



**Strategic Resource Audit Task Force**

**Final Report**

**Presented to:**

**The Session of  
Bradley Hills Presbyterian Church**

**December 20, 2005**

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## **Message from the Pastor**

The Final Report of the Resource Audit Team provides wisdom and encouragement for our strong spiritual community to become stronger. The members of this Task Force (Doug Adamson, Becky Wagner, Todd McCreight, James Scroggs, Jack Bennett, and Steve Holmberg) are all committed members of Bradley Hills, most of who have recently served in leadership positions on Session. They love the Bradley Hills community, and have been faithful servants in building up our fellowship and strengthening both our mission and our vision. And all of them bring seasoned expertise and experience from their secular vocations that have enriched this planning process.

The Team has spent countless hours gathering and analyzing data, and evaluating the financial, volunteer, professional, and material resources of our community of faith. Their recommendations are designed to build on our strengths and move us toward a leaner, more energetic, and efficient organizational life – all so that we can glorify and enjoy God in ever new and productive ways. Their wise thinking is meant to lay a strong foundation for the programmatic and missional recommendations that will be offered by the Visioning Task Force in mid-2006.

All to the glory of God!

Susan Andrews

## Action Summary

Based on the review of the Lay Ministry responses to the Task Force recommendations, the Task Force recommends the following action items be completed by October 30, 2006:

ACTION ITEM(S)	LAY MINISTRY	STAFF MEMBER
<p><b>Lay Leadership Development</b></p> <ul style="list-style-type: none"> <li>• Session/Lay Ministry Training—<i>implement leadership training for lay leaders</i></li> <li>• Lay Ministry Terms—<i>establish terms for lay ministries</i></li> <li>• Volunteer Coordinator—<i>draft responsibilities and identify candidate for VC position</i></li> </ul>	<p><b>Leadership Development</b></p>	<p><b>Karen Warner</b></p>
<p><b>Staff Development</b></p> <ul style="list-style-type: none"> <li>• Professional Development Plans—<i>establish fund and procedures for targeted staff development</i></li> <li>• Comprehensive Staff Evaluations—<i>improve staff evaluation process</i></li> <li>• Time Management Tools—<i>identify and implement tools for professional staff time management</i></li> </ul>	<p><b>Personnel</b></p>	<p><b>Susan Andrews</b></p>
<p><b>Technology</b></p> <ul style="list-style-type: none"> <li>• Computer Reserve—<i>establish fund for ongoing computer acquisition and maintenance</i></li> <li>• Computer Training—<i>develop plan for ongoing staff technology training</i></li> </ul>	<p><b>Parish Administration</b></p>	<p><b>Scott Winnette</b></p>
<p><b>Financial</b></p> <ul style="list-style-type: none"> <li>• Balanced Budget—<i>implement balanced budget policy</i></li> <li>• Building Reserve—<i>establish and fund building reserve</i></li> <li>• Stewardship Growth—<i>identify and implement new campaign approach</i></li> </ul>	<p><b>Financial Stewardship</b></p>	<p><b>Amy deCourt</b></p>
<p><b>Facilities</b></p> <ul style="list-style-type: none"> <li>• Security Improvements—<i>develop and seek funding for building security improvements</i></li> </ul>	<p><b>Property Management</b></p>	<p><b>Don Wilson</b></p>

## **Introduction**

A conversation on any Sunday, and most days of the week, would lift up the reasons we are here, why we have chosen BHPC as the community where we will grow as Christians, and how this congregation expresses our belief to the community and the world. A list of the assets of Bradley Hills would create quite a volume indeed, and surely would not require the work of a task force! The powerful preaching, the beautiful music, the thoughtful and challenging education opportunities, the welcoming space and dedicated volunteers reflect love and care, and what is “right” about us.

This report does not catalog the bounty of our human and financial resources. The recommendations found in this report are raised as areas where improvement would strengthen our foundation – a foundation that is already strong - and one day will support God's vision for Bradley Hills as we grow from this place into our future.

## **Background**

The Strategic Resource Audit Task Force was created by the session of Bradley Hills Presbyterian Church (BHPC) in September 2004. The mission of the Task Force was to conduct an audit of BHPC’s critical resources, and to make recommendations, as needed, to ensure that those resources were being used in the most efficient and effective manner. This effort was intended to serve as a precursor to the development of a new strategic plan for BHPC.

The recommendation to form the Task Force, made by the Parish Administration Lay Ministry, came about as a result of concerns raised by members of the Parish Administration and Financial Stewardship Lay Ministries in the fall of 2003. The church had just completed its annual stewardship campaign, and the Session had decided to make a “second call” to the congregation in an attempt to generate pledges sufficient to cover the revised asking budgets of the Lay Ministries. The concerned members believed that without a new approach to resource planning and allocation, the church would have difficulty fulfilling its mission, values and vision over the next three to five years.

The work of the Task Force focused on addressing four key questions:

1. How can Bradley Hills improve the effectiveness of its long-range planning processes for strategic, financial, human, organizational, physical and technology resources?
2. How could the effectiveness of the annual budgeting process be enhanced as it relates to strategic, financial, human, physical, and technology resources?
3. What budgeting goals, strategies, policies, and processes should Bradley Hills have for its strategic, financial, human, organizational, physical, technology and financial resources?

4. How can Bradley Hills institute a continuous improvement program/process designed to systematically explore opportunities for cost savings and enhanced results?

### **Approach**

The Task Force followed a process provided by Dr. Steven R. Holmberg, a member of the church, professor of management and a consultant to several non-profit organizations. Dr. Holmberg also facilitated the Task Force's work. The model Dr. Holmberg presented served as a useful roadmap for the task force, and offered a framework for future church planning.

