u>
• The sale of church property	33%	38%
• A special diocesan-wide collection with funds specifically devoted to paying for the settlements	22%	36%
• A reduction in diocesan program offerings	11%	30%
• Declaring bankruptcy as an appropriate way to protect Church assets		35%
• Closing parishes as a way to save money		28%

8. Using a five-point scale where 5 means strongly agree and 1 means strongly disagree, to what extent do you agree or disagree that the financial impact of the settlements will affect the ability of the church to meet its mission, including programs that assist the disadvantaged members of society?



9. Which of the following best describes how your household has contributed to your local parish since the recent sexual abuse of young people by Catholic priests?

	<u>2002</u>	<u>2004</u>
• I am contributing more to my parish.	3%	8%
• It has had no impact on my household's decision to support my parish financially.	64%	60%
• It has had no impact, but my household will reduce contributions if it is learned that collection money will be used to pay lawsuits.	22%	19%
• I contribute less to my parish.		5%
• My household has given parish funds to other Catholic causes.	6%	6%
• My household is not inclined to support my parish right now.	6%	3%

10. Which of the following best describes how your household has contributed to church national collections, such as the American Bishops' Overseas Appeal or the Catholic Campaign for Human Development, in the wake of the crisis of sexual abuse by priests?

	<u>2002</u>	<u>2004</u>
• I am contributing <u>more</u> to church national collections.	2%	5%
• I have <u>not changed</u> my contributions because I support the bishops.	31%	37%
• I have <u>not changed</u> my contributions because I didn't want to punish church-sponsored charities.	23%	23%

- I have not changed my contributions but I will change if I learn that the funds will be used to pay lawsuits. 25% 17%
- **I now contribute less to national collections.** 10%
- I did not want to support these appeals this year. 19% 9%

11. Which of the following best describes how your household has contributed to diocesan collections such as Catholic Charities or the Bishops' Annual Appeal, in the wake of the crisis of the sexual abuse by priests?

- | | <u>2002</u> | <u>2004</u> |
|-------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|
| • I am contributing <u>more</u> to diocesan collections. | 2% | 5% |
| • I have <u>not changed</u> my contributions because I support my bishop. | 31% | 40% |
| • I have <u>not changed</u> my contributions <u>because I didn't want to punish diocesan charities.</u> | 22% | 21% |
| • I have <u>not changed</u> my contributions <u>but I will change</u> if I learn that the funds will be used to pay lawsuits. | 25% | 17% |
| • I now contribute less to diocesan collections. | | 9% |
| • I have <u>given diocesan funds to other Catholic causes.</u> | 6% | 4% |
| • <u>I did not want to support</u> the appeal this year. | 13% | 4% |

12. Using a 5 point scale where 5 means you strongly agree and 1 means you strongly disagree: "I have an adequate understanding of how my contributions to the Catholic Church are used".

5. Strongly agree	34%
4	13%
3	24%
2	11%
1. Strongly disagree	15%
Don't Know	2%

13. Using a 5 point scale where 5 means excellent and 1 means poor, how would you rate the competence of the Church, in general, with regards to the handling of money?

5. Excellent	22%
4	27%
3	38%
2	7%
1. Very poor	6%

14. Over the past year, which has had the greatest impact on your decision to support the Church financially?

- | | |
|----------------------------------------------------------------------------------------|-----|
| 1. The economy | 20% |
| 2. The sexual abuse scandal | 8% |
| 3. Concern over church financial accountability issues | 6% |
| 4. Concern over the unfair treatment that the church has received in the secular press | 6% |
| 5. Recognition that the church needs my contributions | 41% |
| 6. Some other reason | 20% |

15. Has your DIOCESE issued certified audited financial statements within the past year?

Yes	38%	No	35%	Don't Know	27%
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16. Has your PARISH issued certified audited financial statements within the past year?

Yes	51%	No	27%	Don't Know	22%
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17. Using a 5 point scale, where 5 means strongly agree and 1 means you do not agree at all, to what extent do you agree that the Church makes good use of the managerial and financial expertise of its parishioners?

