

THE PRESBYTERY OF MINNESOTA VALLEYS
Commission on Presbytery Operations

DESIGNATED FUNDS and RELATED POLICIES AND PROCEDURES

This paper includes three documents that have been created and approved regarding the Designated Funds of the Presbytery of Minnesota Valleys.

Part 1 – The Established List of Designated Funds (Accounts)	pages 2-17
Part 2 – The Investment Policy of the Presbytery	pages 18-19
Part 3 – The Policy Regarding the Conservation of Budget Funds	pages 20-25

General Information:

1. Definitions:

- a. When used, the term “The Board” refers to the Trustees of the Presbytery of Minnesota Valleys (Commission on Presbytery Operations).
- b. Unrestricted Designated Net Asset Funds (Accounts) are monies that can be used for normal programs or operations of the presbytery’s ministries
- c. Temporarily Restricted Net Asset Funds (Accounts) are monies that have been received for a certain program or ministry in the future
- d. Permanently Restricted Net Asset Funds (Accounts) contain Endowments and other funds that are kept in perpetuity

2. Information from the Presbytery’s Fiscal Policies

- a) The use of Designated Fund Accounts (formerly “L” accounts) shall meet the intent of the donor, and shall be managed with discernment, care and consideration for future years. The Budget Team of the Commission on Presbytery Operations may assign allocation of the funds to Presbytery committees, commissions, or task forces.
- b) If a non-budgeted expenditure from any Designated Fund Account is \$5,000.00 or greater, the approval of The Budget Team of the Commission on Presbytery Operations shall be requested. An expenditure exceeding \$10,000.00 shall require approval of the Presbytery.
- c) Monies in temporarily restricted Designated Funds may be assigned by the Budget and Finance Committee for disbursement by appropriate Presbytery committees and task forces.
- d) Review and respond to committees and task force requests to move budgeted funds to Designated Fund Accounts, subject to the provisions of the presbytery’s policy for the “Conservation of Funds”, pages xx-xx of this document.

PART ONE:
ESTABLISHED LIST OF DESIGNATED FUNDS (ACCOUNTS)
Revised and Approved – May 16, 2017

ACCT	Designated Fund Account Name (Year Established) Oversight Provided by Description of Uses	Fund Information: <ul style="list-style-type: none"> • Original Funding Source • Funding Status • Restricted or Unrestricted • Where do the Funds Reside?
1599	DEPRECIATION RESERVE (1990's) <i>Commission on Presbytery Operations</i>	<ul style="list-style-type: none"> • Depreciation on the presbytery's office and equipment • On-going, using a composite method of depreciation • Board Designated • There is no money in support of this fund
2100	SELF-DEVELOPMENT OF PEOPLE (1980's) <i>Presbytery's Self Development of People Committee</i> Funds are used for SDOP Committee-approved projects and administration.	<ul style="list-style-type: none"> • From PC(USA) Self-Development of People Committee • On-going funding • Temporarily Restricted Net Asset per SDOP guidelines • Savings
2103	PER CAPITA (1979) <i>Treasury; Finance Office</i> Per Capita that is pre-paid by congregations during the previous year and intended for the next year is held in this Account and transferred into the appropriate year's income budget for payment and use.	<ul style="list-style-type: none"> • Pre-payment of Per Capita • On-going funding • Temporarily Restricted Net Asset • Checking

2105	<p>SHARED AND EMERGENCY GRANTS (1979) <i>Executive Director of Presbytery Mission; Commission on Leadership</i></p> <p>This Account provides shared grants for pastors with special or emergency needs. 25% of the grant total is funded by the presbytery; 25% by the synod; and, 50% by the Board of Pensions Assistance Program.</p> <p>Monies in this Account will normally be accessed only after the Budget Line Item (7320) has been fully spent.</p>	<ul style="list-style-type: none"> • Monies in this Fund are automatically conserved annually from the Commission on Leadership budget line item 7320. • On-going funding • Unrestricted Designated Net Asset • Savings
2110	<p>LEGAL/PJC (1980's) <i>Executive Director of Presbytery Mission; Stated Clerk; and/or PJC</i></p> <p>Funds are used for Permanent Judicial Commission expenses.</p>	<ul style="list-style-type: none"> • Funds are automatically conserved annually from the PJC budget line item 7910. • On-going • Temporarily Restricted Net Asset • Savings
2130	<p>OPERATIONAL RESERVE ACCOUNT (Renamed 2017) Formerly -- UNDESIGNATED: BRAINERD SOUTH LONG LAKE (2011) <i>Commission on Presbytery Operations</i></p> <p>This Account is used by the presbytery as particular needs are identified by the presbytery.</p>	<ul style="list-style-type: none"> • This account began with undesignated funds from the closure of the South Long Lake congregation. • One-time Funding • Unrestricted Designated Net Asset • New Covenant Funds (1150)