The Task Force began with a working premise, that effective resource stewardship and planning are essential components of turning our vision, mission and values into ideas and those ideas into action and service for the benefit of our church community and others. It set out to make recommendations that would lead to the development of a set of resource planning processes, objectives, plans, guidelines and policies related to:

- human resources
- organizational structure
- physical resources
- technology
- financial resources

The Task Force collected data from a variety of sources to give it the needed background and to set a context for its work. Through its data collection and deliberations, the Task Force attempted to discern:

- levels of membership and participation growth and historical trends
- the current level of spiritual participation and growth in worship, education and music
- the impact of membership and participation on the mission and viability of the church
- the relationship between membership and the financial resources of the church
- the implications of membership and participation growth for our facilities, parking, financial, and other resources

In preparing, reviewing and revising its recommendations, the Task Force considered a number of strategic alternatives, being mindful of the far reaching implications of its recommendations, and the extensive resources required to carry them out. The Task Force also reviewed non-profit planning best practices as they apply to a Christian Community.

## **Information Resources**

In order to have sufficient background for its task, the Task Force reviewed data from the following sources:

- the US Congregational Live Survey results from January of 2005
- church vision, mission and values statements (Task Force MMX, July 2000 as amended by Session July 11, 2000)
- church annual reports 1994 to 2004
- church giving patterns 1994 to 2004
- church historical budgets and financial results from 1994 to 2004
- Church membership data from 1994 to
- results from the every member conversations from 2000
- Task Force 2000 Report, June 1996
- Strategic Evangelism Plan, September 1998
- Educational Task Force Report, 2003
- Use of staff time analysis
- other materials

## **Findings from Data Review and Analysis**

### Membership and Participation:

Active membership, at the end of 2004 stood at 682. This membership level is flat when compared to the previous year, and up 7% over five years earlier. An evangelism goal was established by the Session in 1998 calling for membership to be at 800 by 2005. This goal has not been achieved. The diligence with which membership records are maintained was noted as an organizational strength. Accurate worship attendance figures were not as readily available, however indications are that worship participation is flat or declining slightly.

A considerable effort was undertaken to determine levels of participation in educational programs. That effort resulted in the following observations:

- Children's program  
The major concern for the educational program remains a persistent low percentage of children participating. On Sunday mornings, an average of 47 children from age 4 through senior high participate in at least one of these programs. This is 22% of the 214 children in the congregation over three years of age and occupies the full attention of an average of 21 adults each Sunday, including the Director of Christian Education and two paid child care givers for children less than 3 years of age. These attendance figures do not include children who stay with their parents during the entire service in the sanctuary, the Tuesday after-school program for young children, currently called "TASTE", or the Sunday evening program for Middlers and Senior highs, although there is overlap in some of the latter groups with the Sunday morning children. The available data show that the percent attendance is about the same for younger as for older children, with nothing to suggest that program content might be favoring one activity or age more than another. A long term concern for BHPC is the number of children born to our members may be decreasing. There are only 37 children age 5 or less or later compared to 60 children age 6-10 yr: 70 children ages 11-15 years, and 66 youths over age 15 years. This may reflect a larger proportion of the congregation beyond the childbearing years. If there are fewer young parents, then not only the number of children that might come to educational programs less but staffing of education for children may become even a more serious concern that it is now.
- Adults  
Educational events for adults are more diverse and harder to quantify than for children, including not only Sunday morning events but a changing panoply of groups meeting during the week. Tallying attendance at Sunday morning events is always a minimum estimate because everyone does not sign the attendance roster. Attendance at the Bible class during the past academic year averaged 11.1 persons signing up each Sunday, whereas attendance at the contemporary issues and any other offering averaged 27.8 adults for a total of 38.9 adults, or 5.7% of the

congregation. This compares with an average attendance of about 40% in the two Sunday morning worship services. Although the Sunday morning attendance figures provide an incomplete picture of the various educational offerings for adults, there is a parallel between the adult and children's interest in religious education. The church is devoting 1 1/3 full staff positions, a 15-hour support position, and numerous volunteers in an educational effort in which the most of the congregation does not participate.

#### Staffing:

BHPC had 10 FTE paid staff in 2004 compared with 9.5 FTE in 2000. In 2000 staff expense represented 56.2% of the church budget. That percentage declined to 53.6% in 2004. A goal was established in 2001 to bring professional staff salaries up to 75% of the average for comparable churches. That goal has not yet been achieved.

Each professional staff member receives a modest \$800 per year in professional development expenses along with two weeks study leave. The use of that time and money is at the staff member's discretion.

A considerable amount of staff time is devoted to administrative tasks, meeting preparation and meetings, followed by member communications. The amount of time dedicated to pastoral care is hard to determine because so much of it is woven into meetings, phone calls, e-mails or offered around the edges of worship. In addition, the volunteer Parish Nurse provides half-time service in the area of pastoral care.

#### Organization:

One reason for the high percentage of staff time being spent on administrative and meeting activities is that the church has a large number of Lay Ministries, committees, sub-committees and task forces, as well as the Session and Board of Deacons. This large number of volunteers not only requires considerable staff time to support, but have increasingly been difficult to recruit. The Manual for Ministry was discussed and evidence is that while it is potentially a valuable resource, it is underutilized.

#### Financials:

The BHPC budget (Revenues) has grown from \$855,197 in 2000 to \$1,134,145 in 2005. In four of the last five years, expenses have exceeded revenues. While much of this was planned and covered by large carryovers from previous years, the Task Force still regarded the trend as a potential concern.

