

# Narrative Ministry Spending Plan

## What is a Narrative Ministry Spending Plan?

A Narrative Ministry Spending Plan or a Narrative Budget is an approach to presenting a yearly Congregational Spending Plan that focuses on the ministry being accomplished. Instead of presenting a series of numbers and overhead costs, a Narrative Spending Plan focuses on areas of ministry such as worship, youth ministry or senior adult ministries.

A Narrative Spending Plan does not replace a line item Ministry Spending Plan. A line item Ministry Spending Plan is a useful tool for financial officers, finance teams and congregational councils. A Narrative Spending Plan is a complementary tool which presents the information contained in a line item Ministry Spending Plan in a way that speaks to people who are more excited by the ministry being accomplished than the detailed numbers.

## Steps for Creating a Narrative Ministry Spending Plan:

### Step #1 Prepare Line Item Ministry Spending Plan

Prepare your line item Ministry Spending Plan for the coming year using your standard procedures.

### Step #2 Identify Primary Areas of Ministry in Your Congregation

Thinking about your congregational mission statement and your line item Ministry Spending Plan, identify the main areas of the congregation's ministry. Ministry areas could include:

- Sharing God's Gifts (Mission Support, Mission Partnerships, Gifts to Local Ministries)
- Worship
- Faith Formation
- Youth and Family Ministry
- Senior Adult Ministry
- Helping Ministries
- Outreach
- Support (Parish Administration, Facilities)

Each congregation is unique, so pick the areas of ministry that are actively a part of your congregation's life, not areas that you think you should have as a part of your ministry.

### Step # 3 Determine the financial investment in each area of ministry

- **Determine the investment in staff support for each ministry area** - Estimate the time necessary by support staff to administer, facilitate, lead or equip people for each ministry area. For example, to support a worship service, you would include the pastor's time and the cost of staff needed to prepare bulletins or powerpoint slides.
- **Determine other investments made in each ministry area** - Estimate the cost of materials, supplies and other items necessary to carry out the ministry activities. This includes printing, postage, etc.
- **Determine cost factors for using facilities** – Consider costs like mortgage, utilities, maintenance and other building expenses when estimating the financial investment in facilities required for each area of ministry.
- **Determine cost allocation of overhead and shared expenses** – Consider costs like administrative, miscellaneous expenses and include secretarial and custodial services needed to support a particular area of ministry in your estimate.

### Step #4 Summarize total financial investment in each area of ministry

Using the information identified in step 3, assign a percentage of the amounts identified in your line item Ministry Spending Plan to each area of ministry. Since the Narrative Ministry Spending Plan is not an

accounting document, but a tool to tell the story of how financial investment accomplishes ministry, it is fine to have estimates, not exact numbers.

### **Step #5 Publish the narrative ministry spending plan and share with the congregation**

Once you have a picture of the financial investment in each area of ministry, produce a one or two page document to share the information with the congregation. Include descriptions of the ministry being accomplished and if possible, include pictures of each area of ministry.

### **Example of a Simple Narrative Ministry Spending Plan**

#### **Hope Lutheran Church Anytown, VA**

Proposed 2019 Ministry Spending Plan: \$200,000

#### **Sharing God's Gifts \$20,000 20% of Ministry Spending Plan**

Goal: To support the ministry of the wider church through Mission Support and local partnerships

Ministry Activities: Participate in Synodwide ministry activities, support local ministry partnerships

Investments: Materials, Guest speakers, mission trips, 20% of a staff person. 10% of pastor's total compensation

#### **Worship \$60,000 30% of Ministry Spending Plan**

Goal: To increase proclaim God's Word in our community.

Ministry Activities: Sunday Worship; Choir, Special Services.

Investments: Materials, organist/music dir., 5% of other staff, 25% of pastor's total compensation

#### **Faith Formation \$20,000 10% of Ministry Spending Plan**

Goal: To nurture faith in the lives of individuals in the congregation and community.

Ministry Activities: Thursday morning Bible study, Evening Bible study, Sunday School, Small Groups

Investments: Materials, 15% of a staff person, 15% of pastor's total compensation

#### **Outreach/Invitation \$10,000 5% of Ministry Spending Plan**

Goal: To provide community and faith fellowship experiences strengthen participation in the life of the congregation and share God's Word with others.

Ministry Activities: Facebook advertising, updated website, visitation program, community events

Investments: Hospitality materials, 5% of a staff person, 5% of pastor's total compensation

#### **Helping Ministries \$30,000 15% of Ministry Spending Plan**

Goal: To serve people in need in the congregation and in the broader community.

Ministry Activities: Support homeless shelter, blood drive, backpack feeding program, senior adult day activities

Investments: Materials, 45% of staff person, 35% of pastor's total compensation

#### **Support \$40,000 20% of Ministry Spending Plan**

Goal: To manage our affairs, land and buildings wisely to support God's ministry at Hope Lutheran

Ministry Activities: Care for property, develop year-round, whole life stewardship education, produce materials needed to support ongoing ministry of the congregation

Investments: Materials, Church Secretary, custodian, 10% of a staff person, 10% of pastor's compensation

*(Steps for Creating a Narrative Ministry Spending Plan and example plan are adapted from a presentation by Mr. Keith Mundy, Stewardship Program Director, ELCA)*