

# Mission-Driven Budgeting

*Developing your church budget based on a theology of abundance*

## One Congregation's Budget Process

The Knox-Calvin Presbyterian Church is a midsized congregation whose session had grown weary of the traditional committee-based, budget-building process, which in the past had often led to anger and heated discussions over territorial issues. Pastor Samuel Jones received several phone calls from key elders who expressed dread of the budget meeting. Pastor Jones had already decided to try something different and discussed his ideas with those elders.

The session of Knox-Calvin met for its regular meeting in September and discussed what they liked and did not like about their usual way of creating a budget. As part of their opening sharing time, the elders shared what it meant to them to live out of the belief that God is an abundant God giving to the church all that is needed for the mission of the church. They talked about the connections between grace, gratitude, and gladness in their lives and the life of the congregation. They studied Philippians 4:19.

The elders decided to base the budget on mission priorities that had been established at the officer's retreat in May. The four priorities of worship and discipleship; ministry with youth, children, and their families; community outreach; and congregational care for members and friends were discussed and reaffirmed. Conversation at the session meeting was excited and lively.

The next week, the committee chairs met to be certain they all understood this different approach to the budget process. Meetings of all committees were scheduled on their regular monthly date. Each committee met and, using the priorities set by the session, spent time connecting the programs and activities of their committee to the priorities. They had a good time writing their sentences and paragraphs to describe their ministries together.



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Several people from the session volunteered to collect the work of each committee and compile the budget for the next session meeting. They created a budget in story form as well as a line-item budget. Both were presented to the session at its October meeting. The session adopted both forms of the budget. There was much celebration.

In the next six weeks, the stewardship committee had cottage meetings and used the narrative/story form budget to interpret just what the church is doing and what plans were being made to advance the mission and ministry in the next year.

The session decided to reorder the docket for their regular meetings and always begin with "good news" stories that celebrate ways the mission priorities are being accomplished and giving thanks to God for God's abundance.

## Session's Responsibility

As active elders on the session of your congregation, the *Book of Order* charges you in G-10.0102h-i to:

- "challenge the people of God with the privilege of responsible Christian stewardship of money and time and talents, developing effective ways for encouraging and gathering the offerings of the people and assuring that all offerings are distributed to the objects toward which they were contributed;"

- “establish the annual budget, determine the distribution of the church’s benevolences, and order offerings for Christian purposes, providing full information to the congregation of its decisions in such matters.”

Granted, many parts of the budget or spending plan for congregations are not exciting. Things like repairing the roof, fixing the air conditioner, and cleaning the facilities seldom make hearts soar. Nevertheless, these items are essential to a congregation’s mission and ministry.

For those new to the session, it is important to understand that this process of developing a spending plan or budget is the responsibility of the whole session. In many churches, this planning time has led to program wars and territorial lines being drawn. Below you will find some scenarios of the way things might have been done in the past and then a proposal of a new way to accomplish this important task.

## What Does Not Work

The budget-building process can be painful and messy. It is sort of like the old adage about making sausage or laws—everyone wants to benefit but most people do not want to watch the process. In other words, the outcome may be good but you do not want to know how it is done.

A budget based on the needs, plans, and hopes of different committees is the budget most often used by a congregation. Does this scenario sound familiar? Many congregations have the sections of the church budget developed by members of all of the various program and administrative committees. These sections are submitted to the finance committee, whose members then put together the “dream budget” to present to the session. Invariably, this committee-based budget process leads to a budget-cutting meeting with committee chairs volunteering to cut items from their budgets, or the more common method, where the finance committee dictates an across-the-board percentage cut in order to balance the budget.

Yet neither the finance committee nor the treasurer is the chief financial officer of the church. This financial role of budget development and oversight is the responsibility of the entire session, as indicated in G-10.0102i of the *Book of Order*.

When committees develop budgets in a vacuum, not knowing what others are proposing or without any connecting guidelines, the process often leads to territorial disputes.

This is especially true when some elders assume that the total amount of money cannot be raised. Often people sense the committee with the most money in the budget is the most important committee, doing the most important ministry, or keeping other committees from being about the real work of the church. After all the disputes it is often difficult to generate excitement and enthusiasm for the mission of the church.

## A Better Way

The mission-based budget process proposes a different, more inviting approach based on the identified mission priorities of the congregation. A mission-based budget is a clearer reflection of the total mission and ministry direction of a congregation. A mission-based budget provides a more substantive basis for committee members to make faithful decisions regarding the use of church funds and helps identify and reinforce connections between the work of committees and the vision and mission of the congregation.

## A Theology of Abundance

There are two opposite or competing theologies present in congregations these days: the theology of scarcity and the theology of abundance.

A theology of scarcity is based on the belief that resources are limited, the economy is bad, and the limits of assumed resources should determine the mission of the church. A theology of abundance takes the opposite approach, boldly believing that a generous God provides all that is needed for the mission of the church. These resources have been given to God’s people, and all that is needed is for God’s people to release the resources in response to the mission and the call. Paul reminds us in Philippians 4:19 that “my God will fully satisfy every need of yours according to his riches in glory in Christ Jesus.” Or, as Eugene Peterson in *The Message* paraphrases the same passage, “You can be sure that God will take care of everything you need, his generosity exceeding even yours in the glory that pours from Jesus.”