#### Facilities:

Many of the facilities, the educational wing in particular, are aging and will require significant expenditures to maintain, upgrade or replace over the next several years. The

lack of reserve funding for capital expenditures and annual operating expenses was of noteworthy concern. Lack of adequate parking, lighting and security were also noted.

Technology:

The Task Force recognized the critical role information technology plays in the efficient and effective operations. Concerns were raised about the time and expense required to adequately train the staff to use the new systems recently acquired. Maintaining, upgrading and expanding the churches hardware and software were also considered a priority.

Other:

A consistent theme that carried throughout the Task Forces' data review and discussions was that BHPC appeared to be either over programmed, under staffed, or short about 500 members or all three. This observation is meant to reflect the tremendous burden placed on staff and lay leaders to carry on the extraordinary amount of programming being done by the church.

## **Key Challenges**

The Task identified five key challenges, or gaps between BHPC's current resources or capabilities and those needed to proceed with a comprehensive strategic planning process focused on realizing our vision.

### **Challenge #1: Retaining, motivating, training and compensating a talented professional staff**

Many of the concerns raised by the Task Force had to do with providing adequate resources for our professional staff. The church is blessed with a gifted staff with considerable experience and long tenure. The longevity of the staff is viewed as both strength and a potential threat. The prospects of future staff turnover was discussed as was the need to several of the Task Force recommendations deal with the resource needs of the staff.

### **Challenge #2: Recruiting, training and engaging lay leaders**

Because BHPC has a small staff relative to the amount of programming it does, a more active laity is essential. The Task Force noted that BHPC is blessed to have a very talented congregation with many actively involved members. The challenge is maintaining the right balance between staff and lay leadership, training lay leaders where appropriate, and building the right amount of coordination into Lay Ministry activities. The Task Force also noted that recruiting lay leaders is becoming more challenging as well.

### **Challenge #3: Maintaining a safe, clean and flexible physical plant**

The Church property is a critical resource. Maintenance, energy, cleaning and replacement costs are significant and increasing. Meanwhile, there is neither long-term plan to anticipate the usage of the building by BHPC nor the many other non-BHPC building users. The Task Force believes that proper planning and budgeting for the church property is critical to the mission, vision and values of BHPC.

### **Challenge #4: Improving the use of technology**

Technology plays an ever increasing role in how we communicate with members, manage records of members' involvement and contributions, and handle the growing administrative responsibilities. As the Task Force attempted to collect data for its review it became clear that the Church needs a more efficient and effective information system. The Task Force recognized that several new systems have recently been put in place. While the Task Force sees the purchase of the ACS systems to be of real benefit to the Church. It also believes that providing for hardware acquisition and upgrades, as well as staff training are key to leveraging the new systems.

## Challenge #5: Financial Stewardship

Managing the financial resources of any organization with a budget of over \$1,000,000 is a challenge. In the case of BHPC, that challenge is increased by low restricted endowment funds, recently acquired debt, and the unpredictability of pledge income. The Task Force believes the current annual budget process with strong lay involvement is well managed, and could be strengthened by a few other planning initiatives.

### **Recommendations**

To address the challenges listed above, and to prepare for a strategic planning initiative that would address vision, mission, objectives and specific resource strategies, the Task Force proposed 17 specific recommendations:

#### 1. Paid Staff Professional and Skill Development-

It is recommended that each staff member develop, with the approval of the Head of Staff, a professional staff development plan which reflects areas for development resulting from annual performance evaluations, and will serve the larger vision of the community of faith.

The current professional development budget should be increased by 50%. The increase should be used to create a fund which would be managed by the Head of Staff, who will determine needs for training. Training plan costs must be submitted through the Personnel Lay Ministry during budget planning and incorporated into the BHPC budget annually.--*Refer to Personnel Lay Ministry*

#### 2. Staff Performance Evaluations-

It is recommended that the Personnel Lay Ministry continue to fine-tune staff performance evaluations and conduct those evaluations against (1) the agreed upon job description; (2) assigned goals for the calendar year; (3) individual development opportunities as recorded in prior years' performance evaluations; and (4) and progress toward the professional staff development plan.--*Refer to Personnel Lay Ministry*

### 3. Paid Staff Professional Time Usage-

It is recommended that paid staff professional time usage be recorded in the major categories of activities performed by each staff member and summarized for a four week period, once a year. The Personnel Lay Ministry should provide a simple time calculation instrument for ease of use. This identification of time usage will help assess if time is being used in relation to position descriptions, whether or not too many committees, task forces, etc are relative to the efficient use of staff time and other resources.--*Refer to Personnel Lay Ministry*

### 4. Volunteers-

It is recommended that a part-time Member Volunteer Coordinator be hired to increase the engagement of all BHPC members, identify and develop member gifts and talents and free up staff time required for the recruiting process. The position would serve as liaison to the Leadership Development Lay Ministry and recruitment activities would be tightly coordinated with this Lay Ministry.--*Refer to Leadership Development*

### 5. Future Considerations-

As we plan for growth in membership, participation and program needs, careful and creative consideration of alternative staffing patterns need to be at the foundation of the strategy.

Multiple discussions have indicated that BHPC is over programmed for a congregation our size. Session needs to establish priorities to avoid over-programming and stretching staff and volunteers too thin.--*Refer to Visioning Task Force*

### 6. Session and Lay Ministry Development-

Develop a training and development program for the Session and Lay Ministries to assist with transforming from more of a day-to-day operational focus to more of a policy and strategic focus.

Consider:

- Roles, focus, vision in relationship to the larger organization
- Strategic thinking and effective execution
- Individual organizational purposes focused on serving the larger good
- Effective team leadership and participation
- Effective communication strategies--*Refer to Leadership Development*

### 7. Terms on Lay Ministries –

Consider establishing a set term (number of years) for service on committees and Lay Ministries to encourage broader participation (example, 2 year terms with ability to renew).

