

practical step **12**

Learn the value of a program budget

A line-item budget lists all the projected expenditures for the coming year. A budget has numerous categories and lists detailed amounts which may be spent in each category. Such a budget is necessary and even useful, but it does not communicate the ministry of the congregation very well.

In addition to a line-item budget, develop a program budget which interprets the ministry of the congregation to all its participants.

A program budget might have seven categories:

Beyond Our Walls

Worship

Education

Inreach

Outreach

Service

Support

Each of these categories represents one of the significant ministries of the congregation. Each category includes a goal and the activities planned in addition to a monetary amount.

A program budget provides useful information to the congregation. It clarifies the relative significance of the congregation's activities. It shows how the pastor and other salaried people are expected to spend their time. It reduces the confusion that comes from a traditional line-item budget.

Program Budget for Living Branch Lutheran Church

TOTAL BUDGET FOR THE YEAR: \$150,000

Beyond Our Walls **\$30,000** 20% of budget

Goal: To provide 15% of our income as Mission Support and an additional 5% as support for the ministries beyond our walls both in the community and throughout the world

Activities: Teach the value of Mission Support and other extended ministries

Costs: Total of 20% of budget

Worship **\$30,000** 20% of budget

Goal: To increase worship attendance to a weekend average of 175

Activities: Add Saturday night service. Start a second choir. Provide children's church

Costs: Worship materials, organist salary, 25% of pastor's salary

Education **\$15,000** 10% of budget

Goal: To provide basic Christian education to every person at Living Branch

Activities: Conduct comprehensive education program for all age groups

Costs: Materials, stipend for youth staffer, 15% of pastor's salary

Inreach **\$15,000** 10% of budget

Goal: To provide fellowship and care for every person at Living Branch

Activities: Pastoral visitation program and fellowship events

Costs: Hospitality materials, 15% of pastor's salary

Outreach **\$22,500** 15% of budget

Goal: To connect with 52 new households in the coming year

Activities: Pastoral and member visitation, integration into congregation

Costs: Materials, 30% of pastor's salary

Service **\$7,500** 5% of budget

Goal: To serve those in need in our community

Activities: Support local women's shelter, blood drive, after school care for poor children, elderly care

Costs: Materials, stipends for aides, 5% of pastor's salary

Support **\$30,000** 20% of budget

Goal: To manage our affairs and our building maintenance wisely

Activities: Organize our events, manage our money and materials

Costs: Materials, supplies, part-time secretarial help, 10% of pastor's salary

