NAZARENE THEOLOGICAL SEMINARY
Financial Management for Christian Ministry
Summer, 2008

INSTRUCTOR INFORMATION

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COURSE DESCRIPTION

A study of Christian financial management from three perspectives. First, the course focuses on all aspects of local church finance including budgeting, financial record keeping, receiving and disbursing funds, developing accounting systems, and planning for building projects. Second, the course helps ministers-in-training develop sound personal financial processes including personal budgeting, tax-wise ministerial compensation planning, and retirement planning. Finally, students are exposed to tools that can be used in promoting stewardship among congregants.

COURSE TEXTBOOKS

Berkley, James, D. *The Dynamics of Church Finance*. Grand Rapids: Baker Books, 2000.

Hotchkiss, Dan. *Ministry and Money*. Herndon, VA: The Alban Institute, 2002.

Malphurs, Aubrey & Stroope, Steve. *Money Matters in Church*. Baker Books, 2007.

COURSE OBJECTIVES

The Church of the Nazarene has established competencies that must be met for Ordination within the denomination. The competencies that relate to this class are listed below. Other denominations and theological traditions will have similar objectives for ministerial preparation. Students from other denominations and theological traditions that require additional competencies are encouraged to discuss the need to address these requirements with the professor.

1. Ability to identify the directives of the *Manual* of the Church of the Nazarene that pertain to the organization and ministry of the local church and to the responsibilities of the pastor at local and district levels. (CN-29)

2. Ability to provide oversight of one's ministry using management skills including servant leadership, conflict resolution, and administration. (CP-5)

3. Ability to manage ministry resources of one's ministry (time, human, financial, etc.) in a way consistent with a church's size and characteristics. (CP-6)

4. Ability to appropriately manage personal and church finance. (CP-9)

5. Ability to develop and utilize existing ministry forms (such as facilities management and safety assessment, personnel development, basic recordkeeping, maintaining church policies, etc.) by which individuals, families, and congregations may be formed into Christlikeness. (CP-23 Administration)

6. Ability to assess and implement emerging approaches to administration in light of enduring theological (Bible, doctrine, philosophy) and contextual (history, psychology, sociological) perspectives. (CP-24 Administration)

In addition, I have established my own supplemental objectives for the course. At the conclusion of the course, the disciplined, serious student will be able to:

1. Articulate Biblical and theological foundations of money management principles.

2. Grapple with the history of money and the People of God.

3. Understand the role of the Church in establishing principles for handling money at church, work, and home.

4. Elucidate the reasons why proper budgeting is essential to the health of a church.

5. Identify in detail the process of developing a church budget

6. Demonstrate understanding of the need for record-keeping in order to make accurate reports to appropriate church leaders.

7. Master the basics of church accounting including cash receipts, cash disbursements, and individual ledgers.

8. Comprehend the types of reports required by the Federal Government, the Manual of the Church of the Nazarene, and the Denominational Headquarters.

9. Describe and assess creative means of raising money in the church.

10. Grasp the importance of proper ministerial compensation planning.

11. Develop skills in training constituents in stewardship matters.

12. Incorporate personal financial management into your life now so as to better minister in the days ahead.

COURSE REQUIREMENTS

1. **Class Participation and Attendance**:
   Students are expected to attend all class sessions and to be on-time. Students should come to class with appropriate reading completed so as to be better prepared to engage the topic of the session.

2. **Reading**:
   Students are required to read three texts prior to the beginning of the course. Submit a book report using the format displayed in the book report guideline sheet attached. The reports may be submitted in person or through the Blackboard assignment tool and are due no later than the first day of class. Please do not submit work as an attached e-mail.

3. **Finance Committee Analysis:**
   Attend a Finance Committee meeting at your local church or other ministry. Write a reflection paper on the experience and submit the report on the date listed on the calendar at the end of this syllabus. The report may be submitted in person or through the Blackboard assignment tool. Please do not submit work as an attached e-mail. The report is to be six to eight typewritten pages in length. It should use a standard research paper title page and begin with a paragraph describing the meeting particulars – when, where, who, how long the meeting lasted, etc. Please use titles for participants rather than personal names. Following this opening paragraph, the paper should have six clearly defined sections:

   A. *Information for decision making* – analyze the agenda, report from the treasurer, reports from other entities, etc., for clarity, usability, and integrity. Did the treasurer's report communicate to you as an "outsider?" How was the treasurer's report structured? Did the report clearly delineate the budget and indicate the extent to which the budget was followed? Attach a copy of the treasurer's report (if you were given a copy).
   B. *Structures* – describe, analyze, and assess how the group organized itself to do its work. That is, did the group follow formal structure, proper parliamentary procedures, etc., or was the group more informal in its processes?
   C. *Relationships* – assess interactions between the committee chair, ministerial staff members (if any were in attendance), and group members. Did everyone have opportunity to speak or did a few dominate the process?

