

Asbury United Methodist Church

Financial Policy

Section 1. Purpose of Policies

It is the policy of Asbury United Methodist Church, hereafter referred to as AUMC, to provide financial policies and guidelines that enable the staff to perform their duties while also providing for stewardship of the assets entrusted by the congregation.

The policies in this manual are subject to annual review by the Finance Team. Changes in policies can be made at any time with approval of the MISSION/VISION Council. Procedural changes may be made at any time by the Finance Chair and Treasurer with the approval of the Finance Team.

Section 2. Financial Legal/Tax Requirements

It is the policy of AUMC to comply with all legal and tax rules and regulations regarding church finances.

Internal Revenue Service Publication 1828, entitled *Tax Guide for Churches and Religious Organizations* includes guidelines for many aspects of church operation, and whenever a question arises this publication should be consulted. IRS 1828 contains information on items that are related to the financial operation of the church, such as rules for compensation of ministers, payment of employee business expenses and record keeping and filing requirements. It is also helpful with regard to contribution substantiation rules.

Section 3: Confidentiality

It is the policy of AUMC to be open with generic financial information while maintaining a high degree of confidentiality regarding personal contributions and some financial information.

Trust among the congregation, staff and volunteers of AUMC is a valued commodity. The church shall be up front with the staff and volunteers regarding the importance of maintaining confidential information. In order to help facilitate this relationship, all staff and volunteers who have access to contributions information and all Finance Team members are required to sign a confidentiality agreement. (See Appendix)

These agreements shall be kept as part of individual employee files for paid employees and in a common file for volunteers. It shall be the responsibility of the Finance Chair to control access to contributions information, keep agreements current and inform any new volunteers of the significance of this policy.

Section 4: Congregational Financial Disclosure

It is the policy of AUMC to strive to effectively communicate financial information with the congregation without being overbearing. Defining the quantity, frequency and method of delivering financial information to the congregation is the responsibility of the Finance Team. Financial statements and/or expenditure records of the church will be made available to church members for examination by appointment. A Contributor's Individual Contribution Statement shall be provided to the Contributor at least annually but a Contributor's own information regarding gifts will also be provided to such Contributor upon request.

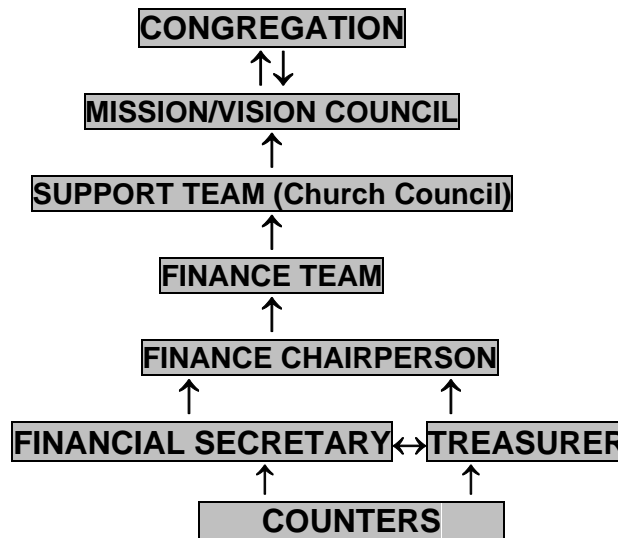
Some of the detailed information provided to the Finance Team to enable them to perform their assigned duties may be confidential and shall be treated appropriately.

Giving Record Corrections – From time to time errors can and do occur. Contributors are encouraged to check their giving records for accuracy on a regular basis. Once a verifiable error has been identified, the financial secretary will correct it as soon as possible, with the Finance Chair being notified.

Section 5: Segregation of Duties / Bonding / Insurance

It is the policy of AUMC to establish and maintain an organizational structure as well as appropriate procedures and internal controls that will safeguard assets and assure the accuracy of financial records. Asbury carries dishonesty insurance to cover incidences of fraud. Additionally, Finance Office staff shall be bonded.

