

**Table III – Income / Reporting Guidelines & Frequently Asked Questions (UPDATED 8-24-2021)**

***What constitutes a giving unit (Line 51)?***

Any giver (household) that can be identified by name should be counted. Additionally, as part of tracking this information, your church will have a good handle on who should receive a year-end giving statement.

***How are transfers from savings and/or other cash accounts reported?***

The primary objective is that congregational giving is not double counted for apportionment purposes. If funds are transferred from a savings account (that were from prior congregational giving), these amounts are essentially embedded in the change in the “Market value of financial and other liquid assets” (Line 25), and NOT reported on Line 52d. Income generated from investments that are used to support the operating budget SHOULD BE reported on Line 52d.

***When endowed funds are used, how are they reported?***

If the income generated from endowment funds are used to support the annual operating budget, they should be reported on Line 52d. If the Principal is being drawn down, it would essentially be reflected in the change in the “Market value of financial and other liquid asset” (Line 25).

***We utilize a “One Fund” stewardship model, and do not run Capital Campaigns to pay for capital expenditures (e.g., building projects, mortgage payments, etc.). Should we be making any adjustments to our Annual Budget / Spending Plan numbers?***

Yes. If income reported in Lines 52a-52g is to be used for current or future capital projects, or to pay down existing mortgages, these amounts can be reported on Line 53a (“Capital Campaigns”). Please be advised, that funds that are used to support regular / recurring maintenance and upkeep of property are part of the Annual Budget / Spending Plan, for which no adjustment should be made. Additionally, any funds raised from the sale of buildings should be netted against expenses when making adjustments to lines 52a-52g. For example, if your church incurs \$75,000 of capital expenditures, but also sells a building for \$50,000, then the adjustment to income originally reported in lines 52a-52g should be no more than \$25,000. The \$25,000 would be reported on line 53a, and the \$50,000 from the sale of the building would be reported on line 53c.

***How should income from fundraising efforts be reported?***

In general, the net income (gross income less fundraising expenses) from fundraising events should be reported on line 52g. However, if the income from the fundraising event is designated for capital projects, including mortgage payments, then it should be reported on line 53a (“Capital Campaigns”).

***Our church operates a Pre-School and/or Day Care; where do we report this income?***

The net income from your Pre-School or Day Care operation should be reported on line 53c (“Funds from other sources and projects, including sale of buildings”).

***We have dedicated offerings for missional giving, how should these be reported?***

Offerings that are taken for specific benevolent causes (e.g., Special Sundays, Conference/General Advances, other designated gifts) for which the church is simply acting as a pass-through should be reported on line 53d.

***We have a variety of designated offerings, how should these be reported.***

It depends on how the funds raised from designated offerings are used. For example, designated offerings to a “Building Fund” that are used to pay utilities and the regular maintenance and upkeep of the building should be reported in the Annual Budget/Spending Plan section (lines 52a-52g); as would any other designated offering that would go to support the operating expenses of the church (e.g., youth programs, books and supplies, flowers, etc.), including any collections that support the payment of the annual connectional apportionment obligation. ***Only those designated offerings that are used for benevolent purposes outside the Church should be reported on line 53d.***

***Are amounts received from Sale of Church Assets (Line 52e) in effect being double counted?***

No. A gift or donation to the church, and a subsequent sale of property by the church are two separate transactions, and the church is receiving benefit from both. If the funds raised from the sale of church assets are used to support the Annual Budget / Spending Plan, then inclusion on Line 52e is proper. Please note that the sale of church buildings (including parsonages) should be reported on line 53c.

***Our Church receives funds from other churches on our Charge for salary, benefits and other shared expenses? How should we record the reimbursements from other churches?***

For situations in which a single Church is acting as the “Paying Agent” for a group of churches, the cleanest way to handle this situation is to **EXCLUDE** those amounts from the income reported in Table 3 of the EZRA system. Conversely, each Church should report their portion of the “shared” expenses on the appropriate Table 2 expense line item.

***Our Church received a Paycheck Protection Program (“PPP”) loan. Is the PPP loan proceeds counted as income when calculating our Connectional Apportionment amount?***

Absolutely, not! Please report your Church’s PPP loan proceeds on Table 3 / line 54c (Other grants and financial support from institutional sources).

***In April 2020, our Church received a Mission Support Grant from the Conference Board of Pensions. Is this grant counted as income when calculating our Connectional Apportionment amount?***

Same as with the PPP loan proceeds, this will amount will not be included in the apportionment calculation. Please report this grant on Table 3 / line 54c (Other grants and financial support from institutional sources).

***In September 2020, our Church received a Communication Enhancement Grant from the Conference. Is this grant counted as income when calculating our Connectional Apportionment amount?***

Same as with the Mission Support Grants (and PPP Loan proceeds), this will not be included in the apportionment calculation. Please report this grant on Table 3 / line 54c (Other grants and financial support from institutions).