

# Oregon Pacific District Church of the Nazarene

## QUICK START GUIDE



## CHURCH TREASURER



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## WHAT IS THE FUNDING PLAN FOR THE CHURCH OF THE NAZARENE?

*This information is provided for pastors and local church leaders to understand the current funding plan and why it was implemented.*

## LIVING GENEROUSLY THROUGH THE FUNDING THE MISSION PLAN

The funding plan is “tithe-like” in that it is based on the local church’s current fiscal year income. As your church sends in mission gifts, whether a World Evangelism Fund gift or a mission project gift, those gifts are subtracted from your church’s income and the goals are recalculated. There is never any giving goal calculated on any gift that your church gives towards Nazarene missions.

The plan funds the World Evangelism Fund, Pensions and Benefits, District and Education goals.

For generations, Nazarenes have supported the World Evangelism Fund. Working together, we accomplish so much as the Body of Christ to make Christlike disciples in the nations. In the Funding the Mission plan, the World Evangelism Fund is the vehicle through which we deliver the message of hope, and your church drives that mission.

Pensions and Benefits USA receives no monies from the World Evangelism Fund. Instead, it depends on giving by local churches in the U.S. to the Pensions and Benefits Fund. Your support provides:

- Monthly Basic Pension Plan payments to almost 5,000 retired ministers and widowed spouses;
- Annual contributions (Annual Pension Supplements) to the 403(b) Retirement Savings Plan accounts of thousands of eligible ministers, associate ministers, evangelists, and district superintendents;
- Premiums for the Active Survivor Benefit and the Retiree Survivor Benefit;
- Emergency medical assistance to pastoral families experiencing extreme need;
- Funeral assistance to pastoral families who are struggling to meet final expenses;
- And more.

The local church’s District Goal helps fund missions, children and youth ministries, camp and new initiatives of the district, and a generous offering to the Nazarene Bible College and Seminary.

Finally, the Education Goal goes to the regional university and helps fund the scholarship program for Nazarene students.

## CHURCH RECOGNITION FOR GENEROUS GIVING

In the new giving plan, the Board of General Superintendents and the General Board have asked local churches to give at least 5.5 percent of total local church income to WEF. The generous giving of Nazarenes and churches enables the Church of the Nazarene to flourish. Churches that reach or give beyond that goal will be recognized as follows:

**1. World Evangelism Church**

Congregations that give at least 5.5% of their total income for World Evangelism and meet all other district, educational, and Pensions & Benefits (U.S.) goals.

**2. World Evangelism Church of Excellence (NMI)**

Congregations that give at least 5.7% of their total income (or exceed the 5.5% goal by \$1,500 US) for World Evangelism.

**3. Mission 10 (15, 20, 25, 30, +) Church**

Congregations that give at least 5.5% of their total income for World Evangelism and meet all other district, educational, and Pensions & Benefits (U.S.) goals and generously increase their giving for Nazarene Approved Missions Projects (World Evangelism and Approved Projects) to 10 (15, 20, 25, 30) % of their total income



# CHURCH OF THE NAZARENE

## FUNDING THE MISSION

## HOW TO report income at [fundingthemission.org](https://fundingthemission.org)

When you report income, [fundingthemission.org](https://fundingthemission.org) automatically calculates your giving goals. Below are step-by-step instructions. You can see more how-to directions on our [FAQ page](#), or email us at [stewardship@nazarene.org](mailto:stewardship@nazarene.org).

- 1 Open a browser and go to [fundingthemission.org](https://fundingthemission.org). Click "Login" at the top right. Follow the prompts to enter your login information.

Living Generously Through  
Funding the Mission

..... This tool allows the local church to record income, track progress toward allocation goals, and make itemized online contributions. Not signed up yet? Contact your district office or email [stewardship@nazarene.org](mailto:stewardship@nazarene.org) .....

Secure Login

Username

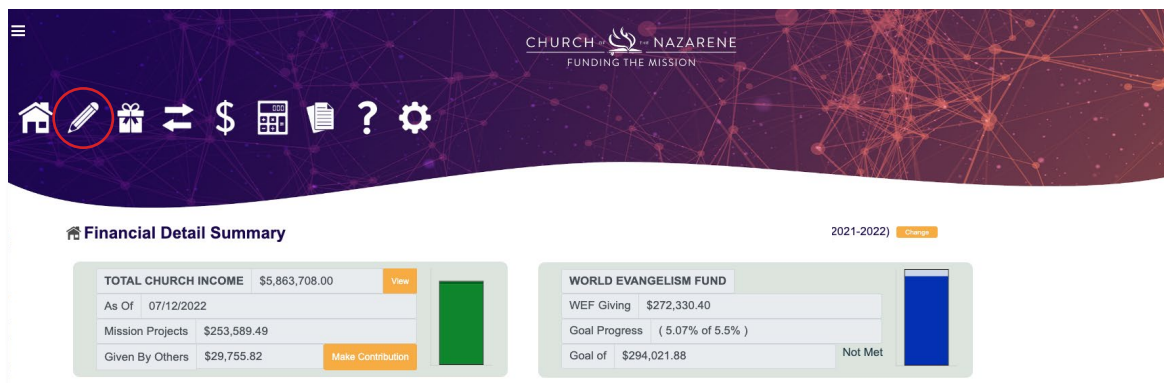
Password

Login

[Forgot Login?](#)

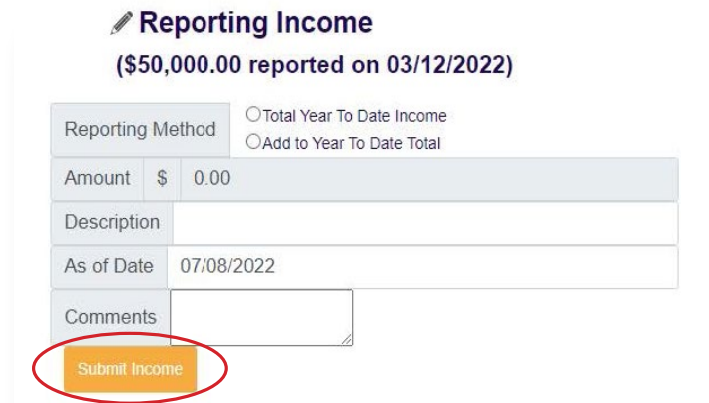
If you are not a [fundingthemission.org](https://fundingthemission.org) user, contact your district office or Stewardship Development at [stewardship@nazarene.org](mailto:stewardship@nazarene.org) or 800-544-8413. We'll be happy to give you access to your church or district.

- 2 You should now see the dashboard for your church. Click on the pencil icon to go to the report income page.



