

**First Presbyterian Church
Smithfield, NC**

**Finance Policy and Guidelines
For the handling of Gifts and Donations**

First Presbyterian Church (FPC) in Smithfield, NC is richly blessed with dedicated members, their services and the gifts of their possessions, and is challenged with opportunities for greater stewardship. “As each has received a gift, employ it for another, as good stewards of God’s varied grace whoever renders it by the strength which God supplies, in order that in everything God may be glorified.” (1 Peter 1: 10 – 11).

This policy establishes a process by which the Finance Committee can assist church members, families of church members, corporate entities and others with the handling of donations and large gifts (hereafter referred to as “gifts”) to the church. It is the policy of the Finance Committee and Session to encourage generous giving to the church, and that all giving be entrusted to the church to utilize those gifts in a manner consistent with the policies of First Presbyterian Church in Smithfield, the Presbytery of New Hope and the Presbyterian Church (USA), but above all in keeping with the teachings of our Lord and Savior, Jesus Christ, who is head of the Church.

All decisions and actions by the Finance Committee as it relates to and outlined in this policy shall be reported to and approved by the Session at least annually, unless otherwise noted.

Finance Committee

1. The Finance Committee (hereafter called the Committee) shall consist of church members, all of who are in good standing with FPC. The Pastor / Head of Staff shall also serve on this committee as an ex-officio member of the committee.
2. The Committee shall establish rules, regulations, standards and guidelines for the handling of donations and gifts that are consistent with existing church financial policies and the unified budget¹ of FPC.
3. The Committee shall maintain complete and accurate records of all accounts and all transactions regarding donations and gifts and report to the Session on a regular basis.
4. No member of the Committee shall engage in any self dealing or in transactions in which the member of the Committee has direct or indirect financial interest, and a member shall at all times refrain from any conduct in which the member's personal interests would conflict with the interests of the Church or its financial obligations or responsibilities or the handling of any donations or gifts made to FPC. This provision shall not, however, prevent any member of the Committee from making a gift to the church.
5. The Committee shall handle all donations and gifts in accordance with the unified budget of FPC.

¹ "Unified budget" is defined as the annual budget of First Presbyterian Church Smithfield as recommended by the Finance Committee to, and approved by, the Session. The unified budget provides for church operations, missions, capital, and other projects.

Finance Committee Duties and Powers

1. The Committee shall be responsible for the initial receipt, handling, processing and administering all donations and gifts made to FPC. It shall be the responsibility of the Committee to ensure that all donations and gifts are given consistent with this policy and that donors are fully aware of this policy prior to the rendering of any gifts.
2. The Committee shall report on a regular basis to the Session, any and all transactions or dealings relating to donations and gifts. This provision, however, can be suspended for a limited time, to accommodate the handling of any donation or gift if privacy or confidentiality is required. The suspension, with Session approval, of this provision will only be for a maximum of 3 months, and then must be renewed by Committee vote to suspend, with Session approval, for an additional 3 months if required. Once the particular transaction is complete, this provision will again be enforced and the transaction shall be reported to Session, but with consideration for privacy and confidentiality of the donor if requested.
3. The “unified budget” is defined as the annual budget of FPC as recommended by the Committee to, and approved by the Session. The unified budget provides for church operations, missions, capital, and other projects. Unless specifically reviewed and recommended by the Committee to Session for approval, any item or project not contained within the approved budget shall not be considered a part of the unified budget and shall not be funded.
4. A “gift” is generally defined as a voluntary transfer of personal property or money, without consideration. The essential elements of a gift are the competence of the donor, intention of the donor to make a gift, the complete delivery of the gift and the acceptance of the gift by the Committee.

5. The Committee may receive funds through, but are not limited to: gifts, memorials, bequests, wills, estates, marketable securities, life insurance, etc... from any individual, corporation, organization or any other source in cash or in other property in accordance with these guidelines. All donation or gift funds and property shall be kept and maintained separate, distinct and independent from the funds and property otherwise belonging to FPC until all transactions with the particular donations or gifts is complete.
6. All gifts made to FPC shall comply with IRS Charitable Gifts Guidelines and shall not create any risk liability for FPC.
7. The Committee may not accept the following:
 - a. Gifts which might have risks of ownership or liability (e.g. environmental, etc...)
 - b. Assets or properties which are not readily useable in FPC programs or not easily and quickly salable.
 - c. Corporate or other securities which cannot be immediately sold for cash.
8. Any gift that may need to be considered for an exception to item #6 above must be considered fully by the entire Committee with guidance from the Session.
9. The Committee shall communicate to all donors that any and all donations and gifts given to FPC shall be accepted by the Committee with the clear understanding that FPC shall have complete discretion and control over the use of the donations / gifts providing for the unfettered utilization of all funds consistent with the unified budget of FPC.
10. For gifts or donations of \$50,000 or more, the Committee shall consider, on a case by case basis, donor wishes to designate or restrict the donation or gift. In these cases, the Committee will advise the donor that a review of the donation / gift is required and that the Committee will collaborate with the donor to find a solution that can be consistent this policy, the unified budget of FPC and the donor's wishes. It should be noted that in these cases the Committee has an obligation to ensure that FPC will have complete discretion and control of any and all donations and gifts and if such discretion and control cannot be reasonably obtained, then the Committee can refuse to accept such donations and gifts.
11. The Committee shall recognize a donation or gift to a donor only after the Committee has total and unfettered control of said donation or gift.

12. The Committee will arrange with any donor to maintain whatever level of confidentiality or privacy that may be required / requested consistent with this policy.
13. The Committee will, if necessary, arrange for an independent third party, of the Committee's choice, to handle any financial arrangements for a donation or gift.
14. If third party services are requested / required, the fees for such services will be negotiated with the donor to be covered by the donor as a separate fee, or with proceeds from the donation / gift. The application of this requirement is at Finance Committee discretion, and shall ensure that FPC is not encumbered with excessive costs or burdens.
15. The Committee will at all times, operate with the highest level of confidentiality, respect, professionalism and decorum as is required and expected during any and all transactions of any donations or gifts made to FPC.
16. Once all transactions for the receipt of a donation and gift are complete, the Committee will evaluate the best use of the funds from the donation or gift and will recommend to the Session that best use of the funds consistent with the unified budget of FPC.
17. Any responsibilities of the Committee not defined in this policy and determined to be required or necessary, shall be enumerated herein and submitted to the Session for approval.
18. Upon finalization of the receipt of any gift or donation, an acknowledgment of such gifts and donations, as is appropriate, shall be made to the donor by the Chair of Finance Committee and by the Pastor / Head of Staff.