

Policies and Procedures

Westside Unitarian Universalist Church 901 Page Ave. Fort Worth, TX 76110

Title	Financial Matters Policy
Number	F.3
Purpose	To define items related to church financial matters
Scope	This policy applies to the Treasurer, Board of Directors and Social Justice Council
Definitions	
References	C.4 Social Justice Council Charter
Appendices	None
Author	Finance Committee
Approval Dates	Origination: Unknown Last Revision: Last Reviewed: 7/2023 Next Review Date: 7/1/2025

I. Treasurer's Duties and Responsibilities

- A. Only the Treasurer, President, or Vice President shall sign checks. All checks require two signatures.
- B. The Treasurer shall be bonded.
- C. Every new budget (fiscal) year a reserve fund of not less than 3 months of the newest/forthcoming budget year's income shall be maintained in a savings account. Only the President, Treasurer or Vice President shall be allowed to move money from the reserve fund into the church's general fund. Accounting terminology differentiates the actual savings account from the accounting fund in the software. The savings account is at Simmons Bank or its successor. All attempts will be made to meet the three-month reserve requirement at the beginning of any budget (fiscal) year. If at any point during the budget year the reserve fund falls below the funds necessary for 1 month of operations, the Treasurer will notify the finance committee and board.
- D. Requests for Disbursement/Reimbursement
 1. Treasurer shall not reimburse for expenses without receipts and properly completed invoice signed by Committee Chair.
 2. The authorized form shall include spaces for signature, the amount paid, date paid and check number.
 3. Credit card statement may include the same information and should be attached, with check stubs and receipts, to the request form. Late submissions should void the request.
 4. Church expenditures processed through the use of the church credit card (by minister, DLRE, Sexton, President or Vice President) shall be recorded with necessary journal entries in the church accounting software.
 5. Credit card expenditures do not require signatures from the relevant committee chair, but the treasurer must inform the committee chair of the expenditure for record keeping.
 6. The Treasurer's signature must be included on the relevant expense form.
 7. All requests shall be submitted within 30 days of expenditure, if possible.
 8. Reimbursements shall be made promptly, and in the same budget year as monies

- expended.
9. By June 15th of each year, all requests for reimbursements must be submitted before the books are closed. Any late requests for reimbursement must be approved by the board.
 10. Any expenditure of church funds in excess of \$2,500 must be submitted for a minimum of two bids. The Board of Directors will make the decision as to which bid to accept.
 11. Expenditures over budget by any group, committee or subcommittee in excess of funds budgeted requires Board approval.
- E. The Financial Review Committee should include at least one member with review or audit experience.

II. Dedicated Offerings

- A. The Social Justice Committee and Board
1. The committee will be responsible for soliciting, vetting & recommending recipients for the “undesignated offering.”
 2. Requests for designees should be made on the form provided on the website and submitted to the Social Justice Committee Chair.
 3. The Social Justice Committee Chair will submit the request to the board for approval and assigned month.
 4. The Board will notify the Worship Committee who will make the appropriate entries into the Order of Service and the Service script.
- B. The Finance Secretary and Treasurer
1. The secretary will collect the dedicated plate offerings and deposit them each week.
 2. The first day of the month the secretary will import data from Vanco into Icon, and print and file a copy.
 3. At the end of the month, the secretary will total up dedicated contributions for the month and advise the Office Manager, President, Social Justice Chair, and Treasurer of the amount collected.
 4. The Treasurer will prepare a check and a cover letter for the designee.
 5. The secretary will assist the Treasurer with reconciling the previous month’s cash count with the bank statement at Finance Committee meeting.

III. In-Kind Gifts

- A. The Board of Westside does not endorse nor accept in-kind gifts to reduce an annual pledge. If a member or friend who pledges needs to lower her or his pledge, s/he is asked to visit with the Finance Chair or Treasurer to adjust the pledge.

IV. Insurance

- A. The Westside Unitarian Universalist Church of Fort Worth shall carry liability, fire, and theft insurance. The church shall also provide professional liability for the minister(s) on staff.

V. Financial Review/Audit

- A. The purpose of a financial review is to assist the Treasurer and finance officials in carrying out their fiduciary responsibilities regarding church financial operations.
- B. An Internal Financial Review is a management review of the congregation's cash management procedures, which can be done by any accountant, church bookkeeper, or any person with experience or expertise in performing audits or financial reviews.
- C. UUA practice recommends that a review should be done at least once every three years, usually before a new treasurer or bookkeeper takes office. The UUA provides a checklist for the reviewer to complete. Sample Internal Financial Review (PDF)
- D. A financial review should include:
 - 1. Verifying that the accounts payable policies and procedures are being followed
 - 2. Reviewing the system for recording and reporting pledges and contributions
 - 3. Comparing bank statements to income/expense reports to spot check for irregularities
- E. If problems arise that warrant the expense, the board should contract for an outside audit by a CPA firm. This vote does not need congregational approval.