- Make each Lay Ministry responsible for recruiting a certain number of new members every two years (e.g., every year have 20 percent new members).

- Role clarification – clarify roles of staff, chairs, and members
- The proposed part-time staff addition (Volunteer Coordinator) could be of assistance in recruiting new volunteer members.
- Determine the appropriate size of each Lay Ministry.--*Refer to Leadership Development*

#### 8. Community Group Building Use Policy –

Conduct an analysis of future building use implications based on the evolving missions of BHPC, BJC and various building users.--*Refer to Visioning Task Force*

#### 9. Establish and Fund Annual Property Management Replacement/Repair/Improvement Reserve –

It is recommended that 2.5 percent of each annual expense budget be contributed to a property management replacement/repair/improvement reserve fund, annually for the next five years. At the end of five years this policy should be reviewed and revised depending on potential needs and experiences over the past five years.

It is further recommended that an Organ Reserve should be established to pre-fund maintenance and anticipated major organ expenses.--*Refer to Financial Stewardship Lay Ministry*

#### 10. Building and Grounds Security –

It is recommended that a security audit be conducted, by the end of 2005 and consideration be given to further improvements including, improved exterior building and grounds lighting; gates that could make several or all of the entrance roads to BHPC closed at some points during the evening; alarms and security cameras; security cables or other devices for computers and other electronic equipment; policies for locking exterior church doors in the evening and on the weekends; exterior door lock improvements; etc. There may be Montgomery County, state and/or federal funds available to support security equipment and deployment. Explore developing a grant proposal for security equipment and installation. --*Refer to Property Management Lay Ministry*

#### 11. Facility/Space Needs –

It is recommended that the strategic planning process include a facility programming phase that identifies details and prioritizes current and near-future needs for additional facility space, furnishings and equipment. Particular consideration should be given space needs identified, but not addressed, during the CTL campaign.--*Refer to Visioning Task Force*

## 12. Computer and Information Staff Training –

In order to make full use of the church's technology and software, it is recommended that computer and information staff training programs be conducted regularly, beginning in 2006.--*Refer to Personnel Lay Ministry*

## 13. Computer and Information Systems Reserve Fund -

Because of the need to replace computers on a regular basis, approximately every three years, it is recommended that \$5,000 be budgeted each year to be placed in a Computer and Information Systems Reserve Fund. This fund could then provide for the regular replacement of computers and related computer equipment.--*Refer to Parish Administration Lay Ministry*

## 14. Improvement Initiatives –

It is recommended that the Financial Stewardship Lay Ministry, Parish Administration Lay Ministry, Property Management Lay Ministry and the Personnel Lay Ministry chairs meet once each year to decide on one or two improvement projects that could yield substantial cost savings and/or efficiency gains and enhanced effectiveness for BHPC.

Require as part of the budget process each Lay Ministry to develop a proposed improvement initiative.--*Refer to Chairs*

## 15. Systematic Debt Reduction Initiative –

It is recommended that BHPC's debt be systematically reduced from the current December 31, 2004 level of \$965,747 to \$665,747 by December 31, 2014 by annually budgeting an expense item of \$30,000 towards debt reduction. Each \$100 allocated to debt reduction is projected to save \$200 in interest expenses over the life of the loan. Hence, each \$30,000 allocated to debt reduction will save BHPC \$60,000 over the life of the loan. It would be useful for the Session to develop a systematic debt reduction plan as part of the annual budgeting expense process.--*Refer to Financial Stewardship Lay Ministry*

## 16. Stewardship Growth –

Bradley Hills needs to find ways to significantly grow annual pledge revenue through new approaches to developing the asking budget and conducting the stewardship campaign that fully engages the congregation, and leads to a deeper commitment to the mission of Jesus Christ. It is important that Session take a more active role in this process, working with the Financial Stewardship Lay Ministry. -- *Refer to Financial Stewardship Lay Ministry*

## 17. Balanced Budget Policy –

In order to ensure the financial health of the congregation, and support the success of the annual stewardship campaign, the Session should adopt a balanced budget policy, prohibiting annual operating deficits except as approved by 75% of the full Session.--  
*Refer to Financial Stewardship Lay Ministry*

### **Review of Recommendations**

Following the initial presentation of the recommendations to the Session, the recommendations were referred, by the Session, to the Lay Ministries for review. The recommendations with Lay Ministry comments are attached in the Appendix o.

The Task Force appreciates the opportunity to serve, and looks forward to seeing the results of the implemented recommendations.

Respectfully submitted:

Strategic Resource Audit Task Force

Doug Adamson	Parish Administration
Susan Andrews	Head of Staff
Jack Bennett	Education & Nurture
Steve Holmberg	Parish Administration
Todd McCreight	Financial Stewardship
James Scroggs	Property Management
Becky Wagner	Personnel

**Appendix:**

***Strengths and Weaknesses:***

The following current strategic resource strengths and weaknesses were identified, by resource category, by the Task Force early in the resource strategic planning process.

