

Enon UMC Financial Policy

As of 13 March 2023

This Financial Policy, originally published in July 2021, is the authoritative source for Enon UMC financial management. Transparency and traceability are of paramount importance, and every effort shall be made to ensure these attributes are embodied within Enon UMC financial operations. The most current version of this policy will be maintained on the Enon UMC website and will supersede all previous versions.

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1.0. Oversight

The Enon UMC Finance Committee provides oversight for all financial operations. A Finance Committee Chair is nominated and also sits on the Enon UMC Administrative Council (AdCon). Refer to The United Methodist Church Book of Discipline for further information.

2.0. Financial Reviews/Audits

2.1. Internal Financial Reviews (“Cross-checks”). Internal Enon UMC cross-checks are financial reviews, not true audits. The purpose is to ensure uniformity and consistency between all the Treasurer’s financial records. Cross-checks are accomplished by a person(s) other than the Treasurer who reviews the Treasurer’s records.

2.2. **Annual Internal Cross-Check.** The cross-check shall be completed not later than the end of the second quarter of every calendar year for the preceding calendar year (Finance Committee approved 10/2020). The Finance Chair can extend the deadline if necessary. The internal cross-checkers will follow the processes defined in the UMC Local Church Audit Guide (available on the Resources page of the Enon UMC website) as much as possible.

2.3. **Internal Cross-Check before a Change in Treasurer.** A cross-check shall be completed after close-out of second month preceding the month of the Treasurer switch. For example: Scheduled switch 1 Aug = cross-check books after June close-out, providing a month's time to accomplish and get any necessary clarification from current Treasurer. Must be completed and report published prior to the Treasurer switch date. (Finance Committee approved in October 2020.)

2.4. **Formal External Audit.** On 8/31/2021, Pastor Heather Husted announced Enon UMC will pay for and undergo a formal external audit at least once every three years. AdCon also reserves the right to direct a formal audit of Enon UMC financial records at any time. In such a case, a certified external auditor shall be hired to complete the audit.

3.0. Enon UMC Financial Institutions

3.1. Park National Bank (PNB) in Enon OH is the authorized financial institution. With recommendation from the Finance Committee, only the AdCon Chair can authorize moving to a new financial institution.

3.1.1. The church maintains a checking account at PNB. This is the sole checking account for Enon UMC financial management purposes.

3.1.2. The church maintains a savings account at PNB. This account may be either a traditional savings account or a money market account, as the Finance Committee deems most appropriate. Any reference to a "savings" account within this document means the account functioning as the savings, as described in this paragraph.

3.2. PNB requires a "Corporate Authorization Resolution" form to be kept current. This form documents, by name, title, and signature, the authorized Enon UMC officers for purposes of conducting Enon UMC financial business. The following positions (and incumbents) are included on the form and have equal control over accounts and account access:

3.2.1. AdCon Chair

3.2.2. Finance Committee Chair

3.2.3. Treasurer

3.2.4. Pastor (due to debit card linked to church checking)

3.2.5. Administrative Assistant (due to debit card linked to church checking)

3.3. Whenever an incumbent listed in Section 3.2 changes, the Finance Committee shall notify PNB so new forms can be prepared and signed. Such changes shall be made within 30 calendar days.

3.4. Enon UMC Employer Identification Number (EIN): 31-0818452

3.4.1. The EIN is used for payroll and tax identification purposes.

3.4.2. The EIN is used by any organizations chartered under Enon UMC (see Section 9.0 for list). In effect, the EIN is an umbrella EIN covering all financial activity conducted by any organization in any facility owned by Enon UMC.

3.4.2.1. Per PNB (conversation between Finance Chair Mike Bennett and PNB Rep Adina Fugate, 02/10/2021), federal government regulations require that the "control person(s)" for the EIN sign any and all documentation which needs such a signature for any of the organizations under the umbrella. For example, if an organization needs to change officers on its own subordinate bank account, an Enon UMC "control person" must sign. The primary control person is the AdCon Chair or the Finance Chair.

3.4.2.2. Any umbrella group requesting such actions shall forward the request to the AdCon Chair or Finance Chair for signature.

3.5. Church Debit Card.

3.5.1. Only the Pastor and Administrative Assistant are authorized a debit card.

3.5.2. Card Usage. Debit cards can only be used for official Enon UMC expenses. Unauthorized use will result in revocation of the card, possible adverse employment actions, and possible involvement of law enforcement should circumstances warrant.

3.5.3. Each time a debit transaction is made, a signed Expense Allocation Form and supporting documentation will be placed in the Treasurer's mailbox within three business days.

3.5.4. Debit card transactions are processed and reported in the monthly church financial report, just like all other bills, and are assigned to the appropriate budget line items.

4.0. Money Management and Separation of Duties

4.1. Enon UMC money management falls into two categories—incoming and outgoing.

4.1. Incoming.

4.1.1. All donations and tithes, as well as specified donations, reimbursements, refunds, Preschool receipts, etc., are processed through the official Enon UMC books as incoming funds. All incoming funds, regardless of source, shall be deposited into the official Enon UMC checking account.

