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### CHURCH ADAMINISTRATION ASSESMENT

# A RESEARCH PAPER SUBMITTED TO DR. RODNEY ANDERSON

**DSMN 505 CHURCH ADMINISTRATION** 

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#### Introduction

## **Examining the Essential Need for Administration**

Administration in the church is an essential part of creating order, it allows the pastoral ministries, to take place. Without some organized form of administration, ministry or pastoral work, as we know it, would be very difficult to achieve. For a church to try to make a determination for or against having an active administration should only serve as a formality. For a church to function without an active administrative role in the 21<sup>st</sup> century would be quite difficult indeed. As Welch points out in *Church Administration: Creating Efficiency for Effective Ministry*, administration (or management of the church) is not an optional piece we can choose to include or not include, it exists whether we as church staff decide to acknowledge it or not.<sup>1</sup> Welch examines this in detail, from scripture, which includes 1 Corinthians 12:28 where it clearly states that "God has placed these in the church" as a necessary element of the church body.<sup>2</sup>

Welch points out many other biblical examples of why administration is an important element of the church, but he clearly states why when he says that administration is "to define and set forth the purposes, aims, objectives, and goals of the church." It would be hard to imagine a church in our current day, culture, and times, without a proper administrative setup. Administrative roles have become specialized today, especially in larger churches, where individuals can, and do, carry out a selective administrative duty such as information technology, communications, or marketing. It is no longer the sole task of the "Church Administrator" to

Robert H. Welch, *Church Administration; Creating Efficiency for Effective Ministry*, 1st Edition, Vol. I (Nashville, TN: Broadman & Holman, 2005), 3-4.

<sup>&</sup>lt;sup>2</sup> Ibid

Welch, 5.

wear every administrative hat on the church staff, but to manage teams of administrators doing specialized duties with specific skill sets. In this assessment, we will look at the different aspects of church administration, and then examine how these administrative pieces impact a local church body in Auburn, Alabama, called Cornerstone United Methodist Church (Cornerstone).

## **Does Administration Help or Hinder Ministry?**

Welch put forth some interesting survey statistics early on when he discussed what position a senior pastor would choose to assist him in ministry. Only slightly more than 1% designated administration as their current need. When this was extended out to personal interviews with local pastors in a growing, active church, the responses were similar in nature, but more mixed to reflect a 21<sup>st</sup> century church. With the exact same question posed, it was extended to a position that would include someone with not only a ministry background, but one that could handle administrative tasks as well, but only out of necessity.<sup>4</sup>

Administration is sometimes seen as the "necessary evil." However, administration is a needed area of the church body, but one that is often misunderstood, and seen by some as part of the body that hinders ministry work, but it can, in some ways, hinder ministry. It controls the budgetary process, which in many ways determines what ministry can and can't do as far as outreach, expansion, events for the church, and even payroll and staffing issues. Where senior pastors are often gifted in their position, they are not always gifted in administration, so in a way it becomes a check and balance for the church body. That becomes the main area where administration helps the church body, in keeping it balanced. Because administration is often referred to as the "necessary evil" it can be the neglected side of the church body, but it is by no means an unimportant part of the church body. Without administration there would be very little

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Josh Agerton, interview by Scott Fillmer, *Site Pastor of Cornerstone Church*, (December 10, 2011).

balance to the body, but more importantly, God has placed the management of the church within the spiritual gifts of his believers. (Ephesians 4:16)

#### **Church Administration Policies**

Written policies in the church are an essential part of a healthy church body and a properly working church administration, but there are both advantages and disadvantages to a church that uses written policies. As an administrative staff member we would need to be aware of both, and use the information wisely to provide the best guidelines possible, catered for our own individual churches. Written policies organize the efforts of the church, while presenting an ordered atmosphere, and a sense of purpose.<sup>5</sup>

In the Welch text, he basically lays out a step-by-step process for developing proper policies and procedures for each church. Welch provides a good reference for an administrative staff to form specific policies, but unless it is done very carefully it could have the potential to cause conflict or animosity among the staff or congregation. To emphasize this point Welch explains the importance of creating a set of policies not designed by one individual, or from the perspective of one administrative person, but to become a "compiler of the information that went into the [policies], editing the work into a consistent format."

