

Churches Are Getting Less of Total Charitable Giving—Here's Why (And What You Can Do About It)

by Sam Rainer

For decades, the church has lost ground with overall charitable giving.

Charitable giving is up—a near record of \$485 billion in 2021, despite surging inflation.

Giving to churches has dropped even though giving to non-profits is up by 4%.

In the early 1980s, churches received over half of all charitable giving.

Today, churches receive less than a third of all charitable giving.

Churches are getting less of the total charitable giving. Overall, charitable giving is on the rise in the United States, but churches are receiving a smaller and smaller portion. The bottom line is simple. People who give see the church as merely one option among many places to give.

Why? I believe Barna provides good insight into this question.

Only 35 percent of Christians “completely trust” Christian churches with their financial support. This is important for churches to recognize because over one-third of Christians (37%) see their donations outside of the church as part of their tithe, and some Christians may decide to redistribute their charitable dollars elsewhere, depending upon their level of trust.

It's a well-documented trend that charitable giving is up in the United States while the portion churches receive is dropping. Again, a lack of trust is a significant concern.

What can you do to help build trust in your church finances? Small steps can make a big difference.

1. Print regular financial statements for church members. Quarterly is preferred. Make these statements available during your most active times, like Sunday mornings. If there is nothing to hide, then why not distribute financial statements?

2. Explain the financials to your staff. Make sure they have a basic understanding of the budget. For example, part of my weekly report to the staff includes an update on the numbers of the church. Staff must help build this culture. Mistrust among staff will lead to mistrust among congregants.

3. Celebrate ministry successes and remind people their generosity is one of the reasons for the success. Guilt is a terrible motivator. Making people feel guilty about not giving will change behavior for a couple of weeks. Your main worship times are an excellent opportunity to inspire people to give by focusing on how God is working through the church.

4. Make biblical giving an expectation of membership, and explain generosity in the membership class. For many years, I recoiled at the thought of telling new members our expectations of generosity. Now I joyfully teach it. Why the change? I found many new members are eager to give! They are excited about what's happening in the church. That's why they're there!

5. Make biblical giving a requirement for church leadership, especially staff. We do generosity checks on staff and key leadership positions in our church. It's done discreetly and without sharing any detailed financial information. Our paid staff are required to tithe, and giving patterns are checked annually.

6. Pray through your budget process and call your people to do the same. The budget process should be guided by prayer! I'm all for churches using sound business principles to guide their finances. Issues of liquidity, debt service, and cash flow are critically important to church health. But prayer is even more important! So don't forget to pray over your budget.

Good stewardship practices build trust, and people are inclined to be more generous with non-profit organizations they trust. It's time for churches to start regaining this trust and do more for God's kingdom.