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## Yes, But!

# A Response to Nemeth and Luidens

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As usual Roger Nemeth and Donald Luidens have done their homework well and have produced a fascinating study of giving within the Reformed Church in America (RCA) over 140 years. Their work is informative and helpful to those who work within the RCA, especially those who promote stewardship and giving. The staff members of the RCA Foundation have reviewed their work and, based upon our experience with RCA individuals and churches found ourselves saying "Yes" at many points. However, there is also a very large "But!" simply because a substantial portion of funding is not represented in their analysis.

Yes . . .

Our denominational work confirms much of the authors' analysis. The amount of money given to RCA congregations has indeed risen consistently over the years. While many churches continue to cry poor, our work confirms that the amount of dollars given continues to rise in almost every congregation. Only in those churches that suffer from significant dysfunction or are rapidly declining does the amount given by members decrease. The giving patterns of our churches substantially mirror the pattern of the economy. As the economy improves, giving improves as well. But Nemeth and Luidens rightly point out that the real measure of increased giving is the percentage of income given. While the real dollars given have increased, the percentage of disposable income given to the church has decreased. Our work confirms that finding.

We also believe this is not unique to the RCA. The *Journal of Stewardship*<sup>1</sup> has been published for more than fifty years. Most issues include a chart comparing giving to the denominations in the United States and Canada. RCA members generally felt very good about that chart because it consistently reported the per member giving to the RCA to be among the highest of all denominations and, usually, the highest among those described as "mainline." If, however, one were to plot the giving to each denomination represented over several years, the graphs would be very similar. Only the per member level of giving would be different. What has happened in the RCA simply reflects what has been happening among other Christians in the United States and Canada.

That fact raises some questions for us. Why is the per member level of giving in the RCA higher than in many other denominations? Does the per member higher level of giving in the RCA mean that we have done a better job

of stewardship education than other denominations? Will this high per member level of giving continue?

We do not have the answers to those questions. Our intuition tells us that giving is high in the RCA because of loyalty to the local church and, in some parts of the church, an emphasis upon generous giving. Cultural expectation seems to be more influential than stewardship education. Whether this high level of per member giving will continue depends upon whether both church and secular cultures continue to urge high degrees of giving. If the expectation of high levels of per member giving continue, we anticipate the RCA will remain near the top of the per member giving lists.

These considerations highlight the need for and role of stewardship education. While always important in the life and work of the RCA, stewardship education has not received a great deal of financial resources or staff time. Those who have worked at stewardship education have been very competent and have produced significant resources for use by churches. Additionally, staff have always drawn attention to the rich variety of resources produced by other denominations. Those resources have included annual giving programs, every member canvass materials, stewardship education materials, and a workshop on tithing. Recently the focus has been upon "Consecration Sunday" which emphasizes the need of the giver to give, rather than the need of the church to receive.<sup>2</sup>

In most churches, however, stewardship education remains a matter of lip service rather than being a vital program. Churches that do work at stewardship, however, are rewarded with people who look at life and giving in a new way and, as an added benefit, with increased giving for their programs.

The RCA Foundation staff does not view the goal of stewardship education to be the increased giving of the members of a congregation or even the need of the church to receive. Rather, the goal is to educate the members of the church in this most important aspect of their spiritual lives. We believe that all Christians are called upon to use all the gifts God has given them. Stewardship calls us to identify those gifts (including our ability to make money) and then to use them responsibly. We believe that every Christian has a God-given need and desire to give. We seek to help people identify that need and desire in themselves and then to find ways in which to give of themselves. We find that when that happens, people's spiritual lives enjoy marked and rapid growth.

Thus, a church that is serious about stewardship education will make it a lifelong process. Children can be taught to identify their gifts and to ask how they can best use them as Christians. Obviously, this can make a significant impact upon their vocational choices. As they mature, they can also learn about stewardship of the environment, of their time, as well as the joy of sharing their money and other financial resources.

We have found that the greatest stewardship education issues for people in their twenties and thirties are time management and financial planning. While they may know a great deal about environmental issues, they have not been

trained well in how to handle their time or financial resources. Most have not been asked to identify their gifts nor learned how best to use them. That neglect is part of a culture that stresses that people can have anything they want, right now. All they have to do is charge it. Because immediate gratification ignores future consequences, it usually leads to instant debt. All too frequently vocational choices are guided by one major consideration: "What can I do that will make the most money?"

