

Vision and Partnering 1-2-3

User Guide

- Comprehensive Description
- Calendars of Events
- Sample Exercises and Forms



2016

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General Description of Vision and Partnering 1-2-3

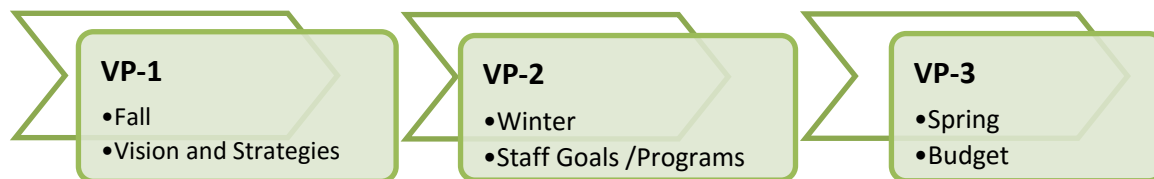
What if you could find something that would help your leadership team to keep your vision fresh, unify your team, and align them and your funding with your vision and strategies? Vision and Partnering 1-2-3 is just such a tool. For over twenty years it has been proven to help churches become more focused.

VP 1-2-3 is uniquely designed to allow the church leadership team to pursue vision and define strategies for more effective missional impact. If it is implemented well and repeated annually, it has the power to change the culture of your church and allow you to adjust to greater church sizes and a more complex ministry. Although it can be used as a standalone model, it is most useful when the church has first developed a long-range strategic ministry plan. Such a plan should have a clear sense of vision and the strategies the church is pursuing.

The meaning of the terms is as follows. Vision and Partnering is a declaration by the leadership team that:

**We want God's vision for His church, and
We will partner with Him and each other to see that vision realized**

The 1-2-3 represents a rhythm of 3 phases of leadership disciplines that are followed every year as follows:



The sequence of the phasing is designed to ensure that staff goals, program plans, and the budget are aligned with the vision and strategies of the church. Stated another way it is an alignment of vision, people, and funding.

The timing during the year for each of the 3 phases is based on the church's fiscal year end. This document assumes that the church has a June 30 fiscal yearend because: 1) that timing fits the culture of many American ministries which generally follows the school year, and 2) that timing allows for a seamless transition between each phase of VP 1-2-3 with no break for summer. VP 1-2-3 will work with any fiscal year end however the timing of each phase needs to be orchestrated to allow VP-3 to be last, right before you vote on your budget for the next fiscal year.

(Note: For the church that would like to convert to a June 30 fiscal yearend, see Appendix E. If you prefer not to change fiscal year end, see Appendix D for Sample Calendars that fit your fiscal year end.)

The Purpose of an Annual Rhythm

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Our bibles have several instances where God established a recurring discipline of activity to be followed by God's people. For example, the people of Israel were given the annual observances of Passover (Ex. 12) and the Day of Atonement (Lev. 16). We have also been given by Christ a recurring remembrance of his body and his blood (Mt. 26; 1 Cor. 11). Each of these and many others are a repetition of activity that is in our best interest. Similarly, the annual rhythm of VP 1-2-3 is designed for the best interest of the church that is serious about having a vision and seeing it realized.

In his landmark book, Good to Great, Jim Collins refers to a flywheel effect in companies that became great. A flywheel is a mechanical device that stores energy and releases it creating a smooth operation. Companies with a "flywheel effect" don't follow fads. They have disciplined people, with disciplined thoughts, who take disciplined actions. Thom Rainer conducted a similar study of churches and from that research he wrote the book Breakout Churches.



The annual rhythm of VP 1-2-3 can be the flywheel in your church. It allows you to have one or more breakouts to become more than you are today. But that requires the discipline of repetition. It assumes that you will annually refresh your vision and strategies and then align everything to allow the vision to be realized. Even in years where there is no significant missional "breakout", you will greatly appreciate the unity and alignment that it produces.

The Benefits of using VP 1-2-3

VP 1-2-3 with a June 30 fiscal yearend is designed to provide the church leadership team with all of the following benefits:



- Team unity and cultural change
- Annual attention to what the long-range vision is and how to get there
- An annually refreshed list of prioritized long-range strategies
- A strategic timeline and road map that extends beyond one year
- Ownership and accountability for each strategy by a responsible lead person
- Alignment of vision with annual staff goal setting at a natural time of year (January)
- Alignment of vision and strategies with program plans for the next ministry year
- Alignment of vision and strategies with the annual budget for the next fiscal year
- An annual process of eliminating ministry silos
- Greater leadership development and assessment of how to mobilize volunteers
- Annual refresh of facility utilization with a plan that addresses 80% of use before the year begins
- Seamless transition from one phase to the other creating a culture of vision execution
- Alignment of the budget with the core ministry year from August to May (i.e. school calendar)

Description of Each Phase with Implementation Checklist

The following is a comprehensive description of each of the three phases of the VP process. Each description contains a narrative description of the purpose and activity for that phase, a table description, and a sequential implementation checklist. These descriptions will also refer to other documents in Appendices A-C which are sample calendars and exercises that can be followed.

