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FOR DISCUSSION

WCC Income Development Strategy 2008-2010

Introduction

The primary purpose of the fellowship of churches in the World Council of Churches is to call one another to visible unity in one faith and in one eucharistic fellowship, expressed in worship and common life in Christ, through witness and service to the world, and to advance towards that unity in order that the world may believe. (Constitution of the World Council of Churches, Chap. III)

The WCC Income Development Strategy 2008-2010 will serve the World Council of Churches by ensuring the implementation of the Council's mission. It results from discussions, deliberations and brainstorming enriched by the wisdom of governing bodies, committees, consultants and staff and expressed in a wealth of resources including recommendations, reports and reference documents spanning more than 15 years (*Appendix 1*).

These resources make common, recurring recommendations for enhancing the income development work of the WCC. These recommendations may be summarized as follows:

- greater investment in fundraising;
- energetic, comprehensive approach to non-traditional fundraising;
- diversification of income sources;
- pursuit of additional income from other fundraising (mainly foundations and bequests, with mention of individual giving);
- more appealing programmes with clearly defined priorities;
- proper accountability and adequate monitoring, control and reporting;
- marked governance and leadership involvement in fundraising (i.e., Central Committee members and General Secretariat);
- greater reciprocal communications with the member church constituency;
- affirmation of the membership campaign;
- greater transparency and responsiveness to specialized ministries' needs;
- strengthened relationships with specialized ministries;
- an attitude shift toward openness, training and involvement of all staff in fundraising and financial management.

The objective for WCC income development in the period 2008-2010 is to ensure that sufficient funds are raised to implement the mission of the WCC. Therefore it will be necessary to maintain contributions income in 2008-2010 at the 2007 level of CHF 31¹ million.

¹ This figure does not include funding for multilateral solidarity and ACT Development. Neither does it include funding for the centennial of the 1910 Edinburgh world mission conference (2010), the International Ecumenical Peace Convocation (2011) and the WCC 10th Assembly (2013). Additional fundraising will be required for these major events, and careful planning will be needed to ensure that such fundraising is carried out

Crucial to achieving this objective will be raising income through new fundraising and the diversification of funding sources, both in the acquisition of new partners and expansion of the regional spread of donors. Throughout the history of the WCC, income from traditional donors – mainly specialized ministries² and member churches – has been dependable. Changing church demographics, increased competition for funds, heightened donor expectations and many other factors make it riskier than ever to rely solely on traditional funding. In order to remain viable, it is becoming more and more urgent for the WCC to invest in new fundraising. Foundations and individual giving have been targeted as the most suitable types of fundraising programmes for the Council to implement at this time.

This strategy is based on a realistic expectation of the resources available to the Council. It relies on the post-9th Assembly emphasis on working together in an integrated and interactive manner in order to accomplish the Council's collective mission. It takes into account the understanding that all staff colleagues have the potential – and many already have the ability and experience – to participate in the income strategy, as well as the responsibility to do so. The efforts of all WCC colleagues must be harnessed into a house-wide effort, owned by the leadership and animated/coordinated by IMD, in order to achieve the stated objective.

Clearly, increased communications efforts will enable greater WCC visibility and therefore better potential for fundraising – the two are intrinsically related. Joint efforts between IMD and Communication will therefore be essential. IMD will also work closely with project staff and with other teams in the Finance Services and Administration sector in various efforts to accomplish the income strategy. The success of the strategy will directly relate to the staff time and energy invested in it.

The following approaches are intended to fulfil the objective:

- 1) intensify the membership campaign;
- 2) strengthen relationships with specialized ministries;
- 3) strengthen the fundraising capacity of staff;
- 4) develop foundation income;
- 5) develop individual giving.

The following targets will gauge the success of each approach by the second year:

- 1) 80% of churches will make membership contributions;
- 2) support from specialized ministries will be maintained and relationships enhanced;
- 3) the fundraising capacity of all staff will be revealed and optimized;
- 4) CHF 200,000 will be raised from foundations;
- 5) CHF 200,000 will be raised from individuals.

It is important to note that the monetary targets listed above have been created for motivational purposes only. This strategy foresees unprecedented work, yet the actual available resources are limited. It is therefore impossible at this point to make a realistic estimate of monetary success.

The major accomplishment of the first year of the strategy will be the creation and staffing of a realistically designed and well-balanced fundraising programme. In subsequent years, the programme will be developed and enhanced, resulting in a multiplication of successes.

In pursuing this income strategy, the Council will realize the stated objective along with additional achievements including:

in a coordinated way, with responsibilities clearly assigned well in advance. It is presumed that staff of these events will be responsible for their own fundraising, to be carried out in consultation with IMD.

