Center for faith & giving

CHRISTIAN CHURCH (DISCIPLES OF CHRIST)

WISE PRACTICES & SAMPLE POLICIES for CONGREGATIONAL STEWARDSHIP

Creating a Culture of Generosity Across the Life of the Whole Church

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Marks of a Generous Congregation

What are the things that thriving congregations have in common?

Another way of thinking about these characteristics: they are the conditions we can cultivate in order to create fertile soil for growth in generosity.

THOSE IN POSITIONS OF LEADERSHIP ARE FAITHFUL STEWARDS.
Leaders are willing to tell their own stories of growing in discipleship through the discipline of giving. And, they are unafraid of encouraging others. The congregation's leaders make commitments before others are asked to join the effort. There is a commitment to considering "how to provoke one another to love and good deeds".

THE VISION IS CLEAR AND CONCISE—AND INCLUDES EVERYONE.
The church's vision statement is so familiar that it is part of the congregation's DNA. Stewardship is interpreted as an important facet of supporting the vision and allowing it to be lived out in the life of the church. Everyone is encouraged to participate in the sharing of their time and energy, their resources and prayers.

SPIRITUAL DEVELOPMENT INCLUDES TEACHING & PREACHING GENEROSITY.
Conversations about money are encouraged. A culture of generosity is promoted, and giving is the norm.There is no embarrassment or fear in asking others to give. The expectation is made clear that every household is invited to contribute to the church's mission through involvement and financial support.

TELLING THE CONGREGATION'S STORY EFFECTIVELY.
The congregation's mission is described in compelling ways, with everyone being asked to engage in it. There is openness and transparency in describing the church's financial situation.Giving records are treated confidentially, with only financial officers and the pastor/s having access to that information.

TRUST IN THE PROCESSES GUIDING THE CONGREGATION'S FINANCIAL LIFE.
Best practices are employed. More than one person (not from the same household) handles the money. All funds are reported in full view and detail. Finances are managed with intentional transparency. Information is easily accessed. The people and processes in place instill a sense of confidence in the church's finances.

THERE IS RECOGNITION THAT THE FUTURE IS IN GOD'S—AND OUR—HANDS.
Realizing that we stand on the shoulders of those who have gone before us, we are committed to ensuring the congregation's future for generations to come. Legacy giving through estate planning is an expectation, reflecting the belief that God will have a purpose for the congregation which we can undergird in perpetuity.

A CULTURE OF GRATITUDE PERMEATES THE CONGREGATION.
Those contributing to the mission and ministry of the congregation are thanked for what their giving makes possible. Appreciation sets the tone. We are grateful to God for the blessings in our lives. We want to honor God's generosity by seeking to emulate it. We cannot thank God enough, but we are committed to trying through our giving.

KEY QUESTIONS
TO ASK & ANSWER

RE:
the church's money culture

- Does your congregation offer opportunities to engage in conversations about money in the context of individuals' lives, both financial and spiritual—or is money a taboo topic?
- Is the Bible consulted for its insights and teachings about money?
- Are faithful disciples invited to share their journeys related to the stewardship of financial resources, including accumulating/accumulated resources?
- Are the church's financial processes an open book (short of publicizing individual giving data and personnel issues)?
- Does the church budget reflect the principle of the tithe (10%) relative to mission/outreach beyond the congregation?

RE:
the church's financial practices

- How are people invited to give—to help pay the bills or to grow in discipleship?
- How often do givers receive a statement of contributions?
- Who has access to information about donors? How are giving pattern changes reported?
- How are budgets built and approved—and adjusted, if necessary?
- How are financial reports shared—and how frequently? Are they easy to read and available to all participants?
- Are written position descriptions in place for all staff? How are staff members evaluated? Are there policies in place regarding staff salaries and benefits?
- Are all accounts audited or subjected to a professional financial review regularly?

RE:
church leadership

- Is the pastor expected to be a leader in stewardship, from the pulpit and at meeting tables?
- Are the congregation's stewardship and finance leaders demonstrating leadership through their own giving?
- Is every church leader (Elders, Board members, Pastor/s, Staff who are members of the congregation, Ministry Area/Committee chairs, Diaconate members, Church School teachers, etc.) contributing financially?

RE:
the church's future

- Are generational giving patterns studied and shared?
- What efforts are being made to develop future leaders in stewardship and finance?
- Is there an invitation—and an expectation—to remember the church in one's estate planning?
- Does the church have adequate insurance against fire, natural disaster or theft, including theft committed through fraud, fiduciary malfeasance or embezzlement?
- If the church should become no longer financially viable, how are its assets to be distributed?

The Pastor's Role in Church Finances

The pastor has a significant role in the financial health and well-being of the congregation. Here are some ways in which the pastor can be involved and engaged in advancing the practice of faithful stewardship.

The pastor sets the tone. We worship a God of abundance, rather than scarcity. Our response of generosity (a facet of the fruit of the Spirit) reflects gratitude.

The pastor's own practice of financial stewardship is vital. It reflects the call to lead and serve. While the expectation of tithing may not be in the job description, the pastor sets an example of faithful generosity in regular, percentage giving in support of shared ministry.

Embrace the opportunity to preach and teach about money. Preaching and teaching about money often is discouraged and sometimes even avoided. Jesus spoke about money more often than almost any other topic—second only to the realm of God. It's clear money can inhibit or enhance our practice of Christian discipleship. Leading in this spirit will strengthen the body of Christ by extending the invitation to offer one's heart to God (rather than one's money to pay church bills).