VP-1 Strategic Refreshing Description and Implementation

VP-1 Strategic Refreshing begins in the fall just after Labor Day and usually concludes just before Thanksgiving. A point person takes the responsibility for this phase and they may start in August or earlier soliciting input from other leaders and putting together a VP-1 calendar of events. The calendar will identify meeting dates, participants, and the expected completion date of this phase. Meetings may occur in the board setting and may also require special meetings or a retreat.

The purpose of VP-1 is to remind the leadership team of the vision, assess the vision, monitor progress against current strategies, and consider new strategies. This phase is conducted primarily by the church board and senior staff members. However, they may draw in key staff, lay leaders or ministry participants for reporting or to interview them and listen to their thoughts. The board and senior staff may also read a book together, visit another church, or research a topic together. All of this will lead to a reaffirmation of the vision and a fresh list of strategies. The strategy list may eliminate some of the old ones because they have been accomplished. It may refine others and it may add new ones. The strategies will be accompanied by a timeline and owner for each one. Based on the priorities in the vision and strategies, the leadership team will also develop a tops-down budget for the next fiscal year which will guide VP-2 and VP-3 planning. (See tops-down budget example in Appendix A).

The time horizon for VP-1 is long range, beyond the next fiscal year to at least the third fiscal year and as much as 3-5 years. The focus of this phase is: where is the church going and how will it get there. Therefore, the strategies are church-wide versus ministry-specific, although one or more strategies may be the launching or refining of a key ministry area.

VP-1 Table Description

<u>When</u>	<u>Who</u>	<u>Time Horizon</u>	<u>What</u>
September – November <u>Every year</u>	<ul style="list-style-type: none">• Elder Board and Sr. Staff.• Other Staff and Lay Leaders as needed.• A point person, who initiates the process, achieves consensus on a calendar of events and administrates the process.	Long-Range: the next fiscal year and up to 3-5 years with more specificity in the first 2-3 years.	<ul style="list-style-type: none">• Vision and strategy refreshing. Assessing progress and barriers. Ending some and adding new ones.• Reset timeline and owner for each strategy• A “Tops-down” budget for the next fiscal year.

VP-1 Implementation Checklist

In Sequential Order

- **Point Person**

Define the Point Person who will initiate and administer the VP-1 process. This person will set the calendar, coordinate consensus on the objectives, administrate meetings, and move the leadership team toward consensus on the VP-1 outcomes and decisions.

- **Tops-Down Budget Lead Person**

An important part of the VP-1 phase is the completion of a tops-down budget for at least the next fiscal year. Decide who will take the lead to complete this budget.

- **Our Objectives**

Get consensus from the leadership team on what the objective are for VP-1. Will you monitor progress on each strategy? Will you need input from one or more ministry leaders? Will you read a book or research a topic? Will we do a tops-down budget just for the next fiscal year or for more than one year? What outcomes is everyone expecting at the completion of VP-1 this year? (See sample exercise in Appendix A).

- **Our Calendar**

Put together a realistic calendar of events base on your objectives. Do you need a retreat? Can you address this in board meetings? Do you need special meetings? Who do you need to meet with and invite? (See sample calendar in Appendix A).

- **Calendar Management**

The Point Person needs to keep the VP-1 phase on track. Meetings will not always go as planned and it is essential that there is rescheduling to ensure that the objectives of VP-1 are fulfilled.

- **Our VP-1 Document**

At the conclusion of your VP-1 phase, complete a written document that summarizes your refreshing of the vision and strategies and your communication plan for how you will inform, inspire and motivate the staff, lay leaders, and the congregation to pursue the church vision. This document should also include the tops-down budget for at least the next fiscal year with budget guidelines overall. It may also have budget guidelines for specific ministries.

- **Executing Our VP-1 Communication Plan**

The VP-1 Phase is not complete until you have accomplished both vision-casting to everyone and vision-dripping to specific individuals.

- Vision-casting may include a focus on vision and strategies in a public worship Vision Sunday. It may include updating the website and a social media strategy. Another way to engender ownership and engagement is to have a special business meeting or a dessert social where small groups discuss how they can help fulfill the vision.
- Vision-dripping is the handoff of VP-1 to both VP-2 and VP-3 phases. Define the key individuals who not only need to know the decisions that have been made, but may also be the lead person who will take responsibility for one or more strategies.

VP-2 Staff Goal-Setting and Program Planning Description and Implementation

VP-2 Staff Goal-Setting and Program Planning occur in the winter just after New Year's Day and ending by the end of March. The board may participate in some key strategic areas or simply request a report of how the initiatives of VP-1 will be implemented and by whom. However, most of the activity of VP-2 is staff goals and staff program plans.

It is important that the Staff goal-setting is initiated right after the first of the year through the church's organizational hierarchy (board over Sr. Pastor, Sr. Pastor over others, etc.). The purpose of this is to ensure that the expectations of VP-1 are included in the goals of individual staff members. Not every staff member will be responsible for a key church-wide strategic initiative. However, if they are, it is essential that they are aware of this before their program planning begins.

For Program Plans, a point person will start the planning process prior to January, establish a calendar of events for Program planning, and invite people to a VP-2 kickoff meeting. If all of the ministries of the church are overseen by a paid staff member, a kickoff meeting can occur in the normal weekly staff meeting. However, if some ministries are overseen by lay leaders, the kickoff meeting should occur on an evening, a Saturday, or a Sunday to ensure maximum participation.

