

SIGNAL CREST UNITED METHODIST CHURCH

PART ONE: CODE OF ETHICS

As staff and volunteers of this congregation, it is our privilege and call to help lead people in this great mission. To do so, it is imperative that we exemplify the highest standards of the Christian life. To that end we agree to abide by the following ethical standards and practices.

Guiding Values and Behaviors

Accountability

We will hold ourselves accountable for our own performance, our staff's performance and our congregation's performance.

- We will take ownership for good stewardship of church finances.
- We will hold each other accountable for our part.
- We will work to fix any problems, not to spread the blame.
- We will focus on finding solutions with an open mind.
- We will make timely and effective decisions with proper information.
- We will be transparent with each other, the staff and the congregation.
- We will actively support decisions once they are made.
- We will approach challenges with courage and optimism.

Collaboration

We will collaborate and work together as one team.

- We will always consider the best interest of our church members and community whom we serve.
- We will seek and build collaborative relationships among staff and other church leaders.
- We will communicate proactively and share information and knowledge with each other.
- We will support each other through appreciative and constructive feedback.
- We will exhibit patience, understanding and compassion.
- We will foster a positive working environment and celebrate achievements.

Commitment to Results

We will demonstrate the drive, perseverance and commitment to get results.

- We will balance urgency and quality for getting results.
- We will actively support the vision, mission and goals and of this congregation.
- We will anticipate problems and take appropriate preventive action.
- We will innovate to improve efficiency and effectiveness.
- We will seek to understand fully the root causes of any problems.
- We will demonstrate courage to speak up about difficulties, mistakes and to offer solutions.
- We will balance risks and opportunities to the church.

Trustworthiness

We will always act with integrity, respect and openness, and will be trustworthy in all actions as we recognize fully our role as stewards of God's resources.

- We will treat every staff member with dignity and respect.
- We will work to inspire trust through own actions.
- We will value the diverse talents, skills, and experience of each team member.
- We will value, respect and be open to the point of view of others.
- We will look for the best in people and assume positive intentions.
- We will set aside distractions to be present with people.
- We will listen with curiosity, seeking to understand others.
- We will talk directly to an individual when there is a concern or problem, and avoid triangulation.

Donor Relations

SCUMC has responsibilities to our donors who have placed faith in our church. It is the responsibility of the Church Leadership, Finance Committee and the employees of SCUMC not to violate their trust and, where applicable, they should:

- make full and fair disclosure of all information relevant to donors, who have a right to know how their dollars are spent.
- spend the donor's money wisely, efficiently and objectively.
- always be mindful of the designation of the contribution by the donors.

Confidential Information

Confidentiality is a hallmark of professionalism. Each SCUMC employee should commit to ensure that all information which is confidential or privileged or which is not publicly available is not disclosed inappropriately.

Reportability

We must all ensure prompt and consistent action against violations of this Code. Employees and volunteers are encouraged to contact the Pastor/Associate Pastor/Chair of Administrative Board about observed unethical behavior or violations of this Code.

Any claim of a possible violation may be made anonymously if the claimant so desires, and all claimants shall be provided confidentiality to the extent practicable in the handling of the potential violation. Employees and volunteers are expected to cooperate in internal investigations of misconduct.

Criminal Activity

Signal Crest United Methodist Church is required to report to the appropriate authorities and the bonding company, any criminal activity involving financial transactions by employees or volunteers. Employees who have been convicted of a criminal offense involving dishonesty or breach of trust or money laundering, or have agreed to enter into a pretrial diversion or similar program in connection

with a prosecution for such offense, may be subject to immediate dismissal.

Code Administration

This Code shall be administered by the Senior Pastor, who shall act as the Compliance Officer of the Church. Church employees are encouraged to seek guidance regarding the application or interpretation of this Code from the Senior Pastor and are expected to cooperate fully in any investigation of any potential violation of this Code.

Violations

Any violations can result in counseling, reprimand, or relief from responsibilities for abuse of the aforementioned code.

