



Western PA Conference
The United Methodist Church

LOCAL CHURCH FINANCIAL HEALTH CHECK – ASSESSMENT TOOL

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INTRODUCTION & OVERVIEW

INTRODUCTION

As of the initial development of this tool (June 2020), our churches are dealing with the organizational, operational, and financial fallout of the Coronavirus pandemic. While some of these impacts may have a short or near-term duration, others will be long-term, if not permanent. In this “new reality”, our churches have been forced to change current operating procedures and policies, and also implement new processes and/or technologies to continue ministry while adhering to social distancing and “stay-at-home” guidelines.

As we continue to live into our new reality, we are afforded the opportunity to pause and reflect a bit on questions such as “What has this Coronavirus pandemic exposed?” or “How tenuous is our financial situation?” This isn’t intended to be a negative or fault-finding undertaking, but rather an opportunity to take that reflective step back and leverage the lessons learned; some of which may be quite positive as new ways of doing things have been realized. For example, “What have we learned that we can live without while still maintaining our ministry?”

This Assessment Tool has been compiled as a practical tool that churches can utilize - through the SPRC, Finance Committee, and / or Treasurer - to assess their current realities and identify actionable steps to enhance financial or organizational stability. This is not a “one size fits all” tool, and some of this material may not be applicable to your church. Our intent is to provide material that is thought-provoking and urge churches to utilize what is applicable, set aside what is not relevant, and further tailor the tool to fit their individual situation.

As you use and work with this tool, please do not hesitate to contact the Treasurer’s office to discuss it further or ask questions:

- Roger White, Conference Treasurer: roger.white@wpaumc.org; 1-724-776-2300 x239
- Jason Dix, Assistant Treasurer: jason.dix@wpaumc.org; 1-724-776-2300 x240

OVERVIEW

What follows in the remainder of this document is a series of assessment questions, grouped into “like” categories, including:

- Planning / Budgeting / Financial Reporting
- Revenue
- Spending
- Liquidity / Cash Reserves
- Property / Investments
- Mortgages / Other Debt
- Contracts / Vendors / Service Providers
- Personnel
- Other - Miscellaneous

The assessment questions will be listed in a table format, and where applicable, examples and additional considerations have been provided. There is also space for your church to add personalized responses and / or action steps.

Additionally, this is a living / working document; your church is encouraged to tailor this tool to align with its specific situation. A number of blank lines are provided in each section to allow churches to add their own questions. ***As you make changes to this tool or add questions, please communicate those to the Conference Treasurer’s office as they can be added to the Tool and be of use to other churches.***

ASSESSMENT QUESTIONS

PLANNING / BUDGETING / FINANCIAL REPORTING

The section provides questions and considerations around the financial budgeting and reporting processes. Often times, the budgeting process begins with the prior year budget, and not the conversation around what the congregational plans and ministerial priorities and objectives are for the coming year, and how to achieve them.

PLANNING / BUDGETING / FINANCIAL REPORTING		
Assessment Questions	Examples / Additional Considerations	Church Response / Action Steps
<p>Does your church undertake a formal financial planning and budgeting process?</p> <p>Are you identifying the things that will be different or new and how they will be funded? Have the financial impacts of planned changes been properly identified?</p>	<p>Before you ever start talking numbers, ensuring that there is agreement on congregational and ministerial priorities and objectives is critical.</p>	
<p>When was the last time your budgeting processes were reviewed and/or revised?</p> <p>Are you properly identifying all of the sources of revenue? Are all categories of expenses being addressed? Does your church utilize a functional budget?</p>	<p>As congregation demographics and ministerial priorities change, new or untapped sources of revenue may need to be identified (See “REVENUE” section that will follow).</p>	
<p>How frequently do you measure your actual financial performance against your plans / budget?</p> <p>Budgets and financial plans are not a “once a year thing”; understanding variances throughout the year provides the opportunity to make course corrections.</p>	<p>Expect the unexpected. Anticipate different interpretations and promote flexibility and understanding in dealing with unforeseen circumstances.</p> <p>As mentioned throughout this document, transparency in financial reporting is critical.</p>	