Important to the efficacy of these procedures is the policy on segregation of duties as provided in the following organizational structure:



RESPONSIBILITIES AND DUTIES INCLUDE:

COUNTERS – Volunteers who retrieve weekly offering bag(s) from the bank, count those offerings, prepare bank deposits, take deposits to the bank, and assist the Financial Secretary with data entry of offering contributions.

FINANCIAL SECRETARY – Tracks member giving and miscellaneous income and oversees Monday bank deposits and member contribution records entry.

TREASURER – Oversees the church accounting system. Maintain books for general operations, capital improvements and special funds and signs all checks. Disburses money contributed to causes represented in the local church budget, and such other funds and contributions as determine by the Finance Policy. Remits funds due the conference treasurer.

FINANCE CHAIRPERSON – presents financial reports and analysis for the Finance Team, Support Team, Mission/Vision Council, and congregation, and offers advice on the handling of church assets.

FINANCE TEAM – Oversees financial activities in accordance with the budget and direction of the Mission/Vision Council. Receives financial reports and analysis from the Finance Chair. Makes recommendations on financial issues to the Support Team. Implements policy of the Mission/Vision Council regarding budget and finances. Has responsibility of raising, managing, and distributing the money of the church.

CLERGY – Provide input and leadership at all levels of the organizational structure.

Section 6: Information Technology

It is the policy of AUMC to restrict access to any electronic information contained in any information system to those persons, whether they are staff or volunteer, who require access to perform their duties, and to further restrict those with access to the necessary level of information.

It is the policy of AUMC that Computer Financial Records be password protected and backed up on a regular basis with safekeeping of all necessary information at an off-site location.

Section 7: Credit Card Use

It is the policy of AUMC to authorize the issuance of corporate credit cards when necessary to staff members or volunteers in the church's name when appropriate and to pay the total balance of each card by the due date. Staff members or volunteers are expected to restrict the usage of these cards to church related expenditures. All purchases are subject to the procedures and restrictions set forth in Section 16. **INTERNAL CONTROLS ON RECEIPTS & DISBURSEMENTS**

Any card should have a credit limit that is the maximum necessary for the person to function in their area of ministry as determined by the Finance Chairperson, Treasurer and the staff member/volunteer responsible for such subject to the approval of the Finance Team.

In order to facilitate timely payment and avoid finance charges, each staff member or volunteer responsible for such credit card should identify charges as to ministry area, attach supporting documents, and forward the monthly statement and receipts to the Treasurer as soon as possible after receiving such.

The Finance Team will maintain a list of approved Credit Cards and the responsible/authorized users of such card.

Section 8: Open Charge Accounts

It is the policy of AUMC to maintain open charge accounts with local vendors when approved by the Finance Team. All purchases are subject to the procedures and restrictions set forth in Section 16. **INTERNAL CONTROLS ON RECEIPTS & DISBURSEMENTS.**

Any account should have a credit limit that is the maximum necessary for the function and area of ministry as determined by the Finance Chairperson and Treasurer subject to the approval of the Finance Team.

Persons authorized to use such Charge Accounts shall first be approved by the Finance Chairperson and Treasurer and be subject to the approval of the Finance Team.

In order to facilitate timely payment and avoid finance charges, each staff member or volunteer authorized to use such account should identify charges as to ministry area, attach supporting documents, and forward the monthly statement and receipts to the Treasurer as soon as possible after receiving such.

The Finance Team will maintain a list of approved Charge Accounts and the responsible/authorized users of such accounts.

Section 9: Expense Reimbursement

It is the policy of AUMC to reimburse its employees and volunteers for all expenses incurred on behalf of church related activities however such are subject to the procedures and restrictions set forth in Section 16. INTERNAL CONTROLS ON RECEIPTS & DISBURSEMENTS. Staff and volunteers are expected to be good stewards of the church's resources.

When authorized, use of personal automobiles will be reimbursed up to the allowable IRS rate.

For all expenses, receipts should be carefully documented and included in any payment / reimbursement request.

Any employee or volunteer leading a church event or trip may obtain a cash advance for the event. An estimate of expenses will be prepared before the event and a church check issued to the individual responsible upon approval per the procedures and restrictions set forth in Section 16. INTERNAL CONTROLS ON RECEIPTS & DISBURSEMENTS. A full accounting for the funds, with receipts and any money left over, shall take place within 5 days of the event or return from the event, whichever is earlier, with the Treasurer.

