

Completed by Finance Committee  
on Wednesday, March 16, 2016

### Snapshot of Church Finances

This self test is a work in progress and Alban invites your feedback and suggestions!

Question	Your answer	Benchmark answer	Your satisfaction level
What percentage of operating income comes from current giving?	100%	Anything less than 80 percent runs the risk of weakening the congregation's sense of ownership and responsibility.	Low 1---2---3---4---5 (5)
What percentage of operating income comes from building rentals?	None	If this is more than 20%, does the congregation believe that there is something more "profitable" to do with their building than to have a church there?	Low 1---2---3---4---5 (5)
What percentage of operating income comes from endowments or other invested funds?	None	If this is more than 20 percent, it raises the question whether the vision could be enlarged so that it demands strong support from living members.	Low 1---2---3---4---5 (5)
What percentage of operating income is dedicated to clergy compensation?	30%	In a small church, this is apt to approach 60%. In a large one, it should be more like 40%.	Low 1---2---3---4---5 (4)
What percentage of operating income is dedicated to staff compensation, including clergy?	57%	If this goes above 60%, there is a risk that programs may feel squeezed.	Low 1---2---3---4---5 (3)
What percentage of operating income is dedicated to building mortgage payments?	None	Over 25% is usually too high.	Low 1---2---3---4---5 (5)
What percentage of operating income is dedicated to all building-related costs?	13%	If this is over 30 percent of the total budget, the congregation is apt to feel "house poor."	Low 1---2---3---4---5 (5)

What percentage of the congregation's budget is dedicated to projects that primarily benefit non-members?	1%	Do not include the congregation's share of denominational operating costs. Some congregations set a goal of 10% or more for "outside" giving.	Low 1-2-3-4-5
Are your congregation's records audited by an objective outsider at least once every two years?	Yes	Short of a professional audit by an accountant, this can be done by a task force of members who are not involved in financial management, or by swapping audit teams with another congregation.	Low 1-2-3-4-5

Choose one of the items you rated lowest to make it a priority. What are four concrete actions you can take as soon as you get home to move toward raising your satisfaction?

Action	Who needs to be involved?
1. <u>Raise budget for community (non-members)</u>	<u>Missions / Ad Board / Finance</u>
2. <u>Align budget for full energy support</u>	<u>SPRT / Finance / Ad Board</u>
3. _____	_____
4. _____	_____

How many years will it take to raise your satisfaction to 5? 3-5