

The James Company

The Stewardship of Finances In Local Congregations

Reasons for Giving

It is a combination of three reasons which inspires the giving of most church members:

- (1) **Faith Relationship** - People give and will increase their giving when there is a strong relationship with God and the local congregation. A strong relationship of faith, trust, love and commitment is essential to strong giving. Where the heart is, there the treasure will be.
- (2) **Opportunities** (Vision) - People give to specific, well-defined programs, needs and causes which will serve God's people in new and exciting ways. The more that people "own" these opportunities and the more that people understand and relate to those who will benefit, the more they will give.
- (3) **Asking** - Asking is an essential part of increased giving in a congregation. The asking must be bold, forthright and specific but never tinged with pressure or guilt. People are very generous and God does work in people's lives. The more personal the "ask," the more successful will be the request.

It is the combination of all three which is critical to the success of a giving program in a congregation.

Forms of Giving

Annual Giving - Most congregations ask members to make an annual commitment to their ministry. There are a variety of programs and methods for conducting an annual appeal. An intensive, well designed appeal can produce an annual increase of 20% - 25% in a congregation.

Capital Giving - Usually conducted every 10 - 15 years in a congregation. Special capital fund appeals ask members to make a three-year commitment over and above regular offerings for building programs, capital improvements, debt retirement and/or endowment/outreach funds. These appeals can increase giving by 40% - 60% in one year.

Deferred/Bequest Giving - Few churches actively encourage the stewardship of planned giving through deferred gifts and bequests. In doing so, they are missing many opportunities to enhance their ministry through these types of gifts. Endowment funds are often viewed as antithetical to ministry, i.e. having "too much money" can be detrimental. If managed properly, endowment/outreach funds can stimulate many creative efforts to strengthen a church's ministry.

In order for a congregation to be financially strong it needs to address each of these three forms of giving.