

Policy 401 BUDGET MANAGEMENT POLICY

The goal the budget management process is a balanced General Fund budget and ending the year without a deficit. Because Church funding depends on the willingness and ability of members to give, achieving this goal is not always easy.

Designated Funds allow givers to specify programs or projects for their gifts and often help with cash flow. Designated Funds also require management. The following are policy guidelines that the Board and Finance Cabinet have developed over several years to assist in this process.

1. Cabinets have the right to reallocate their budgets within the program accounts (Administrative, House & Grounds, Christian Education, Fellowship, Outreach, Worship, Personnel) they oversee without Board approval. However, salaries may not be changed without Board approval.
2. Fund Raising projects (e.g., Craft Fair) will not be carried as line items in the General Fund budget.
3. Limits on spending budgeted items without prior approval may be set for individuals, cabinets, committees, or staff by the Finance Cabinet in cooperation with the Board.
4. The interest earned on the money market at Oregon State Credit Union and the CD at Disciples Church Extension Fund will be posted to the General Fund. Interest earned on the basic account at OSCU will be posted to the Unemployment Self-Insurance Fund.
5. An administrative overhead fee in the amount of 5% will be collected from each starred account (Designated Fund) with a positive balance at the end of each year and posted to the General Fund. Note this policy passed in 2008 and was retroactive to 2007.
6. Mission Pass Through gifts will be paid out at the end of each quarter unless there is urgency. An example of urgency would be gifts to Week of Compassion for a specific emergency.
7. Special gifts: The individual purchasing the gift will only spend the amount received by the deadline. Any amount that is received after the deadline will be forwarded to the recipient later.

Approved: 10/14/96; # 7 approved 2/19/90; # 4 & 5 approved 1/22/08

Board approved revised policy Jan 25, 2010

Board approved revised policy April 19, 2010

Revision to #4 recommended by Finance Cabinet, May 10, 2021

Revision to #4 adopted by the Board, Aug. 17, 2021