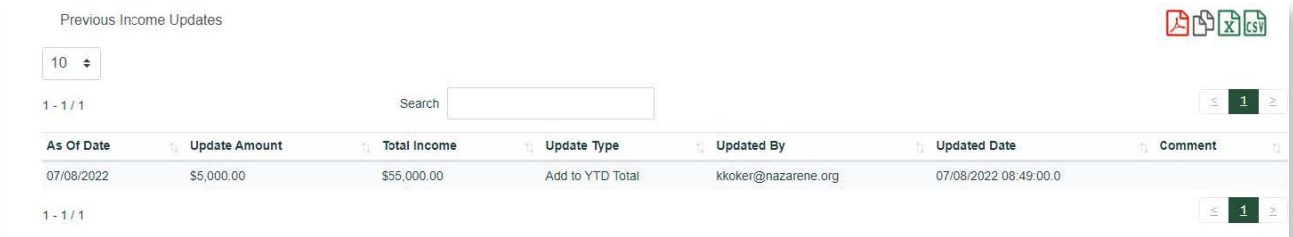
- 3 Once the page loads, you will see a form that allows you to submit or update your church's income. There are two ways to report income. "Add to Year To Date Total" allows you to add to the total income that is already reported (visible above the form). Selecting "Total Year To Date Income" will override any previously reported numbers.

Enter amount, date, and any comments you may have. Click "Submit Income." Don't worry if you make a mistake; you can always correct your income number by reporting your year-to-date income again using the "Total Year To Date Income" option. The old number will still be displayed in your previous updated history, but it won't be used for anything.



The form is titled "Reporting Income" with a sub-header "(\$50,000.00 reported on 03/12/2022)". It contains a "Reporting Method" section with two radio buttons: "Total Year To Date Income" and "Add to Year To Date Total". Below this is a table with three rows: "Amount" with a value of "\$ 0.00", "Description" with an empty text box, and "As of Date" with a value of "07/08/2022". There is also a "Comments" text box. At the bottom, there is an orange "Submit Income" button circled in red.

- 4 Once you've submitted the update, you will see your update at the bottom of the page. You can click on the house icon to go back to the home page and see your goals with the new added update!



The table is titled "Previous Income Updates" and shows a list of updates. It includes a search bar and a table with columns: "As Of Date", "Update Amount", "Total Income", "Update Type", "Updated By", "Updated Date", and "Comment". The table shows one update for 07/08/2022 with an amount of \$5,000.00 and a total income of \$55,000.00. The update type is "Add to YTD Total" and it was updated by "kkoker@nazarene.org" on 07/08/2022 08:49:00.0.

As Of Date	Update Amount	Total Income	Update Type	Updated By	Updated Date	Comment
07/08/2022	\$5,000.00	\$55,000.00	Add to YTD Total	kkoker@nazarene.org	07/08/2022 08:49:00.0	



## Examples Regarding Definition of Income

This document is intended to provide Nazarene churches and church leaders with current and accurate information about charitable contributions. However, such information is intended solely for the purpose of reporting church income within the denominational reporting system. It is not intended to be sufficient for dealing with a particular legal problem, and the authors and distributors do not warrant or represent its suitability for such purpose. The reader should not rely upon this document as a substitute for independent legal consultation or tax advice.

### *Regular tithes and offerings*

Most churches are primarily funded by non-designated tithes and offerings. These are charitable contributions, thus included in church income.

### *Sunday school offering*

All money received for the Sunday school offering is church income because it qualifies as a charitable contribution.

### *Easter offerings*

All funds collected for World Evangelism offerings are church income. Note that while the Easter Offering is reported in church income, when submitted to the General Treasurer, these funds will be subtracted from church income before allocation percentages are applied.

**EXAMPLE:** Faith Church of the Nazarene raised \$15,000 on Easter Sunday for World Evangelism. This is church income because it qualifies as a charitable contribution. The same is true for all mission offerings such as WM Broadcast, Alabaster, Deputation, VBS, and Thanks offerings.

### *Building fund*

Funds collected for buildings, property improvements, or debt reductions are considered church income. Although, it is possible for a church to apply for a “Capital Stewardship Campaign” exception for new construction or debt reduction. For more information on how to apply and what can be exempted, click here: [Exceptions Committee](#)

**EXAMPLE:** New Hope Church receives \$300 each week in the offering for the building fund. This is church income because it qualifies as a charitable contribution.

### *Revival offerings*

Money collected to support a revival or special services to further the mission of the church are included in church income.

**EXAMPLE:** Faith Church of the Nazarene raised \$15,000 on Easter Sunday for World Evangelism. This is church income because it qualifies as a charitable contribution. The same is true for all mission offerings such as WM Broadcast, Alabaster, Deputation, VBS, and Thanks offerings.

### *Deputation offerings*

Deputation offerings that are used for the missionary purposes of the church are charitable contributions if the funds are accountable and under the control of the church, as is the case in the Church of the Nazarene. While deputation funds are reported as church income, when submitted to the General Treasurer, these funds will be subtracted from church income before allocation percentages are applied because it is an approved Mission Special.

**EXAMPLE:** A missionary family visits Grace Church to talk about their work in India. At the end of the presentation, a deputation offering for the work of the mission is collected. Even though the money will be given to the missionary, the gift is used to further the mission to “make Christlike disciples in the nations” and the donor received no personal benefit in exchange for the gift; it is, therefore, church income.



## Love offerings

Whether for staff, visiting missionaries, or a distressed family, love offerings to individuals are not tax-deductible. However, a contribution to a church fund, such as a fund to help distressed families or a mission effort, is deductible.

### Love offering for visiting musician

*EXAMPLE: First Church invited a music group to sing at a weekend service. The group comes with the understanding that the church will collect a love offering in addition to the regular collection of tithes and offerings. No specific amount has been guaranteed to the group. The church collects \$472 and gives the entire sum to the group. This is church income because the funds were received to help the church accomplish its mission. This concept applies to other love offerings such as those for guest speakers and evangelists.*

### Love offering for a family in need (with a benevolence fund)

*EXAMPLE: Pastor Jones asked his congregation to help a family facing a serious financial crisis and requested contributions to the church-controlled benevolence fund. This is a charitable contribution to a church ministry and is, therefore, church income.*

### Love offering for a family in need (without a benevolence fund)

*EXAMPLE: Pastor Jones asked his congregation to help a family facing a serious financial crisis. An offering was collected for the family. The offering is not church income because it was taken for and given to a specific family. Gifts to individuals do not qualify as charitable contributions.*

## Work & Witness

Churches involving themselves in a short-term mission trip typically handle a mixture of funds, some of which are church income and some of which are not. Note that while Work & Witness funds are reported as church income, when submitted to the General Treasurer, it will be subtracted from church income before allocation percentages are applied.

### Project money (money raised for Work & Witness projects is a tax-deductible contribution and eligible for a receipt by the church.

*EXAMPLE: Trinity Church is planning a W&W trip to Belize to complete a building on the campus of the district center. The team needs to raise \$10,000 for this project. All funds raised for this project are considered church income because they are charitable contributions.*

### W&W travel money for a specific individual's expenses

*EXAMPLE: Joe gives \$2,000 to the church for his travel, housing, and food expenses for the upcoming Work & Witness trip to Brazil. While his expenses may be tax-deductible on his personal taxes, this is not eligible as a contribution to the church and, thus, is not counted as church income.*

### W&W travel money for a general travel fund

*EXAMPLE: Joe donates \$2,000 to his church's Work & Witness travel fund. The fund is completely under the control of the church and may be used for travel expenses of any participant. This is a gift to the church and not to an individual; therefore, it is included in church income.*





## Fundraising

The IRS clearly defines the deductibility of contributions when there is an exchange of goods or services, called quid pro quo contributions. Only the portion of the contribution that actually qualifies as a charitable contribution is considered church income.

