

Section E.

Date Approved/Revised:

Approved By:

CONTRIBUTIONS

Statement of Policy:

Volunteer contributions received as tithes and offerings from members will be the primary source of support for Saint Matthew's Episcopal Church. These contributions will be collected, deposited, and accounted for in an accurate, timely, and confidential manner. No gift will be accepted where there is not obvious charitable, educational, or religious intent on the part of the donor.

Donations to the Church will be accepted for unrestricted use or for any one of the special restricted funds or programs that have been established. The Church may also accept a gift designated for a specific purpose for which no special fund has been established if it is within the scope of the Church's mission and approved by the Vestry. Unusual gifts, gifts that have conditions attached, or gifts that require the Church to assume an additional or a specific liability, must be reviewed by the Vestry before their acceptance.

To ensure that all gifts accepted by the Church further the mission or goals of Saint Matthew's Episcopal Church, do not conflict with the Church's ethical values and principles, and are accepted in accordance with sound business and fiscal practices, the Vestry will provide primary oversight to the acceptance of all Church contributions.

"What is more, he was chosen by the Churches to accompany us as we carry the offering, which we administer in order to honor the Lord."

2 Corinthians 8:19

"We want to avoid any criticism of the way we administer this liberal gift. For we are taking pains to do what is right, not only in the eyes of the Lord but also in the eyes of men." 2 Corinthians 8:20-21

"The silver and gold are a freewill offering to the Lord, the God of your fathers. Guard them carefully until you weigh them out in the

Procedures:

1.0 GENERAL INTERNAL CONTROLS

.01 For the protection of both the contributions collected and the reputations of those who handle such funds, care will be taken to assure that cash collections are always under the control of at least two unrelated trustworthy individuals.

.02 In order to account for cash contributions properly, leadership will stress the importance for members to use their pre-printed numbered offering envelopes when making their cash contributions to the Church. The donor's name, amount of contribution, and any special designation must always be provided on the front of the envelope by the donor. Contributions by check can be given without the use of these envelopes. In this case, any special designation must be indicated in the "memo" field of the check. Without a designation indication on the offering envelope or the check, the contribution will go to the general fund of the church.

.03 All gifts will be summarized on an authorized accounting form by those responsible for receipting and counting such gifts. The total amount recorded on this form must also be in agreement with the bank validated deposit slip.

.04 All gifts will be accurately recorded in the Church's financial and donor records on a timely basis. The only exceptions are gifts that require further information from the donor or a review by the Vestry.

.05 A weekly summary of gifts received by giving categories will be provided to the Rector, Senior Warden, Head Teller, and Treasurer.

.07 The sale of all non-cash gifts must be supported by a minimum of two independent appraisals.

.08 The Vestry must approve the acceptance of contributions intended to fund projects not yet approved. The following factors will be taken into consideration:

- Need for the project in relation to other projects
- Availability of space and/or land

- Financial feasibility of ongoing operating expenses

.09 Advice from General Counsel shall be obtained in all matters pertaining to gifts of real property and planned giving instruments.

2.0 SOLICITATION OF CONTRIBUTIONS

.01 Solicitations of contributions from Church members, nonmembers, businesses, foundations, etc. will be made in accordance with scriptural guidelines and ethical business and fund raising practices. All fund raising appeals at Saint Matthew's Episcopal Church must be made in accordance with the following standards:

- Clearly identified as to the purpose and program to which the donation will be applied.
- Presented in a manner where they do not create an unrealistic donor expectation.
- Presented in a manner where they do not compel the donor to make a gift under pressure.
- Avoided when they do not directly relate to the purpose/mission statement of the Church.

.02 To ensure that there will be no misunderstandings on the part of the donor and the Church as to how funds will be used, it is the responsibility of the Vestry to review and approve the actual fund raising appeal for all fund raising projects or programs of Saint Matthew's Episcopal Church.

.03 Appeals to Church vendors and businesses with the potential for having a future commercial relationship with the institution will always be made in the spirit of philanthropy with no overt or implied promise of future business or threat of withdrawal of business. Purchasing and fund raising activities within the Church will remain completely separate. Saint Matthew's Episcopal Church will not enter into an agreement with any individual, agency, company, or organization on any matter — whether it be ministry, financial, leadership, or other interest — which would knowingly jeopardize or compromise the donor's interests.