² Church-related ministries and ecumenical agencies who participate in the WCC Round Table.

- increased staff understanding of and competence in fundraising;
- more energetic and consistent participation of staff in fundraising efforts;
- the setting of a positive and supportive foundation for a new Council-wide culture of fundraising;
- dimensions added to the Council's income strategy, including outreach to individuals and new foundation partners.

All of these will contribute to the setting of a solid foundation for a well-balanced income strategy resulting in diversification of income sources.

Strategies for implementing each approach, along with suggested actions and expected results, are outlined below.

1. Intensify the membership campaign

The membership campaign has two principal objectives:

- ensure that all WCC member churches pay at least CHF 1,000 membership contribution annually;
- increase the annual membership income to CHF 7 million.

The objective of all churches paying a membership contribution is of great psychological importance: it demonstrates the members' commitment to be part of the WCC and engenders confidence amongst other partners to contribute. At the outset of the campaign about 50% of churches paid a membership contribution. In 2005 (a pre-assembly year) this peaked at 75%, but then settled at approximately 70% in 2006 and 2007. Further increase is possible but will require substantial effort.

A system to increase membership contributions, with the goal of raising income to CHF 10 million, was put in place in 2004. The system was designed to be fair, transparent and objectively determined, based on:

- size of church membership;
- the relative wealth³ of the country or countries where the church is based.

The original target of CHF 10 million was set by the 8th Assembly (Harare 1998) but has proven to be unattainable in the short term. During the period 1999-2006, membership income varied between CHF 6.3 and CHF 6.7 million. Thus a revised target of CHF 7 million was set by the 9th Assembly (Porto Alegre 2006) for the period 2007-2009, while retaining the original target of CHF 10 million as a longer-term goal. Several churches contribute considerably more than their calculated quota, but some are finding it increasingly difficult to continue at that level. A cumulative decrease of CHF 0.8 million is therefore foreseen by the next assembly. Consequently, in addition to seeking increases on the present contribution levels, heightened efforts will be required to compensate for the expected reductions.

Strategy

Continue efforts towards realizing the objectives of the membership campaign. Give particular attention to:

- working with churches which pay considerably less than the amount calculated by the formula;
- strengthening relationships with the member churches, especially those which do not contribute, including "inactive" members (those which have not paid for three consecutive years or longer);

³ The relative wealth of the countries where member churches are located is based on Gross Domestic Product (GDP) per capita Purchasing Power Parity (PPP) statistics taken from the Human Development Index report of the United Nations Development Programme. This allows a comparison of economic statistics across countries which takes account of price differences between countries and reflects people's living standards.

- accompany churches in finding creative ways to raise funds for WCC membership contributions.

Actions

- a) Keep all churches informed about the membership calculation system and respond to questions.
- b) Work with the Task Team of Finance Committee members appointed to accompany the membership campaign to ensure governing bodies' involvement and commitment to the membership campaign.
- c) Update WCC staff on the membership campaign and stimulate them to use their visits to communicate with the member churches in the countries to which they travel.
- d) Publicize the experiences of DOV "Living letters" participants to give a personal face to the WCC in the churches they visit.
- e) Use the Functional Staff Groups on Fundraising and on Visits for general guidance and support as well as to ensure that all member churches are visited before the next assembly.
- f) Increase the visibility of the membership campaign through communications such as updates and features via the WCC website.
- g) Review the data used for the contribution calculation system (number of church members, national GDP-PPPs, scale of payments) to ensure optimal and realistic expectations.

Expected results

- Improved relationships with and understanding of member churches and their specific circumstances.
- Better communication with and greater commitment from member churches.
- The number of member churches paying a membership contribution increased to 80%.
- Significant progress made towards the CHF 7 million goal.

2. Strengthen relationships with specialized ministries

Approximately 90 percent of WCC programme contributions are provided by twenty specialized ministries and church-related organizations (*Appendix 2*). Clearly the importance of the specialized ministries cannot be overstated. The proper care and maintenance of these relationships therefore remains intrinsic to the financial health of the WCC. Meeting the needs and expectations of the specialized ministries must remain a primary focus of the WCC income development strategy. Transparent and proactive communications, adequate and timely planning and reporting satisfying the requirements of approved agreements, and responsiveness to their institutional needs must be ensured in order to continue to cultivate and support these traditional funding relationships. Avoiding frequent WCC restructurings will also help to facilitate and maintain solid relationships.

