

INCOME INNOVATION FOR CHURCHES



Presented By:

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WELCOME & AGENDA

- Naming the reality: challenges & theology
- Five income streams:
 - Property
 - Grants
 - Social enterprise
 - Partnerships
 - Financial stewardship
- Shifting culture
- Discerning next steps
- Resources



NAMING THE REALITY: FINANCIAL PRESSURES

- **Rising costs:** utilities, insurance, maintenance, staff
- **Changing giving patterns:** post-pandemic shifts, decrease in commitments
- **Building maintenance**
- **Aging population:** loss of income
- **Missing legs of the financial stool:** heavily dependent on offering plate



NAMING THE REALITY: THEOLOGICAL GROUNDING & MINDSET SHIFT

Forget the former things; do not dwell on the past. See, I am doing a new thing! Now it springs up; do you not perceive it?
Isaiah 48:18-19



Shift 1: Embracing New Ideas Without Fear

God invites us to creativity and courage. Fear of change should not hold us back from exploring new paths to sustain and grow ministry and mission.

Shift 2: Permission to Think Differently

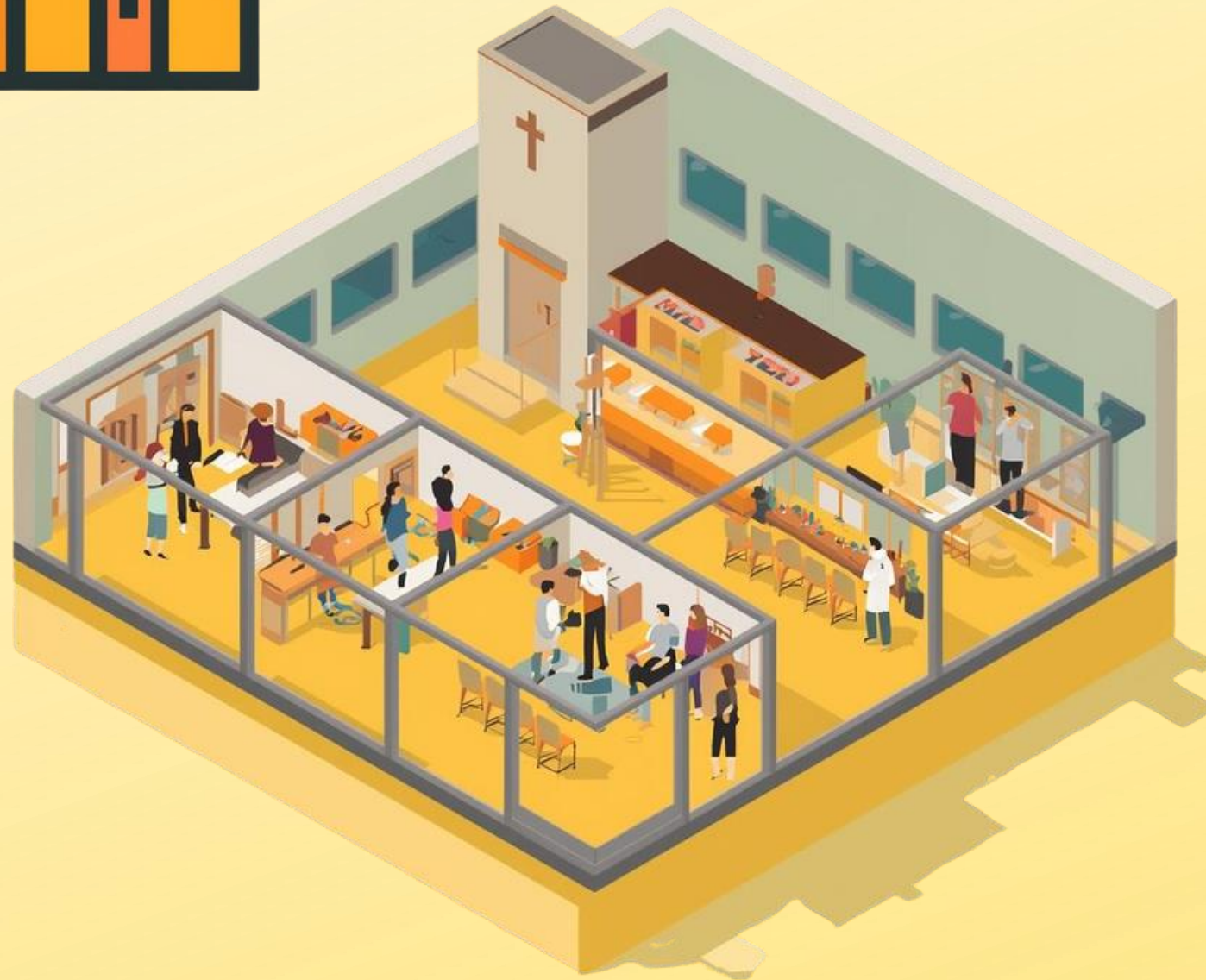
Traditional giving models served well, but times change. You have permission to reimagine how your church generates income while staying true to God's calling.