Local congregations offer their members an invaluable service when they help them answer basic questions about vocation and gifts and then assist them with practical classes in time management and financial planning. When the church neglects stewardship education, its members turn to the secular community for assistance. Inevitably, that community's philosophy on money and financial resources will be very different from Christian stewardship.

Christians in their twenties and thirties can be introduced to the biblical standard of tithing. In 1989, the Reverend Wilbur T. Washington, president of the General Synod of the RCA, proposed the development of "an approach to stewardship that will emphasize tithing through which at least a majority of RCA members will become tithers by the dawn of the new millennium, the year 2000."<sup>3</sup> From that recommendation came a task force that developed a workshop on tithing for use in the churches. Workshop participants found it helpful, particularly as it made them think about their need to give. Some may have become tithers as a result. However, the fact that the majority of churches did not use the materials indicated to us that they did not want to promote tithing. We seriously doubt that the majority of RCA members will be tithers by the dawn of the new millennium.

Nevertheless, tithing remains the Bible's minimum standard for giving. Only when church members are taught this do they begin to think about their need to give and to consider whether they should come up to that standard. Tithing can and should be a part of the steward's education from childhood on. Mature persons must be challenged to be faithful stewards as they plan for the end of life. Stewardship education will raise the pertinent questions: Have they made a will? Have they included the church in their estate planning? Are they even aware of estate planning issues?

Members of a church that is serious about stewardship education issues will undergo a change in attitude toward both life and giving. They will see stewardship as a spiritual issue that is intimately connected to their relationship with God. A church should not, however, enter into stewardship education primarily to increase the giving level of its members. Its primary intention should be to help them with their spiritual lives. Increased giving will be a side benefit.

Our work in the churches also appears to confirm Nemeth and Luidens' finding that while more money is being given by RCA members, more is also being retained by the congregations for their own purposes. Nemeth and Luidens have rightly pointed out the reasons for this change over the years.

Today, ministry in the local congregation costs more because there is less reliance upon volunteers. More services must be purchased.

Some churches, however, seem to have decided (consciously or unconsciously) that the only really important work is done on the local scene. Therefore, dollars are kept for local ministry rather than transferred to denominational assemblies charged with responsibility for regional, national, or world mission. Pastors often put it to us this way: "What does the denomination do for me?" "The synod really isn't very helpful; it takes our money and gives us nothing in return." "I've never understood why we need to pay classis assessments; the classis doesn't do anything." "We think mission here is much more important than mission some place in India or Africa." "We just don't have enough money to send it somewhere else." Unfortunately, such statements represent a growing trend among RCA congregations. Frequently, there is no ability to see how local ministry can and should be connected to mission work outside the local congregation.

In 1997 the General Synod of the RCA adopted a Statement of Mission and Vision which began this way: "The RCA is a fellowship of congregations called by God and empowered by the Holy Spirit to be the very presence of Jesus Christ in the world." It went on to imagine "congregations mission-minded" and a denomination "locally oriented, globally connected."<sup>4</sup> This statement urges congregations to see the whole picture, to see that a congregation cannot exist alone, but needs to be connected to ministry in all parts of the world. By looking outside itself, a congregation will be empowered in its work at home. Only with that vision can ministry be complete.

It is very distressing to see a new congregation started, to watch it draw upon all the resources of the denomination in its start-up phase, only to become very self-centered upon reaching maturity. The classis (often working with a regional synod) identifies the need for a new church, perhaps buys the land for a building, provides funding for several years, gives financial, prayer, and moral support, as well as guidance for many more years, to begin the new ministry. Meanwhile the founding pastor has been through the RCA's New Church Development Pastor Interview, followed by its intensive assessment clinic for new church start pastors. Undoubtedly the pastor has also used resources and participated in events offered by the RCA's Evangelism and Church Development Services. The new church turns to the RCA's Building and Extension Fund for loans to help erect its first, second, and even third building. In short, in its formative years the church has wisely used all the resources available from the denomination, the regional synod, and the classis. Yet, these same churches, when they become self-supporting, often see little need for the very ecclesiastical assemblies that contributed so much to their birth and growth. The funding of programs turns inwards, and giving to denominational causes (classis, regional, and General Synod) declines.

