

Heritage Fellowship Church (HFC)

Our Vision is to be...



Standing on the **Word of God**...

1st Peter 1:23

Seeking the **Will of God**...

Matthew 7:21



Sure in Our **Worship of God**...

John 4:23, 24

Steadfast in the **Works of God**...

1st Corinthians 15:58



Vision Driven Budgets

Ministry Budget Process

REV. DUSTIN B. SULLIVAN, SENIOR PASTOR
2501 FOX MILL ROAD
RESTON, VIRGINIA 20191
703-620-9515

Heritage Fellowship Church (HFC) Ministry Budget Process

Introduction

This document is intended to be a comprehensive guide to the Ministry budgeting process for HFC Annual Ministry Budget, which is the same as the calendar year. It is presented in three parts:

- Part A: Annual Budget Process
- Part B: Security Deposits
- Part C: Ministry Food Budget
- Exhibits: Blank Forms, Spreadsheets and Sample Forms

This process is not intended to be burdensome and if followed, will ensure adequate resources are provided for each ministry to meet its objectives for the year. A joyful and inspirational approach is encouraged.

Part A: Annual Budget Process

Purpose of Budget Planning

A budget is necessary to ensure success and responsibility in managing HFC's financial resources. Budgets are also a planning tool to help achieve the church's short-term and long-term goals. The budget is an income and spending plan developed to achieve the following objectives.

- Ensure spending is consistent with the HFC's Vision and theme.
- Ensure spending is not simply a reactive response to immediate and isolated needs, but has overall perspective.
- Ensure that all activities that require funds are well planned and thought out, both short-term and long-term.
- Provides another measure of performance in attaining our vision and goals.

A thorough and early planning will facilitate an early review and approval process.

Ministry Budgeting Approach

Ministry budgets are created from the bottom up. While the previous year(s) budget will be helpful, it will not be used as a starting point for next year's budget. Each Ministry contributes to HFC's aspirations for its overall ministry work in the coming year. The goals and plans of each Ministry, when aggregated, produce preliminary Ministry budgets. The final Ministry budgets will be the result of several consecutive reviews which culminate in final approval.

Our Guiding Vision

The HFC's vision guides the choice of ministry activities:

“My prayer is that we will be a gathering of God's people who are Standing on the Word of God (1 Peter 1:23); Seeking the Will of God (Matthew 7:21); Sure in our Worship of God (John 4:23-24); and Steadfast in the Work of God (1 Corinthians 15:58).”

You should also be guided in your planning by the 2018/2019 HFC theme as given by Pastor Sullivan – “Connecting Christ, Congregation, and Community.” Planned Ministry work and related budget requests should be strategically and operationally linked to the Church’s Vision and theme.

Preparing Budget Requests

Each HFC Ministry prepares a detailed budget request which shall include a written narrative explaining how continuing activities, new initiatives, proposed changes and function for which funding is being requested align with the goals of the church. This budget preparation process requires each Ministry and Servant Leader to plan, in detail, the timing and level of income and funding, by activity and expense category. The summation of these activity budgets, once approved will comprise the overall ministry budget request. This level of detail is required because each Ministry and Servant leader is a steward of the resources entrusted to us by HFC members and is obligated to exercise due care and diligence throughout the entire budget planning and management process.

Budget Process

Step One: Establish Goals

Start by thinking through Ministry goals and objectives for the year. Your goals should be consistent with the Church’s Vision and theme. You should consider receiving initial input from a wide range of members and sources – ministry members and others, outside sources (corresponding ministries at other successful churches, books, Internet).

Step Two: Plan Activities

Determine which activities are supportive of the Ministry’s goals and further the goals of His kingdom. Be thoughtful and creative to ensure that planning is expansive and inclusive – not just of ministry members, but of all members and the community. Once appropriate activities are identified for the coming year (and beyond, if appropriate), develop a detailed plan that considers cost, timing and resource requirements.

Segregate planned activities by budgeted activities – those requiring HFC budget dollars versus self-funded activities. Some activities may require security deposit(s) from HFC. In this case the budget request should provide a detailed and realistic plan for the collection and spending of funds. For self-funded activities, **Security deposit funds must be fully reimbursed by the event or activity.**

It is strongly recommended that the Ministry Leader and Servant Leader work together to prepare the budget plan.

Step Three: Prioritize Activities

Assign a priority ranking to each activity (only one #1, only one #2, etc.) to facilitate communications of those priorities to other Ministries, and to provide easier allocation of partial funding, should it occur. Also, estimate the timing of the activity to facilitate the building of the church calendar.