When creating policies for church staff, and/or the church congregation, unless people receive it as Welch described above, it could be seen as a single person, or team, telling the staff or congregation what to do, not creating organization or an ordered atmosphere. This detail has been found to be extremely helpful at Cornerstone. Within Cornerstone's administrative staff, a communications team, not an individual, develops the policies for Cornerstone and then presents

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Welch, Robert H. Welch, *Church Administration: Creating Efficiency for Effective Ministry*, Kindle Edition (Nashville, TN: Broadman & Holman Publishers, 2005), 47-48.
Welch, 48.

them to the staff or congregation. This does just what Welch suggests, collects information, and creates it in published form, which then becomes accessible to members of the church body and staff.

Church policies are not the same as military regulations or corporate handbooks that often attempt to write for every possible scenario. Policies for a church body, like those outlined in 1 Corinthians 11 by Paul, are for matters of faith, to make a church body stronger. Therefore, overall, written policies for a church body, when implemented properly, are very important and will serve a church very well.

## **Organizational Charts**

An organizational chart is essential to understanding how a church body functions and to understanding who is responsible for what tasks. As with most churches there are a variety of tasks and duties that need to be performed to keep the church body functioning properly. Much in the same way Paul describes the church in 1 Corinthians 12:12-26 as being made up of many parts, each depending on the other, our particular church, Cornerstone, has many different staff and lay people who come together to make the church function.

Cornerstone is organized by function, as Welch describes in the text, and is not as traditional in structure as some churches where the senior pastor is the top, and everything falls beneath his command. This church is setup, at the top of their organizational chart, with a leadership team consisting of five main areas. The leadership team includes the Senior Pastor for teaching, the Pastor of Connections for administering all aspects of small groups, the Worship Leader, the Church Administrator, and the Executive Team Lay Leader. These five leaders represent the three areas of organizational focus for this church, Sunday corporate worship; small groups, mission or outreach; and then the administrative staff and oversight from the lay leaders.

The organizational chart for Cornerstone matches how the church functions and operates. The leadership at Cornerstone has always emphasized the importance of proper organization and administration, and because of this it tends to spend more time on each to ensure the congregation is focused on what the church has determined to be it's missional purpose. Periodically, Cornerstone will evaluate and revise the organizational chart depending on changes in staff and a refinement of their stated purpose. Since this particular church emphasizes organization, and revises when needed, it would be hard to drastically improve upon their current organizational chart. Their chart could be organized so as to integrate the lay leadership into the structure of their intended function. Except for their executive chair members, oversight is more generalized, than it is defined for specific areas, and coincides with the three main functional areas of focus for the church.

In many respects Cornerstone has positioned itself well in a culture and time where churches can often lag behind in many areas, especially administratively. In doing so they have a clear focus, and their organizational chart represents their church well in structure and function. Consequently, as long as the leadership continues to revise and improve the structure periodically as needed, it will serve Cornerstone well as the church grows and continues to reach new people.

## **Church Budgets**

Financial management in the church could be one of the most important aspects of church administration because it can affect so many aspects of the overall health of the church. Poor financial management can also have a deep and lasting impact on ministerial personnel and staff, along with even possibly splitting the congregation, depending on the situation. As Welch points out, "fiscal responsibility in nonprofit and church organizations has made news in recent years"

for a host of illegal, but also sinful, activities. Because of this, and many other reasons, having a theologically sound philosophy for fiscal responsibility, "conducted in a professional," manner is a must.<sup>7</sup> Welch describes in detail three important reasons for developing a theologically sound financial management plan for your church. First, it is a Christian principal to do so. This is repeated throughout scripture, especially in the New Testament. Jesus tells us to be above reproach when overseeing the church's work (Titus 1:7). The second is that the people of the church will expect us to do this, and the third is that "poor money management can be a violation of federal, state, or local law."<sup>8</sup>

Jesus speaks about money throughout the New Testament, and for good reason, it is the necessary evil we all must both use, and not be in love with. Because of the obvious temptations, or even just the appearance of impropriety, there will often be few people on staff that will not even want to be involved with the money matters. For this reason, those who are entrusted with the finances should have as many safeguards in place as possible, including written policies on how to handle the finances. It is also important to have specifically approved people who are allowed to handle the finances, or money, directly. These people can be vetted and approved by the finance committee so the church can eliminate any obvious problems before the process begins. This protects those who are entrusted with the church's finances, and assures the church body that those people are also being good stewards of the money the congregation has given.

