



# Congregational Financial Assessment Resource Booklet

(for Congregations)



**Evangelical Lutheran Church in America**  
God's work. Our hands.

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## Introduction to the Resourceful Servants Initiative

The Evangelical Lutheran Church in America (ELCA) seeks to be “a thriving church spreading the gospel and deepening faith for all people” through a focus on church leadership and congregational vitality.

Supporting these emphases, the ELCA's Resourceful Servants initiative promotes the financial wellness of ELCA congregations, rostered ministers and seminarians by encouraging habits that strengthen and sustain individual and congregational financial wellness and growth.

We believe the focus on financial wellness will help to reduce some of the life strains on those who lead faith communities now and in the future, guiding these leaders and their communities toward greater health and vitality and enabling them to more effectively carry out the Great Commission — making disciples of Jesus Christ.

## Congregational Financial Assessment program deep dive

One significant way a congregation can improve its financial wellness is to inspire donors and benefactors to grow its support. Donors, however, want to be able to trust that their congregation takes the responsibility of stewarding their gifts seriously, directing those gifts and resources to where they can make the biggest difference.

Through the Resourceful Servants Congregational Financial Assessment, your congregation can help grow its benefactors' confidence by proactively engaging in a review of its financial systems relative to best practices and healthy behaviors. Carrying out these activities signals to donors that your congregation is worthy of donations and conveys that accountability, transparency, professionalism and impact are areas of great concern.

The Congregational Financial Assessment identifies 21 healthy financial practices from five key areas: Accounting, Finance, Human Resources, Risk Management, and Stewardship. Each healthy financial practice (accessible online at [resourcefulservants.org/congregations](https://resourcefulservants.org/congregations)) includes resources intended to help carry out that practice, along with an invitation to assess whether your congregation's current proficiency in the practice is excellent, in need of improvement or nonexistent.

Ultimately, by implementing and maintaining healthy financial practices and tracking them through the online assessment tool, your congregation will receive an overall score as an indicator of intentionality and competency on these best practices. A self-assessment score of “basic” signifies effective execution of most of the best practices, with room remaining for improvement in both breadth and depth. A score of “proficient” means greater effectiveness in completing the identified best practices. A score of “advanced,” the highest level of achievement, means that as many as 18 of 21 practices show no need for improvement.

Implementation of the Congregational Financial Assessment can help your congregation deepen its financial knowledge and improve its financial practices as pathways to stewarding and growing available funds and increasing the impact of your congregation's ministry.

## Why use the Congregational Financial Assessment?

In addition to the internal motivation of improving your congregation's financial health, participating in the Congregational Financial Assessment may benefit your congregation in the following ways:

- *Growth in giving* — Let's face it: people are not inspired to give to causes that are "sinking ships" or have minimal impact. Donors want to sense that their gifts are being managed appropriately and are making a difference. Engaging with the Congregational Financial Assessment signals to supporters that your congregation takes good stewardship seriously, setting the table for higher levels of support and generosity.
- *Impact on ministry* — Financial wellness has impact beyond the congregational coffers. Participating in the Congregational Financial Assessment and implementing healthy financial practices may enable your congregation to focus more fully on faith formation inside and outside your walls.
- *Knowledge transfer* — By tracking your healthy financial practices at [resourcefulservants.org/congregations](https://resourcefulservants.org/congregations), your congregation creates an excellent opportunity to transfer knowledge and practices from a retiring officer (e.g., a finance chair or treasurer) to an incoming officer. Record-keeping will raise new officers' awareness of the congregation's financial practices and prepare them to take further beneficial actions.
- *Calling a rostered minister* — Should your congregation enter the call process, rostered ministers seeking a call can see whether your congregation participates in the Congregational Financial Assessment. Participation could indicate to a potential rostered minister that your congregation values financial health.
- *Borrowing money* — Improved financial practices are of interest to donors as well as to any lending institution as it considers extending credit. Congregations with sound financial practices are judged as less risky and thus are better positioned to be deemed creditworthy and deserving of low interest rates.
- *Recognition at a synod assembly* — If your congregation participates in the Congregational Financial Assessment, the congregation will be lifted up at your synod assembly. This will reinforce for the other congregations in your synod the importance of financial best practices and the work associated with them. It will also inform these congregations about the availability of [resourcefulservants.org](https://resourcefulservants.org), the resources the website provides and the impact of any knowledge gained and behavior changed.

## How to participate in the Congregational Financial Assessment program

### *For whom is the Congregational Financial Assessment program intended?*

We hope your congregation can easily find a way to participate in the Congregational Financial Assessment program. In many congregations, operational responsibilities exceed the human resources needed to address them. Even in congregations with an abundance of people willing to serve, issues of congregational finance may still pose an extraordinary challenge.

This program is for congregational leaders interested in improving their congregation's financial wellness and operational impact but unsure where to start. The Congregational Financial Assessment provides both a starting point and a road map to improved financial stability. Program participation may enable leaders in your congregation to step forward and serve with greater confidence and competence as they seek to master more advanced topics (e.g., narrative budgeting, online giving).

This program is also for congregational leaders interested in learning from and helping other ELCA congregations improve their financial wellness. Through the Resourceful Servants website, congregational leaders across the church will be able to answer one another's questions and share resources they have developed or curated.

The infographic titled "Inspire Giving Through Financial Wellness," included on page 6 of this booklet, can help your congregation start or enhance a discussion about finances and think through how the Congregational Financial Assessment program might help.