PART TWO: FINANCIAL POLICIES AND PROCEDURES OF SIGNAL CREST UNITED METHODIST CHURCH

I. CHURCH ORGANIZATIONS

A. Financial Accounts

Any organization which maintains a financial account (checking, certificate of deposit, savings, PayPal, etc.) that is associated with Signal Crest United Methodist Church (SCUMC) by the use of the SCUMC's name or the use of SCUMC's federal ID number on the account, must have all statements of account mailed or emailed to the SCUMC office each month. The following is a list of current accounts known:

- Signal Crest United Methodist Church Operating Account - First Tennessee
- Signal Crest United Methodist Church Youth Account - ?
- Signal Crest United Methodist Church Preschool Account - ?
- Signal Crest United Methodist Church Boy Scout Troop 116 - ?*
- Signal Crest United Methodist Church

A file on Basecamp will be set up by SCUMC Finance Committee for each organization, and a copy of the monthly statement will be maintained in the file. The name, address, and telephone number of the person(s) who control(s) the account for the organization should be provided to the SCUMC Finance Committee. A file with a list of certificates of deposit will also be maintained and updated (bank, certificate numbers, maturity date, interest rate, etc.) as statements are available.

In addition to United Methodist Women, all accounts notated with * are not required to be listed in the General Ledger of SCUMC as determined by Finance Committee vote.

B. Statement of Purpose

Each organization needing a separate checking account will provide a 'Statement of Purpose', describing the general intent or purpose of the organization. Example: *The XX organization's purpose is to provide aid to SCUMC members who have suffered illness, or loss of a family member. We will also support the summer camp trip for the youth of the SCUMC.*

C. New Financial Accounts

In order to establish a new SCUMC affiliated checking account or special fund the organization requesting the account must have the approval of the Finance Committee. A written request should be submitted to the SCUMC office with an explanation of the purpose for the account. The request will be reviewed at the next Finance Committee meeting, and a decision will be communicated to the organization within one week of the meeting.

D. Designated Funds

Designated funds are donor contributions with the stipulation (designation and/or action of setting aside) *that they be used for a specified purpose of the church and where the church does have discretion in the management and disbursement of such funds*. Examples of such funds would be any fund that is established by the church in an official business meeting for projects, programs or ministries such as a Benevolence Fund or Building Fund.

Following are the approved Designated Funds:

Building Fund
Memorial Fund
Outreach Fund
Music Fund

E. Restricted Funds

Restricted funds are donor contributions whose use is restricted by donors to churches. *The church has no discretion in the management and disbursement of such funds*. Examples of such restricted funds would be the offerings for Mustard Tree, Signal Mountain Social Services, and many other non-profit and off-site venues and services ranging from local to international.

Following are the approved Restricted Funds:

Children's Ministry Trip Fund

F. New Restricted and Designated Funds

Every effort should be made to avoid receiving funds for the same purpose as specific line items in the operating budget. The church will not automatically accept restricted/designated funds as tax-deductible charitable contributions unless they are for an established fund. All other funds will be presented to the Finance Committee for consideration as a new fund. The church in an official business meeting should approve all such funds to insure that funds are truly tax-deductible contributions and not received for purposes contrary to the ongoing ministries of the organization and ultimately become funds that are not useable.

It is extremely important that church leadership exercise all possible care to keep the number of restricted and designated funds to a minimum. The presence of restricted and designated funds always poses the problem of drawing funds away from the unified budget of the church.

Procedure for receipt of new restricted/designated funds:

1. Counters should observe the gift during the counting process, as it is a gift to a new restricted/designated fund.
2. The counters/tellers should record the gift on the count sheet in red or highlight the description

and amount as a potentially new fund. It is important to note that the counters are not authorized to approve a gift to a new designated fund.

3. The Financial Secretary should determine if the gift is a tax-deductible charitable contribution and is compatible with the mission of the church. In any event the Financial Secretary should present the gift with a recommendation to the finance committee for a decision.
4. If not, the donor should be contacted and encouraged to redirect the gift to an existing fund or use within the budget. If that is not possible the gift should be returned.
5. If the Finance Committee determines the gift is acceptable as designated, then they should present the request for a new designated fund to the church during the next regular and/or special business meeting for approval and activation to receive gifts from all of the church membership and others over and above tithes and offerings.
 - a) Prepare a complete description of the fund. The description should be written in such a manner as to clarify the use of the fund within the designation.
 - b) The fund must be advertised and promoted for the same purpose to receive contributions as contained in the written description of the fund. In addition, provision needs to be made for the use of any funds left over following completion of the specified use.
 - c) The fund could be quite specific such as a “new sanctuary fund” and following the construction of the new sanctuary transfer remaining funds to the budget or a “building fund” which could be described in more detail as a new construction/remodeling/maintenance fund.
 - d) Determine the time for the funds to be used. The time for certain projects needs to be established and provisions made for the use of funds after the specified time ends.