PLANNING / BUDGETING / FINANCIAL REPORTING

Assessment Questions	Examples / Additional Considerations	Church Response / Action Steps
<p>If your budgeting process reveals a projected deficit, how do you deal with that situation?</p> <p>Are there untapped sources of revenue to fill the gap, or will spending be curtailed? Making no changes and hoping/praying for the best is not advisable.</p>	<p>Having clearly defined and agreed upon priorities and objectives will be key to making the hard decisions in this scenario, especially if there is a need to cut spending.</p>	
<p>How often, and through what format, does your church share financial information?</p>	<p>There are a variety of ways in which financial information can be shared with the congregation, such as: a “financial dashboard” in the weekly bulletin, a financial update as part of the worship service (maybe not every Sunday, but perhaps once a month), or an annual report in which the stories can be told of how congregational giving fulfilled ministerial plans.</p> <p>Churches are encouraged to find the reporting medium that best fits their situation.</p>	
<p>Is your church in compliance with applicable auditing and reporting requirements?</p> <p>Beyond the Fund Balance Report, does your church complete financial reviews and/or audits? How often are internal controls and other procedures reviewed?</p>	<p>The Local Church Audit Guide on the Conference website (see the HELPFUL REFERENCE MATERIALS section at the end of this document) provides guidance on the type and frequency for conducting financial reviews, relative to church size.</p>	

PLANNING / BUDGETING / FINANCIAL REPORTING

Assessment Questions	Examples / Additional Considerations	Church Response / Action Steps
<p>When was the last time your church reviewed its church management software?</p> <p>Every church will have differing needs and levels of complexity. As with other areas (e.g., insurance coverages), this is a prudent question to periodically ask, as needs can change over time.</p>	<p>There are a variety of solutions that are currently available, at varying price points.</p> <p>The key is finding the solution that works best for your church; whether it be a simple financial accounting/general ledger solution or a more comprehensive, integrated solution.</p>	

While there are a number of granular topics discussed above, the questions in this section highlight the importance of maintaining regular, open and transparent communication with respect to church finances.

REVENUE

For this area, one overarching question that churches might want to ask themselves is: “To what extent have we truly explored potential sources of untapped revenue?” Many of the questions below will follow this theme while others will not. Blank lines have been provided to allow your church to include additional questions.

REVENUE		
Assessment Questions	Examples / Additional Considerations	Church Response / Action Steps
<p>To what extent has the church promoted giving via Qualified Charitable Distributions (QCD)?</p> <p>For individuals age 70 ½ or older, this may be a good strategy for managing required minimum distributions (RMD) from IRAs and taxes.</p>	<p>Depending on congregational demographics, this may be something the church could investigate further on behalf of its members.</p> <p>Gifts are made directly from the financial institution that is the custodian of the IRA.</p> <p>The UM Foundation is a good resource to obtain information on how to speak to your congregants about this option, and other non-traditional forms of giving.</p>	
<p>Is the church currently equipped to receive funds (donations, tithes, offerings) electronically?</p> <p>There are a variety of solutions available, from simply using a vendor such as PayPal to allow congregants to give from their bank accounts or a credit card, to an online donation platform supported by the third-party service provider.</p>	<p>As a necessity due to social distancing restrictions, many churches implemented online giving solutions and realized that the “barriers to entry” were not as substantial as was previously thought (both from the church and congregant side).</p> <p>If your church has an active presence on social media, do not overlook these platforms for receiving donations.</p>	
<p>Is your church participating in any sort of “affinity” program(s) that provide rebate income?</p>	<p>The Amazon Smiles program, and Giant Eagle gift cards are just 2 examples of programs that some local churches currently utilize.</p>	

