

Narrative Budgeting

Budget, What Budget?

If you are honestly able to say that your church writes an annual budget based on vision, then you can miss this new chapter of the 'Firm Foundations' resource pack, and take the dog for a walk or have an extra hour in bed.

BUT...if you sympathise with this statement, then read on, and hopefully you will find some succour.

An earlier chapter of 'Firm Foundations' described how to seek God's Vision for your church, and then proceed to set out priorities, which would realise that vision.

The resource pack also shows how to present those priorities to the congregation of your church in a way that encourages it to resource them.

Many parishes are used to, at least, a rudimentary form of annual budget as well as the annual accounts and report, but very few have that budget written in a form that is readily understandable, or interesting, to the average member of the congregation.

What is even worse, however, is that the average set of accounts or budget has little direct relevance to the Gospel.

They talk about photocopying and gutters, not outreach and teaching.

So, in this chapter I shall attempt to give an outline of ***Narrative Budgeting***, still most commonly found in North America, and the most effective way of putting on paper the vision God has for our churches.

Narrative Budgeting

Narrative Budgeting?

- It's the sacred story of the ministry of the parish.
- We have a theological starting point – we are NOT a secular institution; our faith calls us to view the deployment of money much differently than secular institutions.
- If we don't have a narrative, we're simply accountants.
- A narrative inspires donors; it's a proven way of increasing financial commitment to the parish.
- Donors don't need to give their money TO the church, but THROUGH the church to touch the lives of other people. Remember the 5,000!
- You'll see later possible areas in which to describe your narrative budget, but you'll notice that ADMINISTRATION isn't one of them.

So, how do we write the narrative?

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THE STORY OF HOW YOU SPEND YOUR MONEY

“Every month I try really hard to understand the treasurer’s report at our PCC meeting, but I get lost in a sea of numbers.”

“I hear the presentation of our church budget every year at our annual meeting, and I still don’t know where all the money goes.”

Many congregations have financial statements (or line item budgets) but if you have heard comments similar to these, consider telling in a new and expanded way the story of how the church’s money is spent on its ministry.

What is a Narrative Budget?

- A narrative budget tells a story of the ministry that integrates money, people and mission into one portrait.
- A narrative budget includes Ministry Leaders’ expenses, and those of the building and office, as part of the cost of individual ministry categories.
- A narrative budget is vision-driven, providing glimpses of how you as a congregation are living out in practical ways the broad brush strokes of your vision statement. This narrative connects your congregational story with “The Story” of the Christian faith. Jesus used narrative and story to excite people to follow God’s way. Within all the practical details Jesus would name, he always named that larger vision of being a people of God.
- A narrative budget does not replace the accounts. It builds upon it and reshapes the same information within a story, a narrative.
- A narrative budget usually tells the story of the expenses, and the income received to pay them. Although it is not part of this chapter, it could be helpful to include in your narrative a paragraph that names how you raise the money (e.g., congregational offerings, fundraising), indicating that these sources of revenue shape what you can spend.

Narrative Budgeting

Why Do It?

In many churches, full and exciting visions of ministry—worship, education, and outreach projects- are shared.

I have come to realize that working at the preparation of a narrative budget is the key to overcoming the separation of money and ministry, integrating the vision with the resources.

Narrative budgeting encourages church leaders to highlight the theology of giving and receiving.

We need a theology that emphasizes the abundant gifts given to us by God and the abundant gifts we in turn want and need to give to God. This is why you exist as a congregation! This is what you have to celebrate! Your time! Your money! Your whole selves given as a gift to God!

There is a basic stewardship understanding that each of us has an innate need to give. When you tell your story, the reader, the “giver”, will want to respond by giving. Often, this natural desire to give will lead to other forms of commitment.

Yes, you have a story to tell, you have money attached to your story, you seek a response from those who need to give, developing a commitment not to a *financial statement*, but to a *faith story*, and to the particular way that faith story is lived out in your particular congregation.

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Who Is Involved in Preparing the Information?

There is one simple word and image here: when you are creating a narrative budget:

Involve as many people as possible:

- The treasurer and finance committee, if there is one, provide financial data.
- Working parties of the PCC need to develop the narrative story of their work.
- Clergy, readers and those in leadership highlight how they spend their time in each area of the church's ministry.
- Members of the PCC and congregation can share "testimonials" of their commitment to particular areas of ministry
- Individuals who like to write and compile stories from all these sources of information can be asked to create the narrative document.

