



# Strategic Christian Giving: Giving Wisely

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### **What Is Strategic Christian Giving?**

Biblical stewardship is the use of God-given resources for the accomplishment of God-given goals and objectives. With respect to giving, it means giving generously and giving wisely. Strategic Christian Giving is our term for giving wisely and encompasses the following concepts:

- Strategic Giving is more than an emotional response to a dramatic, poignant or emotional emergency appeal. Strategic Giving involves making purposeful investments into the issues that matter to God or into the work related to building Christ's Kingdom.
- Strategy means finding the most effective means to achieve a desired result. In the same manner that investments are expected to produce a positive return on investment, non-profits or ministries should be expected to have a positive impact and be able to demonstrate their effectiveness.
- Christian ministries (faith-based non-profits) offer the potential to be more effective and have an advantage over their secular counterparts.

### **How Does This Process Work?**

With these basic concepts, the process includes the following steps:

- Identifying areas of giving using a biblical framework
- Allocations of funding to those areas
- Selection of ministries/organizations to receive funding

### **What Is The Biblical Framework To Direct Us In Our Giving?**

Since we are making an investment in God's Kingdom with His money, His Biblical framework clearly instructs us regarding areas in which we should be investing our financial resources:

- The local church (our primary giving responsibility)
- Fulfillment of the Great Commission (evangelism)
- Fulfillment of the Great Commandment (love the Lord, love your neighbor as yourself)

(Note: Most Christian ministries combine the latter two elements in their missions by delivering the Gospel message while serving others in need.)

### **What Allocations Issues Should Be Considered?**

- Has God led you to be interested in or passionate about a particular type of ministry? Understanding your passions, concerns, gifts and interests is a very important to the giving process. What local and international issues really concern you?
- A general allocation between the three areas provided by the Biblical framework: before giving elsewhere, however, make sure you have fulfilled your primary giving responsibility to your local church?
- An allocation between local or domestic missions versus international missions: Needs are so great in Memphis it is easy to forget that many parts of the world are less evangelized and in greater need. Less than 5% of Christian giving is directed internationally where more than 95% of the world's population lives. The so-called 10/40 window (within 10 and 40 degrees latitude north of the equator from North Africa to China) contains the least evangelized peoples of the world. Charitable dollars in international areas may also have a greater impact because the cost of ministry can be significantly less than in the U.S.
- Focused rather than scattered giving: while an investment portfolio is typically diversified among a number of investments, a ministry portfolio might be more limited so that the dollars given are making more of an impact. Rather than giving a small amount of money to multiple ministries, consider concentrating your giving to a few that you are passionate about and that you are confident are making a difference.

## **What Guidelines Should We Use For Ministry Evaluation And Selection?**

Finally, certain questions need to be asked to evaluate a ministry investment. Is the need truly justified? Can the ministry produce the results they are promising? Is it aligned with God's purposes? Here are some guidelines for your due diligence:

### 1. Spiritual considerations:

- Does the ministry have a statement of values and faith? Is teaching the gospel and discipleship an important element of the ministry's mission?
- Are the ministry's needs and objectives aligned with God's purposes?
- Are the leadership and staff of the organization marked by Godly characteristics including character, integrity and vision?

### 2. Strategic considerations:

- Does the organization have a clear mission statement?
- Is the organization focused on development (or a long term solution to a problem) rather than assistance (a short term solution)?
- Is the organization focused on a symptom of a problem or is it dealing with the problem itself? For example, a ministry involved in providing housing may be attacking a symptom of poverty, not the cause of poverty such as having an adequate education or a job.
- What do they consider success? Can they measure results and state them? Can they demonstrate a track-record of success or effectiveness?
- Does the ministry partner with churches to execute its mission?
- Are there other ministries in the area with a similar mission? If so, is there an opportunity for cooperation rather than competition?
- Is the organization operating in a geographic area or ministry area where needs are critical and impacts can be significant? In other words, are the returns on investment potentially relatively high?
- Is the ministry oriented toward goals and objectives?
- Is the ministry innovative?
- Does the ministry's activity have a potential leveraging impact such as training or teaching persons who would then train or teach others?

### 3. Practical considerations:

- Can the gift you make be matched by another donor or be used to secure a grant which would attract further dollars?
- Does the organization appear sustainable financially? Do they have cash reserves? Are appeals for donations made in desperate, emergency terms on a regular basis?
- Do they have a board of directors, male and female, beyond family members, that is representative of the community served?
- What are the credentials of the staff?
- What does a site visit reveal about them?
- Are their accounting practices sound?
- What is their proportion of administrative overhead? Generally, administrative costs greater than 15-25% of total costs are cause for further investigation.
- Do they have audited financial results? If not, why not?
- Do they have valid 501(c) 3 status and do they annually file a Form 990 with the IRS?

Must a ministry satisfy all of these criteria to qualify? No. Less objective criteria may also be appropriate such as this a work you believe in strongly or would you recommend it to others? While subjective, such questions reflect the likelihood that there are ministries who are smaller or newer which are effective and making a difference but may not satisfy some or many of the criteria above. Your donation and this list can be used as input to this ministry to help them improve operations and move "to the next level".