

Finance Council

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Policy on Contracts

Policy adopted August 21, 1991, amended **April 21, 2004**

Purpose: To clarify signatory authorization on contracts

The Board authorizes the following individuals to sign contracts on behalf of St. John's to the limits described below:

- The President, with respect to all matters, after the recommendation from a Council Director or staff member and approved by the Board
- The Executive Vice-President, if authorized by the President to act in the President's stead, with respect to all matters, after the recommendation from a Council Director or staff member and approved by the Board

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Policy on Expenditures and Operating Budget

Policy adopted August 21, 1991, amended April 21, 2004 and **May 21, 2008**

Purpose: To clarify authorization for expenditures.

- ❑ The Board authorizes the following individuals to make or authorize expenditures on behalf of St. John's to the limits described below:
 - ❖ All Board Members, Committee Chairs and Staff with respect to their Councils, programs or committees, to the extent of the budget approved for those purposes.

- ❑ Transfers of money from a line item in the budget to another line item or a liability account are prohibited with these exceptions:
 - ❖ Outreach
 - ❖ Property/Major Repairs
 - ❖ Contingency Fund
 - ❖ Reimbursements with Finance Council Director approval
 - ❖ Other exceptions must have Board approval

- ❑ Members of the Board are responsible for:
 - ❖ overseeing the budget for their Council and other areas assigned to them
 - ❖ conducting a quarterly review of all transactions within their council
 - ❖ tracking of expenditures within their budgets
 - ❖ submitting to the Finance Council Director for approval expenses that go over their budget (or submitting to the Finance Council Director for approval any expense that is over the budgeted amount. The Finance Council Director reserves the right to bring any expense over the budgeted amount for a line item to the Board of Trustees for their approval at the next Board meeting.)
 - ❖ signing requests for funds (RFF's) for expenses that fall within their venue as outlined in the RFF policies. RFF's should be signed on a weekly basis. If a Board member is unable to do so they will be responsible for having the President or Executive Vice-President sign.

- ❑ Any exceptions to the above guidelines must be approved by the Finance Council Director and documented for audit purposes. The Finance Council Director reserves the right to bring any exceptions to the Board of Trustees for their approval at the next Board meeting.

Related Policy: Policy on Request for Funds (RFF's)

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Fundraising Policy and Procedures

Adopted **April 20, 2005**

POLICY

Fundraising is defined as raising money by either asking, individually or collectively, or by selling items or services. It does not include organizations within the church asking members of that organization for funds (e.g., the X committee could all agree to donate \$10 apiece to fund a specific initiative).

Groups or individuals within St. John's whose fundraising helps the congregation, as a whole or through the activities of a particular group, to achieve its mission are not required to share proceeds with St. John's General Operating Fund.

Groups that rent space from St. John's for fundraising events are not required to share proceeds with the church.

Groups and individuals within St. John's that raise funds to benefit outside causes or organizations with which St. John's or one of its committees does NOT have an official affiliation are not required to share proceeds with St. John's. Such "card table" fundraising is restricted to the north wall of Krolfifer, if space is available. The area of Krolfifer closest to Haehnle and the kitchen is reserved for coffee hour and internal St. John's activities such as coffee schedule sign-up and newsletter distribution. Internal St. John's activities have priority for card tables.

Every fundraising group is encouraged to give 10% of the proceeds to the General Operating Fund.

All fundraisers must be approved in advance. See Authorization Guidelines.

PROCEDURES

INITIAL PROPOSAL

A committee, a group, an individual member or the Board may propose a fundraiser. Fundraisers will be categorized according to how much money they are expected to raise:

- Category A: those expected to raise less than \$500
- Category B: those expected to raise from \$501 to \$7,500
- Category C: those expected to raise greater than \$7,500

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Category A fundraisers should submit the “Fundraiser Proposal Form” to the Director of the Council under which the fundraiser falls.

Category B and C fundraisers should submit the “Fundraiser Proposal Form” to the Director of the Finance Council.

Fundraising proposals shall be made in writing on the “Fundraiser Proposal Form” and submitted to the appropriate individual as described above. The “Fundraiser Proposal Form” is attached to this policy.

AUTHORIZATION GUIDELINES

All decisions will be made in a timely manner.

- Category A fundraisers will be reviewed and approved by the Council Director under which they fall.
- Category B fundraisers will be reviewed and approved by the Director of Finance Council.
- Category C fundraisers will be reviewed and approved by the Board of Trustees.

The Director in whose Council the fundraising group belongs is responsible for reporting the results of the fundraiser to the Director of Finance Council. A “Fundraiser Report Form” is attached to this policy.