4.1.2. Any EUMC member who directly receives funds for any EUMC purpose shall promptly turn the funds in to the church office for deposit. For example, the total amount of donations provided for bereavement meals during a bereavement meal would be deposited into the bereavement meal funding line.

4.1.3. Inbound Bounced Checks. In the event Enon UMC or Enon UMC Preschool receives a check rejected by the church bank (insufficient funds, closed account, etc.), the Treasurer shall obtain specific check information and notify the appropriate party. If funds are not rectified, the Treasurer will notify the Finance Chair for further action.

4.2. Outgoing. All outgoing disbursements (bills, payroll, donations, Preschool expenses, etc.) from the checking account shall be made via check, electronic funds transfer, or PNB automatic bill pay.

4.3. Financial Secretary (volunteer position). Handles incoming funds primarily from Sunday offerings received and checks received via mail (“counts money”). The Financial Secretary should not be a member of the Treasurer’s immediate family. The Financial Secretary position may be assigned to more than one person. Responsibilities include, but are not limited to:

4.3.1. Collecting and counting incoming funds (from worship, Sunday school, church events, mail, electronic deposit, Preschool receipts, etc.) on a weekly basis. (The exceptions are proceeds from the PayPal Giving Fund, Kroger Community Rewards, etc., which are deposited directly.) All unspecified donations and tithes will be handled in a confidential manner. Any receipt other than an unspecified general donation or tithe shall be broken out, and all donor-provided instructions shall be recorded on the weekly Financial Secretary counting record and deposit report. This includes, but is not limited to, such transactions as receipt of refunds, reimbursement for Sunday School or Bible Study material, flower orders, sale of church property, Bureau of Workers’ Compensation refunds, detailed info for 1034-series donations, etc.

4.3.2. Depositing all funds into the Enon UMC financial institution no less frequently than once per week. The Sunday collection must be deposited, and the Sunday deposit report sent out, no later than end of day Monday. End-of-year deposits may specifically require more than one deposit per week.

4.3.3. Reporting the results via weekly email to sundaydeposit@enonumc.com, which automatically notifies the AdCon Chair, Finance Committee Chair, Treasurer, Pastor, Administrative Assistant, and Memorial Committee Chair.

4.3.4. Attending Finance Committee meetings.

4.3.5. Attending AdCon meetings.

4.3.6. Retrieving communications from the Financial Secretary box at Enon UMC at least once per week.

4.3.7. Collecting and counting funds in the presence of at least one additional person. The Finance Secretary shall notify the Finance Committee at the first meeting of each calendar year about the Secretary’s strategy to ensure at least two people are present to count funds.

4.3.8. Maintaining records of each identified individual or family’s gifts on an annual basis, reporting a summary to each, and making certain records available for an annual financial review/cross-check.

4.3.9. Being accountable to the charge conference through the church council.

4.3.10. Preparing and mailing thank-you letters when requested by donor financial organizations.

4.4. Treasurer (volunteer position). Handles outgoing funds (“writes checks/pays bills”). The Treasurer should not be a member of the Financial Secretary’s immediate family. The Treasurer is responsible only for the main church checking and savings accounts. The Treasurer is not responsible for management or oversight of any funds maintained by any other organizations operating within the church if those funds do not go through the main Enon UMC checking account. Responsibilities include, but are not limited to:

4.4.1. Managing the dual record-keeping system (Quicken and Excel) for all transactions into and out of the Enon UMC financial institution as well as savings accounts, CDs, investments, etc.

4.4.2. Retrieving communications from the Treasurer box at Enon UMC at least once per week.

4.4.3. Reviewing church expense forms to ensure they are mathematically accurate, properly executed, and have transparent and traceable supporting documentation. The Preschool Director is responsible for ensuring accuracy of Preschool expenses prior to submission.

4.4.4. Signing and issuing checks in a timely manner and maintaining transparent, traceable payment records.

4.4.5. Reconciling the primary checking account and creating monthly and yearly finance reports. The Treasurer distributes these reports to all positions and/or persons identified on the list on the website.

4.4.6. Entering hours and running payroll. (Only applies if Treasurer is also the Payroll Clerk.)

4.4.7. Managing the annual budget cycle process.

4.4.8. Maintaining an up-to-date list of budget accounts.

4.4.9. Maintaining the Requirements Book.

4.4.10. Preparing Treasurer Reports for Finance Committee meetings and any other necessary purposes.

4.4.11. Preparing monthly and yearly reports for the Parish Voice.

4.4.12. Attending Finance Committee meetings.

4.4.13. Attending AdCon meetings.

4.4.14. Acting in a fiduciary capacity and maintaining compliance with applicable governmental tax guidelines of which the Treasurer is advised.

4.4.15. Forwarding benevolence funds to the conference Treasurer on a monthly basis.

4.4.16. Being accountable to the charge conference through the church council.

4.4.17. Approving minor expenses directly associated with Treasurer's budgeted line item, such as printer ink and envelopes.

4.4.18. The Treasurer is not responsible for reconciling any deltas between Preschool lines in the Enon UMC financials and the actual Preschool budget management system. This responsibility belongs solely to Enon UMC Preschool Director unless determined otherwise by the Preschool Advisory Board (PAB).