In the kickoff meeting for program planning, the refreshed vision and strategies from VP-1 should be shared including the timeline and the owners of each strategy. This kickoff meeting will review the calendar of events and the expectations of reporting for all ministry leaders. Each ministry should conduct team meetings to pray about and plan their ministry for the next fiscal year. A comprehensive sample of 6 exercises is included in Appendix B. These exercises will allow each ministry to map out a detailed ministry plan in March for the upcoming period July of this year to June of next year.

VP-2 Table Description

<u>When</u>	<u>Who</u>	<u>Time Horizon</u>	<u>What</u>
January – March <u>Every year</u>	<ul style="list-style-type: none">• Sr. Staff.• Other Paid Staff• Lay Leaders• Ministry Participants• A point person, who initiates the process, achieves consensus on a calendar of events and administers the process.	<p>The next fiscal year starting in July of this year and ending in June of next calendar year.</p> <p>This is the next ministry year.</p>	<ul style="list-style-type: none">• Integration of any strategic changes from VP-1• Staff Goal-setting aligned with VP-1• Detailed program plans for weekly events, special events, lay leader and participant staffing, facility use, silo-elimination

VP-2 Implementation Checklist

In Sequential Order

- **Point Person for Program Planning**

Prior to January, it is important that a Point Person for Program Planning be identified. This may be the Sr. Pastor, an Executive Pastor, or an Associate Pastor. This person will set the VP-2 Calendar of events, conduct a kickoff meeting, monitor reporting, and ensure that all ministries conduct the VP-2 planning exercises. (See Appendix B).

- **Staff Goal Setting**

January is a natural time for annual goal-setting. VP-2 staff goal-setting is designed to integrate the staff member's professional goals with the overall vision and strategies of the church from VP-1. Any dimension of VP-1 that affects the staff member's ministry involvement should be embedded in the staff member's goals for the coming year. There will likely be other personal development and ministry goals. However, it is essential that these be complemented by the direction and expectations of VP-1. Because this can have implications for VP-2 program planning, staff goals should be set by the end of January.

- **Program Planning Calendar**

There are several exercises that you will ask each ministry to conduct. The planning calendar should be established by the Point Person prior to January 1 in preparation for a kickoff meeting in mid-January. The calendar should conclude by the middle to the end of March. If the board requires a report, this should be the final thing on the calendar.

- **Program Planning Kickoff Meeting**

The Program Planning Kickoff Meeting should occur by mid-January. The purpose is to convey the results of VP-1, to go over the calendar of events, the VP-2 exercises, and the reporting expectations. You should leave time for Q&A at the end of the session. Every ministry of the church should be represented at this meeting. The Point Person should lead the meeting and be identified as the point of contact for further questions. You should also clarify any hierarchy of reporting such as a lay leader who will submit reports to a staff member before they are submitted as the final VP-2 report.

- **Calendar Management**

It is essential that the Point Person monitor progress. This can be done in staff meetings for paid staff members or through email for others. If reports are not submitted on time, follow up to ensure completion for all ministries.

- **VP-2 Administration**

The Point Person should ensure that expectations from VP-1 are represented in VP-2 plans. In addition, he should identify any potential conflicts. For example, conflicts in facility use are an area that VP-2 can easily surface (especially if you use Exercise #5 in Appendix B). If more than one ministry expects to use a room in the facility on the same night, those conflicts should be resolved.

VP-3 Budgeting Description and Implementation

VP-3 Budgeting occurs during April through June of each just prior to the end of the fiscal year. This timing allows for the completion of a budget for board and congregation review and approval before the next fiscal year begins.

A Point Person takes responsibility for this phase and they may start as early as the first week of March identifying a budgeting calendar and preparing for a kick off meeting in early April. The calendar should back up from the annual congregational meeting to a board review date to plan budgeting activity that will lead to those approval meeting dates. Just as with VP-2, the VP-3 kickoff meeting should be scheduled either during a staff meeting or in a separate meeting to ensure that all ministries participate.

One baseline that the Point Person has to work with is the Tops Down budget completed during VP-1. He should ask the board if any of the assumptions in that budget have changed. Some ministries may receive different escalation assumptions than others and this must be incorporated in the budgeting. In addition, he should review the church policy on cash reserves and estimate a beginning cash balance for the next year and manage the budget to ensure that the church stays within its reserve policy. He should also make an estimate of giving for the next year and seek board approval for this. Finally, he should work with the board on salary and benefit assumptions for the next fiscal year. If staff will be added, or there will be paid staff changes, those things must be taken into account along with any escalation factors for insurances and other benefits.

Each ministry will be asked to complete a budget for the next year. Two refinements to budgeting that will aid the church as a whole are 1) to create accounts that allow ministry income to be budgeted and reported separately from expenses, and 2) to create a budget planning sheet that requires all ministries to plan all twelve months of the budget for the next fiscal year separately. A sample of these refinements can be found in Appendix C. A monthly budget greatly enhances cash management.

VP-3 Table Description

<u>When</u>	<u>Who</u>	<u>Time Horizon</u>	<u>What</u>
April – June <u>Every year</u>	<ul style="list-style-type: none">• Elder Board and Sr. Staff.• Other Paid Staff• Lay Leaders• A point person, who initiates the process, achieves consensus on a calendar of events and administrates the process.	The next fiscal year starting in July of this year and ending in June of the next calendar year.	<ul style="list-style-type: none">• Integration of any strategic changes from VP-1• Integration of Staff Goals and Program Plans from VP-2• Detailed budgets for every ministry. If possible, this should have income broken out from expenses and all planned for every month of the next fiscal year.