A church budget is an essential part of understanding how a church body functions, and administrators are called, by Jesus Himself, to be responsible stewards of the church's funding. As an essential part of the church finances, the budget usually requires some explanation. The

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Welch, 149.

Welch, 150.

annual budget overview for Cornerstone is based upon the current operations of Cornerstone Church in Auburn, Alabama for the fiscal year 2011. For this particular church, in previous years, as the budget process began, each department was given an increased budget number over the previous year, which would then have to be readjusted when numbers were not met or were changed. Through a budget development process by the Finance Committee, they are now basing the budget on the previous fiscal twelve-month period. In this case, September 1, 2009 through August 31, 2010 is the base that now forms the budget for 2011. From this 2009-2010-budget figure, the committee takes 90% of the budget number for each area, and that is the starting point for the new budget.

Each area expenses are flat level funded at 90% of the previous year's budget. Special requests are then taken from each budgeted area to see if increases are warranted, and if so, changes are made. The targeted budget for payroll each year is 50% of the total income received, and all attempts are made to keep payroll within that 50% range. The Mission budget is always funded at 10% as the church considers itself to be a "tithing" church, and therefore, funds missions at 10%. Apportionments are set by the United Methodist Church, from the conference division, and change each year depending on the health and size of the church. This budget item is not adjustable so whatever apportionments are assigned to the budget is done so without changes.

Due to the current economic climate, salaries are not increased or adjusted except when specifically requested by the conference. Support staff salaries are to be reviewed upon the end of the 2012 fiscal budget year (August 31, 2012), and if budget income is not out of line with expenses, then a single cost of living increase payment will be made to support staff at year end 2012. This process was approved by the finance committee only for the fiscal budget years of

2011 and 2012 because of the economic situation and is not reflective of an ongoing practice that will continue each budget year.

Income requirements are spread evenly across the budget year, but typical averages are lowest in the summer months and highest in the fall months. Requirements for the budget include a weekly income of \$26,000, which is an average giving per person of approximately \$26 per attendee, per week. This includes all attendees, members, visitors, and staff, and one time single large gifts and donations that periodically come up throughout the year. This information is calculated from the weekly and monthly metrics kept within the database system for the church body.

The church budget is one of the most important aspects of a financially healthy church. It may not be a process the senior ministry staff will always be the most excited about, but it is important for the ministerial staff, support staff, and administrative personnel to be involved in the process, since the budget generally will effect each member of the church at one point or another. It is the church administration and finance committee's responsibility to make sure the budget is organized, presented in a professional manner and can be closely examined by both staff and the congregation.

#### **Church Governments**

Church government has been an important part of the church body since the church was established and believers started meeting as a group, breaking bread, and praying together. (Acts 2:42-47) As with any organization, there must be some type of order, or method, by which people cohesively come together in some united front. (Hebrews 10:25) The teachings throughout the New Testament place a heavy emphasis on organization, and as Paul instructed

the Corinthians (1 Corinthians 14:40), "all activities of the church were to be conducted with symmetry and arrangement."

There are five excellent examples of church government in Band's *Perspectives on Church Government*, each method supporting it's own form governance, the way their church's operate, or how they have historically operated. Each of the five methods have solid arguments for their form of governance, but as with many things today, the methods can be fully supported, and fully justified with backing of Scripture, and refuted by the benefit of the other. In the end, each governance method used is what has been formed, with the help of Scripture, to best benefit the positive growth and understanding of the particular denomination. As the church is made up of many members, each with their own gifts (1 Corinthians 12:12-31), each denomination in the larger church body has developed a few different methods for handing church governance, each with their own benefits and drawbacks. Having different methods of governing Christ's body of believers is a "flexibility the New Testament allows," therefore each method can be Biblical defensible, and acceptable as a valid method of governing.<sup>10</sup>

Cornerstone is a member of the greater United Methodist Church in the Auburn, Alabama area, and belongs to the conference of churches in southern Alabama and western Florida.

Cornerstone was established in Auburn as a church plant from the very traditional governance of the First United Methodist Church of Montgomery, Alabama in January 2000. As a United Methodist Church, it falls under the governing method of the Bishop-Led church. As a Bishop-Led governing body, Cornerstone follows the polity and precepts put out by the conference, and the greater denomination credited to John Wesley. Being a "method-ist" church means that

Brand, 26.

