



FINANCE, INVESTMENT, AND FUNDING POLICIES

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A. PRESBYTERY FUNDING POLICIES

The Presbytery Operating Budget

The Presbytery's fiscal year shall be the calendar year.

The Operating Budget is developed by the Budget Development and Oversight Committee (BDOC) with the input from all program and mission units.

The Treasurer shall provide BDOC with all current financial information, projected trends, and any historical data that may be needed in order to prepare a budget. The Treasurer will assist the BDOC in preparing draft budget spreadsheets and any other documentation it may need in the budgeting process.

Congregations shall support the mission of the Presbytery through contributions to Presbytery Per Capita and General Mission. Presbytery Per Capita request to congregations will be based on the most recent membership provided by PC(USA) from annual church reports. Congregations are encouraged to support General Mission as an important part of their mission program. Each fall, BDOC will send a Presbytery General Mission letter and form to churches requesting their General Mission estimate for the coming year. Although Presbytery urges sessions to support the forgoing policies, it recognizes that each session may allocate its mission funds as it will (See Book of Order Section G=3.0205" ...the session will prepare and adopt a budget and determine the distribution of the congregation's benevolences...").

Special Appeals

1. The Big Picture Team, upon recommendation by a committee or working group, may approve a Presbytery-wide special appeal for funding on behalf of any of its mission units.
2. The soliciting committee or working group will not suffer any reduction of its normal budgeted amount in the Operating Budget during the special appeal period.
3. The soliciting committee or working group will develop adequate informational materials which will enhance and deepen the entire Presbytery's understanding of our mission.
4. When the Big Picture Team gives approval to committees or working groups of Presbytery to conduct special appeals, it is understood that a church's giving to such requested funds is over and above the giving church's established commitment to the Operating Budget.
5. The Big Picture Team may, from time to time, give permission for special appeals to support ministries and agencies that are not currently supported by the Operating Budget. This is especially the case in order to respond to new opportunities for mission or to meet special needs or emergencies.

Funding approved 10/5/94, revised 2/27/02

The Presbytery will financially support as a designated ministry Camp Whitman, as a mission outreach program, which will be reviewed annually by the Mission Linkages Working Group of the Big Picture Team. Permission is granted to solicit additional mission funding for Camp Whitman from churches and individuals within the Presbytery of Genesee Valley. The Presbytery elects three persons to serve on the Camp Whitman Committee (approved by Presbytery 5/30/00, amended 2019)

Approved by Presbytery, April 29, 2023 To move from the Policies & Procedures Manual

General Assembly Special Offering

The Presbytery shall continue to give high priority and encourage churches to respond with generosity to the Special Offerings of the General Assembly, such as the One Great Hour of Sharing, the Peace & Global Witness Offering, Christmas Joy Offering, Pentecost, and other special appeals as they may arise.

We request that all special offerings be sent directly to General Assembly, except the Peace & Global Witness offering, which shall be sent to Presbytery for distribution.

Capital Fund or Building Programs

1. The Presbytery encourages congregations which enter into capital fund or building programs to remember the mission of the whole church. To this end, Presbytery invites sessions to consider an appropriate percentage goal or a specific dollar amount to be raised in capital fund or building programs that would be devoted to mission, possibly with individual members being given the opportunity to designate a portion of their pledge for such purposes. Where circumstances will not permit the inclusion of a percentage component for mission during a particular fundraising effort, churches are encouraged to consider increasing their mission support when the campaign is concluded. Presbytery Trustees shall exercise primary oversight as to congregational mission designation in their capital process.
2. Presbytery shall approve member church's major capital fund campaigns, building programs, and property transactions that encumber the church's property (see Book of Order G-4.0206a) and Presbytery has assigned the approval process to the Presbytery Trustees. The Trustees may require up to two months in order to complete this process, and there may be additional requirements of state law. Well in advance of beginning this process, a session should refer. Trustees "Capital Projects and Campaign Planning" document on the website.

B. PER CAPITA POLICY AND ADMINISTRATION

Background

Per Capita is the means by which our denomination funds its "ecclesiastical" expenses, i.e. all the expenses required to run the Church. The Book of Order states that Presbyteries "shall be responsible for raising their own per capita funds and for the timely transmission of per capita funds to their respective synods and to the General Assembly." In 1992, the GA Permanent Judicial Commission [GA-PJC] ruled that Presbyteries may prepare and publish a list of churches that pay or do not pay their per capita. They also ruled that a church may neither be compelled to pay nor be punished for failure to pay any per capita amounts. In 1999, the GA-PJC ruled that Presbyteries have the responsibility to pay the full amount of Synod and General Assembly per capita, even if member churches do not pay the full amount allocated to them. Presbyteries have the responsibility to pay the full amount irrespective of specific collections from churches "as long as funds are available within the Presbytery." The 1999 GA-PJC also stated that Presbyteries may use unrestricted funds to pay Synod and GA per capita allocations.

Policy

Presbytery shall remit the full amount of Synod and General Assembly per capita in a timely fashion, regardless of the amounts remitted to Presbytery by member churches.

