TRUSTEE INFORMATION

EXCERPTED FROM

Financial Information and Procedures for Midlothian Friends Meeting

November 21, 2026

The following information will be useful to the Trustees in understanding their role at Midlothian Friends Meeting and as members of the Financial Stewardship committee.

Contents

A. Guiding Principles for Financial Stewardship at Midlothian Friends Meeting....1

B. IRS Information Regarding Midlothian Friends Meeting's Tax-Exempt Status....2

1. Tax-Exempt Status for Midlothian Friends Meeting....2

2. Political Campaign Restrictions Imposed by the IRS....2

3. Donations of $250 or More....3

C. Composition of the Financial Stewardship Committee....3

D. Location of Financial Information....3

E. Clerk of the Monthly Meeting's Role on the Financial Stewardship Committee....4

F. Trustees' Role on the Financial Stewardship Committee....4

G. Treasurer's Role on the Financial Stewardship Committee....5

APPENDIX....5

A. Trustees....5

1. Court Appointed Trustees in Lieu of Incorporation....5

2. Templates for Trustee Appointment Petition, Minute, and Court Order....6

A. Guiding Principles for Financial Stewardship at Midlothian Friends Meeting

Because the processes of Midlothian Friends Meeting are carried out by rotating volunteers, rather than a permanent paid staff, it is important that our financial information is accurately and consistently maintained and communicated over the years. This need is the basis of our two guiding principles of ***simplicity*** and ***consistency*** in financial matters. These principles are the cornerstone that enable Friends to fully understand the financial state and process for Midlothian Friends Meeting.

TRUSTEE INFORMATION

EXCERPTED FROM

Financial Information and Procedures for Midlothian Friends Meeting

November 21, 2026

B. IRS Information Regarding Midlothian Friends Meeting's Tax-Exempt Status

1. Tax-Exempt Status for Midlothian Friends Meeting

The Tax ID (EID) for Midlothian Friends Meeting is 54-1789326. Midlothian Friends Meeting is not required to file with the IRS for tax-exempt status, since it is a church.

- **IRS Publication 1828:** "Churches that meet the requirements of IRC section 501(c)(3) are automatically considered tax exempt and are not required to apply for and obtain recognition of tax-exempt status from the IRS."
- **IRS Publication 'Charities and Non-Profits'**: "Organizations described in section 501(c)(3) are commonly referred to as *charitable organizations*."
- **IRS Publication 4839**: "Tax-exempt organizations, other than churches and certain church-related organizations, are required to file annual information forms with the IRS."

2. Political Campaign Restrictions Imposed by the IRS

Midlothian Friends Meeting (as a recognized "church") must ***not*** participate in political campaigns if it wants to retain its tax-exempt status.

- **The Restriction of Political Campaign Intervention by Section 501(c)(3) Tax-Exempt Organizations**: "Under the Internal Revenue Code, all section 501(c)(3) organizations are absolutely prohibited from directly or indirectly participating in, or intervening in, any political campaign on behalf of (or in opposition to) any candidate for elective public office. Contributions to political campaign funds or public statements of position (verbal or written) made on behalf of the organization in favor of or in opposition to any candidate for public office clearly violate the prohibition against political campaign activity. Violating this prohibition may result in denial or revocation of tax-exempt status and the imposition of certain excise taxes."
- **Influencing Legislation**: Under IRS regulations churches may attempt to influence any legislation considered at the federal level (Congress), state level (state legislatures), or local and municipal level (city councils and county boards). The IRS considers legislation to include any acts, bills, resolutions, confirmation of political appointees (including Cabinet members and judgeships), and ballot initiatives or referendums. **However, any such activities or advocacy initiated by *Midlothian Friends Meeting* must first be approved by *Midlothian Friends Meeting's* Meeting for Discernment, and can *not* be unilaterally initiated on behalf of the meeting by any of the meeting's participants or committees.** IRS regulations allow 501(c)(3)s to engage in issue advocacy or lobbying so long as it does not function as political campaign intervention. At times, however, the advocacy/lobbying can cross a line to become an indirect way to support or oppose a candidate for public office. "Even if a statement does not expressly tell an audience to vote for or against a specific candidate, an organization delivering the statement is at risk of violating the political campaign intervention prohibition if there is any message favoring or opposing a candidate." Rev. Rul. 2007-41, 2007-25 I.R.B. (June 28, 2007). The IRS will consider all facts and circumstances to determine whether the advocacy is political campaign intervention. *Id*. Key factors include:

- Whether the statement identifies one or more candidates for a given public office;
- Whether the statement expresses approval or disapproval for one or more candidates' positions and/or actions;
- Whether the statement is delivered close in time to the election;
- Whether the statement makes reference to voting or an election
- Whether the issue addressed in the communication has been raised as an issue distinguishing candidates for a given office;
- Whether the communication is part of an ongoing series of communications by the organization on the same issue that are made independent of the timing of any elections; and
- Whether the timing of the communication and identification of the candidate are related to a non-electoral event such as a scheduled vote on specific legislation by an officeholder who also happens to be a candidate for public office."