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Daniel Akin, James Leo Garrett Jr., Robert L. Reymond, James R. White and Paul F. M. Zahl, *Perspectives on Church Government: 5 Views*, 1st Edition, ed. Chad Owen Brand and R. Stanton Norman (Nashville, TN: Broadman & Holman Publishers, 2004), 3.

everything has a method and rationale for being in place, and it follows a strict order of administration and governance.

Although Cornerstone is a Methodist church, it is unique in its ability to operate within the Bishop-Led governing body. Unlike the originating church in Montgomery, Cornerstone is a very contemporary and casual church. Unlike most churches in the Bishop-Led polity, this more "contemporary" method is pervasive throughout Cornerstone's structure, in administrative function as well as worship. Because of this, it often clashes with its more traditional counterparts within the United Methodist Church Conference.

Due to the worship style and the administrative function of Cornerstone, its members sometimes, mistakenly, see it as being a Congregational-Led church, even though it has always been Bishop-Led. This happens at times when polity "bumps up" against the will of its members or attendees. At its governing root, it is a Bishop-Led church, and this is an underlying advantage for this particular church. It has been allowed, and encouraged, to operate in a non-traditional method for a United Methodist Church, and yet still has the strong doctrinal basis and support of the greater conference.

Because of the unique way Cornerstone is setup to operate, it would not be advisable, even if it were possible, to change the method of governance the church uses. Occasionally the church members might think it operates as a democracy, but for Cornerstone to change the governing method at this point would require it to leave the greater Methodist church. That move, which is reviewed from time to time, would have greater negative consequences than if it stayed within the governing body of the Methodist Church. Cornerstone is in a denomination that is largely populated by traditional congregations, and it uses a polity where an identified negative is "churchiness." Operating in this contemporary manner makes Cornerstone unique in

its ability to reach people outside the traditional span of the Methodist Church, and gives the existing conference an example of another way to serve the congregation.

Paul's great words to the Corinthians explained that the church body is made up of many members, and those members all have spiritual gifts to be used in the life of the church. Since a church body is many members, it requires some form of organizational structure and government to maintain order. Throughout history different forms of governance have been developed by different denominations, each of which can present a biblical basis for its existence, and each comes with its own advantages and disadvantages.

Deciding which form of church polity is the "correct" form of government is much like trying to decide, or understand, which spiritual gift is the best. One could possibly argue the best method would be a combination of the positive aspects of the different governing bodies, but this would create its own issues. Scripture shows that the Greek term used for elders, or overseers, is written in a pluralistic manner, and history shows that authoritative leaders need accountability. Cornerstone Church sits in a unique situation among a traditional polity, with a non-traditional worship style. Backed by strong doctrine, and a biblically based leadership structure, this church is able to capture some of the positive aspects of both the Congregational-Led church and the Bishop-Led church.

#### **Church Risk and Sexual Abuse**

Risk preparedness is something the 21<sup>st</sup> century church can no longer ignore. With all the information available to us from current events, to being able to share risk information between churches, we the Church can no longer claim ignorance to the risks involved in just opening the doors. Long "gone are the days of the open church with no locks, no barriers, and no

restrictions." <sup>11</sup> We now must address the possibility of armed assailants, sexual predators, ensure we have proper insurance and legal liability setup, protect our physical assets, and provide an overall safe environment for the congregation.

Cornerstone Church, in Auburn, has been a fast growing church plant for the past ten years, and they have had to adjust to these types of risks as the size of the church congregation has increased. While the assessment of risk preparedness for Cornerstone is generally positive, there are still many areas that can be improved, adjusted, and a few policies that need to be created, which will then bring the church to a very high level of risk preparedness.

Cornerstone, overall, has done a very good job of limiting the risk associated with being the church in the 21<sup>st</sup> century, but there are still areas where they can improve. To limit the risk exposure for safety, Cornerstone can go a few steps farther by implementing a policy that requires background checks on all staff, childcare workers, and volunteers that have a leadership role in their particular area. This is already being done for childcare workers, but could be more effective if it was extended. Building safety risk is currently as minimal as possible, with the exception of perhaps a tighter control on the key management procedures. While there are policies in place for managing who has keyed access to what specific areas, it is easy to become complacent. Keys are coded into groups, which are then handed out to specific people, with only five people having a complete master key, but as people come and go, access needs to be more closely managed.<sup>12</sup>

Liability and insurance are areas of high risk for any organization. Cornerstone addressed this risk early, and should continue to periodically reevaluate the coverage, and

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Robert H. Welch, *Church Administration; Creating Efficiency for Effective Ministry*, 1st Edition, Vol. I (Nashville, TN: Broadman & Holman, 2005), 260.

