

**First Presbyterian Church  
of Santa Fe**

**Financial Policies Manual**

**2016**

**Approved by Session  
September 21, 2016**



FIRST PRESBYTERIAN CHURCH  
*of Santa Fe*

*Behold. Be still. Become.*

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Santa Fe, NM 87501  
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# I. Institutional Information

## A. Legal Name and Information

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First Presbyterian Church of Santa Fe  
208 Grant Avenue  
Santa Fe, New Mexico 87501

Phone: 505-982-8544  
E-mail: office@fpcsantafe.org  
Website: www.fpcsantafe.org

## B. Tax Exempt Status and Governing Documents

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First Presbyterian Church of Santa Fe (also referred to herein as the “Church” or “FPC”) is a nonprofit, tax-exempt New Mexico corporation organized for benevolent, charitable, educational, mission, and religious service and worship purposes in accordance with:

- Its original, amended and restated Articles of Incorporation and Bylaws.
- The Constitution of the Presbyterian Church (U.S.A.), found in the Book of Order.
- Sections 170(c)(2)(B), 501(a) and 501(c)(3) of Title 26, U.S. Internal Revenue Code.
- The New Mexico Nonprofit Corporation Act.
- The New Mexico Uniform Prudent Management of Institutional Funds Act.
- New Mexico Gross Receipts tax as it applies to 501(c ) (3) Non-Profits.

## C. Statement of Purpose

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First Presbyterian Church of Santa Fe is a part of Christ’s universal church and of the Presbyterian Church (U.S.A.) (hereinafter, “PC(USA)”). It is a fellowship of believers of all ages who profess faith in God, the Creator; Jesus Christ, the Savior and Lord; and the Holy Spirit, the Sustainer. In response to God’s grace, Members and friends of the Church gather together for the service of God as set forth in Scripture, to be a caring, inclusive, reconciling community in Santa Fe and throughout God’s world.

To be that community, we proclaim good news through:

- Worship.
- Sacraments.
- Education.
- Mission.
- Social justice advocacy.
- Pastoral care.

FPC also operates a Child Development Center (CDC) as a community educational outreach program. The CDC is an inclusive and secular preschool for children of age 12 months

through prekindergarten. It is open to families of all faiths and teaches global principles of kindness, tolerance and compassion.

In addition, FPC engages in other charitable, benevolent and educational activities in Santa Fe and elsewhere.

## **D. History**

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The First Presbyterian Church of Santa Fe was officially organized in the Council Chamber in the Palace of the Governors on January 6, 1867. In March of that year, the ruins of an earlier Baptist Church that had failed were purchased along with two acres adjoining that property. The church remains in the same location today, as the oldest continuing Protestant congregation in New Mexico and Arizona.

The Church is part of the Presbyterian Church (U.S.A.), the Presbyterian Synod of the Southwest, and the Presbytery of Santa Fe.

## **E. Governing Council**

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Consistent with the 2015-2017 Book of Order, section G-3.0201, the Session is the governing council of the Church congregation. Financial instructions to PC(USA) churches are in Section G-3.0113, which instructs churches to have an annual financial review, and Section G-3.0205, which instructs Session to prepare and adopt a budget, authorize special offerings and account for disbursements, provide financial information to the congregation, elect a Treasurer, and oversee financial procedures.

## **F. Pastor and Staff**

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The Pastor is the Head of Staff and reports to the Session. As Head of Staff, he or she supervises all Church staff (all employees and contract workers). This Policy sets forth certain financial roles and responsibilities for staff members, which reflect delegations from the Pastor. These staff roles and delegations may be changed by the Pastor without Session approval. Significant changes shall be reported to Session.

## **G. Committees**

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Committees are established by the Session, which designates their authority and responsibilities (Book of Order Section G-3.0109 and FPC Bylaws Article 7). Chairs of committees at FPC are nominated by the Pastor and approved by the Session. Committee chairs and the Pastor select committee members (except for the Nominating Committee, members of which must be approved by the Congregation). Committee Chairs and members are welcome to attend any Session meeting, and Chairs are encouraged to attend Session meetings when pertinent Committee business is before the Session.

This Policy sets forth financial responsibilities of committees relating to expenditures from the annual budget and from Special Purpose Funds. In some situations a committee's

authority may be delegated to a staff member, with the approval of the Pastor. These delegations to a staff member may be changed by the committee without Session approval. Any new responsibilities for a staff member must be approved by the Pastor as Head of Staff.



## II. Policy Scope and Background

### A. Scope

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This Policy is intended to cover all Church financial policies and practices, with the exception of specific financial practices related to employee compensation and benefits, which are set forth in the FPC Human Resources Manual.

This Policy is arranged approximately in the same sequential order as the flow of funds through the Church. Thus, it begins with the Church's receipt of revenues, primarily in the form of gifts; extends through the Church's preparation and execution of an annual budget and its management of current funds, investment assets, and Special Purpose Funds; and concludes with the Church's accounting and financial reporting practices.

### B. Background

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The Church receives virtually all its revenues in the form of gifts (also referred to as donations) from Members of the Church and others. Such gifts are most commonly received in the form of regular pledges and loose plate collections. However, they also include gifts and bequests from wills, trusts and other planned giving instruments; special purpose gifts; and special collections and fund raising campaigns.

In its management, accounting, and reporting of its finances, the Church complies with:

- Applicable accounting and reporting principles, including the Generally Accepted Accounting Principles (GAAP) as prescribed for nonprofit organizations by the Financial Accounting Standards Board (FASB)<sup>1</sup>.
- The New Mexico Uniform Prudent Management of Institutional Funds Act.
- Guidance from the Santa Fe Presbytery and higher councils of the Presbyterian Church (USA).

Responsibility for the administration of this Policy resides with:

- The Committees on Finance, Stewardship, Investments, and Financial Review.
- Other special purpose Committees.
- The Treasurer.
- The various Church managers and volunteers who are involved in financial management; as set forth in more detail in Appendix A and Tables 1 - 4.

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<sup>1</sup> The Church maintains its books on a modified cash basis, accruing income and expense of larger sums that would most affect the evaluation of its financial status. However, it uses the cash method for routine ongoing items. Sufficient detail is available to convert financial statements to a full accrual method if needed.



## III. Definitions

### A. Gift Instrument

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A “Gift Instrument” is a donor agreement, check memorandum, bequest, Church solicitation, or any other record, pursuant to which property is donated to, transferred to, or held by the Church exclusively for purposes consistent with the mission of the Church. A gift instrument determines whether or not a gift is Restricted or Unrestricted.

#### Unrestricted Gift

An “Unrestricted Gift” is a gift given to the Church without any restriction placed on the purpose or time or duration of the use of the gift, other than that it be used for purposes consistent with the Church’s mission.

#### Restricted Gift

A “Restricted Gift” is a gift that a donor gives to the Church, either by will or bequest after passing, or while living (an “*inter vivos*” gift), and which is subject to a restriction in a Gift Instrument on the use of the gift as to purpose or as to date or duration of use beyond the current year. It is important to note that a Restricted Gift may result either from a restriction imposed by a donor, or from a restriction proposed by the Church in a fundraising solicitation or other Gift Instrument.

### B. Funds

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A “Fund” is an independent general ledger account that is established to track revenues and expenditures of a particular category of programs, projects, or purposes. The term “funds” means, simply stated, “money”; and the verb “to fund” generally means “to pay” or “to finance.”<sup>2</sup>

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<sup>2</sup> The terms “fund,” “funds,” and “Fund” are very confusing concepts for non-accountants. The confusion arises from the many meanings of these terms. First, the term “fund” may be used as noun, to mean a general ledger account; and the term “Fund” is used here to mean a general ledger account that is dedicated to a special purpose. But it may also be used to simply mean a particular amount of money or other financial asset (as in “funds”). Thus it may be said that a “fund balance” is the amount of “funds” in a “Fund” at any given time—confusing to say the least.

This is confusing enough, but it gets even worse. The term “to fund” is also used as verb, meaning to “to pay for” or to “finance.” And it is also used in other special contexts—as in “mutual funds,” “reserve funds,” “sinking funds,” and other special meanings.

## ***1. Fund Accounting***

“Fund Accounting” is an accounting system prescribed by the U.S. Financial Accounting Standards Board (FASB) for use by nonprofit organizations. Under FASB, nonprofits are required to report their net assets (assets less liabilities) in the classifications of unrestricted, temporarily restricted, and permanently restricted. Assets designated for a specific purpose by action of the Session are considered unrestricted assets.

## ***2. Operating Funds***

As used in this document “Operating Funds” (also called current funds, or general operating funds) refers to FPC funds that are unrestricted and available for expenditure in the current fiscal year. They include, but are not limited to:

- Funds derived from general unrestricted pledges.
- Loose plate collections.
- Other unrestricted and unpledged gifts.
- Earnings and other investment income earned on unrestricted investments.
- Unrestricted bequests that are expendable by the church on a current basis.
- Funds received from sources other than gifts or donations, such as building rentals.

Operating Funds are available for expenditure to support general Church operations, ministries and mission activities within the current fiscal year. However, by adoption of an annual budget the Church imposes a limit on the expenditure of otherwise available Operating Funds in the current year.

## ***3. General Fund***

The term “General Fund” encompasses all Operating Funds (defined above), unrestricted investments, and other unrestricted net assets. The net amount in the General Fund is shown on the FPC statement of financial position (balance sheet) as “unrestricted net assets.”

Unrestricted net assets include Session Designated Funds but not Donor Restricted Funds. Assets accounted for in Unrestricted, Undesignated Net Assets are available for any purpose permitted by law or by the governing documents of the Church.

## ***4. Special Purpose Funds***

A “Special Purpose Fund” is a Fund established by the Church to track revenues and expenditures for a special project, program or purpose. There are two types of Special Purpose Funds – Donor Restricted Funds and Session Designated Funds.

(a) Restricted Funds

A “Restricted Fund” (or “Donor Restricted Fund”) is a Special Purpose Fund funded by one or more Restricted Gifts that are subject to a common restriction, and which cannot be effectively used or expended within the current year. There are two types of Restricted Funds: Temporarily Restricted Funds and Permanently Restricted Funds.

(1) Temporarily Restricted Fund

A “Temporarily Restricted Fund” is a Restricted Fund that is restricted to: (a) a particular purpose; or (b) exhaustion of the Fund over a specified period extending beyond the current year, but not extending in perpetuity. The latter (b) is traditionally referred to as a “Term Endowment Fund,” or a “Limited Term Endowment Fund,” or a non-perpetual Endowment Fund.

(2) Permanently Restricted Fund

A “Permanently Restricted Fund” is a Restricted Fund that is required to be maintained in perpetuity, with only the annual income (interest, dividends, capital gains, and capital appreciation) being available for use by the Church each year. Traditional endowments are Permanently Restricted Funds.

(b) Session Designated Funds

A “Session Designated Fund”<sup>3</sup> (or simply “Designated Fund”) is a Special Purpose Fund established by the Session for a particular project or purpose, and which is funded with unrestricted funds appropriated by the Session from the General Fund. Unlike Restricted Funds, Designated Funds are not funded with Donor Restricted Gifts, and thus can be diverted to other purposes by action of the Session at any time. This is not to be confused with a Session initiative to raise money for a specific purpose, in which case contributions would be Donor Restricted.

(c) Pass-Through Accounts

A “Pass-Through Account” is an account used for Restricted Gifts that are designated by a donor as being intended for a specific third-party beneficiary, and are distributed promptly to the third-party beneficiary.

While a Pass-Through Account is categorized here as a Special Purpose Fund, because it is funded with Donor Restricted Gifts, it is in fact treated as a liability account and is normally disbursed as promptly as possible without being recorded as revenue, unless the organization is a related organization (typically PC(USA)), (as per FASB 136).

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<sup>3</sup> Some institutions reverse the meanings of the terms “Designated Fund” and “Restricted Fund” from the meanings used in this Policy.

## **5. Other Traditional Types of Special Purpose Funds**

### **(a) Endowment Funds**

An Endowment Fund created by gift or bequest is a type of Restricted Fund. An Endowment Fund may be restricted from complete expenditure in perpetuity, in which case it is a traditional Endowment Fund that the FASB identifies as a Permanently Restricted Fund; or it may be restricted to expenditure over a specified term of years, in which case it is a type of a Temporarily Restricted Fund known as a Term Restricted Fund.

In the absence of any written guidance in a Gift Instrument, a gift accepted to establish an Endowment Fund will be treated as a perpetual Endowment Fund.

Traditional perpetual Endowment Funds typically allow earned interest or dividends to be withdrawn and used for their intended purposes, without invasion of the principal. Fixed Term Endowment Funds typically allow withdrawal of interest and dividend and some part of the principal.

Over time, withdrawal of “appreciation,” or unrealized capital gains has been more commonly allowed, in addition to interest, dividends, and realized capital gains. This is the interpretation adopted in this Policy, unless otherwise specified by a donor.

Further, recent changes in the law (Uniform Prudent Management of Institutional Funds Act, UPMIFA) have also made it easier for churches to make withdrawals from Endowment Funds that are “underwater,” i.e., where their value has dropped below the value of the original gift (the “historic dollar value”). In the past such a situation would have been off-limits to further expenditures until the value of the Fund had risen to its historic dollar value.

A Fund that is created by the Session by appropriation of unrestricted financial assets, and which is designated as an Endowment Fund, is nevertheless a Session Designated Fund; and it may be appropriated to other purposes at any time by action of the Session.

As of the date of issuance of this Policy in 2016, FPC has no Permanently Restricted Endowment Fund.

### **(b) Memorial Funds**

A Memorial Fund is created by gifts to the Church that are made by friends or family in honor and memory of a deceased loved one (a Memorial Gift).

A Memorial Gift that is not restricted, other than by the intent that it be recognized as a Memorial Gift, is otherwise treated as an unrestricted gift. Such a gift is deposited in the Memorial Gifts Fund, a Session Designated Fund

maintained by the Church to honor the donors as well as the deceased, and used for appropriate purposes designated by the Session from time to time.

If a Memorial Gift is further restricted as to purpose or as to time of expenditure, it shall be treated as a Restricted Gift.

*(c) Reserve Funds*

A General Reserve Fund is a Special Purpose Fund intended to cover future costs that are typically not covered by the annual budget as ordinary recurring operating expenses. Other Reserve Funds include those that are dedicated to the maintenance and repair of major facilities, and are intended to accumulate funds sufficient to bear the costs of future repairs, replacements and non-routine maintenance of such facilities. Thus, for example, FPC maintains a Building Reserve Fund and an Organ Reserve Fund. Reserve Funds may be either Donor Restricted or Session Designated Funds.

A Reserve Fund created by action of the Session and funded by appropriation of unrestricted Operating Funds is a Session Designated Fund, which may be subsequently supplemented, expended, or changed in purpose by action of the Session.



# IV. Acceptance and Management of Gifts and Donations

## A. General

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The Church solicits and accepts gifts for purposes that will help the Church advance and fulfill its mission. These policies and guidelines govern the acceptance, use, and financial reporting of gifts made to the Church. They are intended to ensure that the Church has flexibility in its acceptance and management of gifts, while also ensuring that prudent judgment and donors' wishes are observed to the maximum extent possible.

This policy is based on the following principles:

- There must be a fair and proper balance between the interests of donors and the purposes of the Church.
- Unrestricted gifts are encouraged.
- Gifts that are restricted as to purpose must be consistent with the purposes of the Church and sufficient in amount to justify their cost and effort of administration.
- Donors are encouraged to discuss gift planning with professional advisors.
- Acknowledgments of gifts will be made to donors unless they wish to remain anonymous.

The Church encourages gifts of money and marketable securities, and will consider accepting gifts of other personal or real property, either as *inter vivos* gifts given during one's lifetime or given through planned giving instruments such as wills, trusts and charitable annuities.

The Church will not accept a gift that would, in the Church's sole judgment: (a) result in the Church violating the Constitution of the Presbyterian Church (USA) or the governing corporate documents of FPC; (b) improperly inure to the benefit of any individual or would otherwise jeopardize the status of the Church as an Internal Revenue Service §501(c)(3) not-for-profit organization; (c) be too burdensome or expensive to administer in relation to its value; (d) be for purposes outside the Church's mission; or (e) be likely to result in any other consequence deemed unacceptable to the Church.

The Church accepts Restricted Gifts so long as the restrictions are legal, ethical, and consistent with the mission of the Church. Decisions on the acceptability of a gift restriction are made on the recommendation of the Stewardship Committee and by action of the Session. The Session will also consider the recommendation of other standing or *ad hoc* committees with regard to particular proposed gifts.

By accepting a Restricted Gift, the Church undertakes to honor the donor's wishes, unless released or modified by the donor or his or her authorized executor, trustee or other authorized representative; or unless authorized by applicable New Mexico law governing the exhaustion, modification or dissolution of Restricted Funds. Restricted Gifts that

cannot be utilized entirely within the current year will ordinarily be managed by the establishment of a Restricted Fund to track the revenues and expenditures associated with the Gift.

All Donor Restricted Funds shall be managed in accordance with the restrictions applicable to them. Departures from such restrictions require approval of the Session, acting in accordance with the requirements of the UPMIFA, which may require the Church to seek a court order or permission from the Office of the Attorney General before proceeding.

Restricted Gifts offered and accepted to supplement an existing Donor Restricted Fund shall be subject to the same restrictions as the original gift.

All gifts to the Church are maintained and identified in Church financial records in a manner consistent with the requirements of: (1) Generally Accepted Accounting Principles applicable to nonprofit organizations; and (2) the New Mexico Uniform Prudent Management of Institutional Funds Act (UPMIFA).

These policies shall be brought to the attention of any prospective donor of a Restricted Gift and to the attention of each Member or employee of the Church who is involved in FPC fundraising efforts.

## **B. Ethical Obligations Regarding Solicitation and Acceptance of Gifts**

### ***1. Code of Conduct***

All Church representatives involved in fundraising or other solicitation or acceptance of gifts, including Church Members, officers, and staff, shall conduct themselves in accordance with accepted professional standards of accuracy, truth, integrity, confidentiality, and good faith. Church representatives shall exercise caution to avoid pressure, persuasion, or undue influence on prospective donors, and shall encourage such donors to seek independent professional advice when considering a planned gift option. All Church personnel who contact prospective donors or solicit gifts are either unpaid volunteers or are employees who are paid a fixed salary or wage. Such personnel shall not receive any commission or other contingent compensation that would create personal beneficial interest in any gift agreement.

The Church will urge all prospective donors, as appropriate to the gift in consideration, to seek the advice of their own attorneys and financial and tax advisors in reviewing state and federal income tax consequences of their gift, the terms of any trust or annuity agreement, and the advisability of the gift in light of the donor's overall estate plan and financial circumstances.

## ***2. Conflict of Interest***

The Church recognizes its responsibility to be cognizant of the interests and concerns of the donor. In general, no employee, Member or other volunteer shall have a private financial interest, direct or indirect, in any transaction or arrangement with the Church, and shall avoid even the appearance of any act of self-dealing. FPC maintains a separate Conflict of Interest Policy that addresses conflicts in business and other contractual transactions (see Appendix B).

## ***3. Confidential Information***

The Church recognizes that a donor or prospective donor has placed trust in the Church concerning confidentiality. Therefore, all donor information, correspondence and governing instruments shall be treated in a confidential manner and made accessible only to staff or Members of the Church having a need to know such information, except to the extent that such confidentiality is specifically waived by a donor.

## ***4. Use of Membership and Donor Lists***

It is the Church's policy not to sell or otherwise transfer its donor lists or information regarding individual gifts to organizations or individuals for purposes not essential to Church operations.

## ***5. Protection of Donors' Interests***

No program, agreement, trust, contract, or commitment shall be knowingly urged upon any prospective donor that would benefit the Church at the expense of the donor's interest and welfare. No agreement shall be made between the Church and any agency, person, company, or organization on any matter related to investments, management, or otherwise that knowingly jeopardizes a donor's interest.

