

Financial Resolutions

OREGON CONFERENCE OF THE FREE METHODIST CHURCH

Standing Resolutions with no 2024 Revisions

I. RELATING TO ANNUAL CONFERENCE

A. Those attending Oregon Conference board and committee meetings may be reimbursed by the conference on a mileage basis at the maximum IRS allowable rate for volunteer services.

B. The Oregon Conference of the FMCUSA shall provide a four-wheel drive vehicle for the superintendent's use. The conference shall provide insurance, fuel, and all vehicle maintenance. Said vehicle shall remain property of the Oregon Conference FMC.

C. That the Conference Superintendent be given five (5) weeks of vacation including five Sundays, plus one (1) discretionary day. The Superintendent shall also receive at least two three-day weekends off, which shall not be counted as vacation.

II. RELATING TO LOCAL CHURCHES

A. That serious consideration is given to selling or renting a church-owned parsonage, and providing a housing allowance for the pastor. If a parsonage is rented out, the pastor is to receive not less than the rental income minus taxes / insurance plus reasonable utilities allowance. (See *Book of Discipline* ¶6450.B)

B. That to ensure that the housing and/or parsonage allowance be a non-taxable benefit for income tax purposes, the following requirements must be met:

1. Allowance must be designated in advance, in writing, and adopted by an appropriate board or Society.
2. Actual housing allowance cannot exceed the lowest of: (1) church designated amount, (2) actual housing expenses, or (3) annual fair rental value of home (furnished, including utilities and expenses).

C. That a housing allowance "safety net" resolution be adopted, which allows for unforeseen expenses.

D. That the local church's Finance Committee ensures that proper procedures for receipting, recording, disbursing and reporting of monies are followed. (see *Book of Discipline* ¶6440)

1. That the checking and savings accounts are in the proper names of the boards and organizations.
2. That bills and statements are mailed to the local church office and be accessible to the treasurer, finance committee and pastor.
3. That tellers give the senior pastor or staff designee a copy of the report form giving the date and amount of each offering and the purpose for which it was received.

E. That lending of money by a local church is to be highly discouraged. However, if it is done it shall be limited to assisting conference appointed personnel in purchasing real property to be used as a principle dwelling when the following conditions are met:

1. The obligation be recorded as a lien against that property.
2. The agreement be approved by the Conference Leadership Council after inspection.
3. There is confidence the loan will be paid in full.
4. The Official Board recommendation shall be approved by the Society.

F. At least one delegate shall serve as a member of body that makes financial decisions in the local church.

G. That those churches which have exempted themselves from paying the employer's portion of FICA for non-ministerial employees by filing a timely Form 8274, rescind that exemption; and that each local church be strongly discouraged from exempting itself in the future.

H. That the local church assumes the expenses of the pastor(s) and delegate(s) to attend Annual Conference (i.e., meals, lodging, travel).

I. That each church, through the pastor and local Finance Committee, develop a continuing plan for stewardship education for their church, incorporating: (1) Biblical principles, (2) a focus on ministry and mission of the church, and (3) specific financial challenges to accomplish the mission of the church.

J. That the local church maintain its responsibility in keeping the health and accident insurance, worker's compensation and pension payments current.

K. That if a situation arises where a local church becomes delinquent on salary to the pastor, the delegate and/or Treasurer must be responsible for notifying the Conference Superintendent.

L. That a copy of the local church's adopted annual budget be sent to the Conference no later than January 15, or as requested by the Conference Superintendent.

M. That each local church be encouraged to establish a scholarship fund to assist college and/or seminary students, especially for, but not necessarily restricted to, those students studying for the ministry. Guidelines for any Scholarship Fund should be in writing, approved by the Official Board and reviewed annually. Guidelines should include:

1. Fund's Statement of Purpose
2. Beneficiary eligibility criteria
3. Makeup of scholarship committee personnel
4. Application process
5. Award distribution procedure
6. Policies for obtaining financing (ex: contributions, endowment, etc.)
7. Restrictions for minimizing perceived conflict of interest (ex: persons are ineligible to serve on scholarship committee those years when a family member could benefit from the fund, etc.)

NOTE: IRS regulations dictate that gifts to a scholarship fund are tax-deductible contributions only to the extent that: 1) they are intended for the use of the qualified charitable organization, not for the benefit of any particular individual, and that 2) they benefit a large and indefinite class of potential recipients. (The smaller the pool of eligible recipients, the more likely that any contributions to the scholarship fund will be deemed non-deductible by the IRS.) It is recommended that the church contact the educational institution directly regarding its policies, requirements and restrictions for matching fund scholarships.

N. That the conference will reimburse the local church up to, but no more than, one-half of the properly receipted moving expenses for a new senior pastor. Each local church is responsible for the documented moving costs of newly appointed staff members.

O. Church property, including furnishings and vehicles, are not to be sold to pay the pastor's/staff's employee's wages or are they to be given to pastor/staff or employees in lieu of wages.

III. RELATING TO LOCAL PASTORS AND APPOINTED STAFF PASTORS

See Oregon Conference "Pastoral Compensation & Benefits Guidelines" (Submitted by the MEG Board).

IV. CONFERENCE SUPPORT PROGRAM

A. For the support of the Oregon Conference and the conference's Equal Participation Plan (EPP) obligations to the Free Methodist Church-USA, beginning January 1, 2016, that each local church, by the 15th of each month, send to the conference bookkeeper ten percent (10%) of the previous month's receipts. The current deductions from church revenue that are allowed and used by the FMC-USA to figure EPP obligations will also be allowed by member churches when submitting tithe/EPP to the conference each month. Deductions allowed are as follows:

- 1- Giving to FM World Missions, including...
 - Missionary Support Accounts
 - Country Share Accounts
 - "As needed" to missions' budget
 - Extra Mile Projects
 - VISA missionaries
 - Bishops' Crisis Response Fund
 - International Child Care Ministries (ICCM)

2- Capital campaign funds

3- Bequests

4- Giving to church planting or cross-cultural ministries

5- Auxiliary ministries income such as Christian schools

B. When it is apparent that a church is not promoting Oregon Conference and Denominational giving, the Superintendent, in consultation with the Leadership Council or its designee, shall meet with the society's official board and pastor to offer assistance and seek solutions.