**Human Resources**

<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>- Congregation is happy with the professional staff</li> <li>- Gifted congregation</li> <li>- Well educated staff</li> <li>- Experienced staff</li> <li>- Longevity of staff</li> <li>- Supportive staff</li> <li>- Susan</li> <li>- Office volunteers</li> <li>- Teamwork</li> <li>- Availability of childcare</li> <li>- Nursery school</li> <li>- Gifted professional staff</li> <li>- Don</li> <li>- Sunny</li> <li>- Corky</li> <li>- Volunteer talent</li> </ul>	<ul style="list-style-type: none"> <li>- Post service welcome activities</li> <li>- Administrative support</li> <li>- Lack of office manager</li> <li>- Few professional staff members track how their time is used –</li> <li>- Salary scale for some positions</li> <li>- “Do we have what we need; do we need what we have?”</li> <li>- Do we have too many staff/resources in some areas and too few in others?</li> <li>- Size of church vs. size of staff</li> <li>- Amy and Don are part-time</li> <li>- Longevity of staff could lead to high turnover in foreseeable future</li> <li>- Difficulty recruiting enough volunteer leaders</li> <li>- Lack of cross training</li> <li>- Staff development plan and executing against that plan</li> <li>- Skill gaps.</li> <li>- Aging congregation</li> <li>- Teamwork issues</li> <li>- Childcare quality concerns</li> <li>- Leadership development</li> <li>- Leadership numbers static</li> <li>- Risk management/EEO policies not well developed</li> <li>- Staff annual performance evaluation has no links to merit compensation system and responsibility/accountability</li> <li>- Staff reporting relationships could be stronger</li> </ul>

## Organizational Structure

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>- Sufficient Human Resources for Task Forces</li> <li>- Written plans available for most activities</li> </ul>	<ul style="list-style-type: none"> <li>- Task Forces and teams do what Lay Ministries should do</li> <li>- Lack of “rotation system” for lay ministry members</li> <li>- Is the Session too large</li> <li>- Structure of Session</li> <li>- Need disaster action plan</li> <li>- How to get people to use the Manual for Ministry (MFM)</li> <li>- Lack of flexibility in governance</li> <li>- Do we have too many Lay Ministries?</li> <li>- Potential negative impact of the number of Lay Ministries and other groups on staff time and resources</li> </ul>

## Physical Resources

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>- Use of facilities by others</li> <li>- Building is worn but welcoming</li> <li>- Organ</li> <li>- Location</li> <li>- Volunteer talent</li> </ul>	<ul style="list-style-type: none"> <li>- Intensive use of facilities by others</li> <li>- Cost of organ maintenance</li> <li>- Lack of reserve fund for capital expenditures and for annual operating expenses</li> <li>- Lack of long range plan for building maintenance</li> <li>- Cost of physical plant—maintenance, energy, cleaning, replacement costs</li> <li>- Cleanliness concerns</li> <li>- Location—hard to see from the road</li> <li>- Need more volunteers</li> <li>- Accessibility issues</li> <li>- Security—interior and exterior</li> <li>- Inadequate exterior lighting</li> <li>- Parking adequacy, depending on future church membership</li> </ul>
Other	
<ul style="list-style-type: none"> <li>- No parlor for relaxed socializing, etc.</li> </ul>	

## Technology/Information System Resources

<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>- New ACS information system</li> <li>- New master Church calendar and building use system</li> <li>- Able to purchase computers for staff use</li> <li>- Volunteer talent to assist in the technology area</li> <li>- Contract new IT firm</li> </ul>	<ul style="list-style-type: none"> <li>- ACS staff training in early stages</li> <li>- Additional staff training needed so technology used to save time, etc.</li> <li>- Lack of historical and ongoing, up-to-date information and data in almost all resource areas</li> <li>- Lack of data in electronic form</li> <li>- No strategy and reserve fund to upgrade computers, software</li> <li>- Information security a continuing concern-- time lost to viruses, etc.</li> <li>- Information technology/data risk management—need all data backed up on a regular basis and kept off site</li> <li>- Current network limited</li> </ul>

## Financial Resources

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>- Membership willing to increase pledges over time</li> <li>- Building users help cover fixed financial costs</li> <li>- Regular annual budget process and lay involvement</li> <li>- Volunteer talent</li> </ul>	<ul style="list-style-type: none"> <li>- Annual budget deficits on a frequent basis</li> <li>- Lack of multi-year future year financial goals and plans</li> <li>- Spending out of reserves to meet annual budget shortfalls</li> <li>- Annual budget process promotes advocacy of special interests vs. budget discipline</li> <li>- No reserves for membership and/or membership pledge shortfalls</li> <li>- No annual budget reserves for technology, physical facilities, etc.</li> <li>- High debt load</li> <li>- No annual budgeted amount to reduce total debt each year</li> <li>- High annual debt interest expense</li> <li>- Low restricted endowment fund—opportunities to build overall and in special program areas</li> <li>- Systematic exploration of less expensive or different ways to accomplish goals; lack of continuous improvement targets/methods</li> <li>- Link time and resource use to results and achievements</li> </ul>

**Financial Data**

**BHPC Overview of Financial Resources, 1994 to 2004 Actual and 2005 Budget**

Year	Total Revenues	Total Expenses	Net (Current Year Operations)	Net Carryover
1994	586,304	600,836	(14,531)	
1995	593,018	615,827	(22,809)	
1996	648,535	624,609	23,925	39,477
1997	698,803	666,856	31,947	43,924
1998	722,797	718,115	4,682	48,606
1999	756,160	767,015	(10,855)	37,751
2000	855,197	821,424	33,772	71,524
2001	956,476	826,407	130,069	201,593
2002	954,421	983,226	(28,804)	169,398
2003	983,985	1,057,315	(73,330)	96,067
2004	1,100,979	1,139,579	(38,599)	57,468
2005*	1,134,154	1,165,731	(31,677)	25,791

Source: BHPC Annual Reports.

Note: \*2005 Approved Budget.

