

Christ Church Episcopal

Receipt and Disbursement of Parish Funds Policy

Policy: VIII. B.

Initiated: 2020-02-18

Revised: 2022-08-14

Reviewed: 2022-09-18

I. Receipt of Funds

- A. The 8:00 am and 10:30 am offerings are combined following the 10:30 am service. Two members of the counting team receive the plates in the working sacristy from the altar server. Using the Weekly Counting Form, the counting team records the amount of cash and number of checks received and stores the offering with the form in the church office.
- B. At the beginning of the business week, a finance volunteer updates the executed accounting sheet to record checks received at the church office. Prior to deposit, a finance volunteer:
 - 1. updates the pledge tracker to record contributions against pledges;
 - 2. completes the Funds Classification Report to identify designated funds received and
 - 3. emails the report to the accountant, wardens, treasurer, and parish administrator.
 - 4. deposits cash and checks into the operating account promptly. A deposit slip is attached to the counting sheet.

II. Authorization of Disbursements

- A. Unauthorized disbursements** are not permitted. The Church Bylaws vest the Board of Directors (Vestry with Rector) with exclusive power to authorize disbursements from parish assets. The vestry gives formal authorization through approval of a budget and acceptance of designated funds. No single director or group of directors has the power to authorize disbursements independent of a formal motion of the Board.
- B. General Fund as Budgeted** - The General Fund Budget, as approved by the Vestry, gives authorization for appointed staff, committee chairmen, project managers, and appointed parishioners to disburse parish funds in amounts and purpose consistent with the budget. Only appointed staff, committee chairs, project managers, or parishioners may request disbursements from their assigned budgeted funds subject to approval. The vestry may alter the budget at any time.
- C. Designated Funds** - Staff, committee chairmen, project managers, and parishioners may be authorized to spend funds set aside for a specific purpose, subject to limitations on amount or purpose the Vestry may impose.
1. Only appointed staff, committee chairs, project managers, or parishioners may request disbursements from designated funds consistent with limitations in amount or purpose subject to approval.
 2. Ad Hoc Requests to spend an amount for a purpose not budgeted may be made to the vestry by slating on the Vestry agenda. The Vestry may present the request to the Finance Committee for review and approval. Ad Hoc Requests should be submitted by the vestry liaison to the Finance Committee using the Ad Hoc Request Form. The Vestry Liaison may request Finance Committee review and recommendations prior to the vestry's motion to present the request to the Committee. Only the individuals designated on the Ad Hoc Request form may request disbursements subject to approval

III. Disbursements - Approval

- A. Authorized Requests** must be approved prior to disbursement, except for items designated as exempt under Exemption paragraph below. Requests will be approved when consistent with amount and purpose of bequests. Only authorized requests may be submitted for approval. Designated funds may be disbursed only when the request conforms clearly to the donor's intent as narrowly construed or as purposed or limited by the Vestry.
- B. Requests - Credit/Debit Card Purchases and Online Transactions:** The Purchase Order Form is completed and submitted to the church office for approval. Payment by check is requested on the Check Request Form that is completed and submitted to the church office.
- C. Approval:** A finance volunteer reviews the authorized request for compliance of amount and purpose with the approved budget, designated fund, or other source and approves the expenditure or refers to the treasurer and wardens who communicate any denial of unauthorized expenditures.
1. Wardens or Treasurer may approve or deny a request compliant with the approved budget, designated fund, or other source when appropriate documentation has been completed.
 2. No party may approve his own Authorized Request or an Authorized Request that creates a conflict of interest for the approver.
- D. Exemption:** The Treasurer, with the consent of the Finance Committee, may exempt certain disbursements from the approval process. The exemption is limited to items that are budgeted from the General Fund, recurring in nature, and non-discretionary. Examples include utilities, payroll of salaried employees, or fixed installment payments. Disbursements exempt from approval are assigned by budget line. Designated fund disbursements are not eligible for exemption.

IV. Disbursements – Payment

A. By Purchase Order: Following approval of the Purchase Order request, arrangements are made with the parish administrator to obtain the credit/debit card or make the online purchase.

1. The credit/debit card is returned to the parish administrator along with an itemized receipt confirming that only the amount and items approved were purchased.
2. Receipts for all credit card transactions and online purchases are submitted to the parish administrator with the Purchase Order for submission to the accountant.

B. By Check Request: The parish administrator scans all invoices and receipts, attaching related Purchase Orders or Check Request forms, to the accountant, wardens, treasurer, and finance volunteer with a cover sheet listing the items scanned.

1. Physical payment:

- a) The Accountant delivers unsigned checks to the parish administrator.
- b) An Authorized Signatory signs the checks at the church office.
- c) The parish administrator mails the checks or makes arrangements with the payee to receive the check at the church office.

2. Electronic payment (ACH or check e-delivery):

- a) The Accountant submits to the authorized signatory an electronic request for signature to release funds.
- b) Signature is submitted to the Accountant.

3. For both Methods Appropriate delays are made when a scheduled process day falls on a holiday.

C. By Immediate Payment - No Payment Approval or Signature Required: The Treasurer with the consent of the Finance Committee directs the accountant to pay certain disbursements

1. immediately upon receipt of the invoice or disbursement approval without need of signature or other approval, or
2. autopay - appropriate items include utilities, credit card bills, and fixed installment payments. Approval for immediate payment does not require approval or authorization for disbursement.

D. Payroll

1. Semi-monthly: Salaried employees are paid by direct deposit on the 15th and last day of the month.
2. Bi-weekly: Hourly employees submit timesheets for the prior two weeks to the treasurer, warden, or rector. Approved timesheets are sent to the accountant who schedules direct deposit for the immediate Friday.

E. Authorized Signatories of the parish are limited to the wardens, treasurer, and others assigned at the discretion of the finance committee with the consent of the rector, wardens, and treasurer.

1. **No one may sign for payment of an expense which they also approved.**

V. Transfer of Funds

- A.** Following weekly deposits, a finance volunteer transfer to the appropriate nested fund, any money received into the operating account. Notification is sent to the Wardens, treasurer, and accountant.
- B.** When necessary, a finance volunteer transfers funds among accounts. Notification is sent to the wardens, treasurer, and accountant.

VI. Amendments

- A.** The parish administrator, treasurer, wardens, and accountant may agree among themselves to adapt the timing or sequence of events or to alter the divisions of labor as they deem necessary provided signatory controls of are maintained.
- B.** The treasurer and Finance Committee, with the consent of the rector and wardens, may provide church debit, credit, or charge cards to individual parish member or staff to use in a manner consistent with their authorized disbursement protocol, provided all spending is approved and cards have a daily purchase maximum no greater than \$500.
- C.** The Vestry desires that procedures be performed electronically to the extent possible.

*****The Canons of the Episcopal Church set forth the general responsibility and accountability for the Church's money and property. See [Title I, Canon 7 Of Business Methods in the Episcopal Church](#) for specific requirements.**