

Church Day – October 3, 2009
Church Treasury “101”
David Bergman-Hill

Introductions & Invocation

“A Webster Treasurer”

- A guardian of a collection of treasures
- An officer entrusted with the receipt, care and disbursement of funds
- The executive officer of a club, society or business corporation

“A Covenantal Treasurer”

Genesis 9:8-17

“The Message – A contemporary translation” –by Eugene Peterson

“A Field Guide to Covenant” ncnucucc.org/page/resources/covenant-and-congregations

Covenants are faithful, mutual, trustworthy agreements.

A covenantal relationship is the state of being bound together through commitments to and expectations of one another in faithfulness to God’s will and reliance upon God’s grace.

- God initiates covenant
- Covenants differ from contracts
- Covenant promises are to be taken very seriously
- Covenant knits us together

In your church today, what are some examples of a

- *“Webster’s Treasurer”?*

- *“Covenantal Treasurer”?*

What are some advantages and disadvantages of the two approaches?

Case Study – Group discussion

I am Treasurer of the 12th Congregational United Church of Christ, Scarcity, California. My church is struggling financially. Membership is dwindling. The building is crumbling.

I hear comments like this at the Trustees and Council Meeting:

“Don’t worry; one more fund raiser will get us through.”

“Don’t worry about pledges, the pastor will find us another renter.”

“Don’t worry about the broken pipes, the pastor has duck tape.”

“Don’t give our money away to outreach and wider church support. We need to take care of ourselves!”

“Sugar coat it any way you want. Stewardship simply means you want my hard earned money!”

“Call David Bergman-Hill. He’ll solve our financial problems!” (just joking!)

I see that everyone is burnt out physically and spiritually. I can’t enjoy worship because I know someone is going to grab me after the service about something I didn’t do, or didn’t do right. I am working as hard as I can and nobody understands the financial reports or budgets I produce, including me! My hard drive crashed and I don’t have a back-up. The financial secretary works hard too, but the records never agree with mine. I don’t know what to do next.

Any of this sound familiar?

How might the “Webster Treasurer” approach this situation?

How might the “Covenantal Treasurer” approach this situation?

JOB DESCRIPTION: “Covenantal Treasurer with a dash of Webster”

- Leadership & Vision
- Simplicity, Transparency & Inclusivity
- Record Keeping, Reporting & Budgeting

Your world - Small group discussion:

1. What are some real examples of the challenges facing you as your church’s treasurer?
2. How might you blend the “Webster Treasurer” and the “Covenantal Treasurer” to provide fresh leadership and vision?
3. What are some of the resources or tools you need to be more efficient?

Your world – Group discussion:

Feed back to group your ideas and insights.

Next steps:

- 1.
- 2.
- 3.

Benediction

CHURCH TREASURY “101” - Basics

Cash Receipts

GOAL – Ensure that all receipts are accurately and timely deposited into authorized accounts.

BOARD establishes Policies & Procedures.

- Church office
 - Log all incoming checks
 - Keep checks in a safe & secure location
 - Include in Sunday Deposit
- Sunday Deposit
 - Make sure that offering plate is collected after service. Take to “private” location.
 - Use a ‘Count Sheet’. List all receipts (including those received in the church office). Verified and signed by 2 people.
 - Copy checks (if desired).
 - Prepare deposit slip and make bank deposit
 - Copy of deposit slip, ‘Count Sheet’ & checks (if applicable) to Financial Secretary and Bookkeeper.

Important added control: Have someone without access to accounting records or deposits send out periodic statement to everyone that donates to the church. Be sure that the sum of the statements agrees to the accounting records. Thank people for their giving, tell them that this suffices for a receipt for the IRS and ask them to send any discrepancies to the person sending out the statements.

Cash Disbursements

GOAL: Ensure that all purchases are authorized and all disbursements are for authorized purchases.

BOARD establishes Policies & Procedures

- Office staff routes invoice to Bookkeeper
- Bookkeeper
 - Ensures purchase authorized and goods or services received. Evidences on invoice.
 - Determines coding. Prepares checks
 - Provides original invoice evidencing coding and approval for payment to check signer. Cancels invoice “PAID” and mails check.
 - Files “PAID” invoices.
- Check Signer(s)
 - Doesn’t have access to cash receipts, bank statements or accounting records.
 - Knowledgeable of church finances
 - Require two signatures on all checks or checks over a specified amount.
- Bank Reconciliation
 - Someone not having access to cash, checks or accounting records prepares monthly.
 - Verify that deposits were prompt and that all checks were signed by authorized signers. Very important. Good luck!