The pastor should have full access to the congregation's giving records. The practice of financial stewardship is of spiritual concern and may point to the need for pastoral care. By knowing the giving patterns of parishioners, the pastor can respond to changes in those patterns. If a household increases giving, it may signal an openness to increased involvement in the church's life. If a household decreases giving, it may signal some uncertainty (marriage or job issue, health problem, spiritual concern, etc.) that calls for pastoral care. Additionally, there is a higher likelihood of growth in giving if your pastor has access to the congregation's giving records. Like all confidences a pastor keeps, this is a sacred trust. Bringing your pastor into the loop will very likely make a positive difference in your congregation.

The value of the pastor knowing about the giving of church members has been quantified by the Lake Institute on Faith & Giving. The organization cites these statistics: *[A]mong those congregations whose clergy look at giving records, 58% reported an increase in the amount they received over the past three years (42% [of those congregations had] an increase of 10% or more).*

Generosity is an essential spiritual gift in leaders. Knowledge of parishioners' giving enables the pastor to discreetly ensure church leaders are generous in support of the mission and ministry of the congregation. Financial stewardship reflects commitment—and an uninvested leader can hinder progress, while generous givers foster openness to new ideas and expanded ministry. When "How much will that cost?" or "We can't afford that" are the first responses to a new idea, we narrow the possibilities for expanding mission and ministry. Generous givers often bring that same spirit of generosity to the ideas and perspectives of others.

The pastor can be key in inviting legacy giving to the church. Endowment funds encourage church members to consider an estate gift to the church, which will bless future generations in perpetuity. The pastor has opportunities to introduce this conversation in a variety of settings.

The pastor provides context and oversight. Because the pastor is engaged in many aspects of congregational life, they can offer the financial team valuable insight into current needs, anticipated expenses, and emerging ministry priorities. This perspective can be especially helpful in budget planning. Regular communication with financial officers, the finance and stewardship committees, the memorial committee, and permanent funds trustees also helps ensure that each group understands the congregation's larger financial and ministry picture, rather than making decisions with only partial information.

WISE PRACTICE: AN INVITATION TO STEWARDSHIP

First, let's quit calling it a "campaign." That word can elicit images of politics or war. That word minimizes or negates the faith and discipleship that are represented in the practice of stewardship. Let's try "invitation" - as in inviting people to experience a closer relationship with Christ. A conversation about semantics may be the best place to start.

What motivates your giving spirit?

That giving spirit is in your DNA. To be created in the image of God brings with it a penchant for grace and generosity. If "God so loved the world that God gave," then we, too, are designed to be givers (John 3:16). "The fruit of the Spirit is love, joy, peace, patience, kindness, generosity, faithfulness, gentleness, and self-control" (Galatians 5:22-23). The Spirit's fruit is singular; we are graced with the whole list, including generosity.

The invitation, then, is to find ways to unleash that inherent generosity. Reminding people that they are generous is a good starting point. Helping people discover how they can grow in generosity is that part of discipleship we refer to as stewardship. It involves use of financial resources, ways of spending time, commitment to relationships, care of the earth, and development of abilities.

"Where your treasure is, there your heart will be also" (Matthew 6:21). Jesus invites his followers to invest in a vision of love and compassion. While we think that we naturally will spend money and time and energy in a way that follows the heart, we often succumb to peer pressure or advertising instead of reflecting the values we hold most sacred. We sacrifice the eternal for the temporal. And our hearts follow.

Rather than reminding people of the toll these trying times are taking on church finances or the importance of funding a church budget, consider telling stories of your congregation's faithfulness to its mission and ministry. Ask for single-sentence expressions of gratitude for what the church means and share them widely. Invite a few growing and mature stewards to share their journeys.

These written notes and spoken stories can become part of the offering during worship services. Whether experienced in person or online, the sense of community needs to be awakened. Brief emails or video clips describing the difference the church is making is a way of including everyone. Expressing gratitude for gifts received by the church is a vital practice during Sunday's offering.

Acknowledging that gifts are made online, through the mail, dropped off, put in an offering plate (or other designated receptacle), via automatic withdrawal, or by way of legacy gifts reminds the congregation of the myriad ways that giving can occur. The same plethora of options can be made available when it comes time to gather the annual commitments made by the congregation.

What would it look like to invite people into a more faithful expression of stewardship? Rather than focusing on the church's needs, what if the focus were on the need of the giver to grow in discipleship? Instead of asking for help underwriting the church budget with materials provided to build a case, what if a lovely invitation were extended with a commitment card as an RSVP?

Elevating stewardship to the celebration of sharing in the life of a generous faith community involves an invitation to a life of growing generosity for everyone. Sure, budget projections must be made available—with both numerical and narrative explanations. But the invitation to share in God's work of transforming the values of this world is the true gift. *And our hearts*

WISE PRACTICE: COUNTING OFFERINGS

STEP 1: Recruit several teams of trusted individuals to serve in the capacity of counter (or teller). Schedule one team per week on a rotating basis.

STEP 2: Have a minimum of two persons involved in the process of counting and recording the weekly offering. These persons should not be related to one another or living in the same household.

STEP 3: If the counting is done on Sunday, it should take place in a secure room on church premises. The money (cash and checks) should be placed immediately in the bank's night depository (or in the church safe for deposit on Monday). If the offering has been placed in the church's safe to be counted on Monday, it should be counted in a secure room on the church premises. If the offering has been placed in the bank's night depository prior to counting, it should be counted in a private room at the bank. (This option requires prior arrangements with the church's bank.)

STEP 4: The amount of each contribution should be written on the offering envelope. It should be designated as cash or check. (If a check is submitted without an envelope, use a notecard to record the giver's name, amount and any designation.)

STEP 5: Detailed notes of offering designations should be included for the Financial Secretary's records. It is critical that offerings be directed to the fund/s specified by the donor.

STEP 6: A process of double-checking should ensure that the amount of cash and checks is equal to the total of the amounts recorded on the offering envelopes and notecards. This should match the amount to be deposited.

