

**CULPEPER UNITED METHODIST CHURCH
FINANCIAL POLICY AND PROCEDURES**

The Culpeper United Methodist Church (CUMC) financial policies are designed to follow the guidelines from The Book of Discipline of the United Methodist Church, ¶ 258.4 and are promulgated herein.

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I. **Financial Policies - General**

- a. Any team, group or activity using the name of this church is subject to the rules and regulations of this church. The group will be amenable to the Stewardship and Finance Team in accounting of the use of their funds and the annual auditing of their financial records.
- b. The Stewardship and Finance Team has primary responsibility for financial management in the church and holds primary responsibility for securing funds necessary to underwrite the programs of the church with approval of the Leadership Team or Charge Conference when necessary.
 - i. The Stewardship and Finance Team will make provision for an annual audit or review of the financial records of the church and all its organizations. The result of the audit or review will be reported to the Leadership Team and to the District Superintendent of the Charlottesville District United Methodist Church.

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- ii. The Stewardship and Finance Team guides the Church Accountant in carrying out the fiscal directions of the Leadership Team.
- iii. The Stewardship and Finance Team is charged with the mission of conducting the annual fall financial campaign, year-round stewardship education and reports to the Leadership Team.
- c. The requirements of this document, both policies and procedures, will be managed and fulfilled via regularly held meetings. As a minimum, the Leadership Team will meet monthly. The Stewardship and Finance Team will meet, as a minimum, quarterly to review the church's financial status. The Stewardship and Finance Team will prepare and present to the Leadership Team at each meeting written reports showing a summary of the most recent end of the month fund balances.

II. CUMC's Ministry Budget

- a. The General Ministry Budget represents a consideration of the planned income and expenses for the calendar year. The spending plan is that portion of the budget that outlines the expected expenses by program, by months, and is used as a control mechanism to operate within expected income parameters.
- b. Annual budget development and approval process
 - i. All fund requests to be included in the church budget must be submitted to the Stewardship and Finance Team for budget proposal compilation. The Executive Director and Church Accountant initiate this process with the staff, administration and ministry chairpersons in June of each year. All subcommittees under each leadership committee must submit their requests through their chairperson's budget as a line item. Completed budget proposals shall be submitted to the Stewardship and Finance Team by September 1 of each year.
 - ii. After consideration of potential income and budget requests, the Stewardship and Finance Team develops a "Proposed" budget that is presented to the Leadership Team for approval in October of each year. The Leadership Team must approve and adopt the budget before any expenditure against that budget can be made. The budget will consist of operating revenue and expenses, capital assets, capital debt acquisition and debt service.
 - iii. After the budget has been approved, proposed changes to program totals must be submitted to the Stewardship and Finance Team for its recommendation to the Leadership Team for approval. Final approval rests with the Leadership Team.
- c. Aside from payroll, one of the largest and most frequent expenditures are those necessary to manage the care, upkeep and improvement of the facility. To ensure budget and accounting accuracy, the following definition of Capital and Maintenance apply:

Capital Funds and Expenditures	Used to fund capital improvements which are defined as: the addition of a permanent structural change or the restoration of some aspect of our property that will either <ul style="list-style-type: none"> • enhance its overall value, • prolong its useful life, or • adapt it to new uses.
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Maintenance Funds and Expenditures	Used to fund routine and preventative maintenance and upkeep.
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III. Budget Spending

- a. Staff and ministry area chairpersons will be responsible for operating within the approved budget for their total program. All ministry areas should ensure that they are making the best use of any available funds, and operate their ministries as fiscally conservatively as possible while meeting Ministry objectives. Should any staff or ministry area feel that more funding is needed; that group must submit a written request outlining the need with specific financial amounts to the Stewardship and Finance Team for review, disposition recommendation. The request will be sent on to the Leadership Team with a recommendation for consideration and decision. All funds received will be administered according to church policies. All reporting of the financial results shall be in accordance with a modified cash basis.
- b. Certain ministry areas have the vast majority of their expenditures during a single event, and as such special consideration will be made by the Stewardship and Finance Team as available. Budgets are not real dollars until funded, therefore, “unused” budgets in one calendar year do not “roll over” to a subsequent calendar year. Any unused funds on account at the end of a calendar year will form the basis of the opening balance of the General Fund the following year.