4.4.19. The Treasurer is not responsible for investigating or resolving electronic funds transfers that were not generated by the Treasurer. (For example, subordinate organizations can set up electronic funds transfers that appear in the Treasurer's list of church electronic bill payees.) The Treasurer is responsible for notifying church leadership of any discrepancies with electronic bill payments once they are noted in the monthly statement so church leadership can investigate.

4.4.20. The Treasurer is not responsible for actions which generate bills for other committees/ministries. For example, SPRC is responsible for completing the annual reconciliation of the Ohio Bureau of Workers' Compensation records, Trustees are responsible for building insurance actions, etc.

4.5. Finance Chair (volunteer position). Leads all financial activities within Enon UMC. Responsibilities include, but are not limited to:

4.5.1. Leading the Finance Committee and guiding the finance team through the year. Preparing agendas, scheduling meetings, and presiding over Finance Committee meetings at a frequency sufficient to efficiently and effectively manage church finances. Bi-monthly meetings are recommended per the Book of Discipline.

4.5.2. Reviewing any and all information about church finances and maintaining current knowledge of financial operations.

4.5.3. Gathering budget requests for Committee review, briefing the congregation on the State of the Budget on an as-needed basis, and making recommendations to AdCon Chair for budget modifications when necessary.

4.5.4. Reviewing Enon UMC financial information used by any employee, staff member, or committee when that employee, staff member, or committee intends to provide such financial information to any entity external to Enon UMC. This includes actual financial information and any information which influences perceptions about Enon UMC financial status. This authority applies regardless of context or however briefly the financial information is used. Any employee, staff member, or committee is required to advise the Finance Chair in advance of information dissemination so the Finance Chair can either (a) meet with the employee, staff member, and/or committee or (b) receive the information in advance of any scheduled meetings or reviews to approve the financial language.

4.5.5. Working with the AdCon Chair, church staff, other committee chairs, and other ministry leaders to fulfill the mission of the church.

4.5.6. Being accountable to the charge conference through the church council.

4.6. Memorial Committee and Memorial Fund.

4.6.1. Fund. Proceeds are designated gifts in memory/honor of Enon UMC members and others associated with Enon UMC or congregants' friends.

4.6.2. Memorial Fund Location. Funds are held within the Enon UMC checking/savings accounts and tracked via Line 1027 in the church financials.

4.6.3. Oversight. The Memorial Committee has sole oversight of memorial funds and determines when disbursements are appropriate. Disbursements are typically for expenses associated with long-term improvements to Enon UMC, generally with a minimum of a 10-year life expectancy. Examples include infrastructure and furnishings. The Memorial Committee may also identify priority projects or ministries toward which it may allocate memorial funds.

4.6.4. Donor Wishes. While specific interests of donors will always be considered, the Memorial Committee may use memorial funds for any purpose it deems appropriate. This applies to every memorial gift the Memorial Committee oversees.

4.6.5. Funds Disbursement. All disbursements flow through the Enon UMC Treasurer.

4.6.6. Exceptions. The Memorial Committee does not have oversight over the following: Nancy C. Vanderglas Endowment, Karen Chrisley Scholarship Fund, and bequests.

4.6.7. Memorial Records. The Memorial Committee shall maintain a permanent record of each Memorial Fund Gift. The following information is included in these records:

4.6.7.1. Name of person in whose memory/honor the gift is given.

4.6.7.2. Date and occasion the gift was received, if applicable.

4.6.7.3. Donor name(s) and address.

4.6.7.4. Description of gift.

4.6.7.5. Description of how the gift, and when the gift, was used.

4.6.8. Memorial Identification. If appropriate when Memorial Funds are used to purchase a tangible asset, a memorial marker may be placed on the object noting it was made possible by the Memorial Fund.

4.7. Rewards Programs. Enon UMC participates in retail rewards programs as a registered charity. Proceeds are maintained in the 1,000-series lines in the monthly financial reports, under the control of the Finance Committee. Enon UMC is currently registered with these programs:

- 4.7.1. AmazonSmile (Amazon announced plans to shut down AmazonSmile in Feb 2023)
- 4.7.2. Kroger Community Rewards

5.0. Requirements and Budget (R&B)

- 5.1. Enon UMC's fiscal year is the calendar year. The R&B cycle is comprised of two parts.
 - 5.1.1. "Requirements" are those things required to carry out the mission of Enon UMC. Requirements are documented in the Requirements Book maintained by the Treasurer and brought to all Finance Committee and AdCon meetings. The Requirements book is the sole authoritative source for capturing such things as changes, explanations, and past performance.
 - 5.1.1.1. Committee Chairs/Ministry Coordinators submit their requirements during the R&B cycle. Some requirements may be funded. Other requirements may be unfunded until such time funds are available. All requirements must tie directly to the Enon UMC Mission Statement.
 - 5.1.1.2. Requirements will be prioritized during the R&B cycle by the Finance Committee. One of two methods will be used, depending upon the current fiscal climate:
 - 5.1.1.2.1. A 1-to-N list based upon priorities and broken out into two overarching categories: "Must Pays" (contractual obligations, payroll, and things required to maintain a facility for worship) and "Discretionary" (everything not contractually obligated or required to maintain a facility for worship).
 - 5.1.1.2.2. A simpler prioritized categorization of High, Medium, and Low.
 - 5.1.2. "Budget" is the document detailing how much money is designated to pay for each Requirement. This is commonly referred to as the "annual budget." The budget must be realistic based upon two sets of data: (1) submitted requirements and (2) budgeted income past performance.

