

St. Michael's Episcopal Church
Special Giving Effort, Fall 2021

Suggested Process

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Introduction

This year has posed extraordinary challenges for many people in the greater Sacramento area, especially those in lower wage jobs. Besides risks to their physical, emotional, and mental health from the pandemic itself, many struggle with rising costs of many necessities, including food, housing, gas, childcare, medication and other necessities.

Fortunately, the past generosity of St. Michael's parishioners, combined with the growth of the church's investments, make it possible for St. Michael's do so something to help their neighbors in need.

This document is intended to stimulate discussion and decision-making about a fair and transparent process that will result in the disbursement of charitable funds in a timely manner. **The need for help is great, and it is urgent.**

- Who will make final decisions about recipients and use of funds?

The Vestry, as elected representatives of the congregation.

Rationale: Development of a process for disbursement of charitable funds from an organization can be time-consuming. The parish has already "vested" these elected representatives with fiduciary responsibility.

- What types of projects or programs will be considered for funding?

Projects or programs that

- 1. directly benefit clients,*
- 2. are mature or developed enough to make immediate use of funds, and that*
- 3. that have a track record of fiscal responsibility and operational effectiveness (indicating they can do what they say they can do).*

Rationale: Organizations that provide funding or grants often caveat the type of work they are willing to underwrite. Funds may be given to **new** or **existing** programs or services. They may go to **direct client service or aid** or support the organization's **ongoing administrative expenses**. Sometimes funds are given to develop **organizational**

capacity with a longer-term payoff (such as developing better budgets or fundraising strategies) or **individual client capacity** (such as food education, household budgeting, reskilling/vocational training).

The particular challenge of this moment suggests that speed of support is important. **Existing programs**, which have demonstrated they can quickly put money to good use, would be preferred over new programs. While funds may be provided for direct client service/aid, they might also be appropriately used for specific administrative expenses if organizational capacity is limiting what an organization could achieve, as long as it has a track record of general efficiency and effectiveness.

At this time, organizational and individual client capacity-building may not represent the best uses of funds, as community need is immediate.

- What causes will we target for support?

Service or aid that will help people to meet their

1. *immediate food needs,*
2. *shelter/housing needs, or*
3. *mental health needs.*
4. *A fourth category, Afghan refugees, should be included as a population with urgent and specific needs.*

Why food: A new report from Valley Vision found that food insecurity (“hunger”) is higher in the region than the U.S. as a whole. Younger people (18-34) reported the highest level of food insecurity, along with those who have children in the household and those who lost income during the pandemic. Many who lost income and relied on pandemic stimulus checks to pay for food are now facing a shortfall.

Why shelter/housing: Bay Area residents migrating to the Sacramento region have put even more upward pressure on rents, which rose 45% over the past seven years, according to the Sacramento Bee. The region has an acute shortage of affordable housing (City of Sacramento alone would need to create 16,769 new housing units for low-income residents to meet a state mandate by 2029).

Why Afghan refugees: As of late August, 1,700 refugees were expected to arrive in the region. US government resettlement funds run out after 90 day, leaving these families—who fled the Taliban—to fend for themselves, which is especially difficult given the cost of area rentals.

Why Mental health: Mental health issues have increased dramatically since the pandemic, within all populations, and especially among children. “Children’s mental

health visits to hospitals and eating disorders increased nationwide during the pandemic, said Michelle Cabrera, the executive director of the County Behavioral Health Directors Association of California. Mental health-related visits to emergency rooms for were up 24% for children ages 5–11 and up 31% for children ages 12–17 from 2019 to 2020, according to the [Centers for Disease Control and Prevention](#).

- How will we develop a short list of organizations from whom we will request proposals?

The Vestry and Mercy and Social Justice Committee volunteers will suggest organizations that are active in the causes of interest, and that they believe have the capacity to put funds to use effectively and immediately, as described above.

- How will proposals be solicited?

We will develop a short-form funding proposal that asks organizations to describe their intended use of a potential donation of \$\$\$. (Determined by the Vestry. To the Vestry members: The target would be 2-3 organizations in the range of \$25,000 to \$50,000, a dollar amount determined when the total amount available is determined.) By specifying the amount, organizations will be able to assess whether it is worthwhile for them to apply, and to “right size” their ask.) The form will ask them to

- 1. describe the need that they aim to address (the problem),*
- 2. inquire about the organization’s history in providing the service/aid they propose, and*
- 3. what impact they have demonstrated in the past.*
- 4. They should briefly describe their operation—staffing, capacity—to demonstrate that they have the ability to distribute or use funds in an expeditious and efficient manner.*
- 5. Demonstrate that the organization has sufficient operating funds to meet its overhead and program support needs (past 3 years of IRS form 990, or if too small to report, past 3 years of audited end-of-year financials.*

Organizations will be given several weeks to respond (given approaching holidays and the extra burdens of the season on most nonprofits, who often rely on seasonal giving campaigns).

- How will we evaluate proposals?

Volunteers from the Vestry and Mercy and Social Justice Committee will score proposals using a common ranking system, approved by the Vestry as a whole. A volunteer coordinator will disseminate the proposals and rating forms to this group of volunteers. (Distribution and collection may be done the old-fashioned way, on paper, or electronically.)

Example criteria—extent to which proposed program/service/aid—which may be differentially weighted:

Addresses a significant unmet community need (this might be demonstrated by secondary sources such as newspaper articles, research reports or by documentation of backlogs or unserved clients collected by the organization)

Program/service has an operational history of at least 2 years (year specific program/service founded, numbers of clients served for at least 2 years)

Organization has sufficient operating funds to meet its overhead and program support needs (past 3 years of IRS form 990, or if too small to report, past 3 years of audited end-of-year financials).

Potential impact of proposed program/service (organization would describe how they would measure impact, and report results of previous years according to that metric)

Bonus points: If St. Michaels already has a successful working relationship with the organization.

Although it would not be scored, the organization would be asked to provide one or more brief client stories that they feel exemplify how they address the need they are targeting.

- How will we decide?

The Vestry will receive a report on the proposals, along with the collective or average ratings scores. The group will then discuss and decide upon the organizations to receive the charitable donations, as well as the division of the total amount to be given.

- How should this effort be communicated?

The intent to distribute funds as well as a brief description of the process will be announced at church services and in the bulletin. Progress reports may be given along the way.

At the end of the process, when organizations have been chosen and notified, a blessing of the funds may be given during announcements. It may also be possible to invite organizations to create a 1-2 minute video thanking the congregation and briefly stating how the funds will be put to use to help our neighbors in need. The videos could be shown during the announcements period.