VP-3 Implementation Checklist

In Sequential Order

- **Point Person for Budgeting**

By March 1st, a Point Person who will oversee the entire budgeting process needs to be identified. This person will set the VP-3 Calendar of events, ensure that VP-1 expectations are followed, conduct a kickoff meeting, work with the board on income, salary and benefit assumptions, and roll-up the detailed budget submissions from each ministry of the church.

- **Budgeting Calendar**

The budgeting calendar should be established by the Point Person by mid-March in preparation for a kickoff meeting in early April. The calendar should lead to a board review of the budget for approval in early June prior to the annual congregational meeting. Allow time for some ministries to be late in their submission or to make changes before going to the board review meeting.

- **Budgeting Kickoff Meeting**

The VP-3 Budgeting Kickoff Meeting should occur in the first or second week of April. The purpose is to convey the priorities of VP-1, to go over the calendar of events, and request that each ministry submit a budget for their ministry. Prior to the kickoff, it is helpful to have one on one discussions of budget escalation factors through your organizational hierarchy. You should leave time for Q&A at the end of the session. Every ministry of the church should be represented at this meeting. The Point Person should lead the meeting and be identified as the point of contact for further questions. You should also clarify any hierarchy of reporting such as a lay leader who will submit budgets to a staff member before they are submitted as the VP-3 budget.

- **Budgeting of Key Areas**

While each ministry is budgeting for their area, the Point Person will be working in parallel on some key areas such as the spreadsheet to consolidate the overall budget, the cash reserve, the church giving assumption, and staff salaries and benefits.

- **Calendar Management**

It is helpful to make reminders in staff meetings and to send others emails to remind ministries of the importance of the timing of their budget submissions.

- **VP-3 Administration**

The Point Person is responsible to ensure that all participants are notified of changes that come from the budgeting activity prior to and after the board and congregational meetings. In addition, the detailed budget should be provided to the person responsible for reporting actuals against the budget.

APPENDIX A

VP-1 Strategic Refreshing Implementation Samples

Vision and Strategies

This document refers to a baseline of a church vision and strategies that come from a long range strategic ministry plan. “Refreshing” assumes that a long range plan exists. If the church does not have such a plan, that is the best framework within which VP 1-2-3 is implemented. Alternatively, in the first year you implement VP 1-2-3, you could complete a list of 4-7 focused, Strategic Initiatives from the exercise in this Appendix on pages 13-16.

Sample VP-1 Calendar

Aug 1	Select a VP-1 Point Person
Sep 1	Select a Tops-Down Budget Lead Person
Sep 1	Point Person agrees with the board on a set of objectives and calendar of events
Sep – Oct 15	Board Meetings, Special Meetings or a retreat to review and assess church strategies, conduct a S.W.O.T. analysis, review a book study, visit other churches, or do research
	Edit the strategic initiative list by adding to it, refining it, or eliminating strategies that have been implemented or completed
Nov 1	Complete a Tops Down Budget for at least the next fiscal year. Indicate if you plan to eliminate a ministry, or if you plan to put more or less financial resources in a particular ministry. For all ministries, document the budget escalation factor they should follow for the next fiscal year.
Nov 15	Complete a VP-1 document in PowerPoint or Word or both that summarizes the changes in strategic initiatives, the tops-down budget, any ministry budget escalation factors, and a communication plan for vision-casting and vision-dripping.

APPENDIX A

VP-1 Strategic Refreshing Implementation Samples (Continued)

Sample Annual Strategic Planning Checklist

The listing here through page 15, is a comprehensive list of guiding questions that can assist you in setting your objectives for the VP-1 Phase each year. This can be walked through as a group exercise with a board in an hour or so. The intent is to use it to focus on the key areas that need attention not that you will work on all of these areas.

1. Do we need to readdress our mission, vision, or values? Which one(s) and why?
2. What are the primary strategic initiatives that we currently have? Have any of them run their course such that we can say that they do not need focused attention in the future?
3. What is our church growth philosophy? Are we following it?

Church plant? Multi-site? Grow on site? Other?

4. Should we conduct a Strengths and Weaknesses Assessment of all of our Ministries and an Opportunities and Threats analysis of our community or region (SWOT analysis)?
5. Governance: How is the relationship between board and staff working?
6. Staffing:

a. How is our Ministry Staff ratio relative to a “flock ratio” guideline of one Ministry Staff for at most every 150 in our annual average worship attendance?

b. Do we have the right people on the bus in the right seats?

c. Do we have volunteer positions that need to become paid staff positions?

d. If we need to add staff where should we do that?

1. Executive Staff

2. Ministry Staff who report to Executive Pastor

2. Operational or Support Staff

e. Do we have competitive salaries and benefits?

f. Do we need work on an Employee Handbook?

7. Missions

- a. Are we strategic in this area or disjointed? Why?
- b. Do we need any policy work here?
- c. Are our funding mechanisms working?
- d. What is our mix of global evangelism, global service projects, regional/local evangelism, regional/local service projects? What should it be? Why?

