

# **Financial Challenges Facing Ministers**

**WRBA Minister's  
Roundtable  
October 7, 2015**

**MONEY'S POWER → GIVES VALUE**



**WHAT IS IT WORTH? = \$\$\$\$**

# **MONEY'S POWER → MISUSE OF CHURCH FUNDS**

- [BROTHERHOOD MUTUAL INSURANCE](#) – Reports church financial fraud is increasing at annual rate of 6% and will reach \$60 billion by 2025.
- [Calvary Baptist Yorba Linda Church](#) - Father and son, both pastors, convicted for stealing \$3.1 million from their church.
- [BGCT reports \\$1.3M fraud](#) - Mismanagement in church funds.

# **DISARM THE POWER of**



“We intend that no one should blame us about this generous gift that we are administering, for we intend to do what is right not only in the Lord’s sight but also in the sight of others” (2 Corinthians 8:20-21).

**DISARM with**

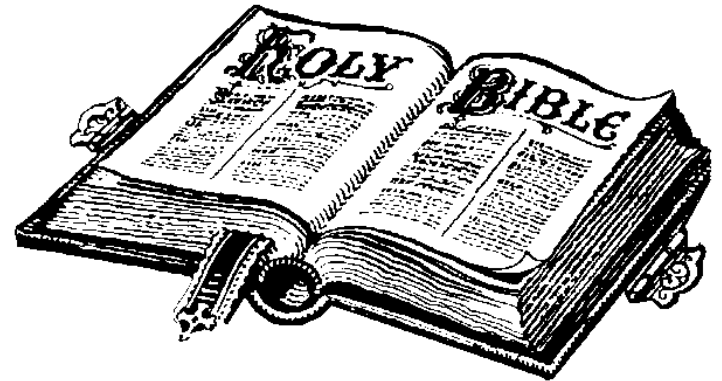
# **GOD'S WORD**

2,300+

Verses on Money



- Giving / Spending
- Earning / Managing
- Lending / Borrowing
- Saving / Investing





**“I will bless you . . . So that you will be a blessing”  
(Genesis 12:2)**

# Theology of Stewardship

## **Tithe**

**“Don’t Rob God”**

(Malachi 3:10)