**EXAMPLE:** The women's ministry sponsors a special dinner to raise funds to remodel the church nursery. The dinner has a ticket price of \$100, but the cost per plate (including facility rental and catering) is actually \$15. The \$85 per plate profit is considered church income because it qualifies as a charitable contribution.

## Subscriptions and registration fees

This kind of money is often labeled "pass-through money." The money passes through the church treasury but is not a charitable contribution. Pass-through or in-and-out funds are funds that the church handles, perhaps deposits, and disburses but are not contributions to the church or its ministry. These pass-through funds are not included in church income.

### Holiness Today subscriptions

**EXAMPLE:** A church receives a check from a member to purchase a Holiness Today subscription. This money is not considered income to the church because the person writing the check is getting a benefit in exchange for the money, a subscription to Holiness Today.

### Youth camp registration as pass-through

**EXAMPLE:** Ten children from the church plan to attend the district children's camp this summer. The families pay \$150 for each child, and the church writes one check to the district for the entire amount. This is not church income because the camp fees are not donations to the church; the funds are simply passing through the accounting system.

### Youth camp registration as church donation

**EXAMPLE:** A church receives a \$1,000 gift designated for sending teens to youth camp. The money is sent to the camp to pay registration for three students. This is income to the church because the money was used by the church to further its mission to make Christlike disciples. The donor received no tangible benefit for the donation.

## Donation of vehicles

The IRS defines the deductible amount of donated vehicles whether the vehicle is used by the church, given away by the church, or liquidated. In any case, the recipient church must issue a 1098-C to the donor and to the IRS. In general, the charitable donation of a vehicle is limited to a sale price if the vehicle is liquidated.

**EXAMPLE:** Mr. Johnson donates a van with a Blue Book value of \$2,000 to the church. The church immediately sells the van at auction for a winning bid of \$1,750. The charitable deduction is limited to \$1,750. Since it was a non-cash donation of less than \$5,000, it should not be included in church income. Had the vehicle sold for more than \$5,000, it would have been included as church income.

## Interest and capital gains

Neither interest nor capital gains generate a charitable contribution receipt. They are not included in church income.

**EXAMPLE:** Calvary Church sells a parsonage that is no longer in use. No part of the sales price counts as church income because it is not a charitable contribution.



### *Borrowed funds*

Borrowed money is not included in church income.

**EXAMPLE:** *City Church borrows \$1 million to build additional Sunday school rooms. This is not church income because it does not qualify as a charitable contribution.*

### *Funds received as a settlement for an insurance claim*

As with the former definition of “raised for all purposes,” any money received as an insurance reimbursement for loss would not be considered church income and would have no impact on fund allocations. Any funds received by the church through an insurance settlement are not church income because they are not charitable contributions.

**EXAMPLE:** *Trinity Church suffered tornado damage to their fellowship hall and received a \$600,000 settlement for damage. The money is not a charitable contribution and should not be included in church income.*

### *Individual contributions sent directly to the Global Ministry Center*

Individuals who send donations directly to the Global Ministry Center for such programs as WM Broadcast, JESUS Film Harvest Partners, NCM, or World Evangelism may choose a local church to receive credit for their gift. These gifts will be included in church income (as recorded by Global Treasury Services).

**EXAMPLE:** *Ms. Smith, utilizing the Nazarene.org online donation system, donates \$5,000 for the World Evangelism Fund and designates Main Ave. Church as the credit-receiving church. The \$5,000 appears both on the church’s giving record to WEF and the summary of Main Ave.’s total church income. The \$5,000 is church income but is excluded from the percentage calculations because it is missional.*

### *Non-cash donations*

Churches provide donors of non-cash contributions with charitable receipts that do not have values associated with them unless the property exceeds \$5,000 in value. For simplicity, only non-cash donations of \$5,000 or more, those requiring qualified appraisals and use of IRS Form 8283, are counted as church income.

**EXAMPLE:** *Mrs. Smith donates some land, valued at over \$500,000 to Central Church. The church decides to use the property for additional parking. This is considered church income because it is a gift that qualifies as a charitable contribution. However, this contribution is a likely submission to the Rare Circumstance Adjustment Committee.*

### *Matching funds*

Some corporate matching funds apply to the church’s educational budgets. Employer/employee matching funds would not be included in church income. They are charitable contributions to the educational institution. The fact that the church may receive giving credit for their fund allocation is irrelevant.

**EXAMPLE:** *A church member makes a \$250 donation to the regional Nazarene college. This donation is matched by the member’s employer for a total gift of \$500. Even though the church receives credit for the \$500 gift, it is not church income. While this qualifies as a charitable contribution for the donor, it is a contribution to the college and not to the church.*



## Income through foundations

Foundations, such as the Church of the Nazarene Foundation, channel millions of dollars into local Nazarene churches through Charitable Gift Annuities, settlement of estates, donor advised funds, etc. These generous donations typically qualify as charitable contributions but are receipted by the foundation rather than the local church. Such donations, whether from the Church of the Nazarene Foundation, another foundation, or a foundation wholly owned by a local church, are considered church income when the funds become available for ministry. Legacy gifts are often large and may qualify for a Rare Circumstance Adjustment.

**EXAMPLE:** Mr. Jones desires to fund future youth ministry at his church. He gives \$500,000 to the Church of the Nazarene Foundation through a Donor Advised Fund to be distributed annually, in the amount of \$30,000 until depleted. The original gift of \$500,000 is not counted as church income when it is received by the Foundation; however, the annual distribution of \$30,000 is considered church income when it becomes available to the church.

## Rental income

Whether generated by rental property or simple facility usage fees, rental income is not considered church income because it is not a charitable contribution.

**EXAMPLE:** St. Paul's Church rents its parsonage for \$500 per month. No part of the \$500 is included in church income because it is not a charitable contribution.

It may be best to make daycares, schools, compassionate ministry centers, and other such entities a separate charitable organization that operates independently of the church. This prevents the co-mingling of funds and reduces the amount of money that passes through the church's treasury.

*The staff at the Global Ministry Center is able to assist you and provide solutions to your questions through various areas: Financial Services, Stewardship Development, Nazarene Missions International, Pensions and Benefits and Donor Services. Comments and questions concerning implementation of the Funding the Mission plan may be directed to [stewardship@nazarene.org](mailto:stewardship@nazarene.org).*

## Facility rental

**EXAMPLE:** First Church rents the gymnasium facility to an outside organization for one evening per week and charges them \$30. No part of the \$30 is considered church income because it is not a charitable contribution. In similar fashion, fees charged for individuals or organizations to use the church for weddings, receptions, banquets, workshops, or meetings are not considered church income.