In determining the Presbytery per capita dollar amount needed in the new budget year, BDOC shall consider anticipated funding received via per capita, general mission and other sources of income as well as anticipated "shrinkage" in the per capita amounts remitted by member churches; any special circumstances that may be coming before the Presbytery, such as a judicial case; and the per capita levels requested in recent years. BDOC will bring the per capita recommendation to the Presbytery for approval at the fall meeting.

This "per member per capita" shall be multiplied by the most recent membership data for each member church to arrive at a Presbytery per capita request from each member church.

Before the start of the new budget year, the Budget Development and Oversight Committee shall communicate the Presbytery, Synod and General Assembly per capita apportionment to each member church.

The Presbytery asks its member churches to contribute Presbytery, Synod, and General Assembly per capita apportionment to the Presbytery. The Presbytery does not receive per capita contributions from individuals, but only from member churches.

Responsible Committee: Budget Development and Oversight Committee

105 C. PRESBYTERY FINANCE ADMINISTRATION

106 **Background**

107 *During their audit of the Presbytery's books in the spring of 2004, the firm of Heveron & Co. strongly*
108 *recommended in their Management Letter that the Presbytery have a written policy governing the activities of*
109 *the Operations Manager (OM) and Treasurer. Such a policy was prepared by the Administration Committee, in*
110 *consultation with the Trustees, the Treasurer, and Presbytery Leadership.*
111

112 **Introduction**

113 This section establishes guidelines and policies applicable to the operations of the Presbytery's Finance Office
114 and the duties of the OM and Treasurer in the areas of cash management, receipts, disbursements, payroll, tax
115 returns, accounting, per capita, and records retention. The purpose of this document is to assure that
116 Presbytery has:

- 117 ▪ Good stewardship of its financial resources.
 - 118 ▪ Timely, complete, accurate and understandable picture of its financial status and projections.
 - 119 ▪ Transparency in all financial transactions.
- 120

121 **Accounting**

122 The Presbytery shall use modified cash basis accounting and follow Generally Accepted Accounting Principles
123 (Modified cash is not GAAP reporting).
124

125 The General Ledger and all related financial documents shall be kept in a secure form. The ledger and supporting
126 documents will be backed up daily to the cloud.
127

128 The Chart of Accounts will be established and modified at the direction of the Treasurer and in coordination
129 with the OM.
130

131 Financial reports, such as the Balance Sheet and the Operating Statement, will be established, formatted, and
132 modified at the direction of the Treasurer and in coordination with the OM.
133

134 The Presbytery Treasurer has online access to the Presbytery checking account, money market account and
135 credit card statements. The Treasurer will review the accounts on a regular basis.
136

137 Under the direction of the Budget Development and Oversight Committee, and with the full cooperation of the
138 OM, a financial review or an audit shall be performed annually by an independent CPA firm. Financial reviews
139 shall be conducted in accordance with *Book of Order* G-3.0113. In a year during which an OM changes or a
140 Treasurer leaves office, a full audit, as opposed to the less extensive financial review, is required.
141

142 Each month the gains/losses in the investment account will be reported on the balance sheet and distributed to
143 the following funds according to their pro rata share of the Investment Funds:
144

- 145 ▪ Slater Fund
 - 146 ▪ Genesee Valley Fund
 - 147 ▪ Westminster-RPH Mission Fund
 - 148 ▪ Matthew 25 Fund
 - 149 ▪ Food Ministry Fund
 - 150 ▪ Parkminster Legacy Fund
- 151

152 Because of the activity in the funds that does not pass through to the investment account during the year, an annual
153 review will be conducted by BDOC to determine if it is necessary to allocate any differences among the accounts.
154

155
156

157 **Cash Management**

158 The Treasurer will be responsible for the management of all short-term [less than one year] cash needs of the
159 Presbytery and shall report to Trustees. The Treasurer may move funds or direct the OM to move funds
160 between the checking account and a Money Market Fund.
161

162 **Presbytery Receipts**

163 A staff person or designated volunteer other than the OM - Presbytery Staff, is responsible for opening any
164 Presbytery receipts. Checks will be stamped "for deposit only" and given to the OM. Cash receipts should
165 include documentation for the total amount being forwarded to the OM. Cash and checks should not be kept by
166 the OM for more than one week.
167

168 The Treasurer (elected position) will monitor the PayPal account and review deposit documentation processed by OM.
169

170 All receipts must be recorded in the Presbytery's general ledger.
171

172 Presbytery receipts for operating and mission functions in the form of securities shall be converted to cash.
173

174 The disposition of securities, land, or property donated to the Presbytery shall be the responsibility of the Trustees.
175

176 **Presbytery Disbursements**

177 All disbursements from the Presbytery shall be made via on-line checks drawn on the Presbytery checking
178 account, by physical check or by the OM Presbytery credit card. No transactions shall occur via cash and the
179 Presbytery shall not have a Petty Cash Fund. The Treasurer, the OM, and the Executive Presbyter (EP) are
180 authorized to sign checks. Other signatories may be designated at the discretion of the Treasurer with the
181 approval of the Trustees.
182

183 All disbursements must be recorded in the Presbytery's general ledger.
184

185 The OM shall never issue a blank check [payee and/or amount field blank] for any reason.
186

187 Recurring expenses, which have been approved via the annual budget, such as rent, utility bills, *payroll (see
188 below), payments to Synod and General Assembly, insurance premiums, may be paid by the OM without a
189 specific voucher.
190

