

St. Mark United Methodist Church Designated Funds Policy

INTRODUCTION

This document establishes the policy of St. Mark United Methodist Church for the receipt, accounting, and disbursement of designated funds. Designated funds are those monies received for which the donor specifies the use of the funds. These funds are not included in the general budget that has been approved by the Church Council.

Designated funds are segmented from the general operating budget funds of the church. The designated funds are collected using a separate account and can become stranded since they can only be used for the intended purpose for which the donor designated. When this happens, we are not being good stewards of God's resources and nor are we using the resources in the most efficient manner.

It is the responsibility of the Finance Committee Chair, or designee, to implement the Designated Funds policy.

REQUIREMENTS

The Book of Discipline (BOD) of the United Methodist Church, 2004, states that "Contributions designated for specific causes and objects shall be promptly forwarded according to the intent of the donor and shall not be used for any other purpose." [¶259.4.e] The goal of the St. Mark UMC Church Council is that this policy meets the spirit and intent of the BOD mandate.

DEFINITIONS

There are three types of designated funds – solicited, unsolicited, and memorials.

- **Solicited designated funds** are those for which there is a congregation-wide effort to request and collect funds for a special project or purpose.
- **Unsolicited designated funds** are those funds that have been given for a specific purpose by an individual contributor, but no approved campaign is in progress.
- **Memorials** are those contributions that are given in memory or in honor of someone. Receipt, accounting, and disbursement of these types of funds are covered in a separate policy.

Designated funds have been called "specials" in the past.

POLICY

Each of these types of designated funds are collected, accounted for, and disbursed using the following guidelines.

Solicited Designated Funds

Solicited Designated Funds include those activities and items approved by Church Council as well as those special offerings requested by the District or Conference Offices.

1. Before any designated funds are solicited, the Church Council shall approve the collection of such funds.
2. Any request for solicitation of designated gifts should be accompanied by a plan for disposition of excess contributions.
 - a. The committee chair or staff member responsible for the fund shall also be named in the request.
3. Collected designated funds shall be given to the financial secretary for accounting and depositing into a sub account of the designated funds account. This subaccount title shall state the intended purpose of the funds.

Unsolicited Designated Funds

Unsolicited Designated Funds are those funds for which no request has been made of the general congregation for contributions.

1. Unsolicited designated funds shall be given to the financial secretary for accounting and depositing in a subaccount of the designated funds account. This subaccount title shall state the intended purpose of the funds.
2. The Church Council, during the first council meeting after a fund has been established, will name a responsible committee chair or staff member to ensure the funds are spent appropriately.
3. The committee chair or staff member responsible for the designated funds shall present his/her plan for use of the funds for approval by church council by the next council meeting.
4. In the absence of approved plans for the designated funds, these funds shall be utilized before drawing on the general budget.
5. The treasurer shall ensure that the funds are expended according to this policy.

This policy was approved and adopted by the St. Mark United Methodist Church Council on July 10, 2008, and will remain in effect until amended in writing.

/s/ Jimmy Williams
Jimmy Williams, Church Council Chair

July 13, 2008
Date

/s/ Cheryl M. Baxter
Cheryl Baxter, Finance Committee Chair

July 13, 2008
Date