



# Congregational Financial Assessment Resource Booklet

(for Synods)



**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 congregations improve their financial wellness is to inspire donors and benefactors to grow their 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, congregations can help grow their benefactors' confidence by proactively engaging in a review of their financial systems relative to best practices and healthy behaviors. Carrying out these activities signals that a 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 [resourcefuleservants.org/congregations](https://resourcefuleservants.org/congregations)) includes resources intended to help carry out that practice, along with an invitation to assess whether 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, participating congregations will receive an overall score as an indicator of intentionality and competency on these best practices. A self-assessment score of “basic” signifies that a congregation is effectively executing most of the best practices, with room remaining for improvement in both breadth and depth. A score of “proficient” means a congregation is even more effective at 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.

Leaders across congregations should consider implementing the Congregational Financial Assessment in their contexts. This tool can help deepen congregational financial knowledge and improve financial practices as pathways to stewarding and growing available funds and increasing the impact of the congregation's ministry.

## Why use the Congregational Financial Assessment?

In addition to the internal motivation of improving the financial health of a congregation, participating in the Congregational Financial Assessment may benefit a 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 congregations take good stewardship seriously, setting the table for higher levels of support and generosity.
- *Impact on ministry* — Financial wellness has impact beyond the congregational coffers. A congregation that participates in the Congregational Financial Assessment and implements healthy financial practices can focus more fully on faith formation inside and outside its walls.
- *Knowledge transfer* — Congregations that track their healthy financial practices at [resourcefulservants.org/congregations](https://resourcefulservants.org/congregations) create an excellent opportunity to transfer knowledge and practices from a retiring officer (e.g., a finance chair or treasurer) to an incoming officer within the congregation. 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* — When a congregation is in the call process, rostered ministers seeking a call can learn of work the congregation is doing around healthy financial practices. Participating in the Congregational Financial Assessment could indicate to a potential rostered minister that the church leadership and the congregation value 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* — Honoring congregations working on the Congregational Financial Assessment at a synod assembly reinforces the importance of financial best practices and the work associated with them. It also informs more 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?***

The hope is that all ELCA congregations 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.

One of the intended audiences for the program is congregational leaders interested in improving the financial wellness and operational impact of the congregation 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 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 8 of this booklet, can help congregations start or enhance a discussion about finances and think through how the Congregational Financial Assessment program might help.

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

- *Explore the available resources* — Using the "Congregations" area at [resourcefulservants.org](https://resourcefulservants.org), congregational leaders who seek to determine what they do and do not know about congregational finance 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* — Congregational leaders can track their congregation's progress on healthy financial practices. Upon indicating their level of proficiency on each practice, the congregation will be given an overall self-assessment score.
- *Communicate with peers* — Built-in discussion tools enable congregations to teach and learn from peers in other congregations and share their own feedback on resources they find helpful or unhelpful.

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

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

Congregations will earn points as they assess their competency for each practice, 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.

Synods can help create a culture of financial health by promoting the Resourceful Servants initiative. We encourage recognizing congregations at synod assemblies and through synod communications when they participate, advance and score at the highest levels.

### **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](http://resourcefulservants.org).

## Tools for synods to promote and support the Congregational Financial Assessment program

### How can our synod office help promote, encourage and support the Resourceful Servants Congregational Financial Assessment program?

- *Co-host an informational webinar* — Resourceful Servants program staff are available to present the Congregational Financial Assessment program to congregations in your synod via webinar. If you can help us organize an online event for your congregations, we will conduct it.
- *Send out resource materials* — Resourceful Servants has developed a resource booklet for you to share with the congregations in your synod. The booklet introduces the Resourceful Servants initiative, promotes congregational resources available through [resourcefulservants.org](http://resourcefulservants.org) and contains the aforementioned infographic “Inspire Giving Through Financial Wellness” (included on page 8 of this booklet). You can send the materials to congregations using the email text included on page 6 of this booklet. These resources are also available at [resourcefulservants.org/resources](http://resourcefulservants.org/resources) under the heading “Communications Pieces and Images.”
- *Encourage congregations to participate* — Your promotion of the Congregational Financial Assessment program and the resources available to congregations is vital. All congregations can benefit from their involvement.
  - For congregations beginning on the road toward financial health, the resources provided on the website offer a great starting point.
  - For congregations that have the basics covered, additional resources are available to facilitate a deeper dive into the topics covered. These congregations may also act as resources themselves, answering questions posed by other congregations.
- *Assist program evaluation* — Resourceful Servants is seeking to evaluate the content and effectiveness of [resourcefulservants.org/congregations](http://resourcefulservants.org/congregations). Your synod can help in this process by identifying at least two congregations to proceed through the Congregational Financial Assessment program:
  - at least one congregation that could complete most or all of the healthy financial practices relatively quickly (i.e., they already have most things in order financially)
  - at least one congregation that functions at a more basic level and could benefit significantly from the information shared here

We hope these congregations will help us understand the relationships among healthy financial practices, trust in leadership, congregational generosity and faith formation.

The congregations you identify will receive a copy of *Church Finance: The Complete Guide to Managing Ministry Resources* by Michael E. Batts and Richard R. Hammar, while supplies last.

- *Recognize congregations* — Peer recognition of participating congregations affirms their intentionality, the knowledge gained and the behaviors changed. Additionally, it gives greater visibility to the Congregational Financial Assessment program and the resources available at [resourcefulservants.org](http://resourcefulservants.org).

## **Suggested email content for you to send to congregational leaders**

*Note: The text below is suggested for your use when you send congregational leaders the resource booklet for congregations. Feel free to make changes as you see fit, based on your unique context.*

Good stewardship is about the responsible handling of generous giving, directing gifts and resources to where they can make the most difference. As your congregation considers better ways to inspire donors and benefactors to support ministry, have you considered whether people trust your handling of their gifts? Are people confident that your congregation takes the responsibility of stewarding their gifts seriously?

Through the Resourceful Servants Congregational Financial Assessment, your congregation can help grow confidence with donors by proactively engaging in a review of its financial systems relative to best practices and healthy behaviors. Carrying out these activities signals that a congregation is worthy to receive 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 is excellent, in need of improvement or nonexistent. The attached booklet contains information about Resourceful Servants and how to participate in the Congregational Financial Assessment program.

We invite you to consider the Congregational Financial Assessment for your congregation. Deepen your congregation's financial knowledge and improve your financial practices as pathways to stewarding and growing available funds and increasing the impact of your congregation's ministry.

## 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 to 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 [resourcefulexplorers.org/congregations](https://resourcefulexplorers.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 [resourcefulexplorers.org](https://resourcefulexplorers.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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