

2023-2024

Finance Handbook

First

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First Baptist Church

Financial Policies

Biblical Basis

“...Sold a field which belonged to him, and brought the money and laid it at the apostles’ feet.” Acts 4:37 (RSV) It is the financial responsibility of the church to be a wise steward of the resources with which God has entrusted us. The church is accountable to its membership to make sure its resources are handled with the highest level of trust and integrity. First and foremost, though, the church is responsible to Almighty God for the stewardship of its funds. If a financial conflict arises, the instruction in Matthew 18 shall be followed as a guiding principle.

Stewardship Emphasis

The First Baptist Church shall conduct an on-going stewardship emphasis to continue the operations of the church for the upbuilding of Christ’s Kingdom.

Unrestricted Gifts

Members are encouraged to support the ministry of the First Baptist Church through regular gifts and offerings to the church’s General Purpose Budget. The General Purpose Budget is a comprehensive spending plan for the church’s ministries.

Designated Gifts

Individuals may give designated gifts for the ministries, organizations and projects that have been approved, undertaken and sanctioned by the church. However, contributions received designated for an organization or project not approved, undertaken or sanctioned by the church, or when the church lacks complete control over its expenditure, shall be entered into a holding account until instructions are received from the church.

Contributions designated to budgeted accounts shall be accepted as contributions to the general budget. Line items in the budget can be changed only by action of the church.

Other designated ministries, organizations or projects can be authorized, undertaken or sanctioned by the church at any time at the request of any church member or any church committee. Special offerings shall only be received when authorized by vote of the church.

All procedures in the Constitution shall be followed regarding Regular and Special Business Meetings of the church regarding the vote on any such receipts or requests.

A list of contributors and their contributions is maintained for Internal Revenue Service record-keeping requirements.

Benevolence Fund

The First Baptist Church, in the exercise of its religious and charitable purposes, has established a benevolence fund to assist persons in financial need. The church welcomes contributions to the fund. The administration of the fund, including all disbursements, is subject to the control and discretion of the Senior Pastor and Deacons or other persons he or she designates to help administer the fund. The group may consider recommendations for use of these funds from any person, but the group is not bound in any way to honor these recommendations. Donors may not recover a contribution because the group failed to honor the donor's recommendation.

The First Baptist Church recognizes that assisting persons in financial need is a continuing mission of the church and has established this fund as an ongoing fund. Should at any time in the future the church vote to close this fund, all monies remaining in the fund at that time will go into the General Purpose Budget.

Also, the Benevolence group should record the required Internal Revenue Service documentation for benevolence requests. The following documentation for benevolence requests should be recorded for accurate record keeping:

1. A complete description of the assistance.
2. The purpose for which the aid was given.
3. The church or Deacon Body's criteria for disbursing assistance under the Benevolence Fund.
4. How the recipients were selected.
5. The name, address, and amount distributed to each recipient.
6. Any relationship between a recipient and officers, directors, or key employees or substantial contributors to the church.

Memorial/Building Fund

The First Baptist Church, in exercise of its religious purposes, has established a Memorial/Building fund to provide for the future needs of the church for major repairs, major remodeling, expansion, or construction of facilities for the church as well as to express the wishes of persons who wish to honor the memory of loved ones who have died. The church welcomes contributions to the fund. The administration of the fund, including all disbursements, is subject to the control of the Grounds, Property, and Space Committee at the discretion of the church body. The church may consider recommendations for use of funds from anyone, but is in no event bound in any way to honor the recommendations. Donors may not recover a contribution on the grounds that the church failed to honor the donor's recommendation.

The First Baptist Church recognizes that planning for future needs is a practice of good stewardship and has established this fund as an ongoing fund. Should at any time in the future the church vote to close this fund, all monies in the fund at that time will go in the General Purpose Budget.

Missions Funds

The First Baptist Church, in exercise of its religious purposes and mission, has established Missions Funds to provide resources for the church, church members, faithful friends, or other worthy persons or organizations spreading the gospel of Jesus Christ. Namely, the primary recipients of these funds are the Southern Baptist Convention's International Mission and North American Mission Boards, the Tennessee Baptist Mission Board, the Holston Baptist Association, the Tennessee Cooperative Baptist Fellowship, the Global Cooperative Baptist Fellowship, and the Main Street Market Food Pantry. The church welcomes contributions to these funds. The administration of the funds, including all disbursements, is subject to the control and discretion of the Finance Committee and the Woman's Missionary Union (Baptist Women). The Finance Committee and Woman's Missionary Union (Baptist Women) may consider recommendations for use of the funds from anyone, but in no event is this group bound in any way to honor the recommendations. Donors may not recover a contribution on the grounds that the committee failed to honor the donor's recommendation.

The First Baptist Church recognizes that spreading the Good News of Jesus Christ is the primary purpose of the church and has established these funds as ongoing funds. Should at any time in the future the church vote to close these funds, all monies in the fund at that time will go in the General Purpose Budget.

Designated Ministries and Activities Funds

The First Baptist Church, in exercise of its religious purposes and mission, has to date established designated funds for other ministries and activities to provide resources for the church and its various ministries and activities. The ministries and activities are the Backpack fund, Youth fund, Children's fund and Vacation Bible School. The church welcomes contributions to these funds. The administration of the funds, including all disbursements, is subject to the control and discretion of the Finance Committee at the discretion of the church body. The Finance Committee may consider recommendations for use of these funds from anyone, but in no event is the Finance Committee bound in any way to honor the recommendations. Donors may not recover a contribution on the grounds that the Finance Committee or church failed to honor a donor's recommendation.

