

Book: Poplar Springs Baptist Church Policy Manual

Section 4000 Financial Policies

Title Building Fund Account – in Fund 02

Number 4730

Authority Article XI of the Church By-Laws

Adopted November 11, 2018

Section 1 Purpose

The purpose of this policy is to maintain a minimum balance, equivalent to three current mortgage payments, in the Poplar Springs Baptist Church Building Fund Account in Fund 02. This balance requirement should aid the church in meeting timely payments to the lender. The balance requirement also gives the Finance Committee time to inform church membership, and develop a plan of action, should monthly giving fall below the amount needed to meet the mortgage payment.

Section 2 Historical Record

Over the years the church has utilized a building fund to raise money to pay for building projects. The most recent prior use of these funds was for the Family Life Center (FLC). After completion of the FLC the building fund remained intact due to having excess funds after the loan was satisfied in 2009. This account laid dormant until the church decided to begin another building fund drive in 2016 to fund a new structure to replace the former (old) sanctuary. The church has historically used an Fund 02 savings account to keep building fund donations separate from general donations which are used to meet expenses of the annual operating budget.

Section 3 Investments/Banking

Upon recommendation from the Finance Committee, the church is authorized to deposit or invest the building funds with financial institutions.

Section 4 Expenditures

The church must approve use of funds from the building fund account in all instances. When a loan (mortgage) is involved in a building project, the church will identify in a motion which account and funds shall be designated to make future mortgage payments. Historically, the Fund 02 building fund account has been utilized for this purpose.

Building fund money shall be deposited back into the fund in any instance when withdrawn money is not fully utilized for the stated purpose. Should there be a positive balance in the building fund account, Fund 02 after a designated mortgage is satisfied, the church will determine the use of the balance by motion and vote at a business meeting. If there is no motion or use identified and approved by the church, the funds should stay in the building fund account Fund 02 until a future use is identified and approved.

At no time shall the building fund be utilized to cover normal operating expenses.