8. Ministry Programs

- a. Do we have a Simple Church model or do we have a proliferation of ministry, some of which is not aligned with our mission? (See Simple Church book by Rainer and Geiger)
- b. Do we have a disciple-making initiative for all age groups?
- c. Do we have a team environment or siloed activities?
- d. How coordinated is our age graded ministries with the administrative functions of finance, facility management, and office management/IT? Is there good administrative support?
- e. What is our adult ABF, Sunday School, or small group philosophy? Is it working?
- f. What % of our adults are in ABF, Sunday School, or small groups? What should it be?
- g. Is there an evangelism component to our ministry programs?
- h. Do we have adult discipling programs for new believers?
- i. What % of visitors do we retain? Is there room for improvement here?

9. Facility

- a. Do we need to add on or remodel?
- b. If full in America is 70-80% full, are we full? If so, what are our options, plans?
 - In worship:
 - In education:
 - In fellowship:
 - In parking:
- c. How well developed are our facility scheduling practices?
- d. How refined are our security and safety practices?
- e. Are there any major maintenance projects that will require financial resources?

10. Worship

- a. Where are we in the worship wars arena?
- b. Do we have a clear philosophy of contemporary, traditional etc.? Is it working?
- c. If we need to add a service, what and when will it be?
- c. Are we developing lay leadership to allow us to be ready for more services?

11. Leadership Development

- a. Do we have a Leadership Development ministry for staff and lay leaders?
- b. Is it working? If not, what is required?

12. Financial Stewardship

- a. What is the average % of household income that people give in our church (using an estimated average income from census data and total giving)?
- b. Do we need a stewardship emphasis? When was the last time this was in a pulpit series?
- c. Do we need a capital campaign?
- d. Do we need to do a better job of helping people with their finances vs. telling them to give? I.e. are they over-educated but under-resourced to give?

13. Financial Practices

- a. Do we need to upgrade how we do budgeting and financial management?
- b. What is our debt philosophy? Is that helping or hindering the church?
- c. What is our current debt load? Is that a good mix for the budget?
- d. What is our philosophy of cash reserves? Is it adequate?

14. Mobilizing for Ministry

- a. Do we constantly have a deficit of volunteers where 20% are doing 80% of the work?
- b. Do we need to refine our ministry volunteer mobilization?

c. What are the implications of volunteer mobilization for:

1. The pulpit
2. Education forums
3. Administrative Systems to make it easy for people to discover their gifts and passion and to connect with ministries.

15. Communication

- a. What are the strengths and weaknesses of our communication systems?
- b. What improvements are needed?

16. Based on the strategic thinking that we put into #3-15 above, and based on our answer to #1 and #2 above, what is our guiding list of 4-7 Strategic Initiatives that we will focus on for the coming year?

Sample Refined List of Strategic Initiatives from One Year to the Next

Fiscal Year 2014 VP-1	Fiscal Year 2015 VP-1
Clarify Disciplemaking Path	Clarify Disciplemaking Path
Improve Volunteer Mobilization	Improve Volunteer Mobilization
Achieve 60% of adults in Small Groups	Achieved (Delete from List)
Add Children's Ministry Staff Member	Achieved (Delete from List)
Hire Architect for Phase 2 Design	Hire Architect for Phase 2 Design
	Launch Capital Campaign
	Find a Lender for Phase 2 Project

*Sample List of Strategic Initiatives with Timeline and Ownership
(Using the Refined List for 2015 from above)*

Fiscal Year 2015 VP-1	Timeline Completion Date	*Owner
Clarify Disciplemaking Path	Prior to fall of 2015	Jessie
Improve Volunteer Mobilization	By January 2016	Samantha
Hire Architect for Phase 2 Design	By July 2016	Dave
Launch Capital Campaign	By January 2017	Bill
Find a Lender for Phase 2 Project	By June 2017	Tom

**Owner is defined as the person responsible for ensuring that this initiative is implemented. They may work with a team or delegate to others. However, they are responsible to monitor and report on progress.*

Sample Tops-Down Budget

\$'s are in 000's

Income

<i>General Fund</i>	<i>\$ 950</i>
<i>Ministry Income</i>	<i><u>50</u></i>
<i>Total Income</i>	<i>\$1,000</i>

Expenses:

<i>Missions (10%)</i>	<i>\$ 95</i>
<i>(1) Ministry (incl. Admin)</i>	<i>195</i>
<i>Facilities (incl. Mortgage)</i>	<i>210</i>
<i>Salaries and Benefits</i>	<i><u>480</u></i>
<i>Total Expenses</i>	<i>\$ 980</i>

Net Income *\$ 20*

<i>Cash Beginning Balance</i>	<i>\$ 130</i>
<i>Net Income (above)</i>	<i>20</i>
<i>(2) Capital Expenses</i>	<i><u>-10</u></i>
<i>(3) Cash Ending Balance</i>	<i>\$ 140</i>

Footnotes:

(1) Ministry XYZ will be eliminated. Ministry ABC will be increased 10%. All other ministries will use an escalation factor of 3% for the next fiscal year.

