

# **FIRST BAPTIST CHURCH CLAYTON, N.C.**

## **FINANCIAL POLICIES AND PROCEDURES MANUAL**

**APPROVED**

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## **INTRODUCTION**

First Baptist Church of Clayton is a vessel of God's love and work. Its mission is "To be a Christ-centered family of believers who share God's love, proclaim the gospel to all people, grow spiritually through discipleship and actively serve our community and world."

As we seek to achieve that mission, we must also be good stewards of the financial resources received. We are blessed with the faithful and generous tithes and offerings of God's people. Along with that blessing comes both a spiritual and legal obligation to be careful and prudent in the receiving, handling, managing and disbursing of funds.

## **PURPOSE**

Our purpose in developing this manual is to establish clear and specific policies and procedures regarding the financial and operational affairs of First Baptist Church. The goals of this manual are:

- 1) To assure responsible stewardship of resources for ministry;
- 2) To assure compliance with legal duties;
- 3) To create member confidence in the handling of Church funds;
- 4) To give volunteers clear guidance in performing their responsibilities;

## **PERSONNEL INVOLVED**

There are a number of people involved in the financial and operational areas of the Church. The Constitution speaks to the roles and responsibilities of our elected and paid leadership, our permanent committees and other entities at a high level. The purpose of having multiple people involved in the Church's financial affairs is both to spread responsibility as well as to serve as a control and accountability system. In this section, we have highlighted every member's role as well as the role of the major parties.

***Congregational Authority:*** Consistent with our Baptist congregational policy, the congregation as a whole shall have final authority over the financial affairs of the Church. These include the adoption of a budget, adopting financial policies which guide its elected and paid leadership, and the application and interpretation of those policies. In furtherance of the diversity of gifts and ministries, the congregation, through its policies and procedures, may assign many responsibilities to its leaders, committees and staff. However, the congregation always retains final authority.

***Budget and Finance Committee:*** The responsibility of this committee is to provide fiduciary oversight of the financial affairs and policies of the Church and to carry out the directions of the

Church in the financial area. The committee has the responsibility of proposing an annual comprehensive budget that covers the ministries, administrative and practical needs of the Church. It also has oversight and responsibility for monitoring the budget, reviewing and providing recommendations on proposed changes to the operational budget, evaluating the ongoing financial status of the Church, providing guidance to the Church's employees and proposing and assuring compliance with financial policy as outlined in the Financial Policies and Procedures Manual. The Budget and Finance Committee has the authority, as delegated by the Treasurer, to make monetary contributions to existing, church-approved financial accounts such as certificates of deposits, money market accounts, and regular savings accounts as excess funds are identified.

***Financial Secretary:*** The responsibility of the Financial Secretary is to receive funds that come into the Church treasury, record and deposit the funds, and forward information about the deposit to the Church Treasurer so that funds may be used to support the ministry of the congregation. The Financial Secretary prepares checks for disbursement, based on adequate documentation by the requestor and review by the Treasurer. This position is responsible for maintaining accurate financial records in the Church financial system and preparing monthly financial reports for the congregation. The Financial Secretary works according to the guidelines, policies and procedures established by the Church.

***Treasurer:*** The responsibility of the Church Treasurer is to disburse all funds received into the Church treasury in a responsible and organized manner in accordance with the policies and procedures established by the Church. The Church elects one Treasurer annually, as well as two assistant Treasurers whose only duty is to sign checks in the absence of the Treasurer. The Treasurer makes sure there are adequate records documenting the assets of the Church for insurance and other purposes. The Treasurer also makes recommendations to the Church for the investment of excess funds into both monetary and non-monetary financial instruments.

***Church Counter:*** The responsibility of the Church Counter is to collect the offerings each Sunday after the services and to deliver them to the bank's drop box. It is their responsibility to retrieve the bank bag on Monday and return it to the Church where the monies are counted, reconciled with the offering envelopes and recorded. Two Counters are assigned each week. Counters paired to work together each week will not be related in any way through birth, marriage, or adoption or any other type of familial relationship.