STEP 7: In the event of any of the following, leave the envelope with details of the problem for the Financial Secretary to address:

- the envelope is empty;
- the check or cash does not match the amount listed on the envelope;
- the designation of the offering is unclear; or,
- the check is not signed.

Since trust and confidentiality are of utmost importance, counters/tellers are instructed not to share giving information with anyone except the pastor, the financial secretary and anyone else authorized to receive this information.

WISE PRACTICE: CONTRIBUTIONS AND THE IRS

As you do your end of year reporting to your contributors, you want to consider this important fact: Documentation is becoming KEY for charitable contributions. You do not want your contributors to be denied their otherwise eligible deductions to your congregation and its ministry.

We all know that the IRS requires the church to issue a statement to the members each year showing the contributions given by that member to the church. **The statement must include the date of each contribution, the amount, and a description of the item donated, i.e. cash or property.** The statement must be received by the congregational member before they can claim the deduction on their individual tax return.

For the member, a check or bank record is required for all church cash contributions under $250. For cash contributions to the church over $250, a written acknowledgement from the church is required.

For payroll deductions taken by the church from its employees, a pledge card AND W-2 paystubs are required by the member.

For non-cash contributions less than $250, a written acknowledgement from the church or other reliable record is required.

For non-cash contributions over $250, i.e. cars, boats, stock, art, etc., a written acknowledgement from the church is required.

For the church, the important pieces of this are that a WRITTEN ACKNOWLEDGEMENT must be given to the member before the due date of the member's tax return AND it must include a statement regarding goods and services received in exchange for the contribution.

For example, many churches have fundraiser dinners, in which the member contributes monies to the church in exchange for a meal. The contribution must then be broken down into the total contribution given minus the cost of the meal (goods the member received) for a net contribution number, which the member can then deduct on their tax return.

If no goods or services were received in exchange for a contribution, a statement needs to be included on the bottom of the member letter indicating that NO goods or services were received in exchange for the contribution.

Based upon IRS Notice 2015-48, the IRS is requiring this statement or the deductions can be denied. We are beginning to see more and more court cases where the denial has taken place.

WISE PRACTICE: PAYING THE BILLS & PAYING STAFF

PAYING CHURCH BILLS:

1. Establish a budget organized by ministry/program areas: Christian Education, Church Growth/Evangelism, Hospitality, Outreach, Property, Stewardship, Worship, etc. Include a section for staff/personnel. Create line items for various components of the ministry/program area's responsibilities.

2. Seek budget approval from the Board (and congregation, if required by the church bylaws).

3. Track expenditures. Expenditures which fall within the budget may be made by the ministry team/committee in support of its mission. Many congregations use a voucher system: A brief form is filled out with pertinent information—date, budget line item name/number, payee, and amount. The related bill (or receipt, if an individual is being reimbursed) is then attached. The voucher is forwarded to the Treasurer.

4. Review financial reports as part of each monthly Board meeting to ensure that spending is within the parameters of the budget. Just as contributions are not received equally across all months of the year, expenditures vary too. Remember: Having money in a budget is not the same as having money in the bank. Keep a careful eye on cash flow. To that end, arrange for major expenditures to be paid over a period of time if possible.

5. Be transparent with finances: Be able to account for every gift that is contributed and every expenditure that is made.

6. Pay the bills on time. This protects the church's reputation and is an act of stewardship.

PAYING CHURCH STAFF:

1. Be as generous as possible with those who serve the church as pastor, administrator, educator, musician, and custodian.

2. Provide cost-of-living increases on an annual basis.

3. Enroll all employees in Pension Fund of the Christian Church. Membership provides for disability assistance, retirement pensions, and other financial guidance.

4. Reimburse employees for expenses incurred in behalf of the church. Automobile mileage, meeting and meal costs, and other professional expenses should be paid by the church.

5. Provide vacation time—and insist that it be taken. Arrange for sabbatical time for the pastor/s. Establish time off each week.

SAMPLE POLICY:
Confidentiality & Ethics

Purpose
The congregation entrusts financial leaders (Finance Committee members, treasurers, financial secretaries, counters, and financial volunteers) with information, resources, and responsibilities that require the highest standards of integrity. Financial leaders serve not only as stewards of the congregation's assets but also as guardians of trust within the church. This policy establishes expectations regarding ethical conduct, confidentiality, and fiduciary responsibility.

Ethical Conduct
Those serving in financial leadership shall:
- Act honestly, faithfully, and in the best interests of the congregation.
- Exercise care and diligence in handling church funds and records.
- Avoid conflicts between personal interests and church responsibilities.
- Refrain from using church information, resources, or influence for personal gain.
- Follow all approved financial policies and procedures.
- Promptly disclose any actual or potential conflict of interest. (See separate form.)

Confidentiality
Those serving in financial leadership may have access to confidential information, including:
- Individual giving records
- Payroll and compensation information
- Personnel matters
- Banking information
- Financial reports not yet released publicly
- Personal information about members, donors, and employees

Such information shall be treated as a sacred trust. Confidential information may be shared only with those who have a legitimate need to know as part of their official responsibilities. Financial leaders shall not discuss confidential information with family members, friends, congregation members, or other individuals who do not have authorized access. These obligations continue after a person leaves their role or service.

Donor Privacy
Individual contributions shall remain confidential except as necessary for:
- Contribution recording and receipting
- Internal financial controls
- Required audits or reviews
- Legal or regulatory compliance

No donor information shall be shared for personal, political, or commercial purposes.

Reporting Concerns
Any suspected fraud, misuse of funds, violation of policy, or unethical conduct should be reported promptly to the appropriate church leadership in accordance with established procedures. Individuals reporting concerns in good faith shall not be subject to retaliation.

Acknowledgment
I have read and understand the Ethics and Confidentiality Policy. I agree to uphold these expectations and to safeguard the confidential information entrusted to me through my service.