Section 10: Annual Audit/Review

It is the policy of AUMC to provide for an annual audit of the records of the financial officers of the Asbury and all its organizations and shall report such to the charge conference as required by Section 258.4 of the 2008 Book of Discipline for the United Methodist Church.

1. The audit may be by a qualified layperson or laypersons or may be completed by an outside accounting firm.
2. The audit shall be an independent evaluation of the financial reports and records and the internal controls of the local church and be conducted for the purpose of verifying the reliability of financial reporting, determining whether assets are being safeguarded, and determining compliance with local law, local church policies and procedures and the Book of Discipline.
3. It is recommended that the Auditor be provided with the Local Church Audit Guide available from the General Council on Finance and Administration of the United Methodist Church (<http://www.gcfa.org>).
4. The review shall be conducted within the first six months succeeding the year being audited.
5. The Finance Chairperson is the liaison for this activity and is responsible for assuring that the laypersons or firm and their representatives have information needed by them to complete their work.
6. Audit reports shall be made available to the Finance Team, Church Council, Support Team, Mission/Vision Council, the District Superintendent and shall be available for inspection by any other members in the church office.
7. The Budget shall provide the amount necessary to accomplish such.

Section 11: Special Giving Requests

It is the policy of AUMC to limit solicitation of the congregation other than for the church's general budget. It is recognized there are needs which arise in addition to the general budget that are very effectively addressed by the use of fund raisers and the accumulation of designated funds. It is, however, necessary to employ sound fund raising strategies and concepts in pursuit of making opportunities available for congregation members to express their generosity and support.

The Finance Team reserves the right to review and approve any special giving requests.

Section 12. Bank Accounts

It is the policy of AUMC that all Church financial assets other than real property shall be deposited with reputable financial institutions which provide regular, clear, informative, and auditable reports. The Treasurer shall maintain for the Church two or more checking accounts (at least one for general fund activities and one for restricted fund activities) and one or more investment accounts.

Restricted Accounts

1. All funds received with restricted purposes may be kept together in a single Restricted Funds account and the Treasurer shall separately track the Restricted funds received/spent for each authorized purpose.
2. Restricted Funds shall be established by the Treasurer and Finance Chair or by the Support Team only if the following conditions are satisfied:
 - a. The Purpose of such fund shall be stated;
 - b. The person, group or Team responsible for such shall be specifically identified; and
 - c. The length of time such fund will be needed or whether it is expected to be perpetual because of the nature of such fund shall be stated;
3. Restricted Funds shall be closed and disbursed once the purpose is achieved. Amounts that remain after completion of the stated purpose may be transferred to another Restricted Fund or the General Account upon recommendation of the Finance Team and approval by the Support Team.
4. All gifts received for Restricted Funds shall be received and accepted only with the donors agreement that such are given in accordance with this Policy.
5. Disbursements from Restricted Funds are subject to the procedures and restrictions set forth in Section 16. INTERNAL CONTROLS ON RECEIPTS & DISBURSEMENTS.
6. The person, group, or Team that oversees each such fund should receive periodic reports regarding fund balances, receipts and disbursements;
7. Interest and Earnings on Restricted Fund Accounts shall be placed in a Finance Restricted Fund which shall be used by the Finance Team for expenses of administering this finance policy or towards the Apportionments of AUMC owed to the district or conference of the United Methodist Church as determined by the Finance Team.
8. The Treasurer shall keep records so that checks can be matched to invoices or other documentation for which the check was issued.

Investment Accounts

1. It is the policy of the Church that any donated stocks, bonds or other marketable securities are sold immediately and the proceeds placed in an interest bearing Investment Account.
2. The Treasurer, Finance Chair and Trustees Chairperson are the persons authorized as agents of AUMC in directing the sale of securities and management of the Investment Account.