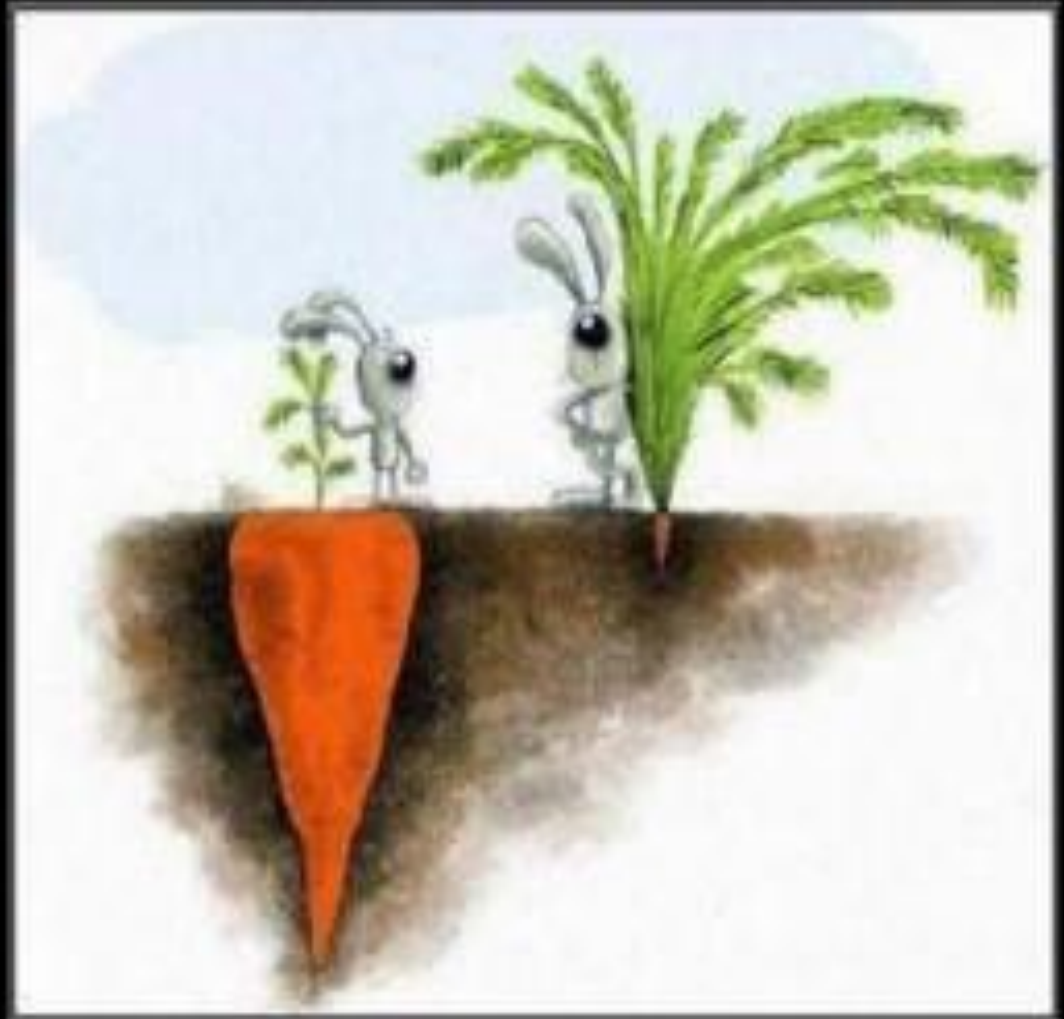
**Treasure =  
Kingdom**

(Luke 12:34)

Attendance  
Budgets  
Programs  
Buildings

**OR**

Transformed Lives  
Spiritual Growth  
Mission



**SUCCESS**

It's not always what you see



**DISARM with**

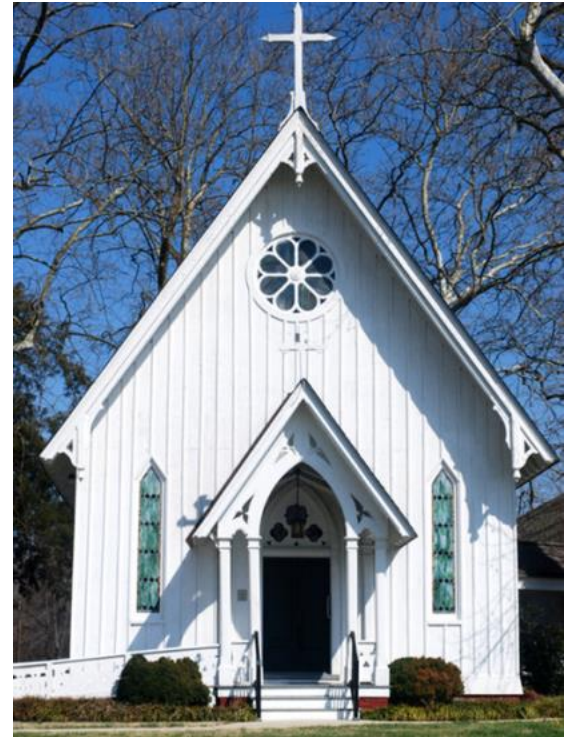
**KNOWLEDGE**

of  
Church Business



The Basics:

- Budget
- Financial Reports



**DISARM with**

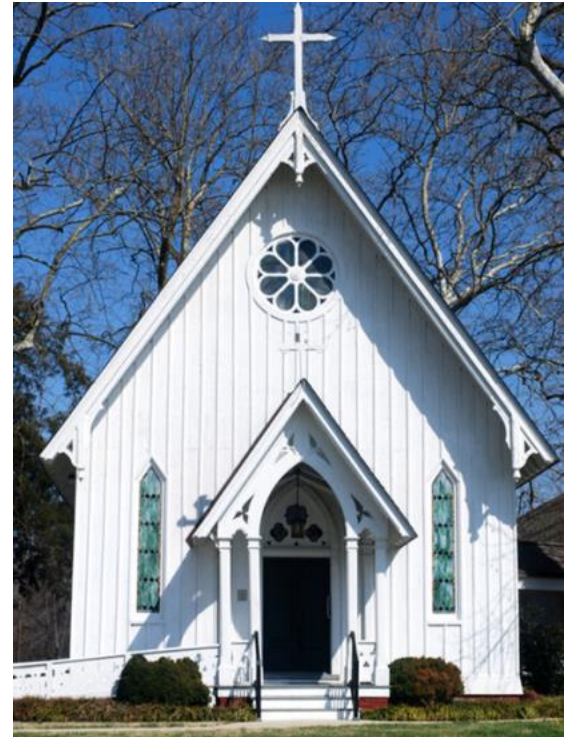
# **INTEGRITY**

in  
Ministry



**The Basics:**

- **Mission**
- **Trust Staff**
- **Fiscal Responsibility**



**DISARM with**

**ACCOUNTABILITY**

by

**Eliminating Fraud**



- **Perceived Opportunity**  
(Policies)
- **Perceived Pressure**  
(Transparency)
- **Rationalization**  
(Relationships)

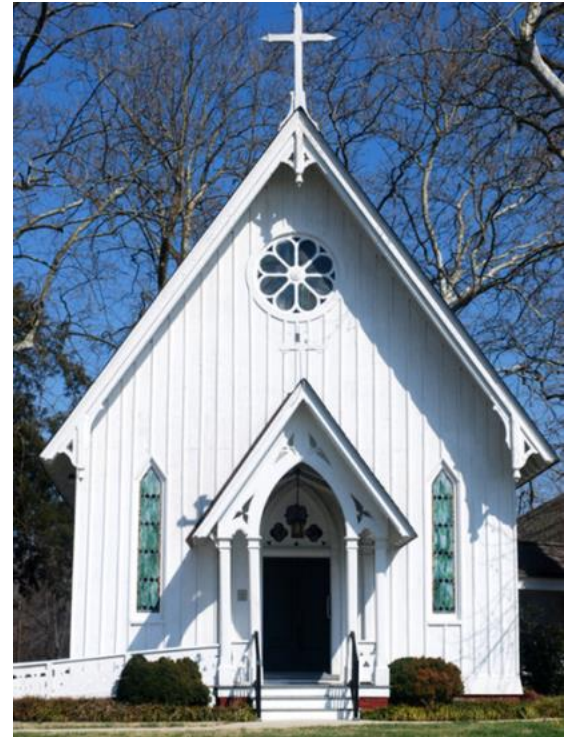


# **DISARM** with **PASTORAL** **CARE**

By Avoiding  
Unintended Messages



- Sacred work is better
- Poverty is righteous
- Confidential as Illustrations

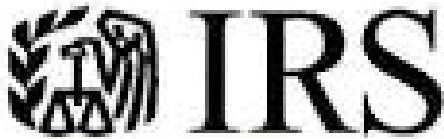


**DISARM in**

**PERSONAL MATTERS**



# **DISARM in** **PERSONAL MATTERS**



Department of the Treasury  
Internal Revenue Service

## Tax Rules:

- Self employed – SS and Medicare
- W-2 – NOT 1099 Form
- Housing Non-Taxable Federally  
BUT included for SS and Medicare
- Churches – not required to withhold tax  
BUT ministers are required to pay  
as income is earned

# **DISARM in**

# **PERSONAL MATTERS**



- Maximize Housing Allowance
- Health Insurance – Paid by church
- Tax advantage plans when paying medical expenses yourself
- Retirement – Start now
- Expense Reimbursements are not part of compensation
- Education Debt

# **DISARM in** **PERSONAL MATTERS**



- 60% gross income for non negotiables
  - Taxes
  - Contributions
  - Housing
  - Auto
  - Student Loans
  - Insurance, Groceries, Utilities
- 40% gross income
  - Discretionary spending
  - Retirement
  - Emergency Fund
  - Short-term savings



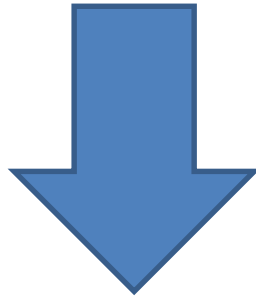


**“The first responsibility of a leader is to define reality”**

*(Bob Terry, Colloquy, Fall 2008, Pg 35.)*



# MISSION & VISION



Americans are willing to give,  
**BUT**  
they want to feel confident  
about how their money  
will be used



**Mission & Vision**  
**Trust in Church Staff**

# The Church is Salt and Light – Embedded in the World