## **C. Approval and Management of Gifts**

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### ***1. Gifts Accepted Without Review***

#### ***(a) Monetary Gifts***

Unrestricted monetary gifts are welcome from any donor, in the form of cash, check, credit or debit card payment, or electronic fund transfer.

Donors wishing to make a gift by credit card, debit card or ACH transfer from their bank account may do so online through FPC's current (2016) payment service provider, Vanco Payment Solutions, which is a registered ISO (Independent Sales Organization) of Wells Fargo Bank, N.A., Walnut Creek, CA. Instructions are available on the FPC website

<http://www.fpcsantafe.org>), under the link “Donations” at the bottom of the FPC home page.

Note: A check with a statement in the memorandum line, or accompanied by a note, may be a Restricted Gift—see subsection 2. below regarding acceptance of such gifts.

*(b) Pledges*

The Church prefers that pledges be fulfilled as unrestricted monetary gifts. Pledges may be fulfilled with contributions of market-listed securities.

*(c) Unrestricted Planned Gifts*

The Church accepts unrestricted gifts arising from charitable remainder trusts, charitable lead trusts and similar arrangements where the Church is named as an income beneficiary.

*(d) Life Insurance Proceeds and Other Death Benefits*

The Church accepts being named as a full or partial beneficiary of life insurance policies and retirement plans.

*(e) Bequests and Devises*

The Church welcomes unrestricted gifts of money, market-listed securities or other property arising from wills, trusts, and other forms of planned giving. However, such gifts may require review where they would require ongoing active participation or management by the Church as a trustee or in some other role (see below).

*(f) Stocks, Mutual Funds and Other Securities*

The Church accepts gifts of market-listed securities in the form of common stocks, bonds, mutual funds and other marketable securities. Securities may be transferred electronically to the Church’s brokerage account or delivered physically with the transferor’s endorsement or signed stock power (with appropriate signature guarantees) attached. Marketable securities will usually be sold promptly upon receipt unless otherwise approved by the Session upon consultation with the Investment Committee and the Treasurer. In some cases the disposition of marketable securities may be restricted by applicable securities laws, contractual agreements, or the terms of a proposed gift; in such instances the Session shall decide whether to accept such securities. Any security that is not publicly traded will be accepted only if the Session determines there is a readily available market for its disposition and the security does not present an ongoing cost or liability to the Church.

*(g) Substantial Unrestricted Gifts*

Unrestricted gifts or bequests of \$25,000 or more that are not given as part of an annual pledge are always welcome and shall be reported to the Session for its determination as to

their use. Such gifts may be invested in the Session Designated General Reserve Fund or they may be appropriated to support current operations.

#### (h) Gifts to Existing Restricted Funds

Monetary gifts intended for an existing Donor Restricted Fund will be accepted so long as permitted by the terms of the Fund Identification Document.

#### (i) Minor or Routine In-kind Gifts

Church committees and managers may accept or reject minor or routine donations of goods and services offered to support Church operations, such as kitchen or office supplies, flowers, food items, seasonal decorations, etc.

## **2. Gifts Subject to Review**

#### (a) Monetary Gifts Subject to Donor Imposed Restrictions

Some monetary gifts are given with “strings attached,” which can be as simple as a note in the memorandum line of a check made out to FPC, and which make the check a Gift Instrument. Such gifts are Donor Restricted Gifts. Depending on their size and purpose, they sometimes require evaluation by the Treasurer, the Stewardship Committee, and/or the Session. The following guidance regarding covers the most commonly encountered situations of this type:

- Gifts Intended for Existing Special Purpose Funds. Gifts intended to augment an existing Donor Restricted Fund will normally be accepted unless the Fund has been closed to additional gifts. Gifts intended to augment a Session Designated Fund will normally be accepted, with the Treasurer being responsible for separately accounting for Restricted and Session Designated assets in the Fund.
- Gifts Intended to Augment Budget Line Items. The Church generally accepts monetary gifts offered to augment particular categories of budgeted line items. However, the Session is responsible for determining the annual budget each year. Therefore, gifts intended to augment budget line items may be placed in an appropriate Donor Restricted Fund and are subject to spending plans for such Fund.  
In some cases, such a gift may require review by the Stewardship Committee and the Session. For example, gifts intended to supplement particular staff salaries, or to hire additional staff, will be given particularly careful review because of the potential for interfering with staff relations, or creating the expectation of a long term salary commitment that cannot be guaranteed. In some cases, the Stewardship Committee may wish to confer with the donor to discuss alternative arrangements.
- Gifts Intended for Third-party Charities. Gifts offered for the benefit of a recognized third-party charity will be accepted as long as the charity is endorsed by PC(USA) or FPC. The Mission and Social Justice Committee shall be informed of such gifts. Such

gifts are treated as a liability and payment is transmitted to the intended recipient organization as promptly as possible. (Refer to Table 5, see Tables section at end of document.)

- Gifts Intended for Private Organizations or Individuals. Checks intended for the benefit of specific individuals or private organizations will normally not be accepted.

(b) Rare or Unusual Categories of Gifts

The following categories of gifts require approval of the Session on a case-by-case basis:

- Collections of tangible items, such as fine art works, historical or cultural artifacts, jewelry, rare books or documents, antiques, etc.
- Oil, gas or mineral interests.
- Intellectual property rights.
- Gifts offered on the condition of receiving naming rights to facilities, furnishings, or Special Purpose Funds.
- Bargain sales arrangements.

(c) Gifts of Real Estate

Gifts of real estate require prior approval by the Session. In general, only real estate with a value estimated by the donor or others to be \$100,000 or greater will be considered. No gift of real estate shall be accepted without:

- A current appraisal conducted by a qualified appraiser. This appraisal shall be the responsibility of the donor. The Church may also choose to conduct an independent appraisal.
- Title search and title policy.
- Marketability check, completed under the umbrella of a standard appraisal.
- Appropriate environmental impact study of the property to ascertain if it is subject to environmental restrictions, sanctions, toxic wastes, or otherwise encumbered so as to cause possible liabilities for the Church, unless such study is waived by the Session.
- Conveyance by special warranty deed or trustee's deed (preferred to quit claim deed).
- Donor coverage of all costs incurred by the environmental impact study and procuring and paying for the title search and full appraisal, unless waived by the Session.
- Special attention being given real estate encumbered by a mortgage.
- The understanding that it will be held in perpetuity or subject to rights of reversion or other conditions.

(d) Planned Gifts Requiring Session Approval

Planned gifts or gift agreements requiring written FPC consent or active management participation require approval by the Session. Such gifts or agreements include any agreement where the Church consents to serve as a trustee or co-trustee of a trust, or as an

executor or administrator of an estate. Where such an agreement is approved, the Treasurer shall serve as the responsible officer to represent the Church as a trustee.

*(e) Unacceptable Gifts.*

Certain gifts may place an undue risk upon the Church and shall be ordinarily declined. These include:

- Interests in sole proprietorships or partnerships.
- Interests in property that may lead to prohibited transactions under the IRS Code.

## **D. Memorial and Endowment Funds**

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### ***1. Memorial Funds***

The Church maintains a general Memorial Gifts Fund for unrestricted donations made in memory and honor of loved ones. This Fund is monitored by the Clerk of Session and is used by the Session from time to time, generally for special or non-recurring purposes outside the scope of the normal operating budget.

All donors to this Fund will be credited with and acknowledged privately for their donations for tax purposes. Two records of such donations are maintained—a private record and the Church Memorial Book. Donors may choose to have their names released to the Congregation if they wish, and thus recorded in the Church Memorial Book, which is shared with the family and is available to the Congregation. Alternatively, they may choose to remain anonymous and have their names recorded only on the private record.

### ***2. Endowment Funds***

As of the date of this Policy (2016), the Church does not have a traditional Endowment Fund (a Permanently Restricted Fund).

However, the Church will consider offers to create new Special Purpose Funds in the nature of Endowment Funds, including offers that are restricted to particular purposes or term restrictions, in accordance with the gift acceptance policies set forth above.

### ***3. Oversight Responsibility***

The Stewardship Committee is charged with communicating privately with existing and prospective donors regarding special gifts that could supplement existing Special Purpose Funds, or which could result in new Special Purpose Funds, including Memorial and Endowment Funds; and shall make recommendations to the Session as to whether Restricted Gifts regarding the acceptance of such gifts. The Stewardship Committee is also charged with counseling Members and friends of the Church regarding the establishment of

planned giving arrangements in the nature of bequests, trusts and other planned giving arrangements.

The Stewardship and Investment Committees and the Treasurer shall confer on the appropriate deposit or investment of assets maintained in such Funds.

If required by Session or the donor, interest, dividends, or other earnings from such gifts shall remain and be reinvested in the respective Fund.

## **E. Special Offerings, Fundraising Campaigns and Grants**

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Special offerings, collections, or fund raising campaigns (“solicitations”) on behalf of the Church require approval of the Session, acting on recommendation of the Stewardship Committee.

Special solicitations include any solicitation conducted on Church premises or in the course of Church services or events, or using Church personnel, facilities, publications, or mailing lists; excepting however regular Church stewardship pledge campaigns or solicitations sponsored the Santa Fe Presbytery or higher order councils of the PC(USA).

A proposal for a special solicitation shall be submitted to the Stewardship Committee and the Session, with an explanation of the purpose of the solicitation and details regarding the proposed management of the solicitation and its proceeds. Such details should include:

- Whether the solicitation is proposed as a one-time-only solicitation, or whether authority to conduct continuing solicitations is sought.
- Whether subsequent contributions will be accepted after the initial solicitation has been completed.
- Identification of proposed charitable beneficiaries, if any.
- Whether its proceeds will require management as a restricted fund; and, if so, additional identifying details (e.g., duration, carryover of annual earnings, endowment or memorial fund status, etc.).
- Identification of the committee or church administrative department proposed to have responsibility for the solicitation and spending authority over its proceeds.

Any approved special solicitation shall advise prospective donors that contributions shall be payable to the First Presbyterian Church of Santa Fe and should be earmarked as being responsive to the special solicitation.

Contributions earmarked for unknown or unapproved purposes or solicitations will be returned to the donor. If for more than a nominal amount, the donor will first be contacted to seek clarification of his or her intent.

A committee or manager responsible for an approved special collection shall report the proceeds to the Session annually for inclusion in the annual report to the congregation.

Staff and Members of FPC may propose to the Session that a grant proposal be submitted to the City, State, Presbytery, or other foundation or prospective donor. The Session must be provided with a copy of the proposal, including a budget, which has been reviewed by the FPC Treasurer, and Session must approve the grant proposal before it is submitted. If an award letter is received and requires a signature, Head of Staff or Clerk must review the grant conditions, sign the award letter, and share the award letter with the Session at its next meeting.

## **F. Miscellaneous Provisions**

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### ***1. Interpretation of Gift Acceptance Policy***

The Stewardship Committee may be assisted in the interpretation and implementation of this Policy by the Treasurer and/or the Finance Committee. Others may also be consulted at the discretion of the Stewardship Committee. The Session shall specifically approve gift agreements and the acceptance of gifts that deviate from these policies.

### ***2. Valuation of Gifts***

The Church will record a gift at its valuation on the date the gift is received.

### ***3. Responsibility for IRS Filings upon Sale of Gift***

The Treasurer is responsible for filing IRS Form 8282 upon the sale or disposition of any asset sold within two years of receipt by the Church when the charitable deduction value of the item is more than \$5,000 (see IRS Publication 526). The Church must file this form within 125 days of the date of sale or disposition of the asset.

### ***4. Tax Acknowledgements***

All attributable (i.e., non-anonymous) gifts made to the Church will be acknowledged to the donor in accordance with IRS Publication 1828 or other applicable IRS guidance. Acknowledgment to the Congregation of a donor's gift to the Church shall only be made with the consent of the donor.

### ***5. Pledge Credit***

Donor Restricted Gifts from Members or others will be acknowledged to the donor for tax purposes. However, such donations are not credited toward pledges, and statements provided to donors shall clearly reflect this policy.

## ***6. Release or Modification of Restricted Funds***

A Restricted Fund may become so depleted as to make its continued management impractical, or its purpose may become obsolete or no longer consistent with the mission of the Church. In such event the Session may release the Fund and transfer any remaining assets to the Operating Fund, upon compliance with the rigorous procedural requirements of the NM Uniform Prudent Management of Institutional Funds Act.

# V. Financial Assets Management

## A. Purpose and Scope

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Assets of the Church are reported and accounted for in the following three broad categories:

- Cash and cash equivalents.
- Investments.
- Property and equipment.

The Policy in this section is applicable to the first two categories above.

This Policy establishes procedures and financial controls necessary to prudently manage the financial assets of the Church, and takes into consideration socially responsible investing guidelines established by PC(USA).

## B. Management of Cash and Cash Equivalents

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The Cash and Cash Equivalents (C&CE) account includes petty cash, checking and savings accounts, money market accounts, and certificates of deposit (CDs) having maturities of no more than one year.

The C&CE account is intended to collectively contain funds that are necessary and sufficient to meet short-term operating expenses and Special Purpose Fund activity.

Unrestricted revenues are normally deposited in, and all expenses are paid from, the checking account, which is maintained at a level estimated to be sufficient to meet financial obligations as they are incurred.

The savings account is intended to cover operational contingencies and is maintained with a balance estimated to be sufficient to meet any expenses not covered by the checking account, as determined by the Treasurer. The savings account is linked to the checking account to cover inadvertent overdrafts.

Cash that is beyond what is needed in the checking and savings accounts is maintained in money market accounts and/or short-term CDs, using a ladder approach, and is deposited with a bank that charges no penalty for early withdrawal, if available.

Funds in excess of 6 months of operating expenses and planned Fund expenditures should be invested in accordance with the investment policies set forth below.

Petty cash of approximately \$100 is maintained for small and/or unexpected cash requirements. However, no cash reimbursements are made for items purchased for the church.

Responsibility for management of C&CE resides with the Treasurer in consultation with the Finance Committee. Session approval is required only where material changes are recommended. Day-to-day duties concerning C&CE may be delegated to a business manager or other delegee.

## **C. Management of Investments**

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Investments are financial assets that have an expected life of more than one year and which are not anticipated to be liquidated in the current year.

Financial assets of the Church that are not necessary to meet current obligations are invested and are recorded in a General Investment Account, the Building Maintenance Account, or other investment accounts approved by the Session. These are collectively referred to as the Church's investment portfolio, comprised of Restricted and Unrestricted funds.

## **D. Objectives**

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The primary objectives in management of the Church's investments are the following:

- **Liquidity:** To ensure the ability to meet all expected and unexpected cash flow needs, investments shall ordinarily be made in securities that can be sold readily and efficiently.
- **Preservation of Capital:** The Church seeks to minimize the possibility of loss of principal over time, both absolute and net of inflation, recognizing the inherent risks that markets in securities present. Valuations will vary up and down, both in the short and long term. Emphasis is placed on the relative stability of an investment as well as a competitive rate of return.
- **Growth:** Growth of both principal and income is sought so that the Church can meet its obligations and goals, both current and in the future. Such growth is sought with investments that are consistent with a moderate tolerance for risk, as influenced by the long time horizon for the expected use of such investments.

## **E. Strategy**

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In order to meet its needs, the Church's investment strategy is to emphasize total return. Total return is the aggregate return from interest, dividends and capital appreciation. Total return can result in a gain or a loss for any particular time period. Investments shall be diversified in order to minimize the risk of loss from any particular investment unduly affecting the performance of the investment portfolio.

Unless otherwise allocated by action of the Session, investment returns in the form of interest, dividends, and any capital gains or capital appreciation, are automatically reinvested within the respective investment vehicle that generated the return. With the approval of the Session, investment returns earned during a year may be allocated between reinvestment in the same or similar investments, and transfer to C&CE to support current operations. Interest from individual bonds is an exception to this, since reinvestment is not an option for bonds, and shall be reinvested in the investment portfolio or be distributed to fund operations.

## **F. Investment Guidelines**

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Acceptable investments include fixed income (debt) securities such as certificates of deposit (CDs) with maturities of one year or longer, corporate bonds and US Treasury bills, notes, bonds and Treasury Inflation-Protected Securities (TIPS); equities (stocks); and mutual or exchange traded funds (ETFs) that invest in such securities.

Individual securities, other than CDs and Treasuries, are discouraged. Any purchase of a CD is to be within the limits of FDIC insurance. Individual bonds shall be rated at least AA- by Standard & Poors or Aa- by Moody's. Collective, diversified investments such as mutual funds and ETFs are favored. Such fund titles as strategic, multi-asset, multi-sector, allocation and asset allocation, reduced or managed volatility may be considered in addition to the more familiar titles such as growth, growth and income, value, balanced, income, total return, and index. A broad mix of choices should lead to greater diversification and more effective risk management, important for the Church with its moderate risk tolerance.

Direct investments in the following are prohibited: commodities, private placements, options, limited partnerships, derivatives, hedge funds, managed futures and real estate.

## **G. Acceptable Ranges of Investment Categories**

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Given the Church's primary objectives of liquidity, preservation of capital, and growth, all consistent with a moderate tolerance for risk, the following are the appropriate ranges to utilize in the management of the investment portfolio.

### Equities (Stocks)

40 to 65 percent of the total investment portfolio

### Fixed Income (Bonds)

35 to 60 percent of the total investment portfolio.

Money market funds, 90-day Treasury bills, and even cash may be substituted for any or all of what normally is invested in equities and/or fixed income. Examples of when cash equivalents might be used in this manner are extreme market volatility, apparent financial system risk, and simply when monies become available in between Session meetings.

In the event of a perceived financial crisis, the Chair of the Investment Committee and the Treasurer, acting jointly, can take whatever action they deem appropriate to protect the portfolio value. In the absence of the Treasurer and/or the Chair of the Investment Committee, any two of the authorized persons (President, Vice President, Treasurer, and Chair of the Investment Committee) can jointly take such action. Any action shall be reported to the Session in a timely manner.

In order to manage the portfolio over time within the broad ranges identified above, the Investment Committee shall recommend to Session a narrower range of equities and fixed income (and may recommend a specific target within such narrower range).

More detailed guidance for the Investment Committee is set forth in Appendix D.

## **H. Implementation—Investment Committee**

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Significant decisions regarding investments shall be made by the Session, acting on recommendations of the Investment Committee.

The Investment Committee shall meet semi-annually or more often as may be necessary to review investment results and market conditions. Evaluation of the need for rebalancing the equities vs. fixed income proportions shall be another semi-annual task. Unless the cost of bringing the portfolio back to the desired ratio is prohibitive, it is expected that the Committee will take action when the ratio becomes 3-5% off target. Meeting by e-mail or teleconferencing may be held as necessary, provided minutes are kept and votes are unanimous. The Committee shall report regularly to the Session and shall prepare an annual report to the Session and the congregation for inclusion in the Church's Annual Report, showing deposits during the reporting year, disbursements, and investment results.

In accordance with UPMIFA, the Committee shall manage the Church's investment portfolio in good faith and with the care an ordinarily prudent person in a like position would exercise.

Investment costs shall be appropriate and reasonable for the size of the investment assets, the purposes of the Church, and the skills available to the Church.

In addition to the guidance set forth above with regard to types of investments and relative allocations of investment assets, investment recommendations of the Investment Committee shall take into account the following:

- General economic conditions.
- Possible effects of inflation or deflation.
- Expected tax consequences, if any.
- The role that any particular investment or action plays in the overall investment portfolio.
- Socially responsible factors, as defined by PC(USA).

- Other resources of the Church.
- The needs of the Church to take distributions as well as to preserve capital.

Any decision regarding a specific investment shall be made within the context of the portfolio as a whole and as part of the Church's overall strategy, taken together with appropriate risk and return objectives.

## **I. Portfolio Selection, Review, and Changes**

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Portfolio components will normally be selected expecting to be held three to five years, or even longer. However, for any number of reasons over time changes will become warranted. Other than in times of perceived financial crisis, changes will be recommended to the Session only following appropriate research and an Investment Committee meeting. Changes are defined as replacing, adding, or eliminating any part of the Investment Portfolio.