Step Four: Categorize Expenditures for Each Planned Activity

Categorize each activity on the budget request into the following accounting categories. The expenditure must be fitted to one of these categories. There are no others.

Accounting Categories

- Income (4100-4150): Any anticipated income (registration fees, ticket sales, member donations, etc) from this event.
- Food (7100): This is to budget for food **NOT** supplied through the Hospitality Committee. Examples would be the cost of SHARE food, food for St. Stephens, food at a restaurant, etc. Food provided through the Hospitality Committee will be covered later.
- Travel (7200): Cost associated with transportation and support while on church business or mission, Examples are gasoline and tolls, room and board, air/train/bus fare, meals while on travel, etc.
- Supplies (7300): Supplies is a broad category consisting of things like books and materials, services, subscriptions. If it doesn't fit the other categories, it most likely should be 7300.
- Honorarium (7400): Usually payment to individuals or organizations in support of a program. Examples are guest speakers for a program or seminar, A/V support outside of a scheduled church service, Scholarship payments (for Bible Institute) etc.
- Rentals (7500): Expense for the temporary use of equipment or facility. Example are rental of a tent or equipment for picnic, facility rental, securing a bus for a day trip, boat for a group fishing trip
- Training (7600): Cost associated with training members to equip them for service.

The following account categories will not typically be used by Ministries. These are mainly for Deacons, ministers, and admin staff.

- Missions/Outreach (7700/7701): Monetary support to domestic and international missions organizations, monetary support for community organizations (community outreach) – St. Jude's, Red Cross, other local groups. Support for Deacon's benevolence and floral arrangements.
- Worship & Music Expense (7800): Expenses associated with the worship and music experience – musicians, guest ministers, alter flowers, etc.

Step Five: Document the Budget Requests that Support Each Planned Event

Document the budget request that supports each of the activities you plan to carry out in the year. Use the form entitled "2019 Budget Request Form" (sample in Exhibit A). Use a separate form for each activity. This form is available in soft copy from the HFC website in the "Member Area" or from the Finance Office. Our website is www.HeritageFellowshipChurch.org. This form is used to provide a comprehensive description of the budgeted event and how it fits in with the church mission. It also provides the basis for discussion between the Servant and Ministry Leaders.

Step Six: Annual Budget Summary (Excel spreadsheet)

Aggregate your budget dollar requests into one grand summation. Use the Excel spreadsheet entitled Annual Budget Summary (Exhibit B) which has several separate tabs:

1. **Index** – This tab is your starting point. It provides identifying information about your ministry and the planned events – Ministry Name, Ministry sub account number, servant leader name, ministry leader name, and a listing of 1-20 events.
2. In the **Ministry Name** cell, select your ministry from the drop down list. The Sub account, Servant Leader, and Ministry Leader will be auto populated.
3. Under the **Event Name** in column C, List your events in priority order. **Use the same names as used on your Budget Request Forms**. These events should be on the tabs in priority order (Event 1 the highest priority, Event 2, the next highest, and so on). As the events are entered in the Index tab, the identifying information on the corresponding Event tab will be populated.
4. **Summary Budget** – This tab is locked and will be automatically populated with a ministry total of the events on tabs 1-10.
5. **Event 1-10:** Each tab corresponds to the budget request for each of your events listed on the Index tab, and on the 2018 Budget Request Form(s). Place your estimated income and expenses in the appropriate category for the month(s) expected. Use your best estimates of the timing. Totals will be calculated.
6. You may make any notes, comments, or explanations in that **NOTES** area of the Event tab.

Continue on until all of your planned events/activities have been entered.

Step Seven: Submit Your Budget Request

After completing your written request, provide soft copies to your Ministry Leader for review, discussion, revision and approval. Your Ministry Leader will submit the approved budget request to the HFC Executive Pastor or designate. **Save a copy for your records.**

Each year, a timeline for submissions/reviews/approvals will be published and communicated. Your budget request should be submitted to Ministry Leader in time to meet the scheduled deadlines. Ministry Leaders, after reviewing and making any changes will submit to Finance Office in accordance with the timeline.

Part B: Security Deposit(s)

Request for Security Deposit(s) or “seed” money (reservation fees, upfront cost items) must be submitted to Ministry Leader and Executive Pastor for approval on a case by case basis. If the ministry expects to receive income from the event to cover the deposit, the Servant Leader and Ministry Leader must be able to demonstrate that the income projection is realistic, and based on reason and logic.