All Fundraising Proposals will be considered with the following guidelines in mind:

- 1) The entire congregation ideally should realize the social and financial benefits of the fundraiser. Therefore, fundraisers that benefit the whole congregation should take priority over those that benefit certain organizations within the congregation.
- 2) All fundraisers must be nonpartisan and in keeping with the Church’s mission and covenant statement.
- 3) Calendar conflicts and the impact the proposed fundraiser may have on previously scheduled activities and events should be considered. If a material conflict is anticipated, the fundraiser shall be rescheduled.
- 4) Solicitation of individual members and friends to raise funds in the name of the church must have endorsement of the Board.
- 5) The primary benefactor of the fundraiser and what the implications of supporting that entity should be considered.
- 6) Sunday morning “special collections” are considered fundraisers with an entity other than the church as the designated benefactor. Sunday morning “special collections” must be approved by the Board. Donations from a Sunday morning “special collection” are split 50/50 with the Church; checks may be designated for the beneficiary and 100% of those funds will go to the designee.

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RIGHT TO APPEAL

If a Category A or B fundraising proposal is denied, an appeal may be filed with the Board of Trustees. If a Category C proposal is denied, an appeal may be filed by calling for a special congregational meeting following the process outlined in Article VI of the By-laws of the Church.

OTHER GUIDELINES

- 1) At least once each year, the Director of Finance Council will issue a written report to the congregation that describes fundraising activities from the previous year and their outcomes.
- 2) If the Board determines that a breach of conditions has occurred, it may withdraw its authorization for a fundraiser or take other action as appropriate.

POLICY DISTRIBUTION

- 1) A copy of this policy shall be given to any individual or group upon request.
- 2) Upon initial approval and every two years thereafter, a copy of this policy shall be distributed to all committee chairs.

FUNDRAISER PROPOSAL FORM

1) State the name of the Church committee, group or member that is proposing the fundraiser:

2) Describe how the funds will be raised:

3) State the primary use of any funds raised:

4) State the name of the individual(s) who will:

a) Act as point of contact for the fundraiser:

b) Assume responsibility for handling of funds:

c) Issue a written report of the fundraiser's results:

5) State the dates that the fundraiser will take place:

6) State any funds the Church may be expected to commit to cover expenses for the fundraiser; and the approximate amount of that commitment:

7) State the financial gain a third party may realize as a result of the fundraiser; and their name(s) and the estimated amount that each will receive:

8) Estimate the projected revenue, expenses and the dollar amount the Church is expected to raise from the fundraiser:

Submitted by _____

Date _____

Approved by _____

Date _____

If you have questions or need help completing the form, please contact the Director of the Finance Council.

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FUNDRAISER REPORT FORM

To be filled out by Director of the Council of the group that sponsored the fundraiser.
The Fundraiser Report Form should be given to the Director of Finance Council.

1) How many people attended the fundraiser (if applicable)?

2) How much money was raised?

3) Amount to designated recipient of the fundraiser

4) Amount to St. John's General Operating Fund

Reported by _____ Date _____

Policy on Gifts

Policy adopted April 18, 2002, amended **December 15, 2004**

- ❖ In the spirit of protecting and growing gifts made to the church, all unrestricted or undesignated gifts to St. John's will be placed in the Legacy Fund. The Legacy Fund will continue to act as the only endowment fund for unrestricted gifts to the church

- ❖ Gifts provided as stock, or other investment vehicles, will be immediately liquidated and deposited into the Legacy Fund

Related documents: Legacy Fund Policy

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Policy on Liability Funds

Policy adopted May 21, 2004, amended **May 21, 2008**

Purpose: To give clarity on how a Liability Fund may be created and used. A Liability Fund is defined as an account of monies received for a specific cause, group, or event.

Creation of a Liability Fund:

Liability Funds will be used as a “parking place” for a committee or organization to keep track of their money.

- No monies from line items that are a part of the Operating Fund may be put into a Liability Fund, with the following exceptions:
 - Outreach Fund
 - Major Repair carry over from Property Council (adopted 9/1999)
 - Contingency Fund
 - Reimbursements approved by the Finance Council Director
 - Other exceptions must have Board approval

The following guidelines apply:

- There is no minimum or maximum amount that may be put into or stored in a fund
- If there is no activity in the Fund for two or more years, the monies may be put into the Operating Fund.
 - The Treasurer will audit these accounts annually and inform the Director of Finance Council of any line items that have fallen into inactivity.
 - The Treasurer will submit a request to the Board for approval to move these items from the Liability Fund to the Operating Budget.
- All Liability Funds will be assigned a Board Member to sign RFF's for expenditures.
 - Assignments will be documented and retained for audit purposes.

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Policy on Minister's Discretionary Fund

Adopted June 18, 2004, amended **December 15, 2004**

Purpose: Guidelines for income and disbursements of the Minister's Discretionary Fund

Use of the Fund

The fund is used to assist church members and friends of St. John's at the Minister's discretion. The Minister has complete discretion in determining need. Examples of need include funds for groceries, utilities, car repairs, emergency transportation, rent, etc.