IV. Types of Funds

- a. General Fund (aka God’s Fund) – The monies received each year and used to fulfill the operational needs of the church as listed in the yearly budget for ministry.
- b. Capital Improvement Fund - This fund is set up for gifts designated as capital improvements that are received on a weekly basis. These funds are to be held in a special restricted account for CUMC to access for use on capital items. When needed, the Trustees will present requests for use of these funds to the Leadership Team for approval.
- c. Restricted Funds - Contributions received that are restricted for a specific cause will only be used to support that cause. The Stewardship and Finance Team shall report to the Leadership Team all restricted funds that are separate from the current expense budget. The specified gift will be used first for the designated cause before budget funds are expended for the same cause. The Stewardship and Finance Team will consider the designated gifts as partial fulfillment of the designated budget line. Should designated gifts exceed the budget line; the funds will still be expended only on that budget line activity. Unless restricted fund managers (i.e., persons leading an effort associated with a fund) request and receive a written agreement to extend the life of the fund, any monies unspent at the end of the fiscal year will be transfer into the God’s Account.
- d. Pass Through Funds. Contributions received with or for a specific cause or purpose that are to be forwarded on to a church supported organization or purpose. If these are causes outside the local church, the gift will be forwarded to the responsible agency within 60 days of receipt. Examples: Bucket Sisters, UMCOR, the HUB or missions such as Cuba or Honduras.
 - i. Note: The third Sunday of each month has been set aside for the collection of funds by use of the “Bucket Sisters”. These funds are used to assist church members as well as local residents with immediate housing, food, heating and transportation issues. CUMC sends a portion of the Bucket Sisters offerings monthly to Culpeper Human Services to help those

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in need in our community. Pastors will use discretionary oversight for assistance provided to CUMC members and for members of the community in need provided they complete a Financial Assistance Request form.

- e. Reserve Fund - The Financial Reserve fund was designed to provide an additional layer of security for the financial wellbeing of CUMC in the event of unexpected and unforeseen hardship. The optimum level of the Financial Reserve fund is 30% of the operating budget, with a desired minimum amount of \$75,000. A change to the current level requires a recommendation by the Stewardship and Finance Team and ratification by the Leadership Team. The Financial Reserve fund is not a discretionary fund. It is not designed to be accessed on a periodic basis to finance non-budgeted items of a non-emergency nature. The conditions necessary to trigger its usage should be consistent with but not limited to the following:
- i. Unexpected damage to church property requiring immediate repair or replacement beyond the scope of insurance.
 - ii. Repair or replacement of mechanical equipment necessary for CUMC property operations.
 - iii. Economic conditions that significantly reduce offerings from budgeted levels.
 - iv. Any unforeseen condition that has the ability to put CUMC in financial risk.

Should a condition exist that is both “unforeseen” and considered “at risk” for the financial wellbeing of CUMC, access to this fund may be considered. The process should begin with analysis of the situation and its financial impact on CUMC. This should be followed with thorough discussion and a recommendation for the amount needed to satisfy the need. A recommendation should then be taken to the Leadership Team meeting for consideration and final ratification.

Every effort will be made to replenish the reserve fund and keep it to a minimum of \$75,000. If a particular area that required the funds (i.e., Capital Improvement, General Fund) demonstrates a surplus following use of the allotted emergency funds, then that surplus will be applied to bring the reserve fund back to the \$75,000 before any further expenditures.

- f. Emergency Fund - Emergency Funds will be a natural and necessary function of any active church. It is the Stewardship and Finance Teams desire to fund all additional funding requests that improve our congregation. However, any requests for funding is always subject to funds available after all prior budgeted expenses have been met. All requests for emergency funding by a ministry area should be submitted to the Stewardship and Finance Team at least 30 days prior to the date needed. For any unexpected circumstances that demand immediate attention, such as roof repairs, building damage, etc., the 30-day rule will not apply. A request for Emergency Funds will be submitted in writing and addressed to the Executive Director.
- g. Memorial Fund: In the Book of Discipline, Under Paragraph 2532, Item 5 reads: “Subject to the direction of the charge conference as hereinbefore provided, the board of trustees shall receive and administer all bequests made to the local church.”
- i. This means that all memorial gifts that the church receives are under the trustees’ authority. Trustees may delegate to the Memorials Committee, but the Memorials Committee will need to report back to the Trustees. The Memorials Committee, as an

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agent of CUMC Trustees, will administer memorial gifts received by Culpeper United Methodist Church.