Ibid.

determine if additional coverage is needed, or if something should be changed about coverage they already have in place. One area of higher risk for this particular organization is that of liability in off-site events and services. While using liability release forms for these situations can be useful in limiting risk, it should not be what is counted on to cover the church from liability. Often these forms are legally inadequate to stand up in court, and in some cases they may be adding additional risk if the forms are not carefully monitored for legal specifics.

Additional liability insurance, to allow a complete and total coverage of any and all events that are organized by Cornerstone, should be put in place. Doing so will better reduce the current risk.

The third assessment is something Cornerstone needs to improve upon if they are to adequately address risk in the church today. Sexual harassment and abuse is an extremely serious, and often criminal, matter that poses the most risk for this church. At the moment they have paid a small token of interest to this matter, providing only a few lines within a staff handbook, which is only read by new incoming staff members, if at all. There is nothing in place for the overall congregation, the clergy, or the staff. Implementing the four sexual abuse policies outlined in the McClintock text would greatly reduce the risk for Cornerstone in this area. These include an "ethics policy for ministry professionals," a "sexual misconduct policy" for clergy, a "sexual harassment" policy that applies to all clergy, staff, and volunteers, and finally "abuse reporting procedures."<sup>13</sup>

The overall assessment of risk for Cornerstone is good. They have adequately addressed the need for safety and provided the proper personnel to ensure a reasonable amount of risk is addressed. The one missing element in the risk management of this particular church body,

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Karen A. McClintock, *Preventing Sexual Abuse in Congregations; A Resource for Leaders*, 1st Edition (Herndon, VA: The Alban Institute, 2004), 132-133.

sexual abuse and harassment, is large, but not uncommon for churches. Once Cornerstone properly addresses the sexual abuse and harassment policy issues, along with a few other more minor issues, the overall risk will be greatly reduced and will be reasonably managed for a church their size. Cornerstone, in 2012, is launching its first multi-site church location, making risk management even more important as the church expands into different parts of the city, and begins to enter into different building situations. The evaluation of risk for the 21<sup>st</sup> century church is an important aspect of a healthy church. Finding ways to minimize this risk will benefit everyone from the clergy, to the congregation, and even the community it serves.

#### Conclusion

Church administration is quite possibly one of the most essential aspects of the local church body, outside the ministerial offices, and proper administration can have a lasting positive impact on the church. In the same respect, without the proper administration in place, aspects of the church such as governing, organization and policies, personnel, budgets, and liabilities, are placed at the whim of a few people who may not always have the greater interest of the church in mind. A church that has it's own longevity in mind is best served by putting in place a proper church administrative structure as soon as possible. Doing so will not only benefit the church as a whole, but also it will protect the individual members of the church from both inappropriate actions, and legal requirements of the government.

Cornerstone, as a whole, has addressed their administrative needs well since being established in 2000, and over time they have sought to adjust them when appropriate. There are always ways the administrative practices can be improved. The key to this at Cornerstone, and with any church that wants to improve their methods, is to not become so engrained in the current system that is in place that they refuse to see new alternatives. A church that has

administrative blinders on cannot adjust to a world that changes rapidly. How can administrative policies that are never updated address things like the proper internal usage of Facebook and Twitter when they still only refer to communication in the form of a landline phone call? Policies should reflect current situations by periodic evaluations, possibly once a year. Just as budgets are adjusted for current situations in the church, so should all aspects of church administration.

In Cornerstone's situation, many policies should be updated to reflect the current day aspects of running a church, and policies that are not in place, should be written. As this particular church moves into being one church in multiple locations it will become more and more important to have a full understanding of where the church stands administratively. Expanding into other areas and markets will only move to amplify any areas that need improvement, and these areas, as they are identified, should be taken care of as quickly as possible. Many modern day churches that are growing and active have placed less emphasis on administration than Cornerstone. In the long run, the time and effort put into administration will benefit Cornerstone's members, staff, and those people the church has yet to reach.

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