Every three years the Committee will conduct a more thorough review of all portfolio components. At that time alternatives will be considered for even components with which the Committee has been well satisfied. During these more thorough assessments, and, in keeping with the Presbyterian Church (U.S.A.) commitment to "socially responsible investing," the Committee will consider anew inclusion of the New Covenant Funds, if they are not already part of the portfolio. The New Covenant Funds are professionally managed mutual funds designed to implement socially responsible investing as determined by the PC(USA) Mission Responsibility Through Investment Committee.

## **J. Determining Distributions from the Investment Portfolio**

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Distributions from the unrestricted portion of the investment portfolio are to be determined during the annual budget preparation process, as recommended by the Investment Committee and approved by the Session. The distribution amount, including the income portion of the distribution, should not exceed 4% of a rolling four-year average of semi-annual investment portfolio values ending with the June 30 value, unless a different percentage is authorized by the Session.

## **K. Effect of Gift Restrictions**

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Financial assets given to and accepted by the Church with specific investment restrictions shall be managed so as to observe the intent and purpose of the donor(s) to the maximum extent possible, consistent with UPMIFA.

Financial assets subject to investment restrictions may be commingled with other investments, provided that the intent and purpose of the donor(s) are observed, by: (1) accounting for such assets as a Restricted Gift Fund; and (2) monitoring and accounting for the Church's investment portfolio by the Treasurer and the Investment Committee in order to ensure that such assets remain available for their intended purpose,

notwithstanding occasional partial or total liquidations of investment assets to meet operational needs.

If such assets cannot be commingled with other investments without placing at risk the ability of the Church to observe the intent and purpose of the donor(s), they shall be separately invested and accounted for.

## **L. Delegation of Management and Investment Functions**

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Subject to the approval of the Session, the Investment Committee may delegate to an external agent (financial advisor, broker, representative, etc.) the management and investment of specific financial assets available for investment.

In entering into any such delegation, the Session and the Investment Committee shall act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, in:

- Selecting an agent.
- Establishing the scope and terms of the delegation, consistent with the purposes of the Church, the requirements of the NM UPMIFA, and the terms of any applicable Gift Instrument.
- Reviewing the agent's actions semi-annually in order to monitor the agent's performance and compliance with the scope and terms of the delegation.

Any agent appointed by the Church shall be required to submit to the jurisdiction of the courts of New Mexico in any proceedings arising from or related to the delegation or the performance of the delegated function.

## **VI. Non-Contribution Revenue**

### **A. Purpose and Scope**

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This section states the policies regarding income from non-contribution sources, such as user fees, rents, and CDC tuition.

The Book of Order in Chapter 4, G-4.02 confirms that “the property of the Presbyterian Church (U.S.A.) . . . and of its congregations is a tool for the accomplishment of the mission of Jesus Christ in the world.... A congregation shall not lease its real property used for purposes of worship, or lease for more than five years any of its other real property, without written permission of the presbytery transmitted through the session of the congregation.”

FPC has long opened the doors of the Church to community groups either free or charge or at a nominal fee in pursuit of using the facility as Mission.

As the governing body, the Session is ultimately responsible for setting/approving user fees, rents, CDC tuition and any other such non-contribution fees or schedules.

### **B. User Fees**

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The FPC Facilities Use Manual includes a schedule of fees. The schedule and permitted uses shall be reviewed and updated every three years. The Facilities Committee shall report any updates to Session in a timely manner.

### **C. Rents**

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The Facilities Committee, Facilities Manager, and Office Manager have the overall responsibility for negotiating leases or use agreements of the designated spaces in the building for permitted use (i.e., office or storage) for a period not to exceed one year, consistent with guidance set forth in the Facilities Use Manual and Section XII (Contracts and Other Agreements) of this Policy. Monthly rents shall be competitive in the market in Santa Fe for similar space in order to maximize the revenue for the Church. A market rental analysis shall be conducted at least every three years and rents adjusted appropriately. The Facilities Committee shall draft a proposal to Session for any change in rental fees.

### **D. CDC Tuition**

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The Director of The Child Development Center (CDC), in consultation with the CDC Advisory Committee, shall conduct a competitive fees analysis annually as part of the budget process and make recommendations regarding the adjustment of tuition. The Director shall first go over the analysis and fee recommendations with the Finance Committee and the Treasurer and shall then seek Session approval for the fee adjustments.

After Session approves the new fees, the Director shall inform parents prior to the start of the new school year.

## **E. Other Non-Contribution Revenue**

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Other types of non-contribution revenue include proceeds from sale of items such as promotional items (T-shirts, mugs), soup sales by Deacons, coffee and olive oil fair trade items, annual directories/photos, and Christmas cards. All proposed sales shall be approved by Session.

Adult education materials sold by presenters at cost shall be approved by the Adult Education Committee (usually in the course of approving the education class), and these do not need to be approved by Session.

Session may designate certain sales for certain purposes (e.g., soup sales to support Deacon activities). If so, then accounting will be implemented to properly record revenue for these purposes. If Session does not designate the proceeds to go to specific purposes, it will be recorded as general unrestricted revenue.

## **VII. Budget and Fund Management**

### **A. Overview**

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The Church receives revenues from sources including contributions, CDC tuition, building use fees and other miscellaneous sources.

The Church spends money in two ways: (1) general operating funds are expended in accordance with a Session-approved annual budget; and (2) funds are expended (released) from Special Purpose Funds.

The Church's fiscal year is the calendar year. The annual budget preparation process begins in the third quarter. It is a joint effort initiated under the leadership of the Finance Committee, drawing on the support of the Treasurer, Stewardship and Investment Committees, and in collaboration with the Pastor and staff, Committee Chairs, and Session.

The annual process begins in the late summer, with a request to Church managers and Committee Chairs having spending authority to provide an estimate of: (a) the amount they will need in the following fiscal year to support their annual operations, to be funded by an allocation in the approved budget for the following year; and (b) additional amounts that they intend to expend in accordance with a proposed spending plan that they submit for Special Purpose Funds for which they are assigned or delegated responsibility.

### **B. Budget and Spending Plan Preparation**

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A draft budget and spending plans for Special Purpose Funds are prepared, based on Church needs as perceived by the various Managers and responsible Committee Chairs, the financial condition of the Church as the year-end approaches, and forecasts of the Church's financial condition in the following year.

Estimation of the Church's financial condition for the following year takes into account primarily the amount of pledges received during the stewardship campaign. Also taken into account is the availability of additional unrestricted current funds in the form of C&CE and investments. In addition, the Church must take into account the portion of C&CE and investments that represent Restricted Funds, since Restricted Funds are available only for particular purposes or for expenditure over particular periods of time.

The final budget is determined by the Session. The several managers of the Church (e.g., Office Manager, Music Director, Facilities Manager, CDC Director, all under the supervision of the Pastor as Head of Staff) are allocated a portion of the annual budget amount that is estimated to be sufficient to cover their ordinary operating expenses during the year (salaries, supplies, routine maintenance, utilities, contractor services, etc.). These are expenses that are routinely incurred each year. They generally do not include expenditures for large, one-time capital expenditures; special projects that extend over a period of years; expenditures arising from Restricted Gifts; or investments made to generate income.

The level of the annual budget is determined primarily by the level of pledge commitments for the year, as supplemented by other income (e.g., estimated CDC revenues, building rental fees, unpledged contributions, and plate offerings). It may also include funding from unrestricted funds, Temporarily Restricted Funds (to the extent consistent with donor intent), and/or proceeds from the sale of investment assets, as approved by the Session.

The budget preparation process begins with the Finance Committee requesting budgets and spending plans from the Pastor, staff and Committee Chairs. The Finance Committee shall develop a procedure that ensures collaboration and transparency among all involved parties.

The Session approves the annual budget in December and presents it as information to the Congregation at the annual meeting in January.

### **C. Establishment and Closure of Special Purpose Funds**

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The Church maintains Special Purpose Funds in order to track and independently account for funds that are limited by donor-imposed or Session-imposed restrictions and therefore ensure that donations are used for their intended purposes.

As noted in section IV. C. (1) "Substantial Unrestricted Gifts," one reason for creating a Special Purpose Fund is the receipt of an Unrestricted gift or bequest of more than \$25,000 that is not given as part of an annual pledge. Such a gift may be invested and accounted for in a Special Purpose Fund.

Restricted Gifts that can be completely expended in the current year may or may not be held in a Special Purpose Fund, depending on accounting requirements.

A Special Purpose Fund may be closed by action of Session. This could take place upon the depletion of a Donor Restricted Fund or the determination that a Session Designated Fund is no longer required.

### **D. Types of Special Purpose Funds**

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Special Purpose Funds consist of two types: (1) Session Designated Funds (sometimes referred to simply as Designated Funds) and (2) Restricted Funds (sometimes referred to as Donor Restricted Funds).

Session Designated Funds are Special Purpose Funds created by the Session and funded with unrestricted assets of the Church. They are generally intended to be expended over an extended period time, or for a particular purpose outside the scope of normal recurring operations. However, unlike Restricted Funds, Designated Funds can be diverted to another purpose or exhausted at any time by action of the Session.

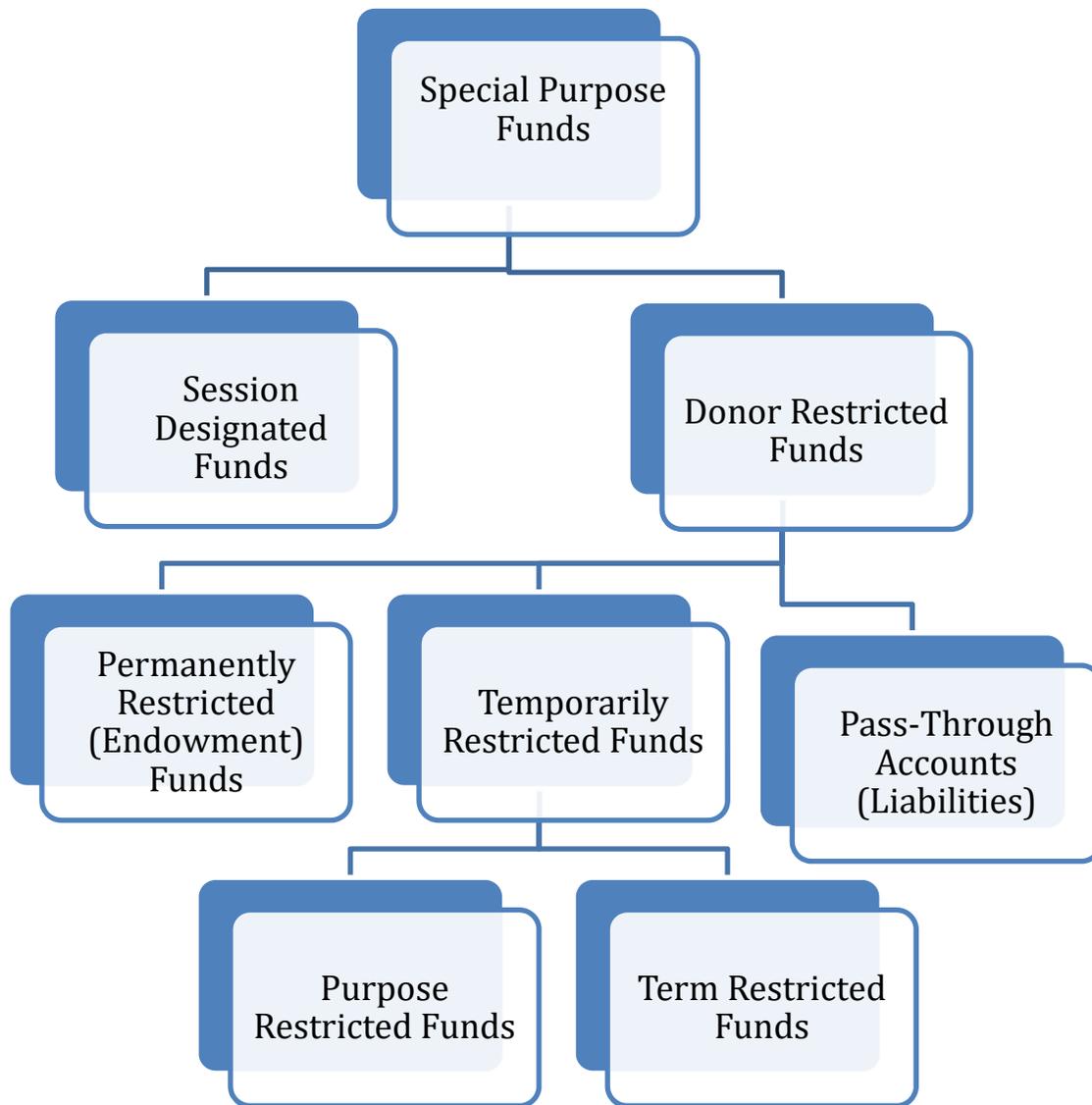
*Examples of Session Designated Funds include the following:*

- The Church decides to appropriate a portion of its annual pledge revenues to accumulate a building reserve fund over a period of years to cover expected costs of major building repairs or capital improvements as they are incurred in future years. The Session then creates a new Session Designated Fund for this purpose.
- A donor leaves a substantial Unrestricted Gift of funds to the Church in her will. The Session determines it is more than is needed or can be effectively used to support operations in the current year. The Session thus designates the funds to go into the General Reserve Fund, which is a Session Designated Fund.
- In an unusually good year, the Church receives regular contributions considerably in excess of its budgeted expenditures, so the Session decides to set aside the excess in a new Parking Facility Fund.

*Examples of Temporarily Restricted Funds and Permanently Restricted Funds include the following:*

- A donor gives funds with the restriction that they be used to pay for the maintenance of a particular item of capital equipment over a period of years, e.g., the organ. The Church creates a new Temporarily Restricted Fund to account for the funds.
- The Church solicits donations for a special grant of financial aid to a sister church in a foreign country, and thus the solicitation is a Gift Instrument, which renders the subsequent donations Restricted Gifts. The session creates a new Fund that is Temporarily Restricted, as it is donor-restricted to a particular purpose.
- A donor leaves a bequest in his will, with the restriction that it be invested in perpetuity, with only the income available each year to support Church operations. The Church establishes traditional Endowment Fund, which is a Permanently Restricted Fund.
- A donor makes a special gift, outside of his or her normal pledge, with the restriction that it be used to support a special program of educational music lessons for children over a 5-year period. The Church establishes a new Temporarily Restricted Fund (a limited term Endowment fund in this case).

The following chart illustrates the relationships among the several kinds of Special Purpose Funds.



Revenues and expenditures associated with a Special Purpose Fund are independently recorded and reported periodically, so that donors, staff and responsible Church committees can easily monitor revenues accruing to the Fund and expenditures from the Fund, and thus track the financial status of the Fund.

Financial assets recorded in Special Purpose Funds may be held as cash and cash equivalents (C&CE) or as investments, as determined by the Session acting on recommendations from the Investment Committee based on the estimated rate of depletion of the Fund.

Carryover of Special Purpose Funds: Unexpended assets in Special Purpose Funds are carried over from year-to-year until completely expended.

Commingling of Restricted and Unrestricted Assets in Special Purpose Funds: The Session may appropriate Unrestricted funds to a Donor Restricted Fund, resulting in the commingling of Restricted and Unrestricted funds. In such event, the Unrestricted assets shall be separately accounted for as a Session Designated Fund, which may be released and diverted to other purposes at any time by action of the Session, unless and until they have been released and expended in accordance with the purpose of the Restricted Fund.

## **E. Budget and Fund Expenditures**

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### ***1. Session Role in Delegations***

The Session determines who has authority to initiate expenditures within the limits of the annual budget and also who has authority to make expenditures from Special Purpose Funds. Session has delegated the authority for annual budget expenditures and certain Special Purpose Fund expenditures to the Pastor as Head of Staff and to designated Committees within the limits of annual spending plans.

The Head of Staff has in turn delegated day-to-day responsibility for routine and approved budget expenditures to certain individual staff members. As Head of Staff, he or she can change these delegations without Session approval. The Head of Staff shall provide the Treasurer and Finance Committee with a detailed list of delegated authority and inform them immediately of any changes.

The Session has delegated to committees, as represented by the Chairs or their delegees, the authority to make expenditures from Special Purpose Funds within the limits of the annual approved spending plan for each Fund. In some cases, Committees have delegated their responsibility to a staff person, with the approval of the head of staff, or to the chair or a member of their committee. Delegations by the committees may be changed without Session approval, but the committee chairs must notify the Treasurer and Finance Committee of such changes.

The Treasurer shall maintain a list of persons approved to make expenditures. The Finance Committee shall periodically review this Financial Policy Manual and ensure that it is up to date consistent with Session direction.

### ***2. Delegations in Operation***

This section outlines the delegations in effect as of the most recent version of this Policy.

Church managers generally have the authority to make budget expenditures. For example, the Facilities Manager is authorized to make routine expenditures for operational purposes, within the limits of the budget for facility expenses, and the Office Manager is authorized to spend office expense line items.

Some staff, such as the Pastor, Music Director and CDC Director, have authority to spend budgeted line items as well as authorize expenditures from particular Special Purpose Funds for which they have been delegated responsibility.

Further, while Committees are generally given the authority to authorize expenditures from particular Special Purpose Funds, and in some cases are given the authority over budget line items.

### ***3. Execution of Budget and Spending Plans***

During the fiscal year, managers and Committee Chairs are expected to exert reasonable efforts to achieve estimated revenue projections and to limit their expenditures over the year to the amounts and purposes approved in the budget and spending plans.

In the event subsequent contributions are made to an existing Fund during a fiscal year, such contributions do not increase the amount of authorized expenditures from the Fund, unless approved by the Session.

During the course of the year, responsible Managers and Committee chairs initiate expenditures by the submission of a check request along with supporting documentation to the Business Office. The Business Office issues the requested check and forwards it to the intended recipient.

The Treasurer shall issue timely reports showing monthly expenditures and revenues compared with approved budget and spending plans. Responsible managers and Committee Chairs shall review these reports. In the event of a potential shortfall in revenue or an unanticipated expense, the responsible person shall work with the Finance Committee and the Session as necessary to resolve the problem.

For example, in the event unanticipated building expenses arise, the Facilities Committee may propose to the Session that it be authorized to expend additional funds from the Building Reserve Fund. If the Session approves such a request, the Chair of the Facilities Committee, working with the Facilities Manager, is authorized to approve such expenditure.

Further guidance on the administration of Funds is set forth in Appendix F, which includes a list of active Special Purpose Funds and the manager and/or Committee Chair responsible for their management. Descriptions of Funds are in Appendices F-1 through F-8.

The Finance Committee monitors revenues and expenditures on a monthly basis to identify potential or actual variances from the approved budget and spending plans. The Finance Committee shall bring any concerns to the responsible staff or Committee chairs and to the Session as needed.

# VIII. Accounting and Financial Reporting Practices

## A. Restricted and Unrestricted Gifts

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The Church strictly accounts for all Restricted and Unrestricted gifts. Special accounts are set up to track both Donor Restricted gifts and money designated by the Session for special purposes. In compliance with FASB 117, financial statements are prepared showing net assets classified into unrestricted (including Session designated) funds, temporarily restricted funds, and permanently restricted funds. This implements what is commonly referred to as "Fund Accounting," which is a system of accounting and financial reporting that is particularly useful for tracking gift revenues that have been restricted to specific purposes, programs or projects.

By way of background, for-profit organizations use traditional accounting systems, which are designed to present to investors the financial condition of the organization and its profitability. In contrast, nonprofit organizations typically have a different objective, which is to present their financial condition in a manner that facilitates transparent accountability to donors, grantors and other sources of nonprofit funding.

Consequently, nonprofit organizations use the net assets classification method of reporting, as prescribed by the U.S. Financial Accounting Standards Board (FASB).

In addition to the net assets reported on the balance sheet, other reports are prepared to allow volunteer leaders, Church managers, and donors to review revenue and expenditures related to Restricted Funds.