***Trustees:*** The responsibility of the Church Trustees is to hold in trusts the title to all property of the Church and to represent the Church in all matters of legal responsibility regarding the purchase, improvement and disposal of Church property. They also have specific authority and power to receive gifts of real and personal property and to sell, transfer and invest any such gifts of property to the designated fund without a specific vote of the Church. The Trustees have the responsibility to ensure that adequate insurance (including bonding) is carried by the Church.

***Audit Committee:*** The responsibility of this committee is to conduct an evaluation of the Church's financial processes and procedures. The Audit Committee will use the Church's Financial Policies and Procedures Manual as a foundation for devising an audit program. The Audit Committee will provide a budget request as appropriate for both internal and external work. Audit work will be based on sampling selections and will be documented and maintained in a secure location at the Church for reference during future audits. The Audit Committee reports their findings to the Budget and Finance Committee through a confidential report. Additionally, this committee works with outside auditors or accountants when the Budget and Finance Committee requests an external audit. Time duration between external audits will not exceed five years and shorter durations may be appropriate given changes in Church staff, changes in accounting practices, and/or changes in operating practices.

## **BUDGETING PROCESS**

### **Budget Preparation**

Each year, a budget is established for the Church and approved by the congregation. The Budget and Finance Committee is responsible for preparing the annual calendar-year budget under the plan known as the "unified budget" plan. The budget will consist of planned expenditures to include salaries and benefits, utilities, repairs and maintenance, interest expense, debt-retirement, foreign and home missions, benevolence, Church programs and administrative expenditures.

In August of each year, the Budget and Finance Committee (Committee) organizes to begin the budget preparation process. Each department, person or committee with budget line items is requested to evaluate their programs and submit a written budget request to the committee during the late September to early October time frame. A justification for increases and/or decreases to the previous year budget is part of the written submission form. (Exhibit C)

The Committee receives and reviews all requests, performs a comparison to prior year budgets and analyzes deviations. Where insufficient information is provided to evaluate the proposal, the Committee will reach out to the requestor for additional information.

After thorough analysis of requests and consolidation of a unified budget, the Committee will follow the constitutional guidance for budget presentation. Dates for the budget to be presented to the Church for review, discussion and adoption will be determined annually and communicated to the Church no later than October.

The proposed budget will be printed and distributed to the congregation on a specified Sunday in November, discussed in the Church business meeting on the following Wednesday, and adopted by the Church on the next Sunday. Adjustments made to the budget originally presented are

based on feedback and direction from the Church during the business meeting. The new budget becomes effective January 1.

## **Budget Management**

Budget Management is the ongoing responsibility of the Budget and Finance Committee. Proposed budget changes during the year may come from the Budget and Finance Committee or from other committees or members. Such proposals from other committees or members must first be presented to the Budget and Finance Committee thirty days before they are presented to the congregation so that the Budget and Finance Committee may make informed recommendations regarding any such proposal.

With the approval of the Budget and Finance Committee, budget allocations within major ministry departments such as Sunday School, youth ministry or property maintenance, may be made between line items when sufficient cause is found. Such interim adjustments, however, may not increase the base Church budget or the budget for any department or major ministry area.

In an emergency, with the consent of two-thirds of the Budget and Finance Committee, the pastor, Treasurer and deacon chair all in agreement, funds may be expended beyond the budget. This provision is intended to be utilized only when the need is sufficiently compelling and there is inadequate time to secure congregational approval. When this authority is utilized, the Finance Committee shall advise the Church of its action in the next congregational meeting.

## **HANDLING OF FUNDS AND RECEIPTS**

### **Sunday Offering Count**

Ten Church members will function as Counters. Two Counters count the monies collected that week. The Budget and Finance committee may increase the number of Counters as needed and is responsible for appointing, training and assigning the counters to a specific week (1st, 2nd, etc.) of the month. The Counters may substitute for one another if they are unable to perform their duties during their assigned week. Counters paired together must not be related in any way through birth, marriage, or adoption or any other type of familial relationship.

