

The Church Budget and Charitable Contributions



Church Budget The church budget is prepared each year through the cooperative efforts of the staff and Elders. This process typically begins in early September as leadership teams meet to pray and to seek direction from God about ministry for the coming year. Ultimately, the budget that is proposed is the best attempt of the leadership to follow the heart of God to support ministry and to be good stewards of church resources. Affirmation of the annual budget is given by the members of the church by majority vote.

General and Designated Giving The majority of church ministries are funded through the general, undesignated tithes and offerings of members and regular attenders. This ensures that every ministry is appropriately prioritized and supported, not just those that might have an interested benefactor. There may be times, however, when the church will request for offerings to be given to meet a specific and timely need. There are also a few areas to which offerings may be designated at any time. Those offerings designated for missions, debt retirement or benevolence will be set aside to be used only for those specific purposes rather than added to the general fund.

Methods of Giving As mentioned above, the church budget is funded almost entirely by the contributions of church members and regular attenders. The most common methods of giving are:

Worship Service Offerings – An offering is collected every Sunday morning during the main worship service. Personal checks and cash may be given at this time. Checks and cash can also be dropped in the offering boxes located in the transition areas between the foyer and the worship center.

ACH, Debit and Credit Card Payments – Church members who have a personal MyTcacc account are able to give to general and designated funds online or from their mobile device. Gifts can be made as one time payments, or set up as recurring payments. Please keep in mind that there are fees incurred by the church for both ACH and debit/credit card payments, and that the fees for debit/credit card payments are considerably higher than for ACH payments. While any of these payment methods are welcomed, the church would obviously prefer ACH payments whenever possible. Specific instructions for setting up a personal MyTcacc account and downloading the "Church Life" mobile app can be found on the member page at the church website.

Online Banking Payment – Many members choose to set up the church as a payee through the online banking system of their personal bank. Once a payment is authorized the bank will mail a check to the church drawn from the member's account. Since the check is delivered by mail, only basic contact information (church name, address, phone) is typically required for the set up. Most banks have options to set up payees with either automatic recurring or manual payments.

Stocks and Mutual Funds – Stocks and mutual funds can be given to the church through the church brokerage account. If you would like to make a contribution in this way, please contact the church

office for the account and routing information. All shares will be liquidated immediately upon receipt. Acknowledgement of stock gifts will be made via a letter from the church referencing the name of the funds and the number of shares given. This letter will serve as the giver's official contribution record for income tax purposes. No dollar amount for stock gifts will be reflected on individual contribution statements (see below).

Annual Contributions Statements A detailed contributions statement will be prepared at the end of each budget year for every person or family who contributes monetarily to the church. For year end gifts, the criteria for inclusion on the statement will be as follows:

- Cash or Checks – received in the church office by 5:00 PM on December 31, or if mailed, postmarked on or before December 31
- Mobile/Online Gifts, Stocks/Mutual Funds transfers – transaction date on or before December 31

These statements will be available by the end of January for the previous budget year via a secure MyTcacc login. For those who do not have a personal MyTcacc account, and have cumulative contributions of \$250 or more, statements can be mailed or picked up in person. These statements will reflect contributions made to the general fund, as well as contributions made to special designated funds such as missions, debt retirement, and benevolence.

Not all monies paid to the church qualify as charitable contributions, and the items listed below are some examples. If an amount paid to the church does not qualify as a charitable contribution, it will typically not be shown on the contribution statement. If a non-qualifying payment is shown on the statement, however, it will be identified as “not deductible”.

- Exchange Transactions – Amounts paid to the church for events or activities in which specific goods or services related to the event were provided to the payer.
- Earmarked Gifts – Amounts paid to the church, but with a requirement that they be given to specific individuals or staff members. The IRS considers these payments to be gifts to a person, not the organization, and therefore not qualified charitable contributions for the giver. Additionally, the IRS views any gift to a staff member, whether from the church or from a church member to be income to the staff member which must be reported and taxed appropriately.
- Gifts of Service – No deduction is allowed for the contribution of services to the church.
- Use of Personal Property – granting access to the church to use personal property does not yield a tax deduction to the donor.

We welcome your questions, comments and suggestions about the church budget and/or our handling of charitable contributions. Please call or email at any time. If you believe that your statement is not accurate, please contact the church office immediately and we will either clarify the discrepancy or provide a corrected statement. For additional information about IRS guidelines for charitable contributions, please visit <http://www.irs.gov/publications/p526/ar02.html>.

2018 BUDGET PROPOSAL

Comments

	2017		2018		
	\$	% of T	\$	% of T	
Budget Total	\$ 1,684,000	100%	\$ 1,600,000	100%	-5.0% 2017 budget to 2018 budget decrease
2017 Actual Receipts	\$ 1,533,730				4.3% 2017 actual to 2018 budget increase
Missions	\$ 188,000	11.2%	\$ 160,000	10.0%	
Global	\$ 89,300		\$ 88,500		Czech Republic, Church Builders, East Asia, Tex/Mex Border, Mauritius
Denominational	\$ 63,000		\$ 48,000		Cooperative state, national and international missions
Local	\$ 35,700		\$ 23,500		Church Plant, Disaster Relief, Compassion Ministries
Ministry	\$ 143,020	8.5%	\$ 131,500	8.2%	
Preschool	\$ 18,000		\$ 17,000		curriculum, equipment & supplies, teacher training
Children	\$ 27,000		\$ 26,000		Sunday morning programming, camps, leadership development
Youth	\$ 25,000		\$ 24,000		Resources & equipment, camps & retreats, discipleship events
Adult	\$ 14,300		\$ 14,300		Care, Bible Fellowships, Discipleship, Women's ministry, Marriage & Family
Evangelism	\$ 14,500		\$ 12,000		Evangelism training, personal evangelism, marketing
Worship/Media	\$ 24,700		\$ 20,200		resources & supplies, equipment, video production, licenses, stage set & design
Executive	\$ 6,000		\$ 6,500		Resources, host team, security, conference
Leadership	\$ 13,520		\$ 11,500		elders, staff, preaching supplies, opportunity
Operations	\$ 331,696	19.7%	\$ 304,324	19.0%	
Facilities	\$ 106,000		\$ 102,424		custodial, grounds, service contracts, repairs, consumables, improvements
Utilities	\$ 80,700		\$ 83,000		phone/internet, water, gas, electricity, trash
Admin	\$ 120,996		\$ 118,900		insurance, office equipment & supplies, payroll service, merchant services, printing
Equipment Escrow	\$ 24,000		\$ -		accumulate funds for future large facilities and equipment needs
Debt Service	\$ 191,558	11.4%	\$ 191,558	12.0%	
Personnel	\$ 829,726	49.3%	\$ 812,618	50.8%	general reductions - no impact on individual employees