REVENUE

Assessment Questions	Examples / Additional Considerations	Church Response / Action Steps
<p>Does your church have extra meeting rooms or other available space (e.g., vacant land, parking lot, currently unoccupied parsonage, etc.) that could be used to generate rental income?</p>	<p>Depending on the nature of the rental transaction, the income may be considered unrelated business income, and could require the church to file a Form 990.</p> <p>Please consult your lawyer, accountant and/or the Conference Center if you have questions in this area.</p>	
<p>Similar to the above “rental income” item, has your church considered a cell tower / antenna lease?</p> <p>Depending on your location, these leases can provide a nice income stream for your church, from a few hundred dollars a month, to a few thousand.</p>	<p>It should be noted that these transactions are very complex and should not be entered into without the consent of the District Superintendent and the District Committee on Building and Locations.</p> <p>Other Annual Conferences have entered into these types of leases, and the Treasurer’s office at the Conference Center could also be a resource to your church.</p>	
<p>How often does your church utilize a “second collection”?</p> <p>This is a common practice in many churches. The second collection is often taken for a specific purpose or designated use (e.g., Building Fund, Mortgage Retirement, Operating Reserves, etc.).</p> <p>Other churches designate certain Sundays for specific purposes (e.g., the first Sunday of the month, the 2nd collection will go to the Building Fund, the second Sunday will go to...)</p>	<p>Don’t hesitate to make “the ask”. United Methodists have a proven track record of rallying in times of need / support.</p> <p>Utilize testimonials or highlight “ministry moments” when possible to underscore the importance of the unfunded need.</p> <p>The transparency around the needs and the use of the funds will be greatly appreciated by the congregation and enhance giving.</p> <p>Many small contributions can create momentum to achieve financial goals.</p>	

REVENUE		
Assessment Questions	Examples / Additional Considerations	Church Response / Action Steps
<p>Does your church search for and apply to receive grants to help fund specific areas of ministry?</p> <p>If your church is hosting an event that is open to, or benefits the community directly, have you considered partnering with other churches or organizations in your area to generate the revenue needed to cover the cost of the event?</p>	<p>Is your finance team or committee leadership familiar with the grants available through our Annual Conference or General Conference?</p> <p>Many areas have community foundations that offer to match the giving received during a specified time period on a specific day (i.e. Giving Tuesday, Erie Gives, Pittsburgh Gives, etc.). If your church engages in outreach that qualifies you for these events, have you considered participating?</p>	
<p>To what extent does your church provide information on “planned” or “generational” giving options?</p>	<p>For those nearing retirement, or retirees that may still itemize their taxes, the use of Charitable Trusts may be good options.</p> <p>Giving through wills, estates or trusts provide additional options for some congregants.</p>	

In many respects, the Coronavirus pandemic created the opportunity to talk about giving and income in a new light. Perhaps you can seize upon that opportunity to keep those discussions going in a new, and healthy way.

SPENDING

While cost cutting and cost containment are likely a consideration of everyday operations, it doesn't hurt to periodically examine spending patterns to see if further reductions could be made. Additionally, questions pertaining to other areas of spending have been provided.

SPENDING		
Assessment Questions	Examples / Additional Considerations	Church Response / Action Steps
<p>Does your church allocate a percentage of tithes and offerings to missional giving? If so, how often are those percentages revisited?</p>	<p>If reducing the total % allocated, consider making gifts to fewer organizations / causes vs. decreasing dollar amounts (i.e., fewer gifts of larger dollar amounts could be more impactful to the recipients).</p> <p>Fulfilling Conference Connectional Apportionments is a form of missional giving. Incorporating this consideration into the allocation considerations could be helpful.</p>	
<p>Does your church have a plan in place to fund new ministry areas that emerge unexpectedly?</p> <p>If your town experiences a natural disaster, tragic event, or wants to respond to the effects of a health or humanitarian crisis, how would you fund this unbudgeted ministry?</p>	<p>Does your church have a Pastor's Emergency Fund?</p> <p>Do committee leaders know who to collaborate with to share the burden of necessary expenses?</p> <p>Are you familiar with available grants?</p>	
<p>Does your church utilize ACH or some other form of automatic bill payment, where available?</p> <p>While this does not necessarily offer an opportunity for costs savings, it may provide some operational efficiencies and/or added controls around certain payments.</p>	<p>Many utility companies provide auto bill pay capabilities; however, reviewing the details of the bills should not be ignored as spikes in costs could indicate service-related issues (e.g., water leaks).</p>	

SPENDING		
Assessment Questions	Examples / Additional Considerations	Church Response / Action Steps

Does your spending align with the mission of your church? Without a consistent review of the churches spending, it's easy for spending to become misaligned with your priorities.

LIQUIDITY / CASH RESERVES

For many churches, the impact of social distancing and the inability to have in-person worship (and collections) quickly exposed the tenuous nature of their financial situation (i.e., operate on a week to week basis, with no more than X weeks of reserves set aside). A best practice suggestion is to have at least 2 months (and up to 6) of cash reserves to cover operating expenses.