During the two services on Sunday morning, the ushers will collect the offering and bring it forward to the front of the sanctuary for the remainder of the service. At the conclusion of the early service, the Assistant Sunday School Director (or designee) will take the early service offering and place it in the money box. The box will be taken into the Sunday School office where the Assistant Sunday School Director (or designee) will maintain possession of the offering during the Sunday School time frame. The Sunday School contributions will be collected and added to the box. The box will then be placed back under the first row pews of the sanctuary. At the end of the second service, the two assigned Counters will take possession of all

the offering and secure it in the bank bag. The bank bag will be locked. One counter will then take the bag to the bank box drop. The second Counter will take the bank bag key to the Church administrative office and leave the key in a designated location.

On the following Monday, one Counter will go to the bank and take possession of the bank bag and meet the second Counter at the Church. The bank bag will be opened in the presence of both Counters. The Counters will separate the contributions into these categories:

- 1) Offering in Envelopes
- 2) Loose Checks
- 3) Loose Currency and Coin

#### Offering in Envelopes

The Counters will open and remove all checks and cash from the envelopes. The counters will verify that the amount written on the envelope balances with the amount of cash and/or check inside the envelope. At this point, it is important that the Counter makes a note on the envelope when the envelope contains cash. Notation of cash in the envelope must be done at the point of opening as it can be difficult to reconstruct if the total does not balance. The amount written on the envelope is the only notation documenting the amount when entering the contribution into the church financial software system.

There are a few families who put in one check and indicate "see envelope # \_\_\_\_." These envelopes should be put aside until all envelopes for each family member are found. The Counters can then verify that the amount of the check balances with the total for all family members.

After opening and removing offering from all envelopes, the Counters will run one tape for currency, coin and checks and a second tape for the envelopes. The Counters will then verify that the two tapes balance and will write the totals on the count sheet. The backs of all checks should be stamped with the "General Fund" endorsement stamp.

#### Loose Checks

Loose checks not in envelopes are to be separated out. These checks are identifiable with the donor being given credit for their giving. The counters will make copies of all loose checks, run a tape and enter the total on the count sheet. The back of loose checks will be stamped with the "General Fund" endorsement stamp. **Note:** Many times, loose checks are for memorial or honorarium gifts. The Counters must identify any loose checks for memorial or honorarium purposes and follow the procedure for these types of checks.

### Loose Currency and Coin

This is loose cash and coin for which there is no identification. The Counters will run a tape for all loose currency and coin, enter the totals on the count sheet and designate it for the “General Fund.”

### Wednesday Night Suppers

The Church Secretary (or designee) will provide a Church volunteer with a bank bag containing \$50 in change and a list of individuals who have made a reservation. The volunteer will collect the Wednesday night supper money from each person who purchases dinner. Their name will be marked as attended on the reservations list along with the amount paid. At the end of the evening, the Church Secretary or (designee) secures the monies collected from the supper into the bank bag along with the marked reservation list. The bank bag is then taken to the church office and locked up. The monies and reservation documentation are given to the Counters for reconciliation with the marked reservation sheet. The Counters will confirm the amount collected, indicating the amount of the Wednesday Night Supper cash in the Loose Funds section of the count sheet. Checks received should have “dinner”, “Wednesday Night Supper”, or some other designation to identify the funds. The checks will then be copied and recorded as part of the loose checks. The money collected from the dinner will be included with the Sunday services offering deposit. The marked reservation sheet should be attached to the Counters sheet and retained by the Church. Monies collected from the Wednesday night suppers should be deposited in total. Receipts (cash) from the suppers should not be used for other purposes. Checks received at the dinner should be written for that purpose in order to maintain strict accountability of receipts and disbursements.

### Handling of Memorial/Honorarium Gifts

Often, contributions are made in memory or in honor of someone. When taken from the envelope, the Counters will prepare a Memorial sheet that lists the category, donor's name and address, contribution amount, and the person in memory or honor. The memorial sheet is then used as a reference for listing in the church newsletter and for thank you notes. The Counters should verify that all Memorial/Honorarium gifts are received in an envelope with the amount noted or that a copy of the check is made so that the donor can be given credit for their gift.

## General

The count sheet should be signed and dated by the two Counters. One Counter will take the deposits to the bank. The Counters will give the duplicate deposit slips, copies of loose checks, and the envelopes with the tapes attached to the count sheet to the Financial Secretary.

