

Congregational Charitable Fund Policy
First Unitarian Church of South Bend

First approved on May 11, 2022.
Revision proposed July 2023.

Red sections are carried over from the original policy. Black is the new revision.

1. The Congregational Charitable Fund (CCF)

- 1.1 The primary purpose of the CCF is for the minister to provide emergency financial aid, but not ongoing assistance, for members and friends of First Unitarian Church, South Bend, as well as for the community at large. The minister should direct them to community resources first and document such referrals as part of their record of each transaction.
- 1.2 The CCF is a part of church finance resources and its assets. It is subject to Board oversight and regulation.
- 1.3 The minister may use the fund as the representative of the congregation. If a person other than the minister wishes to use the fund, the board must approve it. The congregation has the right to know how the money is disbursed (5.5).
- 1.4 The CCF may not be used to donate, endow, or subsidize organizations.
- 1.5 Disbursing the money from the fund is not the minister's primary job function. Their activities for the CCF must be managed outside of regular ministerial work hours.
- 1.6 This revision from the original May 11, 2022 version adds procedures for accountability and record keeping by the church office, in order to protect both the church and the minister by clear accountability.

2. Sources of the fund

- 2.1 Contributions to this fund will come from a special collection taken at the Christmas Eve service each year, and share the plate Sundays as deemed necessary by the board to augment the fund.
- 2.2 Contributions to the fund may be made by allocations by the board.
- 2.3 Other contributions from individuals to the fund may be accepted after a board approval.

3. Eligibility Requirements

- 3.1 Any person may request a disbursement from the CCF for a maximum of (TBD) \$1,000.
- 3.2 Only members may request a disbursement of more than (TBD) \$1,000 with a board approval.
- 3.3 No distribution may be made to the minister or to any member of their family.
- 3.4 Any distribution to a church employee must be paid through payroll so that payroll taxes and reporting are correctly calculated and reported.
- 3.5 Recipients must demonstrate their financial need to the minister. This may include acknowledgement of other resources. The minister must retain the proof of financial need in order to request disbursements. The minister shall provide the bookkeeper or the treasurer with a copy the forms and processes they use to document financial need, and shall provide an update to them any the time of any change.

3.6 Wait periods

Recipients of disbursement must wait for a period as defined in the table below to be eligible again.

Amount of disbursement received	Minimal wait period
Gift card \$50 and under	1 month
Less than \$500	6 months
More than \$500 and under \$1,000	12 months

More than \$1,000 (Members only)

12 months

4. Disbursements

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

4.2 The minister must collect signature for acknowledgement of receipt from the recipients. The minister should explain to the recipient that by signing they accept that their documents including their names will be stored at church office for record.

4.2 Disbursements by gift cards

4.2.1 The minister may purchase a maximum of ten (10) gift cards, of values up to \$50 per card per month. Gift cards must be for specific uses permitted by this policy.

4.2.2 The minister must record the name of the recipient, the date, amount of the gift card, and its purpose. The minister must submit copies of records to the bookkeeper at a later date. Late submission is subject to (5.2).

4.3 Disbursements by check

4.3.1 Check requests must be submitted to the bookkeeper with the customary form and documents that demonstrate the person's financial needs per (3.5). The request must include documents with the name of the recipient in order to track eligibility requirements as defined in (3.6).

4.3.2 The minister must submit photocopy of acknowledgement signatures collected from the recipients of disbursements at later date.

4.4 Disbursements by church credit card

4.4.1 Church credit card may not be used for disbursements including purchase of gift cards due to potential delay in submission of receipts and documents before card payment due, or to prevent the fund be disbursed when the fund is in conditions described in (5.2) or (5.3). The minister can use their own funds and seek for reimbursement at later date. It will be a subject to (5.1).

4.4.2 A reimbursement request for personal fund follows the procedure (4.3.1). Documents per (4.3.2) must be submitted with the request.

5. Record-keeping, Confidentiality and Accountability

5.1 It is the Bookkeeper and the Treasurer's duty to ensure accountability of the fund activities. They can ask the minister for a clarification of disbursement requests that lack evidence or appear questionable. The treasurer must report irregular activities to the board.

5.2 When the bookkeeper or the treasurer finds more than \$300 of mismatch or missing documents, new checks including ones already printed cannot be signed until all past disbursements are confirmed. This is to ensure documents are submitted to the office in timely manner.

5.3 To the extent that insufficient, inadequate or untimely documentation has been presented by the minister to the treasurer or bookkeeper, the treasurer shall have the authority to suspend the minister's use of the Church credit card, or suspend the minister's access to the fund until such deficiency is remedied.

5.4 The treasurer reports the fund activities to the board quarterly, in September, December, March, and June.

5.5 The minister uses this fund as the representative of the congregation (1.3). The report must be posted in the church building to let the congregation know how the fund was spent. The treasurer's report as defined in (5.4) shall be posted in the church building.

5.6 Labor of the bookkeeper managing and monitoring the fund activities shall be charged to the CCF. Any penalty incurred by misuse of the fund, such as late payment of credit card, shall be charged to the CCF.

5.7 Bookkeeper, Treasurer and Staff who process disbursement requests keep confidentiality of fund recipients.

5.8 The Board reserves the right to make changes to the CCF policy and the minister shall adhere to the changes made by the Board.

Revision drafted by Elena Wake, Treasurer FY 2023-24

Approved by the Finance Committee, July 2023

To be approved by the board of FY 2023-24.