5.2. R&B Cycle. The annual R&B cycle commences in the Fall for the following calendar year. The Treasurer provides data and instructions to all Committee Chairs/Ministry Coordinators. The Treasurer processes all recommendations and prepares final proposed documents for Financial Committee review and subsequent AdCon review and approval. The R&B cycle must conclude by the end of each calendar year.

5.3. Budget Adjustments.

- 5.3.1. Minor Changes. The Treasurer is authorized to make minor budget adjustments, such as shifting money from one line item to another. Minor adjustments do not increase or decrease the dollar amount of the approved annual budget.
- 5.3.2. Major Changes. If there are major budget adjustments such as newly identified cost reductions, staff/salary changes, etc., the Finance Committee will prepare a modified budget and submit to AdCon for approval. The Treasurer will inform the Finance Committee Chair if budget adjustments are indicated and prepare supporting documentation.

5.4. Budget Distribution.

- 5.4.1. The complete annual budget will be distributed to all committees and the AdCon.
- 5.4.2. A consolidated annual budget, with only main category (committee) breakouts, will be provided to the congregation.
- 5.4.3. Any Enon UMC member desiring a complete copy of the budget may request a copy at the Church Office.

5.5. Budget Approval:

5.5.1. Finance Committee presents the final recommended budget to the AdCon in time for AdCon approval by 31 December annually.

5.5.2. AdCon is responsible for approving the annual budget, reviewing it quarterly, and proactively addressing shortfalls.

6.0. Contracts

6.1. Only the AdCon Chair has authority to sign formal contracts or instruments legally and/or financially obligating Enon UMC. This includes, but is not limited to, such things as construction, services, pastor salary package documentation, etc.

6.2. Any person and/or Committee/Ministry requiring contractual support must present the mission need for the contractual support to the AdCon for review and determination.

6.3. Any person other than the appropriate church representative who signs a legally binding contract obligating Enon UMC who was not authorized may be held responsible for resulting debt incurred.

6.4. While SPRC recommends and/or signs paperwork associated with setting the pastor's salary and compensation package, the Enon UMC SPRC Chair will review the compensation package with the Finance Chair and Treasurer before the submission per the Book of Discipline.

7.0. Payroll

7.1 Payroll Company. Paychex is the approved payroll company for Enon UMC. The Treasurer and the Finance Chair both have full access. If the Treasurer is not the Payroll Clerk, the Payroll Clerk will also have full access.

7.1.1. Staff members are responsible for creating their own accounts on Paychex and retrieving their own data (pay stubs, etc.).

7.1.2. Staff members are responsible for promptly notifying the Treasurer of any payroll-related changes.

7.1.3. Pay periods are bimonthly, on the 15th and the last day of the month. If the pay date falls on a weekend or holiday, the pay date is the business day before.

7.1.4. The Treasurer usually runs payroll three business days prior to the actual pay date as Paychex requires two business days of processing time. Salaried staff members have no action. In general, hourly staff members are required to submit timesheets to the Treasurer not later than midnight four business days prior to the actual pay date. The Treasurer sends out notification of the next timesheet due date to hourly staff members after completing payroll. This notification will advise if earlier submittal is required for any reason.

7.1.5. Human Resources Actions. The SPRC is responsible for handling all new employee actions related to payroll and any other necessary actions related to staff members. SPRC must provide the appropriate documentation to the Treasurer for payroll.

7.1.6. Paychex fees are divided between Church and Preschool. The Paychex invoice amount will be divided by the total number of employees paid and/or receiving W-2s reported on the invoice. This figure will be charged for each employee and billed to Church and Preschool according to the number of employees paid/W-2s processed. Any minor leftover amounts after this math will be charged to Church.

7.2. Recording Hours on Timesheets.

7.2.1. Hourly employees shall round time to the closest quarter hour. Fractional hours are reported as the decimals .25, .50, and .75 to reflect 15 minutes, 30 minutes, and 45 minutes, respectively.

7.2.2. Hourly church employees will record all hours worked and planned to be worked for the entirety of each pay period specified above, regardless of the day the timesheet is submitted. If any timesheet changes need to be made, they will be effected by modifying hours on the first day(s) of the following pay period. This will ensure all earned income is paid out in the budget month and year in which it was allocated. (Approved by Finance Chair 1/13/2021.)

7.2.3. Overtime for hourly employees must be requested and approved in advance of working overtime. Overtime for hourly employees is payable at time-and-a-half only for those hours worked in excess of 40 per week. (Per SPRC Chair, 4/3/2022.)

7.2.3. Preschool

7.2.3.1. The Preschool Director and Liaison must verify all math and approve (via signature) all Preschool teacher timesheets before submittal.