The Financial Secretary will enter all contributions into the Church software program. The total contributions credited to contributors on that day should match the total of the deposit. All deposits to the bank should be balanced back to the total of the amount of credit given to contributors on a monthly basis. Any reconciling items should be noted on the monthly cash receipts sheet printed from the computer system and kept in an Accounting Notebook.

The Financial Secretary will enter the contributions directly from the envelopes and from the checks that were not in envelopes. The loose cash and coin are entered into a "miscellaneous contributor" category in the software program. The total contributions credited to contributors on that day should match the totals of the deposit. All deposits to the bank should be balanced back to the total of the amount of credit given to contributors on a monthly basis. Any reconciling items should be noted on the monthly cash receipts sheet printed from the computer and kept in the Accounting Notebook.

At least twice per year, a member of the Budget and Finance Committee will compare the Counter sheets to the actual bank deposits. The member will initial and sign the count sheet to document their review. The amount in the General Fund, per the count sheet, should agree with the amount on the respective bank statements.

## **Non-Cash Receipts (Gifts)**

The Church recognizes that non-cash gifts are very important in the ministry of the Church. It is the purpose of this policy to both assure that such gifts are appropriately used by the Church and to guide donors in their giving priorities.

Gifts of negotiable securities will be welcomed and should be sold immediately and converted into cash. The Budget and Finance Committee and the Trustees, where appropriate, must agree to the receipt of real property and make recommendations to the Church regarding the acceptance and the use of such gifts. Gifts of other items of personal property (for example playground equipment, pianos and automobiles) must be approved by the appropriate committee that would utilize such property in the ministry of the Church. This is to assure the property is appropriate for the intended use and that the donor will also be aware of the intended use of the donated item. All gifts will become the property of the Church and their use and /or disposal is at the sole discretion of the Church, except when a donor has directed the gift for a specific purpose. For all gifts accepted by the Church, a donation letter will be sent to the donor in a

timely manner for their tax purposes. All non-cash gifts of this nature will be specifically noted in detail as to the type of property donated, but it is the donor's sole responsibility to justify his or her tax deduction value. In the case of property exceeding a value of \$5,000 the donor may need to obtain a qualified appraisal and in certain cases, may need to attach it to their tax return. The appraisal summary must be on Form 8283, signed by the Church, and attached to the donor's tax return. Personal services or the free use of some personal asset may not be donated for deductible purposes. Therefore, the Church may not give a receipt for the value of the use of such property such as a lawnmower or a snowplow or a plumber or electrician who performs services for the Church. These items will not be included on the contribution statements sent to the members each year.

### **Designated Funds**

First Baptist Church of Clayton has established a number of Designated Funds. It is important that each of these funds are properly established, receipted, disbursed and accounted for. For that purpose, the following policy shall apply.

1. The Church may establish such designated funds and accounts as are needed to further the ministry of the Church, and shall for all such funds, assure separate accounting and reporting.

The Church, through the Budget and Finance Committee, shall establish one or more separate bank accounts for such designated funds, separate from the general fund, but;

1. May also combine multiple designated funds in one account so long as separate accounting is made.
2. No designated funds shall be received by the Church except where the Church has approved or established the fund and its related project or activity. Gifts with an unapproved designation shall be returned or may, at the discretion of the Budget and Finance Committee, be held conditionally until the Church can assess whether it wishes to establish such an approved designated fund.
3. Members wishing to establish a new designated fund should consult with the Pastor, Deacon Chair or Chair of the Budget and Finance Committee to request the Church's consideration of their preferred designation and any alternatives.
4. Documentation of the purpose of each designated fund, the date of establishment, responsible Church committee, expected completion date, and how remaining monies are to be distributed shall be maintained by the Church Financial Secretary. (Exhibit E)
5. Designated funds shall be restricted solely for the designated use, and may not be diverted to other purposes without the written authorization of the donor.

The Budget and Finance Committee shall report the monthly balance of all designated funds on the financial statements that are presented to the Church. In addition, a separate report of Designated Funds activity shall be provided annually.