Name: **Position:**
Signature: **Date:**

SAMPLE POLICY: Conflict of Interest

A conflict of interest presents itself when a person who has a significant relationship with the church may also receive a personal benefit from a decision the church is making.

For example, depending on denominational polity and church bylaws, the church's pastor may serve on the church's board with voice and vote. Whenever the church board considers increases in compensation or bonuses for that pastor, the pastor then has a conflict of interest. This common conflict can be easily remedied by having the pastor abstain from any vote regarding his/her/their own compensation.

Some conflicts are more complex. For example, a conflict may arise when a church enters into a facility building project. A church board member's construction company may bid to work on the project. This presents a potential conflict of interest.

This is why congregations should adopt an official conflict of interest policy. Once such a policy is in place, the church should follow it precisely whenever conflicts.

The sample policy provided here, modeled after the Center for Faith & Giving's own policy, is a starting place for churches to use in developing their own policy. An effective policy should be signed by board members annually and provides for a basic framework of how to handle all potential conflicts.

When dealing with a conflict, keep in mind that the least expensive arrangement available to the church is not necessarily the arrangement that is in the best interest of the church, though it may be one of several significant factors to weigh.

Board members should be concerned about conflicts of interests because those members have fiduciary duties to the congregation, including:

- A duty of loyalty (to act in the best interest of the church, not in the best interest of one's self),
- A duty of care (to pay careful attention to issues that impact the church), and
- A duty of obedience (to make sure the church stays compliant to relevant federal, state, and local laws).

Breaching these duties can trigger liability for the organization, or in some circumstances, the board members themselves. Enacting and following a conflict of interest policy can help protect against such liability.

The above is adapted from Clergy Financial Resources (www.clergyfinancial.com).

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CONFLICT OF INTEREST/RELATED PARTY QUESTIONNAIRE

Conflicts of Interest/Related Parties:
Means yourself, your spouse, family members, business interests, and/or associates. Conflicts of interest may arise when one party has the ability to significantly influence the management or operating policies of the other to the extent that one of the transacting parties might be prevented from fully pursuing the interests of the [INSERT CHURCH NAME] rather than his/her/their own separate or related party interests.

In the event transactions occur or are proposed, this policy provides that:

- All proposed transactions be reported to the board and be approved in advance.
- The board (or the name of your governing body) records demonstrate that the transaction is truly in the best interest of the organization, as provided by a competitive bid or comparative valuation, and that it does not violate state law.
- The related party can be excused during the process of board deliberation, other than to respond to questions, and must abstain from voting.
- The board performs an annual review for potential and known related party transactions through annual conflict of interest questionnaires to be completed by each employee, board member, officer, and senior management of the corporation, including related entities.
- Controls can be established to ensure that normal corporate controls and accountability are maintained. In some cases, this may involve the assignment of another employee, board member to act on behalf of the organization in dealing with the transactions.

Considering the period from January 1, [YEAR] to December 31, [YEAR]
CIRCLE YES* OR NO

1. I (or a related party of mine) hold, directly or indirectly, a position of financial interest in an outside concern from which [CHURCH NAME] secures goods or services. **YES* OR NO**

2. I (or a related party of mine) render directive, managerial, or consultative services to, or am an employee of, any outside concern that does business with [CHURCH NAME]. **YES* OR NO**

3. I have accepted gifts or other benefits from any outside concern that does or is seeking to do business with [CHURCH NAME]. **YES* OR NO**

4. I have participated in management decisions concerning transactions that affect or benefit me, my family, or my personal financial interests (other than ordinary management decisions on employment matters such as compensation.) **YES* OR NO**

5. I (or a related party of mine) have been indebted to [CHURCH NAME] at some time during the above stated period. If so, please note the nature, date, terms, and amount. **YES* OR NO**

6. [CHURCH NAME] has been indebted to me (or a related party of mine) at some time during the above stated period. If so, please note the nature, date, terms, and amount. **YES* OR NO**

7. Payments to Independent Contractors: Have you received total compensation or other payments exceeding $10,000 from [CHURCH NAME] or from a Related Organization as an independent contractor, other than reimbursement of expenses under an accountable plan or reasonable
compensation for services provided in the capacity as a member of the board, since the beginning of [CHURCH NAME's] most recently completed tax year? **YES* OR NO**

8. Employment Business Relationship: Have you, or any family member, been employed since the beginning of [CHURCH NAME] most recently completed tax year by either a sole proprietorship or an organization with which an officer, director, trustee, key employee or greater-than-35% owner of [CHURCH NAME] is associated? **YES* OR NO**

9. Other Relationships: Are there any other transactions or relationships that are not addressed elsewhere in this questionnaire, involving you or any family member, that could affect your ability to exercise independent judgment in making decisions as a member of [CHURCH NAME'S] board? **YES* OR NO**

***Please provide further explanation of any "Yes" answers and information on any related party transactions of which you are aware.**

____ ____________________
(Signature) (Date)

____
(Printed Name)

SAMPLE POLICY:
Gifts Policy & the Gifts Commission

Churches and charities have one major thing in common: they are dependent on the generosity of others (expressed through gifts to the organization) to have the financial resources they need to perform their mission. For this reason, congregations need a policy about gifts that specifies how gifts may be received, refused, and/or retired at the end of their useful life.

Purpose:
This Gifts Policy is established to protect and serve the long-term interests of the congregation, so that it may faithfully and properly manage and steward the assets and resources donated to further its mission. These may be testamentary gifts; money designated for certain special projects or intentions; gifts of real or virtual property; financial instruments; and/or other material goods donated to the congregation with or without special designations or instructions.

The Gifts Commission shall have oversight of this policy and three primary areas of responsibility: the receiving, the refusing (when necessary) and/or retiring of gifts given to the congregation. The Gifts Commission may also make recommendations (to the appropriate governing body) as to the direction of non-designated gifts if no other policy applies (or is appropriate to) the direction of those gifts.

