

SPOTLIGHT: What's a Congregation Worth?

Does a congregation's tax-exempt status outweigh the economic value it adds to its community? The University of Pennsylvania's Ram Cnaan has long been searching for a specific answer. In a 1997 study, he found that urban congregations provide, on average, \$140,000 worth of services annually. In 2009, Cnaan (who describes himself as nonreligious) revised his estimate to \$476,663.24. Now he's about to release an even more detailed pilot study focusing on 12 historic Philadelphia congregations, including First Baptist Church, whose annual value to the local economy Cnaan's team places conservatively at \$6,090,032 (nearly ten times its annual budget). Some of the items that contribute:

MEMBERS' EXPENSES IN TOWN \$750

of out of town members x average visit x \$15



CHURCH BUDGET \$520,000

80% of operating budget provides stimulus to local economy



K-12 SCHOOL \$3,489,926

of students x \$9,666



GARDEN/LAWN/CEMETERY \$146

Based on water retained

SUICIDE PREVENTION \$58,800

\$19,600 per person directly saved through clergy intervention

HELPING PEOPLE GAIN EMPLOYMENT \$725,000

\$14,500 per arranged employment

TREES \$523

Based on USDA Forest Service values

REDUCED CRIME RATE -\$64,416

Crimes within tract compared with surrounding tracts x \$2,210



CRIME PREVENTION AND RE-ENTRY \$84,000

of prevented incarceration cases x \$28,000



GETTING PEOPLE OFF DRUGS OR ALCOHOL \$78,750

\$15,750 per person helped



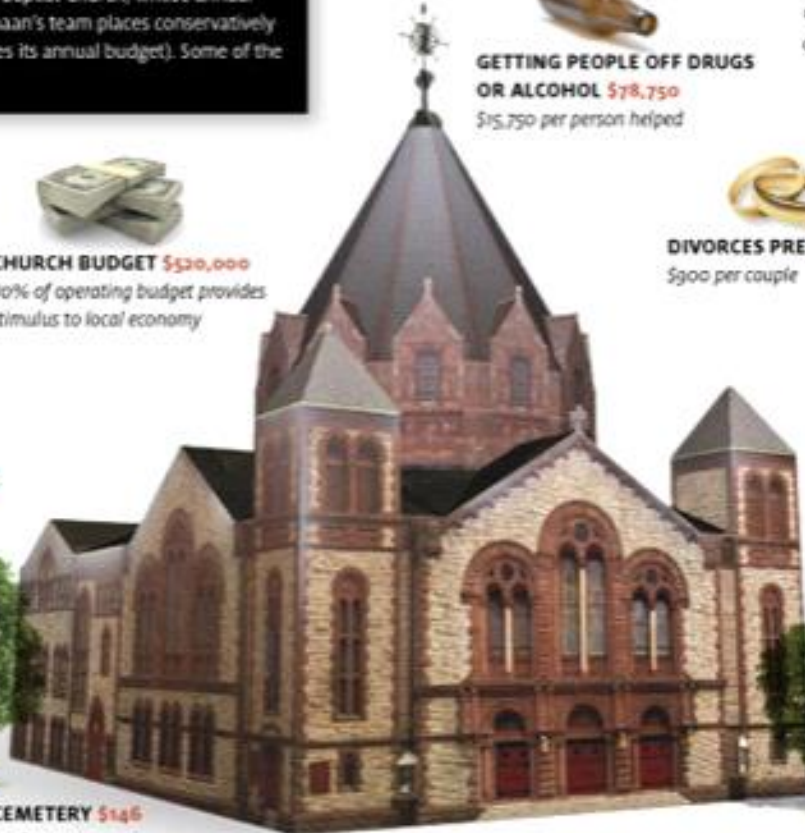
DIVORCES PREVENTED \$22,500

\$900 per couple



BUILDING ENHANCEMENTS/ CAPITAL CAMPAIGN \$60,000

Estimates that half of expenses are spent locally



WHAT COUNTS

Cnaan emphasizes that the point of the study was not to find the value of urban congregations, but more to show that it can be done. Later studies may find even higher values: Cnaan's researchers neglected to include the arts in their calculations (but also didn't count the negative effects of crowded parking and church noise). "A lot more work needs to be done," they said, adding that they expect many of the calculations to be challenged. "We take solace in the fact that valuing the cost of smoking tobacco or of clean water was thought to be impossible only 40 years ago."