## **HANDLING OF DISBURSEMENTS**

### **Cash Disbursements**

It is important that all cash disbursements are treated in an efficient and accountable manner. Therefore, the following principles will apply:

- All bills will be paid in a timely manner.
- All checks will be written using the Church's current accounting software program.
- There should be no "signed" blank checks at any time.
- All requests for payment will be kept in an Accounts Payable folder.
- Financial Secretary will assemble bills and supporting documentation along with a "Disbursement Voucher" form (Exhibit B) and submit them to the person(s) responsible for approving such payments.
- Recurring expenditures, such as utility bills, payroll, Baptist State Convention, Cooperative Baptist Fellowship, Clayton Area Ministries, Johnston Baptist Association, Mosaic Church, etc. that were adopted in the Church budget, may be approved by the Pastor.
- Expenditures from other budgeted funds such as Transportation, Kitchen, Music, etc. will be approved by Budget and Finance Committee after receiving a request in writing from one of those committees. (Note: Per the Church Constitution, Building and Grounds Committee may expend up to \$500 without approval from Budget and Finance.) All requests should have documentation to support the request for funds.
- Once the payment has been approved with a signature on the request form and with initials on the documentation, the secretary will then prepare the check(s).
- Checks and documentation will then be presented to the Treasurer or an assistant Treasurer for signature.
- Financial Secretary will file all documents in a binder notebook in monthly order.
- Blank checks will always be maintained in a locked cabinet.

### **Accountable Reimbursement Policy**

First Baptist Church provides an accountable reimbursement policy for all ministers and employees with the following terms and conditions intended to comply with IRS regulations 1.162-17 and 1.274-5T (f):

1. The Church will reimburse only pre-approved and reasonable ministry-related business expenses incurred by a minister or employee. Subject to budget limitations, these expenses will include:
  - a. Business use of automobile, up to the current IRS standard mileage rate
  - b. Business travel away from home including transportation, lodging and meals on overnight trips
  - c. Convention, conference and workshop expenses

- d. Continuing education expenses
  - e. Subscriptions, books and media resources, if related to ministry or employment
  - f. Entertainment/hospitality expenses, if business connection requirement is met
2. The minister or employee will account for each allowable expense in writing at least every 30 days. Documentation will include the amount, date, place, business purpose and the business relationship of any person entertained for each expense. A receipt will accompany the documentation.
  3. The minister or employee will submit requests for reimbursement of expenses through the “First Baptist Church Expense Report” form (Exhibit D). All requests must be approved by the minister or employee’s immediate supervisor, usually the Pastor. (In the absence of the Pastor, expenses may be approved by the Chairperson of the Budget and Finance Committee). Expenses of the Pastor (or person acting on behalf of the Pastor) must be approved by the Chairperson of the Budget and Finance Committee.
  4. The minister or employee will return advances that exceed actual business expenses within 30 days.
  5. Under this accountable arrangement the Church will not report reimbursed amounts as taxable income on the minister’s or employee’s Form W-2. The minister or employee should not report reimbursed amounts as income on Form 1040.
  6. The total amount reimbursed to ministers and employees annually will be limited to the amount budgeted under Ministry Related Expenses for each individual minister or employee, as approved in the Church’s annual budget.

### **Church Credit Cards**

It is the Church’s policy to issue credit cards to ministerial staff to facilitate the planning and purchase of advance tickets, trip accommodations, materials and other items required in their ministry areas. Proper use and accountability of the card is documented in a Credit Card Agreement (Exhibit F), which all cardholders must sign. Reimbursements are supported by a required Substantiation Report (Exhibit G). The Church Financial Secretary is responsible for obtaining and maintaining all credit card agreements and substantiation reports. Requests to increase the credit limit must be submitted and approved by the Budget and Finance committee.

## **REPORTING & RECORDS**

### **Bank Statements**

The reconciliation of the bank statements will be performed on a monthly basis by a person not involved in the signing of checks or the approving of disbursements. Therefore, the bank statements should be mailed to the Financial Secretary for reconciliation. The Financial Secretary will open the statement, review the checks for reasonableness and complete and initial the reconciliation. A copy of the bank statement, with the reconciliation attached, will be retained either in a binder or the mailing envelope for use later during the yearly audit of the Church financial records. A designated member of the Budget and Finance committee should periodically review the monthly reconciliations and initial the reconciliation as proof of review.

