

FUNDRAISING POLICIES, PRINCIPLES AND PROCEDURES

2.2 General Fund Raising Guidelines

We financially support the ongoing ministries of Dahlonge Baptist Church through the budget of the General Fund. However, at times, additional funding may be required for specific projects, trips, or ministries which are not covered by the General Fund. The purpose of this policy is to allow us to take advantage of fundraising opportunities in a way that preserves congregational relationships, protects our tax-exempt status, and upholds Dahlonge Baptist Church's vision, mission, and values. Fundraisers should never overshadow the practice of stewardship. Nor should funds be raised for unnecessary items that may be luxuries when other essential needs in the church are not being met. This policy is to be administered by the Board of Directors and Church Administrator.

- .01 In evaluating the event, the Board will also determine if the proceeds generated from the event qualify as Unrelated Business Income (UBI). Federal laws require nonprofit organizations to pay federal income taxes on income that was produced from activities that are not directly related to their exempt purpose and are regularly carried on. In determining if UBI was generated, the IRS will be more concerned on how the funds were raised, rather than how the profits will be spent. In other words, it does not matter if the profits are planned to be used for an exempt purpose; the issue is, were the profits produced from a charitable, religious or educational purpose? Furthermore, the IRS acknowledges that "intermittent" activities are not "regularly carried on" and therefore cannot be a taxable unrelated trade or business. However, they do stress that the "preparatory time for an event must be taken into account in determining whether an activity is regularly carried on." The Church Administrator will assist the Board in making such evaluations.
- .02 Ministry leaders or employees are not allowed to receive royalties for any products that are used/given for fundraising or promotional purposes. Furthermore, no portion of any fundraising proceeds may inure to the private benefit of a member, leader or employee of the Church.

FUNDRAISING TYPES

- Gift-giving: cash contributions of all sorts including Annie Armstrong Easter Offering, World Hunger, Mission trip giving
- Gifts in Kind: non-cash gifts such as food pantry donations and donation of supplies
- Fellowship Events: Mother's Day Luncheon, Fish Fry, Valentine Banquet, for which a suggested donation or a per-person fee is charged and the primary purpose is fellowship and community building

- Sales: the selling of services or merchandise to members or attendees such as book sales, CD sales, car wash, and Gold Rush parking
- Solicitations and General Appeals: general appeals to the entire congregation at large group gatherings, typically worship times, for benevolence, disaster relief, church-wide campaign, etc, or, at the Pastor's discretion, in response to a congregational, local, national, or international disaster (e.g., Hurricane Katrina)

PRINCIPLES

In order to help the church practice good stewardship, to act respectfully toward members of the congregation and others who are asked to support the church and its fundraisers, as well as supporting the goals of groups which participate in fundraising, the following principles are offered as a foundation for church fundraising policies:

- The fundraising activity must address essential elements, and not gratuitous wants or luxuries of the church group.
- The fundraising activity itself must be compatible in its content and the way it is conducted to the identity and mission of Dahlonaga Baptist Church as a Christian community of faith.
- The group raising funds must be aware of and respectful of the needs, customs, and integrity of church ministries and organizations and should seek to build partnerships in cooperation with other groups to avoid competition and duplication.
- Church groups, in planning their fundraising activities, must be respectful of the members of the church and of the sacredness of the Church's worship times and sacred spaces.
- Because of the Church's duty to serve the poor, all fundraising activities must be respectful of those who are unable to contribute.
- The church, in its administration of other funds raised, has a responsibility to be a good steward of these funds.
- The church should be informed, in a timely manner, before, during, and after any fundraiser as to the goals and accomplishments of those fundraisers, including prompt reporting of final totals and acknowledgement of volunteers and supporters of the fundraiser.

POLICIES

These policies are to be followed strictly by all church groups which participate in fundraising. Exceptions are noted, or will be granted, as it is judged appropriate by the Board of Directors.

APPLICATION & APPROVAL

All special fund raising events which are to be planned and coordinated by a ministry of DBC or any of its integrated ministry auxiliaries must be approved by the Board of Directors in advance of any promotion. Generally, most fundraisers will be submitted for review during the fall budgeting process.

- A *Fund Raising Request Form* will be used to gather pertinent information regarding the possible event. The Board of Directors will evaluate the event to determine if it complements Dahlonge Baptist Church's mission and purpose statement. Other considerations will include: planned ministry results, calendar conflicts, demands on staff, financial plans, facility use, planned promotion, etc.
- Applications will be reviewed within one (1) month after being submitted, on a first-come, first served basis.
- The decision for or against approval may not be immediate, depending on the need for further information or consultation.
- Fundraising programs beyond those of DBC such as CHP, Habitat for Humanity, Angel Tree, etc., must submit a request at least three (3) months prior to the fundraiser.

NUMBER OF FUNDRAISERS & GENERAL APPEALS

.01 Each church organization may be allotted two (2) limited term fundraising activities per year, assuming the availability of the space and scheduled time. Missions and Youth may be permitted up to three (3) per year.

.02 No more than one (1) fundraising event or general appeal will be scheduled per Sunday.

PURPOSE OF FUNDS

.01 The financial goal of the fundraiser, in dollar amounts is to be indicated on the application, as well as any pre-event publicity.

.02 The purpose of the funds to be raised must be publicized before the fundraiser by way of the Church newsletter, promotional flyers, or church website. These means of publicity must be mentioned in the application for approval.

REPORTING

.01 The group that is conducting the fundraiser is responsible for reporting to the Church the total amount of proceeds raised, and how the proceeds were divided among various accounts, and then publishing the fundraiser results in the Church newsletter or bulletin within one (1) month of the completion of the fundraiser

.02 After the fundraiser has been concluded; a *Fundraiser Final Report Form* shall be prepared and submitted to the Church Administrator and Board of Directors within ten (10) days. This evaluation will assist in determining the success of the fundraiser and if it should be planned again at a future date.

HANDLING OF FUNDS

.01 All cash receipts of the fundraiser are to be submitted to the Church Office within twenty-four (24) hours of fundraiser completion.

.02 Requests for reimbursements are to be submitted using the Church's *Purchase Order/Check Request* system.

EXCEPTIONS

Exceptions to this policy or to any part of it will only be granted by way of the application process through the Board of Directors.