## Church-owned businesses

Churches that have daycares, schools, bookstores, radio stations, counseling services, etc. can earn profit that becomes usable for the local church. Receipts for the church-owned business are not considered church income. If a church realizes a net profit and funds become available for the ministry purposes, the church is encouraged to generously support denominational interests, but it is not reported as church income.

## Child care fee

**EXAMPLE:** A church receives a payment from a parent whose child is enrolled at the church daycare. This money is not considered income to the church because the person is getting a benefit in exchange for the money – the care of the child.

## Daycare profit

**EXAMPLE:** Northside Church operates a daycare that raises \$5,000 a week from tuition and fees. These funds are not church income because they don't qualify as charitable contributions. The daycare provides \$1,000 per month to the church to use for the salary of a part-time children's pastor. The \$1,000 per month is a net profit to the church but is not included in church income because no part of it was a charitable contribution.





The World Evangelism Fund  
is the heart line of mission giving

## Designated Gift Policy

Generally, a gift from a donor to a church is a transfer of a donor's entire interest in the donated property. The donor relinquishes all present and future dominion and power over the gift. However, churches often receive donations specifically designated by the donor for mission offerings, building fund offerings, and donations to benevolence funds. While experts in the field disagree on the legal obligation of the church to meet donor expectations, there is no doubt that the church has a moral obligation to meet donor expectations when it receives designated gifts. In short, mission offerings should only be used for missions, capital funds should only be used for capital expenditures, etc.

How does an income-based fund allocation system, such as the Funding the Mission Plan selected by the General Board, work with designated funds? Basically, the church can go down two different paths:

### With a designated gift policy\*

Establish a designated giving policy that includes shared percentages. The policy must clearly communicate to donors that a percentage of all donations, including designated funds, will be shared with the broader mission of the Church of the Nazarene.<sup>1</sup> This policy needs to be established by the church board and communicated prior to the receipt of any designated donations. Churches that choose this option will want to start to develop and communicate the policy immediately. Communication needs to occur frequently through annual reports, during appeal requests, on gift receipts, and by other means.

#### EXAMPLE: With a designated gift policy

*J. Smith donates \$10,000 to Second Nazarene for purchase of kitchen equipment. Since the church has established a designated giving policy that indicates a percentage of all gifts to denominational interests, a portion of the gift will be used for fund allocations. From the gift, \$521.33 goes to WEF, \$213.28 to P&B and \$213.28 to EDU. A total of \$9,025.12 is available for the purchase of kitchen equipment.<sup>2</sup>*

### Without a designated gift policy\*

Use all designated funds according to their intended use. Submit all fund obligations (5.5% to WEF, 2.25% to P&B, and 2.25% to EDU) from undesignated funds, basically tithes and offerings. This requires no modification of church policy and is basically how Nazarene churches have operated in the USA for the last 100 years.

#### EXAMPLE: Without a designated gift policy

*J. Smith donates \$10,000 to First Nazarene designated for purchase of kitchen equipment. Since the church has no stated policy indicating that a portion of all designated gifts will be contributed to the global mission, the entire fund allocation associated with the gift (\$521.33 is contributed to WEF, \$213.28 to P&B and \$213.28 to EDU) must come from other, undesignated offerings. A total of \$10,000 is available for the purchase of kitchen equipment.<sup>2</sup>*

\*Every church should have a written policy on designated funds regardless of the option they choose.

Church Tax and Law Report suggests the following language for designated contributions: By contributing to this project, donors acknowledge that the church has full authority to apply contributions designated for this project to other purposes in the event the project is canceled or oversubscribed. Including this or a similar statement on every special offering envelope, mailing, brochure, or pledge card as well as in verbal communications about the campaign will give donors notice that leaders have the flexibility to repurpose gifts if the project receives excess funds or is abandoned for whatever reason.

<sup>1</sup>This is true except in the uncommon case where a gift is received in trust or with a written reverter clause.

<sup>2</sup>Laws regarding the use of designated donations vary from state to state.





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## Sample Church Policies

Please note: the following is not intended as legal advice.

### *Global mission participation policy for churches*

First Church models the concept of tithe for its members by sharing a percentage of its income with other ministries in the denomination. Unless a donor specifically requests otherwise, <INSERT PERCENTAGE HERE = combined total of WEF, P&B, EDU, and District> percent of all donations, designated or unrestricted, will be contributed to the World Evangelism Fund, regional university, Pension & Benefits fund and district fund. Giving for others is to be adequately communicated to donors on offering envelopes, weekly bulletin, contribution statements and during fund raising campaigns.

### *Philosophy of giving*

First Church accomplishes its mission by accepting offerings—charitable contributions—from its constituents and donors. Givers are strongly encouraged to tithe and to support first and foremost the operational budget of the church. The church receives designated giving in areas that are in harmony with the mission of the church. While First Church accepts enduring or endowment gifts for special purposes, the intention of the church is to utilize its resources to further its mission immediately.

### *Integrity and Confidentiality*

First Church handles funds with a high standard of integrity and accountability and seeks to achieve the minimum standards and best practices for affiliate membership in the Evangelical Council for Financial Accountability (ECFA). All donations are recorded in the church treasurer's records, reported monthly to the church board, and audited annually. It is the intention of First Church to maintain donor confidentiality unless permission is specifically granted by the donor.

### *Refused donations*

First Church reserves the right to refuse any donation for any reason. To ensure that all gifts are effectively used, no gift will be accepted which is unduly restrictive, likely to result in a net loss for the church or designated for a purpose outside of the mission of the church.

### *Donation Receipts*

First church will provide any donor a summary statement of recorded donations upon request. All donors will receive a contribution statement in January for the previous year's donation that lists individual donations by fund, including date. In compliance with IRS regulations, First Church does not receipt the value of donated labor. Recognizing that a charitable contribution is unconditional and without personal benefit to the donor, First Church does not refund contributions.

### *Non-cash donations*

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.

### *Bequests and other legacy gifts*

Life gifts, whether made directly or by bequest are accepted in the form of cash, securities or real property. First Church primarily uses the services of the Church of the Nazarene Foundation for asset conversion, trusts, investments and endowment management. Gifts may be unrestricted or designated for a specific purpose. All designated gifts shall include a clause granting to the church board the privilege of changing the use of the gift in the event the designated purpose has already been achieved, is not a viable ministry of the congregation or no longer fits the scope of the church's mission. If it is not possible to follow the donor request, the church board will determine, at its discretion, an appropriate use for the gift—taking into account the donor's ascertainable intent.

# CAPITAL STEWARDSHIP CAMPAIGN EXCEPTION

*USA/Canada Region*

## Exemption Guidelines and Application Instructions

The Capital Stewardship Campaign Exception is for churches that conduct a Capital Stewardship Campaign (CSC) to provide the needed funding for capital improvement projects in the local church not covered by the annual church budget. If approved, the amount raised for the specific campaign may be exempt from Funding the Mission (FTM) giving goals.