- ii. A memorial gift is a donation given to Culpeper United Methodist Church (CUMC) in memory of, or in honor of, an individual or individuals as designated by the donor(s). These gifts are usually monetary but can be items presented to CUMC and pre-approved by the Memorial Committee. Such items should be fully funded by the donors and should not require any additional funding.
- iii. While it is preferable to have memorial funds received as “undesigned”, this may not always be the preference of the family of the person memorialized. Six categories have been established which may provide a wider choice for the use of memorial funds. Other categories may be established as needed. Present categories are:
 - 1) Education
 - 2) Music
 - 3) Landscaping and Grounds
 - 4) Altar/Worship
 - 5) Furnishings
 - 6) Mission(s)

Note: Undesignated gifts may be placed in any of the six categories above by the Trustees or Memorials Committee (if delegated) or put in the God Fund.

- iv. Funds directed to any of the six categories will be considered as undesigned within that category and may be combined with other funds in the same category to pay for an approved project if needed. All memorial gifts will be used in support of items, ministries, or missions of the church.
- v. Every memorial gift will be acknowledged. The Church Accountant, Executive Director, Trustee or Chair of the Leadership Team will send an appropriate acknowledgment from the church to the donor(s) and will send a list of donors and their addresses to the family of those being honored.
- vi. All donations to memorial funds will be recorded in the CUMC accounting system with individual memorial accounts entered separately. A listing of all funds will be available as requested.
- vii. A “Wish List” of appropriate memorial items, with estimated cost, will be kept by the Memorial Committee to serve as a guide for the use of memorial funds. This list will be updated periodically. Memorial gifts are not limited to these items on the list; however, the Memorial Committee must approve additional items. In addition to the wish list, a list of specific items contained within short or long term church plans, shall be made available and shared with persons, organizations, trust funds, etc., offering to make donations.
- viii. The Memorials Committee will attempt to educate and keep the congregation informed concerning the work of the committee and the benefits to our congregation. Acceptance of a gift does not imply that the church will assume the responsibility for replacement or upkeep of gifts in perpetuity.
- ix. A book of memorials shall be maintained with all items being recorded along with the name of the person in whose honor or memory the gift was given. There shall be no

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memorial plaques in our church or educational building. In lieu thereof, a suitably inscribed book called The Book of Gold shall list all memorials and will be kept in the Narthex. The Book of Gold contains the following sections:

- 1) Our Heritage - listing memorial windows of our church on Davis Street.
- 2) Names of all original contributors to our Oaklawn Church and Educational Building.
- 3) Memorials and special gifts:
 - a. Wills shall be listed three (3) to a page.
 - b. Perpetual memorials shall be listed one (1) name to a page.
 - c. Memorial donations shall be listed several names to a page. Only the person memorialized shall be listed.
- x. Funds may be donated for the purchase of hymnals or Bibles as a “memorial” or “in honor of”. Acknowledgment will be by bookplates but not a listing in The Book of Gold.
- xi. The Memorial Committee shall be made up of at least four members nominated by the Lay Leadership Committee. In addition, the Lead Pastor, a Lay Leader, and the Chairperson of the Policy Committee will serve as ex-officio members.
- xii. The Memorial Committee will be responsible for the following:
 - 1) Maintain a “Wish List” of appropriate memorial gifts and their approximate cost.
 - 2) Approve all memorial items prior to their acquisition.
 - 3) Communicate with the church membership via the church newsletter and/or Sunday bulletin.
 - 4) Meet at least once each quarter and be subject to called meetings.
 - 5) Keep minutes of all meetings and maintain a file of pertinent information.
 - 6) Review policy yearly and update as necessary to best serve the church and the interests of all concerned.
- xiii. The Church Accountant will prepare a quarterly report for the Committee to include but not limited to each memorial, the correspondence dates, and the total dollars received for each memorial. This report will make the committee aware of the funds available and/or needed for any specific item included on the “Wish List”.
- h. Gifts to the church from trusts, wills, estates, etc. will be processed in accordance with the policies and procedures contained in this paragraph. At the recommendation of the Trustees or Memorials Committee (if delegated) and with approval of the Leadership Team, each of these gifts will be categorized in accordance with sub paragraph (g) (iii), above.