Any amount remaining in a Donor Restricted Fund or a Session Designated Fund at the end of a fiscal year is carried forward into the next year, so that donors or fund managers can track the disposition of their gifts from year to year until they are fully expended. This is unlike the treatment of unrestricted operating funds that are allocated to various line items of the annual budget, which are not carried over if not used by the end of the year.

Appendix F sets forth: (1) a summary of the process for establishing and managing Special Purpose Funds; (2) a list of active Special Purpose Funds, together with Fund account numbers and the identity of the responsible Committee Chair or FPC employee having spending authority over the Fund, and (3) the current Fund Identification Document for each Fund, which sets forth pertinent information regarding the Fund.

The overall policy regarding the investment of financial assets recorded in Special Purpose Funds may be summarized as follows:

- Special Purpose Funds that are small in amount, or for which there are frequent transactions, or which are "flow-through" Funds; are generally held as Cash and

Cash Equivalents, and interest earned will be credited to the Operating Fund. The rationale for this policy is that such Funds generate small amounts of interest and reallocation of small amounts consumes a great deal of accounting time.

- A Fund that is rarely used, or which is intended to be exhausted over an extended or indefinite period of time, such as a large Donor Restricted Fund, may be invested as determined by the Treasurer and the Investment Committee. Earned income from such investments may be reinvested and allocated to the Fund, depending upon the requirements of the donor or the Session.

Transactions and balances associated with Special Purpose Funds are reported to the Finance Committee and the responsible managers or Committee Chairs on a monthly basis, to the Session on a quarterly basis, and to the Congregation on an annual basis.

## **B. Financial Reports**

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On a quarterly basis, the Treasurer prepares and presents a full set of financial statements to Session. This includes a Statement of Financial Position, Statement of Activity (compared to budget), Cash Flow Statement, and a Report of Fund Activity. Prior to Session, the Finance Committee reviews these statements in depth and provides its input to Session. Further, the Finance Committee sees and reviews monthly detailed financial statements and presents to Session a summary of year-to-date total income and expense.

The Bookkeeper provides monthly detailed income and expense reports to Committees and to the Pastor and staff who have budget responsibilities. These reports are expected within the first two weeks after the close of the month.

The quarterly financial reports are published on the FPC website for the Congregation to view.

The year-end Statement of Financial Position, Statement of Activity (compared to budget), and a Report of Fund Activity Summarized by Category are presented to the Congregation at its annual meeting in January.

## **C. Annual Audit and Reports**

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Each year, as required by the Book of Order (Section G-3.0113), "A full financial review of all financial books and records shall be conducted every year by a public accountant or committee of members versed in accounting procedures." Annually the Finance Committee shall recommend to Session the procedures and personnel who will conduct the annual audit. After Session approval, the Finance Committee will arrange for the audit/review by an outside auditor or a Financial Review Committee. (See Appendix A.)

The auditors/reviewers shall present their findings to the Session. If Session accepts the audit, the results shall be shared with the full Congregation, along with any adjustments required in the financial statements presented to the Congregation earlier.

# **IX. Benevolence Policy**

## **A. Background**

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FPC engages in modest benevolence activities in the form of direct provision of financial support for the benefit of individuals and families in need in the Santa Fe area. These activities are distinct from other FPC charitable activities that typically take the form of donations to other charities and nonprofit organizations.

To this end, the Church maintains a Special Purpose Benevolence Fund that is funded by donations and occasional offerings approved by the Session.

The Benevolence Fund is separate and distinct from the Pastor's discretionary account, which is a budgeted line item available for providing assistance to FPC Members or others in need.

It is also separate and distinct from the Miscellaneous Emergency Offerings Fund (for disaster relief); the Miscellaneous Other Charities Fund (for donations to other charitable organizations); and both the Congregational Emergency Assistance Fund and the Deacons Fund (the latter two of which exist to support FPC Members and their families in need).

## **B. Purpose and Administration of Benevolence Fund**

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The primary purpose of the Benevolence Fund is to furnish direct financial assistance to individuals and families in need in the Santa Fe community who are not Members of the Church. However, the Fund may be used to support financial assistance to Members or Staff of the Church in need, in the event other FPC sources of funds are insufficient. (Applicable tax reporting requirements will be observed.)

These purposes are achieved through direct disbursements under the direction of a Benevolence Committee, which consists of the Pastor as Chair, a member of the Mission and Social Justice Committee, and an ordained Elder appointed by the Session.

## **C. Oversight and Accountability**

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The Benevolence Committee is accountable to the Session for discharging the responsibilities set forth below.

## **D. Revenues**

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Sources of revenues for the Benevolence Fund are gifts from Members and friends, which are accepted at any time, and special offerings authorized by the Session. Gifts earmarked for the Benevolence Fund must be identified as such. They may not be earmarked or otherwise restricted to specific individual recipients, although donors are free to recommend individual recipients to the Benevolence Committee.

## **E. Requests for Benevolent Assistance**

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A request for financial assistance must be documented by the Benevolence Committee member assisting the person. The request must be signed and dated by the applicant and the Committee member. The Committee member taking the request will also request verification of need in the form of supporting documentation or the applicant's consent to contact third-party references for confirmation.

## **F. Guidelines for Selection of Recipients**

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Disbursements from the Fund under this Policy are limited to individuals in need and their families. Benevolence assistance is intended as a source of last resort, to be sought only when an individual has exhausted other possibilities of help from family, friends, savings and social welfare programs, including other mission resources of the Church. It is intended to be a source of temporary assistance during a time of crisis.

Assistance is generally intended to be a one-time gift. In special circumstances, the Committee may make multiple disbursements over a period of time.

No benevolent disbursement is to be considered a loan. Repayment will not be requested nor accepted as such, either in part or in full. If a recipient desires to give to the Church at a later date, he or she should be encouraged to give directly to the Church without qualification.

The Committee shall make a reasonable inquiry of any individual seeking assistance, to ensure that his or her need is legitimate and that the individual is accurately representing his or her financial situation. The Committee may condition financial assistance on receipt of verifying documentation or communications from third-party references verifying the need of the individual.

Persons requesting assistance must also be willing to accept financial, family, occupational or emotional counseling. The Committee will not provide assistance to anyone who, in its sole opinion, is likely to squander such assistance through negative or irresponsible behavior.

Generally, assistance will not exceed \$1,500 per person or family. (This is a cumulative cap in the case of someone who receives more than one gift from the Fund.) In very unusual circumstances, families and individuals who are in need of additional funds and who have the opportunity to make a life-changing decision can continue to be assisted up to whatever limit the Committee deems appropriate, subject to the availability of funds. Such cases shall be reviewed carefully and, when appropriate, the case should be submitted to the Session for approval.

## **G. Types of Assistance**

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The stated purpose of the Benevolence program is to meet basic needs of individuals and their immediate families. Normally, these needs are:

- Food.
- Lodging.
- Clothing.
- Medical treatment.
- Transportation to or from a place of employment.
- Funeral expenses.
- Initial evaluation and up to two additional professional counseling appointments.

Needs that may not be met by the Benevolence program include:

- Private school fees or tuition, business investments, or anything that is intended to generate income to the individual or family.
- Paying off credit card debt (exception may be made when an individual has had to use a credit card in a crisis or emergency).
- Legal expenses.
- Fines or penalties relating to late payments or irresponsible actions.

Financial assistance for counseling will be considered if it is determined that counseling would directly enable the individual to address a current financial situation. In most cases, this is limited to an initial counseling appointment. Under special circumstances, additional assistance may be given.

## **H. Processing of Requests and Disbursement of Funds**

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Requests for assistance shall be submitted to the Committee, which shall review the request, reach a decision, and notify the person making the request of the decision. While recommendations of recipients from donors or others will be considered, all decisions of the Committee shall be made independently and shall be final.

The Committee shall submit summary reports of its decisions to the Session. Personally identifiable information shall be reported to the Session only upon its request, and only in a confidential executive session of the Session. Otherwise, such information shall be maintained in confidence by the Committee.

To the maximum extent feasible, disbursements of currency directly to the beneficiary will be avoided. Disbursements will preferably be made in the form of direct payment from FPC to service providers (e.g., by direct payments of rent or utility bills, purchase of grocery store cash cards, etc.).



## X. Internal Controls

The leadership of the First Presbyterian Church recognizes the need for strong internal accounting controls to protect the Church and its staff and volunteers who handle money. Strong controls help prevent theft, help discover errors in a timely fashion so they can be corrected, and also protect volunteers and staff from unfounded suspicion of wrongdoing.

Following are the internal controls adopted by the Session.

### A. Session Responsibility

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In addition to setting the internal controls, it is the policy of the Session to:

- Regularly review full financial statements. The Session will review full financial statements on a quarterly basis and abbreviated financials (income, expense, net) between quarterly reviews. The Finance Committee will review full financial statements monthly.
- Adopt an annual budget and compare actuals to the budget at least quarterly.
- Maintain and periodically review all financial policies.
- Ensure that any IRS notices are opened by someone other than the Bookkeeper.
- Divide and segregate duties related to finances so that no one person handles all aspects of a transaction from beginning to end.
- Designate someone to be Treasurer who is not the Bookkeeper.
- Designate other persons authorized to open bank accounts (as of 2016 Clerk of Session/Corporate Secretary).
- Designate signatories on bank accounts (as of 2016 Treasurer, President, and Vice President).
- Ensure that any staff or volunteers who have the ability to edit the accounting records not have access to FPC cash or cash equivalents, unless compensating controls are in place.<sup>4</sup>
- Ensure that a financial review of all financial records is conducted each year, either by a public accountant or a committee of members versed in accounting procedures. Session should approve the audit firm or audit committee upon recommendation of the Finance Committee.

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<sup>4</sup> “Compensating controls” include timely monthly review of audit trails available in the accounting systems; inspections of setups, entries, or external sources; or other similar accounting practices typically used when limited staff resources preclude strict compliance with these policies.

## **B. Cash Receipts**

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### ***1. Collections***

- Money received during collections (e.g., Sunday offerings, TGIF, Deacons soup sales, men’s breakfast, retrieval of funds from donation box) shall be in plain sight of at least two unrelated persons until it is placed in the safe (preferably counted and in a sealed envelope signed by both persons).
- Any donations earmarked for another organization should be reviewed. If it is a previously approved organization, it may be deposited. (See Section IV.C.2 “Gifts Subject to Review” and Table 5.) If not, it should be held out and brought to the attention of the Treasurer.
- No less than once a week, at least two designated and unrelated counters should take all envelopes from the safe and take them to a secure location to count any uncounted funds.
- Each person shall in full sight of each other count the cash and the checks, and all checks shall be endorsed with a “For Deposit Only” stamp.
- The total of cash and checks shall be recorded on a summary form and a deposit ticket.
- Checks and other documents shall be copied and given to the Bookkeeper along with the summary and deposit ticket.
- Counters shall either take the money to the bank for deposit or place it in sealed and signed envelope and put it back in the safe for someone else to deposit.
- The person designated to take the money to the bank for deposit shall not be the Treasurer, Bookkeeper or Office Manager, unless compensating controls are in place (e.g., counters providing copy of deposit slip to Bookkeeper in advance).
- The Bookkeeper shall record the payments into the membership records and/or accounting system as soon as possible, and no later than one week after receipt.
- All collections must be deposited in the FPC checking account. No disbursement may be made from undeposited collections.
- All Sunday counters are required to hold all information confidential and to sign a form indicating this and that they will follow the above rules. The Counters Coordinator ensures that new counters are trained and sign the form. (See Appendix E and Form entitled “FPC Agreement for Offering Counters.”)

### ***2. Money Received by Mail***

- Someone without access to the membership/donor or accounting system (see Table 4) shall be designated to open the mail, unless compensating controls are in place.

- Any donations earmarked for another organization should be reviewed. If it is a previously approved organization, it may be deposited. (See Section IV.C.2 “Gifts Subject to Review” and Table 5.) If not, it should be held out and brought to the attention of the Treasurer.
- Enclosed checks shall be immediately endorsed with a “For deposit only” stamp.
- Money and supporting documentation shall be secured in a sealed envelope and placed in the safe.
- Large checks may be deposited at the bank during the week, and the deposit slip and backup information given to the Bookkeeper.
- Any money present in the safe on Sunday shall be counted along with the Sunday offering by regular church counters.

### ***3. Rent Payments***

- The Facilities Manager and Office Manager may collect rent checks in person.
- The checks shall be stamped “For Deposit Only” and immediately deposited in the bank or placed in an envelope in the safe.
- Rent checks may be deposited by the Office or Facilities Manager.
- Copies of the checks and the deposit ticket shall be given to the Bookkeeper.

### ***4. Tuition***

- The CDC Director uses a database (which, at this writing in 2016, is carried as a separate “company” on the accounting system) to track invoices and payments.
- The CDC Director invoices the parents based on contracted rates and adjustments.
- Parents turn in payments to the CDC Director or designee.
- Preschool payments are held in a locked drawer and deposited once a week by the Director or designee.
- Copies of checks are turned in with deposit slip to Bookkeeper (marked as CDC tuition).
- The Business Office transmits or otherwise makes available online to the CDC Director information relating to CDC tuition payments.
- The CDC Director enters all payments into her database.
- The CDC Director maintains complete records of CDC attendance, invoices and payment
- At the end of the month, a full list of invoices and payments are turned in to the Bookkeeper.
- The Bookkeeper and Treasurer review the month’s invoices and payments.
- The Treasurer shall periodically review attendance records as deemed appropriate.

## ***5. Electronic Payments***

- Someone with no editing access to the accounting or membership records shall establish and maintain the link from the Church's EFT processors for online payments and sales (see Table 4) to the Church's bank account, unless compensating controls are in place (e.g., dual or periodic reviews of the setup).
- The Bookkeeper or other designee shall enter donations and payments into the membership and accounting systems.

## ***6. Donor Statements***

- The Bookkeeper sends quarterly statements or other acknowledgement to all donors.
- The Treasurer or Bookkeeper promptly follows up on any discrepancies between donor and Church records.

## ***7. Special Donations***

- The Stewardship Committee administers the policy on Acceptance and Management of Gifts and Donations (Section IV).
- Donations of stock are usually converted to cash immediately by the brokerage firm (see Section IV, C.1 "Stocks, Mutual Funds and Other Securities").
- Donations of goods are inspected and valued for internal accounting purposes only.
- Donations of professional services are valued at their normal billing rate and recorded in the accounting system.
- The Treasurer sends acknowledgement letters to all donors of special donations.

## **C. Cash Disbursements**

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### ***1. Checks***

- It is the policy of FPC to ordinarily pay vendors by check for goods or services.
- The Treasurer, corporate President, and corporate Vice President are the authorized check signers. (See Table 3 for names of current officers.)
- Checks for \$5,000 and over must be signed by two authorized check signers.
- The dollar limit shall be printed on the checks.
- Checks shall also have "Not valid after 90 days" printed on the checks.
- Voided checks are mutilated (signature portion removed) and saved.
- No one is allowed to sign a check to him/herself. Further, someone other than the recipient of the payment shall also sign the authorization form.

- All payment requests shall have backup documentation and a check request form properly completed and authorized. (See Check Request Form. See also Appendix C “Expense Reimbursement Plan.”)
- W-9s are required for all contractors or vendors that are not incorporated.
- This Financial Policy identifies which staff persons and volunteer leaders have the responsibility to authorize payments out of budgeted line items or Restricted/Designated funds. (See Section VI.E. “Budget and Fund Expenditures” and also Tables 1 and 2 at the end of this document.)
- Checks requests and documentation are given to the Bookkeeper, who enters fully documented requests into the accounting system and cuts the check.
- The Bookkeeper gives the request form, backup documentation, and check to the check signer.
- The check signer compares the check to the request and documentation and signs the check.
- The checks are then mailed and the documentation filed.

## ***2. Automatic Electronic Payments***

- FPC currently limits automatic payments to utilities, copier service and pension and benefits payments to the Board of Pension, only.
- An authorized check signer must approve/sign any automatic bank payment agreements.
- Statements from the vendor go to the person who is authorized to make the expenditure (e.g., utility bills go to the Facilities Manager). This person fills out and signs a request form and secures any other authorization needed.
- The statement and form are turned in to the Bookkeeper to compare with the bank draft.

## ***3. Petty Cash***

- The Office Manager maintains a petty cash box of approximately \$100.
- Staff and volunteers who request an advance or reimbursement for an expense shall provide the Office Manager with documentation of the expense.
- Petty cash is reconciled when additional money is needed, or at least quarterly.
- No reimbursement shall be made from petty cash.
- Persons needing reimbursement must submit check request and appropriate documentation.

#### **4. Credit Cards**

- FPC has three Church credit cards issued to the Office Manager, Facilities Manager, and CDC Director.
- Credit card limits are set by Session upon recommendation by Finance Committee.
- FPC credit cards are to be used only for FPC purposes—no private use is allowed.
- No cash advances are allowed.
- Online purchases will be accompanied by an order confirmation and a packing slip, as appropriate.
- The credit card holders hold receipts until the statement comes in. They then compile the receipts and statements with a payment request form and submit to the Bookkeeper before the payment deadline. (The payment request form must be signed by the person(s) needed to authorize the expenses.)
- The Bookkeeper reconciles the receipts with the credit card statement.
- If all receipts are provided and all expenditures properly approved, the Bookkeeper cuts the check and it is signed by an authorized signer.
- To avoid interest charges, the credit card balance shall be paid in full each month prior to the deadline.
- All rebates or rewards earned on the card account will be deposited in the Church account or otherwise accrued to the benefit of the Church.

#### **D. Bank Statements**

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- The Session approves the establishment of new bank accounts.
- The Clerk of Session opens the bank statements, reviews for reasonableness, and initials each page of the statement.
- The Clerk of Session shall ensure that he/she reviews the statement from each bank each month.
- The Bookkeeper reconciles the bank statement with the accounting records before the month-end closing.
- The Treasurer reviews the reconciliation.
- Both reviewers look for any unknown vendors, any checks not properly signed, any payments that appear to be duplicated, any unexplained out-of-order check numbers, and anything else that appears to be out of the ordinary.
- The reviewers will review open items on reconciliations, such as deposits on books but not bank statements, payments on bank statements but not on books, and unreconciled items over 30 days old.

## **E. Vendors**

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- Treasurer shall review the establishment of new vendors and other payees in the accounting records prior to any initial payment, including the verification of vendor name, address, phone, tax ID, email, and banking instructions.
- Treasurer shall review list of approved vendors quarterly, including amounts paid.
- Finance Committee shall review the list of vendors/payees annually, including amounts paid. The Committee shall include the list in a report to the Session.

## **F. Payroll**

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- The Session authorizes any new hires, including their compensation, and changes in compensation for existing staff.
- The Clerk of Session notifies the payroll clerk, Bookkeeper and Treasurer of any such changes.
- Payroll is handled by an outside payroll processor.
- The payroll clerks (currently the Office Manager and CDC Director) record changes to the payroll (new hires, compensation changes, and terminations) on the online payroll system.
- The payroll clerk(s) phone in the hours worked for each employee, vacation used, etc., for the biweekly payroll.
- All employee timesheets shall be signed by the employee's immediate supervisor.
- All employees receive payments by electronic funds transfer to their bank accounts (except for a final payment).
- The payroll processor automatically sends required payroll tax payments to the state and federal governments.
- Other withholdings (retirement, etc.) are promptly forwarded by the Treasurer to the appropriate vendor.
- The Bookkeeper receives the payroll report from the payroll processor and enters data onto the accounting system.
- The Treasurer reviews the payroll entry and the payroll report and compares it to information received regarding payroll changes.

## **G. Investments**

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- There is a written investment policy approved by Session (see Section V and Appendix D and see vendors in Table 4).
- The Investment Committee will make recommendations to the Session on the allocation of investments in compliance with the investment policy.
- Once Session has approved the allocations, the Chair of the Investment Committee, Treasurer, President, and Vice President are authorized to move

funds in accordance with Session approved guidelines. The Treasurer and Chair of the Investment Committee each receive email notifications from the brokerage firm confirming any fund movements.

