

Budget

- **CONCEPT**

- ✓ **Cost assessment of a work or service to be preformed.**
- ✓ **Breakdown of the origin and application of resources to be used for a particular purpose.**
(Aurélio Dictionary)

Budget

- **PLANNING**

- ✓ Planning helps us discover alternative ways to solve problems before they occur.
- ✓ The planning process has three essential elements: **WHAT** you wish to accomplish, **HOW** to do it and **WHEN** you intend to achieve the goal.
- ✓ He who fails to plan, plans to fail.

Budget

PLANNING IN THE BIBLE

**“If the ax is dull, and one does not sharpen the edge, then he must use more strength; but wisdom brings success.”
Ecclesiastes 10:10 NKJV**

Budget

PLANNING IN THE BIBLE

✓“For which of you, intending to build a tower, does not sit down first and count the cost, whether he has *enough* to finish *it*— lest, after he has laid the foundation, and is not able to finish, all who see *it* begin to mock him, saying, ‘This man began to build and was not able to finish’?” Luke 14:28-30.

✓“Let all things be done decently and in order.” 1 Cor. 14:40.

Budget

PLANNING IN THE SPIRIT OF PROPHECY

✓ **Managers who are slack, who do not know how to manage, should be separated from the work. Secure the services of men and women who know how to bind about the edges, so that the work shall not ravel out. CS. Pg. 274.**

Budget

- **BEST METHOD FOR CHURCH MAINTENANCE**
 - ✓ “The financial support of the worldwide work of the church is based on the budget system.” CM, Pg. 165.
 - ✓ “Provision should be made in each church’s budget for all receipts and expenses, including those relating to the various departments.” CM, Pg 167.

Budget

- **PURPOSE OF BUDGET**

- ✓ **The goal of any budget is to serve as a main instrument of authority and financial control of the church.**

Budget

- **SATISFACTORY METHOD**

- ✓ **“The most satisfactory method of providing for local church expenses is the budget plan. Before the beginning of the new year, the church board should prepare a carefully drawn-up budget of expenses for the maintenance of church activities through the next annual period.” CM pg. 158.**

Budget

- **PROCEDURES**

- ✓ **The church board should designate a Financial Committee. It is important that, in addition to the treasurer, the Stewardship Director is part of this committee.**

Budget

- **PROCEDURES**

- ✓ **The treasurer will present a suggested budget to the committee, as well as the relationship between the expenses and funds raised over the last two months.**

Budget

- **PROCEDURES**

- ✓ **The treasurer will prepare a budget in the following format:**

- **Entries**

- **Outflows**

- **General and administrative expenses**
- **Departments**
- **Special Projects**
- **Reserve Fund**

Budget

- **PROCEDURES**

- ✓ **The suggested budget from the financial committee will be presented to the church board, which will conduct the required study.**
- ✓ **The budget should be presented to the church in an administrative meeting, previously arranged, for analysis and church approval.**

Budget

- **PROCEDURES**

- ✓ **More than the simple approval of the budget, the church should be conscious that their contributions address the needs and projects of the church.**

Budget

● PROCEDURES

- ✓ Following approval, the treasurer will establish a “Budget Control Spreadsheet” where he will distribute the offerings according to the approved percentages in the budget.
- ✓ At least once per quarter, the treasurer should present a report to the church of all the entries and outflows of the treasury.

Budget

- **BUDGET CONTROL**

- ✓ **All departments should be a part of the budget**
- ✓ **The percentage of each department will depend on the study conducted by the committee**
- ✓ **Departments' specific donations should be added to the budget.**

Budget

- **BUDGET CONTROL**

- ✓ In case entries are not corresponding to or are below budgeted expenditure of the church, the administrative meeting should again convene to analyze and reevaluate the financial situation of the church.

Budget

- **BUDGET CONTROL**

- ✓ It is fundamental to make a comparison between budgeted expenses and contributions. Following this comparison, it will be possible to identify overspending to then make the required adjustments.

BUDGET MODEL

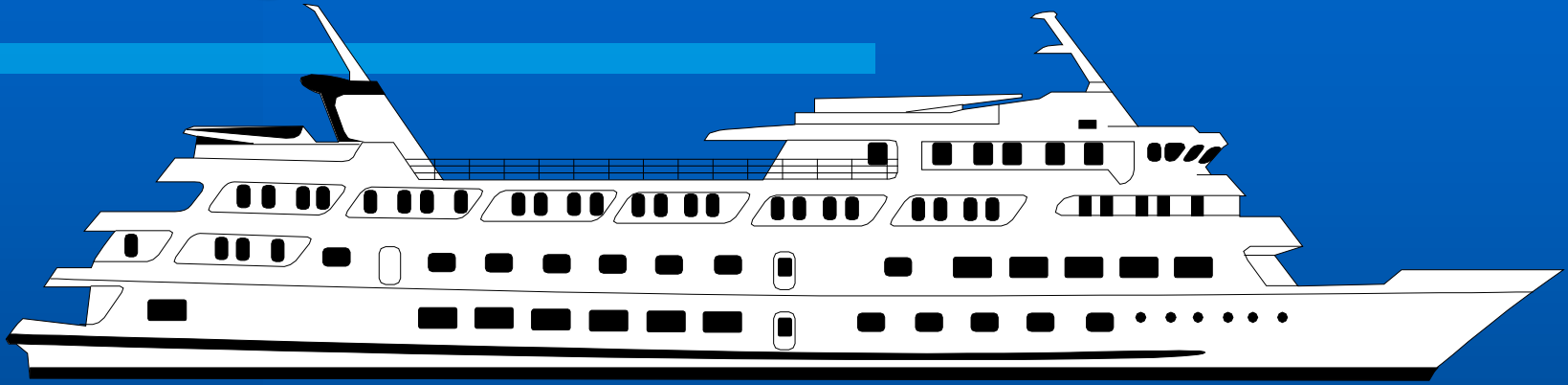
CHURCH: _____ DISTRICT: _____ TREASURER: _____

1 – Receipts	US\$	100%
1.1 Offerings	US\$	45%
1.2 Agreements	US\$	55%
2 - Expenses	US\$	100%
2.1 Administrative and General	US\$	50%
2.2 Departments	US\$	40%
2.2.1 Sabbath School	US\$	10%
2.2.2 Youth Ministry	US\$	5%
2.2.3 Communication	US\$	5%
2.2.4 Family Ministries	US\$	5%
2.2.5 Evangelism	US\$	10%
2.2.6 Other	US\$	5%
2.3 Special Projects	US\$	10%
2.3.1 Construction	US\$	8%
2.3.2 Renovations	US\$	2%

Budget

- **Plan properly (make budget and stick to it)**
- **Keep spending within the limit of entries**
- **Only start what can be finished and always finish what you start**
- **Do not use money that is only perspective income**
- **Verify monthly the financial situation**

Budget



“Beware of little expenses. A small leak will sink a great ship.” *Benjamin Franklin*

Budget

- **CONCLUSION**

- ✓ **The treasurer should maintain a healthy economic and financial balance through accounting records of all transactions, established criteria and controls to provide resources for the development of church activities and conditions for workers and leaders to complete the mission of proclaiming the gospel.**