

FISCAL AND INVESTMENT POLICY
Michigan Mission Center

The Michigan Mission Center will comply with the World Church policy that requires all congregations and field jurisdictions with total cash and investments over \$100,000 to deposit these funds in one of the investment options of the Affiliate Investment Pool. Exceptions to this policy must be approved by the World Church Fiscal Services office.

Affiliate Pool Information

- Affiliate Pool A-Balanced Pool: This is a World Church stock portfolio.
- Affiliate Pool B-Cash Pool: This is a World Church money market fund.

Investment Selection

The primary decision factor related to choosing Pool A or Pool B will be based on the investment time horizon. This evaluation will anticipate the length of time the funds can be invested and the maximum that can be withdrawn at any one time. If the time horizon is five years or less, the funds will be invested in Pool B. If the time horizon is for more than five years then the funds will be invested in Pool A. All accounts will be opened and held in the name of the Michigan Mission Center. Additional account identification information may be added to the account when appropriate.

Operating Reserve Fund

The Mission Center will establish an Operating Reserve Fund that will be no more than the previous year's approved budget. Earnings from the Operating Reserve Fund will be committed to support the annual operating budget of the Mission Center. The reserve fund balance will be available to support short falls in anticipated income, for emergency expenditures, or for other non-budgeted expenses. If the balance of the Operating Reserve Fund does not meet these requirements, transfers are allowed from or to the Mission Support Fund and/or the Administrative Support Fund to meet the funding requirement. The Operating Reserve Fund can be accessed by the Mission Center Financial Officer in consultation with the Mission Center President. The Mission Center Council will be advised of this action and a report will be submitted to the Mission Center conference.

Mission Support Fund

The Mission Support Fund shall be managed as if it were an endowment. The intent of this fund is to maintain and grow principal so that a long-term, stable source of income is available each year. Earnings from the Mission Support Fund will be committed to support Mission Center programs and missionary opportunities as currently found in the Mission Initiatives sections of the budget. The Mission Support Fund will not be used to support the general administration of the Mission Center. In order to only present one budget for the conference to consider annually, administrative support expenses will be reflected in the budget but funding will come from other designated funds and congregation support commitments.

Administrative Support Fund

The Administrative Support Fund is a designated fund that is used to provide funding for mission through expenses such as administrative salaries and benefits and office-related expenses. Funds will be available to support the annual Mission Center budget for administrative needs.

Restricted/Designated Funds

The Mission Center has several restricted/designated funds established for specified purposes. Income received and disbursements paid from Restricted/Designated Funds will be used for the specified purposes consistent with the original intention of the funds. Cumulative earnings on some restricted/designated funds will be held in the Earnings from Investment Account Fund and will be considered undesignated funds. Earnings on funds without a specified purpose and undesignated funds will be available to support the annual budget of the Mission Center.

Spending Rate

The Mission Center will use a spending rate as recommended annually by the Presiding Bishopric. The average earnings rate will be determined based on reports provided by World Church Fiscal Services. The annual interest earnings may be utilized in the next years' budget for designated programs and projects as determined by Mission Center leadership. The spending rate can be adjusted in response to economic factors and in consultation with the Presiding Bishopric. The spending rate will be applied to the total investment portfolio.

Sale of Capital Assets & Disposition of Other Assets for Congregational & Other Jurisdictional Closings

The Use of Net Proceeds Policy will be followed for the sale of capital assets for congregational and other jurisdictional closings.

When the net proceeds from the sale of capital assets are less than \$10,000, the Mission Center officers will consider the recommendation submitted by the closing jurisdiction and make a final determination of how the funds are allocated. A report of this action will be submitted to the Mission Center Council and the Mission Center Conference.

In the instance when a congregation or other jurisdiction closes and does not have capital assets but has other assets (e.g. cash, investments, furniture, equipment, etc.) that equal more than \$10,000, the disposition of those assets will be handled following the same guidelines as if they were a capital asset of more than \$10,000. If total other assets are less than \$10,000, the disposition would be treated in the same manner as capital assets that are less than \$10,000.

This policy was reviewed by the Michigan Mission Center Finance Committee and the Michigan Mission Center Council. Original review date 10/24/2012; revised 9/29/2015 and 12/28/2015 (reviewed 1/9/2016).