COVID-19 Impact on Parish Collections

Matthew F. Manion, MSCM
Professor of Practice, Management and Operations
Alicia Strandberg, PhD
Assistant Professor, Management and Operations
Introduction

• To study the impact of COVID-19 on Catholic parishes, we analyzed annual offertory collection trends from 169 Catholic parishes from FY2017 to FY2020.

• The impact of COVID-19 on parish collections this year could be devastating, but it does not have to be.

• Parishes still have time to pivot to a new model of being church before the economic impact is irreversible.
Hypotheses

The study was designed to test the following hypotheses:

1. Parishes that livestreamed their Masses/services during the pandemic saw minimal (<5%) or no drop in collections

2. Parishes that used online giving before the pandemic had less of a drop in collections than parishes that did not offer this option.

3. Parishes that did not use online giving or livestream Masses will struggle financially to survive this pandemic after the PPP money runs out.
Collections Dropped 7% in FY20 from 3 Year Average of $660k per parish

Note: 3 parishes were missing FY17 data, so the n=166 parishes for this slide only
Possible 24% Decline in FY21

The bulk of the drop occurred after shut-down on March 15.

If the current rate of giving continues thru FY21, decline will be 24% year over year.

7% : 15 weeks :: 24% : 52 weeks
Not every parish declined.

Collections Increased for 1 in 6 Parishes

Distribution of Parishes Based on % Change in Collections from FY19 to FY20
Parish Size did not matter

Small (<$250k)
Lower mid ($250-500k)
Upper Mid ($500-750k)
Large ($750 – 1,250k)
Mega (>1,250k)
Parish Type did not matter

Seasonal did not include July/Aug 2020
Parish Schools did not matter

Null = parishes who did not identify having a school or not
Geography did not matter

Raleigh, NC did better, but the difference was not statistically significant.
Parish with E-giving declined less

The difference was not statistically significant. 91% of parishes offered e-giving as an option.
Offering Mass Online Does Matter

The difference is statistically significant.

Projected over 12 months, it represents a 20-point difference in collections.
CARES Act Caution

• 80% of the parishes in this study received Payroll Protection Plan (PPP) loans from the government in Q4

• The positive - kept people employed and funded parish operations

• The negative - the pain of the decline in collections has not been felt by many people in the pews.

• Need to communicate clearly and transparently the financial reality to your people.
$1.6 Billion dilemma

• These 169 parishes serve approximately 1 million Catholics
• Their total collections in FY20 were $103 million
• While not representative, for a sense of magnitude, if they were representative of the 65 million Catholics in the U.S....
• And if you assume the 24% year over year decline...
• Total US collections will drop from $6.6 billion to $5.0 billion
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KEY INSIGHTS

• Collections can go up
• Offer online Mass
• Reach out to people
• Share the financial reality
• Be bold and courageous
For more information or questions, please contact:

Matthew Manion  
Faculty Director  
Center for Church Management  
matthew.manion@Villanova.edu