3. Donations of $250 or More

Should any person make a single monetary donation to the meeting of more than $250, the IRS requires that a letter acknowledging the donation should be sent to the donor in order for them to claim a charitable tax deduction.

C. Composition of the Financial Stewardship Committee

Before 2012, the Financial Stewardship committee was chosen at large. By decision of Meeting for Discernment at the end of 2011, it was determined that the Financial Stewardship committee at Midlothian Friends Meeting should be comprised of the following Friends: all of the Trustees, clerk of the Monthly Meeting, and the Treasurer. Due to the roles in which these Friends serve meeting, they have a vested interest in the financial viability of the meeting. Therefore, they are highly motivated to make comprehensive and sustainable recommendations to Meeting for Discernment regarding financial matters. All of these Friends on the Financial Stewardship committee should be placed on the meeting's bank account signature card.

D. Location of Financial Information

Financial documents are kept in the safe in the office at the meetinghouse. The safe is located behind the left-hand file cabinet under the desk. The key is kept in the safe because there is nothing valuable in it. The purpose of the safe is fire protection for important documents. When a document is needed in order to take care of the financial work of the meeting, a copy should be made of the document, leaving the original(s) in the safe so these are always there in case they are needed. (Use the copy machine in the office, so the important document(s) don't leave the meetinghouse).

E. Clerk of the Monthly Meeting's Role on the Financial Stewardship Committee

The clerk of the Monthly Meeting should be certain to represent the current culture and concerns of the meeting to the Financial Stewardship committee. Also, the clerk of the Monthly Meeting should ensure that Quaker process is used in all financial matters. At no time should the permanency of the meeting Trustees be interpreted as a license for them to be the decision-makers in financial matters. They are there to serve and act under the direction of the entire meeting through the usual Quaker processes observed by all other Friends at meeting. The clerk of the Monthly Meeting has a responsibility to make sure proper Quaker order is adhered to.

F. Trustees' Role on the Financial Stewardship Committee

The Trustees are the only Friends in meeting appointed for life or until they are unwilling or unable to serve as Trustees. While they have no special influence or authority within the meeting community, they do serve as the legal agents for Midlothian Friends Meeting when contractual or jurisdictional matters must be transacted (they have signing authority on behalf of the meeting). As such, they are expected by the Commonwealth of Virginia to act responsibly in this role while carrying out the decisions enacted by Midlothian Friends Meeting. This naturally engenders within the Trustees a concern for the long-term financial sustainability of the meeting.

On May 10, 2015 the MFM Meeting for Discernment increased the number of Trustees and also determined that two Trustee signatures are required for contractual or legal signatures – unless a temporary and specific exception is granted by a called or regular Meeting for Discernment.

The Trustees are responsible to initiate Financial Stewardship committee meetings each year to prepare the following year's budget. Since they are the Friends who continue on the Financial Stewardship committee with no term limit, they should ensure that financial decisions made by Meeting for Discernment are carried forward from year to year. Additionally, they should advise each new Treasurer to utilize the processes and mechanisms/tools outlined within the ***Financial Information and Procedures for Midlothian Friends Meeting*** document that is kept in the safe, so that simplicity and consistency are maintained. As those processes and mechanisms/tools are modified either by Meeting for Discernment or the Financial Stewardship committee, the Trustees should modify that document accordingly.

More detailed information regarding Trustee appointment can be located in the ***Appendix, Section A***. This information should be referred to if Trustees need to be removed or added. This can be done without the use of an attorney.

TRUSTEE INFORMATION

EXCERPTED FROM

Financial Information and Procedures for Midlothian Friends Meeting

November 21, 2026

G. Treasurer's Role on the Financial Stewardship Committee

The Treasurer should carry out the day to day financial transactions of the meeting according to the decisions made by the Financial Stewardship committee and Meeting for Discernment. This includes gathering monetary donations from the meetinghouse contribution box and PO Box, paying bills and reimbursements, and keeping up with the checking account balance to ensure it is in sync with the Excel Budget spreadsheet. The approved processes, procedures, and mechanisms/tools to be used by the Treasurer are outlined within the full ***Financial Information and Procedures for Midlothian Friends Meeting*** document. Rather than unilaterally deciding to utilize a new or different process, procedure, or mechanism/tool the Treasurer should request a meeting of the Financial Stewardship committee when he/she deems it advantageous to modify methods/processes. The full committee's approval of any such modifications is necessary. The Treasurer changes periodically, and the likelihood of obtaining a new Treasurer is enhanced if familiar processes, procedures, and mechanisms/tools are consistently used by successive Treasurers and then presented in a consistent format at Meeting for Discernment.