Strategy

Strengthen the relationship with the specialized ministries, through:
the WCC Round Table;
regular programmatic visits;
streamlining the funding process.

a) WCC Round Table

Actions

Efforts will continue to strengthen the WCC Round Table (RT) as a platform for ecumenical dialogue around major concerns and developments in the participating organizations, ecumenical cooperation, and opportunities for deeper partnership. This is furthered through various mechanisms:

- RT Core Group;

- Ecumenical Partners' Survey;
- "Who's Who?" survey;
- Ecumenical Formation Seminar.

Ensuring the smooth running of these mechanisms remains key to maintaining relationships with the specialized ministries.

The RT is coordinated by the Core Group, composed of specialized ministry representatives and an equal number of WCC staff. Responsibilities of this group include preparing the annual RT meeting; ensuring follow-up of RT agreements regarding policy commitments, implementation of decisions, etc.; ensuring that funding information is available between and during the RT meetings; and periodically reviewing and evaluating the RT.

The annual Ecumenical Partners' Survey collects, categorizes and analyzes statistics of the RT participants, enabling the discernment of trends and patterns and providing a broad picture of the specialized ministries' collective work. The "Who's Who?" survey is an ongoing web-based instrument listing staff of RT partners working in various fields.

The annual Ecumenical Formation Seminar is particularly important for new specialized ministry staff. This is a four-day exposure course on the WCC and the ecumenical movement, that also provides a forum to meet staff of other ecumenical organizations.

Focus on sustaining these instruments by:

- ensuring overall coordination of and optimal participation in the RT;
- supporting and facilitating the role of the RT Core Group;
- animating, managing and promoting the Ecumenical Partners' Survey and "Who's Who?";
- coordinating the Ecumenical Formation Seminar.

Expected results

- The RT continues to strengthen the mission of the WCC both financially and programmatically by acting as the primary platform for ecumenical dialogue with specialized ministries and ecumenical agencies.

b) Visits

Actions

Regular programmatic visits to the specialized ministries and visits from their governing bodies and staff are important to strengthen mutual commitment, knowledge and understanding. People give to people, and good fundraising relies heavily on personal relationships. Visits provide a prime opportunity for personal interaction and enable thereby the cultivation and deepening of staff-to-staff relationships. A programme has been developed for at least the top twenty contributors to be visited during the period 2008-2010. All such visits will be prepared in close cooperation with the concerned specialized ministry and with appropriate WCC staff. In addition, the governing bodies and senior staff of the top twenty contributors will be encouraged to visit the WCC in the coming three years.

Expected results

- Greater knowledge and understanding of each other's situations, strengths, problems, challenges and ways of working.
- Increased participation of the specialized ministries in the work of the WCC.

c) Streamlining the funding process

Actions

Making the funding process more transparent, efficient and coherent is an important feature of the “Working Together” process: a pre-Round Table meeting with specialized ministry staff involved in the practical coordination of WCC funding. Agreed timelines and formats for planning and reporting (narrative and financial) have been developed and continue to be fine-tuned, together with a common Framework Agreement for Ecumenical Partnership. Issues requiring further attention include enhancing programmatic working relationships between counterparts in the WCC and the specialized ministries, and their continued accompaniment of the WCC’s planning, monitoring, evaluation and reporting (PMER) processes.

Expected results

- Better understanding of each other’s working processes, resulting in greater cooperation and more realistic mutual expectations.
- Improved PMER performance, building donor confidence and contributing to sustained funding.

3. Strengthen the fundraising capacity of staff

Strategy

WCC leadership has stated that fundraising is every staff member’s responsibility. WCC staff have fundraising expertise and experience as well as important links with specialized ministries. A cornerstone of the income strategy is to ensure that all colleagues are capable of participating in fundraising, that avenues for their input are systematized and coordinated, that they are accompanied in their efforts and that their involvement is consistently encouraged. Systems will be set in place to incorporate the contributions of project staff in every level of fundraising, including approaches to foundations, specialized ministries and individuals.

Specifically, many project staff have relationships with potential new funders and/or access to networks that could help identify such funders. These contacts should be explored systematically. Additionally, project staff should be trained in recognizing and seeking out prospective donors, communicating project needs in appealing ways and reporting results in terms of measurable outcomes. A comprehensive strategy is thus needed for staff training and accompaniment in the fundraising process.

Actions

- a) Set up systems to enable and encourage project staff to do fundraising.
- b) Train and coach staff in fundraising, monitor results and animate ongoing systems.
- c) Collaborate with the Communication team on fundraising communications pieces, including event promotional materials and the *Annual Review*.
- d) Animate fundraising advisory boards of representatives of governing bodies, staff and volunteers.
- e) Capture and filter prospect information garnered from governing bodies, advisory boards and staff, and conduct follow-up actions.
- f) Identify networking possibilities and develop and organize new prospect meetings in coordination with WCC events.
- g) Educate project staff on funding processes by circulating and explaining the “Funding Handbook”, including clarification of respective roles.