The fund is not used for any of the following:

- Bonuses for church staff, purchase or repair of church equipment, improvements to church property or any existing or potential operating budget expenses.
- Panhandlers or other non-members or friends soliciting monetary assistance.

Income to the Fund

The Treasurer remits to the Minister funds received for the Minister's Discretionary Fund. Contributions earmarked for a specific purpose will not be accepted.

The monies from the plate collection on Christmas Eve will be put in the fund.

Disbursements

The fund will be kept in a checking account maintained by the Minister. The Minister makes disbursements upon receipt of a bill from an agency or individual providing service. Disbursements are not generally made directly to the person in need.

Record Keeping

All records are confidential. Records are reviewed annually by a person selected by the Minister and the Director of Finance Council.

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Miscellaneous Financial Policies

Policy adopted April 21, 2004

- ❖ The collection taken on Sunday morning must be counted by two people

Policy adopted April 21, 2004

- ❖ The monthly finance report should be posted in Haehnle, after approval of the Board

Policy adopted January 9, 1991

- ❖ Committees are to use their own budgets for supplies, not the church office's budget

Policy adopted December 15, 2004

- ❖ Monies unspent from the Property Council Major Repair line item at the end of the year will be put in the Major Repair Carryover Liability Fund

Policy adopted April 20, 2005

- ❖ All monies collected for committees, groups or organizations within St. John's must be kept in church bank accounts.

Policy adopted April 20, 2005

- ❖ Donated Assets

A donated asset will be defined as a gift of something valuable without reciprocity. Donations of property, equipment or other assets will be recorded at the fair market value of the asset transferred, and reflected in financial statements at their estimated values, when ownership changes. Ownership changes when title and insurance process takes place. The estimated value of these items is determined, based on the cost of obtaining comparable items and services, at their fair market value at the time received. If necessary, an independent appraisal to determine the fair market value of the asset will be done.

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Policy on Pledges

Policy adopted May 21, 2001 and December 14, 1993, amended **April 21, 2004**

Purpose: To clarify the use of pledge money.

- Pledges provided as stock or other investment vehicles, will be immediately liquidated and deposited into the Operating Fund
- St. John's will not accept designated pledges. A pledge cannot be designated to a specific program, line item or Council.
 - A *gift* can be made to an Endowment Fund.

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Policy on Request for Funds For other than Staff

Policy adopted April 21, 2004, amended **December 12, 2007**

Purpose: To clarify the use and procedures for making a Request for Funds (RFF) in order to execute payment or reimbursement for reasonable expenses.

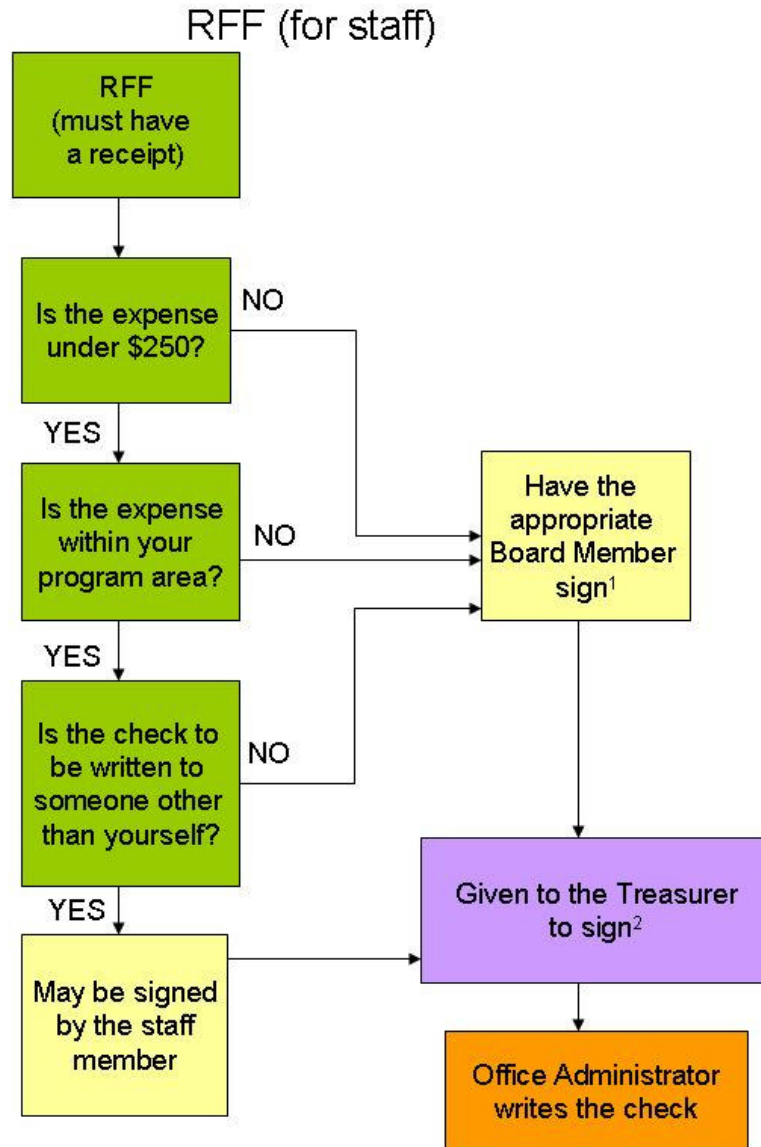
- Each RFF must have a receipt, letter of agreement, email correspondence, meeting minutes or other form of expense justification attached.
- Signatures are required as follows:
 - The Approval Line must be signed by the appropriate Board member responsible for the program under which the expense occurs.
 - In the absence of the appropriate Board Member, the President, Executive Vice-President or Finance Council Director should sign.
 - Expenses that occur for Liability Accounts must have the signature of the Board Member associated with that Liability Account. (The listing for such accounts may be found in the office in the file with the RFF's).
 - The Approval Line may not be signed by the person receiving the check.
 - All RFF's must have the signed authorization of the Treasurer.
 - In the absence of the Treasurer, the Finance Council Director should sign.
 - In addition, expenditures over \$1000 must be authorized by the Finance Council Director and the Treasurer. In the absence of the Finance Council Director the President or Executive Vice-President may sign.
 - In addition, any expense that is over the budgeted amount for a line item must have the Finance Council Directors prior approval. The Finance Council Director reserves the right to bring any expense over the budgeted amount for a line item to the Board of Trustees for their approval at the next Board meeting.
- Sales tax will be reimbursed, although a sales tax exemption should be used whenever possible. (Exemption forms may be found in the office in the file with the RFF's).
- Any exceptions to the above guidelines must be approved by the Finance Council Director and documented for audit purposes.

