**DESIGNATED FUNDS POLICY**

Redeemer Free Lutheran Church models the concept of tithe for its members by giving 10% of all unrestricted donations to the AFLC.

Redeemer Free Lutheran Church adopts this policy in order to comply with legal standards of charitable contributions. Some examples of legal compliance are.

“The contribution is unconditional and without personal benefit to the donor.”

“The contribution is made to or for the use of the church.”

“The value of personal services is never deductible as a charitable gift.”

“No deduction is allowed unless the church exercises full administrative control over the donated funds to ensure that they are being spent in furtherance of the church’s exempt purposes.”

Integrity and Confidentiality:

Redeemer Free Lutheran Church handles funds with a high standard of integrity and accountability. All donations are recorded in the church records, reported monthly to the church board, and audited annually. It is the intention of Redeemer Free Lutheran Church to maintain donor confidentiality unless permission is specifically granted by the donor.

Policy of the church:

1. Givers are strongly encouraged to support first and foremost the unified budget of the church with their regular tithes and other freewill offerings.
2. The Church reserves the right to refuse any donation for any reason. The church will receive designated giving only to areas which are church approved or are already part of the church approved budget. No designated gifts will be received until the church approves that fund.
3. All designated accounts will be under the control of the church council, to determine how the money is used, which will become part of the regular finance report to the church.
4. Each designated account must be general in nature(Mission trips, Missions offerings, Evangelism, Building Improvement, New Equipment, Benevolence, Ministry projects, etc.) and not specific in nature (a microphone fund, a rocking horse fund, a curtain fund, a sauna fund, etc.) Donations received designated to a specific individual will not be reflected on the donor’s record of giving.
5. Members’ suggestions for its use may be considered, but the decision must be based on best use in the context of the church’s ministries.
6. If a designated gift is received, that does not fit this policy, the check will be returned to the donor.
7. Non-cash gifts to the church will be acknowledged with a letter of appreciation that describes the donated property but does not indicate a value for the donated item. For larger non-cash gifts (over $5,000 in value) the church will comply with donor needs for appraisal and completion of Form 8382. Donors of vehicles will receive Form 1098-C within 30 days of the gift receipt as well as notification of any value received from disposal.
8. Any monies left over from a designated fund will go into the general fund.
9. All payments are subject to availability of funds.
10. See current list of Designated Fund accounts posted on bulletin.
11. See IRS publication 562 you cannot deduct “Contributions From Which You Benefit”.

**Designated Fund accounts of Redeemer Free** as of Jan 2013

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Missions Fund

Other Organizations Fund

AFLBS Scholarship Fund

1st Sunday of the Month Fund

Church Meals Fund

Youth Activities Fund

Bible Fund

Travel Fund

Benevolence Fund