191 **Payroll disbursements: timesheets for hourly employees are reviewed/approved by the EP. Once approved*
192 *the OM will send payroll to Presbytery CPA, who will send payroll documentation to the OM for payroll*
193 *processing along with documentation to remit Federal/State taxes. Documentation for all employees is*
194 *approved and signed by the Treasurer.*
195

196 Non-recurring expenses, such as committee expenses, travel costs, legal expenses, employee reimbursements
197 and miscellaneous expenses shall be paid by the OM only upon receipt of a voucher (with receipts attached, if
198 appropriate, or committee action noted) or invoice. Such a voucher or invoice shall be signed by the appropriate
199 Committee representative, the EP or Treasurer (Treasurer will approve EP reimbursements). Reimbursement for
200 mileage will be calculated at the then current IRS rate for business travel.
201

202 While the majority of bills are paid through online banking, if needed, there are blank checks stored in the OM's
203 locked file cabinet.
204

205 With the approval of the EP and the Personnel Committee, Presbytery employees may be issued a Presbytery
206 credit card to be used for Presbytery business only.
207

208 **Reports**

209 At the direction of the Treasurer, the OM shall prepare a Balance Sheet, Operating Statement and the Mission &
210 Per Capita Report for the preceding month, prior to the BDOC meeting. Reports shall be reviewed and received

211 by the Trustees and/or BDOC, prior to distribution to the committees, working groups, and at each stated
212 Presbytery Meeting.

213
214 The OM will provide Balance Sheet and Operating Statements to committee chairs and working group leaders
215 each month.

216
217 On a monthly basis, the OM will provide member church leaders (Pastors in Churches, Clerks of Session, Church
218 Treasurers and PGV Church Administrators) with the Mission & Per Capita Report.

219
220 **Record Retention and Record Keeping**

221 Electronic Financial records are stored in the Finance Restricted Google Drive. Paper financial records scheduled
222 for destruction are securely stored at Third Presbyterian Church. The EP, OM and Treasurer have access to these
223 documents.

224 Permanent financial records include:

- 225 ▪ All Federal and State Tax ID numbers
226 ▪ The Presbytery's incorporation documents and Federal Tax-Exempt Status letter
227 ▪ All bank accounts, mutual funds, and investment account numbers, names, addresses, and phone
228 numbers
229 ▪ All insurance policies numbers, names, addresses, and phone numbers
230 ▪ All software version numbers, serial numbers, installation passwords, vendor tech support phone
231 numbers, i.e., all data needed to reinstall software after a disaster
232 ▪ Copies of major equipment invoices, including serial numbers, dates of purchase, and warranty
233 information
234 ▪ Any other irreplaceable and very important documents

235
236 The OM shall use records retention guidelines such as those in this policy.

237
238 **RECORD RETENTION GUIDELINES**

Accident Reports & Claims	7 years	General Ledger	Permanently
Articles of Incorporation	Permanently	Insurance Policies [current]	While current
Audit & Review Reports	Permanently	Insurance Policies [expired]	Permanently
Bank Deposit Slips	3 years	Insurance records, claims, accident reports	Permanently
Bank Reconciliations	1 year	Internal Reports	3 years
Bank Statements	Permanently	Invoices from Vendors	8 years
Brokerage Statements	Permanently	Minute Books	Permanently
Budgets, Capital Budgets	2 years	Payroll Records	8 years
Stock & Bond Records	Permanently	Property Appraisals	Permanently
Canceled Checks [ordinary]	7 years	Property Records	Permanently
Canceled Checks [important payments or purchases]	Permanently	Purchase Orders	7 years
Contracts, Mortgages [expired]	7 years	Retirement & Pension Records	Permanently

Contracts, Mortgages [still in effect] Permanently	Stock & Bond Certificates [expired] 7 years
Correspondence [routine] 3 years	Subsidiary Ledgers [if any] 7 years
Correspondence [legal] Permanently	Tax Returns & Worksheets Permanently
Depreciation Schedules Permanently	Telephone Logs/Message Books 7 years
Employee Expense Reports 3 years	Timesheets 7 years
Employee Payroll Records 4 years	Training Manuals Permanently
Employee Personnel Records 6 years	Vouchers for Payments 7 years
Employment Applications 3 years	Withholding Tax Statements 7 years
Financial Statements Permanently	

Policy Responsibilities

The Treasurer is responsible for assuring ongoing compliance with these policies. In the event the OM is unable to fulfill their responsibilities within the scope of these policies, the Treasurer may act on their behalf until the Presbytery Personnel Committee has resolved the situation.

In the event the Treasurer is unable to fulfill their responsibilities within the scope of these policies, the Big Picture Team shall appoint a Treasurer Pro Tem who shall serve until the Presbytery Committee on Representation can present a candidate for permanent Treasurer to the appropriate stated meeting of Presbytery.

Policies for related financial areas, such as property management, church loans, and investment management, are the responsibility of the Trustees.

Proposed revisions to this policy shall be submitted to the Budget Development and Oversight Committee, which shall prepare them for presentation to Presbytery.