.05 As stipulated in 1.0 above, regarding the compelling of a donor to make a gift under pressure, Church employees and volunteers shall avoid the opportunity to solicit for a gift when an individual is under emotional or physical distress, such as that resulting from a death of a loved one or serious illness.

.06 Under no circumstances shall an employee of Saint Matthew's Episcopal Church or any of its volunteers make representation to a prospective donor that they are extending professional tax or planned giving advice. Prospective donors shall be instructed to obtain their own personal counsel from a competent professional advisor regarding tax laws.

.07 Church leadership shall always exercise care in stressing the need to give gifts primarily for tax related purposes. However, it is proper to inform donors of tax deadlines or "windows of opportunity" in which tax benefits of giving may be maximized. All such communications must be made in a timely fashion, without exerting undue pressure to give immediately prior to any tax deadline.

.08 Occasionally, the Vestry will authorize the inclusion in Church publications of a statement or write-up regarding the opportunity of year-end tax planning through the making of tax-deductible contributions to the Church.

.09 No Church insider shall use his or her position, or knowledge gained there from, in such a manner that a conflict between the interest of the Church or any of its integrated auxiliaries and his or her personal interest arises. Please refer to the [Conflict-of-Interest](#) policy as documented in the Leadership and Management Section of this Policies and Procedures Manual for additional information.

.10 All forms of website solicitations must first be approved by the Vestry.

.11 Finally, Saint Matthew's Episcopal Church will provide a report, including financial information, to a donor or prospective donor on any project or program for which funds are being solicited. This report will be mailed upon request from the donor on a timely basis.

2.1 Annual Stewardship Campaign

.01 It is the policy of Saint Mathew's Episcopal Church to have one stewardship campaign each year. This campaign is to be coordinated by the Stewardship Committee and will normally be held in the 3Q/4Q of the year. The purpose of this campaign is to present the projected opportunities/needs for the church in the following year and to solicit support from parishioners to fund those opportunities.

.02 As Saint Matthew's Episcopal Church desires its parishioners to pledge the full amount they hear God calling them to give during the annual stewardship campaign, it is the policy of Saint Matthew's Episcopal Church to avoid additional fund raising from parishioners outside of the annual stewardship campaign process.

.03 Even though it is the policy of Saint Matthew's Episcopal Church to avoid fund raising from parishioners outside the annual stewardship campaign, there will be special circumstances when funds will have to, or need to, be raised outside of the annual stewardship campaign. This type of fund raising campaign can occur only with the approval of the Vestry. This type of fund raising will be known as Special Fund Raising. It is expected that Special Fund Raising will be a rare occurrence.

.04 Fund raising by a ministry or group aimed at non-parishioners is permissible with Vestry approval. The ministry or group should inform, obtain guidance, and obtain concurrence from the Vestry prior to undertaking such an activity by following the guidelines given in 2.2.01 below.

2.2 Special Fund Raising Guidelines

.01 All special fund raising events which are to be planned and coordinated by a ministry of Saint Matthew's Episcopal Church or any of its integrated ministry auxiliaries must be approved by the Vestry in advance of any promotion. A Fund Raising Facts ([Form No. 1-95](#)) and Special Projects Fundraising Request ([Form No. 1-96](#)) will be used to gather pertinent information regarding the possible event. The Vestry will evaluate the event to determine if it complements Saint Matthew's Episcopal Church's mission and purpose statement. Other considerations will include: planned ministry results, calendar conflicts, demands on staff, financial plans, facility use, planned promotion, etc.

.05 All requests for funds to support Saint Matthew's Episcopal Church programs and activities, which have not already been approved through the general operating budgeting process, are required to be submitted to the Vestry for consideration.

.06 It has long been Saint Matthew's Episcopal Church's practice that Church membership and leadership would always attempt to concentrate Church program and ministry expense needs through either the annual stewardship campaign or dedicated offerings.

.07 All ministry or group fundraising programs (selling of goods, coupons, etc.) must have prior approval of the Vestry.

.09 Ministry leaders or employees are not allowed to receive royalties for any products that are used/given for fundraising or promotional purposes. Furthermore, no portion of any fundraising proceeds may inure to the private benefit of a member, leader, or employee of the Church.