FIVE INCOME STREAMS: OVERVIEW

- **Property Income:** Leverage church facilities through rentals and shared spaces
- **Grants:** Access funding aligned with the church's mission
- **Social Enterprise:** Create mission-driven businesses
- **Partnerships:** Collaborate with local organizations
- **Financial Stewardship:** Revitalize traditional methods



INCOME STREAM 1: PROPERTY



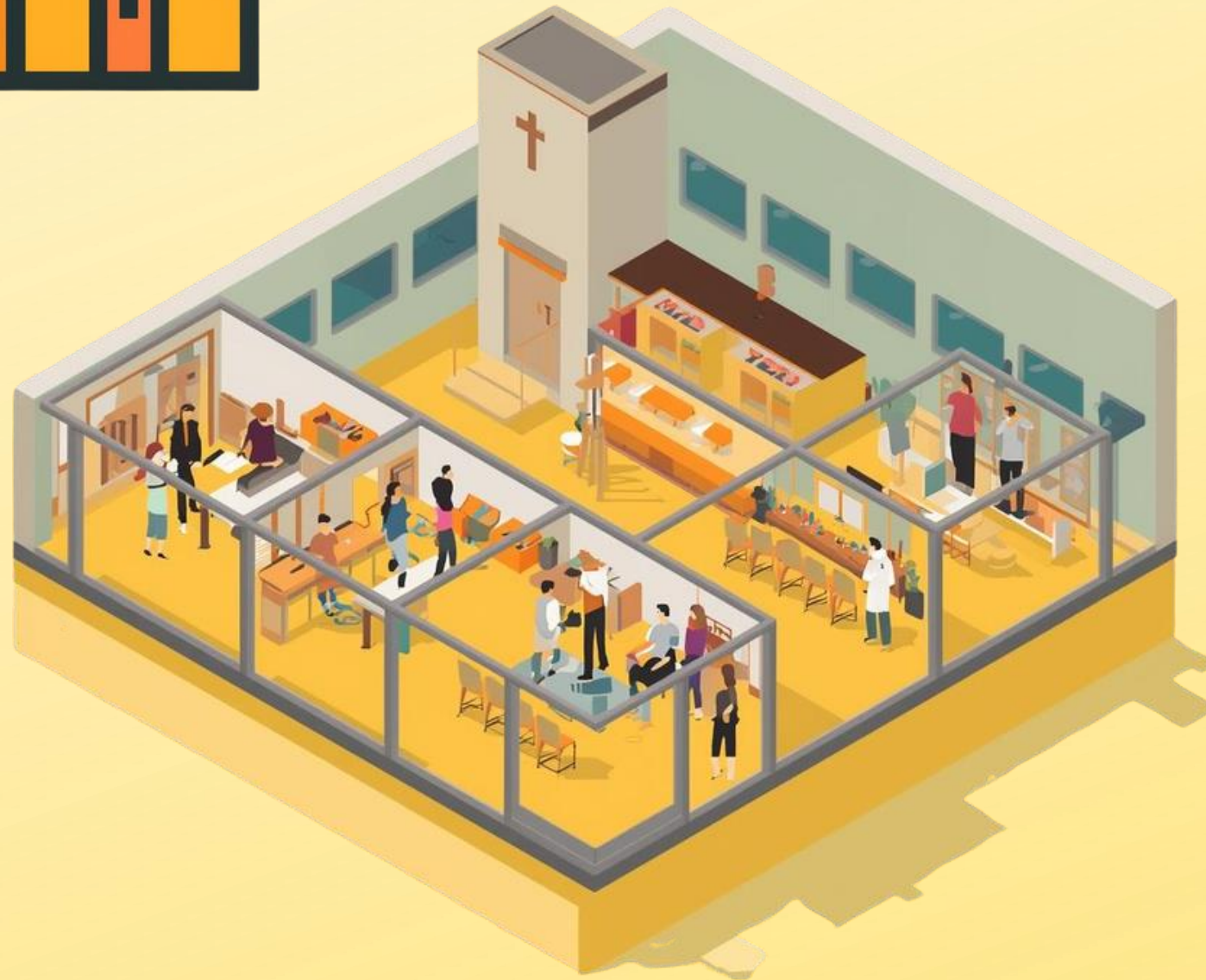
Benefits:

- Reliable revenue streams
- Deeper community engagement
- Maximizing underutilized assets

Considerations:

- Zoning restrictions
- Property insurance policy
- Rental contracts
- Unrelated Business Income Tax (UBIT)

INCOME STREAM 1: PROPERTY



Questions:

- Do you think God might be calling your congregation to rent, sell, and/or share its property? Why or why not?
- How does property renting/selling/sharing align with your congregation's mission?
- What step might you take to discern how God might have you steward your congregation's property?

INCOME STREAM 2: GRANTS



Tips:

- Align application with church's mission and/or vision
- Identify clear objectives
- Demonstrate community impact

Considerations:

- Capacity
- Reporting requirements
- Establishing a separate 501(c)(3)

INCOME STREAM 2: GRANTS



Questions:

- What community needs is your church passionate about meeting, and do you sense God calling you toward this work?
- How would a grant to support the work align with the mission and vision God has for your church?
- Are you prepared to faithfully steward these resources, not just financially but in prayer, accountability, and community?

INCOME STREAM 3: SOCIAL ENTERPRISE



Tips:

- Start small and scale gradually
- Reinvest profits into ministry
- Measure mission and financial outcomes

Considerations:

- Volunteer base and energy
- Time horizon
- UBIT

INCOME STREAM 3: SOCIAL ENTERPRISE



Questions:

- Do you think God might be calling your congregation to start a social enterprise? Why or why not?
- Are there any ministries of your congregation that might be a fit to become their own social enterprise?
- What step might you take to discern how God might have you meet a community need through a social enterprise?

INCOME STREAM 4: PARTNERSHIPS

Tips:

- Identify orgs with aligned values
- Share resources, spaces, expertise
- Explore event sponsorships, shared initiatives, & co-branded programs

Considerations:

- Clarity on agreement
- Organizational leadership
- Organizational reputation



INCOME STREAM 4: PARTNERSHIPS

Questions:

- Who in our congregation has a connection with a potential partner?
- Would a partnership align with God's call for our congregation?
- Would it cause theological conflict?



INCOME STREAM 5: FINANCIAL STEWARDSHIP

Tips:

- Let Jesus show the way
- Let Jesus talk
- Connect money to mission
- Include planned giving

Considerations:

- Tone
- Timing
- Your “why”



INCOME STREAM 5: FINANCIAL STEWARDSHIP

Questions:

- What does your church believe about stewardship?
- How do people know that?
- How do people know what their gifts enable the church to do?