- The Investment Committee reviews investment statements quarterly to determine that investments are in compliance with policy and to evaluate the need for allocation changes.
- Invested funds are withdrawn in accord with guidelines set by Session. Those authorized to withdraw funds are the President, Vice President, and Treasurer. Funds withdrawn are sent by check to FPC or transferred directly into FPC's checking account.

## **H. Physical Assets**

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- Acquisitions and disposals of church property recorded as an asset on the Church financial records or inventories are approved by Session. Managers are authorized to dispose of supplies.
- The Facilities Manager oversees the security of art, furniture, fixtures, and computers.
- The Facilities Manager, working with the History Committee (for the art) and the Office Manager, makes a list of any acquisitions or disposition of such assets throughout the year.
- The Facilities Manager and Office Manager together (along with a History Committee member as appropriate) conduct an annual inventory of art, furniture, fixtures, and computers.
- The Treasurer reviews the results of the inventory and changes.

## **I. Computer Security**

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- The Treasurer shall approve who has what type of access to the computer accounting systems.
- The Treasurer and the Bookkeeper shall review a list of those persons who accessed the accounting systems each month.
- The Treasurer shall review the list of personnel with access to the accounting systems annually and present the list to the Finance Committee.
- The Office Manager is responsible for computer security and works with a professional IT service contractor.
- All computer files are continually backed up into the cloud.
- The network has a currently valid internet security software package, which includes anti-virus, anti-malware, content filtering and firewall which is the first line of defense.
- Each computer has anti-virus software.

- Networked computers and laptops are kept in locked rooms.
- Users who can change data have unique logins and passwords.

## **J. Safe**

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- Session shall approve who has access to any safe combination.
- Safe combinations shall be changed annually, and after departure of any employee or volunteer who has access to the combination.
- The Clerk of Session shall maintain the combinations in a sealed and taped envelope for emergency use.

## **K. Debt**

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- Any borrowing, with the exception of credit card debt within the credit limits of the card account, must be approved by action of the Session recorded in its minutes.
- Details on management of debt is decided by Session at time of incurrence of debt.

## **L. Bonding**

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- The Session may require a surety bond of any Officer, Elder, Deacon, or Member of the Congregation who have access to, or are in charge of, or control funds of the Church.
- The Church maintains employee dishonesty insurance covering against theft by employees or volunteers.
- Any instances of theft that are discovered are reported to the insurance carrier.



# **XI. Insurance and Risk Management**

## **A. Purpose and Scope**

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The Book of Order (G-3.01112) requires each Session to obtain property and liability insurance coverage to protect its facilities, programs, staff and elected and appointed officers.

The role of churches is changing and with it the need for church boards to review ways to provide adequate insurance for all property damage, accident and liability situations. Gone are the days when the church activities were limited to weekend services, special holiday functions and church dinners. Today, the church is the hub of diverse activities including fundraising events, preschool programs, social action groups, scouts and other meetings.

Many churches have related property such as schools, gymnasiums, nursing homes and cemeteries. Congregations are involved in many off-premises activities such as camps, excursions, tours, outings and retreats, many of which require the use of buses and other motorized equipment. In addition, there is the exposure to vandalism, riots, bombings and arson.

With all this involvement, the church has increased liability over the church of 50 years ago. The task of adequately insuring the church against many situations becomes complicated. Responsibility for risk management and insurance at FPC resides with the Treasurer in consultation with the Finance and Facilities Committees and the Facilities and Office Managers. The Finance Committee shall recommend to the Session a program of insurance with approved brokers and/or insurers duly licensed in New Mexico. The Facilities Manager is considered the Risk Officer for FPC and therefore is responsible for issues such as security, safety and incident reporting.

The PC/USA has an Office of Legal/Risk Management that welcomes questions at any time in the areas of Insurance for churches. PC(USA) has published and continues to update a Manual entitled "Legal Resource Manual for the Presbyterian Church (USA) Middle Governing Bodies and Churches."

## **B. Delegation of Insurance and Risk Management Functions**

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Subject to the approval of the Session, the Finance Committee may delegate to an external agent (insurance broker or agent) the management of the bid process.

In entering into any such delegation, the Session and the Finance Committee shall act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, in:

- Selecting a broker or agent.

- Establishing the scope and terms of the delegation, consistent with the purposes of the Church needs and risk management policies.
- Reviewing the agent's actions semi-annually in order to monitor the agent's performance and compliance with the scope and terms of the delegation.

Any agent appointed by the Church shall be required to submit to the jurisdiction of the courts of New Mexico in any proceedings arising from or related to the delegation or the performance of the delegated function.

### **C. General Insurance Guidelines**

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The Finance Committee shall review and report to Session on FPC's insurance program annually. Annual audit of the Church finances shall include verification that insurance bills have been paid.

Insurance packages and/or programs shall be bid every three years. Insurers shall be admitted in the State of New Mexico and carry an A. M. Best Rating of not less than A-IX. Non-admitted insurers may be considered with S&P rating of at least AA or equivalent with Moody's or Fitch's.

Brokers shall be approved by Session and shall have experience in risk management for churches as well as adequate licensed staff to provide all services required by FPC. Broker performance shall be periodically reviewed by the Session.

A *Risk Profile* shall be maintained which captures the exposure information for the purpose of buying insurance and updated every three years as to replacement cost values.

Schedule<sup>5</sup> shall be created and maintained to include:

- Property—Buildings, furniture, fixtures and equipment, supplies and other fixed assets. Insurance shall be acquired on a replacement cost basis, covering "all risk" or special perils including flood, earthquake and other catastrophic perils if such exposures exist. Deductibles shall not exceed \$25,000, shall be written on a blanket value basis with no coinsurance penalties. An inventory of all items within these properties, even those that are not the property of the church, such as the pastor's personal library or equipment loaned or leased.
- Fine Arts—Musical instruments, other specialty items. Insurance shall be obtained on a scheduled, stated value basis with the same perils as on the Property. Deductibles shall not exceed \$25,000 for the entire schedule, \$5,000 each item.
- Business Interruption—Extra Expense. Insurance shall be obtained to adequately cover the cost of alternate facilities for the Child Development Center as well as the

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<sup>5</sup> Any reference to limit amounts and/or deductibles is reflective of current policies, and such amounts may be subject to change by Session (upon advice of the Finance Committee and/or Brokers).

Church for usual operations—for a period of at least 6 months, in the event a catastrophe occurs and the facilities are severely damaged or destroyed.

- Employee Dishonesty—Crime Policy. Appropriate limits shall be maintained.
- General Liability—Excess and Umbrella—Automobile Liability. Appropriate levels of coverage (not less than \$5,000,000 each occurrence and in the aggregate) for third-party injury either bodily injury or property damage shall be purchased. The coverage shall extend to all operations and facilities of FPC, including CDC.

Policies covering other liabilities to be insured as specified by the Book of Order shall be maintained with adequate limits and appropriate deductibles. These include:

- Directors & Officers Liability.
- Employment Practices Liability.
- Sexual Misconduct.
- Professional Liability (i.e., Pastors and Educators, Counselors).

Statutory or Required Insurance shall be maintained. These include:

- Workers' Compensation—Employers Liability.
- Employee Benefits and Pension.



## **XII. Contracts and Other Agreements**

### **A. Purpose and Scope:**

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The Third Amended and Restated Bylaws of FPC effective January 1, 2013, Article 6, Section 6.1 states that: "Session may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name of the Corporation or on behalf of the Church which will further the purpose for which the Church was established and maintains its existence. Such authority may be general or confined to specific instances."

Article 5, Section 5.2 (A) states that:

"except as otherwise provided by the Session, these bylaws or required by law, the president shall execute all legal documents and instruments on behalf of the Corporation with the secretary. . . ". In the absence of the President, the Vice President shall perform the duties of the President (Section 5.2 (B)).

### **B. Legal Documents or Instruments**

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The term "legal documents or instruments," as referenced in the Bylaws above and requiring execution by the President (and the Secretary if required), is interpreted by the Session to include complex contracts, agreements and other legally binding documents such as the following:

- 1) Trust agreements.
- 2) Litigation or investigatory matters.
- 3) Real Estate Transactions such as deeds or lease agreements that extend more than one year.
- 4) Agreements or other documents relating to corporate governance, partnerships, reorganizations, mergers, dissolution and other similar corporate matters.
- 5) Other complex contracts, agreements or other documents having significant impact on the finances or the mission of the Church, including but not limited to contracts and agreements that:
  - a) Are anticipated to have an annual cost of more than \$5,000.
  - b) Will result in FPC commitments extending more than 1 year.
  - c) Include indemnification and insurance provisions.
  - d) Are for the acquisition of non-retail goods or services not sold at published prices.
  - e) Have a potential to result in significant and unanticipated FPC liabilities or costs.
  - f) Involve use of FPC property by third parties for more than 30 days.
  - g) Involve acquisition of audit, accounting, legal, consulting or other professional services.
  - h) Involve negotiated intellectual property rights.
  - i) Could expose FPC to controversy or criticism or would be inconsistent with the mission of the Church.

In ordinary circumstances, the Session shall approve all legal documents and instruments as defined above. The Administration Committee shall be responsible for evaluating and providing recommendations to the Session on such legal documents and instruments. In extraordinary circumstances where Session approval is not feasible due to time constraints, the Administration Committee and President shall assume responsibility for final approval and execution, and shall report the action to the Session at the next opportunity.

## **C. Management Authorizations**

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The following defines the authority of the Head of Staff and other FPC managers to negotiate and execute contracts, agreements and other documents.

The Head of Staff, and such FPC managers as may be proposed by the Head of Staff and authorized by the Session, may negotiate and execute, without Session approval, contracts, agreements and other documents that do not arise to the level of “legal documents or instruments,” as defined above. These include routine purchase orders, use agreements, service agreements extending for one year or less, supply orders, short term leases (either as tenant or landlord, either new or renewal, and for either real estate or equipment) that fall within their individual project or responsibilities.

Managers shall follow all applicable FPC policies and procedures, such as the Facilities Use Policy, Personnel Manual and this Financial Policies Manual. For contracts, agreements or documents that depart from or are not covered by other FPC policies and procedures, managers shall consult with and seek approval of the Administration Committee and any other appropriate Committee prior to execution.

Other than elected officers of FPC, Members and other FPC volunteers are not authorized to execute contracts, agreements or other documents on behalf of FPC.

## **D. Documentation and Filing**

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FPC Managers are responsible for acquiring valid and appropriate Certificates of Insurance from any contractor or user of FPC facilities, as specified by the Facilities Use Policy. Any question regarding this requirement may be directed to the Treasurer or Finance Committee.

Final copies of all legal documents and instruments; other contracts, agreements or documents; and Certificates of Insurance shall be filed in the Business Office or approved filing system within the Archives.

# XIII. Document Retention and Destruction Policy

## A. Purpose and Scope

In compliance with The Presbyterian Historical Society guidelines, FPC has adopted the following Retention Schedule. It is applicable to both digitized, electronically stored document as well as paper copies.

## B. Retention Schedule

<i>Types</i>	<i>Retention Period</i>
Minutes	Permanent
Registers	Permanent
Reports/Annual reports	Permanent
Bylaws/Charters	Permanent
Incorporate Records	Permanent
Annual budgets	Permanent
Annual audits	Permanent
Annual financial statements	Permanent
Subject correspondence	Permanent
Manuals/handbooks	Permanent
Newspapers/newsletters	Permanent
Brochures/promotional materials (1 copy)	Permanent
Photographs	Permanent
Property appraisals, records of sale	20 years after sale
Architectural drawings, plats, plans, blueprints	Permanent
Wills, bequests	Permanent
Legal/judicial case records	Permanent
Loan agreements	Satisfaction + 20 years
Contracts	Active + 3 years
Personnel records/employee records	Employment + 7 years
FICA/W2 records	7 years
Accounts payable invoices	3 years
Accounts payable	7 years
Accounts receivable records	3 years
Bank deposit slips	3 years
Bank statements	7 years
Canceled checks	7 years
Cash receipt records	3 years
Data for updating mailing lists	1 year
Mailing lists	Active
Periodic financial statements	2 years

<b><i>Types</i></b>	<b><i>Retention Period</i></b>
Expense reports	7 years
General/routine correspondence (acknowledgements, requests, travel arrangements, etc.	3 years
Invitations	1 year
Petty cash records	7 years
Receipts of purchases	7 years
Meeting notices	1 year
Travel plans/arrangements	1 year
Resource files	Active

# Appendices

## Appendix A: Responsibilities of Finance-Related Committees and Officers

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### *Stewardship Committee*

The Stewardship Committee shall ordinarily be chaired by a Ruling Elder serving on the Session. It is generally responsible for overseeing all fundraising activities of the Church. In particular, and subject to the guidance and approval of the Session, it is responsible for:

- Conducting the annual stewardship campaign.
- Overseeing special offerings and fundraising campaigns, including capital campaigns as needed, and including the approval of terms of solicitation for such offerings and campaigns.
- Interacting with potential donors who express interest in giving to the Church by way of wills, bequests, trusts, memorials, endowments, restricted gifts, or other forms of special gifts, following Church policy on acceptance of gifts and the establishment of Memorial or Endowment Funds.
- Assisting in the appropriate categorization of gifts as Session Designated, Donor Restricted or Unrestricted.

### *Finance Committee*

The Finance Committee shall ordinarily be chaired by a Ruling Elder serving on the Session. Its responsibilities shall include:

- Supporting preparation of the annual operating budget and its presentation to the Session for approval.
- Making recommendations to the Session regarding the establishment or dissolution of Funds.
- In consultation with the Pastor, the identification of staff or committee chairs who have budget and/or Fund expenditure authority.
- Preparation of spending guidance to Church staff and/or committees having expenditure authority over budget line items or Funds, and its presentation to the Session for approval.
- Monitoring of budget execution and transactions within Fund accounts, bringing variances to the attention of responsible parties and the Session as needed.
- Review of financial reports and evaluation of the financial condition of the Church, including its Funds.
- Administering the FPC Conflict of Interest Policy (Appendix B).
- Administering and maintaining this FPC Financial Policies Manual
- Appointment, training and supervision of Counters, through the Counters Coordinator.

## ***Investment Committee***

The Investment Committee shall ordinarily be chaired by a Ruling Elder approved by the Session. Its responsibilities include:

- Identifying and evaluating potential investments.
- Presenting recommendations to the Session, consistent with the investment policies of the Church, with regard to particular investments for Church funds.
- Monitoring and reporting on the performance of the Church's investments on a regular basis or as requested by Session.

## ***Treasurer***

The Treasurer:

- Is elected by and reports to the Session, and must be or have been a Ruling Elder.
- Is an officer of the Corporation.
- Is charged with the responsibilities and authorities set forth in the Church Bylaws at Art. 5, Sec. 5.2(D).
- Performs such other duties as may be assigned by the Session.
- Shall not be involved in the counting or depositing of Church funds.
- Is responsible for:
  - The recording of and accounting for funds and securities of the Church and the preparation of the annual budget and regular financial reports consistent with the Church's Financial Management Policies.
  - Overseeing the preparation of checks for payment and ensuring that all funds disbursed are within the Church's budget and limitations on Fund expenditures.
  - Supervising daily cash balances to ensure sufficient funds are maintained to cover payments and making recommendations as to the amount of funds available for investment.
  - Overseeing counting procedures.

## ***Other Corporate Officers***

In addition to the functions of Corporate Officers set forth the FPC Bylaws, the following Officers have the following authorities:

- President and Vice President are authorized to sign checks and withdraw funds from brokerage accounts.
- The Corporate Secretary has authority to open new bank and/or brokerage accounts with Session approval.
- The Corporate Secretary has responsibility for opening sealed bank statements and reviewing transactions.

### ***Financial Review Committee***

The Financial Review Committee shall ordinarily be chaired by a Ruling Elder approved by the Session. Members of the Committee shall be approved by the Session. The Committee shall include members knowledgeable of accounting procedures to the extent feasible. It is responsible for observing the requirements of section G-3.0113 of the Book of Order and any additional guidance provided by the Session or the Church's Financial Management Policy.



## **Appendix B: Conflict of Interest Policy**

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### ***Article I—Purpose***

The purpose of this Conflict of Interest Policy is to protect the interests of First Presbyterian Church and its Members and other donors, against the adverse effects of actual, potential or apparent conflicts of interest (COIs) in the execution and administration of FPC contracts, purchase orders, gift agreements and other contractual transactions.

This Policy is also intended to instill confidence in Members and other donors that their gifts and donations are managed competently, ethically, and transparently.

This Policy is intended to supplement but not replace or conflict with any applicable state or federal conflicts of interest laws or regulations applicable to nonprofit, religious, or charitable organizations.

### ***Article II—Definitions***

#### ***1. Interested Person***

An Interested Person is any FPC employee, Session member, Elder, corporate officer, Committee member, or any Church volunteer who has an actual, potential or apparent Financial Interest in a proposed or existing FPC contractual transaction, as defined below.

#### ***2. Financial Interest***

A person has Financial Interest in an actual or proposed transaction if he or she has, directly or indirectly, through personal or family business, investment, contractual or ownership interests:

- An ownership or investment interest in any entity with which the Church has a proposed or existing contractual transaction or arrangement;
- A compensation arrangement with the Church or with any entity or individual with which the Church has a contractual arrangement; or
- A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Church is negotiating a contractual transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial.

### 3. Significant Conflict of Interest

A Significant Conflict of Interest is an actual, potential or apparent COI that, in the sole determination of the Session, poses a significant risk to the Church of:

- Financial loss, overcharging, or unacceptable performance of a contractual agreement.
- Embarrassment.
- Unlawful excess benefit.
- Inurement to the benefit of any private individual.
- Any other consequence that could jeopardize the tax-exempt status of the church or the tax deductibility of donations to the church.

## ***Article III—Policies and Procedures***

### 1. Overview

Not all Financial Interests constitute a Conflict of Interest, and not all Conflicts of Interest arise to the level of a Significant COI. Under Sections 2-5 below, an Interested Person be deemed to have a Significant COI only when so determined by the Session.

### 2. Duty to Disclose

Any Interested Person who is in a position to influence, implement, or participate in a decision to award an FPC contractual agreement has a duty to disclose any actual, potential or apparent COI to the Session or an authorized Committee responsible for investigating the matter.

### 3. Extent of Disclosure

An Interested Person shall disclose the existence and nature of his or her Financial Interest and shall be given the opportunity to disclose all other material facts to the Session or to the members of any Committee authorized by the Session to consider the matter.

### 4. Determining Whether a Significant Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after discussion with the Interested Person, the Session or Committee shall discuss the matter in the absence of the Interested Person, and shall determine whether a Significant COI is deemed to exist. A Committee authorized to investigate the matter shall reports its determination and a proposed disposition of the matter to the Session, and the decision of the Session shall be final.

### 5. Procedures for Addressing a Significant Conflict of Interest

If the Session determines that there is no Significant COI, the matter is closed and there shall be no adverse consequence to the Interested Person for having disclosed his or her Financial Interest.

If the Session determines that there is a Significant COI, it may:

- Direct that the Interested Person have no further involvement in any decision regarding the award or administration of the contractual transaction; or
- Direct the taking of appropriate measures to eliminate or adequately mitigate the COI; or
- In exceptional circumstances, where the value of the contractual transaction is deemed to outweigh the potential adverse consequences of proceeding despite the Significant COI, allow the Interested Person to remain involved in the award and/or implementation of the contractual transaction.

### 6. Violations

If any employee, officer, Elder, Session member or Committee member has reason to believe that a person, who is in a position of influence over the award or administration of a contractual transaction, has failed to disclose an actual, potential or potential apparent COI, he or she shall inform the Head of Staff of the basis or such belief, and the Session shall afford the accused person an opportunity to explain the alleged failure.

