



St. Michael Catholic Church

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FUNDRAISING FOR PARISH MINISTRIES: POLICY AND PROCEDURES

We, the faith community of the St. Michael Catholic Church, united in our Catholic faith and support of God's Church, gather to bear witness to the teaching of Jesus Christ, promote the mission of the Roman Catholic Church, and to responsibly steward God's gifts. We therefore invite and encourage all to use their God-given time, talent, and treasure to make present the Kingdom of God.

Parishioners are encouraged to actively support parish faith-based events, as well as charitable and social justice activities affecting people locally, nationally, and internationally.

The purpose of this handout of *Fundraising for Parish Activities: Policy and Procedures* is to establish guidelines to be adhered to by all parish ministries desiring to generate funds (otherwise called, "fundraising") for the furtherance of their parish ministry and the Church's mission. It also is designated to ensure the sanctity of the Church's mission and environment, and to diminish the likelihood of overwhelming parishioners with an excessive number of fundraising events.

What is fundraising?

Fundraising is the process of soliciting and gathering monies or other gifts "in kind", by requesting donations from individual parishioners, families or businesses, to support on-going liturgical, community, faith formation or other mission effort(s) of the parish.

Policy and Procedures:

1. The purpose of the fundraising must be clearly identified in writing to the Pastor and must support the mission and vision of the parish; a minimum of 30 days before the planned event. Additionally, a proposed timeline and a description of the activity must be provided; including a proposed list of church space(s) to be used, and resources and/or materials needed for the individual fundraising event.

2. All parish ministry fundraising must be coordinated with/through the Pastor *.
 - a. To schedule parish-level facility space and calendar availability;
 - b. To ensure adequate advertisements and/or announcements (e.g., local or diocesan newspapers; parish bulletin; etc.) of the event are done in advance;
 - c. To ensure that appropriate security, safety and insurance liability coverage safeguards, and documentary requirements are planned for and incorporated into the event's overall planning; and
 - d. Note: Previously scheduled and announced parish activities and faith formation activities in conflict with the proposed fundraising activities shall take precedence, if an amiable resolution cannot be reached amongst all concerned parties.

(* The Pastor, will in turn, if/as necessary, be responsible to coordinate the event with the parish's Pastoral and Finance Councils. Ultimately, the responsibility and authority to approve or disapprove the ministry event lies with the Pastor.)
3. The Pastor shall review and sign all fundraising contracts that involve or obligate the St. Michael Catholic Church (and/or their individual ministry(s)) in any manner whatsoever.
4. If advertising of the event is needed, the event's coordinator shall contact the parish office for a bulletin article, local newspaper advertisements, etc., a minimum of one month before the event's approved and scheduled date.
5. The event coordinator must provide a plan for a cash accounting process before, during, and after the event (including a double-signer (e.g., 2-person rule) protocol whenever money is not yet securely deposited). This plan will include the requirement for all monies/proceeds received during the fundraising event to be properly documented, deposited and entered into the parish's accounting system for financial oversight and accountability (required of all parishes within the Diocese of Colorado Springs) within 24 hours of the event. (NB: Knights of Columbus events will follow the own organization's established protocols, policies and procedures in such matters in lieu of the diocese's financial policies.)
6. Any creation, publication and distribution of fundraising event entrance tickets must include:
 - a. "This is a fundraising event for _____." (e.g., Altar & Rosary Society; the Parish Youth Group or Chastity Rally; etc.).

b. The ticket will include “**A Suggested Donation**” not a “**Cost or Fee**”.

Example: Fall Festival Dinner: \$10.00 (suggested donation per adult)
\$ 5.00 (suggested donation children (under 12))

Why “**A Suggested Donation**” vs. a fixed “**Cost or Fee**”? For several reasons:

1. The Church (and therefore all of its associated subordinate, supportive ministries) is a federal and state tax-exempt entity. This tax-exemption status is restricted to those donations *freely given or donated* to the parish. Any sale of religious articles or services for a fixed price, cost or fee, however, is subject to taxation by the State of Colorado Department of Revenue, Division of Tax.
2. The advertisement, tickets and/or donor’s check must identify/specific that the person’s donation is solely for a fundraising activity for a parish ministry. The monies received are thereafter categorized as “restricted funds”—to be used only for expenses related to that parish ministry’s activities. In other words, the ministry’s fundraising monies will be maintained in separate and distinct parish sub-accounts as “funds held-in-trust” for each ministry. Subsequent expenditure of such ministry funds shall be via established diocesan and parish financial policies (e.g., completion and submission of a purchase order, etc.).
3. Normal weekend offertory donations are not normally designated as “restricted funds”. Therefore, the parish is required to report weekly (unrestricted) offertory figures to the Diocese of Colorado Springs and is subject to monthly auditable, assessment fees (e.g., a small percentage amount of the parish’s total monthly offertory figures) and is sent to assist the diocese in its missionary works.
4. Any abuse or inappropriate use of the parish’s tax-exempt status (i.e., certificate) not only affects the ministry and its parish, but the entire Diocese of Colorado Springs as well, and may result in its revocation. Therefore, careful planning and oversight of the certificate is paramount.
7. If the fundraising event is to include any game of chance (i.e., lottery, bingo, raffle, etc.), the event coordinator must contact the Pastor (a minimum of 2 months before the event), to discuss the required application for and acquisition of a State of Colorado Department of Revenue Gaming License; identifying the trained, gaming official; etc.

8. Fundraising activities will not be approved for the Christmas or Holy Week periods or during any scheduled liturgical celebration (e.g., Mass, Holy Hour, funeral or wedding, etc.).
9. Flyers for any outside (non-Church related entity's) fundraising activities must be approved by the Pastor before it may be posted on the church's bulletin boards, placed in the bulletin or posted on the church's grounds.
10. The event coordinator and ministry's volunteers will be responsible to ensure that any parish facility, equipment or grounds used for the fundraising event is left clean and orderly. As a rule: It should look like it did, prior to the fundraising activity—it is to be returned to a serviceable condition. If the pastor determines that any used area(s) or equipment require professional cleaning and/or repair, the respective ministry will be notified in writing and the associated costs will be withdrawn from the ministry's funds held-in-trust.

This handout entitled, *Fundraising for Parish Ministries: Policy and Procedures* for the St. Michael Catholic Church is to ensure compliance with existing diocesan Financial Policies and Procedures; State of Colorado laws; and universal, acceptable accounting practices.

A handwritten signature in blue ink that reads "Rev. R. G. Newbury Jr." The signature is written in a cursive style with a large, sweeping initial 'R'.

Rev. Robert G. Newbury Jr.
Parochial Administrator