(2) See Detail of approved capital items

(3) We are seeking to get to 13 weeks of cash in reserve over a three year period

APPENDIX B

VP-2 Staff Goal-Setting and Program Planning Implementation Samples

Sample VP-2 Calendar

Dec 1	Point Person for VP-2 identified
Jan 15	Preliminary Staff Goal-Setting Meetings are complete including discussion of any relevant VP-1 initiatives
Jan 15	VP-2 Kickoff Meeting in staff meeting or a special meeting
Jan 31	All Staff Goal-Setting is completed
Mar 15	All Program Plan Exercises (see below) complete and all reports submitted (Depending on which ones you use, you can put more detail of dates here)
Mar 31	VP-2 Reporting as required to the church board
Apr 30	All facility use or any other programming conflicts resolved

Sample Staff Goal-Setting Process and Forms

Step One: VP-1 Integration and Staff member's input to Supervising Pastor (in writing).

The supervising pastor reviews with the staff member any VP-1 initiatives that affect the staff member's ministry and should be reflected in their goals.

For all other aspects of the first meeting, the supervising pastor is in the position of being the listener. This step ensures that he hears critical information about the staff member's ministry area and leadership before giving input and feedback. This session is conducted primarily by the staff member and requires that the supervisor engage in active listening asking clarifying questions. The staff members input will be in three primary areas:

1. Recent accomplishments and disappointments in the ministry.
2. Activities and experiences that have developed you professionally.
3. Your future aspirations in ministry.

Step Two: The Supervising Pastor's input to Staff member (in writing).

This step puts the staff member in the position of being the listener. This step insures that the staff member hears the supervisor's views on your ministry area and leadership. This session is conducted by the supervisor and requires that you engage in active listening and ask clarifying questions. The supervisor's input will be in three primary areas:

1. Strengths
2. Areas for further development
3. Development recommendations

Step Three: Staff member develops a one page Personal Development Plan

This is where the staff member takes the feedback gained from step two, combines it with other information (e.g. possibly a 360 degree feedback) and prepares a one-page Personal Development Plan. It may contain seminars or workshops to attend, work activities to prioritize, assignments to be undertaken or a variety of other options. This plan is reviewed in a brief meeting between the staff person and the overseeing Pastor. When we come to agreement on this document, the employee is empowered to begin implementing the activities it contains. The plan will focus on these primary areas:

1. Development Goals (Three Goals)
2. Strength Capitalization (One Goal)
3. Any integration with ownership of a VP-1 Strategic Initiative

Step Four: Stewardship of the Personal Development Plan

A requirement is made on the part of the staff person to report on progress in implementing the development plan. This will be done on a quarterly basis during your individual meeting with the supervising pastor. While it is the staff person's responsibility to implement the development plan, it is the supervising pastor's responsibility, through the stewardship process, to insure that those items agreed upon actually do get done.

6 Sample Program Planning Exercises

Note: In the first year of implementation, it is recommended that you use Exercises 1-3. Exercises 4-6 could be added in subsequent years.

- **Exercise #1: Seeking God's Vision for His Ministry**

Ministry Name _____

Ministry Leader _____

For each team that you oversee, plan a team meeting where you communicate the purpose of VP-2, spend time praying for guidance for your ministry, and have a free-flowing discussion from the following questions. Allow enough time to plan how you will complete this exercise and the other VP-2 exercises according to the VP-2 calendar.

Note: If you have more than one team, you can train your leaders to complete this exercise and report results back to you. This may require that you call a team training meeting.

During the team reflection, discuss these questions and take notes:

- A. What are some of the ways we saw God work in our area of ministry this past year? Please be specific.
- B. What are some of the things He has taught us?
- C. What has been the most challenging aspect of ministry for our team?
- D. What is our vision for how God would desire to further mature our ministry in the coming year? What improvements would He have us make?
 1. What were the VisionTune Recommendations that affect our ministry?
 2. What were the VP-1 expectations that affect our ministry?
 3. Consider possible improvements in these areas:
 - a. Weekly Events Programming
 - b. Special Events Programming
 - c. Leadership Development
 - d. Elimination of some activities for simplicity
 - e. Alignment with the church mission, values, and vision

- **Exercise #2: Our Recurring Ministry Partnership Plan**

Ministry Name _____

Ministry Leader _____

This exercise builds on Exercise #1 and asks you to get more specific. What are the specific ways God would have you partner with Him and each other during ministry and fiscal year 2015-2016? Think about the elements of S.M.A.R.T. goal-setting in your plans:

S.pecific M.easurable A.chievable R.ealistic T.imebound

Important: The intent here is not to add activities to the church. It is more important that you eliminate or more closely align ministry activity with the church mission, values, and vision.

Ministry Activity	Frequency (weekly, monthly, other)
-------------------	------------------------------------

A.

B.

C.

Etc.

Example #1

We will continue to do

Example #2

We will improve the discipleship aspect of our groups by including prayer for specific non-Christians.

Example #3

We will trust God to increase the number of small groups from 4 to 6 this year.

- **Exercise #3: Our Team Organization and Volunteer Staffing Plan**

Ministry Name _____

Ministry Leader _____

This exercise builds on Exercise #2 and asks you to plan your number and type of ministry volunteers and leaders for next year.