The First Baptist Church recognizes that ministry is a central part of the church's purpose and has established these funds as ongoing funds. Should at any time in the future the church vote to close these funds, all monies in the funds at that time will go in the General Purpose Budget.

Finance Committee and Budget Presentation

The Finance Committee will consist of three (3) members. Nominations to replace those whose terms are expiring shall be made by the nominating committee. They shall have general oversight of all budgetary matters, including planning the church budget for presentation to the church, overseeing expenditures and making recommendations on all financial matters, budgeted or otherwise. The church budget shall be handed out to the congregation no later than the last Sunday in November. It shall be discussed during the next Wednesday evening's service. It shall be voted on, without discussion, at the conclusion of the next Sunday

morning's worship service. The church by majority vote may alter or change this schedule at any time. They shall develop and recommend to the church all financial policies and procedures. They shall prepare the quarterly financial reports to the church. They shall review the financial status of the church and at least annually review and audit the financial records of the church. They shall be responsible for the implementation of all financial recommendations which have been approved by the church or which will be approved by the church in the future which are not inconsistent with this constitution or any amendments thereto. They shall be responsible for seeing that all church offerings are promptly counted and deposited in the bank following each Sunday.

Fiscal Year

The church fiscal year shall be the calendar year.

Financial Records

The First Baptist Church is responsible for maintaining adequate and accurate financial records at the church business office or another secure location within the church physical plant. Members may request to review the financial records, with the exception of the records of contributions by individuals or others to the church, by submitting a written request to the Finance Committee. The Finance Committee will make the financial records available upon this request. The church financial records or duplicates thereof should not be removed from the church premises without the Finance Committee's express approval.

Fundraising Events

The normal practice of the financial operations of the First Baptist Church is for members to give their tithes and offerings through the General Purpose Budget of the church. The Finance Committee may approve other fundraising events. No contribution credit will be given for items purchased at a fundraising event, only donations above and beyond the cost of items purchased will be given contribution credit.

Missions Giving

The First Baptist Church believes in the biblical basis of missions giving as commissioned by the Lord Jesus Christ in Matthew 28:18-20. The church will strive to give at a portion of its unrestricted gifts in the General Purpose Budget to missional causes through missions giving.

Policy on Expenditures

Money shall be paid out only as authorized by the church adopted budget or as voted by the church. The church body, upon the recommendation of the Finance Committee, shall specify budget designees for each budget item and only the designees shall be authorized to purchase or draw against that budget item. Each budget designee shall be responsible for staying within the amount allotted in the budget. The budget designees shall make charges against their budget items in the following manner:

1. A purchase order or purchase order number shall be secured from the church business office before any purchase is made or services secured, except as otherwise provided.
2. The purchase order or the purchase order number shall be given to the merchant or dealer with a request that the purchase order be returned by the merchant with any statement of charges, or the purchase order number be entered on the bill and returned to the church business office in order that incomplete purchase orders may be completed.

When non-budget items are voted by the church body, the above purchase order procedure shall be followed by the person designated to make the transaction. Items for which the Treasurer is specified as the budget designee may be disbursed without obtaining a purchase order. It is not the purpose of the above policy to work any hardship on any person, but only to provide a sound system of budget control to the church.

Disbursement of Funds

The Church Treasurer, Assistant Treasurer or other church member, as designated by the Finance Committee, shall be responsible for signing the checks related to the disbursement of church funds released by the Church Business Administrator from the General Purpose Budget according to the budget adopted by the church body for authorized designated account expenditures. The Finance Committee may approve budget overages between regular quarterly business meetings. Funds shall not be disbursed without an adequate receipt or invoice being provided by the individual requesting the funds. Requests for funds should be given to the Church Business Administrator at least one week in advance of payment.

Contribution Progress Statements

Contribution progress statements shall be provided to each giving unit (individual or household) of the First Baptist Church by the church business office on at least an annual basis, or more often as approved by the Finance Committee.

Church Bank Accounts

The Church Treasurer, in consultation with the Finance Committee, will be authorized to open and close bank accounts under the control and authority of the church. Only those bank accounts controlled by the church may be allowed to use the church's federal identification number.

Property and Liability Insurance

The First Baptist Church shall insure the church's physical plant at its fair market value. At least every three years, the Finance Committee should review the church's current property and liability insurance coverage. Also, the Grounds, Property, and Space Committee should conduct an annual church safety tour, examining all safety equipment for its suitability, lifespan, and usefulness.

Church Credit Card Usage Policy

When goods and services are procured for the church, the vendor should be requested to bill the church so that payment may be made directly to the vendor. This is especially important for large purchases since it will allow the church business office to arrange to make incremental payments if needed.

Church credit cards may be made available to First Baptist Church staff members with the Finance Committee's approval. These cards are to be used only for purchases for use by the church. Statements and sales receipts must be submitted to the Church Business Administrator for processing and filing. Statements shall be submitted in a timely manner.

Facility Usage Fees

Church members and nonmembers can reserve the church facilities for personal use if the reservation is not in conflict with the church's schedule. The Event and Facility Use Policy is on file in the church business office.