<p>2135</p>	<p>GENERAL ASSEMBLY ALTERNATE COMMISSIONERS (1980) <i>Commission on Presbytery Operations</i></p> <p>This Account is designated for the purpose of sending Alternate Commissioners from this presbytery to serve as observers to the biennial meetings of the General Assembly.</p> <p>The automatic transfer from the Budget into the Designated Account should take place by the end of the First Quarter annually; and all Alternate Commissioner expenses be paid from this Designated Account.</p> <p>NOTE: <i>If there is a deficit at the conclusion of the General Assembly year, this deficit shall be addressed by the Commission on Presbytery Operations before new funds are added.</i></p>	<ul style="list-style-type: none"> • Account is maintained through the automatic conserving of funds from Budget Line Item 5805 in non-General Assembly years. These funds are then combined with the monies from budget line item 5805 during General Assembly years. • On-going Funding • Temporarily Restricted Net Asset • Savings
<p>2140</p>	<p>EXECUTIVE DIRECTOR OF PRESBYTERY MISSION GENERAL ASSEMBLY ACCOUNT (1990'S) <i>Executive Director of Presbytery Mission and Commission on Presbytery Operations</i></p> <p>This Account is designated to support the Executive Director of Presbytery Mission's attendance at, and participation in, the biennial meetings of the General Assembly.</p> <p>The automatic transfer from the Budget into the Designated Account should take place by the end of the First Quarter annually; and all EPDM expenses be paid from this Designated Account.</p> <p>NOTE: <i>If there is a deficit at the conclusion of the General Assembly year, this deficit shall be addressed by the Commission on Presbytery Operations before new funds are added.</i></p>	<ul style="list-style-type: none"> • Account is maintained through the automatic conserving of Budget Line Item 6050 in non-General Assembly years. These funds are then combined with the monies in budget line 6050 during General Assembly years. • On-going • Temporarily Restricted Net Asset • Savings

<p>2145</p>	<p>STATED CLERK GENERAL ASSEMBLY ACCOUNT (1990's) <i>Stated Clerk and Commission on Presbytery Operations</i></p> <p>This Account is designated to support the Stated Clerk's attendance at, and participation in, the biennial meetings of the General Assembly.</p> <p>The automatic transfer from the Budget into the Designated Account should take place by the end of the First Quarter annually; and all Stated Clerk expenses be paid from this Designated Account.</p> <p>NOTE: <i>If there is a deficit at the conclusion of the General Assembly year, this deficit shall be addressed by the Commission on Presbytery Operations before new funds are added.</i></p>	<ul style="list-style-type: none"> • Account is maintained through the automatic conserving of Budget Line Item 6150 in non-General Assembly years. These funds are then combined with the monies in budget line 6150 during General Assembly years. • On-going Funding • Temporarily Restricted Net Asset • Savings
<p>2200</p>	<p>SUPPORT AND DEVELOPMENT OF PASTORAL AND CONGREGATIONAL LEADERSHIP (2017) <i>Commission on Leadership (2016)</i></p> <p>The Commission on Leadership may utilize this Account for such activities as, but not limited to:</p> <ul style="list-style-type: none"> • Coaching and/or Mentoring of Pastoral Leaders • Pastoral Leadership Assessments (Leader Wise) • Pastoral Leader participation in Seminars and Workshops Dealing with Congregational Change, Congregational Conflict Management, Etc. • Self-care and Retreats for Pastoral Leadership • Short-term Conflict Intervention • Session Member/Elder Training conducted in cluster or regional settings <p>Congregations and/or ministries receiving grants from this Designated Account will be expected to stay current with their Per Capita payments, seek to grow their support of presbytery general mission, and maintain an active presence in the life of the presbytery.</p>	<ul style="list-style-type: none"> • Funds came from the sale of the Sartell church property • One-time Funding • Unrestricted Designated Net Asset • New Covenant Funds 1100

