



Questions About Caring for Financial Assets

Guidelines for handling and reporting contributions and expenditures, keeping records, and tax status

And the Lord said, "Who then is the faithful and prudent manager . . . "

- Luke 12:42

These resources are provided to assist congregation treasurers, bookkeepers, and the congregation council in responsible management of the congregation's assets:

Resources for Congregational Treasurers and Bookkeepers prepared by the ELCA Office of the Treasurer
Congregational Audit Guide prepared by the ELCA Office of the Treasurer

[Financial Records Management](#)

[Good Samaritan Fund/Helping Hands Fund](#)

[Accepting Restricted Gifts](#)



Records Management for Congregations Advice for Congregations of the Evangelical Lutheran Church in America



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[For a description of records and their care see the Records Retention Schedule for Congregations](#)

Your records have a life cycle!

You create and maintain the records of your congregation in order to have the information you need when you need it; in the format from which you can most easily retrieve it; and in such a way that partners working in your congregation, today and in the future, can readily find the information. As you set about preserving information for future reference, plan for the entire life cycle of the records you are creating. If you do this, you should never need to spend time going through old material to determine the potential administrative or historical value.

Today, most of the records of your life together as a congregation begin as digital files. Your financial records and parish register may be kept in a database. Minutes, reports, newsletters, sermons, and other documents are created using word processing software. Correspondence is usually by e-mail. Much of the information you use and distribute to parishioners is created in formats to be read by a Web browser. Even the photographs of your congregation's activities are now in digital formats. These guidelines will address the ways in which you can assure future generations that these records will still be available for their use long after hardware, software, and file formats have changed.

Consistency is important in the care of records. Any records retention policy has validity, once accepted as the policy of the organization, only as it is uniformly practiced. It should be neither selectively implemented nor disregarded at the whim of the custodians of the records. Never purge records in the face of potential litigation. Information that is retained in hard copy or in electronic files is the property of the congregation. Such information is not the property of the pastor or of officers

of the congregation to be removed, retained personally, or destroyed at will. All staff members are custodians of the records they maintain.

- [For a description of records and their care, see the *Records Retention Schedule for Congregations*](#)
- [Click here for information on **Maintaining the Parish Register**.](#)
- For teaching purposes, a PowerPoint Presentation based on this manual is [available here](#).  With questions, contact the Archives of the ELCA at archives@elca.org.

Helping Hands/Good Samaritan Fund policy

. . . Take care of him, and when I come back, I will repay you whatever more you spend. . . . Jesus said, "Go and do likewise."

-Luke 10:35-37

Many congregations seek to provide funds to help needy persons in the congregation or community. Adopting a Helping Hands/Good Samaritan Policy may be the best approach when deciding how to provide assistance. A sample policy is provided below. A Helping Hands/Good Samaritan Committee should be established or, alternatively, the function of selecting needy recipients can be assigned to another existing committee of the congregation. It is important that all decisions be made totally independently of donors' suggestions and on the basis of need and other objective criteria. See also [IRS Publications 526](#),  Charitable Contributions and Special [IRS Publication 3833](#),  Disaster Relief. If funds are raised on a case-by-case basis with specific recipients in mind, it is likely that any donations made will not be tax deductible. Sometimes using a local bank or trust company to handle donations is a better alternative, especially when funds are to be raised for one particular family or for a one-time needy cause.

Sample Policy

[Congregation Name], in keeping with its Biblical and charitable goals, has established a Helping Hands/Good Samaritan Fund to assist persons in our community in financial need. Donors may suggest beneficiaries of the Fund. However, such suggestions shall be deemed advisory rather than mandatory in nature. The administration of the Fund, including all disbursements, is subject to the exclusive control and discretion of the Congregation. The Congregation Council will appoint a Helping Hands/Good Samaritan Fund Committee consisting of at least three of the Congregation's members. (Alternatively the functions of the Committee may be assigned to an existing Congregation committee.) All gifts to the Fund are gifts to the Congregation and while the Committee may consider suggested designations, in no event is the Congregation bound to follow them. Checks should be made payable to the Congregation, with a notation that the funds are to be placed in the Congregation's Helping Hands/Good Samaritan Fund.

Accepting restricted gifts

Treasurers, financial secretaries and stewardship committees can provide valuable assistance when congregations consider soliciting or accepting funds in support of specific projects or programs. Including the financial team as part of the decision-making process can help to ensure that restricted gifts are recorded, administered and reported in accordance with donor intent. Following is a list of planning considerations that might be raised by those responsible for financial oversight:

- Confirm that restricted gifts are consistent with the established mission, exempt purpose and written gift acceptance policies of the congregation. Restricted gifts should be made in the mutual best interest of the donor and the congregation, and their acceptance should be governed by gift acceptance policies.
- Does the congregation have capacity to fulfill donor-imposed time and/or purpose restrictions?
- How should the restricted purpose be described in gift solicitations, appeal return devices, gift acknowledgment letters and/or gift receipts?
- Consider providing sample language for gifts that might be received in the future through wills and bequests, beneficiary designations of life insurance policies or retirement plans, and other deferred gift arrangements.
- Has a process been developed for separately tracking restricted funds in the congregation's financial records?
- How will the financial team know when restrictions have been satisfied and that funds can be released from restriction?
- What are the requirements and timelines, both internal and external, for reporting status of funds raised and use of funds? Consider how potential requests for donor anonymity will be honored.
- If funds raised exceed the project/program needs, how will excess funds be handled? If possible, this circumstance might be addressed in the gift solicitation and acceptance process.
- Whenever possible, the financial team should review verbal and written communication used to solicit restricted gifts. A copy of written materials and description of verbal messaging should be maintained with restricted gift records.

It is recommended that conclusions about the considerations above be documented and included in records for each type of restricted gift. Some gifts can be difficult to administer, and organizations retain the right to decline some or all restricted gifts. With planning, however, many restricted gifts can effectively support new opportunities for ministry.