

## Week of Compassion Reserves Policy

Week of Compassion is sustained by generous Disciples individuals and congregations for the ministry and mission of providing relief, sustainable development and refugee assistance on behalf of the Christian Church (Disciples of Christ). Income typically received through the endowment held at the Christian Church Foundation is equal to a majority of the annual administrative expenses for Week of Compassion. There are risks to both of these streams of revenue; market fluctuations, economic pressures, church closures, and other circumstances can lead to decreased giving and investment income that can detrimentally affect this ministry.

The Board of Stewards of Week of Compassion seeks to maintain an adequate amount in the reserve to ensure the continuation of the ministry and mission of Week of Compassion should circumstances seriously affect giving to the ministry. The Board of Stewards will seek to maintain an amount equal to eighteen months of operating expenses to allow for this ministry to adapt to long- or short-term changes in revenue streams without significant impact to its mission or its partners.

The calculation of operating expenses shall include the following: Personnel & Office Expense and Fundraising Expense (less Resource Development Minister and Assembly Expenses) as budgeted for the current year. The funds shall be included in the undesignated portion of the Statement of Financial Position. The funds can be in cash or part of the short or long term investments as guided by the OGMP Investment Policy. The minimum (per calculation) and actual amount (per year end Undesignated Net Assets balance) shall be reported annually to the Board of Stewards and OGMP.

To provide additional transparency to the Board of Stewards, the financial statements shall include an analysis of “Days of Cash on Hand” excluding Temporary and Permanently Restricted Funds as designated by donors.

Example report based upon April 2020 Financial Statement:

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|---|--------------|
| Minimum undesignated net asset balance target                           | \$ 771,228   |
| <i>(428,147 + 124,000 – 26,000 – 12,000)/12=42,846 times 18 months)</i> |              |
| Actual undesignated net asset balance 12/31/19                          | \$ 1,826,093 |
| The amount in excess of target is                                       | \$ 1,054,865 |