UNDERSTANDING UBIT

Income tax resulting from activities not substantially related to your exempt mission

- Rental income from property is generally exempt unless your building carries a mortgage or you rent regularly to a for-profit
- Earned income from social enterprises or partnerships may trigger UBIT if not mission-connected
- Exemptions apply to income from volunteer labor, donated goods, or member-convenience activities
- Documentation is key: show how income-generating activity connects to your mission
- Consult a CPA familiar with non-profit rules before beginning





SHIFTING YOUR FINANCIAL CULTURE

Tips:

- Name it theologically
- Tell the story
- Involve more people
- Remember the pace of trust

Considerations:

- Leadership
- Transparency
- Your plan

DISCERNING YOUR NEXT STEP



Four Questions:

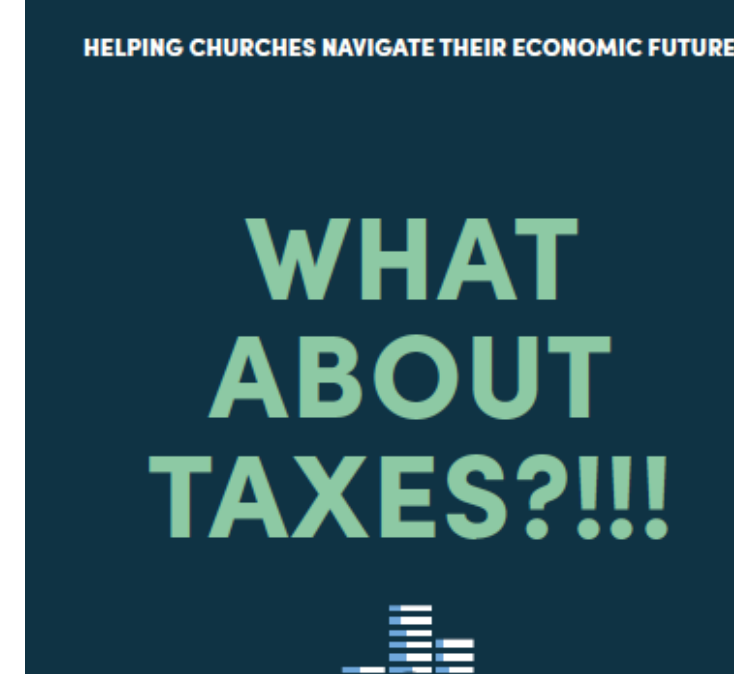
1. What do you already have?
2. What does your community need?
3. Where does your congregation have energy?
4. Where is God calling you?

One Answer:

