St. Timothy Lutheran Church
Designated Funds Policy

1. Designated funds are donations given to St. Timothy Lutheran Church ("STLC") which come with donor restrictions as to how the moneys may be spent.

2. The donor restrictions may be explicit (either verbally or in writing) or implicit (e.g., contributions received from a car wash fund raising event for a Youth Group trip).

3. Donations received without external restrictions will be placed in the STLC General Fund. This includes unrestricted "memorials", which are donations typically given in memory of one or more deceased persons. Restricted memorials received by STLC will be handled according to the following procedures.

4. Externally restricted donations will require designated funds accounting and reporting by the STLC Treasurer. The Treasurer will set up separate accounts and or funds, as appropriate in the circumstances, to account for and report on all designated funds.

5. The Treasurer will report each month to the STLC Church Council all designated fund balances, along with any newly received donations and their associated restrictions.

6. The Council will monthly approve or disapprove the acceptance of all new donations and donor restrictions.

7. Donor restrictions which are acceptable to the Council will allow STLC to spend the donations received **only for the donor restricted purposes**.

8. Donor restrictions which are not acceptable to the Council will require the associated revenues be returned to the donor(s) if the restrictions cannot be modified or removed by the donor(s).

9. Upon approving the acceptance of newly received designated funds, the Council will assign management oversight of the funds to the appropriate STLC Board or Committee chair person(s).

10. The Treasurer will report to the Council for their review and decision making all unspent designated fund balances remaining after twenty four (24) months.

_____   _____ 4/8/2008
Approved by Finance Committee   Date   Approved by Church Council   Date

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