APPENDIX

A. Trustees

1. Court Appointed Trustees in Lieu of Incorporation

Trustee Appointment

Until 2002 churches were not allowed to incorporate in Virginia. Churches are now allowed to incorporate if they so wish, but they can also follow the original procedure outlined below. For smaller churches, trustees in lieu of incorporation, which is simpler to accomplish, may be good enough.

A church utilizing the practices and polity outlined in its constitution and bylaws choses its trustees (usually no fewer than 3). The church then registers its trustees with the clerk of the circuit court for the jurisdiction where the church is located by taking a copy of the church's constitution and bylaws (if available), the minutes from the meeting in which these trustees were chosen, and a list of the trustees including their city/county of residence. The trustees are then "appointed" by the Circuit Court Judge, and this action is duly entered into the clerk's records. If and when the trustees are changed, the church should provide an updated list of trustees to the clerk of the circuit court for approval by the Circuit Court Judge.

One restriction on churches using the original trustee system is that the church can not own more than 15 acres in a city or town or more than 250 acres in an unincorporated area. (Midlothian Friends Meeting would likely come under the "no more than 250 acres" restriction).

TRUSTEE INFORMATION

EXCERPTED FROM

Financial Information and Procedures for Midlothian Friends Meeting

November 21, 2026

Incorporation

Beginning in April, 2002 churches can incorporate in Virginia because of a United States District Court case. With this court decision churches can now incorporate in Virginia by making application to the ***State Corporation Commission***.

There is an initial cost involved of a $50 charter fee and a $25 filing fee and an annual registration fee of $25. Corporations, both for-profit and non-profit, must also file and an annual report. Churches wishing to incorporate would contact the State Corporation Commission to obtain copies of the necessary paperwork. Churches that seek to incorporate will have to develop their administrative structure to conform with state regulations. Additionally, once becoming a corporation, the church should file a 501(c)3 non-profit status with the IRS, which costs between $500 and $1500 (depending on whether an attorney is hired to do the filing). This non-profit status requires the annual filing of an IRS form 990 (the long form if gross receipts exceed $200,000), 990-EZ (the short form if gross receipts are between $50,000 and $200,000), or 990-N (the very simple electronic 'Post Card' if gross receipts are less than $50,000). (As of this writing Midlothian Friends Meeting would qualify to file the 990-N short 'Post Card' form electronically).

With incorporation the commonwealth of Virginia would always treat the church as a whole. However, even without incorporation - as long as court-appointed trustees act with the expressed permission of the church, their actions would be considered those of the church as a whole.

2. Templates for Trustee Appointment Petition, Minute, and Court Order

Use of an attorney is not required when filing with the county for Trustee appointment. There are three documents that must be filed when appointing or removing Trustees: ***Trustee Petition, Trustee Minute,*** and ***Trustee Order***. File these documents with the Circuit Court of Powhatan County. There is a small fee charged by the county.

Use the three templates provided on the following pages to create the ***Trustee Petition***, ***Trustee Minute***, and ***Trustee Order***. Each Template contains two paragraphs to allow for first time appointment of Trustee(s), and/or removal of Trustee(s). Only use the paragraph(s) that are appropriate for the current situation (delete those paragraphs that don't apply). Supply the appropriate information that is noted where there are bracketed '*[* ' explanations within the template documents.

Note that Exhibit "B" referenced in the templates refers to a copy of the current Court Appointment Order on file with Powhatan County. This current Court Order is in the ***Trustee folder*** in the safe at the meetinghouse. Do NOT attach the original order as Exhibit "B". Instead, make a copy of it for attachment to the ***Trustee Petition***. Handwrite 'Exhibit "B"' on top of the copy.

TRUSTEE INFORMATION

EXCERPTED FROM

Financial Information and Procedures for Midlothian Friends Meeting

November 21, 2026

VIRGINIA:

In The Circuit Court for the County of Powhatan

IN RE: APPOINTMENT OF TRUSTEES FOR MIDLOTHIAN FRIENDS MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (a/k/a "QUAKERS")

PETITION

To the Honorable Judge of said Court:

The Congregation of Midlothian Friends Meeting of the Religious Society of Friends of Powhatan, Virginia respectfully shows to your Honor that at a Regular Meeting of the Congregation held on *[date of Meeting for Discernment when the Trustee action occurred]*, the following persons were appointed each as a Trustee of said Congregation: *[names and localities of Trustee(s) being appointed]*. Such appointment action being evidenced by a written minute attached hereto as Exhibit "A".