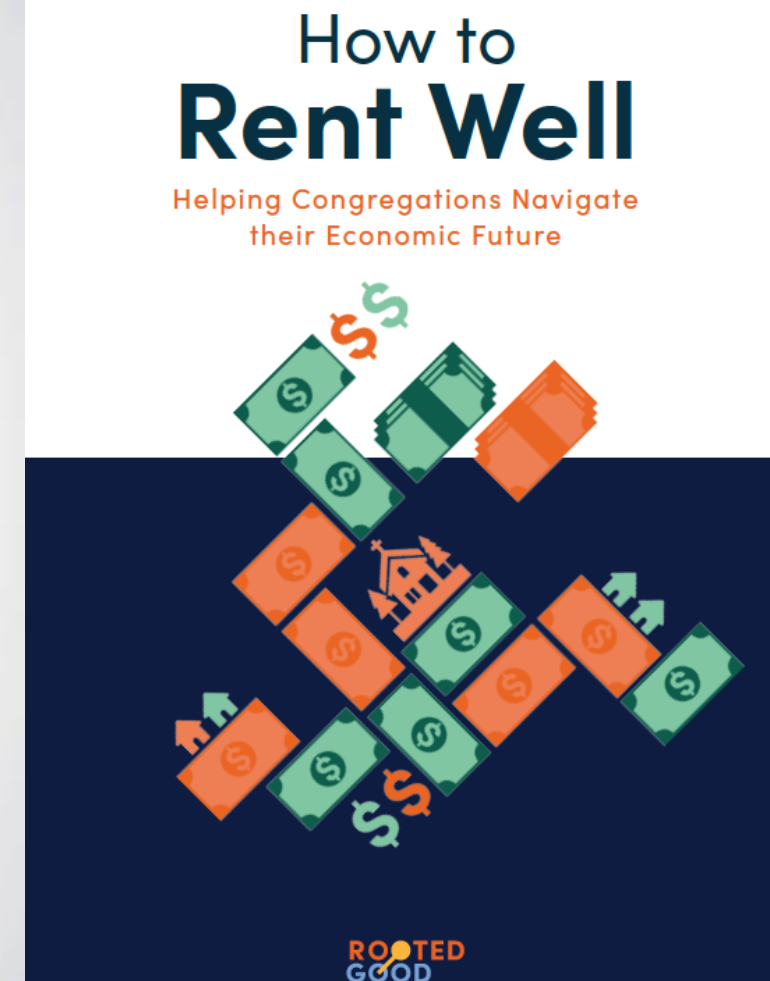
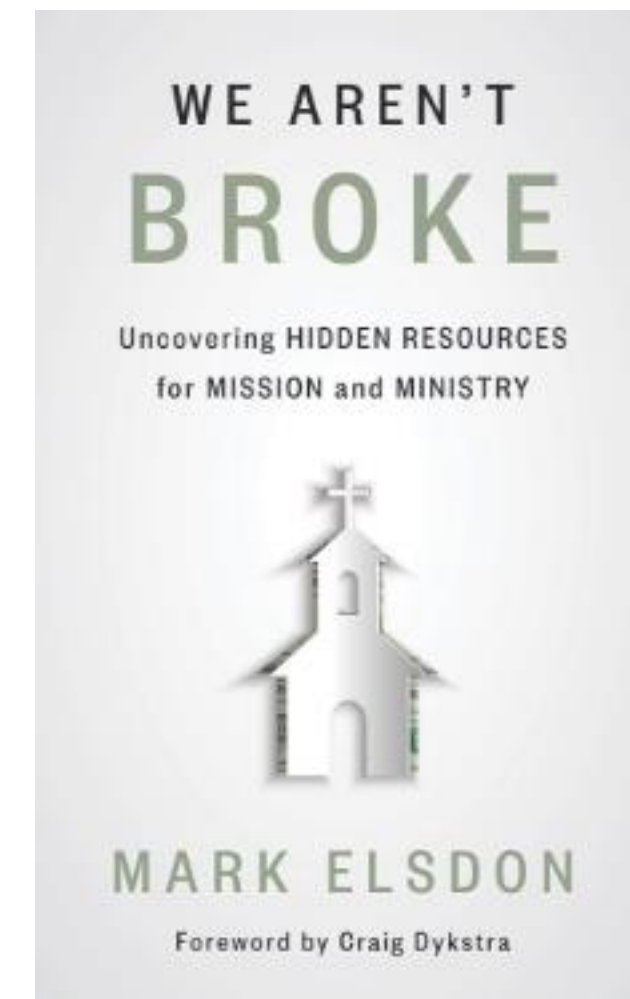
Pick one thing!

RESOURCES:

- rootedgood.org
- faithlead.org
- churchleadership.com
- wesleycdc.org
- mmfa.com
- Provincial and District Offices



A GUIDE FOR CHURCHES
STARTING TO GENERATE
REVENUE



GRANT RESOURCES:

- MMFA
- Provincial/District offices
- Walmart Spark Good
- Community Foundations: city and state
- National Fund for Sacred Places
- Oldham Little Church Foundation



QUESTIONS?



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