LIQUIDITY / CASH RESERVES		
Assessment Questions	Examples / Additional Considerations	Church Response / Action Steps
<p>How many weeks of church operations (i.e., salaries, benefits, utilities, rent, etc.) can be covered from your current cash reserves?</p> <p>If this is less than 2 months, consider undertaking a structured effort to build reserves to an adequate level, and then not touch those funds.</p>	<p>As mentioned in the “REVENUE” section (and other sections) a limited campaign or series of second collections could be utilized to build reserves.</p>	
<p>If your church maintains an operating reserve, what type of account is utilized (e.g., Checking, Savings, Money Market, Investment)?</p> <p>Utilizing a separate account with your primary bank may be the simplest, safest, and most expeditious approach. However, for the long term, this could result in lost earnings or market appreciation.</p>	<p>The UM Foundation of Western Pennsylvania offers a variety of fund options depending on risk tolerance. The Core Balance Fund provides income reinvestment or distribution options, as a way to put these funds to work.</p> <p>Using any “non-cash” option should be fully vetted with the Finance Committee.</p>	
<p>If your church maintains a high average account balance (in its primary checking account), does your bank offer any type of “Sweep Account”?</p>	<p>For churches that are risk averse, and want to maintain a small number of accounts, this may provide an opportunity to put available cash to work and earn a small amount of interest on those funds.</p>	

LIQUIDITY / CASH RESERVES

Assessment Questions	Examples / Additional Considerations	Church Response / Action Steps
<p>Is your church regularly drawing down on the principal portion of endowments or other investments to cover operating expenses?</p>	<p>If so, this could indicate that other sources of revenue need to be identified and/or spending needs to be curtailed.</p> <p>This could also be an indicator that the church may very well be a “going concern” (i.e., the church may not be financially viable going forward). As good stewards of the assets entrusted to the church, what is the appropriate way to manage a church through its “end of life” phase?</p>	

Does your cash position allow you to proactively engage in the mission of your church or are you encumbered by the fear that one emergency (i.e. roof damage, boiler needs replaced) will bring your missional work to a screeching halt?

PROPERTY / INVESTMENTS

The property (e.g., buildings and land) and investments of a church may provide a source of untapped funds or liquidity. In this section, questions have been posed relative to putting those assets to work in different ways.

PROPERTY / INVESTMENTS		
Assessment Questions	Examples / Additional Considerations	Church Response / Action Steps
<p>Does the church own property (e.g., vacant lots, under/un-utilized buildings) that could be sold (or rented)?</p> <p>If nothing else, this could be an opportunity to ensure that copies of all property deeds are compiled and properly filed in current church records.</p>	<p>This could potentially be a way to create reserves (e.g., Building Fund, Operations, etc.). Proceeds from property sales not utilized to support the Annual Budget / Spending Plan of the church will be excluded from the Connectional Apportionment calculation (if recorded properly in the EZRA system / Statistical Reports.</p>	
<p>Does the church currently have any funds at the UM Foundation? Do these funds reinvest or distribute the income? Does the church have access to distributable income?</p> <p>All of these questions are focused on the extent to which the church is able to put their assets to work.</p>	<p>If the church has access to the distributable income, this may be yet another way to build reserves, or fund current operations.</p> <p>Although the UM Foundation was specifically mentioned, this would pertain to any financial institution that is the custodian and/or trustee of investments or endowed funds.</p>	

Similar to reviewing your cash assets, it is important to review your non-cash assets on at least a yearly basis. Even if no changes are necessary it is important to look at the entire financial picture and make sure you are being good stewards of all of your assets.

MORTGAGES / OTHER DEBT

With interest rates at historic lows, this could provide an opportunity to refinance existing mortgages or other loans. Additionally, questions are posed as to the feasibility of retiring debt to further reduce operating costs.

MORTGAGES / OTHER DEBT		
Assessment Questions	Examples / Additional Considerations	Church Response / Action Steps
<p>Does the church maintain mortgages on any of its properties (e.g., church buildings, parsonages, etc.)?</p> <p>If so, has there been consideration given to refinancing those loans?</p>	<p>In addition to taking advantage of lower interest rates, this could also provide an opportunity to shorten the repayment cycle (and further reduce the total cost of ownership).</p>	
<p>Does the church have any type of non-mortgage debt (e.g., loans collateralized by property, unsecured lines of credit, and credit cards)?</p>	<p>Similar to the mortgage question, opportunities may exist to restructure these loans with lower rates.</p> <p>In terms of paying off debt, it is likely that paying off non-mortgage loans before mortgages would be advisable (depending on interest rates and other terms and conditions, such as prepayment penalties).</p>	

Even if you believe you currently have a good rate, a yearly review of available re-finance options is advisable.

