



Your Columbarium Project Source™

HELPING YOUR COMMUNITY PLAN FOR ITS FUTURE THROUGH SIMPLIFIED COLUMBARIUM BUDGETING

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Capital campaigns for construction of new amenities can be very rewarding for non profit organizations but often require substantial effort. Breaking this effort into a small number of distinct components makes the process much easier. In fact, you can handle most of the planning and execution with talents within your organization.

Assess Your Project Costs

When assessing columbarium costs, consider both present and future costs. Present costs include the columbarium, its surroundings, and any professional services (architectural, construction, legal, etc.) to make the columbarium happen. Future costs can include management as well as expansion. In fact, making provisions for growth during your initial phase can actually reduce your costs during an expansion.

Paul Pinigis of Architarium, a US-based columbarium manufacturer, suggests “When considering cost, consider value too. When you invest in quality, you frequently save money in the future.”

Next, you need to determine the scope of your project. Scoping encompasses your requirements and wishes for the overall project. The best approach to costing your project is the one used in this article: break the project down into smaller components. Sample a few sources for each major cost. You can ask for estimates or rules of thumb to get started. As an example, for basic structural columbarium wall construction, you can use \$250 per linear foot to estimate. Finally, assess the net value offered by each professional or supplier. This exercise allows you to refine the scope of your project.

Set Your Fundraising Price Point

The price point that you set for columbarium niches directly affects your columbarium’s success. The price range for a double niche in the US today is \$1,000 to \$2000. But niches may be priced higher depending on other factors like location and services. As another point of reference, ground plots are typically more expensive because they



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involve land use and commercial entities. You can set various price points which will allow you to test price sensitivity and refine your price structure based on response.

Estimate Your Niche Demand

Factors that affect demand include: the size of your organization, the growth trend of your membership base, the number of elderly and the eligibility requirements for your columbarium.

There are several ways to determine interest or demand. For example, you can survey your members. Be sure to include a range of time frames for a possible purchase. Another method is to use your records to estimate the number of deaths likely in coming years.

Combining your demand estimate with your columbarium niche price point(s) allows you to forecast *initial* sales. Once the columbarium is “seeded” with initial purchases, interest will grow with more purchases and less availability. You should still plan to do on-going marketing; especially marketing that emphasizes your columbarium’s success.

List Your Assets

Paul Pinigis served for years as the chair of the finance council at St. Ignatius, a 1,500 family church in Austin, Texas, and knows how challenging it can be to raise the funds needed for a capital campaign. He advises “Think in terms of assets, as opposed to income - which is one of many assets.” Assets can include: fundraising income, sales income, as well as gifts of labor, services and materials. The latter reduces need for cash expenditure. Assess the internal support that already exists within your organization: capital expenditure funds, stewardships, member talents and gifts, etc. You can complement these assets with a variety of fundraising methods. Be sure to account for each asset in writing within your budget.

Schedule Your Budget

Part of budgeting is also considering the timing of the project. A schedule of asset inflows and cash outflows will ensure that the overall project schedule can be met. For example, a budget schedule may help you determine whether you want to do pre-sales of columbarium niches.

Perform Project Risk Mitigation

A columbarium is a long-term investment that needs to be protected. A sound budget plan is one of the best forms of insurance. Calculate a “fudge factor”, ex. 10-15%, into



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your project material costs. Firm quotes, expertise and a detailed project plan can reduce this fudge factor. Assign values to donations-in-kind in case they don't materialize. Also ask how your contractor handles overages. Demand sometimes proves difficult to determine. If so, start with a small columbarium and make provisions for expansion. Finally, provide for on-going marketing costs to ensure that your columbarium niches sell continuously.

Serve Your Community by Creating a Lasting Memory

Columbariums not only serve the community but also can create a positive cash flow for years to come. In fact, this income can be used to grow the columbarium, propagating your initial investment.

Paul Pinigis notes: "Columbariums also have indirect positive effect on cash flow resulting from membership involvement. Capital campaigns generate excitement and a columbarium also serves the extended community." With the right planning, an organization has the tools it needs to execute a successful columbarium project.



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