Spend some time asking yourself who needs to be involved in creating *your* story. Think together about who that "everyone" is in your own setting.

Narrative Budgeting

When and where do you use it?

Remember those two quotations at the beginning of the article, from two dissatisfied people?

What opportunities do you have in your congregation to share this narrative to help add clarity to the financial picture?

Let me name four occasions. You will think of others:

1. ADMINISTRATION is not a budget area, but the administrative work of the church can be enriched by the existence of a narrative budget. There are often long conversations over money matters. Creating a narrative budget pamphlet that parallels the financial statement integrates finances and budgets with ministry so that the ministry isn't forgotten in the concerns over money.

2. At the annual meeting, hand out the narrative budget information leaflet NOT the accounts.

(If anyone really wants the line-by-line accounts, they can ask you secretly)

This provides an overview of the ministry and of the finances of the church at the time you are asking the congregation for its approval of the upcoming budget.

Consider making a PowerPoint presentation as a visual way of telling your story.

What about someone taking slides/digital pictures all year and showing them at the annual meeting to enhance the words in your leaflet?

Who knows, the APCM might be renamed the Annual Mission & Ministry Meeting!

Others apart from the PCC might attend and actually look forward to coming.

3. Narrative budgets are integral and necessary pieces in any well-developed stewardship programme.

How important it is to help each member of your congregation develop a picture of the whole mission of your church, particularly when you are asking them to give both their time and their money.

You are so much more than buildings

You are so much more than staff

You are so much more than office supplies

You are a people of God

continuously searching and unfolding responses to God's call. Tell the story of how that response takes shape through the ministry of your church.

In this way you focus your stewardship programme on that core message of celebrating God's gifts to us and your opportunity and obligation to celebrate and offer in return your gifts to God.

4. A narrative budget is a key communication tool in the package of information given to visitors and new members, connecting the need for both their giving and their commitment to the work of their church.

It is never too early to begin telling a story that draws people into wanting to know more and to become more involved.

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How do you do it?

There are many formats you can use. I have mentioned creating visual components (PowerPoint presentations, slides, photos).

Many churches use a format that can also be posted on their web site. In this article, I have included a sample of a leaflet format.

Whatever the format, there are 4 basic steps:

1. Review your mission statement and see if the statement (a brief one, hopefully!) can be used on the cover. (See the bottom of the cover on the sample pamphlet.)

2. Create profiles of ministry programming. Try to keep to as few categories as possible. I have used the four 'Growing the Kingdom, Primary Purposes'

Worship & Prayer
Teaching & Nurture
Evangelism & Outreach
Justice & Care

3. Work with the financial statements. Your narrative has the same totals as the financial statements, just shaped into a different configuration. (See the back page of the pamphlet.)

4. Allocate expenses to each ministry area. (See the back page of the pamphlet.)

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Creating profiles of ministry programming

The writing of the narrative takes some skill. As with any communications tool, make sure the facts are right and that the style is one that draws people into the story. Pictures, personal comments and quotations can add interest to the presentation.

The accompanying leaflet is a straightforward narrative that includes a description of the area of ministry (e.g., worship & prayer) and then adds a list of specific examples of events. You will notice that the list includes baptisms, weddings, funerals, as well as sides persons and pew sheets—a combination of clergy duties, volunteer activities and office supplies.

In each ministry area you have chosen, you can highlight your understanding of that ministry and how you live it out in practical ways.

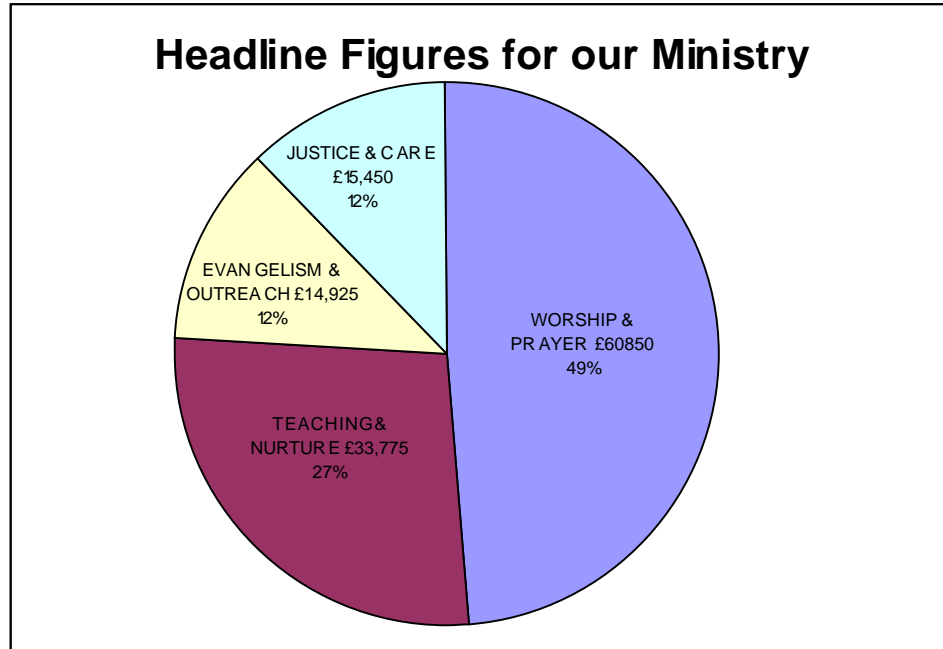
This generic sample is simply one format. Perhaps you will want to choose your own category titles. Be creative in your writing and in your presentation!