VI. Additional Duties of the Treasurer

- A. Create an inventory of assets and review and update annually.
- B. Organize monthly files in logical order such as by check number, date paid, with bank statement and reconciliation, check register from Icon, and financial reports on top .
- C. A monthly bank reconciliation must be performed by the Office Manager or another appropriate third party. The Treasurer is responsible for assuring this is completed each month.
- D. The Treasurer shall prepare a monthly report to the Board. This report shall include:
 - 1. A narrative summary of financial status
 - 2. Beginning balance
 - 3. Income received
 - 4. Expenditures disbursed
 - 5. Closing balance for the month.
 - 6. A separate report shall list Service Projects and restricted fund offerings showing the amounts received.
- E. The Treasurer shall prepare a final Treasurer's Report and present it at the annual congregational meeting.
- F. After the books are closed at the end of the fiscal year, the Treasurer and Financial Secretary shall submit the following documents for audit:
 - 1. Bank Statements
 - 2. General Ledger from Icon
 - 3. Check book "stubs"
 - 4. Monthly Board Reports
 - 5. Monthly bank account reconciliation reports
 - 6. Requests for distribution/reimbursements
 - 7. Invoices including date and amount paid
 - 8. Deposit records
 - 9. Vanco monthly reports
 - 10. Financial Secretary's monthly reports
 - 11. Final Budget report showing percentage of budget vs. actual

VII. Financial Secretary's Duties and Responsibilities

- A. All monies coming from offertory, fund raisers, auction, etc., go through Financial Secretary for bank depositing and record keeping in Icon.
- B. Endowment Fund donations: Deposit as usual in Simmons Bank, then make electronic transfer to TD Ameritrade account (see "Instructions for Endowment Fund Electronic Transfer.")
- C. Calendar of Weekly Tasks:
 1. Sunday:
 - After the service, empty collection bowls and count.
 - Use 2 counters (not including yourself or Treasurer), both must sign cash count slip.
 - Photo cash count slip and email to finance@westsideuu.org
 - Enter data into Icon
 - Print copy of deposit
 - Monday – Friday:
 - Deposit money in bank
 - Staple bank slip, cash count slip and detailed deposit copy together and file.
- D. Calendar of Monthly Tasks
 - First Day of month: Import data from Vanco into Icon. Print copy and file.
 - Ensure that all plate offering donations (both actual and Vanco) have been entered into the financial software by the first day of the following month.
 - On the first day of each month, notify the Social Justice Committee chair the amount donated to the previous month's beneficiary or beneficiaries as the case may be.
 - Assist with reconciling of previous month's cash count with bank statement at Finance Committee meeting.
3. Calendar of Annual Tasks
 - July 1: Before entering ANY pledge income for new fiscal year, change "Pledges" accounting link from "Contributions Liab/Pre-Paid Pledge Contributions" to "Contributions Rev/Pledges." See detailed instructions in Financial Secretary Detailed Procedures document.
 - October 1: Send out quarterly pledge statements from Icon
 - January 1: Send out quarterly pledge statements from Icon
 - During month of January, send out Tax Information statements
 - February: Provide requested input to Stewardship Committee
 - April 1: Send out quarterly pledge statements from Icon
 - Before May Board meeting, provide pledge income shortfall estimate to Treasurer
 - May 15 (approx.): Copy envelope numbers and funds over to next fiscal year in Icon. In Icon, change Accounting link for "Pledges" from "Contributions Rev/Pledges" to "Contributions Liab/Pre-Paid Pledge Contributions." See instructions in Financial Secretary Detailed Procedures document.
 - When all pledge forms are turned in after Stewardship campaign, enter pledge data for next fiscal year in Icon.
 - June 1: Send out Fiscal Year End Statements.
 - After June 5: Enter new information in Vanco for July 1 bank drafts
 - After June 16: Enter new information in Vanco for July 15 bank drafts
 - OR can wait until June 16 and do both July 1 and 15 data entry at same time. MUST do data entry at least ONE week before July 1 to allow time before Vanco starts processing, which is about 3 days before the actual draft date
 - June 27: Send out "Thank You for Your Pledge" statements from Icon.

E. Troubleshooting

1. Pledge Total Incorrect in Cont-Maintenance Window

- Before using the total pledge amount in the Cont-Maintenance window, you should reconcile the window first using the following steps.
- Go to Contributions->Management->Cont-Reconcile window. Select 'Reconcile All Funds' option and press the 'Reconcile' button. This should fix the total pledge amount shown in the Contribution Maintenance window.

F. End-of-Year Procedures

1. Enter Pre-paid contributions for the next fiscal year while in previous fiscal year.

- Follow the instructions for copying contribution envelopes and funds from current fiscal year to the next fiscal year.
- Do not allow it to copy the pledge amounts over, only envelope numbers and funds.

2. **Make sure you are in the NEXT fiscal year, not the current fiscal year.** If you aren't, you should go to ORGANIZATION/PREFERENCES/PERSONAL and change "Fiscal year to work with" to the next fiscal year and click on the "Save" button at the bottom.

3. Change the accounting link for the "Pledges" contribution fund to the Contributions Liab/ Pre-Paid Pledge Contributions. You do this in the window labeled CONTRIBUTIONS/Management/ Cont-Maintenance. Once there, select the Pledges fund and then the "Accounting Link" button.

4. Enter the pledge amount for the person that wants to pre-pay their pledge contribution or a portion of their pledge contribution.

5. Create a new batch for this contribution. Again, make sure you are in the next fiscal year, not the current fiscal year. **WARNING: Do NOT add contributions for the current fiscal year in this batch.** Also, do not worry that the "Acctg Date" is in the current fiscal year. It will probably give you a warning—this is fine.

6. Post the contribution. This will place the contribution in the next fiscal year for the pledge unit. On the accounting side, it will record the contribution in the Pre-Paid Pledge Contribution liability account. When the next fiscal year begins, the treasurer will transfer all money from the "Pre-Paid Pledge Contributions" liability account to the "Pledges" contribution revenue account.

7. **Don't forget to change the fiscal back to the CURRENT fiscal year.** Go to ORGANIZATION/PREFERENCES/PERSONAL and change "Fiscal year to work with" to the current fiscal year and click on the "Save" button at the bottom. You can now post contributions for the current fiscal year.