

FINANCIAL FOUNDATIONS



TWO ESSENTIAL POLICIES FOR ACCEPTING GIFTS

Recently, we have had an increase in inquiries about setting up Endowments and Investments in our Churches. Before building your endowment, two essential documents to have in place are a Gift Acceptance Policy and a Spending/distribution policy. Having these policies in place will help committees accept gifts that support the mission of your Church and spend the earnings from these gifts in ways to be true to the donors' wishes.

A written **gift acceptance policy** helps manage donors' expectations (while treating them with respect) and serves as guidance for church committees and staff members who are either asking or receiving contributions. The most significant reasons to adopt a gift acceptance policy include: a) gift aligns with the mission of your Church, b) are you equipped to manage the gift; c) do you need the gift (if not, it's ok to say no), d) it helps build relationships with the donors, e) depersonalizes the situation of not accepting a gift from a loyal donor or member of your church.

A written **spending/distribution policy** helps balance predictability and stability while preserving and growing the corpus of the account. The policy should include statements that indicate your Church's position on the following: a) the preservation of purchasing power expressed in a targeted return, b) how much income is needed from investments to support the church operating budget, c) identifying exceptional spending and preventing erratic spending, d) how does your account perform with inflation and investment expenses?

Each of these policies will help your Church strengthen resources and prepare for donations for the future. For more information on how we can help you build your resources, tune into our Financial Foundations webinar on Monday, May 10th at 7:00 PM or contact Sheri at the Dakotas & Minnesota United Methodist Foundations at sheri.mesiter@dkmnmf.org.

CONTACT INFO

Finance Office
Jeff Pospisil
JoAnn Schlimgen
Dana Bassett
605-990-7786
finance@dakotasumc.org

Benefits Office
Leana Stunes
605-990-7785
benefits@dakotasumc.org

Foundation Office
Sheri Meister
Diane Weller
Kelsey Morgan
605-990-7790
info@dakotasumf.org

Lilly Grant Program
Diane Owen
507-244-0311
diane.owen@dkmnareaumc.org

www.dakotasumc.org
www.dakotasumf.org

PO Box 460
Mitchell, SD 57301

FINANCIAL ASSISTANCE FOR CHURCHES

I visited with a pastor this week whose church is currently doing fine financially but was concerned about the number of members lost during the pandemic that had been faithful and generous givers to the church. This was likely going to be a financially difficult summer for the church. If your church is in a similar situation, here are some options:

- **Government Assistance:** Churches may be eligible for a second PPP Loan (deadline 5/31/21). There are also significant payroll tax credits (FFCRA or ERC) for churches with lay employees. Updates are posted to www.jctaccounting.com.
 - **Board of Pensions:** This group is meeting on May 13th to decide how to best help churches. Last year, they were able to provide a "Direct Bill Holiday." In prior years, a rebate check was issued.
 - **Conference:** Contacting your District Superintendent is a good place to start.
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CLERGY HEALTH FACTORS – WHAT MATTERS MOST

The Church Systems Task Force research identified 13 factors that are highly correlated with clergy health, differentiating those who are healthy from those who are unhealthy. The 13 factors identify sources of stress, challenges to maintaining physical health, obstacles to emotional health, impacts upon social health, the importance of spiritual health and the influence of finances. Individuals who are able to manage and address these factors tend to be healthier. Healthy churches and congregations foster healthy clergy and church leaders— and vice versa. These factors are relevant for church leaders, clergy and laity alike. The Wesleyan way inextricably links the health of the Church with the health of its clergy. The leadership of healthy clergy is essential for vital local churches and vibrant mission in the world. The 13 clergy health factors are: job satisfaction, relationship with congregation, work/life balance, living authentically, personal centeredness, marital and family satisfaction, stressors of the appointment process, eating habits in the work setting, personal finances, existential burdens of ministry, appointment changes and relocation, education, and preparation for ministry, outside interests and social life.

LAUNCHING A FINANCIAL MINISTRY

How can you help individuals in your congregation and in your community address their financial struggles? We know that finances can be a source of discord and conflict in marriages and relationships. We know that a person's ability to give generously, an essential element to maturing in faith, can be hindered by troubled finances and an unhealthy relationship with money. We know that most people really don't want to talk about money – anywhere – and certainly not in church. And we know the last 12 months have created unusually high levels of financial stress on individuals and families.

Providing options for people to begin addressing these challenges can be an important first step of your financial ministry. Did you know that you can obtain funding to support this ministry through the Financial Ministry Grant or by applying for a Breakthrough Ministry Grant? As you begin to safely gather together again, consider offering a small group around one of the following financial education options:

- Ramsey's Financial Peace University
- Saving Grace, from a Wesleyan perspective
- Good Sense Movement, Freed Up Financial Living and more
- Six Weeks on Money, a digital course and small group experience

Launching a financial ministry by helping individuals improve their personal financial health through education is a great first step!