Responsible Committees: Budget Development and Oversight Committee and Board of Trustees

D. PRESBYTERY INVESTMENT POLICY

Investment Funds

Investment Funds are those monies and assets which are not required for short-term needs and are managed by an External Investment Manager and Custodian (aka External Manager). They are held for future income, growth and use.

Funds of Presbytery of Genesee Valley (PGV)

Funds of the PGV can be used for any lawful purpose as determined by PGV governance, except that certain funds are restricted by the terms of their donation or by a designation previously adopted by PGV (the latter subject to subsequent amendment by PGV).

Applicable Law

Use of PGV funds is subject to The Book of Order and the directives of the General Assembly of the Presbyterian Church, USA and to the laws of the United States and the State of New York, including, but not limited to, the New York Prudent Management of Institutional Funds Act, Article 5 of New York Not-for-Profit Corporation Law (NYPMIFA).

273 **Goals and Objectives**

274 1. Investment Goals (General)

- 275 ▪ Preserve Capital
- 276 ▪ Achieve adequate return net of Inflation and Expenses
- 277 ▪ Grow the fund

278 2. Investment Objectives

- 279 ▪ Preserve Capital
- 280 ▪ Control risk
- 281 ▪ Generate income
- 282 ▪ Grow assets
- 283 ▪ Follow investment discipline
- 284 ▪ Maintain enough liquid assets to meet distributions
- 285 ▪ Meet or exceed reasonable market benchmarks chosen by PGV
- 286 ▪ Ambitious goals of profit maximization and market timing through short-term and/or speculative
- 287 investments will not be sought

289 **Restrictions on Investments**

290 PGV will abide by the directive of the General Assembly on Divestment. The General Assembly urges divestment
291 and/or proscription of those corporations on its Divestment List, which is updated annually. PGV seeks to follow
292 this directive by avoiding direct holding of any securities or debt of the listed corporations. PGV recognizes that
293 avoiding any indirect holding of such securities or debt through holding of mutual funds or similar instruments
294 which, in turn, hold securities or debt of the listed corporations, is difficult to achieve, but aspires to minimize
295 these positions as well.

296
297 This list is available at: <https://www.presbyterianmission.org/ministries/mrti>.

298
299 PGV has a desire for the management of its investments to reflect its ethical, social, and moral principles.
300 Accordingly, investment strategies that include a focus on positive Environmental, Social, and Governance
301 practices are encouraged, subject to the availability and expected effectiveness of such strategies.

302 PGV will not invest in the following:

- 303 ▪ Commodities and Future Contracts
- 304 ▪ Private Placements
- 305 ▪ Cryptocurrencies (e.g. bitcoin)
- 306 ▪ Limited Partnerships
- 307 ▪ Venture Capital Investments
- 308 ▪ Hedge Funds
 - 309 ○ Fixed Income securities that are not denominated in U.S. Dollars or Euros, or Pounds Sterling
 - 310 ○ Hard assets, including, but not limited to, precious metals, gems, art, collectibles, international
 - 311 equities not traded on domestic exchanges or in over-the-counter markets unless included in a
 - 312 U.S.-based commingled funds
 - 313 ○ Real estate other than through publicly traded REITS
 - 314 ○ Auction rate securities

315
316 PGV will not engage in the following transactions:

- 317 ▪ Short selling
- 318 ▪ Margin Transactions

320 **Roles and Responsibilities**

321 Board of Trustees of PGV shall be responsible for oversight of Investment Funds and Investment Policy. That
322 oversight includes:

- 323 1. Appoint an External Manager.
- 324 2. Monitor activity of External Investment Manager, including, but not limited to:

- a. Set standards of performance, including, but not limited to, market benchmarks. Currently, these standards are: "total return of at least 3-7% above the rate of inflation annually over a market cycle
 - b. Set minimum credit risk for individual investments, and average weighted credit quality for the entire fixed income portfolio.
 - c. Set strategic goals including, but not limited to, asset allocation. The targeted asset allocation is 70% Equity, 30% Fixed income. Variations from these targets should be maintained within plus/minus 10 percentage points.
 - d. Set standard for mix between U.S. and foreign holdings. Foreign stocks are expected to comprise 30% of the equity portion of the portfolio, with an allowable range of 10%-40%.
 - e. Monitor investment positions against the list of prohibited investments set forth in this Policy and GA Divestment List.
 - f. Review all statements and reports issued by External Manager.
 - g. Meet face to face with External Manager, at least annually.
 - h. Provide the External Investment Manager with a copy of the current Investment Policy at least annually and as soon as reasonably possible after the adoption of any amendments or changes.
3. Report at least quarterly to the Big Picture Team and to the Presbytery on Investment Fund's performance and the performance of the External Investment Manager.