### **Church Bookkeeping Requirements**

The Church's accounting system has the ability to maintain both the accounting records of the Church as well as the contribution records of individual contributors. Both of these functions will be performed by the Financial Secretary so that the record keeping is integrated. Contributions will be compared to the deposits made to the bank, quarterly statements will be mailed to individual contributors, and helpful reports (totals only, no names) will be prepared for committees as required.

Each month, a balance sheet, revenue and expense statement, which has been compared to the budget and general ledger, will be printed from the computer system and provided to the finance committee and Treasurer. The Financial Secretary will also keep a hard copy of these reports. At year-end, the financial statements will be provided to the Budget and Finance Committee, Treasurer and the Audit Committee. A hard copy of this report will also be maintained.

The monthly reports, as well as the year-end reports, will be filed in an Accounting Notebook that is kept in the Church office. This notebook should be in sections by month and for year-end reports.

It is important that anyone who has access to the contribution records of individual donors keep this information strictly confidential.

## **AUDITS**

The Audit Committee (committee) is made up of members of the Church ultimately charged with performing audits to ensure the established financial policies of the Church are being adhered to. The committee will consist of five (5) members with a financial or accounting background, and serve no more than a five (5) year consecutive term. The committee membership is recommended annually by the Enlistment Committee and voted on by the Church.

## Objectives

The committee will conduct an evaluation of the Church's financial policies and procedures. Conducting an audit is not a sign of distrust, but rather is a mark of responsibility and good stewardship. The committee will therefore assist the Church in fulfilling its stewardship responsibility by helping to ensure that resources have been managed in the proper fashion.

The committee is authorized to have access to all financial materials of the Church. Additionally, when the Budget and Finance Committee requests an external audit, the Audit Committee will be responsible for engaging the external auditor and will work with them as needed.

Time duration between external audits will not exceed five years and shorter durations may be appropriate given changes in Church staff, changes in accounting practices, and/or changes in operating practices

## Scope

The committee will use the approved Financial Policies and Procedures Manual as a foundation for devising an audit program. Audit test work will be documented and maintained in a secure location at the Church for reference during future audits. The audit work will be performed based on sampling selections.

The general audit scope may include, but will not be limited to:

- Bank statement reconciliations
- Transaction postings and general ledger documentation
- Government reporting (payroll taxes, Form 1099's and claims for refund of state and county sales and use taxes)
- Collection procedures
- Memorial contributions
- Safeguarding of negotiable items
- Church issued credit cards
- Payroll
- Employee related (sick leave, vacation, time-off and insurance)
- General Insurance policy review
- Employee applications and youth worker screenings
- Job description compliance (Treasurer and Financial Secretary)

A detailed, confidential report of findings will be presented quarterly to the Budget and Finance Committee at the conclusion of each completed audit review. This report will include noted deficiencies along with recommendations for improvements related to financial reporting, procedures, internal controls and efficiencies, if applicable.

## **OTHER ISSUES**

### **Salaries and Benefits**

The First Baptist Church has a Personnel Practices and Responsibilities Policy Manual that was prepared by the Personnel Committee. The purpose of this Manual is to inform employees of the policies and procedures and the benefits provided by First Baptist Church with regard to employment, and to ensure that these policies and procedures are followed and that the benefits are clearly understood. All employees of First Baptist Church are provided a copy of this manual and it is their responsibility to read and familiarize themselves with the policies and procedures contained in the manual. A signed statement to that effect will be maintained in the employee's personnel file.

The Church Secretary will be responsible for maintaining records of staff benefits (vacation, sick days, holidays, etc.).

### **Insurance**

The insurance coverage of the Church will be reviewed by the Trustees at least once a year to make sure adequate coverage (including bonding) is in place. Insurance coverage bids will be secured at least every three years to verify premiums are competitive and coverage is adequate.

The Trustees are responsible for making a video of each room in the Church annually and storing off-site in order to have a "picture" of the furnishings in case of a fire, vandalism, theft, or other catastrophic event.