V. Contributions – General Handling and Processing

- a. In addition to the general policies stated below, all collections shall be under continuous observation and control by more than one person until the total amount and individual responsibility is documented. All receipts, including cash, from church activities will be deposited intact and promptly in the church’s bank account, night depository or placed in the church’s combination safe. Cash items on hand will be kept to an absolute minimum and will be kept in the church’s combination safe.
- b. Contributions can only be accepted for activities, causes, or projects which are consistent with the Christian mission of this church. Contributions for other activities, causes or projects will be accepted only on the approval of the Stewardship and Finance Team.
- c. Deposits -

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- i. Cash to be deposited should be placed into an envelope along with a completed Deposit Form. The sealed envelope will then be placed in the drop box or safe.
 - ii. Checks to be deposited are to be marked with account or designated area of deposit and account number. Checks are to be placed in an envelope along with a completed Deposit Form. The envelope will then be placed in the drop box or safe.
 - iii. A deposit of all miscellaneous items will be made weekly by the counters or Church Accountant. A copy of the deposit ticket and cash receipts voucher will be stapled together and given to the Church Accountant.
 - iv. If funds are collected after office hours, funds must be stored in the church drop box or safe.
- d. All persons handling church funds are to have fidelity bond coverage. A “blanket” bond form is preferred and is currently carried with our insurance provider as part of the Ministry Personnel Dishonesty Coverage.

VI. Contributions – Records and Reporting

- a. A management information system will be used to record all contributions and financial gifts received.
- b. In accordance with Internal Revenue Service guidelines for reporting of contributions by tax-exempt organizations, no contributions for anything other than cash, checks or direct debit (EFT) will be listed on member’s quarterly and annual contribution statements. Contribution statements are sent quarterly reflecting gifts to the various ministry areas including but not limited to the General Fund, Capital Improvement Fund and New Building Fund gifts. A Charitable Contributions Tax Report is sent at year end noting each cash gift given throughout the year. In-kind gifts and gifts of property, including stocks, will be acknowledged by the Church Accountant through individual letters ratifying their contribution. Statement questions and correction will be handled in a timely manner. Preparation, mailing and distribution of these reports will be handled confidentially by the Church Accountant or by an approved designee in their absence.

VII. Contributions – Handling Special Cases

- a. **Stocks:** All stocks or equity fund type contributions received will be sold immediately. Although the Church does make and hold a very few specialized equity type investments, it is not capable of managing an unplanned stock portfolio. Gifts of securities will be counted as a contribution based on the principal worth of the stock at transfer date and will be credited as directed by the donor. All gifts of stocks will be sold and the funds deposited in accordance with the following:
 - i. Any transaction concerning stocks must be approved by a registered representative of the church with the brokerage firm, currently Scott and Stringfellow, and the assent of a trustee should the registered representative not be a trustee. The Executive Director and/or Church Accountant has a list of approved people that are authorized to perform this act.
 - ii. The Trustees of Culpeper United Methodist Church has authority and oversight to authorize persons to sell stock on behalf of the church.

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- iii. Checks received for the sale of stocks will be marked clearly and placed into the safe upon receipt. All stock information is to be sent to the Church Accountant to be processed. A letter of confirmation will be sent to the donor family and all details will be annotated in the contribution area for computer input.
- iv. A deposit will be made by the office upon receipt of a check in payment of a sale of stock. A copy of the deposit will be made and given to the Church Accountant.
- b. Short-Term Mission Trip Gifts: Funds received for short-term mission trips will be considered for contribution credit if:
 - i. The church has authorized the mission trip and those who will be going on the trip.
 - ii. The church publicizes that contributions will be considered support for the trip and the mission of the church.
 - iii. Scholarship contributions for mission trips will be under the control of the church, not directed to any specific individual.
 - iv. Personal vehicles taken on mission trips (as part of the plan) can be reimbursed for mileage at the current IRS approved mileage rate.
- c. Online Giving: Families in the congregation have the option of giving online through the church website, www.culpeperumc.org. Those who wish to give online can go to the website, click "Give" from the main menu and set up their own account.
- d. Memorials - Acknowledgments will be sent to the family and donor by the Church Accountant. Those contributions received during the week will be clearly marked and handled by the Church Accountant. Contributions received during a Sunday offering, the counter will write a note for the Church Accountant including the name and address of the donor, the donation amount, and who the memorial gift is for so the Church Accountant can send out the appropriate acknowledgment to the family/donor.
- e. Special Collections – Limitations and considerations:
 - i. Special Collections are monies received for items purchased through the church; e.g., poinsettias, Upper Rooms or Bible study books. Whenever a person receives something for money given, it is not included as a "contribution" by the IRS regulations; therefore it is not credited to their envelope number, i.e. bible study materials.
 - ii. Special Offerings should be input into the correct account designation; i.e. "Lenten", "Communion", "Advent/Christmas" etc.

