

Mennonite Church Saskatchewan
Finance Policy approved November 2025

Statement of Purpose

Mennonite Church Saskatchewan is entrusted with various assets. These are gifts of money by congregations, individuals, and through bequests. MC Sask is also entrusted with cash investments and land. These require good stewardship to allow MC Sask to operate in the present year as well as the future.

Funds held in reserve

Funds may be allocated to restricted funds so that specific programs may operate in the future. Restricted funds can be created to fund programs where 100% of the expenses are not covered by the budget. Restricted funds may be created or ended by Council. Designated donations will be added to the fund requested, should the fund exist.

As of December 2025, MC Sask has the following restricted funds: Contingency fund, SMYO activities, Scholarships, and Special Projects fund.

Council may allocate funds if the amount in Net Assets at the end of a fiscal year is more than 25% of the previous year's expenses. The excess amount may be transferred into any restricted fund.

Use of restricted funds is governed by policy for that fund or as deemed appropriate by Council. If there is no policy governing the use of funds from a reserve fund, then a minimum of 25% of the fund must be allocated to the next year's budget.

Bequests

Bequests are accepted for the work of MC Sask. Designated bequests will be allocated to programs that align most closely with the request. Undesignated bequests may fund current or future programs as determined by Council. Funds not otherwise used will go into to net assets.

Investments

Cash balances that are held by MC Sask, and are in excess of current requirements, may be invested to earn interest. Investments should be selected by the Finance Committee to maximize earnings while minimizing risks. Council must approve all investments over \$50,000.

Capital Assets

MC Sask is allowed to own capital assets. At present it owns land on which the camps and other organizations affiliated with MC Sask operate. Other land, that the organization has owned for a long period of time, provides rental income to support camp and MC Sask. programs.

Disposal of these assets must be a joint decision by the MC Sask and the organization which benefits from the use of them. Any decision regarding capital assets with a value greater than \$100,000 must be approved by the delegate body at an ADS or special delegate meeting.

Any organization that uses land held by MC Sask must have an operating agreement to govern its use.

Borrowing money

MC Sask may borrow funds, for the purpose of carrying out the work of MC Sask. Borrowing of \$100,000 or less must be approved by Council. Any borrowing greater than \$100,000 must be approved by the delegates at the ADS or special delegate meeting.

If the Council has granted use of its assets to Separate Business Entities (as described in MC Sask Bylaws(2020), Article 36) as security for their borrowing, this must be reported to the delegate body at the ADS annually.

Use of a line of credit more than \$25,000 must be approved by the Treasurer and reported to Council.

Restricted Funds

Contingency fund

Purpose: To ensure that MC Sask has sufficient funds in case of dissolution of the organization. The amount in this fund is calculated based on various commitments that MC Sask would need to cover in such case. Such commitments could include rental and lease agreements, staff salaries and severance, and commitments made to partner organizations.

SMYO fund

Purpose: To provide funds to operate the Saskatchewan Mennonite Youth Organization.

Scholarship fund

Purpose: To provide funds to support annual distributions according to the *Student Education Fund Scholarship Policy*.

Special Projects fund

Purpose: To provide funds for MC Sask congregations and related organizations to assist with special projects they undertake to further their mission. The *Special Projects Fund* is governed by the "Guidelines for applications to MC Saskatchewan Special Projects Fund distributions" in the MC Sask policies.

-Approved by MC Sask Council, November 18, 2025