



FUNDAMENTAL BAPTIST MISSIONS INTERNATIONAL

## Understanding the EOM Process: Step Two (Receiving)

Bro. Siemer

The Communication Cycle as it pertains to the work of a missionary has to do with resources. Prayer provides God's spiritual resources and finances provide the necessary material resources.

1. Requesting
2. Receiving
3. Reallocating
4. Reporting

Let's take a closer look at this second step, receiving.

1. We must learn to receive and handle finances with integrity as we serve God.
  - a. Resources are required in order to serve God effectively.
  - b. Recognizing that God is the source, we pray and trust Him to provide.
  - c. God provides materially through men. When we encourage men to give, everyone wins from an eternal point of view. It's honorable to raise funds for God's work.
    - i. The donor's investment is rewarded.
    - ii. The missionary has more opportunities to obey the Great Commission.
    - iii. The lost are saved...and the list goes on
  - d. Missionaries must learn to receive with integrity in order to not lose God's loving favor. We must (1) understand and (2) diligently maintain the sacred distinction between "God's money" and "personal money." (Achan's failure is a vivid reminder.)
2. Most of the money an FBMI missionary receives comes by way of FBMI. Briefly:
  - a. FBMI receives and processes donations from churches and individual donors.
  - b. FBMI distributes the funds to the missionaries as designated.
  - c. FBMI prepares reports for all concerned.
    - i. Missionaries
    - ii. Donors
    - iii. Governmental
3. FBMI serves missionaries by processing donations systematically to maintain accountability.

LOCAL CHURCHES MULTIPLYING LOCAL CHURCHES

SERVING AT  
507 State Street  
Hammond, IN 46320  
219.228.2850 | fbmi.org

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- a. FBMI receives donations through the month and processes them at month's end in what is called "closeout."
  - b. FBMI pays missionary expenses on their behalf out of the received missionary's support.
    - i. The missionary benefit package
    - ii. Medical, dental, vision and insurance coverage
    - iii. Special services (prayer letters, etc.)
    - iv. FBMI transaction fees
    - v. Missionary donations
    - vi. Tax payments for the federal, state and local authorities.
  - c. FBMI then deposits the balance into the missionary's ministry bank account and a payroll voucher is issued, summarizing the receipts and disbursements.
  - d. FBMI reports to all involved on behalf of the missionary to maintain accountability with governmental authorities.
4. FBMI missionaries are charged with handling these received funds honestly, maintaining the distinction between ministry funds and personal funds.
- a. Missionaries must never forget this distinction. Money is either received for personal purposes or received for business purposes. This awareness prompts the missionary to ask any necessary questions when anything is received.
  - b. Donors understand that their financial support is for both the personal and ministry needs of their missionary representatives. FBMI makes one deposit per missionary.
  - c. Every FBMI missionary is to have and utilize two checking accounts:
    - i. Their official ministry checking account (where FBMI deposits received funds,) which becomes the source for ministry expenses. The month's beginning and ending balances from this account are reported on the monthly EOM reports.
    - ii. Their personal checking account where personal funds are deposited to pay personal expenses.
  - d. Each month, missionaries withdraw their personal funds for the month, which are the fixed monthly salary (and designated housing/utility funds if ordained and on the field) from their ministry account for deposit into their personal checking account.
    - i. Accounting for the use of these personal funds is between the individual and the government, and is realized through the process of filing federal and state tax returns. FBMI is not involved in this relationship.

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- ii. FBMI recognizes the portion of received funds that are used personally (for housing, utilities or salary) because these expenditures are NOT reported on the EOM report as ministry expenses. (The fixed salary is entered on the EOM, but not as a ministry expense).
    - e. The remaining funds in the ministry account are intended and available to be used for ministry purposes.
      - i. Accounting for the use of these ministry funds takes place monthly through the EOM report process because ministry expenditures are reported on the EOM as ministry expenses with the corresponding receipts.
      - ii. Should an unexpected personal need arise, extra funds for personal use can be withdrawn from the ministry account at the missionary's discretion. These funds become derived personal income through the EOM report process because these ministry account funds were utilized without any ministry expense documentation.
- 5. This same sacred distinction between personal and ministry funds must be maintained when missionaries receive funds through other sources.
  - a. Since funds can be raised and received in so many ways, it requires extra diligence and attention to maintain integrity. Records should be kept of funds received, their source and purpose.
    - i. Love offerings and expense reimbursements from churches
    - ii. Gifts of property or other tangible items
    - iii. Gifts (cash or check or gift card, etc.) given from individuals to missionaries at a church or conferences
    - iv. Funds raised and received from Crowdfunding (such as GoFundMe) and other such sources
    - v. Gifts that are clearly personal (Christmas, birthday or from non-ministry friends)
    - vi. Gifts that are questionable
  - b. A good question to ask is, “Did I receive this gift because I’m a missionary? If so, it should be discussed with your tax advisor as a probable ministry love offering to be reported on the EOM.

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- c. Obviously, the wise missionary will seek the advice of his tax advisor in order to determine whether such a variety of funds received are personal and taxable, or ministry and to be reported on the EOM report.
  - d. It is extremely important to understand that the lines of distinction are becoming more blurred as fund-raising options multiply.
  - e. In fundraising, it is vital to clearly identify the intended purpose for the funds and to commit to utilize the funds accordingly. For example, we consider the public disgrace and legal consequences when politicians are found to have used campaign funds for personal purposes.
6. In summary, it is vital that every missionary receives funds with integrity by...
- a. Learning the difference between personal and ministry funds
  - b. Developing a system to track both income and expenses and to keep receipts and records
  - c. Understanding and cooperating with the FBMI financial and EOM report process
  - d. Securing a qualified tax advisor to answer questions
7. There are rich rewards.
- a. Stewardship: Understanding how to receive and handle money prompts the development of procedures to become more effective stewards.
  - b. Integrity: Recognition of the potential hazards prompts the development of procedures to handle all receipts honestly.
  - c. Planning: This accounting process to ensure the proper division of ministry and personal funds provokes thoughtful planning for the future. For example:
    - i. A foundation for personal and ministry budgets
    - ii. Motivation and options to systematically save for large personal expenses, such as building a home or purchasing a vehicle on the field
    - iii. Recognition of the need to develop budgets for ministry projects and records for designated gifts and funds
    - iv. Understanding to develop personal and ministry benevolence funds
  - d. A clean conscience is priceless. The alternative is terrible.

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