- | | |
|----------------------|-----|
| 5. Strongly agree | 35% |
| 4 | 28% |
| 3 | 27% |
| 2 | 5% |
| 1. Strongly disagree | 5% |

18. Using a five-point scale where 5 means you strongly agree and 1 means you do not agree at all, to what extent do you agree that the Catholic Church needs to develop more modern methods of fundraising to complement the traditional collection basket?

- | | |
|----------------------|-----|
| 5. Strongly agree | 40% |
| 4 | 20% |
| 3 | 23% |
| 2 | 6% |
| 1. Strongly disagree | 10% |

19. Using a five-point scale where 5 means you strongly agree and 1 means you do not agree at all, to what extent do you agree that dioceses should publicly certify that they are in compliance with the national standards of financial reporting established by the United States Conference of Catholic Bishops?

- 5. Strongly agree 58%
- 4 19%
- 3 17%
- 2 2%
- 1. Do not agree at all 5%

20. Using a five-point scale where 5 means you strongly agree and 1 means you do not agree at all, to what extent do you agree that **parishes** should provide an annual open forum for parishioners where the **parish's** financial planning and methods of fundraising can be aired?

- 5. Strongly agree 63%
- 4 18%
- 3 13%
- 2 4%
- 1. Do not agree at all 3%

21. To what extent has the financial bankruptcy of three U.S. Catholic dioceses affected your decision to contribute to the Church?

- 1. Knowing about the bankruptcies makes me want to contribute more. 7%
- 2. Knowing about the bankruptcies makes me want to contribute less. 9%
- 3. Knowing about the bankruptcies has had no effect on my decision to contribute. 57%
- 4. I was not aware of the bankruptcies. 27%

Demographics

	<u>2002</u>	<u>2004</u>
1. Gender: Male	31%	46%
Female	69%	54%
2. Age: Under 30	6%	13%
30-44	28%	30%
45-65	44%	33%
Over 65	21%	24%
3. Race: What is your race? Are you white, African-American, Asian, Native American, or some other race?	<u>2002</u>	<u>2004</u>
White	83%	75%
African-American/black	2%	2%
Asian	2%	1%
Native American	1%	
Hispanic	11%	17%
Other		5%

4. Income:

	<u>2004</u>
1. Less than \$15,000	8.8%
\$15,000 to less than \$25,000	12.3%
\$25,000 to less than \$35,000	15.8%
\$35,000 to less than \$50,000	15.9%
\$50,000 to less than \$75,000	21.7%
\$75,000 or more	25.5%
No Answer	18%

	<u>2002</u>
1. Less than \$10,000	2%
2. \$10,000 to less than \$15,000	3%
3. \$15,000 to less than \$20,000	5%
4. \$20,000 to less than \$30,000	11%
5. \$30,000 to less than \$50,000	25%
6. \$50,000 to less than \$75,000	23%
7. \$75,000 to less than \$100,000	14%
8. \$100,000 or more	17%

Notations on Methodology

Sampling Technique

The data supporting this report was collected through two telephone surveys. The first was conducted by The Gallup Organization, Inc. during the first three weeks of October, 2002. The second was conducted by Zogby International during the first week of December, 2004.

Dr. Francis J. Butler of FADICA and Dr. Charles E. Zech of Villanova University's Center for the Study of Church Management developed the survey questionnaires. While many of the questions were identical in order to allow for some inter-temporal comparisons, a few were added to the 2004 survey instrument to capture attitudes on issues that were topical at that time. A draft of the 2002 questionnaire was previewed by some members of FADICA as well as by Archbishop Wilton D. Gregory, at that time, President of the United States Conference of Catholic Bishops. Archbishop Gregory, in particular, made several useful suggestions that served to improve the questionnaire, although neither the FADICA members, nor the Archbishop bear any responsibility for the final form of either the 2002 or the 2004 questionnaire.

Both of the final samples included only self-identified Catholics, who were eighteen years of age or older, and who reported their Mass attendance as weekly or almost weekly. This resulted in sample sizes of 732 for the 2002 Gallup poll and 803 for the 2004 Zogby poll.

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FADICA Catholic Donor

Attitude Survey

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