CONTRACTS / VENDORS / SERVICE PROVIDERS

Depending on the size of your church, some of the questions may not be applicable to your situation; however, please read through the list below as this may be thought-provoking exercise to identify germane items.

CONTRACTS / VENDORS / SERVICE PROVIDERS		
Assessment Questions	Examples / Additional Considerations	Church Response / Action Steps
<p>When was the last time a review of all service providers / service level agreements was conducted?</p> <p>If nothing else, this could confirm the appropriateness of existing partners and services and provide a basis for reporting and transparency with the congregation.</p>	<p>This type of review can broadly cover the gamut of vendors / services utilized, including, but not limited to: Telephone, Internet, Cable, Utilities (Electric / Gas), Banking, Printers / Copiers (leased), Mailroom equipment (leased), Insurance, and Payroll.</p> <p>Do you keep a list of all of your contracts and when they expire and if they renew automatically? Having this type of list can help you stay on top of managing your contracts without digging through folders looking for contract details.</p>	
<p>Does the church currently use a 3rd Party Payroll Service Provider and / or CPA firm?</p> <p>If payroll and / or the church audit is handled internally, switching to a 3rd party would be an added cost, but it may help ensure proper tax reporting and auditing practices for the church and its employees.</p>	<p>MinistryWorks is 3rd party payroll service provider that specializes in supporting faith-based organizations. They understand very well the uniqueness of clergy taxes and have dedicated service teams. The Conference switched to MinistryWorks several years ago and has been quite pleased.</p>	

CONTRACTS / VENDORS / SERVICE PROVIDERS

Assessment Questions	Examples / Additional Considerations	Church Response / Action Steps
<p>If the church leases equipment (e.g., phones, printers, copiers), would it make more economic sense to purchase the equipment outright, and pay for maintenance / service on a recurring basis?</p> <p>Determine the potential cost benefit of purchasing the equipment you already have.</p>	<p>Depending on the terms and conditions, a 5-year lease agreement can be 50% to 100% more expensive than an outright purchase with a maintenance agreement.</p> <p>As mentioned in the “REVENUE” section, a special collection could be taken to purchase the equipment under lease (or new equipment).</p>	
<p>Has your church investigated switching suppliers of electricity and gas to obtain lower rates?</p> <p>This can be a slippery slope as “bait and switch” tactics are not uncommon with energy companies that proactively market their rate and/or rebate programs.</p>	<p>The Pennsylvania Public Utility Commission provides websites to assist customers “shop” for electricity and natural gas providers.</p> <p>Pay attention to the terms and renewal rates. It is important to know when your current rate expires and what steps you need to take to ensure a competitive renewal rate.</p>	

When working with vendors it is advisable to get at least three quotes. This allows you to get competitive pricing and can even be helpful in negotiating better pricing/contracts.

PERSONNEL

Simply suggesting headcount or wage reductions is not the intent of this section. Aligning personnel needs and associated costs with the ministry and mission of the church and its ministerial focus is the primary driver.

PERSONNEL		
Assessment Questions	Examples / Additional Considerations	Church Response / Action Steps
<p>Is the staff size (of paid employees) and skill set aligned with the ministerial focus of the church?</p>	<p>Acting on the reviews in these areas are not easy and can be painful to persons invested in the staff or ministries. Clear communication to the congregation and stakeholders is critical in implementing staff/skillset and ministry recommendations.</p>	
<p>Are there any paid positions that could be fulfilled on a volunteer basis?</p> <p>Clearly there is a fine balance here as you do not want to expose the church further by not have critical functions staffed properly.</p>	<p>Staff vs. volunteer utilization does not have to be an “all or nothing” decision. Could reassigning some portions of a paid staff member’s duties to volunteers allow your paid staff to utilize their assigned hours for critical functions that maximize your ministry?</p>	
<p>When was the last time the Staff-Parish Relations Committee (SPRC) reviewed the Job Descriptions (i.e., job functions, duties, responsibilities, etc.)?</p>	<p>Not only is it a good practice to review Job Descriptions periodically, it provides a basis for the church to complete other assessment activities (e.g., the 2 previous questions).</p>	
<p>When was the last time SPRC conducted employee reviews?</p> <p>Underlying this question is whether a formal process exists to facilitate such reviews (i.e., job descriptions, performance expectations, performance evaluation forms, etc.).</p>	<p>Again, not only does this aid in assessing job functions, needs and compensation; it helps the church align its support needs with its ministerial focus.</p>	