All Accounts

1. The General Checking account shall require two signatures for releasing funds and the Restricted Funds account shall require one signature for releasing funds. At least three signatories shall be listed for each account so that two will be available in the event of an emergency situation or an individual's vacation. Signers shall be authorized by Support Team action.
2. Bank Reconciliations: The Treasurer shall reconcile all church bank accounts on a timely basis using the church financial software

Section 13: Ministry Area Cash

It is the policy of AUMC that all receipts shall be turned over to the church office at the first opportunity for deposit in a church bank account. Disbursements on behalf of those funds will then be made from church accounts. It is also the policy of AUMC to allow different ministries, groups, or classes to maintain their own bank accounts if required and upon approval of the Finance Team.

Such accounts will be approved only upon acceptance of the following conditions:

1. Must be an important purpose in their being a separate account which cannot be accomplished through the use of a restricted fund.
2. Account shall only be allowed at bank designated by the Treasurer and have named as account owner Asbury United Methodist Church – [subgroup name].
3. The Treasurer shall be one of the signors for the account.
4. Account shall use Asbury's federal tax identification number.
5. Bank Statements shall be given to Treasurer for filing at least annually.
6. Annual Income / Expense Statement shall be filed with Treasurer and Finance Chair setting forth the accounts financial activities (receipts / disbursements) for the year in a format approved by the Treasurer.
7. Each group will reconcile their bank statements monthly.

Section 14: Memorial Gifts

It is the policy of AUMC that gifts received from wills, trusts, or estates and gifts made In Memory of, In Thanksgiving for, and In Honor of the life of specific individuals shall be accepted, disbursed, recognized and used in accordance with this policy.

1. All Memorial Gifts or their proceeds shall be held in a Memorial Restricted Fund.
2. Asbury cannot accept memorial funds for transmission to entities outside the Church.
3. Gifts of non-monetary assets and financial instruments (stocks, bonds) shall be liquidated by the church at its earliest opportunities upon such terms and conditions as the Finance Team may determine. The proceeds will then be used as required by this policy.
4. A gift becomes the permanent property of the Church. Thus the Church, shall determine its use, placement and final disposition.
5. The Church will maintain a list of desired items needed or wanted by the Church ("The Wish List"). The list will be made available to the family of a deceased member, anyone considering a Memorial Gift and all others upon request.
6. For collective gifts received upon the death of a member, or proceeds from wills, estates and trusts the Memorial coordinator shall consult with the family regarding their preferences with respect to either items on "The Wish List", other items acceptable to the Support Team, or a transfer of the funds to other Restricted Funds or the General Fund. Such preferences shall be given to the Support Team who will give final approval to the final disposition of such gifts.
7. The Finance Team and Support Team reserve the right to decline any gift that does not further the mission or goals of the church. Any gift that would create an administrative burden or cause the church to incur excessive expenses may be declined.
8. Every donor and gift shall be recorded appropriately by Church Secretary as a Memorial gift. Donors who wish to remain anonymous may do so. Monetary values shall not be included in the published list. In general, there will be no memorial plaques placed on any item in the Church or grounds except on Memorial Plaques listing all memorial gifts kept in accordance with Trustee direction. All gifts shall be dedicated on All Saints Sunday.

Section 15: GIFTS & DONATIONS

It is the policy of Asbury UMC that all gifts to Asbury UMC, whether gifts of money or otherwise, are irrevocable if accepted. No gift may be returned to a donor unless the Finance Team concludes, after review of the facts of the gift that the gift was made as a result of a mistake by the donor.