1. How many ministry volunteers served in your area of ministry in the past year?
2. Based on VP-2 Exercises #1-#2, will this ministry require more, less or the same amount of
 - a. Volunteers next year?
 - b. Leaders next year?
3. Will this ministry require the same type of volunteers or leaders in the coming year (gifts, experience, passion, etc.)? If different, how?
4. What are the specific ways in which you plan to recruit volunteers or leaders into your ministry area if needed?
5. What is the leadership structure of our ministry? Who reports to whom?
6. Is there an alternative leadership structure that would be more effective for our ministry?
7. Is there a ministry volunteer or leader who, for the good of the church, should be redirected next year? I.e., is there a lack of fit for this person for some reason? If yes please discuss this personally with your ministry overseer.

- **Exercise #4: Our Special Event Ministry Partnership Plan (Optional in year #1)**

Ministry Name _____

Ministry Leader _____

What special one time or non-recurring events will you conduct to allow you to accomplish God's vision for your ministry?

Plan your event in enough detail to have a realistic picture of the planning, organization, and resources that will be required. You do not have to complete your entire event plan now.

Event Detail

Date(s)

Event #1 _____

- A. Description of the event.
- B. Number of ministry participants expected
- C. Will this event be on-site or off-site?

Example #1 Training in _____

Example #2 Trip to _____

Example #3 Service project for _____

- **Exercise #5: Our Facility Use Preference Plan (Optional in year #1)**

Ministry Name _____

Ministry Leader _____

-From Our Recurring Ministry Partnership Plan (Exercise #2)

Day of the week or Specific Date(s) if not weekly

Room #(s)

-From Our Special Event Ministry Partnership Plan (Exercise #4)

One Time Use

Date

Time From: To

Room #(s)

- **Exercise 6: Our Ministry Support or Collaboration Request Plan – Silo Elimination**
(Optional in year #1)

Ministry Name _____

Ministry Leader _____

For our ministry team to effectively accomplish our Recurring or Special Event plans, we would like to request support or collaboration from another ministry area as follows:

1. Food Service Support

Event Description:

of participants:

Food Service Request:

2. Graphic Support for brochures, or other forms of communication

3. Worship AV Technology Support

4. Other Ministry Support or Collaboration

APPENDIX C

VP-3 Budgeting Implementation Samples

Sample VP-3 Budgeting Calendar

Mar 1	Point Person for VP-3 is identified
Mar 15	Budget Calendar is complete and invitations for Kickoff Meeting are sent. Calendar is reviewed with appropriate parties (staff, board, Finance Team).
Mar 31	Escalation factors communicated to each ministry leader prior to Kickoff Meeting
Apr 7	VP-3 Budgeting Kickoff Meeting
May 15	Point Person and Finance Team (if appropriate) complete Income Estimate, Salary and Benefit budget, and cash reserve goal with the board. Rollup Spreadsheet for the entire church is constructed.
May 15	All ministries submit their budget to their staff overseer who submits to Point Person. (See sample form below)
May 31	Point Person consolidates the budgets into one church budget, Senior Staff and Finance Team review the budget prior to board review making any adjustments necessary.
June 7	Board Review of budget requesting any changes as needed
June 14	Board Meeting #2, if necessary. This could also be an electronic review (email).
June 15	Budget is mailed to the congregation in advance of the congregation meeting
June 21	Congregation Meeting for budget review and approval
June 22	New budget is given to the appropriate person for completing monthly reports
July 1	New fiscal year begins under the new budget

Sample Budget Escalation Memo

Dear Ministry Leader:

We are approaching our VP-3 Budgeting cycle with a Kickoff Meeting scheduled for April 7. During that meeting, there will be discussion of specific ministry escalation factors that are to be used in the budget for our next fiscal year. An escalation factor is the per centage amount that your budget is expected to change from this fiscal year to the next.

The escalation factor for your ministry area is: _____%.

This factor is based on careful consideration of the ministry priorities of the church as a whole to allow us to reach our vision. We will discuss this together prior to the VP-3 Kickoff Meeting. A calculation of what this means for your ministry is provided below.

Thank you for the important contribution that you make to the ministry of our church.

Sincerely,

Staff overseer

Escalation Calculation:

	<u>Current Fiscal Year</u>	<u>Escalation %</u>	<u>Escalation \$'s</u>	<u>Next Fiscal Year</u>
Income	\$ 1000			
Expense	<u>\$ 7000</u>			
Net Funding	\$ 6000	8 %	\$ 480	\$ 6,480

Sample Cash Reserve Calculations

\$'s in 000's

See Tops Down Budget on Page 16

Income

<i>General Fund</i>	\$ 950
<i>Ministry Income</i>	<u>50</u>
<i>Total Income</i>	\$1,000

Expenses:

<i>Missions (10%)</i>	\$ 95
<i>Ministry (incl. Admin)</i>	195
<i>Facilities (incl. Mortgage)</i>	210
<i>Salaries and Benefits</i>	<u>480</u>
<i>Total Expenses</i>	\$ 980

<i>Net Income</i>	\$ 20
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<i>Cash Beginning Balance</i>	\$ 130
<i>Net Income (above)</i>	20
<i>Capital Expenses</i>	<u>-10</u>
<i>Cash Ending Balance</i>	\$ 140

Weeks of Cash Calculation:

Total Cash Expenses	\$980
Plus: Capital Expenses	<u>20</u>
Total Cash Outlays Annual	\$ 1,000
# of weeks Annual	52 weeks
Weekly Cash Obligation	\$19.2

Cash Reserve from above	\$140
Divided by Weekly Cash	\$19.2
# of Weeks Cash in Reserve	7.3 weeks

Current Guideline from *ECFA 7-13 weeks of cash on hand

Analysis: We are at the bottom recommended amount and should be building cash reserves to survive unknown circumstances that could adversely affect our income or expense stream.