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Policy on Request for Funds (RFF's) For Staff

- Each RFF must have a receipt, letter of agreement, email correspondence, mileage log, meeting minutes or other form of expense justification attached.
- Signatures are required as follows:
 - The Approval Line may be signed by a staff member if:
 - the expense occurs within their program and
 - the expense is under \$250 and
 - the expense is not a reimbursement to the staff member (The Approval Line may not be signed by the person receiving the check).
 - The Approval Line must be signed by the appropriate Board member responsible for the program under which the expense occurs if any of the situations above are not met.
 - In the absence of the appropriate Board Member, the President, Executive Vice-President or Finance Council Director should sign.
 - All RFF's must have the signed authorization of the Treasurer.
 - In the absence of the Treasurer, the Finance Council Director should sign.
 - In addition, expenditures **over \$1000** must be authorized by the Finance Council Director *and* the Treasurer. In the absence of the Finance Council Director the President or Executive Vice-President should sign.
 - In addition, any expense that is **over the budgeted amount** for a line item must have the Finance Council Directors prior approval. The Finance Council Director reserves the right to bring any expense over the budgeted amount for a line item to the Board of Trustees for their approval at the next Board meeting.
- No reimbursements will be made for 1099 employees (child care, musicians, guests speakers) through a staff member. All checks must be written directly to that entity and properly documented.
- Sales tax will be reimbursed, although a sales tax exemption should be used whenever possible. (Exemption forms may be found in the office in the file with the RFF's).
- Mileage will be reimbursed at prevailing IRS rates and must be submitted within 30 days of travel.
- Any exceptions to the above guidelines must be approved by the Finance Council Director and documented for audit purposes.

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¹ In the absence of the appropriate Board member the President or Vice-President may sign

² If the expense is over \$1,000 both the Treasurer and the Finance Council Director must sign

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Policy on Revenue from the Music Series

Policy adopted April, 1989, amended April 19, 2000, April 21, 2004 and **April 18, 2007**

Purpose: To clarify the plan for proceeds from the concerts of the music series.

- When an outside group performs, half of the proceeds will normally go to the performing group and half to St. John's. However, on some occasions it may be necessary to make a special monetary arrangement with a particular outside group such as guaranteeing them a minimum payment for their performance.
- From time to time, in order to increase concert attendance, a particular concert may be advertised as a fundraising event in support of a social agency. At least 50% of the proceeds of such concerts will be retained by St. John's. Making such a special concert arrangement must entail coordination with the chair of the Outreach Committee and will require the prior approval of the Minister of Music, the Music Committee, and the Director of the Religious Development Council.
- Monies received by St. John's for the Music Series shall be spent for the rehabilitation and protection of instruments, payment to soloists and musicians at the annual choir concerts and other special music related expenses.