



St. John Lutheran Church

Designated Gifts Policy

General Statement of Goals

It is the goal of St. John Lutheran Church of Boerne Texas (SJLC) and its Congregation Council to promote financial stewardship to:

1. Encourage support with a variety of giving opportunities/options;
2. Establish the annual operating budget as the top priority for each year's fund raising goal;
3. Encourage tithes and unrestricted giving toward the budget;
4. Discourage (but allow) restricted giving toward the operating budget;
5. Establish separate (i.e. designated) funds for capital, emergency or specialized needs which are outside the annual operating budget but are part of the ministry and mission of the church;
6. Encourage designated support of these funds through "above and beyond" gifts;
7. Stimulate major gifts or bequests to build the St. John Endowment Fund.

Policy – Annual Budget Funding

In order to encourage unrestricted giving to the Operating Fund, to retain control of the budget process and to comply with both the letter and the spirit of Federal tax law regulations, it SHALL BE THE POLICY of the Congregation Council of SJLC to comply with the following procedures with respect to the Operating Fund in support of the annual budget:

Designated gifts to any line item of the budget are not encouraged; however, they will be accepted and credited to the designated line item until such time as that line item is fully funded by designated gifts. Such gifts may only be accepted to fund the approved budget amount of a designated line item and cannot be used to augment that line item budget amount. Any gifts exceeding the budget line item will be referred to the Congregation Council to determine the best use of the gift

Policy – Designated Funds

In order to promote financial stewardship, encourage support through a variety of giving options, provide funding for capital, emergency, or special needs outside of the annual operating budget, and encourage the startup of creative ministries and mission, the Congregation Council of SJLC hereby establishes the following policies:



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1. Designated gifts may be accepted only if:
 - a. The designation applies to a budget line item and meets the criteria set forth for such gifts in the policy for annual budget funding, or
 - b. The designation is for a Congregation Council approved designated fund or to the St John Endowment Fund.
2. The Congregation Council has sole authority to establish and/or dissolve designated funds which are outside the annual operating budget.
3. Designated funds requests are to be submitted initially to the church Business Office to first insure that the necessary criteria set forth in paragraph 5 following have been addressed. The Business Office will then refer the request to the appropriate committee, ministry, or mission which will then present the request to the Congregation Council with its recommendation for approval or denial. The pastor(s) may submit requests directly to the Congregation Council; however, such requests are still subject to the criteria of paragraph 5 following.
4. The Congregation Council will consider the following criteria when evaluating a designated fund request:
 - a. Does the request more properly belong in the annual operating budget?
 - b. If so, is the request urgent and important enough to require temporary funding until inclusion in the following year's budget?
 - c. Does the request fall within the scope of the church's overall vision of ministry and mission?
 - d. Will the request encourage "above and beyond" giving and not detract from the support of the budget?
 - e. The Congregation Council will review all designated funds annually. Those that have achieved their goals or no longer meet the criteria set forth in these policies will be terminated.
5. Any unexpended money remaining in the fund will be redesignated by the Congregation Council in accordance with the church's designated gift policy.

Designated Funds - Definitions

Designated Funds are funds established to meet the needs of missions and ministries of the church which are either not included in or not adequately covered by the annual operating budget.

These funds must meet the following criteria:

1. Designated funds may only be established by the Congregation Council. They may also be discontinued by the Congregation Council.
2. Designated funds will contain a specific statement of purpose.



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3. Designated funds will be defined as “temporary” or “permanent” in accordance with definitions set forth below.
4. Expenditures from funds may not exceed the amount available in the fund.
5. Designated funds may only accept donations conditionally in accordance with the church’s designated gifts policy.

Temporary Designated Funds

Temporary designated funds are established to meet a ministry or mission of the church which is event or need specific and whose accomplishment can be reasonably predicted and defined.

These funds must meet the following criteria:

1. They must meet a need not anticipated or included in the annual operating budget.
2. They must contain a statement of purpose which is to include the following:
 - a. The general objective of the fund,
 - b. The overall financial goals,
 - c. The identity of funding sources and activities to be used to reach these sources,
 - d. An anticipated budget setting forth expenditures,
 - e. The identity of beneficiaries of the fund, and
 - f. The disposition of any unused fund balance.
3. They must estimate the time necessary to achieve the purposes of the fund, and contain a termination clause which will be triggered either by the accomplishment of the purpose or the reaching of a financial goal.
4. They must identify the individual, position or committee responsible for oversight of the fund.
5. They will be reviewed semi-annually by the Treasurer and Finance Committee which will recommend to either extending the fund’s term if necessary or will recommend closure and disposition of any surplus or unused funds on hand to the Congregation Council.

Permanent Designated Funds

Permanent designated funds are established to meet long range or continuing needs of the church ministries and missions which do not properly belong within the annual operating budget.

These funds must meet or include the following criteria:



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1. They must support a ministry or mission that is either supplemental to or not included in the annual operating budget.
2. The need must be long term or recurring such that its accomplishment or termination is not determinable.
3. They must contain a statement of purpose, which is to include the following:
 - a. The general objective of the fund
 - b. Its financial goals
 - c. The identity of prospective financial sources and the activities to be used to reach those sources
 - d. An anticipated budget setting forth projected income and expenses the terms and conditions for making expenditures, and the general identity of intended beneficiaries.
4. They must identify the individual, position or committee responsible for oversight of the fund.
5. They must specify the disposition of any surplus or unexpended funds on hand when the fund is terminated.

Conclusion

Notwithstanding the foregoing, it is the policy of SJLC to accept all gifts conditionally. Designated gifts will be handled in accordance with the policies and procedures set forth above, and as far as reasonable for the purposes for which they were designated.

All gifts to St. John Lutheran Church are conditional and subject to the “best interests of the church” standard, set forth in the designated gifts policy.