Your application is reviewed by a peer-lead CSC Committee appointed by the Board of General Superintendents that consists of district superintendents, pastors, and laypeople. The Stewardship Development team at the Global Ministry Center assists the committee administratively.

Applications are reviewed based on the following guidelines:

A Capital Stewardship Campaign is defined as a specific fundraising campaign approved by the church's Board of Directors, district superintendent, and District Advisory Board. It is intended to raise extra capital funds for the church budget that is over and above the tithe and regular offerings of the congregation, lasts for a specific time (no longer than 36 months), is limited to facility improvements intended for worship or discipleship, and is targeted for at least one of the following:

- Purchase of real estate for the expressed intent of worship or discipleship,
- Construction of facilities for said purposes,
- Acceleration of debt reduction (beyond scheduled loan amortization) on facilities previously constructed for said purposes, or
- To provide needed improvements to an aging facility.

By good faith, all congregations with an approved CSC exemption are encouraged to meet or exceed the current giving goals approved by the Board of General Superintendents and the General Board.

When a church is approved for a CSC exemption, its FTM goal minimums will become the average FTM goal amount for the previous three years leading up to the year of the approved application. If the capital campaign runs longer than three consecutive years, another application will need to be submitted. Should the FTM calculation show a higher goal during the campaign because of non-CSC income growth, then your FTM goals will be projected accordingly.

This exemption is not meant to divert FTM giving but is a means by which a financial burden may be lifted from a local congregation in need of facility expansion or remodel that goes beyond the annual church maintenance budget approved by the church's Board of Directors.

### How to apply:

To apply for an exemption, fill out the CSC application and send to [exceptions@nazarene.org](mailto:exceptions@nazarene.org).

Need help with your application?

Contact Stewardship Development at 800-544-8413 or [stewardship@nazarene.org](mailto:stewardship@nazarene.org)

# RARE CIRCUMSTANCE ADJUSTMENT

*USA/Canada Region*

## Exemption Guidelines and Application Instructions

The Rare Circumstance Adjustment (RCA) was designed for churches that experience a rare circumstance or receive unexpected financial gifts that are outside of the church's normal tithes and offerings. This gift may cause the church a financial hardship due to increased Funding the Mission (FTM) goal projections for a given fiscal year.

Your application is reviewed by a peer-led RCA Committee appointed by the Board of General Superintendents that consists of district superintendents, pastors, and laypeople. The Stewardship Development team at the Global Ministry Center assists this committee administratively.

Applications are reviewed based on the following guidelines:

A Rare Circumstance is defined as an unexpected event in the life of a local church. This may be a generous one-time gift received unexpectedly or a one-time gift given for extra expenses incurred by an unexpected event that lies outside of the normal operation of the church budget.

Qualifying gifts are evaluated using the following criteria:

1. Gift/circumstance creates a financial hardship for the church
2. Unsolicited, designated gift to a church without a written designated gift policy (see page 3)
3. Gift is from a single donor
4. Gift is not related to an ongoing capital campaign or debt reduction campaign
5. Gift is greater than or equal to \$50,000  
(If the gift is less than \$50,000, it should be at least 25% of church's income.)
6. Gift has already been received
7. Unexpected expense related to disaster or extreme/unusual circumstance

**How to apply:**

To apply, complete the RCA application and send to [exceptions@nazarene.org](mailto:exceptions@nazarene.org).

Need help with your application?  
Contact Stewardship Development at 800-544-8413 or [stewardship@nazarene.org](mailto:stewardship@nazarene.org)

## PLANNING CALCULATOR

The Funding the Mission application has a special feature called the Planning Calculator. It allows churches to input hypothetical income and allocation contribution amounts so that they can plan for the year. From your dashboard, choose the calculator icon:



### Planning "What If?" Calculator

#### Helping You Prepare Your Church Budget

Use this tool to explore different scenarios of church income and contributions to the allocations. It is provided to help your local church create and prepare a budget. This data is not saved. Anything you enter here will not affect your church income, transaction history, or any other information on your reports.

This calculator is not meant to calculate monthly or weekly giving goals. We suggest you check the Home/Dashboard or Financial Detail Summary page to confirm your church's giving goals.



# CHURCH OF THE NAZARENE

## FUNDING THE MISSION

HOW TO  
give at  
[fundingthemission.org](https://fundingthemission.org)

Would you like to give electronically? Below are step-by-step instructions. Giving online lowers costs and allows your gifts to go further. You can see more how-to directions on our [FAQ page](#), or email us at [stewardship@nazarene.org](mailto:stewardship@nazarene.org).

- 1 Open a browser and go to [fundingthemission.org](https://fundingthemission.org). Click "Login" at the top right. Follow the prompts to enter your login information.

Living Generously Through  
Funding the Mission

..... This tool allows the local church to record income, track progress toward allocation goals, and make itemized online contributions. Not signed up yet? Contact your district office or email [stewardship@nazarene.org](mailto:stewardship@nazarene.org) .....

Secure Login

Username

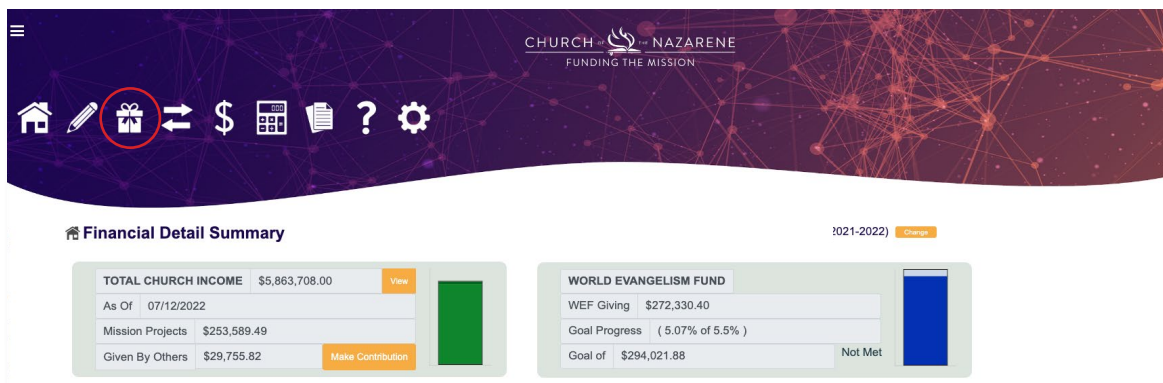
Password

Login

[Forgot Login?](#)

If you are not a [fundingthemission.org](https://fundingthemission.org) user, contact your district office or Stewardship Development at [stewardship@nazarene.org](mailto:stewardship@nazarene.org) or 800-544-8413. We'll be happy to give you access to your church or district.

- 2 You should now see the dashboard for your church. Click on the gift icon to go to the contributions page.



3

On the Contributions page, you can search your transaction history, edit pending transactions, and make a contribution. Click the "Make a Contribution" button to start a transaction.

