

# First United Methodist Church Sheridan, WY Financial Policy

## A. Purpose of Policies

- A.A. It is the policy of First United Methodist Church of Sheridan, WY, hereafter referred to as FUMC, 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.
- A.B. The policies in this manual are subject to annual review by the Committee on Finance and Administration, hereafter referred to as COFA. Changes in policies can be made at any time with the approval of COFA.

## B. Confidentiality

- B.A. It is the policy of FUMC to be open with generic financial information while maintaining a high degree of confidentiality regarding personal contributions and some financial information.
- B.B. Trust among the congregation, staff, and volunteers of FUMC is a valued commodity. The church shall be upfront with the staff and volunteers regarding the importance of maintaining confidential information. To help facilitate this relationship, all staff and volunteers who have access to contribution information and all COFA members are required to sign a confidentiality agreement. (See Appendix)
- B.C. 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 COFA Chair to control access to contributions information, keep agreements current and inform any new volunteers of the significance of this policy.

## C. Position Overview of Duties and Responsibilities

- C.A. **Treasurer:** Oversees the church accounting system. Maintain books for general operations, capital improvements and special funds, and reconciles the bank statements. Disburses money contributed to causes represented in the local church budget, and such other funds and contributions as determined by the donor. Remits funds due to the conference treasurer. Submits reports to the COFA Chairperson.
- C.B. **Financial Secretary:** Tracks member giving and miscellaneous income, oversees Monday bank deposits, member contribution records entry, and signs checks.
- C.C. **COFA Chairperson:** Presents financial reports and analysis for COFA and congregation, approves expenditures, and offers advice on the handling of church assets.
- C.D. **Counters:** Volunteers who retrieve and count the weekly offerings, prepare bank deposits, and assist the Financial Secretary with data entry of offering contributions.
- C.E. **COFA Members:** Oversees financial activities following the budget. Receives financial reports and analysis from the COFA Chair. Makes recommendations on financial issues. Implements policy regarding budget and finances. Has the responsibility of raising, managing, and distributing the money of the church.
- C.F. **Clergy:** Provide input and leadership at all levels of the organizational structure.

C.G. For detailed position descriptions for the treasurer, financial secretary, and COFA Chairperson, please see the 2017-2020 UMC Guidelines

**D. Internal Controls on Receipts and Disbursements**

**D.A. Sunday Offering**

**D.A.A.** All cash and checks received on Sunday morning shall be retrieved by a member of the offering pick-up team. In addition to the offering plates, money should be retrieved from the refreshment table in the fellowship hall, and during summer the “Farmers Market” basket.

**D.A.B.** The offering pick-up team will consist of not less than two non-family members and no family members of financial staff.

**D.A.C.** 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 designation is given, will be recorded by a designation on the contribution recording form.

**D.A.D. First counter:**

D.A.D.A.Sort out all checks.

D.A.D.B.Fill out the contribution recording form for each check.

D.A.D.C.If a check includes a pledge amount and another amount, e.g. mission partners, record it on two lines on the contribution recording form for each purpose and make a note on the form.

D.A.D.D.Assemble the checks in one pile and the contribution recording forms in another pile. Keep both piles in the same sequence.

**D.A.E. Second counter:**

D.A.E.A.Gather all cash.

D.A.E.B.Fill out the contribution recording form noting name, address (if given/new), amount, cash, and the designation.

D.A.E.C.Make out a voucher form for each accumulation of cash, e.g. coffee money, loose collections, church school, etc.

**D.A.F. All counters:**

D.A.F.A.Combine the piles of checks, cash, and contribution recording forms.

D.A.F.B.Run a tape on all checks and sub-total.

D.A.F.C.Add bills and coins and total for your deposit slip.

D.A.F.D.Staple this tape to the treasurer's copy of the deposit slip.

D.A.F.E.Run a tape on the contribution recording forms. If the tapes fail to balance, recheck your work until they do.

D.A.F.F. Bundle all envelopes/contribution recording forms with their tape.

D.A.F.G. Endorse all checks with the rubber stamp.

D.A.F.H. Place checks, cash, original deposit slip, and signed contribution recording forms in a money bag and place it in the locked cabinet for the Financial Secretary.

D.A.F.I. Return the offering plates to the front of the sanctuary.

D.A.F.J. The Financial Secretary shall then do the contributions data entry by entering the receipts into Servant Keeper. The total receipts entered into the system must match the total of the weekly deposit.

## **D.B. Disbursements**

**D.B.A.** Reimbursements: Because the church is sales tax exempt, any reimbursement will not include sales tax. If a reimbursable purchase is to be made, the buyer should obtain a tax-exempt letter copy from the church office before the purchase.

**D.B.A.A.** Disbursements to be paid must include, on the Purchase Order, the appropriate budget line item to be charged for the funds.

### **D.B.B. General Budget Expenditures / Requests for Reimbursement:**

**D.B.B.A. NO REQUEST NECESSARY FOR CERTAIN ITEMS:** The Treasurer may pay 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 from available funds without further request. Absent exigent circumstances approved by staff member's supervisor, Payroll checks are expected to be written on the 15th and 30th or last day of the month and available regardless of what day of the week such might fall on.

**D.B.C. 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 COFA to avoid any disbursement more than the total General Budget.

**D.B.D. <\$500 NO PRE-APPROVAL REQUIRED:** Any expenditures/reimbursement request less than \$500 is paid from the General Budget church funds, resources, or accounts shall be paid/reimbursed based upon availability of funds according to this policy after the COFA Chair approves the written request. Advance approval before the purchase or placement of the order is not required.

**D.B.E. >\$500 PRE-APPROVAL REQUIRED:** The COFA Chair must approve any expected expenditures/reimbursement requests over \$500 to be paid from the General Budget church funds, resources, or accounts before such purchase is made OR order placed for any goods or services. If the expected expenditure/reimbursement request exceeds \$1,000, COFA must approve such expenditure before such purchase is made OR order placed for any goods or services.

**D.B.F.** 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 FUMC for any charges if approval is not obtained as required.

**D.C. BENEVOLENCE FUNDS Expenditures / Requests for Reimbursement:**

**D.C.A. ALL EXPENDITURES LIMITED:** No expenditure from the Benevolence Funds Account may exceed the amount available for the specific Benevolence Funds line item or cause the amount available for a specific Benevolence Funds line item balance to be less than \$0.

**D.C.B. <\$500 - NO PRE-APPROVAL REQUIRED:** Any expenditures/reimbursement request less than \$500 to be paid from a Benevolence fund in the Benevolence Account shall be paid/reimbursed based upon availability of funds according to this policy after the COFA Chair approves the written request. Advance approval before the purchase or placement of the order is not required.

**D.C.C. >\$500 - PRE-APPROVAL REQUIRED:** Any expected expenditures/reimbursement requests over \$500 to be paid from a Benevolence Fund in the Benevolence Account must be approved by the COFA Chair, before such purchase is made OR order placed for any goods or services. If the expected expenditure/reimbursement request exceeds \$1,000, COFA must approve such expenditure before such purchase is made OR order placed for any goods or services.

**D.C.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 FUMC for any charges if approval is not obtained as required.

First United Methodist Church  
215 W. Works St  
Sheridan, WY 82801  
(307) 672-9779

### **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

Contribution Recording Form: Date \_\_\_\_\_

Full Name from Check or Envelope	Amount	Check # or Cash	Designation

Total this Page \$ \_\_\_\_\_

Subtotals by Designation (Last Page Only)

Total all Pages (Last Page Only) \$ \_\_\_\_\_

Counters' Signatures:

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Designation	Amount