Expected results

- Better equipped staff, fundraising for their own activities and for the WCC as a whole.
- Increased funding resulting from staff initiatives, due to increased prospecting and improved foundation approaches.

4. Develop foundation income

Strategy

Many WCC programmes have the potential to attract foundation support. One of the goals of the income development strategy will be to tap prospective foundation donors in order to further diversify income sources. In close collaboration with project staff, a system for foundation prospecting, soliciting, reporting and acknowledgment will be planned, executed and monitored.

Actions

- a) Conduct research into prospective foundation donors, including review of funding announcements and identification of potential new donors.
- b) Conduct prospect research in engagement with WCC leadership and members of governing and advisory bodies.
- c) Conduct prospect research in engagement with project staff and accompany them in strategizing and completing foundation solicitations, cultivation, acknowledgement and reporting, ensuring that proposals are timely, well-researched, well-written and well-documented, that the WCC has the capacity to fulfil the reporting requirements, and that submissions are followed up appropriately.
- d) Design and implement a cultivation plan, including ongoing communications and interaction with foundation donors.
- e) Actively review and research potential RFPs (“requests for proposals”) relevant to the WCC’s mission and project needs.
- f) Research public policy trends and relevant streams of funding.

Expected results

- Diversification of income through the development of new partners.
- CHF 200,000 raised after the first full year of operation. This will increase in subsequent years to CHF 500,000. (Foundation fundraising is a long-term process beginning with prospect research and followed by cultivation. Most large foundations contribute only to very specific projects on strict timetables and do not respond to unsolicited proposals. This illustrates the importance of creating advisory groups of governing bodies and staff to enable networking to identify solid foundation prospects and thus begin the process.)

5. Develop individual giving

Strategy

Individual giving is universally the most prominent, prevalent and successful type of fundraising. In addition to raising revenue, individual giving enables tangible ways for the life and programmes of the WCC to be enriched by the participation of individuals. Whether they act in an advisory, service or donor capacity, the WCC will benefit from including in its income strategy the dimension of individuals. The participation of programme directors and project staff will be especially helpful in this area.

Actions

Individuals

- a) Create an advisory group of ecumenical veterans to support WCC leadership, with a special focus on networking and prospecting for fundraising.
- b) Create an advisory group of governing body representatives to support WCC leadership, with a special focus on networking and prospecting for fundraising and setting fundraising policy, in coordination with member churches and specialized ministries.
- c) Identify ways to establish “Friends of the WCC” groups and expand existing “Friends of the WCC/Bossey”.

- d) Systematize and publicize a planned giving programme for estate planning opportunities by individuals.
- e) Expand the WCC database of prospective donors using the visitors' programme and WCC-related events; capture personal information of visitors and meeting participants, including programme interests and giving history.
- f) Expand the WCC database of prospective donors by inputting personal information of all members (past and present) of governing bodies, commissions and committees, including status, historical participation, programme interests and giving history.
- g) Conduct regular e-mail solicitations to segmented prospect database.
- h) Provide informational material publicizing the WCC website, and encourage registration with e-news and project e-mail newsletters; ensure regular targeted e-mail news updates to donors and prospects.
- i) Upgrade the WCC's on-line giving facility.
- j) Ensure rapid response with acknowledgements of support.
- k) Creatively manage the Raiser's Edge income database, optimizing capabilities for maximum individual outreach, cultivation and acknowledgement.

Local congregations

- a) Research donor congregations to enable coordinated solicitation, in consultation with relevant bodies (member churches, specialized ministries, NCCs, etc.).
- b) Match congregations with WCC projects and create fundraising initiatives around them, in order to develop relationships between congregations and to increase both income and individual participation.
- c) Strategize avenues of increased congregational support, outreach and solicitation.
- d) Explore with national/regional church bodies possibilities for organizing special collections.

Expected results

- Substantial and growing increase in the participation of individuals and congregations in the life and mission of the WCC.
- Foundation laid for a balanced and multifaceted individual donor giving programme.
- Database of supporters expanded from mainly US donors to include all regions.
- Donors expanded from current level of 400 to 1,000.
- CHF 200,000 raised from individuals by the second year of operation.