VIII. Processing monies and accounting for receipts

- a. Sunday Offering: Two people must be with the offering at all times when it is not in the safe, until the offering has been counted and the cash count report has been signed. Specific procedures are outlined in Appendix A.

Contributions designated for specific causes and objectives shall be promptly forwarded according to the intent of the donor and shall not be used for any other purpose.

The counting teams will meet in the workroom and open the safe to count all receipts as soon as possible after all collections.

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- b. Miscellaneous Collections and Deposit: All checks or cash received in the office will be clearly marked and dropped into the safe. Items will be sorted, counted and deposited in a timely manner.
- c. Event Collections - Groups collecting money during an event are to secure the funds, fill out a Deposit Form in the money bag or envelope provided and placed in the drop box located to the left of the church mailboxes outside the church office or dropped in the safe in the workroom. Groups that do not have a group bank account but collect money must deposit funds in the drop box or the safe and request reimbursement by filling out a Purchase Order/Reimbursement form and placing the completed form in Box 15.
- d. Fundraisers (e.g., ticket sales) - Church groups that sell tickets for events shall bring the collected money with a Deposit Form and place in drop box or safe where it is stored until the weekly deposit is made and recorded into the appropriate account for use in the activity.
- e. Group collection of money (e.g., trips, dinners) - Church groups are to put money collected into an envelope or money bag, and then place in drop box or safe where it will be stored until the weekly deposit is made and recorded into the appropriate account. A Deposit Form is to be included in the envelope/bag indicating the amount and the signature of the group's representative. No group member is to take money collected home.
- f. Outside Grant Funding - In the event the church receives grant funding for a particular project, the group requesting the grant needs to be associated with a CUMC ministry Team. The funds received will run through the designated ministry team's financial accounting. A full report of all funds received and expensed will be required upon completion.

IX. Fundraising

- a. As Christians our first source of guidance is The Holy Bible. United Methodists (UM) are also guided in their theology, practices and beliefs by two sources: The United Methodist Book of Discipline and The United Methodist Book of Resolutions.
- b. The UM sources are reviewed and updated every 4 years at General Conference. From the Discipline we obtain information on our beliefs, theology and everything from regulations concerning membership to committee organization and the process of becoming a deacon, elder or local licensed pastor. The Resolutions is a guide book concerning the UM position on social principles, e.g., abortion, war, world hunger, etc.
- c. When any CUMC related group is planning a fundraiser, remember that all activities to raise funds must be approved by the Stewardship and Finance Team in advance.

X. Disbursements - General

- a. General Fund Budget: If the funds are to come from a specific ministry area in the budget, the correct account must be listed on the form and the form signed by an authorized representative of the ministry area.
- b. Designated accounts: If the funds are to come from a specifically designated restricted account, the request must carry the correct account and signature of an authorized person for that account.
 - i. Each chairperson of a team, task force or group is responsible for the budget of that team, task force, or group; and must be aware of the current balances in that budget area. The Church Accountant will notify chairpersons and staff monthly and quarterly

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(and as requested) of the remaining budget for the current year. Expenditures should mirror the calendar, i.e. 1/12 of the annual budget monthly, subject to available funds.

- ii. Any request for payment must be made on the Purchase Order/Expense Reimbursement Form available in Box 15 and turned into the Accountant or Executive Director. This form must be filled out completely, stating the payee, address, total amount of request and account from which the funds are to be taken and with an authorized signature. Checks are written weekly. All checks are to be generated on the computer with the exception of times of emergency. (All check requests need to be approved by committee chair/staff person responsible for the budget line item.)
 - 1) Absolutely no checks will be released without full information and a completed Form W-9, i.e. payee, amount and account name.
 - 2) This should be done as soon as a purchase is made, but no later than 7 business days after such purchase. No checks will be issued without the appropriate W-9, voucher, receipt or signature.
- c. All funds will be disbursed by check and signed in accordance with the following guidelines once the check has been completely filled out:
 - i. One signature required for checks under \$500
 - ii. Two signatures required on all checks \$500 and above