Part C: Ministry Food Budget

Beginning in 2017 Heritage made the decision to centralize all food budgets and request into the Hospitality Committee. This was done to ensure that the purchase and preparation of food, condiments, serving dishes,

decorations, etc., were consistent across all ministries. HFC also looks to gain synergies and savings by having one overall manager of all food-related functions, instead of each food event being budgeted by separate ministries.

In a sense, the HFC Hospitality Committee can be viewed as our internal caterer. When planning a function with a caterer, you provide an estimate of the number of people to be fed. Next you make a menu selection from the caterers' portfolio of meal options. The caterer is responsible for the details of the cost of the food, silverware, salt and pepper, drink, table cloths cleaning, etc.

All ministry events that require food purchase from/through an external source (e.g., meals at a hotel or event facility, SHARE purchases, Community Benevolence food services such as St. Stephen's, food at an offsite retreat) should be in the Ministry budget under account code 7100. All other events requiring food budget request should go through this internal process to be described below. If you are in doubt, contact the Hospitality Committee, your Ministry Leader, or the HFC Finance Office for guidance.

Step One:

First, estimate the number of individuals for which meals will be provided. If your event plans for participants to pay a fee or contribution to attend the event, estimate the total income and provide that estimate on the **Anticipated Income** section of the appropriate event tab of the 2018 Annual Budget Summary spreadsheet (4100) (Exhibit B).

Step Two:

Next, open the **Annual Food Budget Workbook** Excel spreadsheet. Select the Ministry from the drop down list. All other identifying information should be automatically filled based on the Ministry Name.

Step Three:

Next, review the 2018 Heritage Hospitality Menu (Exhibit C is an example only; most current is on the HFC website) and select a meal type that will be provided to the participants. If the event will have more than one serving (for example, an all day meeting with an early morning serving and a noon-time serving), have two or more selections in mind.

1. Enter the event date under **Event Date** in column A. If exact date is known, enter it. Otherwise enter what is known. For example you may enter just an anticipated month, multiple anticipated months (ex "May and Sep", "Quarterly" etc.), or monthly for an event that occurs each month. The example in Exhibit D shows a monthly recurring Choir Director's meeting.
2. Enter the event name, and location (if known), under **Event Name** in column B and **Location** in column C.
3. Enter in the estimated number of attendees to be fed under **People Count** in column D.
4. Select the desired menu item from the drop down under **Menu Selection** in column E.
5. Enter in the number of times this food event will occur in 2018. If only once, enter "1" or leave blank. If monthly, enter "12". If quarterly, enter "4", and so on. The estimated total cost of that meal event will then be calculated based on the number of attendees, the menu selection, and the number of times per year.

6. Under **Other Items** in columns I-J select up to three other desired items for the meal. This will aid the Hospitality Committee in budgeting.
7. If there is another serving for this event, enter addition lines as needed using the same event date and name.
8. Enter information for other planned ministry events on the same spreadsheet as necessary.

The exhibit shows a fictitious example entry for the Adult Choir Ministry. It's planning on a monthly Choir directors meeting with the Snacks; an all day workshop in Aug, 2018, and expect 30 people to attend. It plans to provide a continental breakfast in the morning and a deli lunch in the afternoon (one event with two meals). It also plans to have a Christmas party in Dec, 2018). They plan to use the Fellowship Hall, and have cloth Tablecloths, table decorations, and use of the stage.

Step Four:

Once this is complete and approved through the Ministry Leader and Executive Pastor or Senior Pastor, the workbook should be submitted along with the other budget request documentation. The Hospitality Committee will take all approved Food request and construct its 2018 Budget to accommodate all approved events. Save a copy for your records.

Remember, this is for budgeting purposes ONLY. In 2018 as time for the event nears, the Servant Leader or the Ministry's event coordinator will work through the Hospitality Committee to begin specific preparation for the event. That is the time to address additions/modifications (ex, request item substitutions, accommodate guest requiring vegan, gluten free, nut free, etc., meals) Any changes to the selected meal should fit within the budget as approved.

