

POLICY Ministerial Discretionary Fund
First Unitarian Church of South Bend

Affirmed by the Board of Trustees at their regular meeting on May 11, 2022

The purpose of the Ministerial Discretionary Fund (hereinafter MDF) is to provide emergency financial aid (not ongoing assistance) for members and friends of First Unitarian Church, South Bend, as well as for the community at large. When appropriate, requests will be first directed to community resources. At no time may the MDF be used to donate, endow, or subsidize organizations. It is used, as its name implies, at the discretion of the minister.

Because of the need for both confidentiality and accountability:

- The account will be held as a non-operating fund of the congregation.
- Only the minister may draw from the MDF fund.
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Sources

Contributions to this fund will come from a special collection taken at the Christmas Eve service each year and/or one or more share the plate Sundays as deemed necessary by the board to augment the fund.

Other contributions to the fund are accepted at any time, with no provisions

Contributions to the fund may be made by individuals or by allocations by the board or from the operating budget.

To allow contributions to be tax-deductible, no contribution may be designated for the benefit of any particular recipient.

Eligibility Requirements

Any person may request a disbursement from the MDF. Only members may request a disbursement of more than \$999.

No distribution may be made to the minister or to any member of their family at any time.

Any distribution to a church employee must be paid through payroll so that payroll taxes and reporting are correctly calculated and reported.

Recipients will demonstrate financial need, to the satisfaction of the minister. This may include acknowledgement of other resources, if any.

Recipients of gift cards (\$50 or less) may request one card each month.

Recipients of any disbursement other than gift cards must wait at least another month before receiving another disbursement.

Recipients of a disbursement over \$500 must wait at least six months before applying for another; recipients of disbursements over \$1000 (for members only) must wait at least a year.

Disbursements

Disbursements may be made by check or money order (made payable to utility company, landlord, medical facility, etc, and not to the individual), gift cards (including gasoline, grocery, drug stores, pharmacies, up to a maximum of \$50 per card), or church credit card (direct to the utility company, landlord/, medical facility, etc, and not to the individual).

Check requests will be submitted to the bookkeeper with the customary form.

If necessary, the minister may—with the prior knowledge of the treasurer—make a disbursement from their own funds, then seek reimbursement from the MDF. Such reimbursement requests must include receipts and a signed acknowledgement from the recipient (whose name will be kept confidential by all involved).

Record-keeping, Confidentiality, and Accountability

Recipients of the fund will sign a “thank you” note or acknowledgement of receipt

A maximum of ten (10) gift cards, of values up to \$50 each, may be purchased each month.

When gift cards are disbursed, the date, amount of the gift card, and its purpose will be entered into a logbook.

The minister will meet with the treasurer quarterly to review the logbook and to ensure the account is balanced.

The minister will make an annual report to the Board regarding how much was dispensed and for what purposes, including the extent to which members, friends and others have used the fund.

The minister will keep the logbook and the notes/acknowledgements in a locked file cabinet.

The Treasurer should review the canceled checks and receipts to confirm adherence to the written policy, and will keep confidentiality around any details.