General Practice:
The church shall sell (as soon as reasonable and prudent practice shall allow), all gifts made in the form of stocks, bonds, or other fiduciary instruments. The donor (or estate) shall be receipted the full value of the stock or fiduciary instrument on the date the church takes possession of said instrument, with the church (not the donor) paying all commissions and required fees. In the case of real estate or other items of real property, (as circumstance dictate), acceptance of the gift shall be provisional pending the appropriate valuations (appraisals), inspections for deficiencies, review of attached contracts which would be binding on the church, or other instruments of ownership are adequately reviewed, and the acceptance of said property is deemed to be of prudent risk or acceptable condition.

Receiving Gifts:
The Gifts Commission shall meet to consider the receiving of gifts that are considered “non-ordinary,” meaning that they are not a part of the regular offering or anticipated gifts toward the general/non-designated expenses of the congregation’s general operating, capital, or named mission/memorial/endowment funds. The goal of the commission is to be able to facilitate and honor the donor’s intent, while keeping in mind the vision, mission, ethics, and normal operating values that govern all of the congregation’s decision-making practices. A gift that honors the intention of the giver and facilitates necessary mission and ministry for the congregation is the ideal toward which both donor and Gifts Commission shall strive. This may include suggesting alternatives to either the form/nature/instrument of the gift or the required designation.

Gifts of cryptocurrency and other digital assets will be considered on a case-by-case basis. Before accepting such a gift, the congregation will determine whether it has the appropriate means to receive, value, safeguard, liquidate, and account for the asset and may seek professional guidance as needed. The congregation will also consider any ethical, environmental, reputational, or mission-related concerns associated with the asset and its acceptance.

Refusing Gifts:
Funds or assets from sources that are inconsistent with our moral and/or ethical values, or which a person of reasonable prudence may be expected to reject or willfully forfeit shall be refused.

Items in which the cost to receive the gift is greater than the actual value of the asset (or that asset's ultimate perceived value to the congregation) shall be refused.

Gifts upon which the restrictions or designations are inconsistent with the current goals, mission, or values of the congregation; or those which the Official Governing Body of the church deems unacceptable shall be conditions for refusal.

The Commission may find other reasons which would make a gift unacceptable beyond those listed here. When a gift is refused, the Gifts Commission should do all that it reasonably can to seek to honor the donor's intention of generosity and shall therefore seek acceptable alternatives (for both the donor and the congregation), providing such alternatives are available. Christian decorum, politeness, and gratitude should be the operative attitude in time of such negotiations and should prevail even if a satisfactory solution which makes receiving the gift possible cannot be found.

Retiring Gifts:
The church shall make as conditional to the receiving of any tangible gift the understanding that all such assets have beneficial life spans and it shall be solely in the church's purview to determine when a gift has become no longer usable due to the cost of repair, obsolescence, the normal "wear and tear" of time or use, or the ability of the item to either function in the capacity for which it was given or the continued need for item in the current context of the congregation's life. The church shall have the right to dispose of said item (including the sale or gifting of said item) as it sees fit. It may consider returning the item to the donor or donor's family; and when appropriate shall publicly (or privately) in the context of worship or other proper setting, celebrate and acknowledge the gift, its service to the church, and the generosity of its benefactor.

Appeal of Commission's Decisions:
Should a qualified member of the congregation object to a decision of the Gifts Commission, the specific issue in question may be presented to the Official Governing Body for review and vote. The Official Governing Body's decision shall be the final and binding word on the matter brought for appeal. If the decision is made to reverse a decision of the Gifts Commission relative to a gift designated for retirement, the question should be revisited annually for review and vote to sustain or ultimately override the objection.

Terms of Office:
The Gifts Commission shall consist of at least three members, who are appointed annually by the Chair of the Congregation, and it shall meet at least one time per calendar year. Other meetings may be scheduled as necessary. Terms of service shall be three years, with one opportunity to serve a single consecutive term. Terms will be staggered so that only one member is appointed in each calendar year.

Amendments:
This policy may be amended via the same manner that pertains to other similar policies as prescribed in the congregation's By-laws or other governing documents.

SAMPLE POLICY:
Expense Reimbursement

PURPOSE
This policy establishes the reimbursement procedures for travel, entertainment, and other ministry expenses ("business expenses") incurred during the conduct of church business. It is church policy to reimburse employees for ordinary, necessary, and reasonable expenses when directly related to the ministry of the church. Directly related means:

- There is the expectation of deriving some current or future benefit for the Church;
- The employee is actively engaged in a meeting or activity necessary to the performance of the employee's job duties; or
- There is a clear ministry purpose for entertainment.

PROCEDURE
Employees are expected to exercise prudent judgment regarding expenses covered by this policy. Reimbursement for expenses that are outside the scope of this policy requires the prior written approval of a supervisor.

The following expenses may be reimbursable under this policy:
- Lodging
- Travel expenses including airfare, reasonable airline luggage fees, train fare, bus, taxi, and related tips
- Meals, including tips between 15-20%
- Laundry and/or dry cleaning expenses during trips in excess of 5 days
- Car rental
- Tolls
- Conference and convention fees
- Entertainment expenses related to the church
- Parking
- Other reasonable and necessary business expenses, not specifically excluded by this policy, and with prior approval

Employees who utilize personal vehicles for approved church business travel will be reimbursed at the per-mile rate established annually by the church. Such reimbursements are made through the church's accountable reimbursement plan and are not considered taxable compensation, provided employees submit adequate documentation of business mileage in accordance with church policy and applicable IRS requirements.

