

Eight common money questions pastors ask

Because my background lends itself to such interaction, I have informally counseled hundreds of ministers about financial matters.

In addition to a business degree with a double major in finance and economics, I served as a corporate banker before answering God’s call to vocational ministry. I have been a pastor, seminary dean, and now—as president of LifeWay Christian Resources—deal with the realities of both worlds.

I share this brief bio not to brag, but to explain why ministers tend to gravitate toward me on financial matters. I hope reviewing these will help pastors and other church leaders to assess their own situation and adjust where needed. Financial stewardship is a key, yet often neglected, aspect of church leadership.



Most common questions

The purpose of this post is to review some of the questions pastors commonly ask me. While I could review more than 100, these are the top eight.

1. How do I broach the subject of getting a pay raise? Senior pastors and other ministers are typically sensitive about this issue. They hesitate asking, fearing they may appear greedy or that they lack faith. To overcome such fears, a pastor must determine if his salary falls short of standards for the area and position. I recommend identifying a trusted member—preferably a leader and businessperson—who can serve as a mentor and guide. Someone other than the pastor should broach the issue.

2. Will I be okay for retirement? With so many Baby Boomer pastors approaching retirement, this may soon top the list. Sadly, aging pastors are often ill-prepared for this day and get a rude wake-up call. They had a naïve idea that things would “work out.” I encourage pastors to seek a financial advisor to plan for whatever years they have left.

3. How much can I designate as housing allowance? First, I encourage pastors to make certain they meet IRS requirements for this allowance. If they do, it can be no more than the lowest of these three items: 1) the housing allowance designated by the church, 2) actual housing expense; or 3) fair rental value of the home. Guidestone Financial Resources has an [excellent FAQ](#) on housing allowances.

4. How much should I save for retirement? This question shows a minister understands the nature of retirement. In years past people often depended on “the company” for a pension, but that has all but disappeared. Today employees, including pastors, are responsible for their own future. Many times that means supplementing employer plans with savings or Individual Retirement Accounts.

The question itself is difficult to answer because it involves so many variables. The best answer is “as much as you can as early as you can.” Sometimes the number of 10 to 15 percent of gross income is offered, but that too is only a rough guideline.

5. Is it okay to accept a small stipend for weddings and funerals? Though there are always exceptions, the general answer is “yes.” The pastor typically spends work and time (especially for weddings) beyond customary responsibilities. With Friday rehearsals and Saturday ceremonies, weddings can claim huge amounts of the pastor’s weekends and family life. One year as a pastor I officiated at 40 weekend weddings.

6. Should a pastor’s salary be clearly shown on every church financial statement? Polity, policy and tradition determine this response. Most churches did not itemize my salary on financial statements, instead lumping it with those of other staff members. However, we also maintained an “open book” policy that allowed any member to request to see our salaries.

7. I can’t pay my bills—what do I do? Find a trusted advisor immediately, someone who understands personal finance. The first thing is to determine if you have an income problem or an expense problem. An income problem means that you simply do not have sufficient income for someone in your position. An expense problem means you are managing your finances poorly. Either way, your emotional health and reputation are at risk.

8. Is it okay to leave a church for financial reasons? First Timothy 3:4-5 teaches we are to manage our household well. That includes financial stewardship. In that sense, if someone cannot provide for their family, it is okay to seek another church. That is, after answering these tough questions: Am I struggling because of my own mismanagement of money? Am I demonstrating too little faith? Have I shared my plight with a trusted member?

Mastering financial matters

Granted, people whose very nature makes them sensitive to others, good listeners and spiritually mature may not make the best business minds. Yet finances are an area that pastors must either master or find one or more experts who can help.

As I said earlier, I could add many questions to this list. What about you? What would you add? What struggles do you face?

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