

Designated Funds provide an avenue for the Finance Committee to meet the requirements of Article VIII, B, 2-3, specifically reporting income and expenses from sources both inside and outside the church membership directed towards specific ministries approved by the Church Council or Finance Committee and beyond the constraints of the Church Budget.

For example, at times, individuals and groups from outside the church provide financial support directed to a specific ministry of our church (Buddy Break, Heaven Scent, For the Kids International). Proper recording of such gifts necessitate the creation of a designated fund. If the ministry also receives funds from the general fund, the designated funds shall be disbursed before drawing from the general fund.

At other times, ministries not included in the annual budget become active (Comfort Dog). Financial gifts in support of such ministries are recorded in a designated fund.

Creation of a Designated Fund - Before a designated fund is established, the Church Council or Finance Committee must determine that it either supports an existing ministry of the church OR supports the overall mission/vision of the Church.

A designated fund may be established for specific items not otherwise included in the budget. They may also be established against an in house ministry and if so the designated funds will be spent BEFORE budgeted monies are spent.

Designated funds may be set up for out of house ministries at the discretion of the Church Council or Finance Committee and the designated fund will be spent over and above any Church budgeted amount.

The Finance Committee reserves the right to refuse any gift which would be more appropriately administered through another charity, gifts which violate either the spirit of the law or the Internal Revenue Service regulations, or gifts which would be inappropriate for Christ Our Savior Lutheran Church, Consultation with the Church Council may be appropriate.

The Finance Committee will be unable to accept gifts designated to individuals. According to IRS code, gifts earmarked for use by a specific person are not tax deductible. Anyone wishing to make such a gift should give it directly to the individual and not through Christ Our Savior Lutheran Church.

At the time of approval, the Finance Committee shall establish a start date and a target end date for the fund.

Dissolution of a Designated Fund - A Designated Fund will be dissolved when the ministry is no longer active OR is absorbed into the Church Budget. Out of house ministries will get closed out on a yearly basis.

Management of a Designated Fund - All Designated funds will be reviewed on an annual basis by the Finance Committee, with input from the Church Council if required, at the time of the new yearly budget preparation to determine if the fund is still active and to determine a new end date or if the fund has fulfilled its objective. If the latter is the case any unused funds will be moved to the general operating budget of the Church to an account determined by the Finance Committee.

Designated gifts will be handled in accordance with the guidelines set forth above, and as far as reasonable, for the purposes for which they were designated. Christ Our Savior, through its Church Council, retains the right to remove the restrictions on a gift when it is in the best interests of the church to do so. This reservation of right shall be set forth on all Christ Our Savior solicitation materials relating to designated gifts. This reservation of right shall read as follows: "By contributing to any designated fund of Christ Our Savior Lutheran Church, donors acknowledge that the Church Council has the authority to apply designated contributions to another purpose when it is in the best interest of the church to do so."

Any donor-restricted designated gift outside of this policy must be in writing and will require Finance Committee review and Church Council approval prior to acceptance.