Auditing

- Most churches don't need an Audit by an independent CPA. Very expensive!
- All churches do need to carry out their fiduciary responsibilities:
 - All receipts are promptly and properly deposited in authorized accounts.
 - All disbursements are for bona fide and authorized purchases.
 - Accounting records are accurate and complete.
 - Establish an "Audit Committee" with 2-4 people that are independent of all other financial responsibilities.
 - Verify that bank reconciliations are being properly and promptly prepared.
 - Agree reconciled balances to accounting records and financial statements.
 - Verify that other statements from banks or brokers agree to accounting records and financial statements
 - Review invoices & payroll records to ensure procedures were followed and that records are complete.
 - Review compliance to other financial Policies & Procedures – particularly Investments.
 - Report results of review to the Church Council or Board. This review should be done annually.

Payroll

- Authorized Ministers
 - Housing Allowance authorized and evidenced in minutes in advance.
 - "Dual-status" by the IRS
 - What is a "Social Security Offset" and why an authorized minister should receive it.
 - Other Church Employees
 - Deposits and Reporting
 - Periodic payroll tax deposits
 - Annual W-2's and 1099's

Budgeting

- **Preparing**
 - Develop a Mission Statement
 - Assess Mission Needs
 - Recommend Staff Salaries & Other Benefits
 - Document assumptions
- **Presenting**
 - "Standard" method – lots of numbers
 - "Narrative" method – tell the story
- **Monitoring & Reporting**
 - Monthly reporting in same format
 - Make it SIMPLE & TRANSPARENT

Long Term Planning

- **Simple vision statement**
- **Appreciative Inquiry** – build on strengths
- **"Dream Budgets"** can help set reasonable and attainable goals

STEWARDSHIP

The *Stillspeaking* Initiative

- Remembering why we fell in love with the UCC.
- Giving voice to share the love we've received.
- "I don't know where I'd be if I'd not found the UCC , , ,"
- Is *Stillspeaking* a launching pad for renewed Stewardship?

GENEROSITY

- Most of us think of giving as overcoming scarcity and meeting needs.
- We're preoccupied with not having enough.
- Our perceived scarcity is an illusion.
- Generosity is about recognizing what we already have.
- Giving is emotional. It flows from something inside that can't be contained

STEWARDSHIP FOR ALL . . . STEWARDSHIP FOR ALL SEASONS!

- Stewardship
is not a 6 week **C.A.M.P.A.I.G.N.E**
is not about feeding a budget
- Stewardship
can be a spiritual practice.
can bring one toward wholeness and holiness
can be a ministry to help people bring congruency to their beliefs, values
and actions
can be a vital part of all aspects of church life

Your Church Budget: A Celebration of Organized Generosity

- At some level, the church needs money to exist and be in mission
- We need to be at ease, joyful . . . each \$ represents the goodwill of the giver.
- Your Budget reveals your deepest values. Find a way to communicate that.
- Let's call it our *Mission Spending Plan* Make "Mission & Outreach" the first line item.

Asking People to Give

- Most people are uncomfortable asking others to give.
- There are many ways to ask people to give. We'll talk about four.
 - Consecrating Stewards
 - Invited to Give, Thanks
 - Faith Promise
 - Personal Visits
- First – you've got to ask people to give.
- Almost any way you ask will work IF
The spirit is right in the congregation
and IF asking is done in the right spirit.

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SPIRITUAL RESOURCE: *“The Bible”*

Genesis 9:8-17 – “The Message” Eugene Peterson

Then God spoke to Noah and his sons: "I'm setting up **my covenant with you** including your children who will come after you, along with everything alive around you—birds, farm animals, wild animals—that came out of the ship with you. I'm setting up **my covenant with you** that never again will everything living be destroyed by floodwaters; no, never again will a flood destroy the Earth."

God continued, "This is the sign of **the covenant I am making between me** and you and everything living around you and everyone living after you. I'm putting my rainbow in the clouds, a sign of the covenant between me and the Earth. From now on, when I form a cloud over the Earth and the rainbow appears in the cloud, I'll remember **my covenant between me and you and everything living**, that never again will floodwaters destroy all life. When the rainbow appears in the cloud, I'll see it and remember the eternal covenant between God and everything living, every last living creature on Earth."

And God said, **"This is the sign of the covenant that I've set up between me and everything living on the Earth."**

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TEMPORAL RESOURCES:

“Tax Guide for Ministers” – free

“Federal Reporting Requirements for Churches” – free

Go to: pbucc.org - Forms & Publications/Tax Resources tab

“Worth’s Income Tax Guide for Ministers” - available online

“Inspiring Generosity” – narrative budgets available from
UCC Resources 800-325-7065

“A Handbook for Church Treasurers & Trustees” – macucc.org

“Audit Program for Internal Auditors of Churches” – ctconfucc.org

“Church Treasury 101 – Basics” – handout 10-3-09

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Any or all of the components of the job description for the
“Covenantal Treasurer with a dash of Webster”.