An even sadder situation arises when the church which has received all sorts of assistance in beginning its ministry decides that organizations outside the

RCA do ministry better than the RCA. Over the past twenty years there has been an alarming trend of giving by local churches to non-RCA causes. While some giving is to ministries within the local community, much of it is to so-called para-church organizations. These organizations are usually independent ministries at work in various parts of the world. Sometimes their work is unique, but more often than not they duplicate the efforts of RCA missionaries throughout the world. When pastors are asked why their churches support these non-RCA causes, the reply usually takes one of two forms. The first is that someone from their church is working for the para-church organization and the church has seen fit to support them. The second is that the local church either believes that the para-church organization is doing its work better than the RCA, or agrees with the para-church group's philosophy of mission more than with the RCA's.

The first reason is understandable. Churches want to support their own. One might ask, however, if the persons in ministry with para-church organizations explored the possibility of doing ministry within the RCA mission program, or, if the denomination failed them in their desire to do mission work. Although either scenario is possible, sometimes a candidate is rejected by the denomination for lack of training or ability. Should the local congregation then continue to support such a candidate in a work that may be less than effective?

The second and more distressing reason raises issues that are beyond this article's scope. Still, one wonders how a church can take from all the resources of the RCA's mission program and then decide to give nothing in return because it disagrees with the RCA's mission philosophy.

We believe that the trend for churches to spend proportionately larger sums on their own ministry will continue. The denomination's challenge is to show the churches how they can do more together than separately, and to make them aware that they need to participate in denominational programs for the well-being of their own programs. The maxim still holds: Churches that look only to their own welfare will die, while those with a vision for the many different ministries in the world will flourish.

### **... But !**

After acknowledging the many things in Nemeth and Luidens' study that ring true for us, there remains a large "but." While providing an excellent analysis of current giving in the RCA, they have completely omitted the gifts people make at the time of their death. Because there is not consistent data available for the period of their study (1856-1996), they have not considered giving through wills and bequests. Only since 1989 have the churches been asked to report money received in bequests and planned gifts. An analysis of that data over those years is very revealing.

Although the churches themselves provide the data, we suspect that through misunderstanding some may report income from bequests or trusts received long ago. At the same time, we believe that the amount thus reported is small enough

to be insignificant. Presented below is a fair report of the bequests and planned gifts received by the churches of the RCA from 1989 to 1998.

## CHART 1

### TOTAL BEQUESTS & PLANNED GIFTS Reported by the Churches 1989 - 1998

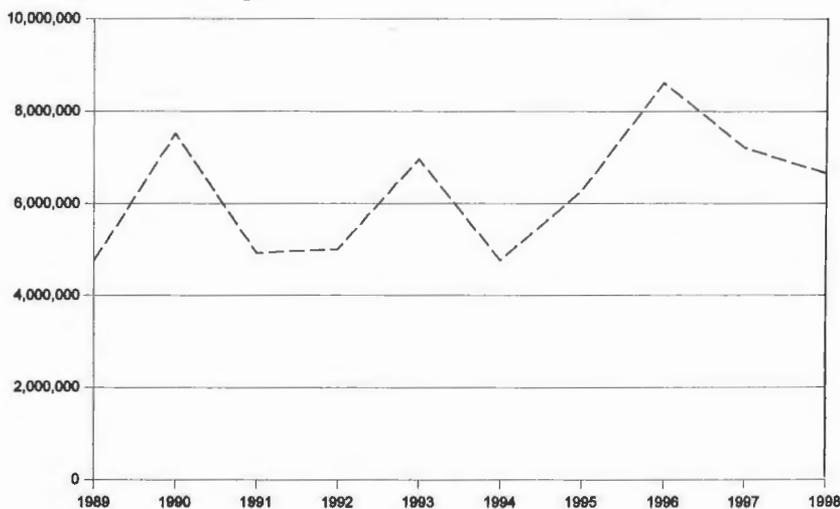


Chart 1 is a graph of the total bequests and planned gifts received by RCA churches between 1989 and 1998. The range is between \$4.7 million in 1994 and \$8.6 million in 1996. The average of all years reported is \$6,352,933.<sup>5</sup> The chart is in current dollars and not adjusted to 1984 dollars as Nemeth and Luidens have done. Nonetheless, these gifts represent a great deal of income, especially to the churches which received them.<sup>6</sup>