External Manager Shall:

Any External Manager to whom PGV delegates the management and investment of its Investment Fund shall:

1. Invest PGV assets pursuant to the terms of this policy and its successor policies as communicated to External Manager.
2. Maintain a relationship with PGV terminable at any time, without penalty, with up to 60 days' notice. (NYPMIFA, Section 554(e))
3. Engage, interface, supervise and pay brokers, dealers and custodians. The custodians shall maintain possession of all PGV Investment Fund securities and funds, collect dividend and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The custodian will also perform regular accounting of all assets owned, purchased, or sold, as well as movement of assets into and out of the PGV accounts. Provide PGV with Quarterly Reports including a list of assets priced at market value at the end of the quarter and including earnings on an accrual basis, transaction activity and a balancing report for the previous quarter.
4. Monitor changes in management or other material changes for each of the investments chosen.
5. Notify PGV promptly of material changes of ownership, structure, or key personnel of the External Manager and of the individual account representative of the External Manager assigned to the account of PGV.
6. Notify PGV promptly of any actual or potential conflicts of interest that could affect PGV account.
7. Notify PGV promptly of any litigation or enforcement actions outstanding against the External Manager or any of its investment professionals and any notice External Manager has of impending initiation of such.

Investment Management Standards of Conduct:

The following standards will be met in the management of the Funds:

1. Subject to the intent of a donor expressed in any gift instrument, the Board of Trustees, in managing and investing the Funds, shall consider the purposes of the PGV and the purposes of the Funds.
2. In addition to complying with the duty of loyalty imposed by law, each person responsible for managing and investing the Funds shall manage and invest in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances. A person who has special skills or expertise or is selected in reliance upon the person's representation that the person has special skills or expertise has a duty to use those skills or that expertise in managing and investing the Funds.
3. In managing and investing the Funds, the Trustees and External Manager may only incur costs that are appropriate and reasonable in relation to the assets, the purposes of the PGV, and the skills available to the PGV.
4. The Trustees and External Manager shall make every reasonable effort to verify the facts relevant to the management and investment of the Funds.

5. Except as otherwise provided by a gift instrument, the following apply:
- a. In managing and investing the Funds, the following factors, if relevant, will be considered:
 - i. General economic conditions
 - ii. The possible effect of inflation or deflation
 - iii. Any expected tax consequences, if any, of investment decisions or strategies
 - iv. The role each investment or course of action plays within the overall investment portfolio of the Funds
 - v. The expected total return from income and the appreciation of investments
 - vi. The needs of the PGV and the Funds to make distributions and preserve capital
 - vii. Other resources of the PGV
 - viii. Any specific asset's special value, or special relationship, if any, to the purposes of the Funds
 - b. Management and investment decisions about an individual asset must be made not in isolation, but rather in the context of the Funds' portfolio of investments as a whole and as part of an overall investment strategy having risk and return objectives reasonably suited to the Funds and the PGV.
 - c. The Trustees and the External Manager shall diversify the investments of the Fund unless the Trustees determine that, due to special circumstances, the purposes of the Funds are better served without diversification. The Trustees shall review a decision not to diversify as frequently as circumstances require, but at least annually.
 - d. Within a reasonable time after receiving property, the PGV shall make and carry out decisions concerning the retention or disposition of the property or to rebalance a portfolio in order to bring the Funds into compliance with the purposes, terms, and distribution requirements of the Funds.
6. This policy sets forth guidelines on investments and delegation of management and investment functions in accord with Prudent Investor standards and the standards of the New York Prudent Management of Institutional Funds Act (NYPMIFA).

Acquired Assets

Background

As of January 1, 2020, the value of the Acquired Assets Fund, the Revolving Loan Fund, and the Budget Support Fund were combined to form the Genesee Valley Fund. Assets acquired thereafter through the dissolution of congregations, the sale of property, bequests (unless specified by the donor and accepted by the Board of Trustees) and any other undesignated gifts will be held in the Genesee Valley Fund.

Policy

Assets acquired through dissolution or dismissal of congregations, sale of property, bequests (unless specified by the donor and accepted by the Board of Trustees) and any other gifts will be held in the Genesee Valley Fund unless a different allocation is approved by Presbytery. Assets acquired through dissolution or dismissal of congregations that reflect unpaid Per Capita allocations shall be held in the Genesee Valley Fund.

E. PRESBYTERY CAPITALIZATION POLICY

Policy

The Presbytery of Genesee Valley shall capitalize any item, equipment, or software that costs more than \$2,500 and is expected to last at least three years. Capitalized items shall be depreciated over their estimated useful lifetimes.

Responsible Committee: Budget Development and Oversight Committee

F. DESIGNATED FUNDS: DESCRIPTIONS AND POLICIES

Fund Designation

The Presbytery shall distinguish between Donor Restricted Funds, Donor Specific Use Funds and Presbytery Designated funds:

- **Donor Restricted:** The acceptance and management of Donor Restricted Funds shall be subject to Presbytery's acceptance of the restrictions, if any, placed by the donor upon the use of such funds

- **Donor Specific Use:** The OM may receive monies intended by their donors for specific groups or events, such as the Peace & Global Witness Offering and Rochester Presbyterian Home, and will account for such monies as Donor Specific Use Funds
- **Presbytery Designated:** The Presbytery may specify some of its own funds for specific purposes and the OM shall account for such actions as Presbytery Designated Funds

F1. DONOR RESTRICTED FUND

Slater Fund

Background

The Fund was established in 1882 by the will of Eleazer Slater to benefit the churches of Niagara Presbytery located in Niagara and Orleans Counties. Unfortunately, the original documentation relating to this Fund has been lost. However, a 1882 newspaper clipping about the Slater bequest and several legal documents in the Presbytery's files indicate that Slater intended that the principal of the fund be permanently restricted, i.e. could not be spent, and that only the income could be used for the benefit of the above mentioned churches. In 1988, the Orleans County Surrogate Court divided the Fund between the Presbytery of Western New York and the Presbytery of Genesee Valley, since Niagara Presbytery no longer existed. The book value, or original value, of our share of the Fund was \$22,623.