XI. Disbursement – Accounting and control

- a. All purchases will be applied to the budget area on the date of purchase (receipt date).
- b. The Trustees will designate in writing those persons authorized to serve as signers on the church checks accounts, based on the recommendations of the Stewardship and Finance Team. Those persons who are responsible to handle the books of the church or church-related ministry areas and write the checks will not be approved to sign the checks from that account.
- c. The Stewardship and Finance Team will ensure that expenditures of the committees, task forces, and groups receiving designated church funds (including budget funds) do not exceed receipts and available reserves, and are within an approved budget.
- d. The Leadership Team shall direct the Church Accountant to remit Apportionments to the Conference Treasurer. The Leadership Team will be responsible for determining the amounts available to meet these obligations. It is the Leadership Team's intent to pay 100% of apportionments each year. All Apportionment payments will be approved by the Leadership Team monthly prior to sending.

XII. Credit Cards

- a. CUMC provides the opportunity for specified staff persons to have access to a church charge card as an efficient and alternative means of payment for approved expenses. Persons to whom cards are issued will be determined by the Leadership Team. All charges must follow the same approval process as other expenditures.
- b. Church credit cards are issued:
 - i. To allow ministry personnel access to efficient and alternative means of payment for approved expenses.
 - ii. To improve managerial reporting related to credit card purchases.
 - iii. To improve efficiency and reduce costs of payables processing.

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- c. The following policy pertains to credit card issuance:
- i. VISA credit cards will be issued to pastors, staff, and specified volunteers only upon approval of the Leadership Team.
 - ii. The card will be used exclusively for church related purposes only with a pre-set credit limit. CUMC reserves the right in its sole discretion to terminate the credit card at any time and any personal use will result in revocation of the card for 1 year by the Stewardship and Finance Team and will be subject to disciplinary action up to and including termination of employment at the discretion of the Leadership Team.
 - iii. Cardholders will be required to sign an agreement indicating their acceptance of these terms. Individuals that do not adhere to these policies and procedures will risk revocation of their credit card privileges and/or disciplinary action. In the event the card is lost or stolen, the cardholder will immediately notify the issuing financial institution and CUMC.
 - iv. Detailed receipts must be retained and recorded on the Purchase/Expense Form within seven business days of making a purchase. In the case of meals and entertainment, each receipt must include the date, time, and a brief description of the business purpose of the purchase, in accordance with Internal Revenue Service regulations.
 - v. Cardholders should make every effort to ensure that purchases do not include sales tax. Tax exempt certificates are available through the Church Accountant.
- d. The following staff positions are cardholders of a church issued credit card with respective credit limits:
- | | |
|---|--------|
| i. Lead Pastor | \$2500 |
| ii. Associate Pastor: Full-Time | \$2500 |
| iii. Executive Director | \$5000 |
| iv. Youth Director | \$1000 |
| v. Children Director | \$2000 |
| vi. Administrator of Congregational Life and Event Planning | \$2000 |
| vii. Director of Music Ministries | \$1000 |
| viii. Modern Worship Leader | \$1000 |
| ix. Preschool Director | \$2000 |
- e. The following ministry volunteers have been approved to share a credit card with the following limits:
- | | |
|---------------------------|-----------------|
| i. Power Pack Coordinator | \$7,000 |
| ii. <u>The HUB</u> | <u>\$10,000</u> |
- f. Other Account Limits:
- | | |
|--------------------|--|
| i. Cokesbury | \$3,000 (No Card; phone / online orders) |
| ii. Lowes | \$12,000 |
| iii. Staples | \$2,700 |
| iv. Walmart | \$2,300 |
| v. Amazon Business | \$7,000 (No Card; online orders) |
- g. Walmart Cards (10)
- | | | |
|------------|-----|-------------------------------------|
| i. Nursery | #21 | Nursery Coordinator |
| ii. Office | #22 | Stays in safe - check out as needed |

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| iii. Children’s Ministry | #23 | Dir of Family/Children’s Ministry |
| iv. Flame Café | #24 | Stays in safe - check out as needed |
| v. Preschool | #25 | Preschool Director |
| vi. Power Pack | #26 | Power Pack Coordinator |
| vii. Pastors | #27 | Stays in safe - check out as needed |
| viii. Youth Ministry | #28 | Stays in safe - check out as needed |
| ix. Missions | #29 | Stays in safe - check out as needed |
| x. Business Admin. | #30 | Stays in safe - check out as needed |
- h. Staples Cards (6)
- | | | |
|---------------------|------------|-------------------------------------|
| i. Preschool | #1 | Preschool Director |
| ii. Business Admin. | #2 | Stays in safe - check out as needed |
| iii. Pastors | #3 | Stays in safe - check out as needed |
| iv. Office | #4, #5, #6 | Stays in safe - check out as needed |
- i. Lowe’s Card (2)
- | | | |
|--------------|----|--|
| i. Office | #1 | Stay in safe to be checked out as needed |
| ii. Property | #2 | Designated Trustee |
- j. All purchases will be applied to the budget area on the date of purchase.

