

# SBC Finance Team Policy Manual

## SBC Finance Team

The Finance Team shall consist of not less than five (5) and not more than 10 members approved by the congregation. They shall work with the church treasurer/assistant treasurers in seeing that all monies are received, accounted, disbursed, and reported according to guidelines established in the church Policy Manual. When called upon, the Finance Team shall make recommendation to the church body concerning purchases and expenditures.

This Team shall prepare an annual budget as directed by the church Policy Manual. This Team shall also coordinate, with the church treasurer, a group of tellers who will count, deposit, and record all receipts as directed by the policy manual.

### 1. Financial Policies:

#### a) Introduction:

Designated monies and love offerings are monies that are designated to a specific use and are not given to the support of the church's budget. All other monies shall be used for the support of the church's budget. The budget is a guideline of projected expenditures for the coming year. Approval of the budget equates to an approval of these projected expenditures with the understanding that actual funds must be available in the church's treasury at the time of purchase. Once the budget is approved, each line item becomes the responsibility of the appropriate Team or ministry leadership who alone has the authority to approve expenditures of what line item. The person responsible for each line item will be determined at the beginning of each fiscal year. All expenditures shall be in keeping with the following guidelines, which shall govern the collection and administration of all church funds.

#### b) Guidelines:

1) The oversight of the finances of the church is primarily the responsibility of the church Treasurer and/or Assistant Treasurer. He/She will work in cooperation with all those who have financial responsibilities within the church, especially the Finance, Personnel, Audit, and Executive Council as outlined in the church bylaws. The Treasurer shall be assisted by the Assistant Treasurer(s).

2) All budgeted expenditures must be in keeping with the purchase order system of the church.

#### c) Purchase order system:

- Fixed budget items will not require a purchase order. Fixed budget items will be defined as:
  - Cooperative Program
  - Severns Valley Baptist Association
  - Salaries and Allowances (except convention expenses)
  - Utilities
  - Insurance
  - Elevator/Security Alarm/Fire Alarm Maintenance
  - Contingency Fund (until balance = \$30,000)

- Church approved debt payments
- All other expenditures require a purchase order.
- All purchase orders under \$100 must be submitted to the Church Treasurer within five business days of purchase.
- All purchases equal to or exceeding \$500, must be authorized by the Treasurer or Pastor prior to purchase.
- All budgeted expenditures that would result in the overspending of any line item must be presented to the Finance Team and approved by the church prior to commitment.
- Purchase orders will then be given to the Treasurer, who will approve and will execute the purchase order as requested.
- All purchase orders must include the amount of the purchase, the party to which the check is to be written, the line item(s) to which the purchase is to be charged, the signature(s) of the person(s) designated as responsible for each of those line items, and the date of purchase before being submitted.
- Availability of funds will be determined by the Church Treasurer in conjunction with the finance team.

#### d) Meetings:

The Treasurer will meet as needed with the Finance Team and those responsible for Budget requests to review expenditures. The purpose of these meetings will be to promote coordination and cooperation between all parties and church approved financial guidelines.

#### e) Designated Funds

All designated monies raised or donated to our church shall be received and recorded by the appropriate financial officers of the church. Expenditures of designated funds are governed by the appropriate team. Expenditures from designated accounts do not require additional approval.

#### f) Contingency Fund Expenditure

Expenditures from the Contingency Fund will require the recommendation of the Finance Team and the church's approval. Once the expenditure has been made, the church will begin to replenish the fund to reach its minimum required balance of \$10,000. The repayment rate will be set by the church body.

#### g) Love (Designated) Offerings

Love offerings will only be received upon the prior approval of the Pastor with the following offerings already approved: Revivals, the Gideons, Annie Armstrong Easter Offering, Eliza Broadus State Missions Offering, World Mission Conference, Lottie Moon Christmas Offering, and Staff Christmas Love Offering.