The following expenses are not reimbursable under this policy:
- Child care costs
- Airline club dues
- Barber/hairstylist
- Toiletries
- Traffic fines
- Tips in excess of 20%
- In-flight movies or refreshments
- Hotel room movies and other forms of personal entertainment
- Luggage, briefcases
- Alcohol
- First class airfare
- Personal clothing

No policy can anticipate every situation that might give rise to legitimate business expenses. Reasonable and necessary expenses not listed above may be incurred. When prior approval is required, a supervisor is responsible for using professional judgment to determine if an unlisted expense is reimbursable under this policy.

Documentation
Requests for reimbursement of business expenses must be submitted on the Reimbursement Request form.

While original receipts are recommended for all expenses submitted for reimbursement, they are required for all expenses greater than $25.00. Requests for exceptions to this policy should document extenuating circumstances and be approved by management.

The church complies with IRS regulations, which require that all business expenses be substantiated with adequate records. This substantiation must include information relating to:

- The amount of the expenditure
- The time and place of the expenditure
- The business purpose of the expenditure
- The names and the business relationships of individuals for whom expenditures were made

Requests lacking this information will not be processed and will be returned to the originator.

Approvals
Expense reimbursement forms, together with required documentation, must be submitted to the employee's immediate supervisor for review and signature approval. In the absence of the immediate supervisor, approval from the next higher level of supervision is required. Upper management may approve expense reimbursement if the above-mentioned supervisory approvals cannot be obtained due to the supervisors' absences.

Once the expense reimbursement has been approved by the employee's supervisor, it should be submitted for processing no later than 30 days after the expenses occurred.

Supervisors approving expense reports are responsible for ensuring the following:

- Expenses reported are proper and reimbursable under this policy
- The expense report has been filled out accurately and with the required documentation
- The expenses are reasonable and necessary

SAMPLE REIMBURSEMENT REQUEST

Name: ______________________________ **Date Submitted:** ____ / ___ /____

Expense Category: ______________________ **Total Requested:** $ ____________

Expenses: ______________________________

Date **Business Purpose** **Amount**

I certify that these expenses were incurred for church business and that receipts or other supporting documentation are attached.

Signature: ______________________________ **Date:** ______ / ______ / ________

Approved by: ____________________________ **Date:** ______ /______ / ________

This policy has been adapted from Clergy Financial Resources at clergyfinancial.com.

SAMPLE POLICY:
Church Credit Card Use

PURPOSE
Church credit cards are provided to individuals as a means of making business purchases. The following policies and procedures are important to assure proper oversight of expenses and avoid any tax consequences for the employee.

POLICY

1. Church credit cards will be issued to ministers and staff, only with approval of the Finance Committee.
2. Credit cards will be subject to appropriate limits based upon the employee's position and job responsibilities.
3. Credit cards will be used only for business purposes. Personal purchases of any type are not allowed.
4. The following purchases are not allowed (your list and limits may vary):
    - Alcoholic beverages
    - Tobacco products/Controlled substances
    - Capital equipment and upgrades over $5,000
    - Construction, renovation, or installation
    - Items or services on term contracts
    - Maintenance agreements
    - Personal items or loans
    - Purchases involving trade-in of ministry property
    - Rentals (other than short-term autos)
    - Telephones, related equipment, or services
    - Any other items deemed inconsistent with the values of the ministry
5. Cash advances on credit cards are not allowed without written permission from the treasurer.
6. Cardholders will be required to sign an agreement indicating they accept these terms. Individuals who do not adhere to these policies and procedures risk revocation of their credit card privileges and/or disciplinary action.

PROCEDURES

1. Credit cards may be requested for prospective cardholders by written request (Credit Card Request Form) to the treasurer.
2. Detailed receipts must be retained and attached to the credit card statements. In the case of meals and entertainment, each receipt must include the names of all persons involved in the purchase, and a brief description of the business purpose of the purchase, in accordance with Internal Revenue Service regulations.
3. Monthly statements, with attached detailed receipts, must be submitted to the treasurer within ten days of receipt of the statement to enable timely payment of amounts due. The cardholder will be responsible for any late payment fees incurred by the church due to the cardholder's failure to timely submit statements with the appropriate substantiation.
4. All monthly statements submitted for payment must include the initials of the cardholder, the signature of the approving staff member and the date of approval. Each statement must have the approval of the approving staff member in addition to the approval of the cardholder, unless the cardholder is the staff member.
5. All monthly statements submitted for payment must have the appropriate account names or numbers and the associated amounts clearly written on the statement.
6. Cardholders should make every effort to ensure that purchases do not include sales tax. Tax-exempt certificates are available from the office manager. Sales tax may be paid for minimal expenditures from one-time vendors who refuse the exemption, but sales taxes should not be paid where the purchases are for more substantial expenditures or are repetitively incurred.

CHURCH CARDHOLDER AGREEMENT

I,_______________________________, hereby acknowledge receipt of the following
(Name of Cardholder)
credit card: ____________________ / ______ - ______ - ______ - ______
(Type of Credit Card) (Credit Card Number)

I understand that improper use of this card may result in disciplinary action, as outlined in the church handbook, as well as personal liability for any improper purchases. As a cardholder, I agree to comply with the terms and conditions of this agreement, including the attached Church Credit Card Policies and Procedures agreement.

I acknowledge receipt of said Agreement and Policies/Procedures and confirm that I have read and understand the terms and conditions. I understand that by using this card, I will be making financial commitments on behalf of the Church and that the Church will be liable to ______________________________________ for all charges made on this card.
(Name of Credit Card Company)

I will strive to obtain the best value for the Church when purchasing merchandise and/or services with this card.

As a holder of this Church card, I agree to accept the responsibility and accountability for the protection and proper use of the card, as enumerated above. I will return the card to the Treasurer, upon demand, during the period of my employment. I further agree to return the card immediately upon termination of employment. I understand that the card is not to be used for personal purchases. If the card is used for personal purchases or for purchases for any other entity, the Church will be entitled to reimbursement from me of such purchases. The Church shall be entitled to pursue legal action, if required, to recover the cost of such purchases, together with costs of collection and reasonable attorney fees.