**BHPC Financial Resource Revenue Major Sources, 1994 to 2004 Actual and 2005 Budget**

Year	Total Contributions	Total Building Users	Total Programs	Total Other Income	BJC Contribution to Debt Service	Special Offerings & Restricted Funds	TOTAL REVENUE
1994	440,709	117,586	19,170	8,836	--	--	586,304
1995	486,185	84,681	9,617	12,534	--	--	593,018
1996	507,622	97,418	28,741	14,752	--	--	648,535
1997	552,840	115,635	5,441	24,887	--	--	698,803
1998	571,229	126,051	4,201	21,316	--	--	722,797
1999	600,066	134,025	5,084	16,982	--	--	756,160
2000	668,410	165,974	8,512	12,300	--	--	855,197
2001	770,546	165,149	0	20,780	--	--	956,476
2002	738,713	172,803	19,226	10,473	13,204	--	954,421
2003	779,813	175,717	2,040	8,477	17,936	--	983,985
2004	819,448	188,654	5	9,144	13,795	69,931	1,100,979
2005*	917,807	179,797	6,000	9,100	14,850	6,500	1,134,054

Source: BHPC Annual Reports.

Note: \*2005 Approved Budget.

**BHPC Financial Resource Major Expense Sources, 1994 to 2004 Actual and  
2005 Budget**

<b>Year</b>	<b>Total Staff</b>	<b>Total Property Management</b>	<b>Total Program Expenses</b>	<b>Total Mission</b>	<b>Total Benevolences</b>	<b>Total Special Obligations</b>	<b>TOTAL EXPENSES</b>
1994	325,044	116,092	519,076		64,649	10,723	600,836
1995							615,827
1996	354,427	96,102	535,869		76,199	12,541	624,609
1997							666,856
1998							718,115
1999							767,015
2000	461,676	105,505	690,822		100,600		821,424
2001							826,407
2002							983,226
2003							1,057,315
2004	610,652	177,343	938,180	111,428	134,717	66,681	1,139,579
2005*	641,571	162,191	986,777	116,928	116,928	62,025	1,165,731

Source: BHPC Annual Reports.

Note: \*2005 Approved Budget.

**Membership data**

Year	Membership Gains				Membership Losses				Total Active Membership
	New To Our Community	New Through Confirmation	Reactivation	Total Gains	Deaths	Transfers	Inactive	Total Losses	
1994	47		0	47	5	6	3	14	575
1995	17		0	17	5	2	0	7	588
1996	42		0	42	4	11	0	15	613
1997	42		0	42	8	4	30	42	620
1998	34		0	34	5	9	6	20	622
1999	48		1	49	2	4	32	38	633
2000	8	12	1	21	NA	NA	NA	17	638
2001	20	32	2	54	NA	NA	NA	32	661
2002	NA	NA	NA	43	NA	NA	NA	49	658
2003	19	17	0	36	3	3	6	12	684
2004	22	21	2	45	6	6	35	47	682

Source: Bradley Hills Presbyterian Church Annual Reports

Note: Plus or minus adjustments may have been made in the CCIS database to arrive at total active membership numbers shown above.

In 1998 the Session adopted an evangelism strategy to grow the total BHPS membership to 800 by the year 2005.

**Strategic Resource Audit Task Force  
Recommendations**

<b>Lay Leadership Development</b>				
<b>Recommendation Title and Responsible Group</b>	<b>Task Force Recommendation</b>	<b>Lay Ministry Response</b>	<b>Financial Impact</b>	<b>Staff Time Requirements</b>
<b>Organizational Structure Recommendation #1</b> Leadership Development	<p><b>Session and Lay Ministry Development-</b></p> <p>Develop a training and development program for the Session and Lay Ministries to assist with transforming from more of a day-to-day operational focus to more of a policy and strategic focus.</p> <p>Consider:</p> <ul style="list-style-type: none"> <li>-Roles, focus, vision in relationship to the larger organization</li> <li>-Strategic thinking and effective execution</li> <li>-Individual organizational purposes focused on serving the larger good</li> <li>-Effective team leadership and participation</li> <li>-Effective communication strategies</li> </ul>	<p>Conditionally accepted.</p> <p>We wondered when we could find time to deliver this training program, yet we do support it. If meetings and times for gathering could be shorter more time would be available.</p>		

<b>Recommendation Title and Responsible Group</b>	<b>Task Force Recommendation</b>	<b>Lay Ministry Response</b>	<b>Financial Impact</b>	<b>Staff Time Requirements</b>
<b>Organizational Structure Recommendation #2</b> Leadership Development	<b>Terms on Lay Ministries –</b> Consider establishing a set term (number of years) for service on committees and Lay Ministries to encourage broader participation (example, 2 year terms with ability to renew). •Make each Lay Ministry responsible for recruiting a certain number of new members every two years (e.g., every year have 20 percent new members). •Role clarification – clarify roles of staff, chairs, and members •The proposed part-time staff addition (Volunteer Coordinator) could be of assistance in recruiting new volunteer members. •Determine the appropriate size of each Lay Ministry.	Agreed with the spirit of this recommendation.  The group did not want to set the 2 year rotation has a hard and fast rule, however, since it is difficult to staff many of the ministries.		
<b>Human Resource Recommendation #4</b> Leadership Development	<b>Volunteers-</b> It is recommended that a part-time Member Volunteer Coordinator be hired to increase the engagement of all BHPC members, identify and develop member gifts and talents and free up staff time required for the recruiting process. The position would serve as liaison to the Leadership Development Lay Ministry and recruitment activities would be tightly coordinated with this Lay Ministry.	Accepted	Unknown	<b>Human Resource Recommendation #4</b> Leadership Development