Most interesting is the geographical breakdown that indicates where these bequests were received. Although we attempted to follow Nemeth and Luidens' breakdown of the East, the Midwest, and the Rest, we were unable to do so completely. Bequests and planned gifts received have been included in the reports to General Synod only since 1993. These reports are strictly by regional synod which means that Florida is included in the Midwest, and that some classes which technically are east of the Rocky Mountains are included in the Synod of the Far West. However, in each case the bequests and planned gifts received are so few that the report is virtually accurate.

Chart 2 is the numerical data on which chart 3 is based. As can be seen by Chart 3, there is a great disparity among the regional synods in the reception of

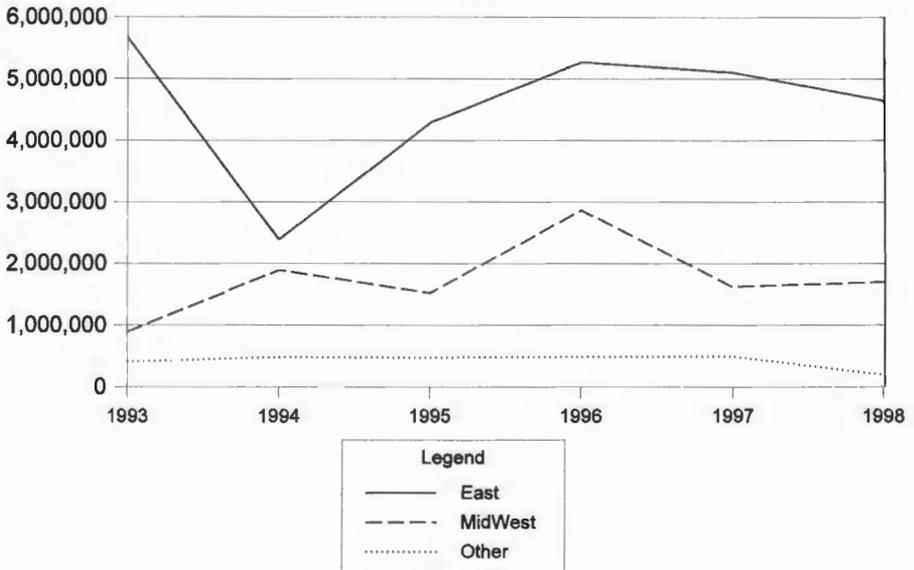
### CHART 2

YEAR	TOTAL BEQUESTS	ALBANY MID-ATL NEW YORK	HEARTLND GRT LAKES MID-AM	FAR WEST CANADA
1993	\$6,963,849	\$5,669,648	\$ 887,594	\$406,607
1994	\$4,762,511	\$2,389,440	\$1,891,216	\$481,855
1995	\$6,278,639	\$4,287,532	\$1,518,090	\$473,017
1996	\$8,621,877	\$5,270,287	\$2,866,215	\$485,375
1997	\$7,214,564	\$5,102,627	\$1,620,194	\$491,743
1998	\$6,537,672	\$4,644,331	\$1,699,742	\$193,599

### CHART 3

## BEQUESTS BY SYNODS

1993-1998



bequests and planned gifts. Only in 1994, when the difference was only \$498,224, were the receipts of the Midwestern synods near those of the Eastern synods. The closest the synods were in any other year was 1996 when there was a difference of \$2,404,072. In every year "Other," which for our purposes is the synods of the Far West and Canada, received less than \$500,000 in bequests and planned gifts. Thus, RCA members of the Eastern churches have been far more generous in giving through their estate planning than have members in other parts of the church.

While we have not done the research required to explain this phenomenon, our work within the church provides some clues. First, there has long been an expectation in the East that members will remember the church in their estate planning. Examples of Christians giving to the church upon death are plentiful. For many members it is the natural thing to do.

