

# Program Budget

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A program budget is important for interpreting the mission of the congregation. It does not replace the line-item budget, which exists for bookkeeping and analysis of actual costs. One weakness of a line-item budget is that it does not effectively communicate the ministry of the congregation.

Thriving congregations use a program budget in addition to a line-item budget to interpret their ministry to the members and guests. A program budget can inspire folks and give them a new perspective for giving. It can put new meaning in being a follower of Jesus. It increases one's appreciation for her/his church.

What does a program budget look like? Below is a sample program budget. It includes the addition of a hypothetical Stewardship staff person as an expansion for ministry. All staff members have some responsibility in each area. Each area has one primary staff member who is primarily responsible. Areas and percentages may shift in any year, as shifts occur in priorities, gifts, and performances of staff members.

## Sample Faith Challenge Budget for Good Shepherd Lutheran Church, Fayetteville, NY

Total Sample Budget, Goals and Activities for the Year: \$300,000

**Worship**            \$90,000            30% of Budget

Goal: To increase worship attendance by 20% per week.

Activities: Add a worship service? Add a children's choir? Provide transportation?

Costs covered: Materials, organist/music dir., 5% of stewardship person, 25% of pastor's compensation

**Education**        \$30,000            10% of Budget

Goal: To increase Sunday school and Bible Class attendance by 25% per week.

Activities: Add a Thursday morning Bible study? Evening Bible study? Another Sunday class?

Costs: Materials, 15% of stewardship staff person, 15% of pastor's compensation

**Inreach**            \$15,000            5% of Budget

Goal: To plan five community and faith fellowship experiences for all members and guests

Activities: Expand visitation program? Revitalize small groups? Special big community events?

Costs: Hospitality materials, 5% of stewardship staff person, 5% of pastor's compensation

**Outreach**         \$30,000            10% of Budget

Goal: To connect with 100 new households in the broader community.

Activities: Develop a visitation culture by staff and members? Develop excellent assimilation plan?

Costs: Materials, 40% of stewardship staff person, 30% of pastor's compensation

**Service**            \$15,000            5% of Budget

Goal: To serve every person in need in the broader community, visitation.

Activities: Support homeless shelter? Blood Drive? Develop elderly care program?

Costs: Materials, 5% of stewardship staff person, 5% of pastor's compensation

**Support**            \$60,000            20% of Budget

Goal: To manage our affairs, land and buildings wisely, administration.

Activities: Organize weekly small groups? Develop year-round, whole life stewardship education?

Costs: Materials, Church Secretary, custodian, 10% of stewardship person, 10% of pastor's compensation

**Beyond Our Walls**    \$60,000            20% of Budget

Goal: To grow our giving to Mission Support by 1% each year, plus 5% to the community/world.

Activities: Teach the value of Mission Support? Tell a mission interpretation story every week?

Costs: Materials, Guest speakers, mission trips, 20% of stewardship person. 10% of pastor's compensation

A Program Budget provides useful information to the congregation. It can vividly show the priorities in ministry. It indicates the relative significance of each area. It provides a snapshot of how staff members are to spend their time. This develops mutual accountability. A Program Budget points people in a spiritual direction with fiscal responsibility.