

The following is from chapter 14 of
How to Plant a Church
available at www.seminaryextension.com.

This article is geared toward Southern Baptist church planters but will have application to others.

Lesson 14 **Finances**

Learning Goal

When you complete this lesson, you should be able to develop a plan to resource a new church plant financially and develop a new church budget.

Exploring the Lesson

Finding and rightly using financial resources in a church plant can be a difficult task. Aubrey Malphurs shows the importance of finances by placing his chapter early in his text. This workbook chapter will cover some specific topics concerning the raising and handling of funds in a specifically Southern Baptist context.

Reading Assignment

Before reading this lesson, you should reread Chapter 3 in Malphurs' *Planting Growing Churches* and pages 291-292, "Raising the Ministry's Finances," in the same.

Lesson 14: Finances

The subject of this chapter is funding and financing church starts. We will examine the funding of church plants to be led by paid staff and funding that involves partnerships with denominational systems. This chapter addresses sources of funding, start-up costs, the handling of funds, and missions giving.

Sources of Funds

Southern Baptists have, for at least a half-century, practiced partnerships for purposes of financial sponsorship of new churches. Various denominational entities, congregations, and individuals have joined efforts and resources to underwrite new church starts across North America.

Partnering entities. Church planters working in North America sometimes receive funding through entities such as the North American Mission Board, state conventions, local district associations, one or more sponsoring churches, and perhaps even contributing individuals.

NAMB's self-imposed limits. Unless a sponsoring church, (usually) a district association, and especially, a state convention have forged an agreement for co-sponsorship, the North American Mission Board (NAMB) does not fund the new church. Only in extremely rare situations has NAMB (and its predecessor, Home Mission Board) entered into a partnership where no mother church or association is committed to local sponsorship. NAMB limits itself to the role of a mission-resourcing agency, instead of a direct mission-sending agency. NAMB has adopted this agency policy because partnership is the key for healthy local field missions. NAMB is fully

aware that people living and ministering in a local context clearly know their environment better than mission strategists at NAMB who live and minister hundreds or even thousands of miles away.

Local resources. Occasionally, depending upon the geographical setting and available resources, a local association may have financial resources for church planting. One local association of which I am aware has earmarked \$1,000,000 for church planting. In Southern Baptist "non-traditional" (sometimes termed "pioneer") areas, associations rarely have much funds for supporting church planting. Nonetheless, these small, under-resourced associations often sacrifice in order to support more extensive church planting endeavors than large, well-funded associations in traditional Southern Baptist areas.

Special project funds. Denominational offices sometimes have budget funds that they may contribute to special local church projects. For example, a planter could approach a state convention or NAMB office of evangelism for assistance with the cost of a direct mail piece. When I began my first church, I contacted the Home Mission Board to request help with our congregational evangelism project. The Board provided us a grant for \$10,000 through the Baptist Convention of New York. The Church and Community Ministries area of NAMB or a state convention may have limited resources to underwrite part of the cost of a servant evangelism outreach project in a new church. Also, the Woman's Missionary Union of a state convention can sometimes supply new project resources. In general, the planter should contact one's local association or state convention, or a national denominational agency to inquire about available special resources for evangelism, mission, or church starting projects. Full-time support for church starts is usually not available through a state-NAMB partnership, arrangements through such a coalition, alongside local funds, may put a new church start within reach of a starter and the sponsoring local entity. However, by using state-NAMB funds in addition to other partners (and local church funds), the church will begin with a strong financial base.

Fundraising

A new church constantly needs money. It is possible to start a new church successfully with a completely unsupported bi-vocational planter, but most of the time the congregation still will need additional support for a meeting place, program, or other costs. There are national and state policies regarding fund raising that planters should get from their state conventions. If there are no restrictions, some of the ideas below may help. Build networks. During my final year with Millcreek Community Church, we succeeded in gathering \$200,000 for church planting and growth-money that we could not have generated by ourselves. However, by building various relationships and partnerships, we found resources to start our two daughter churches. Although exceptions may exist, some starters find themselves under-funded because they function as Lone Rangers, refusing to take the time for relationship-building and maintaining partnerships. How do I get others involved? Other persons and churches may become involved as contributors in a variety of ways.

Talk their budget language. Donors have different "pockets" or line items from which they resource others. While they are willing to give, if the planter asks for church planting money (which they don't have) instead of ministry or evangelism money (which they do have) the

planter may be disappointed. Some research ahead of time to see where a congregation or donor has given in the past may help the planter find resources when he knocks.