**List of Contributions - Giving Summary** (2021-2022) [Change](#)

World Evangelism Fund Goal	\$294,021.88
Pensions and Benefits Goal	\$120,769.74
Education Goal	\$120,769.74
District Goal	\$499,181.59

**Make Contribution** **Mall a Contribution**

**Batch Check Entry** **Batch Check History**

**Last Update:**

World Evangelism Fund	\$272,330.40
Pensions and Benefits	\$108,691.88
Mission Projects	\$232,560.49
NCM Mission Projects	\$21,029.00
Education	\$10,000.00
Other	\$29,755.82
District	\$0.00

4

Select the fund or gift area to start your transaction. Once you select the fund, add the amount in the "amount" field. Then, click on "Add to Contribution." You will see the amount added in the gift summary at the bottom of the page. You can continue to add as many gifts as you would like.

**Make a Contribution - Specify Gifts**

**Step 1: Add funds to this contribution.**

Fund  

Amount \$

**Close** **Add to Contribution**

5

On the bottom of the contributions page, you will see the gift summary of the gifts you plan to send. Once you see the total is correct, click on "Proceed to Checkout."

**Gift Summary - Adding funds**

Fund	Goal	Amount Given	Amount Needed	This Contribution
World Evangelism Fund	\$2,606.64	\$1,500.00	\$1,106.64	\$100.00
Pensions and Benefits	\$1,091.25	\$0.00	\$1,091.25	\$0.00
Mission Projects		\$0.00		\$0.00
NCM Mission Projects				\$0.00
Other		\$0.00		\$0.00
<b>TOTAL</b>				<b>\$100.00</b>

**Proceed to Checkout**

- 6 After you have clicked on proceed to check out, directly below the window will be a "Step 2: Checkout" window bar. Select one of your bank accounts, the date you wish the gift to be sent, and click "Give Now."

**Step 2: Checkout - select payment account and date**

Total Contribution	\$100.00
Choose an account to use	checking: TD BANK, NA Acc#*****0000
Choose the date	07/01/2022

[Go Back](#) [Give Now](#)

- 7 You should receive a confirmation of the successful transmission of your gift on the screen. Then, you will see your pending gift on the contributions page of the website. When the gift is fully processed, it will add it to your contribution history and to your giving totals.

**Pending Contributions**

[Update Status](#)

1 - 2 / 2

Donor	Campaign	Fund	Method	Fund	Status	Transaction ID	Transaction Date	Total Amount	Debit/Credit	Amount
Albertville Hispanic	World Evangelism Fund	<a href="#">World Evangelism Faith Promise</a>	checking: TD BANK, NA Acc#*****0000	<a href="#">World Evangelism Faith Promise</a>	Processing	1198	07/01/2022	\$100.00	C	\$100.00
Albertville Hispanic	World Evangelism Fund	<a href="#">World Evangelism</a>	Old Union Pay - New Nickname	<a href="#">World Evangelism</a>	Processing	1195	06/08/2022	\$10,000.00	C	\$10,000.00

- 8 If you need to change a transaction after it has processed, click the yellow "Details" icon next to the transaction in the contribution history. From here, you can contact Stewardship Development about any transaction changes or concerns.

**Contribution History**

Show 10 entries

Search:

Donor Name	Campaign	Fund	Date	Date	Amount	Assembly Year	Source	Details
Albertville Hispanic	District	NMI	06/28/2022	06/28/2022	\$999.99	2021-2022	District	<a href="#">Details</a>
Albertville Hispanic Church of the Nazarene Iglesia del Nazareno	World Evangelism Fund	World Evangelism Fund	02/24/2022	02/24/2022	\$1,500.00	2021-2022	GMC	<a href="#">Details</a>

Showing 1 to 2 of 2 entries

[Previous](#) [1](#) [Next](#)

- 9 When you click on the details button of your gift, you will see a screen that allows you to “Request a Correction.” Type in your phone number, select a reason for your change request in the drop down menu option, and type in specific instructions in the “Change Reason Details” box. Then click “Submit Request.”

- 10 Once your change request has been submitted, you will receive a confirmation email from Global Treasury Services. Transaction corrections are processed within 5-7 business days.



# CHURCH OF THE NAZARENE

## FUNDING THE MISSION

**HOW TO**  
update bank account  
information at  
*fundingthemission.org*

Save your bank account on [fundingthemission.org](https://fundingthemission.org) and never type it in again. Below are step-by-step instructions. You can see more how-to directions on our [FAQ page](#), or email us at [stewardship@nazarene.org](mailto:stewardship@nazarene.org).

- 1 Open a browser and go to [fundingthemission.org](https://fundingthemission.org). Click "Login" at the top right. Follow the prompts to enter your login information.

Living Generously Through  
Funding the Mission

..... This tool allows the local church to record income, track progress toward allocation goals, and make itemized online contributions. Not signed up yet? Contact your district office or email [stewardship@nazarene.org](mailto:stewardship@nazarene.org) .....

Secure Login

Username

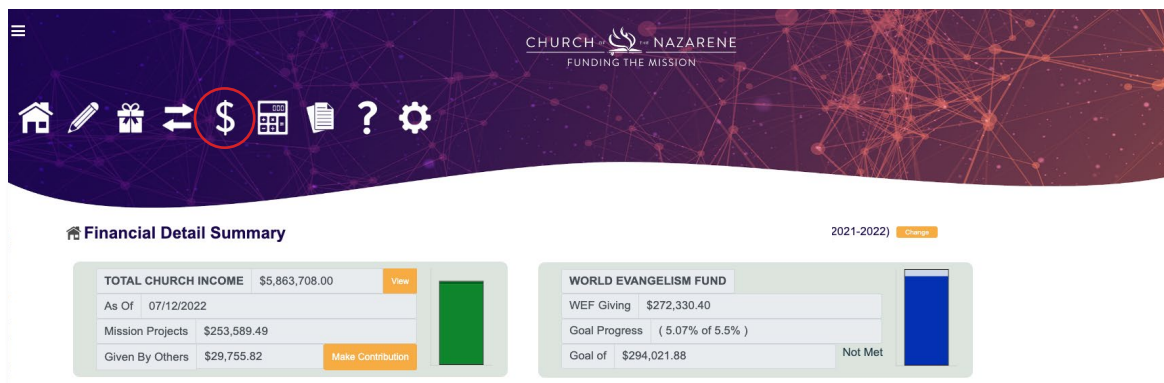
Password

Login

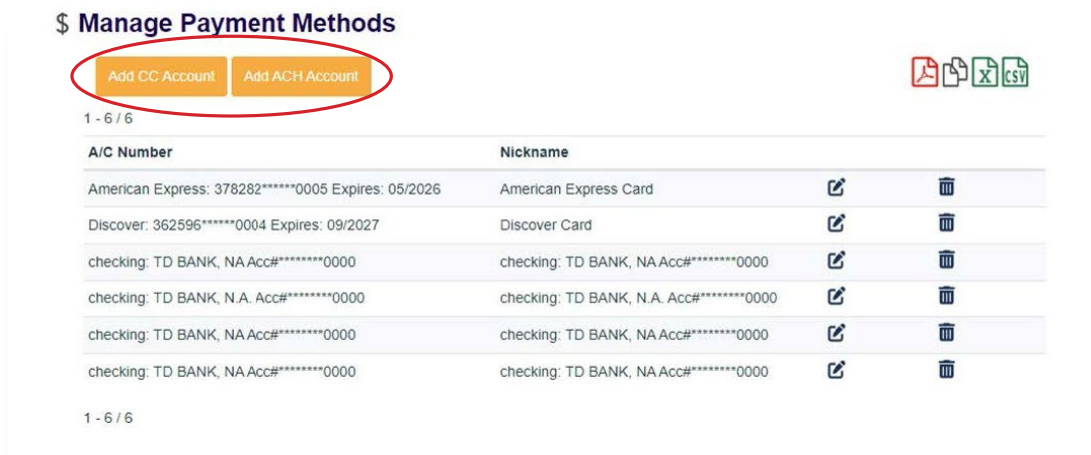
[Forgot Login?](#)