6. Central Committee plenary discussion

On the 14 February during the session on sharing experiences in fund raising the Central Committee have the opportunity for engaging in dialogue and considering the centrality of income development between now and the next Assembly in realizing the approved projects and activities of the Council.

The Central Committee discussions will inform the work of the Finance Committee, which will formulate recommendations for further consideration by the Central Committee.

Appendix 1**Reference Documents**

- 1992 Report to the Central Committee, 1992 – as called for by the 7th Assembly, Canberra
- 1992 “Planning for Equilibrium: Final Report to the WCC from Cambridge Associates”
- 1996 Finance Strategy Group prepared
- 1998 Report of the Membership Income Campaign, 8th Assembly, Harare
- 2000 Mandate and Task Lists for Cluster: FSA Team – IMD
- 2001 “WCC plans a comprehensive income development strategy to meet the financial challenges of the years ahead”
- 2003 “Income Generation 2003 and Beyond” – WCC Central Committee/Finance Committee
“Income Generation Strategy” – WCC Executive Committee
- 2004 “Towards a WCC Income Generation Strategy, 2006-2008” (updated in 2006)
- 2006 Finance Committee Strategy Group

Appendix 2

WCC Income 2002-2008

1. WCC income in 2006 and preceding years

Total contributions income in 2006 came to CHF 37.1 million, compared to the budget figure of CHF 34.8 million. Thus for the third year in a row, more income was raised than was budgeted. This does not mean that the WCC is content with its income development per se, because the trend is still declining.

Table 1: WCC contributions income 2002-2008 (CHF 000s)

Income	2002 <i>actual</i>	2003 <i>actual</i>	2004 <i>actual</i>	2005 <i>actual</i>	2006 <i>actual</i>	2007 <i>projected</i>	2008 <i>budget</i>
Contributions income							
Membership income	6,537	6,401	6,510	6,426	6,593	6,397	6,400
Other unrestricted contributions	592	627	815	314	366	215	198
Programme contributions	28,985	27,376	27,309	26,704	24,908	24,394	24,066
Sub-total	36,113	34,404	34,634	33,445	31,867	31,006	30,664
Multilateral sharing	5,840	5,141	4,040	4,082	2,745	2,122	1,465
Ecumenical Research Centre	-	266	457	526	-	-	-
ACT Development	-	-	-	200	523	788	689
Assembly	-	435	627	3,004	1,953	113	102
Total contributions income	41,954	40,246	39,757	41,256	37,088	34,030	32,920

2. Composition of WCC income

WCC income consists of “contributions income” and “other income”.

Contributions income:

- membership contributions from churches;
- contributions for programmes, projects and activities;
- income for the assembly

Other income:

- net financial income (including investment income);
- rental income and sales;
- miscellaneous income.

In 2006, contributions income accounted for 83% of total WCC income (*Table 2*).

Table 2: WCC income 2006

Type of income	CHF millions	% total
Contributions income		
Membership and other unrestricted contributions	7.0	16%
Programme contributions	28.2	63%
Assembly	2.0	4%
Other income		
Financial income/(expense)	0.4	1%
Rental income and sales	6.0	13%
Miscellaneous income	1.1	2%
Total	44.6	100%

3. Programme contributions

A great number and variety of donors provide contributions for programmes, projects and activities. However, by far the greatest proportion comes from a small number of specialized ministries and church-related organizations. In 2006, five – EED, Church of Sweden, ICCO, FinnChurchAid and Evangelisches Missionwerk in Deutschland – were responsible for 57% of programme contributions, and twenty of them were responsible for 91% .

Table 3: Top WCC contributors 2006

Contributor	CHF 000s
EED - Evangelischer Entwicklungsdienst	6,010
Church of Sweden	3,226
ICCO	2,595
FinnChurchAid	2,266
Evangelisches Missionswerk in Deutschland	2,154
Sub-total	16,253
Diakonisches Werk der EKD (BftW, KHK, ESP)	2,047
Kerkinactie/Global Ministries, Protestant Ch. in the Netherlands	1,367
United Church of Canada + Canadian Int'l Development Agency	1,083
Norwegian Church Aid	915
Mission Covenant Church of Sweden	746
Christian Aid	681
Presbyterian Church (USA)	524
HEKS-EPER	356
Christian Council of Sweden	355
DanChurchAid	337
EKD - Evangelical Church in Germany	306
Christian Church (Disciples of Christ) in the USA	254
Brot für Alle	238
Evangelical Lutheran Church in America	217
Stichting Rotterdam	209
Total	25,888

Total programme/UDI contributions (<i>excluding Assembly</i>)	28,542
Top five as % of programme contributions	57%
Top twenty as % of programme contributions	91%