The Orleans County Court also directed that the income from the Fund be used for the benefit of the five Presbyterian Churches located in Orleans County, namely First Presbyterian Church of Albion; Barre Center Presbyterian Church; First Presbyterian Church of Holly; Lyndonville Presbyterian Church; and First Presbyterian Church of Medina. In 1991, New York endowment law was changed, so that any capital gains arising from restricted funds are not restricted. Thus, only the original book value of \$22,623 is restricted.

Policy

The income of the Slater Fund for a given year shall be its pro rata share of all income [dividends and interest] generated by the Presbytery Investment Funds as of December 31st of the prior year. This income shall be divided equally between and dispersed to each of the Presbyterian Churches located in Orleans County, namely First PC of Albion, Barre Center PC, Lyndonville PC, First PC of Holley, and First PC of Medina. The Presbytery encourages the five churches to work together to tithe this income. If for some reason such income is not dispersed to these churches, said income will be added to the principal of the Slater Fund.

As noted in the Background above, only the original book value [\$22,623] is permanently restricted from being spent. The realized capital gain accumulated in the fund is also for the benefit of the five churches. The churches may submit proposals for the use of this realized gain, if they so desire, to the Presbytery Trustees for consideration.

The Slater Fund shall be part of the professionally managed Investment Funds and share in the capital gain or loss of these funds.

Responsible Committee: Board of Trustees

F2. DONOR-SPECIFIC USE FUNDS

Background

Over the years, the Presbytery has acted as banker, receiving agent, disbursing agent, and/or bookkeeper for funds coming from Synod and GA to member churches, funds going from member churches to Synod and GA, and funds related to various Presbytery groups that do not have bookkeeping or banking capabilities. From time-to-time, the Presbytery will also receive gifts, grants, and bequests, while not permanently restricted, are given with a donor-specified use or functional understanding.

Policy

The Presbytery may serve as the banking and bookkeeping function for Presbytery-related groups, pass-through funds, and donor-specified use funds. These monies shall be accounted for in a 3100 series account in the

479 Presbytery General Ledger. The OM shall give these groups reports as to their account activity whenever they
 480 request. These Donor Specific Use Funds shall not be placed in the professionally managed Investment Fund and
 481 shall not participate in any capital gains or losses that may occur in the Investment Fund.
 482

483 **Donor-Specific Use Funds & Responsible Committees:**
 484

Donor-Specific Use Funds	Responsible Committee
Blossom Trust <i>Background: The Blossom Trust is held by the Presbyterian Foundation. PGV receives quarterly interest/dividends. The Trust was created for the work of the Women's Board of Foreign Missions (WBFM) in accordance with the wishes of the Women's Presbyterial Society of Rochester. Both organizations have been dissolved for many years. Upon consultation with our auditors, Presbytery may distribute these funds to international missions.</i>	Grants Working Group of the Healthier Congregations Team
Commissioned Pastor Training	Committee on Ministry
Congregational Legal Support	Trustees and Committee on Ministry
Emergency Aid Fund	Pastor for Leader Care & Development in consultation with the EP
Measuring Mission	Tools & Training Working Group of the Healthier Congregations Team
Ministry Candidates Aid Fund	Committee on Preparation for Ministry
Misc. Designated Gifts OM holds funds from churches for Rochester Presbyterian Home & General Assembly and remits to those entities annually	No responsible committee
New Worshipping Communities (NWC) Presbytery holds grant funds from other sources.	NWC Leadership
Presbytery Peace & Global Witness Offering	Grants Working Group of the Healthier Congregations Team
Scholarships	Tools & Training Working Group of the Healthier Congregations Team
Synod Partnership Grant - Shared by Genesee Valley, Geneva, & Western NY Presbyteries	Big Picture Team Oversight
Visioning Working Group	Big Picture Team

485

486 **F3. PRESBYTERY DESIGNATED FUNDS**

487 **Westminster Worship Ministry at Rochester Presbyterian Home Fund**

488 ***Background***

489 *After the sale of their building in 1997, the Westminster Church congregation rented space in the former Presbytery*
 490 *office on Thurston Road owned by the Presbyterian Home. The Westminster congregation held regular worship*
 491 *services at the Presbyterian Home and became very involved and connected with the daily life of the Home.*
 492

As of June 30, 2006, at their request, the Presbytery dissolved the Westminster congregation. The Westminster session recommended to the Presbytery that their remaining assets be used to establish a fund to support the ministry of a "mission co-worker chaplain" at the Presbyterian Home.

Policy

The only purpose of this fund is to support the work of a Mission Co-worker Chaplain at the Rochester Presbyterian Home. It is recognized that this support will require the use of all of the funds pro rata share of investment interest and dividends, as well as a portion of the fund principal.

