

Presbytery of Des Moines

Financial Policies

Objective:

These policies are intended to provide assurance that the financial resources of the Presbytery are managed in accord with the direction of the Leadership Council and Committee on Budget and Finance. The Presbytery's Leadership Council shall supervise the management and expenditure of the budget on recommendation from its Committee on Budget and Finance. The Presbytery Treasurer, Executive Presbyter, and Stated Clerk shall be authorized to sign checks and shall be bonded. The insurance policy of the presbytery shall include the bonding of all persons who handle money; property and vehicle coverage; and liability, in amounts deemed adequate by the Committee on Budget and Finance.

Responsibilities:

The Leadership Council and the Committee on Budget and Finance are jointly responsible for establishing the policies and practices under which financial management will be governed. The staff is responsible for assuring that all policies and practices are being followed. The fiscal year shall be the same as the calendar year.

Roles:

1. The Leadership Council will ensure creation of strategic plans setting the direction for Presbytery activities.
2. The Committee on Budget and Finance will prepare and recommend to Presbytery an annual budget consistent with the strategic plan. The budget will be approved by Presbytery prior to the beginning of each fiscal year.
3. The Committee on Budget and Finance will also be responsible for monthly oversight of financials; investment policy and oversight of investments; financial risk management, including oversight of insurance coverage; and reporting to the Leadership Council and to Presbytery.

Expense Reimbursement:

Vouchers for specific purposes will have receipt(s) attached for expenses other than mileage reimbursement. The mileage rate shall be the approved IRS rate. These vouchers must be signed by the moderator of the committee, a staff person, Stated Clerk or others authorized by the Leadership Council. Vouchers will be paid at least monthly. No one is authorized to sign their own voucher. Vouchers will be submitted within 30 days of incurring the expense or before January 10 of the New Year.

Presbytery checks should be cashed within 30 days; after 90 days the recipient will be notified. Payment will be stopped on checks not cashed after one year.

Any motions on the floor of the Presbytery meeting having fiscal impact on the Presbytery, or any requests for Presbytery funds beyond the budget, shall automatically be referred to the Leadership Council for consideration, including review by the Committee on Budget and Finance.

Accounting Policies:

1. The Presbytery will use Generally Accepted Accounting Principles (GAAP) as its financial reporting framework.
2. Monthly financials will be prepared by the Presbytery's accounting firm in collaboration with staff and will be reviewed monthly by the Committee Budget and Finance.
3. The Presbytery will engage with an external accounting firm to conduct an annual audit of its finances. The audit will be reviewed by the Committee on Budget and Finance, which will recommend its approval to the Leadership Council.
4. The Presbytery will adopt a conflict of interest policy applicable to all staff, members of the Committee on Budget and Finance, and Leadership Council.
5. The Presbytery will adopt and comply with a records' retention policy.
6. Presbytery staff will follow all accounting processes and procedures that have been approved by the Committee on Budget and Finance and the Leadership Council.
7. Presbytery funds may be commingled in deposit in order to earn maximum interest and give the greatest convenience for payments.
8. *Checks for greater than \$10,000 will require two approved signatures with the exception of payments to the Synod of Lakes and Prairies and General Assembly.*

Cash Management:

1. Presbytery staff will assure that sufficient cash is on hand to meet financial obligations and that cash is deposited in an FDIC-insured financial institution. The presbytery shall maintain an unrestricted Reserve Fund to cover cash flow and meet contingencies and emergencies. The normal minimum amount of the reserve shall be one-half of the current year's operating budget. Expenditures from the Reserve Fund shall only be by action of the Presbytery on recommendation of Leadership Council.
2. *The offering at each presbytery worship service shall be counted by two members of the host church with a report of the total presented to the stated clerk. The offering should then be deposited by the host church and a check written to the presbytery for the reported amount. If that is not possible the offering should be placed in a sealed envelope and presented to a presbytery staff person or officer other than the stated clerk for delivery to the office and deposit.*

Donations Designation:

1. All donations will be classified in one of two categories:

- a. Operating funds. These are funds donated without restriction and are used as the staff determines need, according to the budget and strategy of the Presbytery.
 - b. Designated funds. These are donations with specific use restrictions initiated by the donor. These funds will be segregated for accounting and investment purposes. Staff will report annually to the Committee on Budget and Finance and Leadership Council and donors on the funds being used for the defined purpose.
2. Presbytery staff will insure that all spending requirements attached to any restricted, designated, or grant-funded resources are tracked and complied with. Should the Presbytery desire to deviate from any such requirements, permission will be sought from the original funding source and will be documented by staff.

Per Capita and Mission:

Churches unable to pay their full per capita will request in writing their plan for per capita payment to the Budget and Finance Committee for approval. If the church chooses to withhold its per capita payment to make a statement they should present a plan in writing to the Budget and Finance Committee for how these per capita dollars will be used to support mission of the Presbyterian Church (U.S.A.).

Approved February 2018

Amended August 2019