XIII. Travel Authorization and Reimbursement

- a. All church staff requesting reimbursement for upcoming travel must complete a Travel Authorization Form in advance of any travel or expenses for travel. The Travel Authorization form must be completed and approved by the Supervisor and the Executive Director prior to travel and before making any travel-related reimbursable expenses. Any reimbursable requests made over the budgeted amount for professional development must be approved by the Leadership Team in advance. In the case of persons who are not part of paid staff or attached to any specific ministry or administrative group such as designated conference attendees, such persons will submit the travel request form to the Executive Director who may approve the request per Leadership Team approval or standing policy.
- b. Travel expenses will be reimbursed for only officially sanctioned CUMC purposes on a per individual basis. No reimbursements will made for persons who travel with an individual who has been approved for travel reimbursement such as spouses, children, etc.
- c. Mileage Reimbursement - Approved mileage will be reimbursed at the current IRS rate.

XIV. Loans and Leasing

- a. Loans of any kind from any lending institution must be approved through the Stewardship and Finance Team and the Leadership Team. A Charge Conference is required for final approval.
- b. Lease agreements for any type of equipment must be reported to and approved by the Stewardship and Finance Team. In accordance with the Stewardship and Finance Team designation, lease agreements up to \$1000 per month can be approved by the Executive Director. Any lease agreement over \$1000 per month must be approved through Leadership Team of Culpeper United Methodist Church.

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XV. Conflict of Interest

- a. As a ministry initiated and sustained by God, the Culpeper United Methodist Church has a mandate to conduct all of its affairs decently and above reproach both in the sight of God and man. That accountability includes a commitment to operate with the highest level of integrity and to avoid conflicts of interest.
- b. In the event that any Officer, Director, Council, Committee, or Staff member of Culpeper United Methodist Church shall have any direct or indirect interest in, or relationship with, any individual or organization which proposes to enter into any transaction with the church, including but not limited to transactions involving:
 - i. The sale, purchase, lease or rental of any property or other asset,
 - ii. Employment, or rendition of services, personal or otherwise,
 - iii. The award of any grant, contract, or subcontract,
 - iv. The investment or deposit of any funds of the church,
- c. Such person shall give notice of such interest or relationship to the Chairman of the Leadership Team and shall thereafter refrain from discussing or voting on the particular transaction in which he/she has an interest, or otherwise attempting to exert any influence on the church or its components to affect a decision in such transactions.
- d. In the event transactions occur or are proposed, this policy states:
 - i. All proposed transactions will be reported to the Leadership Team and be approved in advance;
 - ii. Leadership Team records will demonstrate that the transaction is truly in the best interest of the church, as provided by a competitive bid or comparative valuation, and that it does not violate jurisdictional law.
 - iii. The related party will be excused during the process of Leadership Team deliberation and voting (other than to respond to questions) and abstain from voting.
 - iv. All disclosures of real or apparent conflict of interest shall be noted in the minutes of the Leadership Team.

Culpeper United Methodist Church

Finance Policy and Procedures

Appendix A

A. Counter Procedure

1. Separate and Run through Check Reader in the following order: all loose checks first, then all checks with envelopes for God's Fund, next do all Checks with special Fund designations. Once all checks have been entered begin entering cash with envelopes. Then enter Loose Plate cash.
 - a. Open the main safe in the office workroom
 - b. Remove all bags containing offerings from the services and any other envelopes in the safe.
 - i. Including: Rent Checks, Contributions, Reimbursements, and Fundraisers
 - ii. Third Sunday includes Bucket Sisters
 - iii. All of the cash and checks in the safe need to be entered into the computer and deposited
 - a) If you are unsure or cannot find the Fund Description put a post it note on the envelope asking for clarification and put back in the safe.