2210	<p>COMMISSION ON LEADERSHIP EVENTS (2016) <i>Commission on Leadership (2016)</i></p> <p>This Account provides funds for events that are planned or sponsored by the Commission on Leadership in support of the growth and development of pastoral leaders.</p>	<ul style="list-style-type: none"> • Funds will be automatically conserved from Commission on Leadership Budget items 7330, and 7340 (50% of that year’s remaining monies in each budget line). • On-going Funding • Unrestricted Designated Net Asset • Savings
2220	<p>BOUNDARY TRAINING (2005) <i>Commission on Leadership</i></p> <p>This Account is used to provide a required triennial Boundary Training event for the presbytery’s pastoral leaders and other interested individuals. This event is planned and sponsored by the Commission on Leadership.</p>	<ul style="list-style-type: none"> • Funds will be automatically conserved from Commission on Leadership Budget items 7330 and 7340 (50% of that year’s remaining monies in each budget line). • On-going Funding • Temporarily Restricted Net Asset • Savings

<p>2300</p>	<p>CAMP AND CONFERENCE SCHOLARSHIPS AND SUPPORT (1979) <i>Commission on Congregational Transformation and Development</i></p> <p>The Account provides Individual scholarships for attendance at Presbyterian Church (USA)-sponsored camps, conferences, events, workshops, etc.</p> <ul style="list-style-type: none"> • The Commission annually determines the standard amount for summer camp and Synod School scholarships. • Application forms are to be made available on the presbytery’s web site and from the presbytery office. <p><i>The funds in this Account are expended only after the following annual budgeted line items have first been spent:</i></p> <ul style="list-style-type: none"> ○ <i>7520 – Camp Scholarship</i> ○ <i>7530 – Synod School Scholarships</i> <p>Grants should be matched, when possible, by the local church requesting the funds.</p> <p><i>Congregations and/or ministries receiving scholarships or grants from this Designated Account will be expected to stay current with their Per Capita payments, seek to grow their support of presbytery general mission, and maintain an active presence in the life of the presbytery.</i></p> <p>When possible, this Account may also be used to provide direct grants, when requested, to support the regional PC (USA) Camps and Conference Center within our bounds, Presbyterian Clearwater Forest.</p>	<ul style="list-style-type: none"> • Account is maintained through the annual distribution of income received in Accounts 4900 and 4930, as well as through any gifts that are received. • On-going Funding • Unrestricted Designated Net Asset • New Covenant Funds 1100 and Savings
--------------------	---	--

<p>2302</p>	<p>PRESBYTERIAN YOUTH TRIENNIUM (08.25.2016) <i>Commission on Presbytery Life</i></p> <p><i>This Account is for the purpose of conserving and receiving funds for this presbytery's involvement in the Presbyterian Youth Triennium</i></p> <p>NOTE: The automatic transfer from the Budget into the Designated Account should take place by the end of the First Quarter annually; and all Triennium expenses be paid from this Designated Account.</p>	<ul style="list-style-type: none"> • This Account is maintained by the automatic conserving of funds from Budget Line Item 5260 in the two non-Triennium years. These funds will be added to the monies in 5260 budgeted and transferred during the year in which the Triennium is held. In addition to the \$3000 per year (three-year cycle) conserved from the presbytery budget, all receipts from congregations and participants will be placed into this Account. • On-going Funding • Temporarily Restricted Net Asset • Savings
<p>2307</p>	<p>ETHIOPIA-SOUTH SUDAN MINISTRY NETWORK (2017) <i>Ethiopia-South Sudan Ministry Network and Commission on Presbytery Life (2017)</i></p> <p>This is a fund in support of the presbytery's ministry efforts with African immigrant communities within the bounds of the presbytery.</p>	<ul style="list-style-type: none"> • Funds were monies previously assigned by the former Congregational Resource and Development Committee. Continuing funds come from gifts, grants, and other sources. • On-going • Unrestricted Designated Net Assets • Savings

<p>2310</p>	<p>CONGREGATIONAL TRANSFORMATION AND DEVELOPMENT (2008; revised, 2013) <i>Commission on Congregational Transformation and Development</i></p> <p>This Account provides:</p> <ul style="list-style-type: none"> • Grants to support the development of new congregations and worshipping communities • Grants to support new mission initiatives by the congregations of this presbytery • Grants to provide reimbursement for Coaches/Mentors working with New Church Development, New Beginnings, Church Redevelopment, New Worshipping Communities, and Transformation • Grants to support the development of networks, partnerships, and/or shared ministries among congregations for youth, ethnic populations, immigrants, older adults, and development of unique and innovative ministries. <p>Grants should be matched, when possible, by the local church requesting the funds.</p> <p>NOTE: <i>Congregations and/or ministries receiving grants from this Designated Fund Account will be expected to stay current with their Per Capita payments, seek to grow their support of presbytery general mission, and maintain an active presence in the life of the presbytery.</i></p>	<ul style="list-style-type: none"> • Funds initially came from the sale of the Sartell church property; additional funds are added in accordance with the presbytery’s investment policy. • On-going • Unrestricted Designated Net Asset • New Covenant Funds 1120
<p>2315</p>	<p>CHEMICAL ABUSE AND DEPENDENCY TRAINING FOR PASTORAL LEADERS [INTEREST: KEN STINSON (1990’S)] <i>Commission on Congregational Transformation and Development (2016)</i></p> <p>This Account is to be used to provide scholarships for pastoral leaders attending seminars, training events, or workshops that will equip leaders to be more effective in dealing with matters of chemical abuse and/or dependency, Additionally, funds from this account could be used by the presbytery to underwrite presbytery-sponsored training for pastoral leaders.</p>	<ul style="list-style-type: none"> • This Account is maintained through the interest generated by an Endowment kept in the Presbyterian Foundation 1220. • On-going • Permanently Restricted Net Asset • Savings