A second reason for this imbalance is the existence of endowment funds in the Eastern churches. Many people like the idea that through investment their assets will be available for the future ministry of the church. In short, they are pleased to know that even after death they will be supporting the work of the church. The endowment funds of many Eastern congregations have been in existence for decades, if not centuries. The Midwest and the "Other" synods often resist the concept of endowment funds. Christians in these regions believe that the church should operate on current income rather than be dependent upon the gifts of people long dead. As a result they are much less likely to give appreciated assets to the church upon death. They know that assets which cost them something in work and financial planning will be gone by the end of the church's fiscal year.

A third reason may be the Midwest's emphasis upon generous giving of current income. This has been a boon to the Midwestern churches. It is well known in the RCA that the Midwest is the place to go for current funding. However, this emphasis on generous giving does not carry over to accumulated assets and their distribution upon death. Instead we hear the comment, "I've given to the church all my life; I'm not giving anything to the church when I die." Upon reflection, that statement suggests that generous giving may have been a cultural expectation (to which the church member felt compelled to adhere) rather than an act of stewardship. Generous giving as an act of stewardship would carry over to all financial aspects, including planning for the distribution of assets at death.

Although we have no definitive answers as to why so few bequests are received by the churches in the "Other" synods, we can again make some educated guesses. Many churches in the Far West are relatively new, and the average age of their membership tends to be significantly lower than in other parts of the church. Most need to work very hard at finding the money needed for current programming and tend not to emphasize giving at death. Congregations who do teach their members that giving at death is also a stewardship issue will ultimately receive bequests and planned gifts.

Nevertheless, because of the age of their constituency, those gifts will not come for many years.

Similar reasons can be cited for the churches in Canada. In addition, the Canadian Synod is just now beginning to emphasize estate planning. If that emphasis is effective, that synod will also see an increase in gifts at death.

RCA churches have received a great deal of money through bequests and planned gifts. For whatever reason, the Eastern churches have received a great deal more than have other parts of the church. These facts need to be considered alongside the analysis done by Nemeth and Luidens.

### Other Issues

Our appreciative reading of "Show Me the Money!" has stimulated us to other thoughts as well. Some are open-ended and are simply questions we raise.

Nemeth and Luidens have shared raw data with us based on giving to the churches. We think they have interpreted that data rightly. But, we wonder, what would happen if a church which continues to be casual about stewardship and a church which was intentional about teaching stewardship, beginning with children and continuing to adult estate planning, were compared? Would there be a difference between their giving patterns and receipts? We, of course, believe there would be. We also believe that the differences would appear rather quickly. It would be interesting to find out.

Furthermore, we believe that churches need to be reminded that there are some things they cannot do themselves. Both we and our churches are products of American individualism. Many have fallen into congregationalism and believe they do not need the help of others to do anything. While not wanting to argue for the existence of the denomination, we believe the higher assemblies provide a means to accomplish things a local church cannot do alone. Classes provide supervision of students of theology, the beginning of new ministries, the planting of new churches, and a variety of other functions. Regional synods and the denomination often provide program resources available nowhere else. Denominational services include pensions, insurance, and missions (there are few churches that could by themselves support over 100 missionaries). Of particular relevance to this article is the RCA Foundation which provides stewardship education, assistance with capital fund drives, planned giving instruments, and fund management. Churches need to be reminded of the value of their connection with the RCA.<sup>7</sup>

Churches need to see the difference between stewardship and fund-raising. Many churches believe the latter is stewardship. This confusion may well be the result of calling the Sunday on which members are urged to support the budget for the coming year "Stewardship Sunday." Thus, our members connect stewardship with making the budget. That leads to seeing stewardship as fund-raising, especially if the support for the budget is less than needed. What would happen if there were a "Stewardship Sunday" once a month or even once a quarter?

We believe that if church members were taught stewardship from an early age things would be very different. Such stewardship education should be all-inclusive. Since God gives us all things, stewardship is part of our spiritual life, and encompasses all of life. We are to be good stewards of *all* the gifts given to us. We are to be stewards of life (including people, animals, fauna, and environment), of time, and of our money. Stewardship has vocational, lifestyle, as well as financial implications. Genuine stewardship education would inevitably translate into giving and there would be far fewer churches attempting to "make" their budget.