7.2.3.2. Hours accrued between the 1st-15th of each month are submitted to the Treasurer after the 15th and are paid on the last payroll of each month. Hours accrued between the 16th and last day of each month are submitted to the Treasurer after the last day of the month and are paid on the 15th of the following month.

7.2.3.3. Preschool sick/vacation/holiday hours. When the school season has two sessions, teachers will charge 7 hours for sick/vacation/holiday hours. (Approved by PAB starting the 2022-2023 school year.)

7.2.3.4. All Preschool pay rate changes will be documented on the Preschool's "Employee Salary Authorization Form" and signed by employee, Pastor, Preschool Director, and PAB member. Completed forms must be provided to the payroll clerk prior to the new pay rate actually being paid out in payroll.

7.3. Annual "Love" offerings/gifts.

7.3.1. These are special donations received annually during December. SPRC sends out an annual love offering letter of instruction.

7.3.2. Parishioners determine if they want to pay recipients directly or make a donation through the church books.

7.3.3. Donations through the church books are taxable income paid out as bonuses in the last paycheck of December. These gifts are documented in the Treasurer's Reports and identified in the Parish Voice for congregation awareness.

7.3.4. Donations are accepted until the SPRC-stated cutoff (generally around December 20th). This date must be set such that it allows all donations to be paid out during the last pay period in December. The Financial Secretary shall return any donations received after the cut-off Sunday deposit to donors without action.

7.3.5. All paid staff members (not including Preschool) on the payroll as of December will participate in the love offering split. In general, participants receive equal shares of the love offering. SPRC retains the option to adjust the shares to reflect tenure during the year, at its discretion, and must notify the Treasurer.

7.3.6. If a position was occupied by more than one person during the year, SPRC may, at its discretion and by a motion, split that position's love offering amongst those who occupied the position in shares proportionate to their periods of service.

7.3.7. Preschool: These specific gifts do not apply to Preschool staff.

7.4. Salaries.

7.4.1. All non-Preschool salaries and hourly rates are recommended by SPRC, reviewed by Finance, and approved or rejected by AdCon. Specific church operating circumstances could necessitate SPRC temporarily changing some salaried staff positions to hourly, such as during pandemics. In such cases, SPRC will set the hourly rate.

7.4.2. Preschool: All Preschool salaries and hourly rates are approved by the PAB, after reviewing Preschool cash flow projections and Preschool budget.

7.4.3. Pastor's Salary Package.

7.4.3.1. Current Pastor. This requires approval at the annual church conference or charge conference. SPRC will prepare pastoral salary package recommendations far enough in advance to permit proper review by both the Finance Committee and AdCon before the annual conference.

7.4.3.2. Incoming Pastor. Similar to Section 6.4, SPRC must notify the Finance Chair and Treasurer to jointly review the proposed compensation package for the Pastor before it is submitted to the District Superintendent.

7.4.3.3. Pursuant to IRS and WOC guidance confirmed in September 2022 by both WOC and a CPA, pastors are considered self-employed for purposes of Social Security and Medicare. Enon UMC shall ensure Paychex does not (a) withhold Social Security and Medicare from the pastor's pay nor (b) charge Enon UMC for the pastor's portion of each payroll FICA bill. Pastors are responsible for paying Social Security/Medicare/FICA taxes independently to the IRS and are urged to seek private tax consultation advice. Enon UMC will, at the pastor's discretion, withhold Federal and State taxes.

7.5. City Tax. Enon has no city tax. Enon UMC does not process city tax payments or include city tax payments in payroll. Staff members obligated to make city tax payments are solely responsible for making those arrangements.

7.6. Employment Termination. When employment ends, the Treasurer shall withhold from the last paycheck any expenses already paid on the employee's behalf but which, due to date of employment termination, may not have been captured through normal payroll deductions. If the employee is due a refund of any portion of money already paid through employee deductions, the employee is responsible for obtaining refunds from the organization to which the funds were paid.

7.7. Staff Substitutes. For all paid positions but the pastor and Preschool, any compensation for substitutes must be worked out between the staff member and the substitute. Staff members will be responsible for paying substitute compensation, if any, from their personal funds.

8.0. Bill and Expense Payment

8.1. Payouts.

8.1.1. All payouts shall be in the form of a check or electronic fund transfer drawn on the Enon UMC financial institution.

8.1.2. All routine, recurring bills will be paid promptly with no need for an Enon UMC Expense Allocation Form or other approval. This includes such things as utilities, scheduled Outreach payments, etc.

8.1.3. Only the AdCon Chair or Finance Committee Chair can direct the Treasurer to issue checks in absence of required documentation being provided. If exercised, such direction shall be sent via email so it can be printed and attached to the check stub for future reference by cross-checkers.

8.1.4. For any given Committee/Ministry, no person outside that Committee/Ministry can order supplies or incur costs for that Committee's/Ministry's budget lines without the express prior approval of the Committee Chair/Ministry Coordinator.

8.1.5. Anyone incurring a bill which obligates Enon UMC must ensure it is submitted to the Treasurer, with the Expense Allocation Form, in time for payment by the due date. Bills submitted to the Treasurer after the due date are subject to being returned to the submitter for direct payment by the submitter. The submitter would then request reimbursement.