PERSONNEL		
Assessment Questions	Examples / Additional Considerations	Church Response / Action Steps
<p>Does your church support staff professional development through membership in professional organizations and professional development training and workshops?</p>	<p>Relative to job function and/or organizational benefit, providing financial support for staff professional development could be quite beneficial to the church, as well as enhancing the employees' skill set.</p> <p>While there are a multitude of organizations, a few examples include:</p> <ul style="list-style-type: none"> • The Church Network • National Association of Church Personnel Administrators (NACPA) • The Society for Human Resource Management (SHRM) • Pennsylvania Institute of Certified Public Accountants <p>A little time spent "Googling" can yield many other options.</p>	

With many churches receiving the Paycheck Protection Program (PPP) loans, it is advisable to only undertake staff changes (reductions) subsequent to the completion of your coverage period.

OTHER - MISCELLANEOUS

This section is provided to capture things that don't fit neatly into the above categories. It is also the opportunity for the church to address items specific to their situation.

OTHER - MISCELLANEOUS		
Assessment Questions	Examples / Additional Considerations	Church Response / Action Steps
<p>Does your church have serious questions as to its future sustainability?</p> <p>This is not simply a financial question, but also speaks to membership and average worship attendance experience.</p>	<p>Being a good steward does not necessarily mean keeping the doors of the church open until all funds are exhausted. Sometimes being a good steward is finding a way to gracefully bring your church to its "end of life".</p> <p>If you have concerns about your church's viability, you are encouraged to have those candid, transparent conversations with your members, and with your District Superintendent.</p>	
<p>Has your church been able to successfully utilize technology to continue its ministry?</p> <p>This question goes beyond online worship and speaks to conducting committee meetings and other business via Zoom or other video conferencing tools.</p>	<p>With in-person meetings, there can be associated costs (building utilities, food, travel/mileage, etc.) that could be avoided by continuing to leverage online meeting capabilities, as appropriate.</p> <p>What additional costs does utilizing or leveraging new technology create? Prioritize!</p>	
<p>What method is your church using to maintain complete and accurate records?</p> <p>Are your records kept and shared electronically?</p>	<p>Can QuickBooks/Excel or other software be used to keep records (and used to generate reports so that rather than time being consumed by inputting information, churches can focus on analyzing the information and making decisions)?</p>	

OTHER - MISCELLANEOUS

Assessment Questions	Examples / Additional Considerations	Church Response / Action Steps
<p>What methods of communication does your church use to encourage giving and highlight its impact?</p> <p>Do you regularly update your congregation on how their giving is supporting <u>specific</u> projects, studies, outreach, etc.?</p>	<p>Have you utilized a narrative budget?</p> <p>Do you have a “Ministry Moment” or other option for testimonials built into your worship service or weekly / monthly communications?</p> <p>Do you acknowledge / celebrate when you have reached a financial goal, paid off a debt, etc.?</p>	
<p>Has your church ever undertaken any type of stewardship training effort?</p> <p>This can be as simple as obtaining books and other reference materials that a team could use in a self-paced manner, or as robust as engaging an external consultant to assess your current situation and recommend an action plan specific to your church.</p>	<p>The UM Foundation of Western PA has “stewardship kits” that can be obtained through the Conference Center, or by contacting the Foundation directly. Additionally, firms like Gronlund Sayther Brunkow (GSB) or Horizons Stewardship could offer tailored consulting services.</p> <p>Rev. Mike Ward from GSB is offering a stewardship program (“Beginning a Culture of Generosity”), beginning in late August, 2020. The attached link to the Conference website provides additional information on this program (https://www.wpaumc.org/newsdetail/beginning-a-culture-of-generosity-14019250).</p>	
<p>Does your church have documented policies and procedures in place? If so, how often are they reviewed / updated?</p>	<p>While it is great to have a policies and procedures document, the real test is whether they are being followed from a practical standpoint.</p> <p>One particularly thorny area can be the collection and counting of Sunday offerings. This is challenging for small membership churches; however, every effort should be taken to maintain proper controls, in appearance and in fact.</p>	

OTHER - MISCELLANEOUS		
Assessment Questions	Examples / Additional Considerations	Church Response / Action Steps

What other areas of financial evaluation are relative to your church that were not captured here? As mentioned in the beginning, this is not a one size fits all approach. Use the extra lines throughout this document to tailor it to your specific needs.