We also wonder if a new mind-set will be needed for funding churches in the future. We envision that the receipt of funds from the current income of members will continue. Indeed, one could infer from Nemeth and Luidens' research that if past trends continue, even more money will be contributed to our churches. The question is, will those gifts keep up with what is needed for their operation? Many churches have already begun to charge "user fees." That is, when a program is offered, participants are asked to help pay for some or all of its expense. This is not the way ministry was done even thirty years ago. Do we need to look for new ways to fund the programs of the church?

We also believe that some churches may have to rethink their aversion to endowment funds. As mentioned above, these funds attract accumulated assets rather than money from current income. We are told that we are in the midst of a huge transfer of wealth from one generation to the next.<sup>8</sup> If the church wishes to receive some of these accumulated assets it must establish structures which say to the donors, "We know you worked hard for this wealth and we are not going to spend it all immediately. We will honor your desire to support the future work of the church by placing it in our endowment fund."

We also need to ask how the RCA Foundation can assist local churches. We want to work with congregations by providing assistance in stewardship education, planned giving, capital fund drives, and soliciting special gifts. We are preparing vehicles for the management of funds, especially endowment funds. We invite both individuals and congregations to use our services in old or new ways. We find that when a foundation representative works with a congregation, that congregation benefits far more than any denominational program.

Nevertheless, the foundation does assist the denomination. Although the foundation's work has brought large sums of money into the denomination, we continue to look for new and better ways to serve it.

Finally, we offer one further reflection. Nemeth and Luidens have accurately analyzed the generous giving of RCA members over 140 years, and for that giving and their analysis we are grateful. We are equally thankful to be able to point to substantial additional giving which is beyond their analysis. At the same time we must ask if we are all caught up in the American myth that more is better. Have we lost sight of the call to a simple lifestyle? Do we ever promote it among our members? Is not a simple lifestyle an essential

consideration for those who would be stewards? We look forward to a future analysis and appreciation of churches which exemplify Christian stewardship by the practice of a simple lifestyle.

## ENDNOTES

<sup>1</sup> The *Journal of Stewardship* was published by several entities over its life span. Its final issue appeared in 1998, but back copies are available from its most recent publisher, the Ecumenical Center for Stewardship Studies, 1100 West 42<sup>nd</sup> Street, Suite 225, Indianapolis, IN 46208-3383. It is now incorporated into *Giving*, a new publication of the Ecumenical Center for Stewardship Studies.

<sup>2</sup> Materials which describe and assist in planning a Consecration Sunday are available from the RCA Distribution Center, 4500 60<sup>th</sup> St. SE, Grand Rapids, MI 49512 (800-968-7221 or rca.org).

<sup>3</sup> *Minutes of the General Synod, RCA (MGS)*, 1989:36.

<sup>4</sup> *MGS*, 1997:46-47.

<sup>5</sup> The total amounts reported by the churches for the ten years are as follows:

1989	\$5,016,078.00
1990	\$7,669,174.00
1991	\$5,226,765.00
1992	\$5,238,196.00
1993	\$6,963,849.00
1994	\$4,762,511.00
1995	\$6,278,639.00
1996	\$8,621,877.00
1997	\$7,214,564.00
1998	\$6,537,672.00

<sup>6</sup> Giving through bequests and planned gifts to the denomination is consistently lower than to local congregations. Receipts by the denomination for the same period are as follows:

1989	\$521,230.00
1990	\$414,707.00
1991	\$321,937.00
1992	\$705,938.00
1993	\$288,144.00
1994	\$300,606.00
1995	\$249,246.00
1996	\$513,573.00*
1997	\$901,987.00
1998	\$ 90,805.00

\*This reported amount of 1996 bequest income included the appraisal value of a farm received as a bequest. The farm was sold in 1997 for less than the appraisal and the amount of the 1996 bequests was subsequently reduced by \$43,582, giving an actual total for 1996 of \$469,991. It should be noted that most of the money

received in bequests by the denomination is designated for certain programs or missions.

<sup>7</sup> We are aware of one church which has joined another denomination because its members believed they had serious doctrinal differences with the RCA, but which continues to attempt to use many of the RCA's resources.

<sup>8</sup> See Vince Stehle, "Charities Can Expect \$1-Trillion From Transfer of Wealth, Researcher Estimates," *The Chronicle of Philanthropy*, 10:19 (July 30, 1998), 30 (also available at <http://philanthropy.com>) for a discussion of how much charities can realistically expect to receive as gifts from this transfer.