EXHIBITS

A. 2018 Budget Request Form	I
B. Annual Budget Summary	V
C. 2018 Hospitality Menu	VII
D. Annual Food Budget Workbook	XI

Exhibit A

2019 Ministry Budget Activity Request Form

Ministry/Committee		Ministry Sub Account #	
Submitted By:		Phone #	
Email			
Name of Activity		Date of Activity	
Location		Time of Activity	
Priority Ranking (1=highest)		Projected Attendance	
New Event?	Yes <input type="checkbox"/> No <input type="checkbox"/>	Multi-year initiative	Yes <input type="checkbox"/> No <input type="checkbox"/>
Budgeted Amount		Timing for Funds Request	Funds Request
			Yes <input type="checkbox"/> No <input type="checkbox"/>

Planned Activity Supporting Details

Describe the Purpose of the Activity

Objectives of the Activity

DRAFT

Provide a Description of the Activity

How Does the Activity Support HFC's Vision and Objectives?

How Will You Measure Success/Effectiveness of this Activity?

Servant Leader

Date

Ministry Leader		Date	
Executive Pastor		Date	

DRAFT

Exhibit B
Heritage Fellowship Church
Annual Budget Summary

Index Tab

	Ministry Name: _____							Date Submitted:	
	Ministry Sub Account #: _____								
	Servant Leader: _____								
	Ministry Leader: _____								
	Activity Priority & Tab #	Event Name:							
	1	_____							
	2	_____							
	3	_____							
	4	_____							
	5	_____							
	6	_____							
	7	_____							
	8	_____							
	9	_____							
	10	_____							

Exhibit C
Heritage Fellowship Church
2018 Hospitality Menu
(Sample, do not use

Heritage Continental Menu
\$5.00 per person

- Assorted breakfast breads and pastries
- Seasonal Fruit or Yogurt
- Selection of 2 juices (Orange, Apple, or Cranberry Juice)
- Coffee & Hot Tea

Pastor's Delight
\$6.00 per person

- Eggs
- Bacon and Sausage
- Grits or Home Fries
- Sliced toast or Biscuits
- Selection of 2 juices (Orange, Apple, or Cranberry Juice)

Heritage Deluxe Menu
\$7.00

- Pancakes & Eggs
- Bacon and Sausage or Corn Beef Hash
- Grits or Home Fries
- Selection of 2 juices (Orange, Apple, or Cranberry Juice)

Heritage Child's meal
\$6.00

Exhibit C (cont)
Heritage Fellowship Church
2018 Hospitality Menu
(Sample, do not use)

- Hamburger and hot dogs on bun or Chicken fingers
- French Fries or Chips
- Bake beans
- Cookies
- Ice Tea or Lemonade

Heritage Finger Food Menu (A variety of the items listed)
\$8.50

- Meat balls or Hamburger sliders
- Chicken Fingers
- Veggie Tray
- Chips and Dips
- Dessert
- Ice Tea or Lemonade and Water

Heritage Italian
\$10.00 per person

- Spaghetti with meat sauce or Lasagna (Vegetable and Meat) or Pizza
- Salad
- Dinner Roll
- Dessert
- Ice Tea or Lemonade

Heritage Deli
\$7.00

- Deli Sandwiches (choice of 3)

Exhibit C (cont)
Heritage Fellowship Church
2018 Hospitality Menu
(Sample, do not use)

- Ham, Turkey, Roast Beef, Chicken, Tuna
- Potato Chips
- Cookies (based on availability)
- Ice Tea or Lemonade
- Ice Water

Heritage Dinner
\$11.00 per person

- Baked Chicken or Fried Chicken
- 2 sides (String Beans, Corn, Mixed Vegetables, roasted potatoes, Garden Salad Mashed Potatoes or Rice w/Gravy)
- Dinner Roll
- Dessert
- Ice Tea or Lemonade and Water

Heritage Soul Food Dinner
\$11.00 per person

- Baked Chicken & Fried Chicken or Barbeque Sandwich
- Potato Salad or Macaroni & Cheese
- String Beans or Collard Greens
- Dinner Roll
- Ice Tea or Lemonade and Water

Heritage Seafood Dinner
\$12.00 per person

Exhibit C (cont)
Heritage Fellowship Church
2018 Hospitality Menu
(Sample, do not use

- Fried or baked fish (fish based on availability)
- Cole Slaw or Garden Salad
- French Fries or Baked Potatoes
- Dinner Roll or Corn bread
- Ice Tea or Lemonade

Snack Entrée

\$1.25 per person (select a choice of 3)

- Peanuts
- M&M (plain or peanut)
- Packaged Cookies
- Popcorn
- Fruit Bars
- Miniature Candy Bars

Coffee Tea Service

\$1.00 per person \$25.00 minimum

- Assortment of Hot Teas
- Med. Roast Coffee
- NOTE: Menu items subject to change without notice Restaurant Depot Prices

