

Top 10 Financial Mistakes Churches Make

By: Joseph Sangi

1. No Vision

The Bible states in [Proverbs 29:18](#) that “Where there is no vision, the people perish ...” This is absolute truth. Churches that lack clear direction and vision are poorly funded because attenders have no clarity on how their sacrificial giving dollars will be used to accomplish the vision and build the Kingdom. Dr. John C. Maxwell has shared this incredible wisdom regarding this subject – “Where there is no vision, the people perish. And where there are no financial resources, the vision perishes.

2. No Margin

Churches that operate on the basis of “the miracle of the weekly offering” cannot prosper. The leadership must constantly have conversations focused on who is and who is not being paid and determining which projects can no longer be funded. Additionally, churches that operate with zero savings are highly susceptible to “God only knows” expenses. A church that operates with no margin can be completely derailed simply because the air conditional unit fails. Churches with a minimum of six week’s offerings in the bank will simply fix or replace the unit, and ministry efforts are unaffected

3. Too Many Designated Giving Options

When churches offer the opportunity to contribute to fifteen different designated “buckets”, it can lead to confusion for members and frustration for the leaders. A church could have thousands of dollars available in one fund while another important ministry objective barely survives – and it all happens because of stringent guidelines. Remember this one fact – “In the presence of many options, the consumer will usually choose none.”

4. Never Asking People To Give

Many people have been guilted into giving in the past or have attended a church where it was all about the money. As a result, many pastors choose to not ask for money at

all. Neither approach is correct. Jesus spoke of money or possessions in almost half of the parables. He spoke of money via the subjects of giving, stewardship, and sacrifice.

5. Failing To Equip People To Win With Their Money

Many leaders who are facing an under-funded vision do teach about money, but only from the perspective of giving. While it is extremely important to put God first, it is not the only key to winning with money God's way. It is important to teach people that God is the owner ([Psalm 24:1](#)) and that we are managers ([Matthew 25:14-30](#)). Teach them that we are to have a plan for our money and diligently follow it ([Proverbs 21:5](#)), and that we are to aspire to leave an inheritance for our grandchildren ([Proverbs 13:22](#)). NOTE: NewSpring has led more than 9,400 people through personal finance curriculum and coaching.

6. Making Too Many Financial Asks

Some churches provide the opportunity to give to 15 to 20 different initiatives each year. While all of these represent a great aspect of the ministry, it prevents maximum giving and limits ongoing giving to the general fund. Why not consolidate all of the ministry initiatives into a single major offering? This prevents "donor-fatigue" and leads to a more fully funded vision.

7. Breaching Trust

A breach of trust is created when money has been collected for an initiative, but then the money is used for something entirely different without that reason being clearly communicated to the church. Some churches have had multiple collections for the same project, yet there is no money in that account because it has been used for something different. Without trust, nothing can stand for long. If this has happened in your church, be certain to clearly communicate WHY it happened. Apologize as necessary and move forward to establish a new foundation of trust.

8. Failing To Have A Regular Financial Review/Audit

Obviously, embezzlement is not helpful toward ensuring a fully funded vision! A regular financial review or audit can ensure that your church finances are being managed well and with full integrity.

9. Acquiring Unmanageable Debt

Over the past several years, many churches made the mistake of borrowing everything a bank was willing to lend them. As a result, many ministries are facing the strangling hold of lenders and interest payments. Seek to restructure the debt to obtain the lowest interest rates possible and resolve to never again borrow an amount of money that would jeopardize the ministry.

10. Allowing the biggest giver to dictate what will and will not be funded

Sometimes a large donor will attempt to abscond with the vision by threatening to withhold their giving unless their "pet project" is funded – event when the leader knows that the project is not part of the vision. When a leader has a clear vision from God, it will give them the confidence to "offend man rather than offend God."

BONUS: Asking for equal giving instead of equal sacrifice

Some leaders have looked at a major project – say it costs \$1,000,000 – and then looked at their 500 members and did the math. "If every family would give \$2,000, we would have a fully funded project," the leader will proclaim. The math is correct, but the approach is not. The leader is asking for equal **giving**, not equal **sacrifice**. Consider the individual who possesses the gift of giving who would willingly give \$50,000. If they were asked to give only \$2,000, they might make the decision to only give \$2,000. Be sure to ask for equal sacrifice, not equal giving.

Pastor Wilson