D. *Effectiveness* – analyze the productivity or outcomes of the meeting in light of the agenda and other stated goals for the meeting. Was it apparent that processes and policies were already in place for how funds were to be administered or did the committee wrestle with which bills to pay this month?
E. *Theological Reflection* – evaluate the process and outcomes of the meeting in light of your Biblical and theological understandings of ecclesiology, spiritual leadership, Biblical and theological constructs given in the class lecture, uses of power, etc.
F. *Recommendations* – suggest ways the meeting could be improved in light of the five areas of analysis listed above.

4. **Practice in Finance:**
Each student will complete a Practice in Finance assignment that emulates the work of a local church treasurer. It is typical that students will spend twelve to twenty hours completing the process. It must be completed electronically via Excel and submitted to Blackboard. See the calendar at the end of this syllabus for the due date.

5. **Project:**
Each student will complete a class project to be presented to the group during the last day of class. Students are encouraged to use their imagination and to design a project built around interests and skills. Two members of the class may work together as a group on a project. Suggestions for possible projects include:

A. Develop a comprehensive operating budget for a small church raising $100,000 per year.
B. Role-play a budget planning meeting.
C. Read 500 pages of collateral reading and submit a five to seven page report on insights gained from the reading.
D. Produce a ten minute video/dvd on how to design a tax-wise ministerial compensation package.
E. Write and deliver a stewardship sermon.
F. Compile a list of offering prayers and stewardship texts that could be used during the offerings to be received at your church. Five to seven pages in length.
G. Research the "stewardship industry" to discover tools available for pastors to use to train laity. Write a five to seven page report and provide samples, if possible.
H. Research software options for ministry or personal financial recordkeeping. Write a five to seven page report.
I. Write a five to seven page research paper on biblical and theological issues regarding financial matters in the ministry.
J. Write a five to seven page paper on generational differences in motivating people to give.
K. Develop a humorous video/dvd of wrong ways to run the finances of a ministry.

L. Present a detailed outline and calendar for a major gift campaign for a church or ministry.
M. Write a five to seven page personal autobiography about faith and money. Include a personal theological reflection on the role of faith and money in your own life.
N. Develop a personal budget for you and your family for the next twelve months.
O. Interview three to five people and ask them to tell a story of stewardship celebration. Report your findings in a five to seven page paper.
P. Maintain a journal of insights gained during the course. There should be at least one page of reflections per week in the class.
Q. Be creative. Think of something that interests you and bring the concept to me for approval.

6. **Final Exam:**
The final exam will be a combination of multiple choice, short answer, and essay. It will be based solely on class lectures and will be distributed electronically on the last day of class. It must be completed at one sitting within 60 minutes and submitted within one week after the end of the course. Save the exam to a Word file and send it to the professor as an attachment via e-mail.

NOTE: No credit will be given for late assignments unless arrangements have been made with me IN ADVANCE.

GRADING PROCEDURES

Participation	100 points
Three Book Reports (50 points each)	150 points
Reflection Paper on Finance Meeting	150 points
Practice in Finance	300 points
Project	200 points
Examination	100 points
Total	1,000 points

900 - 1000 points	A
800 - 899 points	B
700 - 799 points	C
600 - 699 points	D
Below 600 points	F

COURSE OUTLINE

1. Day One – June 30

Introduction to the Course and the Topic
Money in the Old Testament
Money in the New Testament
The History of Money in the Church

DUE: Hotchkiss Reading Report
DUE: Berkley Reading Report
DUE: Malphurs Reading Report

2. Day Two – July 1

Money and the American Society
Toward a Theology of Faith and Money
Budgeting

3. Day Three – July 2

Budgeting Continued
Receiving the Funds
Spending the Funds

4. Day Four – July 3

Church Accounting

NO CLASS ON FRIDAY, JULY 4

5. Day Five – July 7

Church's Responsibility to Donors and the Government
Protecting the Church's Resources
DUE: Practice in Finance

6. Day Six – July 8

Building Programs

7. **Day Seven – July 9**

Personal Finances

8. **Day Eight – July 10**

Personal Finances Continued
Stewardship

9. **Day Nine – July 11**

Stewardship Education
Class Projects

DUE: Project

Assignments Due Post Module:

Final Exam Due July 18
Finance Committee Analysis Due July 28

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Book Report

Student ________________________________ Date ____________________

Book Title ______________________________ Author __________________

Percentage of Book Read __________%

Thesis or Purpose: (One Paragraph of not more than 50 words)

Insight #1 Learned: (List)

(One Paragraph on how this will help you in ministry)

Insight #2 Learned: (List)

(One Paragraph on how this will help you in ministry)

Insight #3 Learned: (List)

(One Paragraph on how this will help you in ministry)

Quotes: (Give 5 quotes with page number and a couple of sentences explaining why you thought this quote was important.)