

# THE CHURCH AND FINANCES

MS 2XF3

McMaster Divinity College

Fall 2016

Dates & Times: Saturdays: October 1, October 29, November 19, December 10

Instructor: The Rev. Paul K. Bates M.T.S., FCPA, FCMA, CMC. (PhD Student)

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**For specializations:** Pastoral Studies (PS), Church and Culture (CC).

## **Course description**

Designed for the novice, this course is designed to assist you in preparing for, or improving, the financial stewardship of your church.

Beginning with an examination of the basics of personal finance, we will cover a brief discussion of the Theology of Stewardship, and from there discuss prudent practices of financial planning, receiving and recording money, spending money, and legal and tax matters.

We will also spend time on raising funds both for operating expenses and for capital projects, together with planned giving efforts.

We will spend an entire day on budgeting, and thinking about cash flow, together with the development of reports and written procedures.

## **Course objectives**

### **Knowing**

Embedded in a theology of stewardship, we will review and affirm all the critical elements of budget preparation, cash flow management, tax and other reporting, together with fund raising for the immediate and long term.

### **Being**

We will explore our own responsibilities for sound financial stewardship, together with the appropriate engagement of volunteers and other professional services. We will then discuss how our approach should be crafted for successful outcomes. We will also explore approaches to spiritual discernment as a critical element of church finances.

## **Doing**

Class dialogue will include ‘case study’ situations that require analysis. These discussions will provide opportunities to practice in simulated and challenging situations. The course will include a guest speaker.

## **Required readings**

### Books:

Berkley, James D. *The Dynamics of Church Finance*. Grand Rapids: Baker, 2000.

Block, Stanley B. et al. *Foundations of Financial Management*, 14<sup>th</sup> edition. Toronto: McGraw-Hill Ryerson, 2010.

Henry, Jack A. *Basic Budgeting for Churches: A Complete Guide*. Nashville: B&H, 1995.

## **Assignments and Evaluation**

**Response to class case study:** 2 Pages max double-spaced 12pt font, excl. Title Page. Due TBD. Worth 10%.

**Book Review:** Choose one of *The Dynamics of Church Finance* or *Basic Budgeting for Churches: A Complete Guide*, above. The Review must be 5-7 pages double-spaced 12pt font, excl. Title Page. Due: TBD. Worth 15%.

**Case reflection:** Develop a deep perspective based upon either, one of the specific class cases and dialogue, or a personal experience, reflected upon through the lens of this course material and discussion. Must be 10-12 pages double-spaced 12pt font, excluding title page & bibliography. 6-7 additional reference sources should be cited.

This paper should reflect your academic program specialization.

Pastoral Studies students should write from the perspective of actually leading a ministry-based financial planning exercise.

Church and Culture students should write from the perspective of the challenges of financial stewardship within a Christian church culture.

Due TBD. Worth 35%.

**Personal Reflection Paper:** 5 pages double-spaced 12pt font, excl. Title Page. Due TBD. Worth 30%.

Course Participation and 10%.

**Please note that a penalty of 1% per calendar day will be assessed for late submission of assignments.**

**Class Schedule:**

October 1<sup>st</sup>: In Class (8:30AM-4:00PM):

- 1: Personal Finance Discussion.
- 2: A Theology of Stewardship.
- 3: What is different for the church vs. a corporate environment; what is the same?
- 4: Basic Skill Sets and what to keep, what to delegate (volunteers and/or professionals).

October 29<sup>th</sup>: In Class (8:30AM-12:00PM):

- 1: Guest Speaker. [TBD]
- 2: Fundamentals of Finance.
- 3: A Case Study.
- 4: Budget Development (part A).

November 19<sup>th</sup>: In Class (8:30AM-12:00PM):

- 1: Budget Development (part B).
2. Taxes & Reporting.
3. Prudent Practices.

December 10<sup>th</sup>: In Class (8:30AM-12:00PM):

- 1: A theology of Fund Raising.
- 2: Operating Funds.
- 3: Capital Projects.
- 4: Planned Giving.
- 4: Prudent Investing.

### Textbook Purchase

All required textbooks for this class are available from the College's book service, READ On Bookstore, Room 145, McMaster Divinity College. Texts may be purchased on the first day of class. For advance purchase, you may contact READ On Bookstore, 5 International Blvd, Etobicoke, Ontario M9W 6H3 : phone 416.620.2934; fax 416.622.2308; email [books@readon.ca](mailto:books@readon.ca). Other book services may also carry the texts.

### Academic Honesty

Academic dishonesty is a serious offence that may take any number of forms, including plagiarism, the submission of work that is not one's own or for which previous credit has been obtained, and/or unauthorized collaboration with other students. Academic dishonesty can result in severe consequences, e.g., failure of the assignment, failure of the course, a notation on one's academic transcript, and/or suspension or expulsion from the College. Students are responsible for understanding what constitutes academic dishonesty. Please refer to the Divinity College Statement on Academic Honesty ~ <http://www.mcmasterdivinity.ca/programs/rules-regulations>

### Gender Inclusive Language

McMaster Divinity College uses inclusive language for human beings in worship services, student written materials, and all of its publications. In reference to biblical texts, the integrity of the original expressions and the names of God should be respected. The NRSV and TNIV are examples of the use of inclusive language for human beings. It is expected that inclusive language will be used in chapel services and all MDC assignments.

### Style

All stylistic considerations (including but not limited to questions of formatting, footnotes, and bibliographic references) must conform to the McMaster Divinity College Style Guidelines for Essays and Theses <http://www.mcmasterdivinity.ca/sites/default/files/documents/mdcstyleguide.pdf>

Failure to observe appropriate form will result in grade reductions.

### Disclaimer

This syllabus is the property of the instructor and is prepared with currently available information. The instructor reserves the right to make changes and revisions up to and including the first day of class.