<p>2325</p>	<p>TECHNOLOGY UPGRADES (2011) <i>Commission on Congregational Transformation and Development (2016)</i></p> <p>This Accounts grants, for all types of computer and other technology needs for congregations of all sizes, as well as presbytery-supported camps and properties owned by the presbytery.</p> <p>Grants may not be used for physical plant upgrades.</p> <p>NOTE: <i>Congregations and/or ministries receiving grants will be expected to stay current with their Per Capita payments, seek to grow their support of presbytery general mission, and maintain an active presence in the life of the presbytery.</i></p>	<ul style="list-style-type: none"> • Funding came from the closure of the Brainerd South Long Lake congregation; the Account is maintained through the annual distribution of Dividends from Budget Line Items 4900 and 4930, per the investment policy of the presbytery. • On-going • Unrestricted Designated Net Asset • Savings
<p>2330</p>	<p>PEACE AND GLOBAL WITNESS (2017) <i>Previously known as Mission Inside and Outside of Our Borders Commission on Transformation and Development (2016)</i></p> <p>This Account is to be used to provide seed monies in support of new mission initiatives proposed by members of presbytery's congregations or sessions, congregational partnerships, or new task forces of the presbytery. The initiatives may take place either within or beyond our presbytery's borders.</p> <p>Special consideration may be given, but not limited, to initiatives that address the goals of the PCUSA Peace and Global Witness Offering – 1) to connect with the global witness to Christ's presence and peace; 2) to engage in ministries of peace and reconciliation; and, 3) to advocate for peace and justice in our communities and region, through collaborative projects of education and Christian witness. Grants should be matched, when possible, by the local church requesting the funds.</p> <p>NOTE: <i>Congregations and/or ministries receiving grants will be expected to stay current with their Per Capita payments, seek to grow their support of presbytery general mission, and maintain an active presence in the life of the presbytery.</i></p>	<ul style="list-style-type: none"> • Funds originally, from the sale of the Sartell church property; continued funding comes from the annual Peace and Global Witness Special Offering, as well as Dividends from Budget Line Items 4900 and 4930 and distributed in accordance with the presbytery's Investment Policy. • On-going • Unrestricted Designated Net Asset • Savings

<p>2400</p>	<p>DEVELOPMENT AND MISSION FUND (2011) <i>Commission on Presbytery Operations</i></p>	<ul style="list-style-type: none"> • Permanent fund which holds undesignated funds from congregations that have been dissolved or dismissed from the presbytery. <p>These funds are invested with the New Covenant Funds; Dividends are kept in a separate Account – Budget Line Item 4900 – and distributed or re-invested in accordance with the presbytery’s investment policy.</p> <ul style="list-style-type: none"> • On-going • Unrestricted Designated Net Assets • New Covenant Funds 1120
<p>2450</p>	<p>LEADERSHIP DEVELOPMENT FOR MINISTRY: THE ACADEMY (1992; revised 2017) <i>Commission on Leadership</i></p> <p>This Account was used for expenses related to the presbytery’s IDLM program which equipped Ruling Elders to become commissioned to service in the churches of the presbytery. The IDLM program was disbanded and the Account is on hold.</p> <p>It was agreed by the Commission on August 25, 2016 that this Account be held open and used for the presbytery’s involvement in a proposed multi-presbytery program, “The Academy” which is scheduled to begin in 2017.</p>	<ul style="list-style-type: none"> • Income from participants in the now discontinued IDLM program, as well as presbytery support, and grants. • On-going • Unrestricted Designated Net Assets • Savings