The demands made on the fund and the progress of the program will be reviewed annually by the Mission Linkages Working Group of the Big Picture Team and the Presbytery Trustees.

If for some reason the Mission Co-worker Chaplain program at the Presbyterian Home were to be terminated, any assets remaining shall be used as directed by the Big Picture Team and approved by Presbytery. The assets of the Westminster Fund shall be placed in the professionally managed Investment Fund and share in the capital gain or loss of these funds.

Responsible Committees:-The Big Picture Team via Mission Linkages Working Group.

Genesee Valley Fund

Background

The former Revolving Loan Fund of the Presbytery (RLF), in its various forms, had been used by the Presbytery since 1952 to grow invested funds and to use income from the Fund for loans and lines of credit to churches. In 2011, Presbytery affirmed the existing purposes of the RLF, and upon recognizing that accruing interest and sound investment had grown the fund to a level consistently higher than necessary to respond to requests from churches, revised the RLF policy to cap the fund at an appropriately sufficient level to meet anticipated needs (\$850,000). Assets in the fund which exceeded this level were placed in another Presbytery Fund to support other Presbytery-determined mission and ministry. This fund was first named the Great Ends of the Church, and then re-named Presbytery Budget Support.

Policy

The purpose of this Fund is to grow in value with investment return and to provide Total Return/Spend income for the Presbytery operating budget annually. A Total Return/Spend policy is a defined calculation methodology that determines the annual amount of non-restricted investments that may be used to support the Presbytery's operating budget on a sustainable basis, year over year.

- Total Return is the combination of investment fund income, dividends, and market fluctuation.
- The Presbytery has approved that 5%-8% of the Fund's value may be drawn annually for income based on a 20-quarter rolling average, with the 20th quarter being the most recent calendar year third quarter. Any proposed change to the value to be drawn will be recommended by the Trustees, approved by the Big Picture Team, and reported to the Presbytery.

The operating budget will show the amount to be drawn from the Genesee Valley Fund in the line item titled Investment Support for Sustainability. If additional funds are required from the Presbytery's Investment Funds, the Treasurer shall first obtain approval from the Trustees which will bring the recommendation to Presbytery. Any amount approved by the Presbytery in addition to this draw will be shown at the bottom of the Operating Statement and Annual Operating Budget as Deficit Offset from the Genesee Valley Fund for transparency that this is additional support beyond the budgeted amount.

Additional Uses of this Fund:

Loans and Lines of Credit

Churches seeking loans or lines of credit for building repair/renovations will be encouraged, with the consultation and approval of the Trustees, to apply first to the Presbyterian Investment and Loan Program (PILP). If PILP does not grant the loan or line of credit, the Trustees will have the discretion to recommend to the Big Picture

545 Team/Presbytery that the church receive a loan or line of credit from the Genesee Valley Fund. Loan repayment
546 terms should compare very favorably with those in the commercial loan market.
547

548 Reserves

549 The Trustees will calculate the amount of the reserve to be held within the Fund to back the loan guarantees
550 for all PILP Loans or loans from other lenders, including mortgages for new construction. The Fund will be
551 managed in such a way that there are always sufficient reserves to make nine months of payments on loans
552 and loans guaranteed, and to fund any approved lines of credit.

553 Responsible Committees: Budget Development and Oversight, Board of Trustees
554

555 **Youth Triennium Escrow Fund**

556 ***Background***

557 *Since the Youth Triennium ordinarily occurs ~~only~~ every third year, the Presbytery felt that it was less disruptive to*
558 *the annual budgeting process to budget for the triennium every year and to accumulate the funds until needed.*
559

560 ***Policy***

561 To provide financial support to help send Presbytery's youth delegates to the PC(USA) sponsored Youth
562 Triennium. This fund shall not be part of the professionally managed Investment Fund and shall not participate
563 in any capital gains or losses that may be generated by the Investment Fund.

564 Responsible Committee: Youth and Young Adult Working Group of the Healthier Congregations Team.
565

566 **Matthew 25 Fund**

567 ***Background***

568 *On April 24, 2021, the Presbytery approved the recommendations of the Big Picture Team involving the*
569 *sunsetting of the ROC SALT Mission Center, a three-year pilot mission project of the Presbytery of Genesee*
570 *Valley. Included in the motions was the approval to sell the ROC SALT building (former Calvary St. Andrews--68*
571 *Ashland St., Rochester, NY).*
572

573 *The Presbytery approved that net proceeds from the sale of the property would be distributed at defined*
574 *percentages to various mission opportunities including the South Wedge Food Program, originally a ministry of*
575 *Calvary St. Andrews and then of ROC SALT, and the newly defined herein "Matthew 25 Fund." Matthew 25 is a*
576 *PC(USA) initiative that embraces three areas of focus: dismantling structural racism, eradicating systemic*
577 *poverty, and building congregational vitality. The Presbytery of Genesee Valley became a Matthew 25 Mid*
578 *Council at the same April 2021 stated meeting.*
579

580 ***Policy***

581 Collaborating with two (2) members of the Grant Working Group (GWG), the Racial Justice, Peace and Advocacy
582 Working Group (RJPAWG) shall evaluate and approve of the uses of the "Matthew 25 Fund" to support projects
583 focused on dismantling structural racism and eradicating systemic poverty and income disparities within the city of
584 Rochester, N.Y. The assets of the "Matthew 25 Fund" shall be included in the Investment Funds professionally
585 managed by the Board of Trustees and share in the capital gain or loss of these funds. Approval to disburse from
586 the "Matthew 25 Funds" requires 2/3 vote by the RJPAWG. The two (2) GWG members will help the RJPAWG to
587 understand how to evaluate project applications and not have a voting role when approving disbursement from
588 the "Matthew 25 Fund."

