

Most Churches See Giving Rebound

Churches suffered from plummeting donations after the recession began in 2008. But in the past year, a majority of congregations experienced giving increases because of a better economy, higher attendance and more church teaching on giving.

Trends in 2011 included higher budgets, which brought more church spending on staff salaries, missions, facilities and benevolence. Trends also included greater attention to fiscal transparency and board governance and a rise in electronic giving through technological tools, such as cell phone applications and automatic bank withdrawals.

The fourth annual “State of the Plate” constituency survey of more than 1,360 congregations revealed that 51 percent of churches saw giving increase in 2011, up from 43 percent in 2010 and 36 percent in 2009.

The survey was a collaborative research project sponsored by MAXIMUM Generosity, *Christianity Today*, and ECFA. The survey asked pastors, staff and leaders of all church sizes, theological leanings and regions to report on their church giving, budgeting and generosity initiatives, as well as programs to help families negatively affected by the economy.

“Charities and churches were hit hard by the recession, but many are now beginning to see increased giving,” says Brian Kluth, author, speaker and founder of the “State of the Plate” research. “A better economy, more Bible teaching on finances and generosity and a growing number of online giving options are helping many churches rebound financially.”

Giving increases were greatest among larger churches, with more than 70 percent of **megachurches**—2,000 or more in weekend attendance—experiencing giving increases last year. Heartland

states saw the biggest rebound, with nearly 55 percent of churches experiencing giving increases. For three of the last four years, Pacific Coast churches continued to struggle financially. In 2011, 38 percent experienced giving declines.

Among churches that saw giving increases, 50 percent attributed the rise to greater attendance. Forty-two percent said it was because people gave more after their church conducted financial/generosity teaching initiatives, such as sermons, classes, seminars or distributed devotionals about the subject.

Church budgets, consequently, are up, and churches are allocating the extra funds to staff pay raises (40.3 percent), missions (36.5 percent), church buildings (35.3 percent) and benevolence (31.1 percent). And the way churches receive donations has shifted from the traditional "envelope packets" toward electronic giving, such as cell phone applications, automatic bank withdrawals and lobby kiosks.

"As giving has improved for many churches nationwide, this survey shows many have made budget decisions that directly care for people," says Matt Branaugh, director of editorial for *Christianity Today's* Church Management Team, a survey sponsor. "Many churches increased their spending for missions and benevolence—two ways churches work to meet the needs of people locally and globally. And pay raises for staff and pastors were a move to care for their own, after many churches were forced to freeze or cut salaries during the recession."

The "State of the Plate" shows a significant number of churches actively use a variety of practices and procedures to ensure financial transparency and accountability. For instance, 92 percent make their financial statements available upon request to their members; 89 percent provide copies of their annual budget to their congregation or make them available upon request. Eighty-six percent of church boards are made up of five or more people, with at least three of

those people not a pastor or staff member, or related to either.

“It is important that churches properly self-govern in financial matters,” says Dan Busby, president of ECFA. “The ‘State of the Plate’ research shows that a significant number of churches are concerned about financial integrity and accountability. Our research shows that many churches are implementing strong financial accountability practices.”