The Congregation of Midlothian Friends Meeting of the Religious Society of Friends respectfully moves this Court to confirm the appointment of the above named persons.

The Congregation of Midlothian Friends Meeting of the Religious Society of Friends of Powhatan, Virginia respectfully shows to your Honor that at a Regular Meeting of the Congregation held on *[date of Meeting for Discernment when the Trustee action occurred]*, the following persons were removed as a Trustee of said Congregation: *[names and localities of Trustee(s) being removed]*. Such appointment removal action being evidenced by a written minute attached hereto as Exhibit "A". The current Court appointment Order on file of said Trustees is attached hereto as Exhibit "B".

The Congregation of Midlothian Friends Meeting of the Religious Society of Friends respectfully moves this Court to confirm the removal of appointment for the above named persons.

Upon issuance of an Order from the Court due to this Petition, a complete list of Trustees for the Congregation of Midlothian Friends Meeting of the Religious Society of Friends, will be as follows: *[names and localities of **all** Trustees, including previously appointed Trustees who will continue to serve, as well as newly appointed Trustee(s)]*. **Further, such Court Appointment Order will supersede the current Court appointment Order of Trustees, attached hereto as Exhibit "B".**

Midlothian Friends Meeting of the Religious Society of Friends

By: _____

[name of Petitioner on behalf of Midlothian Friends Meeting]
900 Preservation Road
Midlothian, VA 23113
[Phone number of Petitioner]

(EXHIBIT "A")

MINUTE REGARDING APPOINTMENT OF TRUSTEES FOR MIDLOTHIAN FRIENDS MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS

[date of Meeting for Discernment]

At the monthly 'Meeting for Discernment' of Midlothian Friends Meeting of the Religious Society of Friends, the following persons were appointed by unanimous decision as Trustees for said congregation: *[names and localities of Trustee(s) being appointed]*.

At the monthly 'Meeting for Discernment' of Midlothian Friends Meeting of the Religious Society of Friends, the following persons were removed as Trustees for said congregation by unanimous decision: *[names and localities of Trustee(s) being removed]*.

The above action(s) establishes as Trustees for Midlothian Friends Meeting of the Religious Society of Friends, the following persons: *[names and localities of **all** Trustees, including previously appointed Trustees who will continue to serve, as well as newly appointed Trustee(s)]*.

Respectfully Submitted,

_____

[name of clerk of Meeting]

Clerk of Midlothian Friends Meeting of the Religious Society of Friends

TRUSTEE INFORMATION

EXCERPTED FROM

Financial Information and Procedures for Midlothian Friends Meeting

November 21, 2026

VIRGINIA:

In the Circuit Court for the County of Powhatan

IN RE: APPOINTMENT OF TRUSTEES FOR MIDLOTHIAN FRIENDS MEETING OF THE RELIGIOUS SOCIETY OF FRIENDS (a/k/a "QUAKERS")

ORDER

It appearing to the Court from the Petition of the Congregation of Midlothian Friends Meeting of the Religious Society of Friends of Powhatan, *[names and localities of Trustee(s) being appointed]* were duly confirmed and appointed as Trustees of said Congregation at a Regular Meeting on *[date of Meeting for Discernment when the Trustee action occurred]*.

It appearing to the Court from the Petition of the Congregation of Midlothian Friends Meeting of the Religious Society of Friends of Powhatan, *[names and localities of Trustee(s) being removed]* were originally appointed and confirmed as Trustees of said Congregation by this Court on *[date of original Order appointing Trustee(s) now being removed]* as recorded under Chancery No. *[Chancery No.]*, are now duly removed as Trustees of said Congregation at a Regular Meeting on *[date of Meeting for Discernment when the Trustee action occurred]*.

Upon consideration whereof the Court doth remove the appointment of *[names and localities of Trustee(s) being removed]* as Trustee(s) of said Congregation.

Upon consideration whereof the Court doth appoint and confirm *[names and localities of Trustee(s) being appointed]* to serve in such capacity along with previously appointed and confirmed Trustees *[names of previously appointed Trustees who will continue to serve]* who were previously appointed and confirmed on *[date if previous Order appointing these Trustees]* as recorded under Chancery No. *[Chancery No.]*; all appointed and confirmed persons being clothed with all the powers and privileges and subject to all such duties and obligations conferred and imposed by law upon such trustees.

As such this Court Order supersedes all previously dated Court Orders.

ENTER this the _____ day of _____, 20___.

_____

JUDGE

Midlothian Friends Meeting of the Religious Society of Friends
900 Preservation Road
Midlothian, VA 23113