Talk their heart language. In addition, different churches and individuals operate out of different passions: they put their money where their heart is. Learn, ahead of your request for help, about a potential donor's or congregation's passion. Some respond to need, but most respond to vision.

"Soft needs," or brick and mortar? One of my colleagues prefers to donate gifts to his collegiate alma mater in the form of student scholarships, while many people prefer to purchase "brick and mortar" in gifts for new buildings or renovations. This is to say that some donors contribute to "people" projects or needs, while others want to help with "tangible" projects. Knowing a donor's preference(s) can be helpful in your church's presentation of needs.

A hand up, not a hand out. Yet other supporters prefer contributing hands-on involvement more than monetary support. The "\$32 Launch Day Project," in which a church commits to hand-address envelopes and pay for 100 stamps, is a popular proposal with partner churches. The supporter's primary contribution is the time to address 100 envelopes, not the payment for a roll of stamps. One of our sister congregations recruited 200 persons to participate in this project with us. In the end, this sister church spent over \$6000 for a special project, but probably would not have given us \$6000 in cash.

Individual Donors

Individuals also contribute financial resources for new churches. The church planter may begin tapping such resources by developing a fundraising brochure, a fundraising letter, and a fundraising "conversation." In this approach, the planter should mail the promotional letter and brochure, including a cover letter of commendation for the new church from a respected, well-known leader in the denomination, to potential donors, especially to persons who have previously demonstrated interest in new work.

After a few days, the planter should follow up with a telephone call to answer questions, using the information outlined in the "fund raising conversation." As needed, the planter may volunteer to pay a personal visit to the prospective donor. A concise, well-designed PowerPoint presentation at the time of that visit may help the donor catch the vision for the church's future.

Fundraising Principles

Understanding fundraising begins with understanding basic principles, and the many pockets in which one may find resources.

The cattle on a thousand hills. Psalm 50:10 describes God as owning "the cattle on a thousand hills." The real problem in fundraising is not divine resources or believers' unwillingness to give resources. Church planters "have not because they ask not, or because they ask wrongly" (James 4:2-3). This is a first principle in fundraising.

Vision, not presented need. Second, people give to vision, not to need. Begging donors probably will not generate a great response. Communicating one's story in a truly convincing,

spiritual way, on the other hand, can touch donors deeply. When God's people understand that the planter's life-investment is worthy of their support and financial investment, they will become involved.

The Local Congregation

If the new congregation begins to think that they must rely on outside sources for pastoral support, they will never develop maturity in giving. Planters can mention tithing in Sunday messages, but new churches should not do stewardship series (i.e. four week tithing series, etc.) Instead, the planter should address tithing whenever it naturally comes up in preaching, but should leave the in-depth stewardship study to a more committed group.

Better than sermons. An even better setting may be a class on spiritual maturity aimed at a more select group of believers at various levels of maturity, offered at various times during the year.

Specific points of instruction. We followed a similar strategy for promoting tithing in our Millcreek start. In our "LIFE Class 201," we devoted thirty minutes to the doctrine of tithing and what tithing means. At the conclusion of the class, we asked participants to sign the members' covenant, which contained a commitment to begin tithing. We decided that we could afford to be aggressive in the area of tithing with people who claimed that they wanted to move toward spiritual maturity. Our aggressiveness paid off, both for the congregation and for the believers who studied and made commitments.

Get a Job

A secular job can also supply funding for the church planter. Just because the denomination cannot fund the planter's church start does not mean that the planter cannot plant a church. If God has called a planter to begin a church, the planter must go forward in faith. Congregations and individuals must remember that Southern Baptists do not call church planters-- God calls church planters. If God has called, but finances do not follow as expected, the planter cannot legitimately argue that God has closed the door. He still needs to go forward in obedience. Finances are not the determinate of God's will; God is the determinate of God's will. Thus, if God expresses a call, the planter must help make a way where there is no other way-- by working at bi-vocational employment, at least for a period of time, until the church has grown to support the pastor.

Some Nuts and Bolts of Finances

The closing section of this chapter on finances focuses on a variety of general matters concerning new church finances. Start-up costs. Some of the typical startup costs include outreach, facility rental, and purchasing sound and video equipment. These purchases and expenditures are typical of the initial costs of doing kingdom business.