8.2. Committee Chair/Ministry Coordinator Responsibilities.

8.2.1. Ensure 100% of the funds needed for any special purchases—such as special flower orders—have been received prior to incurring debt on the part of Enon UMC.

8.2.2. If 100% of the funds have not been received, either delay purchase or reduce purchase quantity to be less than or equal to the funds received.

8.2.3. Research and resolve any financial issues arising from transactions in their line items and advise Treasurer in a timely manner so bill can be paid.

8.2.4. When advised by Treasurer, contact recipient of uncashed checks to determine check status.

8.3. Treasurer Responsibilities.

8.3.1. Ensure appropriate supporting documentation is attached to expense forms.

8.3.2. Ensure math on church expense forms is accurate.

8.3.3. Advise Committee Chair/Ministry Coordinator if additional action is required prior to bill payment.

8.3.4. Suspend payment actions until issues are resolved or until either the AdCon Chair or Finance Chair directs payment in absence of completed records.

8.3.5. If something is amiss with the expense, promptly notify Finance Chair and AdCon Chair for awareness and intervention when appropriate.

8.3.6. Monitor uncashed checks, and notify Committee Chair/Ministry Coordinator about any uncashed checks that linger (typically after two bank reconciliation periods).

8.4. Enon UMC Expense Allocation Form. This form is required for all non-routine bills and expenses. The current form is available on the Enon UMC website under "Resources." The term "total expense" as used below means the "Total Expense" line on each Expense Allocation Form.

8.4.1. For each check to a unique recipient that needs to be written, a separate signed Expense Allocation Form (and supporting documentation) is required.

8.4.2. If another Committee/Ministry is involved with the transaction (such as using money from pot A to pay a bill for pot B), that Committee Chair/Ministry Coordinator must also sign the expense form.

8.4.3. If not included on the receipt or invoice, include the payee's complete mailing address (or other specific instructions for check handling requested).

8.4.4. Expense Allocation Form Signatures.

8.4.4.1. Paid staff, total of cited expenses \$100 or less: Staff member signs form and submits to Treasurer. If the expense uses another committee's money, that Committee Chair/Ministry Coordinator must also sign the form.

8.4.4.2. Paid staff, total expense over \$100: Staff member signs form and submits to Pastor or AdCon Chair for second-level signature before submitting to Treasurer. If the expense uses another committee's money, that committee's chair must also sign the form.

8.4.4.3. Committee volunteers, total expense \$100 or less: Committee Chair/Ministry Coordinator signs form and submits to Treasurer.

8.4.4.4. Committee volunteers, total expense over \$100: Committee Chair/Ministry Coordinator signs form and submits to Treasurer. Treasurer will request AdCon Chair approval for payment.

8.4.4.5. If the Committee Chair/Ministry Coordinator position is vacant, the Pastor or AdCon Chair are authorized to sign.

8.4.5. Expense Allocation Form Supporting Documentation. The form submitter shall provide supporting documentation for each form submitted before money will be disbursed.

8.4.6. If the church debit card will be used for the purchase, the person requesting this payment method will provide a completed, signed expense form to the Administrative Assistant. After the Assistant receives the completed expense form, the Assistant will make the debit card purchase.

8.5. Pastor's Expense Account.

8.5.1. The Pastor shall submit expenses to SPRC on a monthly basis. SPRC shall promptly process and submit to Treasurer. These expenses are deducted from the Pastor's Expense Account.

8.5.2. SPRC shall ensure submitted expenses comply with this policy.

8.5.3. This account shall not be used to procure furniture, fixtures, and equipment. See Section 12.0.

8.5.4. Expenses incurred under this account must be solely for the benefit of Enon UMC, its mission, and/or its ministries. Ordinary and reasonable pastor expenses typically include, but are not limited to, private auto mileage, religious books/subscriptions and reference material, professional dues, vestments, lodging and meals while traveling, continuing education, and entertainment related to church business.

8.5.5. Expenses such as office supplies, postage, computer supplies, etc., will not be purchased via the pastor's expense account but paid for out of appropriate church budget lines.

8.5.6. Adequate accounting will be provided for all expenses claimed. Documentation must include time, place, purpose, and business relationship (if not clearly understood). Receipts must be included, except for mileage. Exception: Identifying information that would compromise pastor confidentiality may be excluded.

8.6. Incoming Pastor's Moving and Readiness Expenses. All expenses paid out of this fund are taxable to the incoming pastor, even those paid directly to other organizations, such as a moving company. (Per West Ohio Conference Chief Financial Officer Bill Brownson in a FaceBook Live event held 1/7/2021.)

8.7. Church Postage. Due to postage cost increases, lost mail sent via USPS, and scheduled USPS slowdowns, the following guidance applies:

8.7.1. The preferred medium for all church communications is email, which results in direct postage savings. EUMC already pays for email services.

8.7.2. For members who cannot access email, USPS mailings will be sent. These may be postcards or letters, at the discretion of the Administrative Assistant.