## Staff Development

Recommendation Title and Responsible Group	Task Force Recommendation	Lay Ministry Response	Financial Impact	Staff Time Requirements
<p style="text-align: center;"><b>Human Resource Recommendation #1</b> Personnel</p>	<p><b>Paid Staff Professional and Skill Development-</b></p> <p>It is recommended that each staff member develop, with the approval of the Head of Staff, a professional staff development plan which reflects areas for development resulting from annual performance evaluations, and will serve the larger vision of the community of faith.</p> <p>The current professional development budget should be increased by 50%. The increase should be used to create a fund that would be managed by the Head of Staff, who will determine needs for training. Training plan costs must be submitted through the Personnel Lay Ministry during budget planning and incorporated into the BHPC budget annually.</p>	<p>Paragraph 1 is rejected as there is currently a mechanism in place for HOS to identify areas for development for staff (i.e. annual performance review). Creation of an additional document creates an unwanted administrative burden on staff and HOS. Regarding paragraph 2, CE funds will be increased in the 06 budget request in 2 ways: (a) increase staff discretionary funds by \$1,800 ( \$200 increase for HOS, DMM, DEM, Associate pastor and new allotments of \$500 each for Comm. Co-ord. and Office Manager) and (b) a new account will be proposed to consist of \$1000.00 designated for Professional Technical Training (see Tech. Resource rec. #1); professional staff inc. office manager can apply for funds; PALM to determine criteria for appropriate expenditures; HOS to sign off on allocations.</p>	<p>\$1,800 in first year only.</p>	
<p style="text-align: center;"><b>Human Resource Recommendation #2</b> Personnel</p>	<p><b>Staff Performance Evaluations-</b></p> <p>It is recommended that the Personnel Lay Ministry continue to fine-tune staff performance evaluations and conduct those evaluations against (1) the agreed upon job description; (2) assigned goals for the calendar year; (3) individual development opportunities as recorded in prior years' performance evaluations; and (4) and progress toward the professional staff development plan.</p>	<p>Adopt with changes. Omit item (4). (See explanation under "Human Resources rec. # 1).</p> <p>PLM will use the annual evaluation process currently in place, but will be more diligent in tracking progress on developmental goals identified on annual reviews</p>	<p>None</p>	<p>Staff will be encouraged to address identified developmental goals, to enhance their effectiveness in fulfilling the mission of the church.</p>
<p style="text-align: center;"><b>Human Resource Recommendation #3</b> Personnel</p>	<p><b>Paid Staff Professional Time Usage-</b></p> <p>It is recommended that paid staff professional time usage be recorded in the major categories of activities performed by</p>	<p>Recommend rewording as follows: "PLM will establish a useful measurement tool to allow staff to demonstrate use of hours and to assure that our staff members are not</p>	<p>None</p>	

	<p>each staff member and summarized for a four week period, once a year. The Personnel Lay Ministry should provide a simple time calculation instrument for ease of use. This identification of time usage will help assess if time is being used in relation to position descriptions, whether or not too many committees, task forces, etc are relative to the efficient use of staff time and other resources.</p>	<p>overworked and congregation demands are not beyond capacity and reason.”</p> <p>Will help clarify staffing needs and assist in future planning.</p> <p>Will allow staff to communicate actual hours worked so that steps can be taken to prevent staff “burnout.”</p>		
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## Technology

Recommendation Title and Responsible Group	Task Force Recommendation	Lay Ministry Response	Financial Impact	Staff Time Requirements
<p><b>Technology Resource Recommendation #2</b> Parish Administration</p>	<p><b>Computer and Information Systems Reserve Fund –</b> Because of the need to replace computers on a regular basis, approximately every three years, it is recommended that \$5,000 be budgeted each year to be placed in a Computer and Information Systems Reserve Fund. This fund could then provide for the regular replacement of computers and related computer equipment.</p>	<p>Recommend adopt with changes.</p> <p>The Parish Administration Lay Ministry will establish a reserve fund for a new telephone system that will need purchased in approximately three to four years. We have set aside \$4000 for this system in the budget for 2006.</p> <p>For other computer equipment, we have decided to pursue a three year replacement strategy for all computer equipment. We believe this investment in technology is necessary to keep up with the demands of the lay ministries. Computer equipment and software costs should be viewed as a utility that enables the church to function efficiently.</p> <p>For 2006, Parish Administration proposes entering into a leasing arrangement for a new server and four PCs. This will be the beginning of our three year replacement strategy and will enable us to reduce support costs.</p> <p>The Parish Administration Lay Ministry believes it is time that the necessary equipment is kept up to date in terms of hardware and software to support the work of the church and avoid extensive support costs. The move to lease computer equipment and establish a telephone system reserve fund will enable the church to operate on a smoother cash flow basis while keeping technology up to date.</p>	<p>\$4,000 per year</p>	<p>There will be more work for Amy to move the telephone system reserve from the current year into a reserve account.</p> <p>Also, Amy will need to be more involved in establishing the leasing arrangements for the computer equipment as described above.</p>

<b>Recommendation Title and Responsible Group</b>	<b>Task Force Recommendation</b>	<b>Lay Ministry Response</b>	<b>Financial Impact</b>	<b>Staff Time Requirements</b>
<p><b>Technology Resource Recommendation #1</b> Personnel</p>	<p><b>Computer and Information Staff Training –</b> In order to make full use of the church’s technology and software, it is recommended that computer and information staff training programs be conducted regularly, beginning in 2006.</p>	<p>Accepted. The budget account to cover this recommendation will be designated “Professional Technical Training.” See description under “Human Resource rec. # 1.</p> <p>Consistent with PLM mission to provide staff with tools to fulfill job responsibilities and opportunities for professional development.</p> <p>Expected to increase staff efficiency and job satisfaction.</p>	<p>\$1,000 annually</p>	

