

First Unitarian Church Of Alton

Board Policy on Memorial Fund

Purpose: Ensure financial accountability and transparency in the use of the Memorial Fund

Action taken: Approved at December 11, 2014 Board Meeting

Introduction: Historically a separate fund has been maintained for large donations outside of normal pledging. These contributions were often made in honor or memorial of a long time member. The intent of this fund is to remain outside of the normal annual operating budget specifically to fund unanticipated and/or special purchases. The fund is governed directly by the board and can be accessed immediately for board approved purchases. This is a different purpose from that of the Endowment Fund which was intended as long term growth fund which would contribute a percentage each year to the general operating budget.

Policy:

Record Keeping

The treasurer shall maintain the Memorial Fund as a separately listed and reported fund of money from that of the general operating budget. The treasurer and bookkeeper are responsible for properly separating, recording additions and expenditures from the fund, as well as periodic reports to the board and congregation. The funds may be deposited in the church general checking account as long as logical bookkeeping controls are maintained to properly segment these funds.

Additions to Memorial Fund

Contributions specifically marked in writing as Memorial Fund by the donor go directly into the Memorial Fund. Marking a contribution may include, but is not limited to, memo line on a check, placing in a marked envelope, or including with a letter of explanation.

Any other large donation suspected to be intended for the Memorial Fund may only be added to the fund by way of board vote. This includes all word of mouth designations, third party or direct from donor. This also includes any large donations that the treasurer is unsure of designation, perhaps due to ambiguous memo, etc. Without board approval, such donations will go into the general operating budget.

Spending the Memorial Fund

The general operating budget is designed to cover most recurring monthly or annual expenses of the church. When an unanticipated repair or new purchase falls outside of the general budget, the Memorial Fund may be used if the expense is approved by board vote. As good stewards of these special donations, the board should consider all other possible funding solutions, such as using reserves or building an expense into next year's budget. However, the Memorial Fund is intended to further the good work of the church and a board vote shall be the determining factor for spending any one-time maximum of \$5000. Any amount over \$5000 shall require a simple majority congregational vote.