

# Developing A Children's Ministry Budget

Steve Alley

## Foundational Principles

1. The children's ministry budget is your ministry vision (or philosophy of ministry) expressed in numbers.  
**Therefore** – Create a budget that reflects what you believe!
2. Church leaders may view a ministry without a budget as unimportant.  
**Therefore** – Create a budget! Even if it is only for \$100 at first.
3. Church leaders may view a ministry as “non-fruitful” if the budget doesn't increase yearly.  
**Therefore** – Increase the budget yearly. BUT, be sure to be able to support the reason.
4. A ministry that operates on the team members' own “donations” will not grow.  
**Therefore** – Create a budget that supplies the needs of each team member.
5. Where God guides, He provides!  
**Therefore** – Trust God for the money, and not your budget!



## Step 1 – Collect Ministry Costs Data

1. Know each “official” children's ministry program. This includes weekly Sunday programs, weekday programs, summer programs, camps, and any other special program offered.
  - a. When do the programs meet?
  - b. How many children attend, and their ages?
  - c. How many team members operate the program?
2. What are the costs involved in each program? **Create a monthly total for each program!**
  - a. Curriculum\*
  - b. Food\*
  - c. Supplies\*
  - d. Advertisement\*
  - e. Office support (copies, forms, etc.)\*
  - f. Maintenance (open up, set up, clean up, close up)\* (You may not be charged for this.)
  - g. Utilities (charged to ministry or provided by church?)\*
  - h. Team member costs (team wear, ID badges, training, thank you gifts, etc.)\*

\* Determine these costs as if the children's ministry budget were paying for them! NO DONATIONS FROM TEAM MEMBERS!
3. If possible, collect financial costs for each program from the past 5 years. This may not be possible based on the records that are kept by the church.
4. Summarize the costs for each program on a monthly and a yearly basis. Some programs may only operate on certain, specific months so your summary needs to reflect that. **Establish a yearly cost for the current children's ministry!**



## **Step 2 – Consider Growth Indicators and Plans**

1. Compile attendance records for the past 3 years.
  - a. For the overall church attendance (may only reflect worship services)
  - b. For the children’s ministry (totals from class or program attendance records)
2. Create a growth chart using the attendance records for both the church and the children’s ministry. Microsoft Word offers many easy templates for this.
3. Calculate the percentage of growth that the church and children’s ministry has experienced over the past 3 years. If you can determine that there has been a 3% growth each year, for instance, this will greatly affect, and support, your budget plans.
4. Does your church have “great plans” for improving or increasing the ministry efforts for the next year or two? These plans may greatly affect the demands or growth of the children’s ministry. You may need to meet with the senior pastor to discuss this.
5. Do you have “great plans” for improving or increasing the children’s ministry efforts or programs for the next year or two? These plans will affect the growth and needs of the children’s ministry.



## **Step 3 – Create A Children’s Ministry Budget**

1. List each children’s ministry program, the monthly and the yearly cost for each program.
  - a. Itemize each category within that program (curriculum, supplies, team development, facilities, maintenance, utilities, advertisement, copies, etc.)
  - b. State the current costs
  - c. State the proposed budgeted figures based on growth plans
2. List new children’s ministry programs, their monthly and their yearly costs.
  - a. Give a brief description of the proposed program with purpose, connection to the overall church vision, and to the children’s ministry vision.
  - b. State a brief explanation for the proposed costs based on attendance records or projections.
3. List non program-related children’s ministry costs and proposed budgeted figures.
  - a. Office supplies\*
  - b. Transportation costs (leased buses, gas reimbursement, etc.) \*
  - c. Technology improvements (safety, communication, team development, etc.) \*
  - d. Team development (new part-time hires, new full-time hires, training, team wear, team ID costs, retreats, conferences, encouragement gifts, etc.) \*
  - e. General lesson-related supplies (paper, craft supplies, etc.)\*
  - f. First aide / security / safety supplies and equipment\*
  - g. General children’s ministry image or recruiting costs (graphics, printing, video, etc.) \*



\* If this is the first budget ever created, you need to communicate that you are “stocking the shelves” and that the large proposed expenditure will not be needed for future budgets. If this is not the first budget, your figures here should only reflect the needed improvements to what is already budgeted.

#### **Step 4 – Keep Excellent Records of Your Spending**

1. Keep itemized receipts for **ALL** money spent!
  - a. Organize the receipts (by budget category or by month)
  - b. Keep running totals of the money spent per budget item or category
2. Establish a software-driven system to track all expenditures (Quicken or other)
  - a. Use the same system as the church does
  - b. Make sure that your tracking system or software can “talk” with the church system
3. Create monthly reports that itemize expenditures in relation to the approved budget.
  - a. Keep reports in a protected area (or store them electronically with a password)
  - b. Send copies of the reports to the senior pastor or to your direct financial supervisor
  - c. Make reports available to others who ask, but don’t make them “public”
4. **STOP SPENDING** when you reach your budgeted limit for any category.
  - a. Be **very careful** about “borrowing” from one category to provide for expenditures beyond the budget in another category. This is unprofessional and will definitely damage your reputation among the church leadership!
  - b. Make a record of your reaching your limit. If you believe that the lack of money in this category will negatively affect the rest of your ministry year, contact the senior pastor or financial supervisor regarding your situation and ask for permission to “borrow” from another category. Be ready for them to say, “Tough luck, you should have been more careful.” If this is the case, do what you can to not let your ministry falter. If granted the permission to adjust your budget in another category, document the permission with an email or formal letter of appreciation to the senior pastor or financial supervisor. Keep a copy of this documentation safe in case someone should question your actions during your next budget proposal.
5. Create an “end of the year” report of all expenditures and receipts. This report should also include your comments or observations regarding the ministry costs as they relate to your vision and ministry growth plans. If you believe that the ministry was “hindered” by a limited budget amount, this is the time to state that. Be very careful to be positive, and yet always connect the budgeted figures to the vision and growth plans.

