

Freedom Fellowship Church

Finance / Budget Guidelines and Procedures

Governance

The Finance and Budget Ministries of Freedom Fellowship Church (FFC) will be managed by the Finance Committee. This committee is made up by the: Finance and Budget Managers, and two selected committee members from qualified covenant members of FFC in good standing (See Church Constitution, Article VIII and Article I, Item 4 of the Bylaws below).

CONSTITUTION: ARTICLE VIII – FINANCES

All funds for the maintenance of the assembly shall be provided by the tithes, offerings, and gifts of those in fellowship with and or in support of the assembly. The Board of Elders shall administer these funds. (Mal. 3:10; Lk. 6:33; I Cor. 16:1,2; II Cor. 9:6-8).

BYLAWS, Article I, Item 4. Other responsibilities of Elders

The Elders shall decide upon operational policies and guidelines, membership requirements, discipline, and other procedures not covered by these By-Laws. The Elders shall appoint Home group Leaders, Deacons, Trustees, and other positions or ministries as deemed necessary for the proper functioning of the church. The term of office and the powers delegated are at the discretion of the presbytery. Any action of the Presbytery is binding upon members of FFC, except as otherwise provided by these By-Laws.

The Elders shall be responsible for the determination of need, the selection, and the supervision of salaried positions. A Salary Review Board made up of non-salaried church members shall be appointed by the Presbytery and will work in conjunction with the Presbytery to determine salaries, benefits and other compensations of salaried staff.

- ✓ The Finance Committee will fall under the authority of the Elders and Lead Deacon until such time an Elder is appointed to oversee church administration.
- ✓ All financial decisions will be approved by the Elders who guard the spiritual direction of the Church. The Financial committee will work with the Elders to ensure adequate stewardship is adhered to.
- ✓ The finances of the church are not a “Loan Pool”. Loans will not be made from the finances of the church.

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Finance / Budget Guidelines and Procedures

Guidelines

Article I, Section E of the Bylaws state,

“There shall be a Secretary and a treasurer each of whom shall be an Elder, and one or more Assistant Secretaries and Treasurers, to be appointed by the Presbytery. The Secretary shall keep a record of the minutes and shall perform any other duties related to the office. The Treasurer shall be entrusted with the finances of this church, and shall keep an itemized account of all the receipts and disbursements of all monies received. He and/or his assistants shall make all disbursements and reports as directed by the Presbytery. The Treasurer or any other who are authorized to sign checks may not approve or sign checks made out to himself or to his benefit.”

- A. FFC finances will be managed in accordance with God’s word of good stewardship and planning. As such, the church will strive to never operate “*in the red*”. In order to achieve this, at times, it will become necessary to place a “freeze” on all non-essential spending. The goal is to have a minimum of one month’s budgetary expenses on hand in any given month. The elders upon notification from the finance committee are responsible to enact a “freeze” when finances are below monthly budget requirements.
- B. The need to freeze spending and for what period of time, and amount needed to replenish the budget Fund will be recommended by Finance Committee, and approved by and submitted to the Elders/Lead Deacon for action.
- C. The Elder’s will make every effort to establish savings for long term growth plans. This plan should incorporate a 3-5 year plan for church growth. This savings should include but not limited to short and long term investments. The elders will work with the Finance committee to equip, teach and train God’s people on stewardship and encourage individuals to participate in the ongoing vision and mission of Freedom Fellowship Church.

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Finance / Budget Guidelines and Procedures

Procedure

1. Church Budget

- A. A church budget will be established based on the submission of Ministry Budgets.
- B. Priority for church expenditures will always be “essential expenses” first with all other ministries funded based on the priorities as set forth by the church Elders.

2. Ministry Budgets

- A. No church expenses may be incurred without being associated with an “approved” ministry budget.
- B. Ministry budgets must be submitted to the finance committee in the time specified during the formulation of the church budget.
- C. The finance committee will collect, review, and consolidate all ministry budget submissions.
- D. The Finance Committee will present the formulated budget to the Elders and Lead Deacon with recommendations from the committee.
- E. A Final Church Budget will be approved by the Elders and Lead Deacon in conjunction with the recommendations of the Finance Committee. The timeframe for the approval of the final budget will be based on the status of the Funded Budget Funds and the Funding Reserve.

3. Staff Salaries

- A. Salaries for church staff will be reviewed annually to determine if adjustments can be made due to cost of living. Staff salaries reviews will be made done by the Finance Committee and the Elders and Lead Deacon. However, if the salary review involved anyone on the Finance Committee or one of the Elders, that individual may not participate in the review meeting.
- B. The result of salary reviews will be presented to the Elders and Lead Deacon for concurrence.
- C. Annual salaries increases for church staff are not “automatic” but must be done in light of the overall financial health of the church and the prevailing local economy.

4. Writing Checks

- A. Signature authority for check writing privileges against the FFC checking account will be limited to the Finance Manager.
- B. ALL church expenses will be paid by the Finance Manager with a member of the Finance Committee serving as backup.

Freedom Fellowship Church

Finance / Budget Guidelines and Procedures

5. Debit and Credit Cards

- A. Every effort must be taken to limit the use of debit/credit cards to minimize the direct reduction of church cash on hand, without 100% accountability by the Finance Committee.
- B. Debit/Credit cards issued against the church bank accounts must be maintained by the Finance Manager and his/her backup in the church office. Use of debit/credit cards should be kept to a minimum and the usage must be approved by the Finance Committee. The debit/credit cards must be checked out for the purpose approved and returned with a receipt of the purchase.

6. Distribution of Funds from Approved Budgets

- A. In some cases, an approved budget item will need to be paid for directly from church funds. In these cases, the Finance Committee will arrange to pay the vendor directly, or write a check to the ministry for the expense.
- B. In cases where a check is written to the ministry, the ministry leader must provide receipts and all related documentation for that expense, to the Finance Committee.

7. Reimbursement for Expenses

- A. All expense that are not handled in the matter as described in item 6 will be reimbursed to the person who incurred the ministry expenses once a receipt is submitted to the Finance Committee. This payment will be made by check. Submission of receipts for reimbursement must receive the approval of the ministry leader.
- B. The Finance Committee will make every effort to provide reimbursements within 7 days after the receipt of the request, or as soon as reasonably possible.

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