<p>2500</p>	<p>OCCIDENTE PARTNERSHIP: Housing (2010)</p> <p><i>Occidente Partnership Task Force, Executive Director of Presbytery Mission, and the Commission on Presbytery Life (2016)</i></p> <p>This Account originally provided funds for a manse construction projects for pastors in Guatemala that is a part of the partnership covenant. This project will be completed and the funds spent out in 2016.</p> <p>Remaining funds in this account may be used to supplement the funds in the presbytery’s budget, Line Item 5340.</p>	<ul style="list-style-type: none"> • Original funding came from previous account L5075. Additional funds now come from individual and congregational gifts, and other sources. • On-going • Unrestricted Designated Net Assets • Savings
<p>2505</p>	<p>OCCIDENTE PARTNERSHIP: 5% Fund (2010)</p> <p><i>Occidente Partnership Task Force, Executive Director of Presbytery Mission, and the Commission on Presbytery Life (2016)</i></p> <p>This fund is in support of the budget of the National Evangelical Presbyterian Church of Guatemala (INEPG) and may be used to supplement the funds in the presbytery’s budget, Line Item 5335.</p>	<ul style="list-style-type: none"> • Original funding came from previous account L5075. Additional funds now come from individual and congregational gifts, and other sources. • On-going • Unrestricted Designated Net Assets • Savings
<p>2510</p>	<p>OCCIDENTE PARTNERSHIP: Scholarships (2010)</p> <p><i>Occidente Partnership Task Force, Executive Director of Presbytery Mission, and the Commission on Presbytery Life (2016)</i></p> <p>This fund provides scholarship support for the education of pastors’ children in Guatemala and may be used in conjunction with funds provided by presbytery budget Line Item 5340.</p>	<ul style="list-style-type: none"> • Original funding came from previous account L5075. Additional funds now come from individual and congregational gifts, and other sources. • On-going • Unrestricted Designated Net Assets • Savings

2515	<p>OCCIDENTE PARTNERSHIP: Reformed Theology Training (2010) Occidente Partnership Task Force, Executive Director of Presbytery Mission, and the Commission on Presbytery Life (2016)</p> <p>This fund supports theological training for pastors in the Occidente Presbytery and may be used to supplement the funds in the presbytery’s budget, Line Item 5340.</p>	<ul style="list-style-type: none"> • Original funding came from previous account L5075. Additional funds now come from individual and congregational gifts, and other sources. • On-going • Unrestricted Designated Net Assets • Savings
2520	<p>OCCIDENTE PARTNERSHIP: Delegate Exchange/Travel (2010; renamed 2016) Occidente Partnership Task Force, Executive Director of Presbytery Mission, and the Commission on Presbytery Life (2016)</p> <p>The covenant between Minnesota Valleys and its Occidente Partners is reviewed and renewed every four years. This fund provides resources for the Guatemalan partners to travel to Minnesota.</p> <p>NOTE: Sufficient funds exist in this fund for the 2017 event. Conservation of this fund will resume in 2018.</p>	<ul style="list-style-type: none"> • Original funding came from previous account L5075. Funds now come from gifts, and other sources, including budget line item 5350. <p>Budgeted Funds are to be automatically conserved for no more than 3 previous years and will be added to the budgeted item in the year of the event.</p> <p>The unspent balance will automatically be held for the next event. If the event is not held in the scheduled year, no further funds will be added until the event is held. Then the conservation cycle may begin again.</p> <ul style="list-style-type: none"> • On-going • Temporarily Restricted Net Assets • Savings

<p>2525</p>	<p>OCCIDENTE PARTNERSHIP: Network Meetings (2010) <i>Occidente Partnership Task Force, Executive Director of Presbytery Mission, and the Commission on Presbytery Life (2016)</i></p> <p>This fund supports the presbytery’s participation in a biennial gathering of PCUSA and INEPG members.</p>	<ul style="list-style-type: none"> • Original funding came from previous account L5075. <p>Additional funds now come from individual and congregational gifts, and other sources, including budget line item 5345.</p> <p>Budgeted Funds are to be automatically conserved for no more than 2 previous years and will be added to the budgeted item in the year of the event.</p> <p>The unspent balance will automatically be held for the next event. If the event is not held in the scheduled year, no further funds will be added until the event is held. Then the conservation cycle may begin again.</p> <ul style="list-style-type: none"> • On-going • Temporarily Restricted Net Assets • Savings
-------------	--	--

