

## **Our Lady of Grace Parish Fundraising: Principles, Policies, and Procedures**

### **I. Rationale:**

Our Lady of Grace is striving to be a stewardship parish. In the ideal stewardship parish, the sharing of time, talent and treasure by parishioners, and the overall parish commitment to the sharing of God's gifts, would make fundraising by parish groups unnecessary.

Fund raising activities do serve at least two important purposes, besides the obvious one of raising needed money for parish ministries. First, they highlight the specific mission, importance, and needs of the organization which is raising the funds. Second, they help to build community within the parish, and enthusiasm for its ministries.

The ability to raise funds, however, and/or the desire for the benefits those funds would obtain, is not necessarily a compelling reason for raising those funds. Fundraisers should never overshadow the practice of stewardship, in the amount of funds raised, the frequency of fundraisers, or the objectives of raising the funds. Nor should funds be raised for unnecessary items that may be luxuries when other essential needs in the parish are not being met.

### **II. Principles:**

In order to help the parish practice good stewardship, to act respectfully toward parishioners and others who are asked to support the parish and its fundraisers, and to support the goals of parish groups which do fundraising, these principles are offered as a foundation for parish fundraising policies:

- The fundraising activity must address essential elements, and not gratuitous wants or luxuries, of the parish group.
- The fundraising activity itself must be compatible, in its content and the way it is conducted, to the identity and mission of Our Lady of Grace as a Catholic Christian faith community.
- The group raising funds must be aware of and respectful of the needs, customs, and integrity of other parish ministries and organizations, and should seek to build partnerships in cooperation with other parish groups to avoid competition and duplication.
- Parish groups, in planning their fundraising activities, must be respectful of the members of the parish, and of the sacredness of the Church's liturgy and the parish's sacred space.

- Because of the Church's duty to serve the poor, all fundraising activities must not only be respectful of those who are unable to contribute, but also must directly assist the poor, financially and in other ways if possible.
- The parish, in its administration of the funds raised, has a responsibility to be a good steward of these funds.
- The parish should be informed, in a timely manner, before, during, and after any fundraisers as to the goals and accomplishments of those fundraisers, including prompt reporting of final totals, and acknowledgment of volunteers and supporters of the fundraiser.

### **III. Categories:**

Parish fundraisers will be categorized in these policies and procedures as:

1. Small Limited Term Fundraisers: Those which will take place over a given period (e.g. day/s, weekend/s, a liturgical season, etc.), and which seek to raise \$2500 or less. (Examples: bake sales, rummage sales, car washes, etc.)
2. Large Limited Term Fundraisers: Those which will take place over a given period, as specified above, and which seek to raise over \$2500. (Examples: Oktoberfest, Grace Gala, Athletic Committee golf outing, etc.)
3. Ongoing Fundraisers: Those which are conducted as a normal part of the parish schedule, with or without an end date. (Examples: Scrip sales, Global issues, etc.)
4. Parish-Wide Campaigns (Examples: Fruitful Harvest, Graceful Giving, etc.)
5. Special Fundraisers (Examples: One-time special collections at Mass, special collections mandated by the diocese, etc.)
6. Fundraisers for groups outside the parish (Examples: Cancer Society, etc.)
7. Internal school fundraisers (Examples: Birthday Book Club, etc.)

These categories include all fundraisers, either on- or off-site, which are sponsored or approved by the parish.

#### **IV. Policies:**

These policies are to be followed strictly by all parish groups which do fundraising. Exceptions are noted, or will be granted as it is judged appropriate.

##### **1. Approval:**

- a. Small Limited Term Fundraisers must be approved by the Cabinet at least three months prior to the event.
- b. Large Limited Term Fundraisers must be approved by the Cabinet and scheduled at least six months in advance of the event. (Twelve months is preferred.)
- c. Any new Ongoing Fundraiser must be approved by the Cabinet at least six months in advance of its initiation. No further approval is needed for the Ongoing Fundraisers already in place as of March 17, 2020.
- d. Special collections for the poor or other emergency needs may be scheduled by the pastor at any time. Consultation with the Cabinet is encouraged, but Cabinet approval is not needed.
- e. Internal school fundraisers need approval from the school principal only on a case-by-case basis, after consultation with the Cabinet.
- f. All other fundraisers need Cabinet approval on a case-by-case basis. (Exception: Special collections or campaigns mandated by the diocese are not subject to Cabinet deliberation and approval; diocesan policies supercede parish policies.)
- g. No fundraising activity using parish grounds or facilities will be entered in the parish calendar until approved.
- h. Applications (see attached) will be reviewed by the Parish Cabinet within two weeks after being submitted, on a first-come, first-served basis. The Cabinet is advisory to the Pastor, and consists of the Associate Pastor, Director of Business and Administration, Director of Faith Formation, Director of Music and Liturgy and the School Principal. The Cabinet meets monthly. The decision for or against approval may not be immediate, depending on the need for further information or consultation.