### **Bidding and Contract Process**

There are certain procurements of the Church that require a bidding and contract process. The Church constitution provides that all repairs and improvements of \$5,000 or greater require three competitive bids. Per Article VIII – General , Section 4 – Conflicts of Interest of the Constitution, members possessing business and/or technical skills and knowledge and experience are strongly encouraged to serve on committees so as to share that expertise in helping to fulfill the mission of the church. However, to prevent conflicts of interest, whether real or perceived, any member serving on a committee and/or any company affiliated with a serving committee member is strictly prohibited from bidding for an/or delivering goods and services to the church for work under the direct authority and responsibility of the committee on which the member is serving.

In order to start the process, a well-defined scope of work must be developed and shared with the Budget and Finance Committee. Prior to advertising the bid to reputable contractors, notice must be provided to Church members so that they have an opportunity to either personally submit bids, if qualified to complete the project, or contact individuals they may know who may be

qualified to complete the project. An exception to this policy exists where confidential financial or personal information may be comprised such as in a financial audit. Bid proposals shall include contract specifications, pricing, terms of payment, warranties (if applicable) and schedule for completion of work. Bids must be submitted to the Church office and opened by the Budget and Finance Committee Chairperson or designee who shall record the bids. The bids will then be shared with the appropriate committee for a technical evaluation and recommendation. Evaluation factors will include price, quality of work and/or product, service and overall best value. Once the evaluation committee has reviewed the bids, Budget and Finance Committee must also review and approve the bids prior to any further procurement action. In situations where the funds have previously been approved by the Church through the budgeting process and the funds are to be spent in strict accordance of the approved budget, no further approvals are needed beyond the Budget & Finance Committee. In situations where sufficient funds are not available and/or funds may be spent on procurements not clearly identified in the Church approved budget, the Budget & Finance Committee must bring a recommendation before the Church for approval to proceed. Once approval is received by the Church in a business session, a contract will be entered into with signatures of both parties and a copy will be maintained with the Church financial records.

Any procurement to be made of \$5000.00 or greater that falls outside the church constitution bidding requirement should be made in consultation with the Budget and Finance Committee.

Note: In major projects exceeding 25% of the Church's budget, additional controls will be implemented, including the requirement for sealed bids to be submitted to the Church office and opened by two or more members of the Budget and Finance Committee.

**FIRST BAPTIST CHURCH**

**COUNT SHEET**

Date:

\_\_\_\_\_

Counter Signatures:

\_\_\_\_\_

\_\_\_\_\_

Envelopes

Currency\_\_\_\_\_

Coin\_\_\_\_\_

Checks\_\_\_\_\_

Envelope Total

\_\_\_\_\_

(Amount should balance with envelopes)

Loose Offering

Currency\_\_\_\_\_

Coin\_\_\_\_\_

Loose Cash Total

\_\_\_\_\_

Loose Checks Total

\_\_\_\_\_

(Please review and take out all  
checks intended for other funds)

TOTAL GENERAL FUND DEPOSIT

\_\_\_\_\_

BUILDING FUND DEPOSIT

\_\_\_\_\_

ORGAN FUND DEPOSIT

\_\_\_\_\_

Designated Offerings (Write breakdown on back of duplicate deposit slip)

Annie Armstrong\_\_\_\_\_

State Missions\_\_\_\_\_

Lottie Moon\_\_\_\_\_

Backpack Buddies\_\_\_\_\_

Children's Home\_\_\_\_\_

NC Hospitals\_\_\_\_\_

Bus/Van Fund\_\_\_\_\_

Retirement Homes\_\_\_\_\_

Music Fund\_\_\_\_\_

Ecuador\_\_\_\_\_

World Hunger\_\_\_\_\_

Ecuador Participants\_\_\_\_\_

Special Needs\_\_\_\_\_

Heck-Jones\_\_\_\_\_

Child Dev. Center\_\_\_\_\_

CBF\_\_\_\_\_

TOTAL DESIGNATED FUNDS

\_\_\_\_\_

**FIRST BAPTIST CHURCH  
DISBURSEMENT VOUCHER**

**Check #** \_\_\_\_\_ **Date** \_\_\_\_\_

**Payee's Name/Address** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

<b>Amount</b>	<b>Account #</b>	<b>Purpose</b>
_____	_____	_____
_____	_____	_____
_____	_____	_____

