



Developing a Budget for Congregational Youth Ministry

Budgeting for ministry

Many youth experts say a congregation's youth ministry budget reflects the importance that a congregation places on its young people. Congregations fall anywhere on a continuum from budgeting for all youth programming to paying for little or none of it, encouraging youth to pay their own way. Some even say that at least \$150 should be budgeted for each young person for whom programming exists.

In a parish in which "fun" activities fill the youth calendar, young people are often expected to pay their own way and/or raise funds through congregational fund raising. Churches sensitive to a variety of incomes should publicize that no student will be excluded or discouraged from youth events for financial reasons. A portion of the church's budget, specifically "youth budget," should allow for special scholarship help that is easily accessed.

Setting up a budget that reflects your annual program goals, strategies, and needs takes time and research. First, decide who is responsible for developing the youth ministry budget. The youth director or pastor? A youth committee or church council representative? What about input from advisors, youth officers, a steering committee, or parents?

If your church has not had a youth ministry budget, start slow and low. Don't ask for \$25,000 at your first crack and expect it. Carefully research your needs and hopes, reviewing expenses from the past year and estimating future costs.

For example, look at the expenses for last year's senior high school retreat. Taking into consideration facilities, meals, transportation, speaker and program expenses, determine what of that total cost you think is fair for participants to pay and the amount or percentage you'd like to come from the congregation's youth ministry budget. If you decide the church should pay the transportation (\$100), the guest speaker (\$100), and offer thirty participants \$20 scholarships, you will want to budget about \$700. If the camp or retreat center charges \$40 per person, the final cost charged to each young person is about \$20. Be sure to include in the retreat budget any expenses for paying the way of adult advisors, staff or young people needing full scholarships.

Check records from youth activities of the past several years to make similar determinations. You may need to call your camp office, a neighboring youth director, local businesses, or suppliers to come up with current cost estimates. **Factor in an additional 5-10% annual cost increase** for camp fees, educational materials, entrance fees, food, etc.—just to be safe. When you've finished your research, follow these budgeting steps.

Budgeting steps

1. ***Categorize events and programs into line items.***
Do you want two separate line items for retreats if you have one for senior high and one for junior high or middle school youth? Perhaps creating separate program budgets for each age group will be more effective--each including "retreats" as a line item. A final budget presented to a church council or congregation is more easily understood if kept simple and general. Events, resources, and programs can be combined under general headings while specific, one-time expenditures are listed by themselves if they don't fall within a particular category. A more detailed form of the same budget is useful for record-keeping progress.
2. ***Decide how much of the total cost will be budgeted and how much will be paid by the participants.***
Is it realistic or affordable to put all anticipated costs in a budget? One approach is to decide that all "fun or social" events are paid for by the participants (i.e., ski trips, amusement park fees, pizza dinners). For service projects and Christian education opportunities, you may decide to offer partial subsidy through the budget to keep costs at a minimum for young people and their families. Regardless of how activities are funded, maintain a scholarship fund so money does not become a barrier to participation. Involve several people or a committee in deciding whether incidentals should be added to the budget or divided among participants (i.e., fees for adult advisors, scholarships, food, program costs, transportation).
3. ***Include an "anticipated income" section for the budget***
You've outlined the expenses for keeping your congregation's youth ministry alive and well, now indicate how much money you anticipate coming from specific sources (i.e., congregational youth ministry budget, participant fees, planned fund-raising, a memorial gift, etc.). Be realistic in your estimates.
4. ***Prepare detailed work so those responsible for passing the budget will understand how you arrived at each budget expenditure***
Indicate reasons and figures for increases or decreases. Supporting documents for the general budget need to also describe the breakdown of each line item (i.e., what specific expenses are covered by the \$900 line item for a "junior high retreat").
5. ***Develop a system of banking, bookkeeping, and financial reporting consistent with congregational policies and guidelines.***
No one person, youth or adult, should have exclusive access to youth ministry funds, bank accounts, or financial records. Provide the congregational treasurer and/or finance committee with regular financial reports, bank statements, and other documents requested.

Sample youth ministry budget

(without line item details)

- ***Elementary program***
General expenses- \$200
Day camp resources- \$500
Outdoor ministry scholarships- \$500
- ***Junior High Youth***
Retreats- \$900
Outdoor ministry scholarships- \$700
General expenses- \$400

- **Senior High Youth**
Retreats- \$1,000
Outdoor ministry scholarships- \$700
Summer trips and activities- \$1,200
Senior Recognition Sunday- \$150
General expenses- \$800
- **Miscellaneous**
Communications- \$300
Resources- \$300
Special scholarships- \$250
Leadership Training- \$300
Volunteer appreciation- \$200
Publicity and newsletter- \$600
Administrative expenses- \$300

(Note: Expenses for education resources are often included in a Christian Education Committee budget.)

Tips for passing a budget

- Make sure your budget proposal is written, clean, and concise.
- Ask what steps are necessary for approval and to whom the budget should be submitted. Get it in on time, even early.
- Contact people if you anticipate questions or roadblocks. It doesn't hurt to give a call to the chair of the budget process to briefly explain the budget and ask advice. Whatever you do, do not side-step appropriate lines of communication (i.e., church staff, committee members, youth officers, or adult advisors).
- Make sure your budget reflects your ministry needs. If you always budget \$500 for a banquet that usually costs \$150, change the budget. Review the budget annually and make changes based on the previous year and anticipation of the year ahead. And, remember that your budget tells the story of your youth ministry. If your budget is filled with line items for water slides and pizza, take a deeper look. A budget filled with ministry opportunities for service, faith building, and relationship building makes a better case for youth ministry.
- Pay attention to items such as resources, leadership training, and communication. Make sure there's money available to maintain an up-to-date youth ministry library containing books, periodicals, and videos. Set aside money for those working with youth to be reimbursed for reasonable expenses incurred. Make an investment in your leaders (adults and youth) by paying for leadership training and purchasing small gifts for volunteers and advisors. It's all money well spent!