2. Use of parish facilities and common spaces:
  - a. On the weekends of Palm Sunday and Easter Sunday, no fundraisers are to take place on parish grounds or under parish auspices. The total number of weekends available for fundraisers in this area is thus 50 per year.
  - b. In accordance with the practice already current, the sale of Scrip by the Parent-Teacher Organization (PTO) may take place on all 50 of the available weekends. Any other group wishing to conduct a fundraiser in the Community Room must receive permission from the Cabinet, by way of the application process.
  - c. The Gathering Space, and/or the Community Room, will be available for only one fund-raiser each per weekend, excluding Scrip sales.
  - d. Fundraisers in the Gathering Space and/or Community Room will be scheduled by way of the application process on a first-come, first-served basis.
  - e. No group may conduct weekend fundraising activities for more than two consecutive weekends.
3. Collaborative fundraisers: The involvement of a second parish organization in another organization's fundraising program is not to be assumed, and must be approved in writing by the chair of the second organization.
4. Tithing: A percentage of all funds raised, which will be equal to the amount established for current parish tithing, will be donated to the Parish Tithing Committee for the needs of the poor. (As of March 17, 2020 the percentage is 5%. This policy does not apply to funds that are raised for the poor, e.g the Haiti Mission, St. Vincent de Paul, etc.)
5. Purpose of funds
  - a. The financial goal of the fundraiser, in dollar amounts, is to be indicated by the parish organization on the fundraising application, as well as in any pre-event publicity.
  - b. The purpose of the funds to be raised must be publicized before the fundraiser by way of the parish bulletin, promotional flyers, online and/or other means of publicity. These means of publicity must be mentioned in the application for approval.
  - c. If the proceeds are to be divided among various accounts, recipients, etc., the amounts to be given to each are to be specified in detail on the fundraiser application. This is to be done either by percentage or by dollar amounts.

- d. Proceeds of the fundraiser must go to the recipients designated, in the predetermined amounts.
6. Reporting
    - a. The organization that is doing the fundraiser is responsible for reporting to the Cabinet and Director of Stewardship the total amount of proceeds raised.
    - b. If the proceeds are to be divided among various accounts, recipients, etc., this is to be included in the report.
    - c. The report is to be provided by the Director of Stewardship and promoted online/the parish bulletin within three weeks of the completion of the fundraiser. If the final report is not ready at that time, an interim report is to be made at that time, with weekly updates until the final report is published.
    - d. A final, detailed financial report is to be submitted to the Director of Business and Administration and Accountant, within one month after the completion of the fundraiser. A form for this report is included with the application.
  7. Handling of funds
    - a. All cash receipts of any fundraiser are to be submitted to the church Accountant within **48** hours of the completion of the fundraiser.
    - b. Receipts of all fundraisers will be placed in the parish's General Fund, and earmarked for the designated purposes of the fundraiser.
    - c. Bills for all fundraisers will be paid out of the parish's General Fund, and will be paid in advance of the end of the payment period designated by the vendor.
  8. Receipts and reimbursements
    - a. The first preference for reimbursements is for payment after the completion of the fundraiser by the parish Bookkeeper. In this case, the person arranging for the purchase should use the parish's tax exempt number to avoid paying sales tax.

- b. The second preference for reimbursements is for payment within one week to private persons who purchased items for the fundraiser. Reimbursements will not be made without a valid receipt, and the parish's tax exempt number should be used in first purchasing the items, to avoid paying sales tax. The parish does not pay sales tax on tax-exempt items, so if the organization or private person purchases items without using the tax exempt number, that organization or person will be responsible for payment of the sales tax.
  - c. Private persons are not to be reimbursed directly from the original cash receipts of the fundraiser, but only according to 9b above.
  - d. If pre-payment is needed, the check request (approved by the Director of Business and Administration) must be submitted to the Accountant's office by the Monday preceeding the Friday when the check will be written. Checks will not be released on days other than Fridays.
9. Compliance: A group's compliance, or lack thereof, with these policies, will be considered in succeeding fundraising application processes.
10. Exceptions: Exceptions to this policy or to any part of it should never be assumed by the fundraising group, but will only be granted by way of the application process.

**V. Implementation/Timeline:**

This policy is effective as of March 25, 2020. Fundraisers already scheduled before the effective date do not need further approval, but must comply with all other requirements of the policy.