589 Approved 4/29/23, Stated Presbytery meeting.

590 Responsible Committee: Racial Justice, Peace and Advocacy Working Group (RJPAWG)
591

592 **Food Ministry Fund**

593 ***Background***

594 *At the Presbytery meeting held on April 24, 2021, the Presbytery voted to approve the following amended motion:*

595 *A percentage of the net proceeds (from the sale of 68 Ashland St) be gifted to the South Wedge Food*
596 *Program in recognition of its history as a ministry of the Calvary St. Andrews congregation, with the balance*

of the proceeds returning to the Presbytery of Genesee Valley for future mission opportunities focused on racial and income disparities in Rochester. The Presbytery of Genesee Valley will determine the final distribution of the proceeds from the sale of the building. Percentages will take into consideration income and expenses for the building between the time of SWFP incorporation and sale of the building.

At the Presbytery meeting held on July 27, 2021, the Presbytery voted to approve the following amended motion regarding the distribution of the net proceeds from the sale of the Calvary St. Andrews building (68 Ashland St), to be paid after payment of expenses of the sale and the outstanding loan from Presbytery Loan Program:

- 35% to the Matthew 25 Fund
- 10% to the South Wedge Food Program [NOTE: renamed to The People's Pantry of Rochester]
- 25% to the food ministry fund of the Presbytery
- 20% to Westminster Fund (for funding of chaplaincy at Rochester Presbyterian Home) 10% to Genesee Valley Fund

Proceeds shall be reduced by all closing-related costs, any outstanding loans, and any building-related expenses that have been incurred by Presbytery. Additionally, a reserve for the ROC SALT portion of the 2021 financial review/audit shall be deducted along with any unpaid Per Capita amounts attributed to the former Calvary St. Andrews congregation. Proportionate labor expense (accounting and facility) will be included in the offset to arrive at net proceeds.

Policy

25% of the net proceeds from the sale of 68 Ashland St, as defined in the paragraph above, shall be held as a Presbytery Designated Fund named "FOOD MINISTRY FUND." The Food Ministry Fund shall be part of the professionally managed Investment Funds and share in the capital gain or loss of these funds.

The Food Ministry Fund shall be distributed to the People's Pantry of Rochester (TPPR) over the course of five years with each payment ordinarily made by January 31 of each year based on the prior year ending balance as follows: 2023 – 20%, 2024 – 25%, 2025 – 33%. 2026 – 50% and 2027 – the remaining balance.

To monitor the viability of the TPPR, the TPPR shall forward quarterly financials (Income Statement and Balance Sheet) to the Trustees. Should the Trustees and the Big Picture Team determine that the long-term viability of the TPPR may be limited, funding may then be focused and distributed to other Food Ministry programs within the Presbytery. Recommendations to approve funding food ministries other than the TPPR will come from the Trustees and/or the Big Picture Team to a stated meeting of Presbytery. The assets of the Food Ministry Fund shall be placed in the Investment Funds professionally managed by the Board of Trustees and shall share in the capital gain or loss of these funds.

Approved at the January 25, 2022 Stated Presbytery meeting.

Responsible Committee: Big Picture Team

Parkminster Legacy Fund

Background

At the Presbytery meeting on October 25, 2022, Presbytery approved that the net proceeds from the sale of the Parkminster Presbyterian Church property be distributed at defined percentages to various missions, including 10% to be held in a Presbytery Designated Fund named "Parkminster Legacy Fund."

Policy

The Parkminster Legacy Fund shall make available Transformational Grants to be awarded to congregations of fewer than 100 members for projects that promote positive change, are creative and innovative, and have a reasonable chance of success. The Grants Working Group shall evaluate and approve the uses of the Parkminster Fund and will report disbursements to the Presbytery at least annually. The assets of the Parkminster Fund shall be placed in the Investment Funds professionally managed by the Board of Trustees and shall share in the capital gain or loss of these funds.

Approved at the July 25, 2023 Stated Presbytery meeting.

Responsible Committee: Grants Working Group of the Healthier Congregations Team

650	<u>Grace Fund for Urban Ministry</u>	
651	Established on May 23, 2000 upon dissolution of the Grace Presbyterian Church and sale of property. Funds	
652	designated for urban congregational ministries. January 25, 2022 Presbytery voted to gift the remaining fund	
653	balance to Trinity Emmanuel Presbyterian Church.	
654		
655		
656		Financial Policies and Procedures approved 07/30/24
657		Financial Policies and Procedures approved 04/29/23
658		Financial Policies and Procedures approved 04/26/22