Signature______________________________________ Date____________________
(Cardholder)

ADDITIONAL NOTES:

- Issuing credit cards to church employees relieves staff from unnecessary personal financial stress and demonstrates a commitment to justice and equity by not assuming staff will have the means to float work-related expenses until they are reimbursed.
- Card issuers will require the name and personal identification information for the responsible individual, even on a company card.
- All credit card statements should be reconciled by another responsible person in order to prevent fraud.
- Set card limits that are reasonable based on the expected usage. For example, if you only use the card for $1,000 a month, keep that limit to no more than $1,500.
- Determine which credit card is best and which organization will issue it. Visa and MasterCard are issued by banks and financial institutions. Consider obtaining a credit card from your existing bank as the relationship with the bank could help if problems occur.
- Ensure that you understand the terms and conditions of the credit card agreement including the APR, payment due dates, and pertinent conditions affecting the use of any account checks and their related fees and interest charges.

This policy has been adapted from resources created by the Evangelical Lutheran Church in America and the Evangelical Council for Financial Accountability.

SAMPLE POLICY:
Permanent Fund Policy

I. PURPOSE
The primary purpose of the Permanent Fund (the "Fund") of [INSERT NAME] Christian Church is to expand the witness and mission of Jesus Christ in the world, serving human needs in our community and around the world. It is not intended to compete with the regular annual giving of members or to diminish the opportunities for responsible stewardship by present or future members.

II. TYPES OF GIFTS
[INSERT NAME] Christian Church may be the recipient of end-of-life gifts from members or friends of the church. Unless otherwise specified by the donor, all unrestricted end-of-life gifts received by the church will be added to the church's Permanent Fund and be governed by this policy.

Donor-restricted end-of-life gifts will be held and accounted for separately from congregationally-governed Permanent Funds. For purposes of definition, restricted gifts are:

When the donor specifies:
(1) the purpose for which a gift should be used, and/or
(2) that the gift should be held as endowment or for a time period, or to generate income, that gift should be recorded as donor-restricted by the congregation.

The congregation is legally bound to use or to hold restricted gifts in accordance with the donor's instructions that are reflected in a will, trust or other legally-binding gift agreement.

There may be an instance when the church would be well-advised to refuse a gift or bequest or seek legal modification of the donor's gift. Reasons for this action might include if the purpose of the restricted gift is not in line with the congregation's mission priorities, if the congregation is unable to use the gift as intended, or if the gift does not seem to be in the best interests of the donor or the church. In such instances, if it is impractical or unwise to seek a modification of the gift restriction, the gift would be returned to the donor or the donor's estate.

Gifts added to the Fund shall be considered permanent and therefore cannot be spent; only the income generated by the Fund will be spent for ministry. Permanent funds do not generally include memorial funds, reserve funds or building funds. Separate policies govern these gifts.

Gifts to the Permanent Fund may come in a variety of forms, such as bequests, the residual value of charitable trusts and charitable gift annuities, life insurance, beneficiary designations on retirement or investment accounts, and other such end-of-life gift instruments. Assets received in the form of stocks, bonds, real estate, tangible property, or in any form other than cash will be converted to cash at its fair market value as soon as practical.

III. PERMANENT FUND TRUSTEES
The Permanent Fund of [INSERT NAME] Christian Church shall be managed by at least five and no more than seven trustees, elected by the congregation.

Terms of office shall be for three years. Fund Trustees may be re-elected one time, but cannot serve for more than six consecutive years. The senior minister and chair/moderator of the board of the congregation will be ex-officio members without vote.

The responsibilities of Permanent Fund Trustees will be to:

A. Meet at least quarterly. They shall elect their officers each year from the trustees as needed.

B. Receive, document and preserve the original gift language of each gift.
C. Ensure that adequate record-keeping is maintained for donor-restricted gifts and that all donor restrictions are honored.
D. Publicize the Permanent Fund to the congregation, sponsor planned giving seminars, contact prospective donors, and promote other opportunities which will bring growth in the Permanent Fund.
E. Recognize donors and honor those faithful stewards who have included the congregation in their end-of-life estate plans.
F. Review the activity and performance of the Permanent Fund and any donor-restricted gifts and provide a written annual report to the church board and congregation. Such report shall include a list of new gifts received, investment transactions, amount spent for ministry, and total value of the Permanent Fund at year-end.
G. Distribute Permanent Fund income annually per the Fund's spending policy as outlined in Item IV.B. below. The spending policy has been set by the congregation as part of this Permanent Fund policy.
H. Invest the Permanent Fund, subject to confirmation of the church board, and the donor-restricted endowment fund(s) in accordance with any donor restrictions. It is recommended that the Christian Church Foundation, Inc. be considered to manage all or part of the congregation's Permanent Fund and Donor-Restricted Fund(s).
I. Faithfully consider making provisions in their own financial planning to provide a gift to the Permanent Fund of [INSERT NAME] Christian Church.

IV. ANNUAL SPENDING FOR MINISTRY
Each year the income from the Permanent Fund investments will be spent for ministry. Income is defined as a fixed percentage of the total market value of the Permanent Fund. The Board will consider the recommendation of income set by the Christian Church Foundation, typically in the 3-5% range.

A. Gifts that have a purpose restriction will be spent according to the donor's instructions.

B. Income from gifts to the Permanent Fund that do not have a donor-specified purpose restriction will be distributed as follows: (NOTE: These percentages are only used as a suggested guide. Your congregation will need to discern the appropriate percentages and distributions.)