*Evangelical Council for Financial Accountability

Sample Ministry Budget Submission Form with Income and Expense by Month

Sample Youth Ministry Budget

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Fiscal 2016
INCOME													
Summer Ministry Trip	500												500
Winter Retreat							300						300
TOTAL	500	0	0	0	0	0	300	0	0	0	0	0	800
EXPENSES													
Small Group Curricula		200				200					100		500
Refreshments	50	50	50	50	50	50	50	50	50	50	50	50	600
Sports Supplies	200	300				200					300		1,000
Worship Supplies		100	200				100	200					600
Summer Ministry Trip	800	200										400	1,400
Winter Retreat							700	300					1,000
TOTAL	1,050	850	250	50	50	450	850	550	50	50	450	450	5,100
NET Funding	550	850	250	50	50	450	550	550	50	50	450	450	4,300

Features:

1. Must set up the chart of accounts to have income accounts for those ministries that collect funds.
2. Must budget for income just like expenses.
3. Must account for actual ministry income in the accounts established for that.
4. Must train ministry leaders how to budget by month. VP-2 maps out their plan for this.
5. The Net Funding amount is the amount that the General Fund is covering for this ministry. It is also the amount that you use to calculate escalation per centages for.

APPENDIX D

Sample VP 1-2-3 Calendars for Alternative Fiscal Year-ends

If your fiscal year-end is not June 30 and you would prefer to not change to June 30, VP 1-2-3 can still be useful to achieve greater missional effectiveness. It simply means that the three phases occur at different times of the year. The following chart compares the phasing of VP 1-2-3 for fiscal year-ends of December, March, and June which are the most common ones. If yours is not any one of these three, simply use the closest one to adjust your VP 1-2-3 calendar.

Fiscal Year-end	VP-1 Strategic	VP-2 Staff Goals and Program Planning	(1)VP-3 Budget
December	(2)Jan-Mar	(2)Apr-Jun	Sep-Nov or Dec
March	(3)Apr-Jun	Sep-Nov	Jan-Mar
June	Sep-Nov	Jan-Mar	Apr-Jun

Notes:

1. VP-3 should always end in the month of your annual meeting for budget approval. To plan your other phases, back up from your budget approval meeting to allow time for all 3 phases.
2. For a December fiscal year-end, if it is feasible for you to meet in the summer months, the VP-1 and/or VP-2 timing could be adjusted according to your preferences.
3. For a March fiscal year-end, if it is feasible for you to meet in the summer months, the VP-1 timing could be shifted to Jun-Aug so there would be seamless transitions from VP-1 into VP-2.

If you do not change to a June 30 fiscal year-end, you could go through one VP cycle with your fiscal year-end and then evaluate after-the-fact how it might be different if you did transition to June 30. Consider the pros and cons for your context.

APPENDIX E

How to Convert from Alternative Fiscal Year-ends to a June 30 Year-end

The two most common fiscal year-ends other than June 30 are December and March. This User Guide advocates for the use of a June 30 fiscal year-end for various reasons. It is not necessary that a church convert to June 30 to implement VP 1-2-3. However, if you choose to do so, the following will guide you through those conversions.

Constitution or By-law Changes

Most Constitutions or By-laws are very specific about the month of the fiscal year-end because the timing of annual budget approval is tied to an annual meeting in a specific month, usually the fiscal year-end. Your Constitution and By-laws will define how far in advance the change to a new fiscal year may occur. For some it may be a two-week notice. For others it may require a minimum of two congregational business meetings. Consult your Constitution or By-laws or both to ensure that you follow their requirements for the conversion. Construct a calendar of events for the conversion and follow it.

“Stub-year” Conversion Budget

In order to get from one fiscal year to the next, you will also have to construct and get approval for a “stub-year” budget. This is a budget that is for less than one year, i.e. a short or stub-year. The stub year budget for the transition from either December or March is stated below. If your current fiscal year end is another month, simply use the “Any Month” guidance and construct a Stub-Year budget that begins at the end of your current fiscal year end and goes through June 30.

Fiscal Year-end From	Fiscal Year-end Changed To	Current Fiscal Year	Stub-Year Budget Period	New Fiscal Year After Stub-Year
December 31	June 30	January 1 – December 31	Jan 1 – Jun 30	July 1 – June 30
March 31	June 30	April 1 – March 31	Apr 1 – Jun 30	July 1 – June 30
Any Month	June 30	End month	End Month- Jun 30	July 1 – June 30

The chart above shows the period for the stub-year budget and that after that budget is complete the new budget for every year will now be for the period July 1 of this year to June 30 of the next year. For the conversion, it is recommended that you do a reasonable rough estimate of the stub-year budget. This rough estimate can be completed by a small group of knowledgeable people without involving every ministry. When you introduce the need for a “stub-year budget”, ask for permission to complete it using a reasonable rough estimate. You will then involve all ministries in all future budgets.