2.4 Dedicated Offerings

.01 All dedicated offerings must be approved, in advance, by the Vestry before a commitment of a dedicated offering is extended to the Church body, nonmembers, or an organization.

.02 To assure consistency, avoid the appearance of mishandling of offerings, enable an appropriate audit trail to be maintained in Church records, and be certain that contribution credit will be appropriately granted and recorded, all dedicated offerings taken by Saint Matthew's Episcopal Church (including dedicated gifts taken for visiting ministry organizations) will be collected, counted, and deposited through normal Church offering procedures, properly accounted for, and a check issued by Saint Matthew's Episcopal Church to the appropriate recipient. At no time will a visiting guest or ministry be allowed to solicit offerings directly on their behalf or receive the actual offering at the conclusion of the service.

2.5 Sale of Guest Speaker's Products

.01 During regular Church worship services and other church events, announcements regarding items for sale by the guest speaker are to be discouraged. If announcements are deemed necessary, they must be made during the regular announcement time and will be made by a member of

the Church staff without any form of "sales pitch."

.02 Records, tapes, and books may be sold before and after regular Church services and other church events in the Church office area and/or a room adjacent to the worship center.

2.8 Solicitations from Corporations

.01 At no time shall a gift be solicited from an existing vendor of Saint Matthew's Episcopal Church where a promise of continued service is given or implied. Furthermore, new vendors shall not be selected based on a stated or implied promise to make a contribution to the Church or any of its integrated ministry auxiliaries. Saint Matthew's Episcopal Church will always strive to hold its business practices to the highest ethical standards.

.02 A corporate contribution can be acknowledged publicly and in Church publications with full tax benefits provided to the donor. However, at no time shall a public gift acknowledgement be made when the gift was given in regards to a specific service or product that the corporation provides.

.03 Under circumstances where a sponsorship fee is provided to the Church or any of its integrated ministry auxiliaries, such proceeds will be considered as earned income and not contributions. Sponsorships are instances where an individual or organization is attempting to market their services and/or products through the use of Church resources. All proposed sponsorship arrangements must be approved in advance by the Vestry. Consideration must also be given that such fees might be considered Unrelated Business Income (UBI) to the Church. To assure that the sponsorship payment is excluded from UBI, the business making the payment cannot receive any substantial benefit in return for the payment – other than the use or acknowledgement of its name, logo, or product lines, along with its address and contact information. Advertising (including messages containing qualitative or comparative language, price information or other indications of savings or value, or an endorsement or other inducement to purchase, sell, or use a sponsor's products or services) has been ruled as constituting substantial return benefit under recent regulations. Nor can the payments be contingent on attendance at an event, broadcast ratings, or other indications of public exposure to an activity. It is acceptable, however, for a payment to be contingent upon whether an event or broadcast actually takes place. However, payments for advertising or acknowledgements in the Church's regularly scheduled publications, such as a weekly bulletin or monthly newsletter, will be

considered UBI.

.04 The IRS has indicated that posting a basic hyperlink on the Church's website to an organization's website does not constitute advertising or a substantial return benefit. However, if the site to which the hyperlink directs a web user includes an endorsement by the exempt organization of the payer's goods or services, such a hyperlink would be considered advertising.

2.9 Applications For Grants

.01 The Church is open to consider funding sources from governmental agencies and organizations that provide grants, so long as the purpose of the grant is to enhance the mission and/or purpose statement of Saint Matthew's Episcopal Church. All grant applications require Vestry review and approval. Refer to the separate [Grant](#) section in these Financial Policies and Procedures for additional details.

2.10 Scrip Fund Raising Programs

.01 A scrip program is a fund raising event where merchants issue gift certificates at a discount to charities through "scrip operators". The scrip has face values and can be used to purchase goods or services. The scrip operator administers the scrip program and negotiates with each participating merchant to set the prices charities will pay for the scrip. The price the charity pays for the scrip is a certain percentage below the face value of the scrip. The difference between the discounted purchase price and the face value of the scrip represents the charity proceeds from the fund raising event. The charity sells the scrip at face value to the supporters.

.02 Whenever a Church ministry uses the scrip program as a fund raising event no charitable contribution deduction will be allowed to the scrip buyer unless he or she shows that (1) the payment made for the scrip exceeds its fair market value; and (2) the excess payment is made with the intent to make a gift.