2530	<p>OCCIDENTE PARTNERSHIP: Mission Work Trip (2010) <i>Occidente Partnership, Executive Director of Presbytery Mission, and the Commission on Presbytery Life (2016)</i></p> <p>Fund supports an annual Minnesota Valleys mission work trip to Guatemala.</p>	<ul style="list-style-type: none"> • Funds are provided by previous account L5075, individual and congregational gifts, and other sources. • On-going • Unrestricted Designated Net Asset • Savings
2550	<p>CANDIDATE TRUST FUND INTEREST AND TEACHING ELDER ORDINATION-INSTALLATIONS (1980's) <i>Commission on Leadership (2016)</i></p> <p>This fund grants scholarship assistance for Inquirers or Candidates of this presbytery as determined by the Commission on Leadership</p>	<ul style="list-style-type: none"> • Funding comes from Candidates' Trust Fund (Account 2600) Interest, as well as offerings that are received at Pastoral Ordination/Installation services. • On-going • Temporarily Restricted Net Asset • Savings
2600	<p>CANDIDATES' TRUST FUND (1980's) <i>Commission on Leadership (2016)</i></p> <p>This is a permanent fund (1210) that is managed in an interest-bearing Account with New Covenant Funds.</p>	<ul style="list-style-type: none"> • Funds received from congregational contributions • Funding is on-going • Temporarily Restricted Net Asset • New Covenant Fund 1210 <p><i>Interest is to be placed in Account 2550.</i></p>

<p>2605</p>	<p>MILLENNIUM FUND (1990's) <i>Commission on Congregational Transformation and Development</i></p> <p>This is a permanent fund (1200) that is managed in an interest-bearing Account with New Covenant Funds.</p> <p>The status and uses of this Fund are being researched by the Finance Team of the presbytery.</p>	<ul style="list-style-type: none"> • Starter funds came from the Bicentennial Fund. • One-time • Temporarily restricted Net Asset • New Covenant Funds 1200 <p>Interest is to be placed in Account 2310.</p>
--------------------	---	---

NOTE:
Technically, the following are not Designated Funds (Accounts), but they are shown here for informational purposes. They are line items in the "Other Income" section of the Statement of Activities (Budget Report), and show up in that report. At the end of the year, monies in these two lines items must be dealt with according to the presbytery's Investment Policy:

<p>.4900</p>	<p>DIVIDEND PROCEEDS FROM THE DEVELOPMENT AND MISSION FUND (2011) <i>Commission on Presbytery Operations (2016)</i></p>	<ul style="list-style-type: none"> • Dividends from a permanent fund (1120), which holds the undesignated funds from congregations that have been dissolved or dismissed from the presbytery. • On-going • Board Designated • Savings
---------------------	--	--

4930	DIVIDEND PROCEEDS OF CHURCH CLOSINGS (2011) <i>Commission on Presbytery Operations (2016)</i>	<ul style="list-style-type: none"> • Dividends from a permanent fund (1120) with New Covenant Funds without restriction which holds the undesignated funds from congregations that have been dissolved or dismissed from the presbytery. • On-going • Board Designated • Savings
------	---	---

PART TWO:
THE PRESBYTERY OF MINNESOTA VALLEYS
INVESTMENT POLICY
Revised and Approved – May 16, 2017

The allocation of new funds received by Presbytery from a church closing or leaving the denomination or other undesignated funds shall be invested in the New Covenant Funds without restriction.

Annually, as part of the budget development process (and prior to the final presbytery meeting of the calendar year), the Commission on Presbytery Operations shall make a recommendation to reinvest all or a part of the earnings (dividends and interest), which are reported as Other Income – line items 4900 and 4930).

For the portion of the earnings not reinvested, the Commission shall make a distribution of the earnings by using the following formula and reporting it to the presbytery no later than the final presbytery meeting of the calendar year.

- 1) **50%: to 2310 “Congregational Transformation and Development”** overseen by the Commission on Congregational Transformation and Development. Grants should be matched, when possible, by the local church requesting the funds.
- 2) **25%: to 2300 “Camp and Conference Scholarships and Support”** overseen by the Commission on Congregational Transformation and Development. These scholarships may be requested by congregations for individuals of all ages attending Presbyterian-related camps, conferences, or events. Grants should be matched, when possible, by the local congregation and/or individual.
- 3) **10%: to 2330 “Peace and Global Witness”** overseen by the Commission on Congregational Transformation and Development. This Account is to be used to provide seed monies in support of new mission initiatives proposed by members of presbytery’s congregations, sessions of congregations, congregational partnerships, or new task forces of the presbytery. The initiatives may take place either within or beyond our presbytery’s borders.