**Total Check Amount** \_\_\_\_\_

**Authorized Signature** \_\_\_\_\_

**Invoice Attached & Initialed** \_\_\_\_\_

**FIRST BAPTIST CHURCH  
BUDGET REQUEST FORM**

To: 20\_\_ Budget and Finance Committee

Date: \_\_\_\_\_

Area/Committee Making Request:

\_\_\_\_\_

Committee Chair: \_\_\_\_\_

Phone No. \_\_\_\_\_ Email: \_\_\_\_\_

Amount Requested to be Included in 20\_\_ Budget:        \$ \_\_\_\_\_

\_\_\_\_\_

Explanation of any new items or increases in existing items over the previous year's budgeted amount (please refer to each line item specifically):

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Return by:** \_\_\_\_\_

**Requester Signature** \_\_\_\_\_

Exhibit D

**First Baptist Church**

**Expense Report**

Employee Name: \_\_\_\_\_  
 Date Submitted: \_\_\_\_\_

DATE	DESCRIPTION OF EXPENSE	NAME OF VENDOR	MILES (PERSONAL CAR ONLY)	MILEAGE REIMBURSEMENT	MEALS	EXPENSE AMOUNT	TOTAL
				-			-
				-			-
				-			-
				-			-
				-			-
				-			-
				-			-
				-			-
				-			-
				-			-
				-			-
				-			-
				-			-
				-			-
				-			-
				-			-
				-			-
				-			-
				-			-
<b>TOTAL</b>			-	-	-	-	-

\*ALL RECEIPTS MUST BE ATTACHED  
 \*MILEAGE REIMBURSED AT THE CURRENT IRS STANDARD MILEAGE RATE

**ACCOUNT DISTRIBUTION**

ACCT #	\$
<b>TOTAL</b>	-

TOTAL PER EXPENSE REPORT \_\_\_\_\_  
 LESS CASH ADVANCE \_\_\_\_\_  
 TOTAL DUE EMPLOYEE \_\_\_\_\_  
 TOTAL DUE CHURCH \_\_\_\_\_

PREPARED BY: \_\_\_\_\_

APPROVED BY: \_\_\_\_\_

**First Baptist Church**  
**Designated Fund Form**

Name of Fund \_\_\_\_\_

Account Number \_\_\_\_\_

Purpose of Fund \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date Fund Established \_\_\_\_\_

Date Fund to Be Completed (estimate) \_\_\_\_\_

Disposition of Any Monies Remaining Upon Completion of Fund Purpose \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Committee or Church Board Responsible for Fund Establishment and Expenditures \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

This Information Completed by \_\_\_\_\_

Date \_\_\_\_\_

**CREDIT CARD AGREEMENT**

First Baptist Church of Clayton, NC is providing you with a credit card. The Church will be responsible for the payment of the balance incurred each month. You, as a member of the staff, are charged with the responsible use of this credit card. Acceptable charges must be within the budget adopted by the Church, and include expenses specifically related to the conduct of ministry for your area of responsibility within the Church. **Substantiation of all charges is required.**

I, \_\_\_\_\_, in my capacity as \_\_\_\_\_, in signing this statement, agree to the following conditions set forth by the Church Budget and Finance Committee, with regard to the issuance of a credit card held by me:

- I will use this credit card for Church business purchases related only to Church ministries and Church business, over which I have authority.
- I will account for my purchases to the Financial Secretary each month within the billing cycle using the established credit card substantiation report supplied by the Financial Secretary.
- I will forfeit my credit card upon termination of employment and/or upon request by the Chairperson of the Budget and Finance Committee, and I will be personally responsible for any purchases that have not be accounted for at the time of forfeiture of the card.
- I am aware that purchases that are not accounted for within the prescribed time period (monthly) may be deducted from my paycheck for the first pay period ending after the unaccounted for billing cycle (not to exceed 60 days).

\_\_\_\_\_  
Staff Member Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Financial Secretary

\_\_\_\_\_  
Date

### Updates to FBC Financial Policies Procedures Manual

Date	Changes	Approval
10/1/2015	Updated manual to reflect: <ol style="list-style-type: none"><li>1. Operational changes from use of ACS Financial/Accounting software;</li><li>2. Streamlining counting process</li><li>3. Add external audit timeframe</li><li>4. Revision to Building and Contract process</li></ol>	Budget & Finance