8.7.3. Church committees desiring only hard-copy letters instead of emails will pay for postage out of their budget lines.

9.0. Other Organizations under Enon UMC Umbrella

9.1. There are other organizations at Enon UMC (or which use Enon UMC facilities) which use the Enon UMC EIN for their financial accounts. Known organizations at the time this document was signed, and where funds are held, are as follows:

9.1.1. American Heritage Girls 3617 (at PNB)

9.1.2. Boy Scout Troop 17 (at PNB)

9.1.3. Cub Scout Pack 36 (at PNB)

9.1.4. Preschool (all funds part of main church accounts at PNB)

9.2. If these organizations require any action from Enon UMC to conduct their financial business, the organization's treasurer will draft a letter for the request, e.g., adding another person to the organization's bank account, then submit the letter to the Finance Chair. If the Finance Chair concurs with the proposed action, the Finance Chair will sign the letter and return to the organization. The organization will deliver the letter to the bank.

9.3. The Susannah Circle has funds but does not use the Enon UMC EIN. The account is maintained at Wesbanco in Enon, and the Circle manages the account independently of Enon UMC. Funds are primarily used for such things as bereavement meals, camperships, memorial donations, etc.

9.4. To provide appropriate oversight to the subordinate organizations identified in para 9.1., AdCon shall appoint one or more volunteers as liaisons between each organization and Enon UMC. (The Preschool liaison is the PAB.) The volunteer(s) are responsible for the following:

9.4.1. Completing annual cross-check of financial records not later than end of the first quarter, for the preceding calendar year.

9.4.2. Ensuring each organization maintains and pays for its own liability insurance.

9.4.3. Providing proof of each organization's liability insurance to the AdCon Chair annually. If no insurance exists, Enon UMC may, at its option, purchase the insurance. The subordinate organization will be required to pay the cost.

9.4.4. Ensuring each organization's Treasurer maintains bank statements and makes them available to support the annual cross-check. AdCon retains the option of appointing a volunteer

(and completing required paperwork) to retrieve statements directly from PNB. (Preschool is excluded from this requirement as Preschool funds are held within the main church account.)

10.0. Other Church Holdings

10.1. Other financial institutions may hold other Enon UMC funds. Some accounts cannot be moved. For those that can, only the AdCon Chair can authorize changing the financial institution. Following is the list of accounts held outside PNB:

10.1.1. Farmers and Merchants Bank (formerly known as Perpetual Federal Savings), Urbana OH: This account has one certificate of deposit comprised of a portion of the proceeds from the parsonage sale. No statements are generated for this account.

10.1.2. Edward Jones (EJ): This account holds funds from the Karen Chrisley Scholarship Fund bequeathed to Enon UMC. Monthly statements are electronic only; distribution is Treasurer (for financial tracking purposes) plus Mike Bennett and Al Bailey, two of the named Scholarship Committee members.

10.1.3. Springfield Foundation: This account holds funds from the Nancy C. Vanderglas Fund bequeathed to Enon UMC. Hard copy statements are sent quarterly.

10.2. Parsonage Sale Proceeds.

10.2.1. These funds (roughly half of which resides in one certificate of deposit at Farmers and Merchants Bank and the other half in PNB savings) are restricted according to rules which require the funds to be spent only for infrastructure-related purposes. (The interest is not restricted.)

10.2.2. Oversight. Only the Finance Committee and AdCon can determine the appropriate expenditure of funds from this account. Approval by the District and/or Conference may be required.

10.2.3. Funds disbursement. For all funds originating from Farmers and Merchants Bank, the bank shall issue a check to Enon UMC, the Financial Secretary will deposit the check, and the Treasurer will issue checks for the approved purpose.

10.3. Karen Chrisley Scholarship Fund.

10.3.1. The sole purpose of the fund is to provide scholarships to students who have completed at least one quarter or semester.

10.3.2. Oversight. A Scholarship Committee was formed in 2021, and it defines the exact process to apply for scholarships. Committee members are specifically named volunteers; membership is not role-based. Committee membership is visible on the Enon UMC website under "About Us."

10.3.3. Funds disbursement. The Scholarship Committee is authorized to determine the most efficient method for drawing funds and preparing award checks.

10.4. Nancy C. Vanderglas Fund.

10.4.1. This account has no known restrictions.

10.4.2. Oversight. Only the Finance Committee and AdCon can determine the appropriate expenditure of funds from this account.

10.4.3. Funds disbursement. For all funds originating from the Springfield Foundation account, the Foundation shall issue a check to Enon UMC, the Financial Secretary will deposit the check, and the Treasurer will issue checks for the approved purpose.

10.5. Church Property. In addition to the church building, Enon UMC owns the Harrison Street House (HSH) and the Boy Scout storage building and parking area on Broadway. If any of these properties are sold, proceeds will be managed in accordance with existing guidance within the Book of Discipline or, in absence thereof, in a fiscally prudent manner as determined by the AdCon Chair, Finance Chair, and Treasurer. If possible, the congregation shall be included in decisions about any such sales.