Special consideration may be given, but not limited, to initiatives that address the goals of the PCUSA Peace and Global Witness Offering – 1) to connect with the global witness to Christ's presence and peace; 2) to engage in ministries of peace and reconciliation; and, 3) to advocate for peace and justice in our communities and region, through collaborative projects of education and Christian witness.

- 4) **15%: to 2325 “Technology Upgrades”** overseen by the Commission on Congregational Transformation and Development. This is for all types of computer and other technology needs for congregations of all sizes, as well as presbytery-supported camps and properties owned by the presbytery, with matching funds provided by the requesting body.

The following provision shall also be attached to funds received from Designated Accounts 2310, 2300, 2330, and 2325:

Congregations and/or ministries receiving scholarships or grants from this Designated Account will be expected to stay current with their Per Capita payments, seek to grow their support of presbytery general mission, and maintain an active presence in the life of the presbytery.

POLICY
REGARDING PRESBYTERY BUDGET LINE ITEMS
AND THE CONSERVATION OF SUCH FUNDS
(Approved February 6, 2016; Revised and Approved May 16, 2017)

Statement Regarding the Annual Budget:

Funds within the annual line item budget of the presbytery are funds that are received from congregations, individuals, and other sources that have been given and intended for use by the staff and ministry units of the presbytery within that particular calendar year. Unless previously determined by the Commission on Presbytery Operations (or, Budget and Finance Committee, prior to March 1, 2016), the majority of budget funds are not intended to be conserved within a Designated Account for future use; only under exceptional circumstances shall the unspent portions of any annual budget item, that has not been previously approved for conservation, be considered for transfer into a Designated Account.

Statement Regarding the Conservation of Annual Budget Line Item Monies:

In the life cycle of the presbytery and in other areas of the church, there are ministries and events that do not happen on an annual basis. In regard to these ministries and programs, it is prudent for the presbytery to budget its support of these ministries and events in equal amounts over the course of the years leading up to and including the year in which those ministries or events take place. It is within these parameters that the possibility to conserve funds could be permitted. Following this practice will help the presbytery by not having occasional spikes in the presbytery's budget.

Additionally, there is a provision in the personnel policies and practices of the presbytery that permits staff personnel and the Stated Clerk to carry over, if requested and available, unspent continuing education funds for use in future years. Any funds remaining in the designated continuing education accounts will be forfeited and returned to the presbytery budget as "other income" when the individual leaves the employment of the presbytery.

Within its Designated Accounts, the presbytery will maintain a limited number of funds in which annual budget funds may be conserved, with the following understanding that:

- a. That these Designated Accounts are ministry accounts, not savings accounts, and meant to be used for the intended purpose within reasonable time periods, normally not to exceed three years.
- b. Funds will be reviewed annually by the Commission on Presbytery Operations.
- c. Funds not being used may be reassigned or reallocated by the presbytery where permissible, at the recommendation of the Commission on Presbytery Operations.

The following Funds have been approved by action of the presbytery (February 6, 2016) to be automatically conserved on an annual basis:

Budget Line	Line Item Account Name	Conserved within Designated Fund(s)	Provisions
5260	Youth Triennium	2302 Youth Triennium	<p>The Presbyterian Youth Triennium takes place every 3 years. This is an on-going fund that not only conserves presbytery's support of the youth attending the event, but it is the fund through which fees are received and payments for registration, transportation, etc., are made.</p> <p>Budgeted Funds are to be automatically conserved for each of the 2 years prior to the Triennium and added to the budgeted funds in the year of the event. Budget funds should be conserved into the Designated account before March 31 each year.)</p> <p>Following the Triennium, the unspent balance will automatically be held for the next event. If the event is not held in its scheduled year, no further funds will be added until the event is held. Then the conservation cycle will begin again.</p>
5345	Guatemala Network Conference	2525 Occidente Partnership Network Meetings	<p>This conference normally occurs every 2 or 3 years and this is an on-going fund in support of this event,</p> <p>Budgeted Funds are to be automatically conserved for no more than 2 previous years and will be added to the budgeted item in the year of the event. Budget funds should be conserved into the Designated account before March 31 each year.)</p> <p>The unspent balance will automatically be held for the next event. If the event is not held in the scheduled year, no further funds will be added until the event is held. Then the conservation cycle may begin again.</p>