1. 10% will be spent according to the recommendation of the Stewardship Committee with the confirmation of the church board. However, support to the operational budget may never represent an amount greater than 20% of the total operational budget.
2. 50% will be designated for outreach causes and transferred to the Outreach Committee for expenditure. These funds will not be considered as part of the regular budget expenditure for outreach causes. The Outreach Committee will report to the Church Board within six months concerning these expenditures.
3. 30% will be designated for retirement of outstanding debt(s) on congregational properties. If the congregation has no debt, then this 30% will be directed to a reserve fund to meet future capital needs. If no reserve fund needs are anticipated, this portion may be distributed according to Items 1 and 2 above.
4.10% will be given to regional programs/causes, including a direct donation to the regional office.

V. AMENDING PROCEDURES
The policy may be amended by a 3/4 majority vote of the church board at two successive meetings, upon published written notice of proposed changes to the congregation at least two weeks prior to the first meeting.

VI. TERMINATION
In the event that [INSERT NAME] Christian Church should terminate its ministry or cease to be affiliated with the Christian Church (Disciples of Christ), the assets of the Permanent Fund shall be transferred to the Christian Church Foundation, Inc., of the Christian Church (Disciples of Christ), with instructions concerning future spending.

SAMPLE POLICY:
Memorial Fund Policy

The Memorial Fund of [INSERT NAME] Christian Church offers family members and friends a tangible way to glorify God and honor the memory of a loved one.

While most memorial gifts are received soon after death, contributions may be made at other times as well (Mother's/Father's Day, birthdays, Christmas, etc.).

Undesignated gifts will be used to purchase items for the congregation's mission and ministry beyond the scope of the annual budget. Such items are to have a useful life of at least ten years.

If a gift is designated for a specific purpose beyond an existing church program (existing programs might include music, children's, youth, women's, men's, summer camp, Vacation Bible School, outreach), it must be approved by the church board.

The Fund shall be monitored by a Memorial Committee, comprised of five-seven members. The responsibilities of the Committee shall include:

- Ensuring that gifts are acknowledged in a timely fashion, with receipts for tax purposes included. Such notifications will include appropriate expressions of gratitude on behalf of the congregation.
- Ensuring that basic information regarding gifts made to the Memorial Fund is communicated to a designated family member of the person being remembered. (Basic information includes the donor's name, address, any sentiments regarding the deceased, and any messages to the family. The amount of individual gifts should not be shared with the family.)
- Raising awareness of the fund to the congregation and encouraging contributions to it.
- Preparing a list of those who have been remembered through gifts to the church's Memorial Fund for inclusion in All Saints Sunday worship service/s on the first Sunday of November.

Some congregations choose to add:
Undesignated gifts totaling $500 or more received in memory of an individual will be directed to the congregation's Permanent Fund.

OR

So that the generous gifts shared in memory of loved ones will grace the mission and ministry of [INSERT NAME] Christian Church in perpetuity, ___% [typically between 10% and 50%] of all undesignated gifts to the Memorial Fund will be directed to the congregation's Permanent Fund.

These sample Permanent Fund & Memorial Fund policies were developed for use by congregations of the Christian Church (Disciples of Christ) by the Christian Church Foundation, Inc.

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About This **Resource**

Contact Information

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This document seeks to provide current and accurate information about the topics presented. It is not intended to be used in place of professional accounting or legal advice. Another wise practice: knowing where to access these people in your context. You might begin with your region or middle judicatory.

Unless otherwise noted, these materials have been written by the founding Executive Director of the Center for Faith & Giving, Rev. Bruce A. Barkhauer, and Generosity Coach, Rev. Dr. Janet A. Long, and edited and compiled by current Executive Director, Rev. Melissa R. St. Clair.

This is a working document. Not seeing a policy or practice that would be helpful to your ministry? Let us know using the contact information above.

Rev. Bruce A. Barkhauer

Rev. Barkhauer was called as the first Minister for Faith & Giving for Christian Church (Disciples of Christ) in 2010. For 25 years, he led congregations in Ohio and Indiana in achieving high levels of financial support for local and global missions, and he now shares his experience across the life of the whole church. His energy, vision, and entrepreneurial spirit enhance gifts in both business and ministry. He brings a biblically based understanding about stewardship combined with theological integrity and weds them to the current trends and best practices related to spirituality and money. In his workshops and writings, Rev. Barkhauer also talks about the multiple understandings about stewardship in the biblical witness as they touch the whole life of a person of faith.

Rev. Dr. Janet A. Long

Rev. Dr. Janet Long was a beloved lifelong Christian Church (Disciples of Christ) minister who served as Senior Pastor of Washington Avenue Christian Church, Elyria, OH, for over 33 years. She was elected and served as Moderator of the Christian Church (Disciples of Christ) from 1995 to 1997. Following her retirement from full-time congregational ministry, Rev. Dr. Long worked as a Generosity Coach for the Center for Faith & Giving. Her service across the denomination included Christian Church Finance Council and Christian Church Foundation Board of Directors, including two years as Chair on the Christian Church Pension Fund Board. She was part of the audit committee and chaired the Board’s presidential search. She was a pioneer in many ways, as well as a faithful, insightful, dedicated, and effective leader who had a passion for stewardship and lived a life of generosity with her husband Dan Clark who survives her.

Rev. Melissa R. St. Clair

Upon Rev. Barkhauer’s retirement in 2024, Rev. St. Clair was called as the second Minister for Faith & Giving. She has led the congregations she has served in adopting wise stewardship practices, experiencing successful capital campaigns, and entering into innovative partnerships to serve not only the congregation but the community. She has a personal commitment to a life of generosity and is excited to welcome a diversity of voices to the table. She has 16 years of congregational experience in Disciples congregations, most recently serving as Senior Pastor of Heart of the Rockies Christian Church (Disciples of Christ) in Fort Collins, CO. Rev. St. Clair has served on the Board of Stewards of the Center for Faith & Giving. She is currently a leader/mentor for the Ecumenical Circle of the Bethany Fellows.