11.0. Enon UMC Preschool

11.1. The Enon UMC Preschool is considered a separate entity operating within the Enon UMC church, primarily in the Marti Ventolo Education Wing. The Preschool operates under the Enon UMC EIN. In May 2021, after queries by the District Superintendent, the AdCon and Finance Chairs made the decision the Preschool will continue to run as it always has; e.g., Preschool employees will not move under SPRC, and Preschool income and expenses will not be included in budgeted lines but continue to be managed within the "nonbudgeted" portion of the Enon UMC financials.

11.2. The Preschool has historically received the benefit of a number of expenses underwritten by Enon UMC donations and tithes including free rent, electricity, gas, and water.

11.3. The Preschool is responsible for paying its fair share of other expenses such as phone, internet, cleaning expenses, copier, etc. This also includes bookkeeping services provided by the Church Administrative Assistant, whose salary has been paid entirely out of budgeted income. These bills will be reviewed, selected, and fair-share amounts set by the PAB each year before the Preschool budget is finalized.

11.4. Enon UMC Expense Allocation Form. Preschool submissions by the teachers shall be signed by the Preschool Director. Submissions for Director reimbursement shall be signed by a member of the PAB. There are no financial thresholds. Refer to Section 8.4 for procedures relating to submitting forms. Preschool shall submit expenses to the Treasurer on a monthly basis. Teachers making Preschool purchases must break out any personal purchases and pay for Preschool purchases separately from personal purchases (separate receipts). The Treasurer is not responsible for the accuracy of preschool expense forms. The responsible parties are the submitter, the preschool director, and the PAB liaison.

11.5. Tuition Reimbursement (or other parental reimbursement).

11.5.1. Any request must include a copy of the child's tuition history record clearly showing the overage or amount to be reimbursed. The record must include both the child's name and the adult's name (and address) to whom the check is to be issued.

11.5.2. The Treasurer will issue refunds by check after receipt of a properly executed Expense Allocation Form, regardless of the manner in which the parent originally paid the fees to be reimbursed.

11.6. Fee Payment. Cash payments are prohibited, and no Preschool employee is permitted to accept cash payments for any reason. Allowable forms of Preschool payment are: Check, money order, and cashier's check.

11.7. Preschool Budget. The Preschool fiscal year starts July 1 and ends June 30. The Preschool budget cycle is independent of the church budget cycle. The PAB shall create a solid draft budget prior to the annual open house for parents. This budget will factor in known expenses for the prior school year. The PAB Liaison shall submit the final budget to AdCon for approval not later than the September AdCon meeting.

12.0. Church Furniture, Fixtures, & Equipment (FFE)

12.1. FFE Ownership. FFE includes, but is not limited to, decorative items, computer hardware, technical equipment, computers, cameras, recording devices, kitchen equipment, preschool equipment, altar elements, etc. FFE purchased for or gifted to Enon UMC, or purchased with Enon UMC funds, belongs solely to Enon UMC, regardless of who purchased it, who donated toward the cost, or what budget line covered the expense.

12.2. FFE Procurement.

12.2.1. FFE can only be procured if in direct support of Enon UMC mission or ministries, regardless of the source of funds used to cover the expense.

12.2.2. No one shall purchase, or recommend the purchase of, FFE when that use will likely be followed by a purchaser request to transfer the FFE to purchaser's possession through a sale where Enon UMC must absorb part of the cost through depreciation.

12.3. Removal of Church FFE. Only the AdCon Chair can authorize removal of any FFE from church property for use at home whether to staff, volunteers, or parishioners. Authorization will be in writing for a period not to exceed one year or conclusion of term of employment/volunteering, whichever is earlier. The AdCon Chair can renew authorizations as he/she deems appropriate. Such removal and approval will be documented in AdCon meeting minutes.

12.4. Technology Equipment. All new technology equipment desired, regardless of intended use, shall be requested through the IT Director and Finance Chair in order to ensure the planned purchase meshes with the church IT portfolio. There are no exceptions. (Passed by motion at the July 2021 Finance meeting.)

12.5. Disposition of FFE.

12.5.1. Only the AdCon Chair, after consulting with the Finance Chair, can approve the sale, permanent transfer, or other disposition of church property. No one else is authorized to dispose of FFE.

12.5.2. Any Committee/Ministry or staff member desiring to sell or transfer church property must document the request and provide written justification to the AdCon Chair for review.

12.5.3. Approved sales and transfers will be documented in AdCon meeting minutes for transparency and traceability.

12.5.4. Any transfers and/or sales will be at a fair market value. The price must be researched, documented, and presented for approval by the individual recommending the sale.

12.5.5. The purchaser must pay for the FFE at the time of transfer.

12.5.6. FFE will not be gifted to anyone as this incurs a taxable situation.

13.0. Financial Policy Maintenance and Annual Review

13.1. The Finance Committee is responsible for creating and maintaining this policy. Updates shall be made whenever necessary and coordinated with stakeholders prior to signature.

13.2. The Finance Committee and AdCon shall review this policy no less frequently than once every 12 months from signature date below.

Vicky Shimp
Vicky Shimp, Finance Committee Chair

3/13/23
Date

Suzie Clendenin
Suzie Clendenin, Administrative Council Chair

4.4.23
Date