(If you wish to create a leaflet with your own parish's figures, a blank electronic version can be obtained by e-mailing kim.hodgkins@lichfield.anglican.org)

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Allocating expenses to each ministry

Note the chart below that illustrates a completed financial picture – a budget of £125,000, divided among the four areas of ministry. Adding such a visual presentation to your information can help provide, at a glance, a whole financial overview



So now you need to move on to the preparatory steps that are taken to arrive at those totals.

On the pamphlet, you will see the back page presents the same budget of £125,000 for St. Anywhere's Church. Column one is the annual budget, as it would appear on the financial statement. It is from this annual budget that you allocate figures to the narrative columns (Columns 2,3,4,5).

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Example One:

When you look at the first line item, Admin., you will see that the total expenses, travel, etc. is £15,050. In conversation with the clergy, the Worship & Ministry group would ask the priest(s), readers etc to determine a rough estimate of time spent in each area of ministry.

This example indicates approximately
49% spent in matters related to the ministry of Worship
27% related to the ministry of Teaching & Nurture
12% related to the ministry of Justice & Care
12% related to Evangelism & Outreach.

Once percentages are figured out, it is easy to determine the money to allocate and you can see in line one that 33% of £15,050 is £5,000 and is assigned to Worship & Prayer. 25% of £15,050 is £3,800 and is assigned to Teaching & Nurture. Similar calculations provide the figures for Evangelism & Outreach, and Justice & Care

Example Two:

The second budget line item lists the organist salary at £10,000. In this congregation, the organist has responsibility only in the ministry of worship, so 100% of the expense is allocated to Worship.

The same deductive process is used with each budget line item. Approximations are all that is expected. The final picture emerges when all the calculations are done. In this example, you can see at a glance that St. Anywhere's Church spends 49% of its budget in Worship & Prayer, 27% in Teaching & Nurture, & 12% each in Evangelism & Outreach and Justice & Care.

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When we are thinking about financial resources, we mustn't forget the time and the attributes that our church members have to offer; above is a template to log those into the Narrative Budget too.

All of the above can be seen as the parish-wide or macro-narrative, where we could list:

The growth in home communions or bereavement ministry.

What's happening at the micro level, where peoples' lives are being changed?

Here we can tell real stories such as that of Jimmy, who was visited in prison by one of the Justice & Care team and who started to attend St. Anywhere's when he was released. Or Kristen, a student who attended the Alpha course and found a new family.

Tell these stories, and the macro ones, through the parish magazine, the pew sheet and sermons. Include them in prayers.

Don't get caught in a trap

Many parishes implementing Narrative Budgeting for the first time miss the point; they get caught up with delivering *accuracy* and not *direction*. Not that we deliberately try to be inaccurate, but the intention, purpose and direction are more important.

Each year we can get better at showing God's purpose in this way; we add to the story and people's response is even more committed.

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In Conclusion

Leaders in congregations have a responsibility to share the story of the mission of that congregation and how you live out your life together as the church. As Christian communities, every congregation has an exciting faith story to tell. I believe a narrative budget can be one small piece in this process, reshaping what seems to be simply an administrative task, the understanding of your money, into an integrated story of congregational life.

How you raise your money and how you spend your money are defining characteristics of who you truly are.

How you worship, nurture, care and reach out offer more defining moments.

In connecting all these characteristics and moments, you can keep before your members, and your communities, a picture of money and ministry offering faithful mission.

Everyone loves a story! Have fun developing and telling your narrative!

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