Develop a start-up budget. The first concern for the new congregation is to develop a start-up budget. Many new churches must simply start with a guitar and an overhead projector. Some state conventions no longer support pastoral income needs, but will give one-time start-up grants for new churches to enable the best worship service from the very beginning. A few state

conventions actually offer both pastoral support and start-up money, although pastoral support amounts or duration may be reduced if some money goes to start-up.

Safeguarding gifts and other income. Safeguarding funds is a fundamental issue of reputation and integrity. The number of church starts which become tainted by the mishandling (or mere appearance of impropriety) is significant. Avoid any possibility of accusation. In order to avoid any appearance of wrongdoing, the church planter should not set up an account in his name.

Furthermore, the church should hold no account in its own name until significant safeguards have been put in place. Until a treasurer and a financial secretary have emerged and have been bonded, the account should not be opened. If the need for paying bills is great, then the treasurer of the mother church, a designated "treasurer" from among the sponsoring church missions committee, or a qualified individual from the association may act as a temporary manager of the church's funds.

Limit the treasurer's involvement. The treasurer should not handle receipts and write checks. By having different persons functioning in these roles, the church will more easily hold both the bursar and counter of money accountable to the congregation. Some states even require separate persons to handle the separate functions. No matter how the state feels about it, allowing this to go on is both risky and stupid. For one individual to hold so much responsibility with the finances is both a great temptation, and a bad witness to the world.

Designate upright persons for the various financial functions. A third group to appropriate the handling of the finances is counters for offerings and other receipts. They should always count at least in pairs.

Dividing the responsibilities. The counters are responsible for counting the money; the financial secretary should deposit the money; the treasurer should write checks for disbursing the money. No costs should be paid if not by written checks, as a record of money management.

Never, ever sign a check! All checks should be signed by two unrelated persons, neither of whom should ever be the church planter. The planter must protect himself by remaining at arm's length from specific monetary matters. Our culture already thinks that ministers have problems with finances. The planter must give no reason or excuse for anyone to point a finger of accusation.

Regular, readable, reputable. A treasurer must be equally above board with all finances in how reports are given. Reports should be regular (monthly), readable and straightforward, and obviously reputable in their accounting for all funds and accounts. The more detailed, within reason, the better such reports are. Especially with the evolution of computer bookkeeping programs, the church should have little trouble with money management and reporting.

Give as is given unto you. The new congregation should begin, from the first day of its life, to give to missions from its undesignated receipts. By giving to the Cooperative Program, the new church supports missions around the world. Even the smallest new church can be a part of worldwide missions. Don't "tithe" your mission income from agencies. The pastor and

overseers of the church (however that organization takes shape) should ensure that the church does not give to the Cooperative Program from Cooperative Program funds it receives from the state convention and NAMB. To illustrate, if the new start receives \$12,000 per year through partnership funding (\$1,000 per month, on average) the treasurer must not send 10 percent (\$100) of that income each month to the state convention (for Cooperative Program support). In effect, that money is a "designated" receipt, mission funds intended for starting a new mission.

Tithe local, "undesignated" income. Some local givers earmark money beyond their tithe and offering to go for some specific issue such as a building fund, hunger fund, and so on. These monies, too, are "designated" offerings. However, at least one-tenth of the rest of the church's income should be sent away for the purposes of mission support. Specifically and ideally, this instruction means gifts to both the state convention linked with the Southern Baptist Convention, and the local Baptist association of churches. The total amount of money may seem insignificant to the congregation at first (almost a "why bother?" issue), but learning to establish a percentage and to hold to and even grow that amount over time will mean that many other church plants and other mission endeavors may go forward because of the young church's gifts. I personally recommend and encourage that the congregation begin giving 12 percent of every local, undesignated dollar to missions (10 percent Cooperative Program; 2 percent Association). At the very least, this attitude of generosity teaches by example that congregation members should give their tithe and beyond.

Conclusion

When one examines the entire financial picture, "There's gold," as John Maxwell puts it, "in them thar' pews." This statement sounds a bit crass in the writing, but God's people, whether great foundations, wealthy donors, wealthy churches, or individual, typical believers, want to become involved in kingdom enterprises worthy of their gifts. The planter and the new congregation should be faithful and ethical in handling finances and financial matters, and in how they approach donors and partners for money.

May the planter be wise, and may God resource the church plant so miraculously and marvelously that both planter and planted congregation exult and proclaim in praise, "We couldn't have done it, but God brought the resources in; now we want to give back so that others might have a miraculous new church experience of their own."

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