1. All gifts to Asbury are assumed to be intended for the congregation's general operating fund and general operating purposes, with the following exceptions:
 - a. If the intention of the donor to benefit a restricted fund or a special purpose is clearly expressed, the gift is credited to that fund or purpose, subject to the further requirements in these guidelines;
 - b. If the gift is given in memory of a person or in honor of a person, is received as the result of a bequest, by the operation of a personal trust following the death of a donor or as the result of any other type of "planned gift" or from a will, estate or trust it shall be credited to the Memorial Restricted Fund and governed by Section 14: Memorial Fund policy unless the donor clearly expresses a different intention;
2. Any gift that is offered with specific conditions on its use, if accepted, must be used in accordance with the conditions. Any such gift shall be referred to the Committee or Team responsible for that particular aspect of church life. In consultation with the Finance Team, the decision to accept the gift or not rests with the Team. If accepted, the conditions of the gift shall be documented and if cash shall be segregated into a separate Restricted Fund. This paragraph does not apply to: gifts of cash or negotiable securities into existing restricted funds; or, gifts of cash or negotiable securities to the general operating fund for a purpose that is included within the current year's general operating budget.
3. Any gift of property other than cash or negotiable securities must be specifically accepted. Such gifts shall be referred to the Finance Team for review under these guidelines. The factors that must be reviewed prior to accepting any gift other than cash or negotiable securities include: valuation; marketability (if the gift is to be sold); maintenance and insurance (if the gift is to be used in-kind); and, liabilities that may be related to the gift property. This list of factors is not intended to be comprehensive; the Finance Team may include other factors in their review as they deem appropriate.
4. Gifts of negotiable securities: All gifts of negotiable securities, whether intended for the general operating budget or for an established restricted fund or purpose, shall be liquidated by the Finance Team as promptly as reasonably possible. The mechanism for such liquidation shall be approved by the Finance Team in consultation with the Trustees. Any transaction fees attributable to the liquidation shall be paid out of the proceeds of the gift. In the unusual event that the donor specifically requests that the gift not be promptly liquidated or the Finance Team determines that prompt liquidation is not in Asbury's best interest, the Finance Team shall consult with the Support Team for a decision.

Section 16: INTERNAL CONTROLS ON RECEIPTS & DISBURSEMENTS

It is the policy of Asbury UMC that there be responsible internal controls on handling of receipts and in making disbursements to assure compliance with the Finance Policy and Mission of the church.

A. Cash Receipts

The most important control over cash received is segregation of duties. No single person shall have the responsibility of receiving cash, making deposits, and recording receipts into the contributions or general ledger modules of the church software system.

Weekend Receipts –

All cash received on Sunday morning shall be retrieved by a designated person or persons from the offering plates from each service and deposited into a locking bank bag in the presence of at least one unrelated witness. In addition to the offering plates, money should be retrieved from the refreshment table in the fellowship hall. Before the bag is locked, a slip shall be signed by both parties and put into the bag. (Exhibit 2) The key to the bag is to be put into the counter's drawer in the church office and the bag taken directly to the Empire Bank drop box located inside the east entrance at 1800 S. Glenstone (SE corner of Glenstone & Sunshine). It is recommended that the person assigned with taking the bank bag to

the drop box must not allow it to be visible when leaving the church and, if possible, have someone accompany them or follow them to the bank for their own protection.

On the first business day following, a counting team consisting of not less than two non-family members or three persons two of which may be related shall retrieve the bags from a teller at the bank and proceed to a counting area at the church. The counter drop safe shall be opened and its contents sorted. This area should be as secure as possible.

The counters' box with a book of deposit slips, rubber bands, endorsement stamp and stamp pad, supply of voucher slips, supply of money bags, an adding machine, Two postage-paid envelopes, addressed to the church, is stored in the lower cabinet, directly behind the secretary's chair.

First counter:

- Sort out all identified pledge money including envelopes, loose checks, and cash. There must be a voucher identifying each payer.
- Use the pledge envelope as the voucher when furnished, making certain that the name, amount, and check number are on the envelope.
- Make out a voucher form for each pledge payment not accompanied by an envelope.
- If a check includes a pledge payment and another payment, e.g. per capita, make out a voucher form for each purpose and note it on the envelope.
- Assemble the money in one pile and the vouchers / envelopes in another pile. Keep both piles in the same sequence.

Second counter:

- Gather all non-pledge money.
- Make out a voucher form for each check noting name, address, amount, check number (or CASH) and the purpose of the payment.
- Make out a voucher form for each accumulation of cash, e.g. coffee money, loose collections, church school, etc.