## Financial

Recommendation Title and Responsible Group	Task Force Recommendation	Lay Ministry Response	Financial Impact	Staff Time Requirements
<p><b>Financial Resource Recommendation #4</b> Financial Stewardship</p>	<p><b>Balanced Budget Policy –</b> In order to ensure the financial health of the congregation, and support the success of the annual stewardship campaign, the Session should adopt a balanced budget policy, prohibiting annual operating deficits except as approved by 75% of the full Session.</p>	<p>Recommend adopt.</p> <p>Will possibly reduce expenses in some years.</p> <p>In line with mission. Little or no additional LM time anticipated.</p>		<p>Minimal.</p>
<p><b>Physical Resource Recommendation #2</b> Financial Stewardship</p>	<p><b>Establish and Fund Annual Property Management Replacement/Repair/Improvement Reserve –</b> It is recommended that 2.5 percent of each annual expense budget be contributed to a property management replacement/repair/improvement reserve fund, annually for the next five years. At the end of five years this policy should be reviewed and revised depending on potential needs and experiences over the past five years.</p> <p>It is further recommended that an Organ Reserve should be established to pre-fund maintenance and anticipated major organ expenses.</p>	<p>Adopt with changes:</p> <ul style="list-style-type: none"> <li>- Need several years to ease into a full annual contribution</li> <li>- recommend 2.0 % rather than 2.5% as target for initial phase</li> <li>- recommend increasing by 0.25% each year</li> </ul> <p>Very much in line with mission. No impact in terms of time.</p> <p>Current estimated value of facilities: \$11,000,000</p>	<p>Year</p> <p>1: \$27,500 (0.25%)</p> <p>2: \$55,000 (0.5%)</p> <p>3: \$82,500 (0.75%)</p> <p>4: \$110,000 (1.0%)</p> <p>5: \$137,500 (1.25%) etc. to year 8</p>	<p>Minimal</p>

<p><b>Financial Resource Recommendation #3</b> Financial Stewardship</p>	<p><b>Stewardship Growth –</b> Bradley Hills needs to find ways to significantly grow annual pledge revenue through new approaches to developing the asking budget and conducting the stewardship campaign that fully engages the congregation, and leads to a deeper commitment to the mission of Jesus Christ. It is important that Session take a more active role in this process, working with the Financial Stewardship Lay Ministry.</p>	<p>Recommend adopt.</p> <p>Anticipate no additional spending beyond current stewardship campaign expenses.</p> <p>Very much in line with mission. We will have to invest more LM time, however, in a broader campaign.</p>	<p>Significant additional time for each lay ministry and each staff member (5-10 hrs/yr)</p>
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## Facilities

<b>Recommendation Title and Responsible Group</b>	<b>Task Force Recommendation</b>	<b>Lay Ministry Response</b>	<b>Financial Impact</b>	<b>Staff Time Requirements</b>
<p><b>Physical Resource Recommendation #3</b> Property Management</p>	<p><b>Building and Grounds Security –</b> It is recommended that a security audit be conducted, by the end of 2005 and consideration be given to further improvements including, improved exterior building and grounds lighting; gates that could make several or all of the entrance roads to BHPC closed at some points during the evening; alarms and security cameras; security cables or other devices for computers and other electronic equipment; policies for locking exterior church doors in the evening and on the weekends; exterior door lock improvements; etc. There may be Montgomery County, state and/or federal funds available to support security equipment and deployment. Explore developing a grant proposal for security equipment installation.</p>	<p>Accepted with changes.</p> <p>A thorough written Security Audit might need more time because Property Management wants a security firm or a representative from Montgomery County Police Department to review the church's building and grounds. The Property Management Lay Ministry (PMLM) will try to get the information as soon as possible but a complete and through audit takes time. A Security Firm may recommend some or all of the above mention items; depending on their recommendations and funding/grants.</p>	<p>Unknown</p>	<p>Unknown</p>

## Defer for Future Action

Recommendation Title and Responsible Group	Task Force Recommendation	Lay Ministry Response	Financial Impact	Staff Time Requirements
<p><b>Physical Resource Recommendation #1</b> Visioning Task Force</p>	<p><b>Community Group Building Use Policy –</b> Conduct an analysis of future building use implications based on the evolving missions of BHPC, BJC and various building users.</p>			
<p><b>Physical Resource Recommendation #4</b> Visioning Task Force</p>	<p><b>Facility/Space Needs –</b> It is recommended that the strategic planning process include a facility programming phase that identifies details and prioritizes current and near-future needs for additional facility space, furnishings and equipment. Particular consideration should be given space needs identified, but not addressed, during the CTL campaign.</p>			
<p><b>Financial Resource Recommendation #1</b> Lay Ministry Chairs</p>	<p><b>Improvement Initiatives –</b> It is recommended that the Financial Stewardship Lay Ministry, Parish Administration Lay Ministry, Property Management Lay Ministry and the Personnel Lay Ministry chairs meet once each year to decide on one or two improvement projects that could yield substantial cost savings and/or efficiency gains and enhanced effectiveness for BHPC.</p> <p>Require as part of the budget process each Lay Ministry to develop a proposed improvement initiative.</p>			
<p><b>Human Resource Recommendation #5</b> Visioning Task Force</p>	<p><b>Future Considerations-</b> As we plan for growth in membership, participation and program needs, careful and creative consideration of alternative staffing patterns need to be at the foundation of the strategy.</p>			

	<p>Multiple discussions have indicated that BHPC is over programmed for a congregation our size. Session needs to establish priorities to avoid over-programming and stretching staff and volunteers too thin.</p>			
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