If, after considering the response of a person so accused and after making further investigation as warranted by the circumstances, the Session determines that the accused person failed to disclose an actual or possible conflict of interest, the Session shall take appropriate disciplinary and corrective action.

## ***Article IV—Records of Proceedings***

The minutes of the Session and any Committee with Session-delegated authority to investigate a COI matter shall contain:

- The name(s) of any person who disclosed or otherwise was found to have a Financial Interest in connection with an actual, potential or apparent conflict of interest, the nature of the Financial Interest, any action to determine whether a Significant COI was present, and the Session's decision or Committee's recommendation as to whether a Significant COI existed.
- The names of the persons who were present for discussions and votes relating to the contractual transaction, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

## ***Article V—COI Policies and Practices Regarding Compensation***

With the exception of the Head of Staff, the members of the Session shall not receive compensation for their service as Session members. However:

- A voting member of the Session or a staff employee who receives compensation, directly or indirectly, from the Church for any services is precluded from voting on any COI determination pertaining to that person's compensation and shall exclude himself/herself from all discussions and votes regarding such compensation.
- A voting member of any Committee whose jurisdiction includes compensation matters, and member who receives compensation directly or indirectly from the Church for any services, is precluded from voting on matters pertaining to that member's compensation and shall exclude himself/herself from all discussions and votes on such compensation.
- No voting member of the Session or a Committee whose jurisdiction includes compensation matters, or who receives compensation, directly or indirectly, from the Church for any services, is prohibited from providing information to the Session or to any Committee regarding any matters, including the member's compensation.

## ***Article VI—Annual COI Statements***

Each Session member, principal Officer, Committee member, or other volunteer having Session delegated authorities involving purchase orders or other contractual agreements shall annually sign a statement (see Forms) that affirms he or she:

- Has received a copy of the Conflict of Interest policy.
- Has read and understands the Policy.
- Has agreed to comply with the Policy.
- Understands the Church is a nonprofit corporation and that, in order to maintain its tax-exempt status, it must engage primarily in activities directed to its tax-exempt purposes.

## ***VII—Periodic Reviews***

To ensure that the Church operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- Whether compensation arrangements and benefits are reasonable, based of competent survey information, and the result of arm's length bargaining; and
- Whether contracts, partnerships, joint ventures, and other contractual arrangements with third parties conform to the Church's written policies and are:
  - Properly recorded.

- Reflect reasonable investment decisions or payments for goods and services.
- Advance charitable purposes and do not result in private inurement or an excess benefit transaction.

### ***Article VIII—Use of Outside Experts***

When conducting the periodic reviews as provided in Article VII, the Church may, but need not, use outside experts as advisors. If outside experts are used, their use shall not relieve the Session of its responsibility for ensuring that periodic reviews are conducted.



## **Appendix C: Expense Reimbursement Plan**

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The First Presbyterian Church maintains this fully accountable Expense Reimbursement plan for its pastors, employees and volunteers, in accordance with the rules and regulations of the Internal Revenue Service. Such rules and regulations provide that an employee “need not report on his/her tax return” expenses paid or incurred by the employee solely for the benefit of the Church, and for which such employee is required to and does account to the Church and which are charged directly or indirectly to the Church. Accordingly, all property, goods and services purchased under this accountable expense reimbursement plan belong to the Church, not the individual.

In addition to the rules and regulations of the IRS, the following requirements for expense reimbursement apply:

- a. All mileage expenses will be reimbursed at the published IRS rate. Documentation must accompany the request that lists the time and place, odometer readings, identification of business and statement of business purpose. Commuting miles will not be reimbursed.
- b. Individual receipts are required for reimbursement of expenses.
- c. Requests for reimbursement for meals or other expenses must include the business relationship among the parties to sufficiently explain the business purpose and why the expense was incurred on behalf of the church. Guidelines for determining reasonable meal expenses shall generally conform to IRS per diem rates.
- d. When necessary, the Church will provide cash advances for allowable and appropriate business expenses. By accepting an advance, the minister, employee, or volunteer agrees to comply with the requirements of this Plan and will document the expenses and return any excess payments within 60 days.
- e. Requests for reimbursement or cash advances will be made on an expense report, signed by the payee, approved in the same manner required for all checks and submitted for payment. Reimbursement requests must be approved by someone other than the payee.
- f. Expenses will be charged to a particular program area that is associated with the reason for the expense. Professional development expenses will be charged to an appropriate personnel account.
- g. Requests for reimbursement must be made within 60 days of the expense.
- h. Original receipts and documentation of the request for reimbursement will be retained by the Church to substantiate the expense.

As applicable individuals seeking reimbursement are required to have signed and have on file Expense Reimbursement Plan Acknowledgement form.



## **Appendix D: Acceptable Ranges of Investment Categories in the Investment Portfolio**

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### ***Equities (Stocks)***

The range of equity investments shall ordinarily fall between 40% and 65% of the total investment portfolio. A neutral range is between 50-60%.

Within equities the following categories should be represented:

- Large and mega capitalization (cap).
- Small and mid-caps.
- Foreign, including emerging markets.
- REITs.

In terms of capitalization, a strong majority of the equity investments should be in large and mega caps. A normal range for them would be 65-80% of total equities. Thus, the normal range for small and mid-caps would be 20-35%.

In another breakdown, domestic equity range should be 65-85% of total equities, with foreign falling between 15 and 35% of the total equity investment.

Investment in REITs should generally be 5% or less of total equity investment.

### ***Fixed Income (Debt) Ranges***

Fixed income investments shall fall between 35% and 60% of the total investment portfolio. A neutral range would be 40-50%.

Within fixed income the following categories should be represented:

- Investment grade.
- Below-investment grade.
- Foreign, including emerging markets.
- Duration: short, intermediate and long.

Quality ranges should be 70-90% investment grade, relative to the total allocated to fixed income investments. Thus below-investment grade fixed income investments should be between 10% and 30%.

A range of 70-90% domestic debt securities and 10-30% foreign should be maintained.

As a general rule an average bond duration of 4-8 years (intermediate) is advisable to balance income and price volatility factors; however, there are times when a shorter average duration is advisable.

## **Appendix E: Cash Handling Policy**

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The Church receives cash and checks in its Sunday offerings, TGIF concerts, social events, and Church sales. All Church Members who handle cash are instructed on basic internal controls related to cash receipts.

Cash handlers are also instructed that they are required to keep all financial information confidential. Offering counters are expected to sign the following agreement.

Detailed instructions to Counters consistent with these policies are provided by the Treasurer with approval of the Finance Committee



## **Appendix F: Special Purpose Fund Identification Documents**

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A Special Purpose Fund Identification Document shall be created for each Special Purpose Fund proposed for approval by the Session. See the model template for a Special Purpose Fund Identification Document set forth below.

### ***Document Contents***

The Special Purpose Fund Identification Document shall contain all pertinent information regarding the proposed Special Purpose Fund, including:

- The proposed name of the Special Purpose Fund.
- The account number of the Fund (assigned by the Treasurer).
- The purpose of the Fund, specifically including any donor-imposed restrictions, special conditions or instructions; or any Session-imposed restrictions regarding use or duration of the Special Purpose Fund, carryover of unused funds to subsequent years, retention of income earned on the assets in the Fund, etc.
- The initial level of funding and its source (individual donation(s); will, trust, charitable annuity, etc.; special solicitation and collection; Session appropriation of unrestricted funds; or other).
- Name(s) and contact information for any donor(s), unless Special Purpose Fund is based on a Church solicitation accompanied by general membership contributions.
- The identification and location of any pertinent Gift Instrument (donation agreement, Church solicitation, will, trust, etc.).
- Any pertinent information on a donor, or the circumstances of the formation of the Special Purpose Fund, that might assist future Church representatives in the management of the Fund.
- Proposed sources of subsequent or continuing funding, if any.
- The type of Special Purpose Fund (Temporarily Restricted, Permanently Restricted, or Unrestricted (Session Designated) (see Definitions).
- The Committee Chair and/or FPC employee having expenditure authority over Special Purpose Fund.
- The date of approval by the Session.

### ***Fund Creation***

A draft Special Purpose Fund Identification Document shall be prepared in connection with a proposal to the Session to approve a new Special Purpose Fund. The approved Document should be referenced in connection with any subsequent contribution or appropriation of new funding to the Fund, or any request for expenditures from the Special Purpose Fund. The responsible FPC employee or committee chair is responsible for ensuring that there is a record of Session approval or delegated expenditure authority to support a proposed disbursement, and for ensuring that the correct account number is referenced.

## ***Existing Funds***

The table below lists the Special Purpose Fund Categories, Currently Active Special Purpose Funds, Responsible Signatories, and Account Numbers.

The type of Fund is indicated by the following abbreviations:

- TR: Temporarily Restricted
- PR: Permanently Restricted
- SD: Session Designated
- L: Liability Account

<b><i>Name</i></b>	<b><i>Responsible Signatory</i></b>	<b><i>Account</i></b>	<b><i>Type</i></b>	<b><i>Page</i></b>
<b>Music, Art and Worship</b>				
Organ Maintenance Fund	Music Director	3310	TR	87
Piano Practice Fund	Music Director	3315	TR	87
Chancel Bells Fund	Music Director	3330	TR	88
Recital (TGIF) Fund	Music Director	3340	TR	88
Music Director Education Fund	Chair, Worship & Music Committee	3350	SD	89
Music Fund	Music Director	3360	TR	89
Chancel Choir Fund	Music Director	3325	TR	90
Benson Music Memorial Fund	Chair, Worship & Music Committee	3320	TR	90
Back Pew Gallery Fund	Chair, Back Pew Gallery Committee	3720	TR	91
<b>Facilities/Physical Plant</b>				
Building Reserve Fund	Chair, Facilities Committee	3830.20	TR	92
Columbarium Fund	Chair, Columbarium Committee	3100	TR	93
Building Maintenance Fund	Chair, Facilities Committee	3151	TR	94
Continued on next page				

<i>Name</i>	<i>Responsible Signatory</i>	<i>Account</i>	<i>Type</i>	<i>Page</i>
<b>Mission and Social Justice (M &amp; SJ)</b>				
General Mission Fund	Chair, M & SJ Committee	3610	TR	95
Creation Care Fund	Chair, Creation Care Committee	3620	TR	95
Rooftop Garden Fund	Chair, Rooftop Garden Committee	3190	TR	96
People in Mission Fund	Chair, M & SJ Committee	3630	TR	97
Cuba Fund	Chair, M & SJ Committee	3640	TR	98
Restorative Justice Fund	Chair, M & SJ Committee	3650	TR	98
Miscellaneous Other Charities	Chair, M & SJ Committee, Treasurer	2220	L	99
Misc. Emergencies Offerings	Head of Staff	3095	L	100
Jameson Benevolence Ministries Fund	Session (Clerk of Session)	3820.50	SD	100
Benevolence Fund	Chair, Benevolence Committee	3660	TR	101
<b>Christian Education (CE)</b>				
Christian Ed Equipment Fund	Chair, Children & Youth Committee	3510	TR	102
Youth Program Fund	Chair, Children & Youth Committee	3520	TR	102
Children's Program Fund	Chair, Children & Youth Committee	3530	TR	103
Adult Education Fund	Chair, Adult Ed Committee	3710	TR	103
<b>Child Development Center</b>				
CDC Special Projects Fund	CDC Director	3730	TR	104
CDC Scholarship Reserve Fund	CDC Director	3820.60	TR	104
CDC Current Scholarship Fund	CDC Director	3735	TR	105
<b>Congregational Care</b>				
Deacons Fund	Chair, Deacons	3740	TR	106
Congregational Emergency Assistance	Head of Staff	3140	TR	107
Prayer Shawl Fund	Chair, Prayer Shawl Committee	3750	TR	107
Continued on next page				

<i>Name</i>	<i>Responsible Signatory</i>	<i>Account</i>	<i>Type</i>	<i>Page</i>
<b>Other Funds</b>				
Ministry Support Fund	Head of Staff	3120	TR	108
Pastor Housing Fund	Chair, Pastor Nominating Committee	3130	SD	108
Pastor CE Fund	Pastor/Personnel Committee	3015	SD	108
Memorial Gifts Fund	Session (Clerk of Session)	3180	SD	109
General Reserve Fund	Chair, Finance Committee	3820.40	SD	110
<b>PC(USA) Pass-Through Accounts</b>				
One Great Hour of Sharing	Treasurer/Chair M&SJ	2211	L	111
Pentecost Offering	Treasurer/Chair M&SJ	2212	L	111
Peace & Global Witness Offering	Treasurer/Chair M&SJ	2213	L	112
Joy (Christmas) Offering	Treasurer/Chair M&SJ	2214	L	113
Thank Offering (Presbyterian Women)	Treasurer, Pres Women	2215	L	114
Special PCUSA/Presbytery Collections	Treasurer, Chair M&SJ	2218	L	115

This Table may be updated by the Office Manager and Clerk of Session as necessary, without Session approval, to reflect changes resulting from Session actions duly recorded in Session minutes.

Original source documents, e.g., Session minutes, gift agreements, or bequests documentation, for all Special Purpose Funds in this Table may be found in the Church business files or on shared documents on OneDrive.

**Appendix F-1:  
Special Purpose Funds Related to Worship and Music Program**

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***Organ Maintenance Fund***

Account Number 3310

Temporarily Restricted Fund (TR)

A Donor Restricted Fund established in 2007 for the purpose of maintaining the Fisk Organ. The Fund may receive restricted gifts and bequests. The Fund is not to be used for building maintenance items such as furniture or non-organ related equipment. However, the actual Organ maintenance costs are shared with other facility funds.

At least once each year, the Organ Maintenance Fund will be put before the congregation (in the church newsletter, in the bulletin, and with a Church in Ministry Moment in Worship) as an opportunity for giving. The story of how the organ was built and paid for is compelling, and people should be invited to "maintain the miracle."

Fund is under the auspices of the Music and Worship Committee, with day-to-day responsibilities currently delegated to the Music Director (with Head of Staff approval).

Approved: \_\_\_\_\_ 2007 \_\_\_\_\_ Amended: \_\_\_\_\_

***Piano Practice Fund***

Account Number 3315

Temporarily Restricted Fund (TR)

This is a Donor Restricted Fund administered by the Worship and Music Committee in consultation with the Director of Music within the guidelines established by the Session. Donations are received from the congregation, outside music groups who use the pianos, and persons who practice on the church instruments. The Fund receives donations designated for piano tuning and repair.

With Session approval, at least once each year, this Fund will be put before the congregation (in the church newsletter, in the bulletin, and with a Church in Ministry Moment in Worship) as an opportunity for directed giving.

Fund is under the auspices of the Music and Worship Committee, with day-to-day responsibilities currently delegated to the Music Director (with Head of Staff approval).

Approved: \_\_\_\_\_ Amended: \_\_\_\_\_

## ***Chancel Bells Fund***

Account Number 3330

Temporarily Restricted Fund (TR)

This fund is a Donor Restricted Fund administered by the Worship and Music Committee in consultation with the Director of Music within the guidelines established by the Session. The Fund is to be spent for new bell equipment, bell repairs, bell music, and membership fees for the American Guild of English Handbell Ringers. It receives honoraria generated by the Bell Choir, interest, and contributions.

With Session approval, at least once each year, this Fund will be put before the congregation (in the church newsletter, in the bulletin, and with a Church in Ministry Moment in Worship) as an opportunity for directed giving.

Fund is under the auspices of the Music and Worship Committee, with day-to-day responsibilities currently delegated to the Music Director (with the approval of the Head of Staff).

Approved: \_\_\_\_\_ Amended: \_\_\_\_\_

## ***Recital (TGIF) Fund***

Account Number 3340

Temporarily Restricted Fund (TR)

This is a Donor Restricted Fund that is administered by the Worship and Music Committee in consultation with the Director of Music (or person responsible for arranging recitals and community concerts) within the guidelines established by Session. Reports on income and expenditures will be made to Session on at least an annual basis. The Fund receives free-will offerings from TGIF and other recitals as well as gifts from individual donors. The Fund pays expenses related to recitals and maintenance of instruments used in the recitals. In addition, it may be used to offset expenses connected with the use of First Presbyterian Church as a community concert venue.

With Session approval, at least once each year, this Fund will be put before the congregation (in the church newsletter, in the bulletin, and with a Church in Ministry Moment in Worship) as an opportunity for directed giving.

Fund is under the auspices of the Music and Worship Committee, with day-to-day responsibilities currently delegated to the Music Director (with the approval of the Head of Staff).

Approved: \_\_\_\_\_

Amended: \_\_\_\_\_

***Music Director Education Fund***

Account Number 3350

Session Designated Fund (SD)

This Session Designated Fund will be administered by the Worship and Music Committee in consultation with the Director of Music within the guidelines established by the Session. The Fund is for continuing education expenses of the Director of Music including books, music travel and housing expenses and fees to attend conferences academies and workshops. The Fund receives monies from left over from funds designated for the Music Director's Continuing Education in the annual Operating Budget and from contributions by the Director of Music. This rollover amount is not to exceed \$2,000.

Fund is under the auspices of the Worship and Music Committee.

Approved: \_\_\_\_\_

Amended: \_\_\_\_\_

***Music Fund***

Account Number 3360

Temporarily Restricted Fund (TR)

This is a Donor Restricted Fund is administered by the Worship and Music Committee in consultation with the Director of Music within the guidelines established by the Session. It is used as a holding account for donations to the general Music Program.

With Session approval, at least once each year, this Fund will be put before the Congregation (in the church newsletter, in the bulletin, and with a Church in Ministry Moment in Worship) as an opportunity for directed giving.

Fund is under the auspices of the Music and Worship Committee, with day-to-day responsibilities currently delegated to the Music Director (with the approval of the Head of Staff).

Approved: \_\_\_\_\_

Amended: \_\_\_\_\_

### ***Chancel Choir Fund***

Account Number 3325

Temporarily Restricted Fund

This is a Donor Restricted Fund used to cover special expenses related to the Chancel Choir (sheet music, scholarships for choir trips, and other special projects or activities).

Fund is under the auspices of the Music and Worship Committee, with day-to-day responsibilities currently delegated to the Music Director (with the approval of the Head of Staff).

Approved: \_\_\_\_\_ Amended: \_\_\_\_\_

### ***Benson Music Memorial Fund***

Account Number 3320

Session Designated (SD)

The Elizabeth and Arnold Benson Music Memorial Fund began as a Donor Restricted Fund. The source documents, including the letter of Rev. James D. Brown dated October 17, 1984, which was countersigned by the donor Whitney Ann Woodworth, provided that the Fund could be dissolved in the event it was not used over any two consecutive years. The last activity was in August of 2012. In August 2016, the Session dissolved the Fund and then designated the remaining money as a Session Designated Fund to be used for support of the FPC music program.

The Fund supports the adult music program of the Church and is administered by the Worship and Music Committee in consultation with the Director of Music, within guidelines established by the Session.

Fund is under the auspices of the Music and Worship Committee in consultation with the Music Director.

Approved: October 17, 1984 Amended: August 17, 2016

***Back Pew Gallery Fund***

Account Number: 3720

Temporarily Restricted Fund (TR)

The Back Pew Gallery serves to exhibit art produced by Members and friends of the Church, while facilitating sales of art from artists to purchasers. The Fund may receive voluntary contributions from artists, as suggested in the Artist Sales Agreement. Contributions to the Fund from others are also accepted. The Fund may be used to cover operating expenses of the Back Pew Gallery or other FPC purposes, as determined by the Back Pew Gallery Committee.

Fund is under the auspices of the Back Pew Gallery Committee.

Approved: September 17, 2004

Amended: \_\_\_\_\_

## **Appendix F-2: Special Purpose Funds Related to Facilities/Physical Plant**

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### ***Building Reserve Fund***

Account Number 3830.20

Temporarily Restricted Fund (TR)

This is a fund created by the Session specifically for the maintenance and up-keep of the First Presbyterian Church building at 208 Grant Avenue as agreed by the Congregation on August 27, 2006. The source of funds was funds remaining from the Capital Fund that supported the renovation of the sanctuary and the construction of the 3-story office/educational/fellowship hall building. In essence this Fund is a building maintenance reserve for the future support of maintenance, repair and renovation requirements. It may be necessary to add resources to this fund via the annual Church budget or by member contributions as projected requirements increase in future years. The projected requirements for any increase in this Fund should be supported by an estimate developed by the Facilities Committee and approved by Session during the annual budget development process.