ADDITIONAL RESOURCES

HELPFUL REFERENCE MATERIALS

Listed below are several reference materials that may be helpful as you work through this Financial Health Check – Assessment Tool. Some are links to items that were specifically referenced throughout the tool, others were not mentioned but are relative to some of the topics covered. This is in no way meant to be an exhaustive list or an endorsement of specific vendors, but is merely a jumping off point as you begin to search for more information on certain topics. If you have specific reference materials that you believe would be helpful to other churches as it relates to this exercise, please feel free to pass those along to the Treasurer’s Office so we can add those to the list as appropriate.

General Council on Finance and Administration (GCFA)

<https://www.gcfa.org/>

GCFA Whitepaper: What to Consider Before Allowing a Third Party to Use Real Property

Although a bit dated, this may be good resource when considering rental agreements.

https://www.gcfa.org/media/1369/leasing_third_party_church_prop.pdf

The United Methodist Foundation of Western Pennsylvania

<https://www.umfoundation.org/>

Fidelity Investments – Qualified Charitable Distributions (QCDs) article:

<https://www.fidelity.com/building-savings/learn-about-iras/required-minimum-distributions/qclds>

Payment Processing Companies (not the only solutions available, just 2 that are widely used):

- PayPal (www.paypal.com)
- Stripe (www.stripe.com)

E-Giving Solutions (not the only solutions available, just 3 that are widely used):

- Vanco (<https://www.vancopayments.com/egiving>)
- Tithe.ly (<https://get.tithe.ly>)
- Give Lively (www.givelively.org)

HELPFUL REFERENCE MATERIALS (Continued)

MinistryWorks – 3rd Party Payroll Service Provider

<https://www.ministryworks.com/>

Pennsylvania Public Utility Commission sites (shopping for Electricity and Natural Gas):

- Natural Gas: <https://www.pagasswitch.com/>
- Electricity: <https://www.papowerswitch.com/>

Article – When Tithes and Offerings Are Not Enough – Alternative Financial Models for Churches and Church Plants;

By W. Jay Moon, PhD *This resource speaks to unconventional income streams.*

<https://s3.us-east-1.amazonaws.com/gbod-assets/generic/Article-on-Financial-Models-for-Churches-updated-121219-APA-style.pdf>

Book – A Missional Approach to the Marketplace – An Onramp to Entrepreneurial Church Planting

By W. Jay Moon, PhD *This resource speaks to unconventional income streams.*

<https://exponential.org/resource-ebooks/missional-marketplace/>

Professional Organizations:

- The Society for Human Resource Management (SHRM): <https://www.shrm.org/pages/default.aspx>
- The Church Network: <https://www.thechurchnetwork.com/Online>
- National Association of Church Personnel Administrators (NACPA): <https://www.nacpa.org/>

Local Church Audit Guide (published by General Council on Finance & Administration)

[https://www.wpaumc.org/files/finance_and_benefits/finance/files/local_church_audit_guide_\(10-14-16\)_revaug2017.pdf](https://www.wpaumc.org/files/finance_and_benefits/finance/files/local_church_audit_guide_(10-14-16)_revaug2017.pdf)

Stewardship Consulting (not the only options available, just 2 that were mentioned):

- Gronlund Sayther Brunkow (GSB): (<https://gsbfundraising.com/>)
- Horizons Stewardship: (<https://www.horizons.net/>)

Job Descriptions and Leadership Training in the United Methodist Church: 2017-2020

This resource may help ensure that your church has the structures in place (as outlined by the Book of Discipline) to help make any decisions that may arise from using this assessment tool.

<https://books.google.com/books?id=jeb0DQAAQBAJ&printsec=frontcover#v=onepage&q&f=false>