If you are not a [fundingthemission.org](https://fundingthemission.org) user, contact your district office or Stewardship Development at [stewardship@nazarene.org](mailto:stewardship@nazarene.org) or 800-544-8413. We'll be happy to give you access to your church or district.

- 2 You should now see the dashboard for your church. Click the dollar sign to go to the bank accounts page.



- 3 You will see two buttons at the top of the page. Click on either "Add CC Account" for church credit or debit cards or "Add ACH Account" to add a church checking or savings account. Fill out the form as each button prompts you. Then, click "Save Payment Method." To change the name of an account, click on the pencil icon. To delete a saved bank account, click on the trash can icon.



- 4 Once you have added your church's banking account, it will be saved for you to use when you are ready to give electronically through the Funding the Mission website. All gifts are only initiated by your church. The Church of the Nazarene will never auto-draft your church bank account or credit card.

## REMITTANCE INSTRUCTIONS

*If you opt out of online giving, send payments to the general treasurer and/or the district treasurer along with a remittance form.*

### **WEF Goal (5.5%) and P&B Goal (2.25%)**

*And the following....*

#### **Approved Mission and NCM Specials**

Alabaster

International Student Scholarship Fund

JESUS Film Harvest Partners

LINKS

Missionary Christmas Fund

Missionary Health Care

Vacation Bible School

World Mission Broadcast

Child Sponsorship

Clean water

Compassionate Ministries Fund

HIV & AIDS

Hunger

Other projects approved by World Mission\Evangelism or US\Canada Mission\Evangelism

Deputation Offerings – ***are not sent to the general treasurer but should be given directly to furloughed missionaries*** (deputation offerings will be counted toward ten percent giving after they have been received by the General Treasurer from the missionary).

*Pay online at <https://ftm.nazarene.org/>*

*Or mail to:*

General Treasurer, Church of the Nazarene

Global Treasury Services

P.O. Box 843116

Kansas City, MO 64184-3116

### **District Ministries Goal (3.05%) and Education Goal (2.25%)**

*Pay online at <https://orpac.org/allocations/> or <https://ftm.nazarene.org/>*

*Or mail to:*

ORPAC District Church of the Nazarene

P. O. Box 217

Lebanon, OR 97355

### **Special Offerings for NBC and NTS – *should be mailed directly to the institution***

*Pay online at <https://www.nbc.edu>*

*Or mail to:*

Nazarene Bible College

17001 Prairie Star Parkway, Suite 300

Lenexa, KS 66220

*Pay online at <https://www.nts.edu>*

*Or mail to:*

Nazarene Theological Seminary

1700 E. Meyer Blvd.

Kansas City, MO 64131



**Please return this form with your next gift**

Assembly Year to be Credited

20\_\_ - 20\_\_

**Church Name and Address:**

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**World Evangelism**

**Office Use Only**

World Evangelism Fund	\$ _____.	109
from Faith Promise	\$ _____.	113
from Easter Offering	\$ _____.	121
from Thanksgiving Offering	\$ _____.	132
from NMI (Include Prayer & Fasting)	\$ _____.	145

**Pensions and Benefits**

Pensions and Benefits Fund	\$ _____.	150
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**Mission Specials**

Alabaster	\$ _____.	166
World Mission Broadcast	\$ _____.	178
Vacation Bible School Offerings	\$ _____.	184
Memorial Roll	\$ _____.	197
Distinguished Service Award	\$ _____.	204
Missionary Health Care	\$ _____.	215
Nazarene Compassionate Ministries Fund	\$ _____.	227
Crisis Care Kits	\$ _____.	317
Missionary Christmas Fund	\$ _____.	236
JESUS Film Harvest Partners	\$ _____.	301
LINKS _____	\$ _____.	
(Please Provide Missionary Name)		
Deputation _____	\$ _____.	
(Please Provide Missionary Name)		
American Bible Society Offering	\$ _____.	262
_____	\$ _____.	
_____	\$ _____.	
_____	\$ _____.	

**Other**

Personal Gift to a Missionary _____	\$ _____.	
(Please Provide Missionary Name)		
Duty Money _____	\$ _____.	
_____	\$ _____.	

Make checks payable to General Treasurer and mail to  
 P.O. Box 843116, Kansas City, MO 64184  
 or online at <http://www.fundingthemission.org>

**Total** \$ \_\_\_\_\_.



REMITTANCE FORM – ORPAC DISTRICT CHURCH OF THE NAZARENE

Church Name \_\_\_\_\_  
and Address \_\_\_\_\_  
\_\_\_\_\_

Year to be Credited \_\_\_\_\_

Total Income Raised \_\_\_\_\_  
(Since last remittance)

WEF & 10% Specials \_\_\_\_\_  
(Since last remittance – and already sent to GTS)

Adjusted Budget Base \_\_\_\_\_  
(Income raised less WEF & Approved Mission Specials)

District Ministries (3.05%) \_\_\_\_\_

EDU Budget (2.25%) \_\_\_\_\_

Kellogg Springs Camp \_\_\_\_\_

Latino Ministries \_\_\_\_\_

Latino Ministry Donor(s) (Name, Address & Amount)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Other (please specify) \_\_\_\_\_

\_\_\_\_\_

Total Amount \_\_\_\_\_

Check # \_\_\_\_\_

**Make checks payable to:**

**Mail to:**

**For questions please call:**

ORPAC District Church of the Nazarene

PO Box 217, Lebanon OR 97355

(541) 223-1168

## FINANCIAL REVIEW PROCEDURES FOR CHURCHES

The Manual of the Church of the Nazarene (paragraph 129.23) provides guidance for local churches with respect to finances and for the annual audit of the church's finances.

Note that the Manual requires an annual review but does not propose specific procedures. For this reason, the district has prepared this document to assist churches with this important stewardship responsibility.

As a rule, larger churches with multiple funds will utilize the services of a professional accountant. Smaller churches with simpler financial systems may also utilize the services of a professional accountant. However, this document will provide basic guidelines for churches to conduct their own annual financial reviews utilizing qualified church members who are not related to those who handle funds on behalf of the church.

However, if any impropriety or irregularity is suspected, the local church would be well advised to seek the services of a Certified Public Accountant immediately. In this regard, the district should be notified as well.