The assets of the Building Reserve Fund are invested as determined by the Investment Committee and the Session. Income is accrued to the Fund.

The Building Reserve Fund is intended for maintenance and repairs necessary to keep the Church building in good repair and free of defects. Typical examples are:

- a. Major repair and maintenance.
  1. Replacement or repair of roof on either of the two buildings.
  2. Repair of stucco on buildings.
  3. Repair of sidewalks, basement floor, and ramp into garage.
  4. Repair of elevator.
  5. Replacement of garage gate.
  
- b. Minor repair and maintenance.
  1. Purchases to replace items in the HVAC system such as motors, filters, manual or electronic switches or control units.
  2. Repair or upgrades to emergency security system.
  3. Repair or upgrades to fire, elevator, a/v, door answering or rescue assistance alarms.
  4. Repair of garage gate or minor repair of elevator.
  5. Unbudgeted repair of furniture, painting jobs.

Funds for routine maintenance of the Church building will be included in the annual operating budget of the church. Routine maintenance includes daily custodial services,

landscaping services, purchase of cleaning supplies, light bulbs and ballasts, items for the repair of furniture and equipment.

This Fund is not intended for maintenance of the organ, which is covered by a separate Fund, and is not intended for the purchase of furniture or portable equipment.

At least once each year, the Building Reserve Fund will be put before the congregation (in the Church newsletter, in the bulletin, and with a Church in Ministry Moment in Worship) as an opportunity for giving. The story of how the building was built and paid for is compelling, and people should be invited to "maintain the miracle."

Fund is under the auspices of the Facilities Committee.

Approved: \_\_\_\_\_ Amended: \_\_\_\_\_

### ***Columbarium Fund***

Account Number 3100

Temporarily Restricted Fund (TR)

This Donor Restricted Fund is the result of a donation by Virginia and Philip Fisher, as described by the memorandums of Charlie Stringfellow, dated April 14 and May 10, 2011.

This Restricted Fund is intended to pay for the construction and maintenance of columbarium(s) to provide inurnment of cremated remains as stipulated in the Columbarium Policy. The Columbarium Committee will manage the operation of the columbarium. All monies received from the purchase of the right to inurnment will be deposited to the Fund. Columbarium Committee authorization shall be required for any disbursement of monies to cover operating expenses, or for completion of design and/or construction beyond phases one and two.

The intent of the Columbarium Committee is that 20% of the monies received each year shall be retained to cover operating expenses of the Columbarium. The remaining 80% will be used as needed for completion of the continued design and construction of the Columbarium, or if not needed may be released by the Committee for general Church operating expenses. By June 30 of each calendar year, the Columbarium Committee will determine the amount of funds that can be used for projects or purposes designated by the Session.

However, when 75% of the available spaces have been purchased, monies from all subsequent sales shall be retained until an adequate amount is available for the cost of purchasing and installing an additional Columbarium phase. Monies may also be received from the purchase of spaces/niches in the new unit before it is built.

In addition to sales proceeds, contributions to the Fund may be accepted. The Committee may retain such contributions or release them for Church purposes as designated by the Session.

Fund is under the auspices of the Columbarium Committee.

Approved: \_\_\_\_\_ Amended: \_\_\_\_\_

### ***Building Maintenance Fund***

Account Number 3151

Temporarily Restricted Fund (TR)

This Fund collects contributions donated to support costs of general purchase, repair and maintenance of Church facilities, equipment and furnishings. Donations for specific purposes within this category will be accepted and honored.

This Fund may be used to cover costs of routine repairs or maintenance that are not covered by the Building Reserve Fund, as well as costs that could be covered by the Building Reserve Fund. In the case of the latter, this Fund will ordinarily be used before turning to the Building Reserve Fund.

Fund is under the auspices of the Facilities Committee.

Approved: February 18, 2015 Amended: \_\_\_\_\_

## **Appendix F-3: Special Purpose Funds Related to Mission and Social Justice**

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### ***General Mission Fund***

Account Number 3610

Temporarily Restricted Fund (TR)

This Donor Restricted Fund was formerly named Peace and Justice and is now named the General Mission Fund. The PC(USA) accounts no longer transfer monies to this Fund; instead the PC(USA) accounts are handled by the Treasurer in consultation with the Chair of the Mission and Social Justice. The 25% that needs to be distributed locally is paid directly out of the Peace and Global Witness Offering Fund, Account Number 2210.

The purpose of the General Mission Fund is to support programmatic mission activities of the Church, including, for example, the funding of local charities, allocations of start-up funding for special mission projects, and the support of Presbytery or PC(USA) national or international activities.

The primary source of money for this Fund consists of donations earmarked for Mission.

Fund is under the auspices of the Mission and Social Justice Committee.

Approved: \_\_\_\_\_ Amended: \_\_\_\_\_

### ***Creation Care Fund***

Account Number 3620

Temporarily Restricted Fund (TR)

This Fund originated from a special called meeting (October 28, 2007) of the Congregation, which was to hear the report of the Second Capital Campaign Mission Component Committee and approve the remaining two projects for mission funding. The Congregation acted to designate \$37,500 to **Caring for God's Creation** through providing \$18,000 to Habitat for Humanity to provide "green" plans, material and equipment for one house; \$1,500 for Educational Curriculum materials to begin the educational process in FPC; and \$18,000 to provide a **roof-top garden** on the church's education and administration building to give children and adults hands-on experience with Creation Care skills and methodologies.

The Creation Care Fund was initially created by the Session in 2008 with funds available from the Mission component of the Second Capital Campaign, in particular funds remaining

after the creation of the Rooftop Garden. Its purpose is to act as a resource to and educate members of FPC and the community on issues of environmental sustainability and responsible food production and consumption. It also promotes environmental awareness in the areas of worship, education, outreach and facility management activities.

The Fund is currently used to cover costs of annual membership dues of the PC(USA) Earth Care Congregations Network. It also covers dues of NM Power and Light, a local network of NM faith-based environmental advocacy groups that is part of a larger national organization known as Interfaith Power and Light, which promotes energy conservation and efficiency efforts among faith-based organizations, along with other environmental awareness programs related to renewable energy, global warming, and environmental stewardship in general.

The Fund is also available to support the Rooftop Garden Fund as needed.

The Fund accepts gifts from FPC Members and others, and with Session approval solicits grants.

The Fund is under the auspices of the Creation Care Committee, which shall report Fund transactions to the Mission and Social Justice Committee in a timely manner.

Approved: \_\_\_\_\_

Amended: \_\_\_\_\_

### ***Rooftop Garden Fund***

Account Number 3190

#### Temporarily Restricted Fund (TR)

The Rooftop Garden Fund was initially created in 2007 with funds available from the Mission component of the Second Capital Campaign (see minutes of Congregational meeting of Oct. 28, 2009). It supports the maintenance of a Rooftop garden during the summer months. The Rooftop garden has converted what would otherwise be a relatively utilitarian rooftop area to a quiet and attractive garden patio located high above street level. Its purpose is to give children and adults hands-on experience with Creation Care skills and methodologies. It also serves to enrich the worship services held on the roof during the summer months and provides an attractive outdoor space for the CDC children to eat lunch and for small groups to meet outdoors. It has also been used for special events, including a wedding and a CDC kindergarten graduation.

The Fund is sustained by occasional funding from the Creation Care Committee as well as gifts that cover the costs of plant materials, planting soil, and irrigation and planter box supplies.

The Fund is under the auspices of the Rooftop Garden Committee, which shall report Fund transactions to the Mission and Social Justice Committee in a timely manner.

Approved: \_\_\_\_\_

Amended: \_\_\_\_\_

### ***People in Mission Fund***

Account Number 3630

Temporarily Restricted Fund (TR)

The People in Mission Fund provides a means by which our mission programs can interactively share with others and they with us the gospel of Christ in the world on a one to one basis, emphasizing inspiration by the Holy Spirit. Activities are intended to raise the consciousness of the congregation through a long term program that will foster education and experience in worldwide mission.

The People in Mission Fund was established to support global mission activities of First Presbyterian Church of Santa Fe through:

1. Support of church members who wish to expand understanding of others, do work projects or volunteer in mission; or, short term fraternal workers engaged in activities in the US or globally. Upon their return they interpret their respective experiences to further educate and involve the congregation.
2. Support of representatives of the national and international church to visit our community to share about the work, experience and challenges in their home situation.

With Session approval, at least once each year, this Fund will be put before the Congregation (in the Church newsletter, in the bulletin, and with a Church in Ministry Moment in Worship) as an opportunity for directed giving.

Fund is under the auspices of the Mission and Social Justice Committee, which maintains guidelines and application forms for prospective participants.

Approved: \_\_\_\_\_

Amended: \_\_\_\_\_

## ***Cuba Fund***

Account Number 3640

Temporarily Restricted Fund (TR)

This Fund is a Donor Restricted Fund for the purpose supporting the Synod of Cuba and FPC's sister church, Sagua La Grande Church.

An annual Special Offering for Cuba is taken, usually in the spring. Through a prior understanding with the Synod of Cuba and the Presbytery of Santa Fe, the offering will be divided equally between the Synod of Cuba and FPC's sister church in Sagua la Grande. Funds are to be sent through the Presbytery of Santa Fe. First Presbyterian Church in Santa Fe will not designate how these funds are used in Cuba.

With Session approval, at least once each year, this Fund will be put before the congregation (in the church newsletter, in the bulletin, and with a Church in Ministry Moment in Worship) as an opportunity for directed giving.

Fund is under the auspices of the Mission and Social Justice Committee.

Approved: October 15, 2014

Amended: \_\_\_\_\_

## ***Restorative Justice Fund***

Account Number 3650

Temporarily Restricted Fund (TR)

This is a Donor Restricted Fund dedicated to providing financial assistance to incarcerated individuals, or individuals recently released from incarceration, and their families.

The purpose of this Fund is to meet basic needs. Normally, such needs are:

- Food.
- Lodging.
- Clothing.
- Medical treatment.
- Transportation to or from a place of employment.
- Funeral expenses.
- Initial evaluation and professional counseling appointments.

Needs that may not be met include:

- Private school fees or tuition, business investments, or anything that is intended to generate income to the individual or family.

- Paying off credit card debt (exception may be made when an individual has had to use a credit card in a crisis or emergency).
- Legal expenses.
- Fines or penalties relating to late payments or irresponsible actions.

Financial assistance for counseling will be considered if it is determined that counseling would directly enable the individual to address a current financial situation. In most cases, this is limited to an initial counseling appointment. Under special circumstances, additional assistance may be given.

This Fund is under the auspices of the Mission and Social Justice Committee, which is responsible for the identification and selection of prospective recipients.

Approved: March 18, 2015 Amended: \_\_\_\_\_

***Miscellaneous Other Charities***

Account Number 2220

Liability Fund (L)

This is a Donor Restricted Fund established to receive offerings and donations designated for local charities such as Food for Santa Fe or Habitat for Humanity, by special offerings of the congregation as well as individual donations. Funds approved by PC(USA) or FPC (see Table 5) are accepted automatically; other donations will be reviewed before acceptance.

Funds are disbursed in a timely manner to the designated local charity.

This is a liability account maintained under the auspices of the Mission and Social Justice Committee and the Treasurer.

Approved: \_\_\_\_\_ Amended: \_\_\_\_\_

## ***Miscellaneous (Emergency) Offerings Fund***

Account Number 3095

Liability Account (L)

A Fund for collecting special offerings approved by Session for disasters and similar emergencies. Funds shall be collected in this Fund until expended for the purpose.

Examples include the Los Conchos Fire in 2012, the Ghost Ranch Flooding in 2014 or world-wide disasters such as earthquakes and tsunamis.

Fund is under the auspices of the Head of Staff and the Treasurer.

Approved: \_\_\_\_\_

Amended: \_\_\_\_\_

## ***Jameson Benevolent Ministries Fund***

Account Number 3820.50

Session Designated Fund (SD)

The following history is taken from the Administration Committee Report (May 1, 2011), and email exchanges within the Administration Committee and with consultation of Ken Bateman of the Ad Hoc committee set up to investigate the status of the Jameson Trust.

“In April 1999, Frances Jameson created a family trust (Century Trust) with a charitable remainder trust to be administered for the benevolent purposes of several Presbyterian entities. Following the death of the family annuitant, the Trustee, Century Trust, continued to administer the trust for the charitable beneficiaries. In 2010, the Trustee declined to continue management of the trust account. The remaining trust assets were divided among the three beneficiary-churches removing the initial trust limitations as a benevolent programs trust. FPCSF received a distribution in the amount of \$139,036.85. After accounting for the yearly payment to FPC, the remaining balance of \$121,536.85 was deposited in the Covenant Trust Fund (CTF) for "future distribution and budget deficit management," per the action of Session [Jan 20, 2010].

During the 2011 budgeting process, Session approved the continued allocation of the \$17,206 from the Trust. However, after reconsideration of the original trust documents and communications with Century Trust, Session determined that in the future the trust should be administered in line with the distribution plan as set forth in those documents. Thus, Session classified \$121,536.85 (plus any accruing interest and market value) as the "Initial Value" of the Fund. A fixed amount of \$5,000

instead of the 5% noted in the Initial Jameson Trust Document, will be distributed each year from the fund, with the proceeds used for the benevolent ministries of the church.”

Per the Administration Committee’s recommendation of May 1, 2011, on May 18, 2011, the Session approved the motion to include the Jameson Benevolent Fund in the Restricted Funds document, with Session direction that future use be limited to \$5000 per year for inclusion in the Church’s annual budget for benevolent purposes, unless and until subsequent Session action directs other considerations and/or disbursements.

Fund is under the auspices of the Session (Clerk of Session).

Principal is held in investments and income accrues to the Fund.

Approved: \_\_\_\_\_ Amended: \_\_\_\_\_

***Benevolence Fund***

Account Number 3660

Temporarily Restricted Fund (TR)

This is a Donor Restricted Fund that supports benevolent financial assistance to individuals and families in need in the Santa Fe area who are not Members of the Church. (Assistance to Members of the Church is supported primarily by the Pastor’s discretionary account and the Congregational Emergency Assistance Fund, although funds may be disbursed from the Benevolence Fund for this purpose if such other sources are insufficient).

The Fund accepts donations from Members and friends, and special offerings as authorized by the Session.

The Fund is under the auspices of the Benevolence Committee, which consists of the Pastor, a representative of the Mission and Social Justice Committee, and an ordained Deacon and an ordained Elder appointed by the Session. Guidance on use of the Fund is set forth in the Benevolence Policy (Section VIII).

Approved: \_\_\_\_\_ Amended: \_\_\_\_\_

**Appendix F-4:  
Special Purpose Funds Related to Christian Education**

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***Christian Education (CE) Equipment Fund***

Account Number 3510

Temporarily Restricted Fund (TR)

A Donor Restricted Fund to which contributions and funds from work projects were collected for the specific purpose of purchasing equipment for the Christian Education program of the Church. Upon exhaustion of this Fund it will be closed.

Fund is under the auspices of the Christian Education Committee.

Approved: \_\_\_\_\_

Amended: \_\_\_\_\_

***Youth Program Fund***

Account Number 3520

Temporarily Restricted Fund (TR)

This is a Donor Restricted Fund formerly named Ecumens, to be spent on FPC Youth programs and activities in the Church and community.

Fund is under the auspices of the Christian Education Committee.

Approved: \_\_\_\_\_

Amended: \_\_\_\_\_

***Children’s Program Fund***

Account Number 3530

Temporarily Restricted Fund (TR)

This is a Donor Restricted Fund formerly named the After School Daycare Fund, to be spent on FPC Children’s programs and activities in the Church and community. This Fund was originally supported by yard sales and other individual donations to the Fund. It funded activities such as the Friday Afternoon Club, Parents’ Night Out, and Summer Art Camp.

This Fund is under the auspices of the Christian Education Committee.

Approved: \_\_\_\_\_ Amended: \_\_\_\_\_

***Adult Education Fund***

Account Number 3710

Temporarily Restricted Fund (TR)

This Donor Restricted Fund is funded by donations for adult education.

The Fund supports adult education events for adults and families, which are not funded by the Operating Budget of the Adult Education Committee.

Fund is under the auspices of the Adult Education Committee.

Approved: \_\_\_\_\_ Amended: \_\_\_\_\_

**Appendix F-5:  
Special Purpose Funds Related to Child Development Center (CDC)**

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***Child Development Center (CDC) Special Projects Fund***

Account Number: 3730

Temporarily Restricted Fund (TR)

This Fund is comprised of all money raised by the CDC through their fundraising efforts, except for funds raised for scholarships.

Fund is under the auspices of the CDC Advisory Committee, with day-to-day responsibilities currently delegated to the CDC Director (with the approval of the Head of Staff).

Approved: December 17, 2014 Amended: \_\_\_\_\_

***Child Development Center (CDC) Scholarship Reserve Fund***

Account Number: 3820.60

Temporarily Restricted Fund (TR)

At a congregational meeting on April 25, 2004, the Congregation determined that \$80,000 from the Capital Campaign be allocated to Weekday Children's Outreach which subsequently became the CDC. On May 18, 2011, Session established a separate account for CDC scholarships in the amount of \$80,000 and directed that income earned on that account be accrued for CDC scholarship. Further, Session directed that beginning in fiscal year 2012 income and principal in the amount of \$3,000 per year be withdrawn and used for scholarships.

Fund is under the auspices of the CDC Advisory Committee, with day-to-day responsibilities currently delegated to the CDC Director (with the approval of the Head of Staff).

Approved: \_\_\_\_\_ Amended: \_\_\_\_\_

***Child Development Center (CDC) Current Scholarship Fund***

Account Number: 3735

Temporarily Restricted Fund (TR)

The fund collects contributions to support scholarships for CDC. This fund is used before turning to the CDC Scholarship Reserve Fund.

Fund is under the auspices of the CDC Advisory Committee, with day-to-day responsibilities currently delegated to the CDC Director (with the approval of the Head of Staff).

Approved: \_\_\_\_\_

Amended: \_\_\_\_\_

## **Appendix F-6: Special Purpose Funds Related to Congregational Care**

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### ***Deacons Fund***

Account Number 3740

Temporarily Restricted Fund (TR)

The Deacons Fund supplements any budgeted line item account for the Deacons.

The Deacons Fund is for the purpose of supporting non-financial assistance to Members and their families in times of need. (Financial assistance to Members in need is available under the Pastor's discretionary account, a budget line item; or from the Congregational Emergency Assistance Fund.)

The Deacons Fund collects contributions to support the Deacons' mission of caring for Members and their families during times of crisis, including visiting the ill and providing them with meals and transportation, providing flowers for memorial services, grief counseling, and other lay pastoral services. Contributions to the Fund are accepted from families of deceased to help offset costs of memorial services. Other sources of funds are periodic soup sales and general contributions from Members and friends.

The Deacons Fund is used to:

- Purchase kitchen supplies.
- Replace kitchen equipment.
- Purchase food for soup and meal preparation.
- Offset costs of kitchen custodial services.
- Reimburse deacons and other members for purchases of food and supplies for the deacons, transportation to visit the ill, etc.
- Support other church ministries related to congregational care.

Disbursements from the Fund are authorized by the Chair of the Deacons.

Approved: \_\_\_\_\_

Amended: \_\_\_\_\_

***Congregational Emergency Assistance Fund***

Account Number 3140

Temporarily Restricted Fund (TR)

Established by the Session on March 18, 1998, as the Emergency Assistance Relief Fund as a Donor Restricted Fund. It is to be used for financial emergencies of Members of the Church or their family members resulting from uninsured, unanticipated medical costs, special education needs or other financial emergencies. The Head of Staff may authorize up to \$1,000 when the timing of the assistance is urgent.