5350	Occidente Delegation to Minnesota Valleys	2320 Occidente Partnership Delegate Exchange	<p>The covenant between Minnesota Valleys and its Occidente Partners is reviewed and renewed every four years. This is an on-going fund that provides resources for the Guatemalan partners to travel to Minnesota.</p> <p>Budgeted Funds are to be automatically conserved for no more than 3 previous years and will be added to the budgeted item in the year of the event. Budget funds should be conserved into the Designated account before March 31 each year.)</p> <p>The unspent balance will automatically be held for the next event. If the event is not held in the scheduled year, no further funds will be added until the event is held. Then the conservation cycle may begin again.</p> <p><i>Sufficient funds exist in this fund for the 2017 event. Conservation of this fund will resume in 2018.</i></p>
5530	Legal/PJC	2110 Legal/PJC	<p>This is an ongoing fund in which unspent budget monies in any year are to be automatically transferred into this fund for use by the Permanent Judicial Commission.</p>
6050	EDPM (Executive Director of Presbytery Mission): General Assembly Account	2140 (Executive Director of Presbytery Mission): GA Account	<p>The meeting of the General Assembly occurs every 2 years.</p> <p>Budgeted Funds are to be automatically conserved for 1 year and added to the budgeted item in the year of the General Assembly. Budget funds should be conserved into the Designated account before March 31 each year.)</p> <p>The unspent balance will be held for the next General Assembly and combined with the next two years of budget funds.</p>

7050	Stated Clerk General Assembly Account	2145 Stated Clerk GA Account	<p>The meeting of the General Assembly occurs every 2 years.</p> <p>Budgeted Funds are to be automatically conserved for 1 year and added to the budgeted item in the year of the General Assembly. Budget funds should be conserved into the Designated account before March 31 each year.)</p> <p>The unspent balance will be held for the next General Assembly and combined with the next two years of budget funds.</p>
7110	GA Alternate Commissioners	2135 GA Alternate Commissioners	<p>General Assembly occurs every 2 years.</p> <p>Funds will be automatically conserved for 1 year and added to the budgeted item in the year of the General Assembly. Budget funds should be conserved into the Designated account before March 31 each year.)</p> <p>The unspent balance will be held for the next General Assembly and combined with the next two years of budget funds.</p>
7320	COL Conferences, Grants and Scholarships	2105 Shared and Emergency Grants	<p>Unspent budget monies (as of December 1) will be automatically conserved (no later than December 15) for future use by the Commission on Leadership to provide Shared and Emergency Grants.</p>
7330 7340	COL Annual Consultations; COL Synod Leadership Summit	2210 COL Event(s) 2220 Boundary Training	<p>Unspent budget monies (as of December 1) are to be automatically conserved (no later than December 15) within these two funds (50% each) for future use by the Commission on Leadership to sponsor Leadership and Boundary Training events.</p>

- The following Funds may be conserved by request – provided that funds are available in the budget.

Line Item	Account Name	To Fund	Request By	Provisions
6030	Executive Director of Presbytery Mission: Continuing Education	2170	Executive Presbyter through the Commission on Presbytery Operations	Unspent funds, if available, may be carried over under the provisions of the presbytery's personnel policies.
6230	Administrative Assistant: Continuing Education	2165	Executive Presbyter through the Commission on Presbytery Operations	Unspent funds, if available, may be carried over under the provisions of the presbytery's personnel policies.
7030	Stated Clerk: Continuing Education	2175	Stated Clerk through the Commission on Presbytery Operations	Unspent funds, if available, may be carried over under the provisions of the presbytery's personnel policies.

TIMETABLE FOR CONSERVATION TRANSFERS:

Date	From – Budget Line Item	To – Designated Account	Amount
By March 31	5260 – Youth Triennium	2302 – Youth Triennium	Full Budget Amount
By March 31	5345 – Guatemala Network Conference	2525 – Occidente: Network Meeting	Full Budget Amount
By March 31	5350 – Occidente Delegation To Minn Valleys	2320 – Occidente: Delegate Exchange	Full Budget Amount
By March 31	6050 – EDPM: General Assembly Account	2140 – EDPM: General Assembly Account	Full Budget Amount
By March 31	7050 – Stated Clerk: GA Account	2145 – Stated Clerk: GA Account	Full Budget Amount
By March 31	7110 – General Assembly Alternate Commissioners	2135 – General Assembly Alternate Commissioners	Full Budget Amount
Before Dec 15	5530 – Legal/PJC	2110 – Legal/PJC	Budget balance as of Dec. 1, less outstanding funds
Before Dec 15	7320 – COL Conferences, Grants, Scholarships	2105 – Shared and Emergency Grants	Budget balance as of Dec. 1, less outstanding funds
Before Dec 15	7330 – COL Annual Consultations; 7340 – Synod Leadership Summit	2210 – COL Events and 2220 – Boundary Training	50% of the Budget balance as of Dec. 1, less outstanding funds, into each of the two accounts