



Dedicated Funds

- † The PURPOSE of this policy is to ensure all funds, cash, checks, loose change, etc donated to the Church for a specific purpose or project are used for the exclusive purpose for which they are given.
- † The SCOPE of this policy applies to ALL designated funds collected by ALL ministries or programs of the FUMC-Ennis.
- † Under NO circumstances will funds given for a dedicated fund or special purpose or special project be used for any purpose other than that for which the gift was given - without the express and written approval of the original donor.
- † Dedicated funds are managed and accounted for using a separate checking account and corresponding general ledger.
- † Dedicated fund debt. During the years when the general funds and dedicated funds were co-mingled in a single account, the dedicated funds accumulated a debt. By resolution of the Finance Committee on (12 Jan, 2010), that debt was transferred from the individual lines and consolidated into a general ledger line named "long term debt". **This debt will be paid back** by an amount to be determined by the Finance Committee and is also set forth in the Funding Priorities.
- † Line item balances. All active line item balances in the dedicated fund general ledger will be backed up by money in the checking account.
 - Special Note: While the "long term dept" remains in the general ledger, the balance of the ledger and the balance of the checking account will not tie.
- † Fund Stewards. Each line in the dedicated fund general ledger will have a specifically designated "Fund Steward". These Fund Stewards have exclusive authority to disburse those dedicated funds and are charged to ensure the funds are only used for the purposes set forth when the funds were received and the dedicated account created.
 - Special care will be taken to ensure there are no conflicts of interest between the Fund Stewards and members of the Check Signing Team.
- † Memorials / Honorariums. A special provision is made for non-designated donations to the Memorials/Honorariums fund. By resolution of the Finance Committee on (Jan, 2010), these funds will be transferred to the "Cash Reserve" to be used as the Finance Committee determines is in the best interest of the Church.
- † Creating new dedicated funds or accounts:
 - The authority to accept gifts that are specifically designated for a special purpose or project that **does not already exist** resides with the Senior Pastor and Chairperson of the Finance Committee (who both must agree). If for any reason, they do not agree that accepting the gift is in the best interest of the Church, the issue will be taken to the

Chairperson of the Church Council for final decision. Special Note: Gifts of real estate or tangible property must also be approved by the Trustees.



- If a new dedicated fund or account is to be created, a "Dedicated Fund Request" form will be completed, reviewed and approved. The purpose of the form is to ensure there is a permanent written record of the terms and conditions under which the funds were accepted.

† Due diligence requirements:

- The due-diligence requirement is to ensure new dedicated funds for special projects or purposes are adequately planned so there is no misunderstanding what the dedicated funds are to be used for and, if dedicated for a special project it is clear the amount required to successfully complete the project.
- Funds left over at the completion of a project or purpose will be transferred to the "Cash Reserve" to be used as the Finance Committee determines is in the best interest of the Church.

† Redirecting or Returning Dedicated Funds to the original donor:

- In some rare occasions, when funds received to complete a special purpose or project are insufficient to fulfill the original purpose or complete the project, it may become necessary to redirect or return those funds.
- In these rare cases the original donor will be contacted to discuss the situation. There are two acceptable outcomes.
 - Redirect the funds to another fund or project (must be approved by the original donor)
 - The funds are returned to the original donor.
- Why is it necessary to go to what might seem an extraordinary length to ensure there is no room for uncertainty ?
 - The funds involved are not as important as ensuring the congregation has complete confidence their donations will be handled with Stewardship that's above reproach.