### **How can our congregation use the Resourceful Servants website?**

- *Explore the available resources* — Using the "Congregations" area at [resourcefulservants.org](https://resourcefulservants.org), your congregation can determine what you do and do not know about congregational finance and can explore resources (e.g., videos, articles, websites, textbooks) related to healthy financial practices. Links associated with each practice provide a deeper dive into the topic.
- *Track congregational behavior* — Leaders in your congregation can track its progress on healthy financial practices. The site will indicate the congregation's level of proficiency on each practice and give it an overall self-assessment score.
- *Communicate with peers* — Built-in discussion tools enable your congregation to teach and learn from peers in other congregations and share its own feedback on resources it finds helpful or unhelpful.

### **How does our congregation use the assessment tool?**

To begin the Congregational Financial Assessment and score your proficiency in each of the 21 healthy financial practices, log in to the behavior tracker. The tracker can be accessed from the Congregations menu at [resourcefulservants.org](https://resourcefulservants.org) by clicking on "Track Progress."

Your congregation will earn points as you assess your use and competency for each behavior, with answers ranging from "We don't do this practice" (0 points) to "We do this very well, with no need for development/improvement" (5 points).

To amplify learning across the ELCA, Resourceful Servants will watch for emerging trends related to:

- Congregational participation in the portal,
- Reported proficiencies in each healthy financial behavior, and
- Overall assessment scores across the range of practices.

This information will help us determine which resources will impact the greatest number of congregations.

### **What is the period covered by the Congregational Financial Assessment?**

Assessed practices are not intended to be "one and done"; rather, they must be repeated over and over. The self-assessment tracker retains a score for any given practice for up to 18 months before reverting to zero. The goal is to emphasize periodic reassessment while providing the time to research, implement and improve each financial best practice.

## **Do all ELCA congregations have access to the “Congregations” area of the Resourceful Servants website?**

Yes. All ELCA congregations can access the “Congregations” area of [resourcefulservants.org](https://resourcefulservants.org).

## **What else is the ELCA doing through Resourceful Servants?**

Each of the four Resourceful Servants programs (including the Congregational Financial Assessment program) focuses on how financial wellness impacts ministry. Below are brief descriptions of the other three programs.

- *Fund for Leaders (FFL)* — The ELCA churchwide organization has developed plans to expand the fundraising reach of ELCA Fund for Leaders (FFL). This will enable FFL to more rapidly expand the number of scholarships it can distribute to ELCA candidates and alleviate some of the financial pressures faced by new rostered ministers by reducing the cost of attending seminary.
- *Financial Focus for Seminarians* — This program seeks to produce future leaders who enter ministry financially well and capable of leading faith communities into generous, innovative and sustainable ministry. In pursuit of this goal, this program brings together representatives from ELCA seminaries to discuss systemic financial challenges and develop a shared approach to addressing these challenges by promoting and resourcing financial wellness education. As a concrete activity in pursuit of this goal, students at ELCA seminaries are encouraged to participate in financial counseling with Lutheran Social Service (LSS) Financial Counseling.
- *Financial Wellness for Rostered Ministers* — This program focuses on improving the financial wellness of rostered ministers in the ELCA. Resources around managing debt and increasing financial literacy — including LSS Financial Counseling — are available at no cost. Additionally, this program includes savings matching programs to address two financial challenges of rostered ministers — namely, lack of emergency savings and lack of retirement savings — as well as matching dollars for increased contributions. These programs seek to encourage a habit of saving among rostered ministers and provide them with matching funding to more rapidly grow their savings accounts. The increase in savings, in turn, increases financial comfort, which contributes to satisfaction and effectiveness in ministry.

## **Contact Resourceful Servants**

If there are questions not answered here, please contact Resourceful Servants by email at [resourceful.servants@elca.org](mailto:resourceful.servants@elca.org).

# IMPROVE CONGREGATIONAL FINANCIAL WELLNESS

It is common for congregations to wrestle with financial issues (e.g. budgets, resource allocation, sustained growth, etc.). **As a leader in an ELCA congregation, you have access to resources to help your congregation pursue healthy financial behaviors. Visit [resourcefulelca.org/congregations](https://resourcefulelca.org/congregations).**

## WHY PEOPLE GIVE

According to research cited by author J. Clif Christopher in *Rich Church, Poor Church: Keys to Effective Financial Ministry*, people give for three main reasons: belief in the institution's mission, regard for staff leadership, and the fiscal responsibility of the institution. A congregation's ability to make a difference, including through financial best practices, is critical to donors' continued financial support.

Through the Resourceful Servants initiative, the ELCA seeks to encourage habits that strengthen and sustain individual and congregational financial wellness and growth. So take advantage of the full range of financial wellness resources available at [resourcefulelca.org](https://resourcefulelca.org).

**Help your congregation engender trust in leadership, inspire generosity, direct gifts to where they can make the most difference, and participate in vital ministry inside and outside your walls.**

Through the Resourceful Servants Congregational Financial Assessment program, congregations have the opportunity to follow a road map to increased financial stability, using healthy financial practices that focus on five key areas:

Accounting



Finance



Human Resources



Risk Management



Stewardship



**In summary, what is the value of the Congregational Financial Assessment in healthy financial practices?**

- Increased giving from donors and supporters who want their gifts stewarded to maximize impact.
- Deepened focus on faith formation, with healthy financial practices in place.
- Facilitated knowledge transfer when new leaders come into office, through clear, consistent expectations around financial management.
- Enhanced appeal in call processes. Participating in the assessment indicates financial health is valued.
- Improved congregational processes, leading to better interest rates from lending institutions.
- Synodical recognition of this commitment to your congregation's financial health.



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