Stanley Hauerwas writes, “Abundance, not scarcity, is the mark of God’s kingdom. But that abundance must be made manifest through the lives of a people who have discovered that they can trust God and one another. Such trust is not an irrational gesture against the chaos of life, but rather a witness to the very character of God’s care of creation.”<sup>1</sup>

1. Stanley Hauerwas, *Matthew*, Brazos Theological Commentary on the Bible Series (Grand Rapids: Brazos Press, 2006), 65.



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The committee chairs should then meet with their committee members to identify the ideas and programs that fit into one or more of these categories. At this meeting, encourage committee members not only to write down their budget needs but to also create a sentence or two about each program or a paragraph describing their role in the larger mission priorities of the congregation and the budget. Following are these ideas expressed more concretely. Again, remember your session can adapt this to work in your church's particular context.

There is a wonderful connection in the Greek language among the words "grace," "gratitude," and "gladness." These words come from the same root word, *charo*. Grace (*charis*) is a gift and we acknowledge that all we have has come to us as a gift from God. Gratitude or thanksgiving (*eucharistia*) shapes the way we give and use our financial resources. A thankful heart generates generosity. Giving is not an obligation or duty, but giving is an opportunity to express thanksgiving for God's abundance. Gladness or joy (*chara*) is the spirit with which we give and plan our spending.

By affirming this grace-gratitude-gladness connection and living out of a theology of abundance, leaders can serve together to develop a budget that realistically and faithfully advances the identified mission priorities of a congregation. Those priorities could be used to develop a narrative budget (describing the budget in sentences or narrative form) for interpretation to the congregation as well as a line-item budget for day-to-day operations of the church.

## How the Process Might Work

After discussing these ideas with other session members, the following process could be used to involve as many people as possible in creating the budget. This process includes a different approach to the annual responsibility mentioned in G-10.0102h, to challenge the people with the privilege of stewardship, and in G-10.0102i, to create, adopt, and operate by a budget and provide full information to the congregation. Naturally, the process can be adapted to the needs of your congregation.

During a meeting of the session, which you have actually already begun in this current meeting, discuss the concepts presented in this handout. Have the session list all ministries of the church and group them into three or four broad categories based on mission priorities or your mission statement. Next, convene a meeting of all committee chairs to interpret this idea. If all committee chairs are members of the session, this extra meeting will not be necessary.

### *Step 1: Session meeting buy in and organization*

This is what you are doing today by discussing the idea. Once a year your session meets to discuss the church budget. Taking the time to discuss the budget from a mission perspective and a theological approach before getting down to the nitty-gritty will result in a careful spending plan that will generate joyful givers and careful spenders.

At this meeting, determine three or four mission priorities of the congregation. For example, these might be worship and discipleship; ministry with youth, children, and their families; community outreach; and congregational care of members and friends. Or you might organize around words used in your current mission statement. For example: invite, equip, celebrate, and send.

The goal of this process is to create some broad categories that all your committees can understand and define how their works fit into those categories.

### *Step 2: Gather committee moderators to discuss the plan and then gather all committee members together.*

1. Once a year, gather all the various committee chairs or moderators to discuss the plan. They in turn gather all the members of their committees to connect their programs and activities with the broad categories determined by the session.
2. Each committee writes a paragraph or a few sentences describing each aspect of their ministry and how these ministries fit into the mission priorities for the budget.
3. The following grids are two examples of ways to organize your budget where various programs fit into the overall priorities or mission statement. The first is based on activities and the other a congregation's mission statement. Notice that the same activities exist in both. It is just a different way of ordering them. (Remember, this is just an example!)

<b>Worship and Discipleship</b>	<b>Ministry with Youth &amp; Children &amp; Their Families</b>	<b>Community Outreach</b>	<b>Cong. Care of Members and Friends</b>
Salary and benefits for music staff \$98,000	Conf. \$2,000 Montreat Youth	Larger church (presbytery, synod, GA) mission \$20,000	Stephen Ministry training \$1,000
Current event speakers \$2,000	Parenting class \$200	Community music concerts \$4,000	Part-time visitation staff stipend and expenses \$12,000
Preparation of children for Communion \$100		Christmas drama/music event \$1,000	
<b>Total \$</b>	<b>Total \$</b>	<b>Total \$</b>	<b>Total \$</b>

<b>Invite</b>	<b>Equip</b>	<b>Celebrate</b>	<b>Send</b>
Current event speakers \$2,000	Montreat Youth conf. \$2,000	Part-time visitation staff stipend and expenses \$12,000	Larger church (presbytery, synod, GA) mission \$20,000
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	Stephen Ministry training \$1,000	Christmas drama/music event \$1,000	
	Preparation of children for Communion \$100		

*Step 3: Develop the narrative budget and the line-item budget.*

1. A paragraph about each priority is written for the larger church narrative budget. This grid may also be used to develop a line-item budget for the finance committee.
2. Use these documents to interpret how financial resources are used to advance the church's mission.

*Step 4: Celebrate.*

1. Each time the session and program and administrative committees meet, elders and other leaders are encouraged to remember and share stories of how the mission and ministry of the church are moving forward because of the abundance of God and the generosity of God's people.
2. Shift the traditional treasurer's report to the end of the agenda for the session meeting.

## Conclusion

For people with financial brains, this process may seem difficult and time consuming. For people who believe all the talk of budgets saps their energy and creativity for mission and ministry, this process shifts the focus to mission, ministry, and possibilities. Stick with this process and the budget will be developed, mission priorities will be clarified, and greater personal connections to and involvement with the overall mission and ministry will be made.

### About the Writer

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