All counters:

1. Combine piles of checks and vouchers keeping in the same sequence.
2. Combine all cash.
3. Combine all pledge vouchers / envelopes and all other voucher forms. Do not shuffle these, they will then be in the same sequence as the checks in case you have to reconfirm your totals.
4. Run a tape on all checks and sub-total.
5. Add bills and coins and total for your deposit slip.
6. Staple this tape to the treasurer's copy of the deposit slip.
7. Run a tape on all envelopes / voucher forms. If the tapes fail to balance, recheck your work until they do.
8. Bundle all envelopes / voucher forms with their tape. This goes to the church Financial secretary.
9. Endorse all checks with the rubber stamp in the counters' kit.
10. Return the offering plates to the back of the sanctuary.
11. Place checks, cash, original deposit slip, and one church-addressed envelope in a money bag and bind it with a rubber band.
12. Take the money bag, the night depository key, and the second church-addressed envelope to the bank.
13. Drop the money into the night depository.
14. Contributions Data Entry – Enter the receipts into the church software system. The total receipts entered into the system must match the total of the weekly deposits.

Careful attention is to be given as to designation of funds for the contribution, whether it is written on the check or the offering envelope. All amounts, whether or not credit is given will be recorded by fund on a deposit sheet.

The total of all cash and checks is then balanced with the total of the amounts written on the deposit sheet. All those present shall then sign the count sheet. Deposit slips are then made out to the various bank accounts included on the sheet and the funds shall be taken immediately to one of the tellers for deposit.

Mail or Weekday Receipts – All checks or cash received by the church office during the week shall be put into the counter drop safe located in the work area of the church office. The counters will open the counter drop safe and add the checks or cash received to the weekly deposit.

Special Circumstances – Following a special worship service (example: Christmas Eve) or in other unusual circumstances, the process for collecting the Sunday Morning Offering shall be followed. If it is not possible to take the deposit to the bank drop box, the money should be locked in a money bag placed in a locked Finance file cabinet. The office alarm shall be activated.

Wednesday Night Dinner & Other Fund Raising Receipts

- If hosted by a group, committee or team with an established restricted fund in the restricted account, the net proceeds shall be deposited to the appropriate restricted fund in the restricted account.
- If hosted by a group, committee or team with a separate bank account, proceeds shall be deposited by such sponsor in their established separate bank account.
- If hosted by the Wednesday Night Dinner team for a specific cause/item, the net proceeds shall be deposited in the appropriate restricted fund, or if no specific fund exists, then into the Wednesday Night Dinner restricted fund in the restricted account.
- If no specific cause / item is announced for the dinner then the net proceeds of the dinner should be deposited into the General Fund account as Miscellaneous Income.

Church Use Funds: Any money or donation received from groups using the church shall be deposited in the General Fund account to defray the cost of supplies, utilities, services, etc. unless it is a special reimbursement for damage or repair, special deposit to reserve space or for some other specific purpose for which such funds should be placed in the appropriate Restricted Fund in the Restricted Account.

Special Offerings: Any special offerings shall be accumulated and deposited in the Special Sundays Restricted Account of the Restricted Fund for transfer to the appropriate entity for which such offering was taken.

End of Year Gifts: Any gifts received in the church office by December 31 or postmarked December 31 but received after January 1 shall be segregated and deposited separately and credited for the year ending December 31. Contributions received or postmarked after January 1 shall be credited for the year beginning January 1.

B. Disbursements

Segregation of duties is also the key to control in cash disbursements. Ministry personnel (staff or lay persons) responsible for the expenditure of budgeted or restricted funds are required to follow the following procedures:

1. Multiple bids are required for expenditures, purchases or equipment replacement over \$5,000. Exceptions to this policy are possible in the event of limited vendors. In that event, approval of the exception to the multiple bid policy is required by the Support Team.
2. Disbursements in Excess of Budget: *The 2008 United Methodist Book of Discipline* states in Paragraph 258(4)g that additional appropriations or changes in the budget must be approved by the Support Team (church Council). For the purposes of the financial operation of AUMC, this shall be interpreted to pertain to disbursements by the total budget, not individual line items. An exception to this broader interpretation is that of personnel line items, which shall originate with the Staff Parish Relations Team and proceed through the Finance Team to the Support Team (Church Council).
3. Any staff or lay person responsible for an expenditure shall do whatever is necessary to ensure that goods and services are received as ordered and billings are consistent with their order.
4. Requests for approval of an expenditure or for reimbursement should be made to the Treasurer or Finance Chair. All requests shall be made in writing. The Finance Team shall provide a form for such requests. No request shall be accepted unless it provides as a minimum the information requested by such form. Requests for Payment or Advance Approval of an expenditure or reimbursement request must first be approved by the responsible staff member, committee, or lay person responsible for the budget line-item or restricted fund before the Request for Payment or Approval is given to the Treasurer or Finance Chair.
5. Reimbursements: Because the church is sales tax exempt, any reimbursement will not include sales tax. If a reimbursable purchase is to be made, the person doing the buying should obtain a tax-exempt letter copy from the church office prior to the purchase.