Non-urgent distributions and all disbursements greater than \$1,000 shall be made only by action of the Head of Staff, the Chair of the Deacons, and the Clerk of Session, who shall jointly determine need and authorize disbursement of funds as appropriate.

The Head of Staff shall report assistance activities annually and confidentially to the Session. Such report shall include the number of persons served, type of service and amount expended. Personally identifiable information shall be reported to the Session only upon its request, and only in a confidential executive session of the Session. Otherwise, such information shall be maintained in confidence by the Head of Staff.

The Fund accepts donations at any time.

Fund is under the auspices of the Head of Staff.

Approved: \_\_\_\_\_ Amended: \_\_\_\_\_

***Prayer Shawl Fund***

Account Number 3750

Temporarily Restricted Fund (TR)

Fund is under the auspices of the Prayer Shawl Committee. Its purpose to knit shawls for donation to Members and friends in times of need, grief, or joy.

Funds are accepted by donations from prayer shawl recipients and Members of the Congregation.

Funds are used to purchase yarn and supplies for the Committee.

Approved: March 18, 1998 Amended: \_\_\_\_\_

**Appendix F-7:  
Special Purpose Funds Related to Other Fund Activities**

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***Ministry Support Fund***

Account Number 3120

Temporarily Restricted Fund (TR)

Formerly named the Pastoral Care Fund. A Donor Restricted Fund to support the Pastor in the ministry to the congregation. The ministry may include support for an associate pastor or costs for special ministerial programs for the congregation's benefit.

Fund is under the auspices of the Head of Staff with reports to the Session.

Approved: \_\_\_\_\_ Amended: \_\_\_\_\_

***Pastor Housing Fund***

Account Number 3130

Session Designated Fund (SD)

Formerly named the Manse Fund. A Session Designated fund established by the selling of the Church-owned manse to assist ministers in the future with the purchase of a home. Distributions from and management of the Fund will be made as recommended by the Pastor Nominating Committee with final approval by a called meeting of the FPC congregation. Assistance may be in the form of an interest bearing loan to be paid back into the Fund on a regular basis.

Fund is under the auspices of the Pastor Nominating Committee and the Treasurer.

Approved: \_\_\_\_\_ Amended: \_\_\_\_\_

***Pastor Continuing Education Fund***

Account Number 3015

Session Designated Fund (SD)

A Session restricted fund established as part of the Pastor's call as part of the Pastor's salary package. The amount is dictated by PC(USA) for clergy. The Fund is for continuing

education opportunities as developed by the Pastor during the year. Per PC(USA) directives the Fund is to be carried over for a maximum of 3 years.

Fund is under the auspices of Pastor and Personnel Committee.

End of year: Funds carry over for 3 years on a rolling basis. Upon the retirement or other departure of a Pastor, money remaining in the Fund is released to the General Fund.

Approved: \_\_\_\_\_

Amended: \_\_\_\_\_

### ***Memorial Gifts Fund***

Account Number 3180

Session Designated Fund (SD)

This is a Session Designated Fund that provides family members, friends, and members of the congregation a way to make contributions to First Presbyterian Church (FPC) in memory and honor of a deceased loved one. Such contributions are deposited in the Memorial Fund unless otherwise restricted by the donor. This Fund may be used for purposes approved by the Session. Acknowledgments to the donor and family are the responsibility of the Treasurer and the Clerk of Session.

The Stewardship Committee provides oversight of the Fund and reviews requests, forwarding recommendations to Session for the final decision about distribution. Church committees and staff may make requests to the Stewardship Committee for a specific project or congregational need that is non-operational in nature.

Fund is under the auspices of the Session and the Clerk of Session.

Approved: \_\_\_\_\_

Amended: \_\_\_\_\_

***General Reserve Fund***

Account Number 3820.40

Session Designated Fund (SD)

The General Reserve Fund includes unrestricted assets set aside by the Session. It is held in an investment account.

Fund is under the auspices of the Session.

Approved: \_\_\_\_\_

Amended: \_\_\_\_\_

**Appendix F-8:  
PC(USA) Offering Accounts**

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***One Great Hour of Sharing***

Account Number 2211

Liability Account (L)

Most congregations receive One Great Hour of Sharing on Easter Sunday, Passion/Palm Sunday or both, while many receive it throughout Lent.

Monies from One Great Hour of Sharing annual offering shall be collected in this account until disbursed to Mission Treasury of the Presbytery of Santa Fe for national use. In accordance with FSAS 136, FPC treats the donations as revenue. FPC then immediately expenses the amount by creating a payable in this liability account.

A gift to One Great Hour of Sharing enables the Church to share God’s love with our neighbors-in-need around the world by providing relief to those affected by natural disasters, providing food to the hungry, and helping to empower the poor and oppressed.

The four Church-wide Special Offerings of the Presbyterian Church (U.S.A.) are a collective witness to Jesus Christ's love for the whole church. The Christmas Joy Offering, One Great Hour of Sharing, Pentecost Offering and Peace & Global Witness Offering play an important role in defining what it means to be a connectional church. Over the years these offerings have provided ways for individuals and congregations to join together with each other and in partnership with other Christians in responding to a variety of concerns.

Fund is under the auspices of the Mission and Justice Committee and the Treasurer.

Funds are paid out promptly.

Approved: \_\_\_\_\_

Amended: \_\_\_\_\_

***Pentecost Offering***

Account Number 2212

Liability Account (L)

The Pentecost Offering is traditionally received on the day of Pentecost. Monies from the annual Pentecost (Witness) Offering shall be kept in this account until 60% has been disbursed to the Mission Treasury Service of the Presbytery of Santa Fe. The remaining portion (40%) is retained for local mission activities. The Mission and Social Justice

Committee determines the local mission activity. In accordance with FSAS 136, FPC treats the donations as revenue. FPC then immediately expenses the full amount by creating a payable in this liability account for both the 60% and the 40% until both portions are paid in full.

Currently a gift to the Pentecost Offering helps the Church encourage, develop, and support its young people, and also address the needs of at-risk children. 40% of the Pentecost offering can be retained by individual congregations wanting to make an impact in the lives of young people within their own community. The remaining 60% is used to support ministries of the Presbyterian Mission Agency (Information from GA Website 2016).

The four Church-wide Special Offerings of the Presbyterian Church (U.S.A.) are a collective witness to Jesus Christ's love for the whole church. The Christmas Joy Offering, One Great Hour of Sharing, Pentecost Offering and Peace & Global Witness Offering play an important role in defining what it means to be a connectional church. Over the years these offerings have provided ways for individuals and congregations to join together with each other and in partnership with other Christians in responding to a variety of concerns.

Fund is under the auspices of the Mission and Justice Committee and the Treasurer.

All funds are paid out promptly.

Approved: \_\_\_\_\_

Amended: \_\_\_\_\_

### ***Peace and Global Witness Offering***

Account Number 2210

Liability Account (L)

This offering is collected in October. Monies from the annual Peace and Global Witness Offering shall be kept in this account until 75% is disbursed to the Mission Treasury Service of the Presbytery of Santa Fe. PC(USA) policy permits the Church to retain 25% of the offering for local mission activities. The Mission and Social Justice Committee determines the local mission activities. In accordance with FSAS 136, FPC treats the donations as revenue. FPC then immediately expenses the full amount by creating a payable in this liability account for both the 75% and the 25% until both portions are paid in full.

The former Peacemaking Offering has been transformed into the Peace & Global Witness Offering. This new Offering has a greater global reach, a more significant impact, and brings peace to people through Christ.

The Peace and Global Witness Offering is received during the October Season of Peace, which ends on World Communion Sunday. A gift to the Peace & Global Witness Offering enables the church to promote the Peace of Christ by addressing systems of injustice across the world. Individual congregations are encouraged to utilize up to 25% of this Offering to sustain their local peacemaking ministries (Information from GA Website 2016).

The four Church-wide Special Offerings of the Presbyterian Church (U.S.A.) are a collective witness to Jesus Christ's love for the whole church. The Christmas Joy Offering, One Great Hour of Sharing, Pentecost Offering and Peace & Global Witness Offering play an important role in defining what it means to be a connectional church. Over the years these offerings have provided ways for individuals and congregations to join together with each other and in partnership with other Christians in responding to a variety of concerns.

Fund is under the auspices of the Mission and Social Justice Committee and the Treasurer.

All funds are paid out promptly.

Approved: \_\_\_\_\_

Amended: \_\_\_\_\_

### ***Joy Offering***

Account Number 2210

Liability Account (L)

The Joy Offering is traditionally received during the Christmas/Advent Season.

Monies from Joy Offering shall be collected in this account until disbursed to Mission Treasury Service of the Presbytery of Santa Fe for national use. In accordance with FSAS 136, FPC treats the donations as revenue. FPC then immediately expenses the amount by creating a payable in this liability account.

A gift to the Joy Offering helps provide financial assistance to current and former church workers and their families and also enables deserving students to attend Presbyterian-related racial ethnic colleges and schools, such as Menaul School in Albuquerque (Information from GA Website 2016).

The four Church-wide Special Offerings of the Presbyterian Church (U.S.A.) are a collective witness to Jesus Christ's love for the whole church. The Christmas Joy Offering, One Great Hour of Sharing, Pentecost Offering and Peace & Global Witness Offering play an important role in defining what it means to be a connectional church. Over the years these offerings

have provided ways for individuals and congregations to join together with each other and in partnership with other Christians in responding to a variety of concerns.

Fund is under the auspices of the Mission and Social Justice Committee and the Treasurer.

All funds are paid out promptly.

Approved: \_\_\_\_\_ Amended: \_\_\_\_\_

### ***Thank Offering (Presbyterian Women) Fund***

Account Number 2210

Liability Account (L)

Presbyterian Women (PW) is an independent organization within PC(USA) of more than 300,000 women. The programming and resource options offer women a variety of ways to live out their faith in an inclusive, caring community. PW groups can choose to support the PW purpose in any way, so PW groups may look very different from one synod to the next, or even one circle to the next within the same congregation.

The offering is collected annually in the fall. It funds projects such as agricultural development, child care, community organization, criminal justice, drug counseling, economic justice, elderly care, employment training, homelessness, literacy, violence and women's concerns. At least 40% supports health ministries through the world. The remaining 60% supports new creative ideas for mission. In accordance with FSAS 136, FPC treats the donations as revenue. FPC then immediately expenses the amount by creating a payable in this liability account.

This Fund is under the auspices of the Treasurer and the Treasurer of the FPC Presbyterian Women.

All funds are paid out promptly.

Approved: \_\_\_\_\_ Amended: \_\_\_\_\_

***PC(USA)/Presbytery Special Collections***

Account Number 2218

Liability Account (L)

From time to time, the PC(USA) or the Presbytery of Santa Fe will ask churches to have a special collection, usually for disaster relief in some part of the region, nation or world. Monies donated for such causes shall be collected in this account until disbursed by the Mission Treasury of the Presbytery of Santa Fe.

In accordance with FSAS 136, FPC treats the donations as revenue. FPC then immediately expenses the amount by creating a payable in this liability account.

This Fund is under the auspices of the Treasurer and Mission and Social Justice.

All funds are paid out promptly.

Approved: \_\_\_\_\_

Amended: \_\_\_\_\_



# Forms

Forms are a means to execute the policies established in this document. They may be changed without Session approval. New or revised forms will be included in this section as necessary.

## **FPC Special Purpose Fund Identification Document Template**

Name of Special Purpose Fund:

Account Number:

Purpose:

Initial funding level:

Initial source of funding:

Name(s) and contact information on donor(s), if any:

Identification and location of pertinent Gift Instrument or Church Solicitation:

Other pertinent information on source or circumstances of the creation of the Special Purpose Fund:

Proposed sources of subsequent or continuing funding, if any:

Type of Special Purpose Fund (Temporarily Restricted, Permanently Restricted, or Unrestricted (Session Designated):

Responsible FPC employee or Committee having expenditure authority:

Date of Session approval: \_\_\_\_\_

Clerk of Session: \_\_\_\_\_

Date: \_\_\_\_\_

## **FPC Agreement for Offering Counters**

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I, \_\_\_\_\_, hereby agree as follows:

- I have read, understand and will comply with Church policies and procedures regarding counting of collections;
- I will keep confidential any and all information about individuals' giving, to which I am exposed as a Counter of collections;
- I will not share or disclose to others Member financial information or amounts donated to the Church, excepting only authorized Church financial personnel having a need for access to such information;
- I will make no disbursements from pre-deposit cash collections;
- I will ensure that all collections are promptly secured in the safe or deposited in the bank; and
- I will not share or disclose the combination of the Church safe to any other person.

As an FPC Counter, I will be responsible for ensuring that collections are accurately and completely counted, balanced and reported to authorized financial personnel.

Printed Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date \_\_\_\_\_

## FPC Check Requisition

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Please issue the following check:

DATE NEEDED: _____	Vendor # _____
PAYEE NAME: _____	
ADDRESS: _____	
_____	

Explanation on check voucher:
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Remarks:
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Charge to Account #:	Account Name:	Amount
	Total	\$

Committee Chair/Manager Approval:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Officer of the Corporation/Pastor Approval

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Mail check to payee       Put check in my box       Hold check for pickup

Rev. 1/25/10

# FPC Income Distribution Worksheet

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Deposit funds to:

Account # and Name: \_\_\_\_\_

Date Counted: \_\_\_\_\_

Description	Amount	Quantity	Total
Coin			\$
Currency			
Ones	1.00		\$
Twos	2.00		\$
Fives	5.00		\$
Tens	10.00		\$
Twenties	20.00		\$
Fifties	50.00		\$
Hundreds	100.00		\$
Other			\$
Coin and Currency Subtotal			\$
Checks Subtotal (make copies of ALL checks)			\$
TOTAL			\$

Counted by: \_\_\_\_\_  
 Printed Name/Signature

Counted by: \_\_\_\_\_  
 Printed Name/Signature

Additional Information: \_\_\_\_\_

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## **FPC Conflict of Interest Disclosure Statement**

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This Conflict of Interest Disclosure Statement is intended to ensure that members of the Session, Staff, Officers, Committee Members and any other person having authority delegated by the Session to influence, make or implement decisions regarding the execution or administration of contractual transactions, comply with the Conflict of Interest Policy of the First Presbyterian Church of Santa Fe.

Instructions: Please read the certification below and mark an "X" in the space before either Item A or Item B, whichever is appropriate. If you mark Item B, please provide the information requested.

Please then print your name, sign and date this Statement, and return this form to the Clerk of the Session.

Certification: I have received a copy of the Conflict of Interest Policy, have read and understand the Policy, and I agree to comply with the Policy. I understand that the First Presbyterian Church of Santa Fe is a nonprofit corporation and that, in order to maintain its tax-exempt status, it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

[  ] A. I am not aware of any relationship, Financial Interest, or actual or prospective contractual agreement involving myself or any family member or any other person to whom I am related, and any other individual or organization, non-profit or otherwise, which constitutes or may constitute in an actual, potential or apparent conflict interest with respect to my responsibilities as an Employee or Member of the First Presbyterian Church of Santa Fe.

[  ] B. The following relationships, Financial Interests, or actual or prospective contractual agreements involving myself, a family member, or other individual to whom I am related, with other individuals or organization, whether nonprofit or otherwise, may constitute or might result in an actual, potential or apparent conflict of interest with my responsibilities as a Member the First Presbyterian Church of Santa Fe.

Financial (contracts, partnerships, contractual agreements, and investments):

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For-profit directorships, positions, and employment:

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Nonprofit directorships, positions, and employment:

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Other:

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I will promptly notify the Head of Staff of the First Presbyterian Church of Santa Fe of any material change in my relationships, Financial Interests, or transactions that would constitute or might result in any actual, apparent, or potential conflict of interest with regard to my responsibilities as a Member or employee of First Presbyterian Church of Santa Fe.

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Name (Print)

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Signature

Date: \_\_\_\_\_

**Expense Reimbursement Plan Acknowledgement**

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I have received a copy of the Church’s Fully Accountable Reimbursement Plan and understand that it provides guidelines and summary information about the Church’s reimbursement policy, procedures and rules of conduct. I understand that it is my responsibility to maintain adequate and accurate records and forward all supporting expense reports, receipts and documentation to the Church.

---

Name (Print)

---

Signature

---

Date



# Tables

Tables 1 through 4 provide current names or organizations associated with positions or functions described in this document. They may be updated by the Office Manager upon notification by the Clerk of Session following a Session action. Table 5 may be updated by the Office Manager upon notification by the Chair of the Mission and Social Justice Committee.

## Table 1 - Committee Chair Positions

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The following table lists the committee chair positions having authority to accept contributions to, and initiate expenditures from, Special Purpose Funds to the extent authorized in special fund identification documents:

<b><i>Committee</i></b>	<b><i>Chair</i></b>
Adult Education	Vacant
Back Pew Gallery	Carol Fallis
Child Development Center and Advisory	Jane Stringfellow
Children and Youth CE	Janis Gonzales
Columbarium	Jenny Vellinga
Creation Care	Mary Ann Lundy
Deacons	Mary Black/Sharon Eklund
Facilities	John Whitcomb
Finance	Dennis Sanderson
Investment	Dennis Sanderson
Mission and Social Justice	Karen Finney
Pastor Nominating	(Committee Inactive)
Personnel	Sharon Eklund
Prayer Shawl Ministry	Gay Hill/Betty Kersting
Rooftop Garden	Julia Hudson
Session (Clerk of Session)	Judi Haines
Stewardship	Vacant
Worship and Music	Jeannie Bowman

## Table 2 - Officer/Staff/Volunteer Positions

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The following table lists the officer/staff/volunteer leadership positions referred throughout this document.

<i><b>Position</b></i>	<i><b>Name</b></i>
Pastor/Head of Staff	Harry Eberts
Music Director	Linda Raney
Office Manager	Krista Peterson
Facilities Manager	Bill Adrian
CDC Director	Anne Liley
President	Bill Eklund
Vice President	Margaret Lyerly
Treasurer	Gale Wright
Clerk of Session/Corporate Secretary	Judi Haines
Bookkeeper	Maria Romero (Contractor)
Counters Coordinator	Betty Kersting

## Table 3 – Check Signatories

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The following persons are authorized to sign checks:

<i><b>Position</b></i>	<i><b>Name</b></i>
Treasurer	Gale Wright
Vice President	Margaret Lyerly
President	Bill Eklund

## Table 4 – Vendors

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This table lists current FPC vendors referred to throughout this document.

<i><b>Service or Function</b></i>	<i><b>Name of Vendor or Contractor</b></i>
Payroll processor	PayChex
IT Service Contractor	Sundance Networks, LLC
EFT/Credit Card Processor (online)	Vanco
EFT/Credit Card Processor (in person sales)	Square
Accounting system	QuickBooks
Membership & donations system	Church Windows
Bank Checking and Savings Accounts	Los Alamos National Bank
Certificates of Deposit	Bank of America
Investment Accounts	Fidelity

## **Table 5 – Third Party Charities**

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The following is a list of the currently approved third party charities as supported by FPC:

Alice King Center  
BorderLinks  
Boys and Girls Clubs, Del Norte  
Coalition for Prisoners' Rights  
Community Farm  
Envision Santa Fe  
Esperanza Shelter for Battered Families  
Feeding Santa Fe  
Food Depot  
Ghost Ranch  
Girls Inc. of Santa Fe  
Habitat for Humanity  
HEPAC  
Interfaith Community Shelter  
Interfaith Workers' Justice NM  
La Familia Medical Center  
Lutheran Advocacy Ministry NM  
Menaul School  
Need and Deed  
New Mexicans to Prevent Gun Violence  
No More Deaths  
Pastoral Counseling Center  
Santa Fe Public Schools Adelante Program / Juntos Los Jueves  
Solace Crisis Treatment Center  
Somos un Pueblo Unido  
Southside Soccer Club  
St. Elizabeth Shelter