Regarding commercialism in the church

(Excerpts from Appendix G, pages 35-37, *A Guide to the Study of Financial Stewardship Strategy of the Evangelical Lutheran Church in America*. ELCA, 1993.)

The culture in which we live is greatly influenced by economic assumptions and practices. As people of faith, we live with these cultural realities even as we strive to be faithful to the Gospel. As individuals and communities of faith, we may find ourselves working within these same realities to strengthen the mission of the church and, at the same time, be in conflict with prevailing economic assumptions and practices. The matter of commercialism (i.e., using

commercial means to raise money for church-related work) continues to be an issue for the ELCA.

In teaching, preaching, and practicing stewardship, ELCA materials and leaders focus on a biblical base. Voluntary giving by church members remains the primary method of financing congregational activities. However, groups within the church occasionally inquire about the appropriateness of generating additional funds through the selling of goods and services, games of chance and other special efforts.

The stewardship practices of many congregations are deeply rooted in the heritage of their members. Harvest festivals continue to play a major role in agricultural communities. Bazaars, rummage sales, food sales, and arts and crafts festivals are other ways in which congregations celebrate their heritage. These events can provide opportunities for sharing time, talents and energy, as well as generating financial support for congregational ministries. The dignity of such efforts can be affirmed, especially when they are planned and conducted in a manner consistent with other stewardship efforts in the church.

Financial needs and cultural influence have led people to look at new ways of supporting ministries into the future. Activities to raise funds for congregations can do more than make money; they can build fellowship and commitment in a community of faith.

Games of chance have no place in the life of congregation. Congregations, like governmental entities, may see such games as a quick, easy means of raising funds. These games send adverse messages regarding the value of giving and financial stewardship. Games are based on the principle of receiving a high return for a low investment. Luck, instead of thankfulness, need, compassion or commitment, is the guiding principle.

Many congregations have explored creative ways of supporting a broad understanding of stewardship while raising funds. Recycling projects can raise funds for groups even as they teach members of the community ways in which members might care for God's creation.

Questions for consideration

The following questions should be addressed as congregations, institutions, agencies, synods and the churchwide organization consider fund raising efforts:

1. Are the goals for this activity clearly established before the activity is undertaken?
 - Who is being served by this effort, and how?
 - Is this effort consistent with the total ministry of the church?
 - What is the guiding principle in designing the event or program? Making the most money by any means possible? Service to the community? Fellowship?
 - Does the method of fund raising accomplish these goals, or are they at cross purposes with the goals?
 - Do the goals compliment stewardship efforts within the congregation, synod or churchwide organization?
2. Are the people who will work on an activity part of the decision-making process?
3. Does the activity provide a service beyond the fund raising itself?
4. Will the activity afford satisfaction and dignity to those who engage in it?
5. Will the activity enable people to use their abilities and to express their willingness to serve others?

6. Will the activity encourage people to believe they are giving charitable support to a congregation's ministries when they are, in fact, obtaining goods or services at bargain prices?
 7. Does the activity send a message consistent with the idea of sacrificial giving?
 8. Does the activity ask community members to support something that the congregation is not willing to fund?
 9. Does the activity build commitment within the community, or relieve the conscience of those who are involved in the congregation in a limited way?
 10. Will the activity benefit the ministry of the whole organization, or is it a means for a small group to exert power and control through the dollars raised?
 11. Will the activity be seen as a unique contribution to the community, or as direct competition with local businesses?
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Raising money

Most churches with an active youth ministry provide fund raising opportunities for young people to raise money for trips, activities, events, or special needs. Among your youth leadership, make these decisions:

- ***What is the appropriate use of fund raising, and for what aspects of your program?***
Someone will need to develop guidelines, strategies, and systems of accountability (record keeping, and accounting). Some of these guidelines may already exist in your congregation. Are all the ministry programs of your congregation held to the same expectations and guidelines for budgeting and fund raising? If not, raise the issue.
- ***How many and which fundraising activities to pursue?***
Consider those which also perform a service to the congregation or community, such as a dinner or breakfast, variety show, car wash, rummage sale, or yard work. A few well planned, big-money fund raisers are better than "nickel and diming" the congregation. For instance, a silent auction can be fun and creative while bringing in more money than bake sales for which people spend a large amount of time and money in preparation. Choose fundraising events and activities carefully and review them annually to make sure they're appropriate and productive.
- ***How proceeds will be distributed?***
Will they be divided evenly among everyone, or by a system which pays individually according to the amount of time worked? Consider designating portions back to the congregation and to special needs (i.e., ELCA World Hunger Program, local social ministries, disaster relief efforts, global mission programs).
- ***How congregation members and contributors will be thanked?***
Keep people informed about your youth ministry program throughout the year. Communicate your goals, program content, needs, accomplishments, and dreams.

Remember that fund raising can be a tool for effective youth ministry. It enables young people to participate in what their church has to offer, develops a sense of "ownership" and responsibility, and gives them a chance to build community prior to activities and events.

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