#### h) Excess Receipts

All monies in excess of the established total church budget of each year will be given to Debt Retirement if a mortgage exists. This does not include any designated offerings.

i) Budget preparation

An annual budget shall be prepared for recommendation to the church body for adoption according to the following procedures:

1. Budget requests for the coming fiscal year should be received by September 1 of the current fiscal year.
2. The Finance Team will review and compile a proposed budget by the last Sunday of October.
3. The proposed budget will be given to the Pastor for review.
4. If the Finance Team is asked to review the proposed budget, once that review is complete the Finance Team will then make the budget available to the congregation for review at least two weeks prior to a question and answer period.
5. The Finance Team, in conjunction with the pastoral staff will set aside time for a question and answer period for the proposed budget. A date for a Special Business Meeting will be set following the guidelines found in the church Bylaws (Section V, D) so it can be properly announced. If possible, this meeting should take place NO LATER THAN the second week of November.

j) Collection, Counting, and Deposit of Funds:

Ushers are responsible for collecting tithes and offerings during and after services.

1. After collection, 2 ushers need to stay together with the money until it gets to the counters.
2. Money needs to go into a zip lock bag and 2 ushers need to sign it along with the date and time.
3. Drop the money in the box if no one is in the finance office.

Tellers/Counters are responsible for counting and depositing monies collected. **No spouses or family members should count together.**

1. Offering collected by ushers are brought to the counters/tellers in the Finance Office.
2. 2 tellers are to count each Sunday. One is to fill out the bank deposit and teller forms. The other will assist in the counting of monies.
3. The Primary teller is responsible for taking the deposit bags to the bank and put them in the night deposit. Another person always goes along so this person is not alone in this process.
4. Leave a summary sheet with a detail report for the financial secretary in the left-hand drawer of the desk.
5. They need to collect the detail report for the Treasurer to record and leave a summary in the file for the Assistant Treasurer.

k) Bonded Individuals:

The Treasurer, Assistant Treasurer(s), and tellers shall be bonded. The church shall provide for such bonding as needed.

l) Benevolence Policies – In-House – Church Members

1. Benevolence requests shall be forwarded to the Deacon Ministry Team who shall have sole responsibility for disbursement of benevolence funds (as monies are available).
2. A report of benevolence activities shall be given, by the Deacon Ministry Team, to the deacon body at their regular meetings, and upon request, to the church body at regular business sessions.
3. Any benevolence gift above \$500 to one individual or family, must be approved by the deacon body, pending availability of funds.
4. There will be a non-church member limit of \$100.00.

m) Audits

1. Internal Audit -The financial records of the church shall be audited annually. The Audit Team shall consist of 2 members of the Finance Team and shall make an annual audit of all books and accounts of the church and report to the church the results of the audit. The report of the previous financial year should be made in the 1<sup>st</sup> quarter church business meeting.
2. External Procedural Review - The Audit Team shall recommend if an outside audit is needed, only when necessary, and request authorization from the church to have it made.

n) Scholarship Guidelines:

1. Recipients
  - Recipients of scholarships from Stithton Baptist Church must be a member of our congregation.
  - Selection should be made using the following criteria
    - Church faithfulness Christian leadership and service
    - Prior scholastic achievement
    - Need
    - Missions involvement (for the Kramer scholarship only)
  - ❖ Special consideration is to be given to those students preparing for full-time ministry vocations.
  - ❖ Recipients will be enrolled/enrolling in an accredited university or college. Special consideration will be given to students attending Christian schools that will give matching funds to scholarships given by churches.
  - Funds
    - Applications for scholarships shall be received no later than May 31.
    - Scholarships will be awarded on the second Sunday of July during the morning worship service.

- Scholarship funds shall consist of the annual interest accrued from principle raised by donations from members, family, friends, and Kentucky Baptist Foundation.
- The scholarship shall bear the name in which the gifts were donated (i.e., Cunningham, Kramer, Stinson, etc.).
- The funds will be distributed for tuition, books, room & board, fees, and/or supplies.

### **Tellers Team**

The Finance Team shall, from within, create an audit team to render an audit of all church accounts on a bi-annual basis. This Team shall also coordinate, with the church treasurer, a group of tellers will count, deposit, and record all receipts as directed by the policy manual.

### **Insurance Team**

This committee shall consist of 3 members (one elected annually). Their responsibility is to see that adequate insurance is maintained with respect to the church properties, vehicles, and liabilities associated with the ministries.