6. General Budget Expenditures / Requests for Reimbursement:

- a. NO REQUEST NECESSARY FOR CERTAIN ITEMS: Expenditures for General budget line items for pastoral compensation, staff compensation, utilities, debt service, apportionments, or regularly recurring payments (utilities, trash service, etc) up to the amount authorized by the General Budget may be paid by the Treasurer from available funds without further request. Absent exigent circumstances approved by staffmember's supervisor, Payroll checks are expected to be written on the last day of the month and available by the 1st day of the following month regardless of what day of the week such might fall on.
- b. PRIOR APPROVAL REQUIRED TO EXCEED BUDGET LINE ITEM: Any expenditure from the General Budget church funds, resources, or accounts for any item in the budget which would exceed the applicable line item of the General Budget must be approved in advance by the Finance Team so as to avoid any disbursement in excess of the total General Budget.
- c. <\$500 NO PRE-APPROVAL REQUIRED: Any expenditures / reimbursement request less than \$500 to be paid from the General Budget church funds, resources, or accounts shall be paid / reimbursed based upon availability of funds pursuant to this policy after the written request is approved by the Treasurer or Finance Chair. Advance approval before the purchase or placement of the order is not required.
- d. >\$500 PRE-APPROVAL REQUIRED: Any expected expenditures / reimbursement requests over \$500 to be paid from the General Budget church funds, resources, or accounts must be approved by the Treasurer AND Finance Chair, before such purchase may be made OR order is placed for any goods or services. If the expected expenditure / reimbursement request exceeds \$1,000 the Finance Team must approve such expenditure before such purchase may be made OR order is placed for any goods or services.
- e. Failure to obtain advance approval when required will cause the person incurring the expense or placing the order to be personally responsible for the charges related to such expenditure/order. IF a church charge account / credit card is used, the individual agrees to reimburse Asbury UMC for any charges if approval is not obtained as required.

7. RESTRICTED FUNDS Expenditures / Requests for Reimbursement:

- a. ALL EXPENDITURES LIMITED: No expenditure from the Restricted Funds Account may exceed the amount available for the specific Restricted Funds line item or cause the amount available for a specific Restricted Funds line item balance to be less than \$0.
- b. <\$500 - NO PRE-APPROVAL REQUIRED: Any expenditures / reimbursement request less than \$500 to be paid from a Restricted fund in the Restricted Account shall be paid / reimbursed based upon availability of funds pursuant to this policy after the written request is approved by the Treasurer or Finance Chair. Advance approval before the purchase or placement of the order is not required.
- c. >\$500 - PRE-APPROVAL REQUIRED: Any expected expenditures / reimbursement requests over \$500 to be paid from a Restricted fund in the Restricted Account must be approved by the Treasurer AND Finance Chair, before such purchase may be made OR order is placed for any goods or services. If the expected expenditure / reimbursement request exceeds \$1,000 the Finance Team must approve such expenditure before such purchase may be made OR order is placed for any goods or services.
- d. Failure to obtain advance approval when required will cause the person incurring the expense or placing the order to be personally responsible for the charges related to such expenditure/order. IF a church charge account / credit card is used, the individual agrees to reimburse Asbury UMC for any charges if approval is not obtained as required.
- e. Pastors Help Fund: The pastor may, in his/her complete discretion, direct the Treasurer to expend from the Pastor's Help Fund restricted fund of the Restricted Account, payments up to the amount in the Pastor's Help Fund restricted fund of the Restricted Account provided that no portion of the fund be used to benefit the pastor or members of his/her family personally nor be used for any purpose which would constitute impermissible "private inurement of benefit" to any person within the meaning of Federal tax laws governing nonprofit, charitable, tax exempt organizations. No other approval is required.
- f. Home Missions/Get on it Now Emergency Request Procedure: In case of an emergency request to the Home Missions / Get on it Now Team the Treasurer is authorized to issue payment from the Home Missions / Get on It Now Restricted Fund of the Resticted Account up to the balance of said fund when presented as follows:
 - i. Request is signed by the Home Missions / Get on it Now chairperson or Missions Committee chairperson or is sent by email from such chairperson to the Treasurer and Finance Chair.
 - ii. The request may be by email provided it is forwarded to all Home Missions / Get on it Now committee members.
 - iii. The request identifies the reason for expedited consideration.