### Items Needed

- \_\_\_\_\_ Bank Account Statements
- \_\_\_\_\_ Bank Account Reconciliations
- \_\_\_\_\_ General Ledger
- \_\_\_\_\_ Beginning and Ending Balances for Special Funds (Building, etc.)  
(Note receipts & disbursements and ascertain that funds have been disbursed for authorized purposes only)
- \_\_\_\_\_ Bank Records and Backup Materials for Special Funds
- \_\_\_\_\_ Cash Receipts Records (Offering Tally Sheets)
- \_\_\_\_\_ Paid Invoices
- \_\_\_\_\_ Payroll Records
- \_\_\_\_\_ Checking Account Register or Stubs

### Process

- \_\_\_\_\_ Verify that all monthly Bank Statements were reconciled and balanced to the General Ledger
- \_\_\_\_\_ Verify that invoices paid \* were properly paid with regard to:
  - a) Amount
  - b) Approval by responsible authority (pastor, church board, dept. head, etc.)
  - c) Amount paid – trace to General Ledger
  - d) Verify that payments were charged to proper account

*(\* use a selected sample of 6-8 invoices of some variety from each month. If there are no problems, this should be sufficient. However, if discrepancies are noted, a larger sampling is in order.)*

- \_\_\_\_\_ Trace amount from weekly count sheets to bank deposits and trace items from the count sheets to the various General Ledger accounts (general operations, building fund, etc).
- \_\_\_\_\_ Select at least one tally sheet from each month and apply the same principle to the sampling as noted above.
- \_\_\_\_\_ Verify that amounts paid to employees and the pastor(s) were in the proper amount as and that amounts withheld were subsequently paid to the proper authority.

\_\_\_\_\_ If salary advances have been made, were they properly recorded and does the annual salary paid correspond to the budgeted salary. If the two figures do not correspond, is there an explanation?

\_\_\_\_\_ Trace amounts paid and withheld to the General Ledger. This can also be done on a sampling basis.

### **Inquiries into Internal Controls**

1. Are cash receipts counted by at least two persons then deposited and reported by someone other than the person disbursing funds?
2. Were all transfers between bank accounts, if any, properly accounted for?
3. Were all significant disbursements made by check?
4. Were all checks supported by documentation such as invoices or board authorization?
5. Is access to money and/or blank checks limited to authorized person?
6. Are there adequate controls to assure that one individual cannot conceal errors or irregularities?
7. Are two signatures required on checks?

### **Other Inquiries**

1. Is a budget approved annually by the church board?
2. Were financial reports prepared and distributed to the board regularly on a timely basis?
3. Are employees (including pastoral staff) covered by workers compensation insurance?
4. Were payroll deductions and tax payments forwarded to proper recipient on a timely basis?
5. Are vouchers or invoices marked, date paid, and filed to avoid duplicate payments?

### **Report and Follow-up**

When the financial review has been completed, the person(s) carrying out the review shall present a written report to the district. The report will say one of the following:

"We have reviewed the financial records of \_\_\_\_\_ Church of the Nazarene for (YEAR) and find them to be in good order and in accordance with generally accepted accounting procedures."

"We have reviewed the financial records of \_\_\_\_\_ Church of the Nazarene for (YEAR) and find the following irregularities: (LIST) We make the following suggestion(s) for correction: (LIST)"

"We have reviewed the financial records of \_\_\_\_\_ Church of the Nazarene for (YEAR) and find the following irregularities: (LIST) We recommend that the church employ the services of a Certified Public Accountant to assist in resolving these irregularities and bringing the church's financial records into conformance with generally accepted accounting procedures."

### **Church of the Nazarene Manual 2017-2021**

**115.4.** Upon issuing a call, the local church will specify the proposed remuneration. The amount of this remuneration shall be determined by the church board. When agreement has been entered into between the church or the church board and the pastor, the payment of the pastor's salary in full shall be considered a moral obligation by the church. If, however, the church becomes unable to continue the payment of the salary agreed upon, such inability and failure shall not be considered a sufficient cause for civil action against the church by the pastor; and in no case shall the church or District Advisory Board be legally responsible in excess of funds raised during the term of the pastor's actual service, and not otherwise designated. If civil action is taken against the church or District Advisory Board by a current or former pastor, a district may take steps to obtain the minister's credential and subsequently drop the minister's name from the Roster of Ministers. The local church should also make provision for the pastor's traveling and moving expenses. (32-32.3, 129.8-129.9)

**115.5.** The remuneration of the pastor shall commence on the Monday preceding the first official Sunday of service to the local church.

**129. Business.** The **business of the church board** shall be:

**129.6.** To provide for the development and adoption of an annual budget for the church, NMI, NYI, SDMI, any childcare/schools (birth through secondary) projecting income and expenditures.

**129.7.** To assign a committee of the board, whose responsibilities include: (a) monitoring the church budget, (b) reporting to the board on the financial conditions and concerns of the church.

**129.20.** To elect a treasurer from among the church membership who meets the qualifications for church officers as specified in paragraph 33. Such election shall be held at the first meeting of the new board. The individual so elected shall serve until the close of the church year and until a successor has been elected and qualified, and has voting privileges only if elected to the church board at a properly called meeting of the members of the congregation. No member of the pastor's immediate family can serve as the local church treasurer without the approval of the district superintendent and the District Advisory Board. Immediate family shall include spouse, children, siblings, or parents. (33, 113.7-113.8, 113.11, 128, 136.1-136.6)

**129.21.** To cause careful accounting to be kept of all money received and disbursed by the church, including any child-care/schools (birth through secondary) and Nazarene Missions International (NMI), Nazarene Youth International (NYI), Sunday School and Discipleship Ministries International (SDMI), and make report of the same at its regular monthly meetings and to the annual meeting of the church. (136.3-136.5)

**129.22.** To provide a committee, no fewer than two members of which shall count and account for all money received by the church.

**129.23.** To appoint an auditing committee or a committee of independent examiners, or such other qualified persons, that shall audit or examine, to at least the minimum standard required by national or state law if applicable, or other recognized professional standards, at least annually, the financial records of the treasurer of the church, the Nazarene Youth International (NYI), the Sunday School and Discipleship Ministries International (SDMI) Board, Nazarene childcare/schools (birth through secondary), and any other financial records of the church. The pastor shall have access to all records of the local church.

**136. Church Treasurer.** The **duties of the treasurer** of the church board are:

**136.1.** To receive all moneys not otherwise provided for, and disburse the same only on order of the church board. (129.21)

**136.2.** To make monthly remittances of all district funds to the district treasurer, and of all general funds to the general treasurer through the appropriate office, except as otherwise provided. (516.9)

**136.3.** To keep a correct book record of all funds received and disbursed. (129.21)

**136.4.** To present a detailed monthly financial report for distribution to the church board. (129.21)

**136.5.** To present an annual financial report to the annual church meeting. (113.9, 129.21)

**136.6.** To deliver to the church board the complete treasurer's records at such time as the treasurer shall cease to hold the office.