B. Organizer Procedure

1. Remove all the attendance slips and prayer requests along with any special papers being collected during the service.
 - a. Keep prayer requests with that person's attendance slip
 - b. Place attendance and prayer requests on the Administrator of Congregation Life's desk.
2. Set aside all loose checks without envelope numbers
 - a. Envelope Numbers will be obtained during data entry
3. Set aside all Loose Plate cash
 - a. Sunday School cash should be entered separately from Loose Plate
4. Sort the remaining envelopes by envelope number before computer entry
 - a. Separate God's Fund checks from Special Designation checks
 - i. Each envelope should have the envelope number, check number or the word cash, the amount, and the date with the designation of the contribution
 - ii. The check must have the contributor's name, amount of the contribution, envelope number, and type or designation of contribution
5. DO NOT THROW AWAY ANY ENVELOPE OR SCRAP PAPER WITH A CONTRIBUTION!
 - a. These must all be saved to be put with the reports at the end
 - b. This is also crucial documentation for the IRS
6. Count the Loose Plate offering
 - a. Write the Offering on a piece of paper separating and writing as how much is in 1s, 5s, 10s, 20s, 50s, and 100s. Then total the amount.
 - b. If possible, have somebody double check the count.
7. Add up any other cash necessary in the same manner. (Ex: Power Packs, Honduras Flea Market, Bucket Sisters, Children's Ministry)
8. Keep cash separated until you have verified the amounts are all entered correctly!

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C. Computer Procedure

1. Turn on the computer and log in as a Counter using Matthew1
2. Click on the Power Church icon (green cross)
 - a. Select 'Counter' under the options
 - i. Password: Matthew2
 - b. Click on Contributions > Check Reader
 - i. Make sure the date is correct and it is set to 'Check Contribution'
 - ii. Scan all Checks first
 - iii. Keep checks in order as scanned
 - iv. Make sure the last name, first name, address, fund, and amount are correct
 - v. Please do not create new envelope number! If you think a new envelope # is necessary, please place the envelope back in the safe.
 - c. To look up unknown envelope numbers:
 - i. Click on the Magnify glass next to the Envelope number
 - a) Search by last name first
 - b) If no results are found: Search by First name
 - c) If no results are found: Search by Address
 - d) If still no results are found: Place back in the Safe
 - ii. Write the envelope number on the envelope and check then search for the next unknown envelope number.
 - iii. Once you have all the unknown envelope numbers, click cancel and begin entering the contributions for those numbers.
3. Once all checks have been entered:
 - a. At the top of the Contribution Check Entry Screen switch to cash contributions and check the Manual Box.
 - i. Now you will be able to begin entering the cash contributions.
 - ii. Enter the envelope number if known, enter the amount, Fund Number, and Description if necessary.
4. Once all cash envelopes have been entered:
 - a. Enter the Loose Plate cash offering and any No Name Cash offering.
 - i. Loose Plate is Envelope Number: 50000
 - ii. No Name Cash Envelope Number: 5000

D. Completion Procedure (After all contributions have been entered)

1. Contributions > Reports – Contributions > Unposted Contributions
 - a. Make sure it is only for the date you entered Contributions.
 - b. Unclick the Pledges option and Run the report
2. Have the Computer person read off the amounts in order to someone who is verifying them on the checks.
3. Next: Verify the cash Contributions are entered correctly
 - a. Verify the Loose Plate and any No Name Cash Contributions
 - b. Once all amounts have been verified: Put the Cash all together and Print this report
4. Go to Contributions > Reports – Contributions > Bank Deposit Slip, Unposted Contrib.
 - a. Chose the date you entered the contributions for and Run this report
 - b. Print this Report and Use to fill out deposit slip

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5. Take the briefcase and Bank bag 540 out of the locked cabinet Next to the folding machine.
 - a. The Key is in the bottom of the cabinet next to Lee Anne's Desk.
6. Fill out the deposit slip
7. Stamp the back of each check 'For Deposit Only'
8. Then, place all Cash and Checks in Bank Bag 540 along with the deposit slip and a copy of your reports.
9. Use the Key labeled 540 in the top of the briefcase to lock the Bank Deposit bag.
10. Take the Night Deposit Key out of the Safe and have 2 unrelated people take the bag to the bank to put in the night deposit box.
11. Then bring the night deposit key back and place it in the safe.
12. Place a copy of your reports wrapped around all of the envelopes in the briefcase and return it to the cabinet. Do Not Throw Away Any Envelopes!