- iv. The request includes the name of the person needing emergency assistance, a description of the emergency need being addressed and specific instructions regarding the writing and delivery of the check.
- v. No request shall be used for any purpose which would constitute impermissible "private inurement of benefit" to any person within the meaning of Federal tax laws governing nonprofit, charitable, tax exempt organizations.

C. Miscellaneous Operating Procedures

1. The church fiscal year shall begin January 1 and conclude December 31.
2. IGIVE – The Finance Committee is authorized to participate in the iGive.com and iSearch.com program which allows members to make purchases through igive.com from merchants associated with the program who, in turn, contribute a percentage of the value of such purchases to Asbury UMC. The Finance Committee may advertise the igive website and communicate with Asbury UMC mailing lists to promote the use of igive.com.
3. Asbury shall use a modified cash based accounting system as determined by the Treasurer.
4. Records Retention: Financial records shall be destroyed after expiration of the time as specified below
 - a. Permanent Records: Audit reports, Cancelled Checks for Important Payments, Chart of Accounts, End of Year Financial Statements, Computer Finance Records
 - b. Seven Year Records: Bank Statements, Payroll Records & Summaries, Vendor Invoices, Expenditure / Reimbursement Requests, Giving / Donor Records
 - c. Three Year Records: Bank Statements, Deposit Reports, Purchase Orders

D. Budgeting

1. The Finance Committee will develop a proposed annual budget for all activities of the church for submission to the MISSION/VISION COUNCIL for approval.
2. The Finance Team is charged with responsibility for developing and implementing plans that will raise sufficient income to meet the budget actually adopted by the MISSION/VISION COUNCIL.
3. The Finance Committee will seek budget requests from all program areas, staff, lay leaders and members using forms approved by the Finance Chair. Requests should include narrative descriptions of the activities for which budget requests are being submitted and describe their alignment with the Mission and Vision of Asbury UMC. The Finance Committee reserves the right to adjust requests based on estimated revenues of the church for the budget year in the proposed budget submitted to the MISSION/VISION Council for approval.
4. The proposed budget will include a plan for revenues, expenses, and debt service.
5. Revenue projections for the proposed budget will be based upon the average of the three years prior to the proposed budget year for each revenue item. The finance committee may adjust such revenue projections to account for unusual circumstances in the proposed budget.
6. The budget approved by the MISSION/VISION Council will authorize the Treasurer to receive and expend funds in accordance with such budget.
7. The Finance Committee may propose adjustments to the budget for adoption during the budget year as necessary.
8. Staff, Program Chairs, Lay Leaders and members will be responsible for operating within the approved budget for their line item. Except for expenses specifically designated by the MISSION/VISION Council, responsible staff, program chairpersons, lay leaders and member may modify the amount budgeted for individual items within their total program as long as the program's total line item budget is not changed.

Asbury United Methodist Church
1500 S. Campbell
Springfield, MO 65804
(417) 831-4046

Confidentiality Agreement

Recognizing that in the course of my duties, either as a paid employee or volunteer, certain personal and confidential information concerning members of the church, including but not limited to financial giving by church members, may come to my attention, and also recognizing the need for confidentiality concerning such information, I do hereby agree to honor and safeguard the confidentiality of such information and agree to not discuss, divulge or release any such information to any party whatsoever, except as necessary in the performance of my duties with the church.

Signature

Date

Asbury United Methodist Church
1500 S. Campbell
Springfield, MO 65804
(417) 831-4046

FUNDS TRANSFER to DEPOSIT BAG

Date: _____

Time: _____

Source of Funds: _____

Deposited By: _____

Witnessed By: _____