ORIENTATION FOR NEW CONGREGATIONAL LEADERS

Treasurers and Financial Secretaries

Our Webinar will Start Soon
Introduction and Agenda

Rev. Andrew Warner, CFRE
Wisconsin Conference Development Director

Agenda
Spiritual Roots of Our Office
Practice Responsibilities
Risk Management with Kandy Keuler
Beyond Dollars, Governance:
- Generative Work
- Strategic Work
- Fiduciary Work
Spiritual Roots of Our Office

What Biblical stories inform our understanding of the role of treasurer or financial secretary?
Perhaps because of Judas, people often want to separate “money” and “faith.”
“Now during those days, when the disciples were increasing in number, the Hellenists complained against the Hebrews because their widows were being neglected in the daily distribution of food.” Acts 6: 1

Peter responded by appointing seven deacons from among the Hellenists who took over the food distribution and expanded the church through their service.

The Deacons were:

Spirit-led people
working transparently and fairly
to support the mission of the church.
On behalf of the congregation and at the direction of the Council/Consistory:

- **Receive** Gifts
- **Manage** Money
- **Spend** Resources

Practical Responsibilities
Q: What is Transparency?
A: “Transparency refers to the openness and clarity with which a congregation conducts its business. A financial system is transparent when anyone can see through it.”

- Lake Institute

Practical Responsibilities

- Recording Pledges and Donations
- Sending or Preparing Thank You Letters to Donors
- Alerting the Pastor of Changes in Giving
- Yearly Summary of Giving to Donors
Practical Responsibilities

Q: What is Transparency?

A: “Transparency refers to the openness and clarity with which a congregation conducts its business. A financial system is transparent when anyone can see through it.”

- Lake Institute

- Prepare Statement of Activity (PnL) and Statement of Financial Position (Balance Sheet) Monthly
- Include all assets in reports
- Project Cash flow for Council or Consistory
- Report regularly to the congregation on finances, including budget planning
- Provide records to an independent auditor or audit committee
Q: What is Transparency?

A: “Transparency refers to the openness and clarity with which a congregation conducts its business. A financial system is transparent when anyone can see through it.”

- Lake Institute

Practical Responsibilities

The Treasurer serves as an officer of the congregation and sits on the Council or Consistory.

- Makes payments/disbursements as directed by the Council or Consistory
- Reports on the financial health of the congregation to the board and to the congregation as a whole
Insurance Board is a nonprofit corporation established by the participating Conferences of the United Church of Christ. IB administers a church property insurance and church liability insurance program serving churches and related entities within the United Church of Christ, the Christian Church (Disciples of Christ), Presbyterian Church (USA), Reformed Church in America, Evangelical Lutheran Church in America, and the Alliance of Baptists.

Risk Management

Special Guest: Kandy Keuler

Keuler Insurance Agency, Inc.
222 High St.
Mineral Point, WI 53565
Office: 608-987-2832
Fax: 608-987-3023
Toll Free: 888-987-2021
e-mail: kkeuler@keulerinsurance.com
Theft can happen in congregations of all sizes.

<table>
<thead>
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<th>Denomination</th>
<th>Claims</th>
<th>Incurred</th>
<th>Paid</th>
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Risk Management

Good governance involves practices that reduce risk of conflicts of interest, misappropriate, and mismanagement.

Receive (Financial Secretary)
Manage (Shared and may include bookkeeper)
Spend (Treasurer)

Financial Duties
Sample Request for Payment Form

Grace United Church of Christ
Request for payment

Pay to: ________________________________

Address: (if not on file) ________________________________

Check to be mailed ______ or given to ________________________________

Date needed ________________________________

<table>
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<tr>
<th>ITEM</th>
<th>AMOUNT</th>
<th>ACCOUNT</th>
<th>APPROVAL</th>
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Please attach receipts or for mileage reimbursement, date and beginning and ending odometer readings. TOTAL

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<th>TOTAL</th>
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Does your congregation have a policy statement about conflicts of interest?

Example policies will be sent after the webinar.
Beyond Dollars, Governance

Three Roles

• Fiduciary: where many boards reside; significant but not sufficient; move from oversight to inquiry by asking, “how do we know the congregation fulfills its mission?”

• Strategic: Ask, “what crucial steps can we take towards our goals?”

• Generative: Ask, “what can our organization uniquely do?”
Standard Agenda
1. Generative Questions
2. Strategic Plans/Steps
3. Fiduciary Inquiry

Beyond Dollars, Governance
Generative Role of Our Work: A Culture of Generosity

“Boards play a critical role in moving a Christian organization away from the single-minded, culturally-driven, time-bound obsession with this year’s bottom line, to a holistic, eternal view that builds its fundraising programs around God’s work in growing givers’ hearts.”

- Rebekah Basinger
Strategic Work

**RECEIVE:** Who gives to congregations, when and how?

**MANAGE:** How do congregations teach about money and finances, and how do they steward the gifts they receive?

**SPEND:** How do congregations spend their financial resources to serve their members, community and beyond?
National Study of Congregations’ Economic Practices

Changes over 3 years

Change in number of adults:
- Increase 39%
- Decrease 38%

Change in amount received:
- Increase 48%
- Decrease 35%

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National Study of Congregations’ Economic Practices

Percentage of Congregations’ Revenue from Various Sources

- Rental: 6%
- Individual Donations: 81%
- Special Fundraisers: 6%
- Endowment: 4%
- Denomination: 3%
National Study of Congregations’ Economic Practices

PREVALENCE OF ANNUAL PLEDGING/STEWARDSHIP CAMPAIGNS

- Catholic: 51%
- Evangelical Protestant: 24%
- Black Protestant: 56%
- Mainline Protestant: 70%
- Other Religious Groups: 72%
National Study of Congregations’ Economic Practices

How Congregations Accept Gifts During Services

- Offering Box: 26%
- Pass the Plate: 92%
- Text to Give: 14%
- Giving Kiosk: 5%
- Smart Phone App: 21%
How often are congregational finances explicitly discussed?

- Weekly: 4%
- Monthly: 21%
- Quarterly: 24%
- Yearly: 41%
- Never: 10%
National Study of Congregations’ Economic Practices

Frequency of Teaching About Giving

- Weekly: 9%
- Monthly: 12%
- Quarterly: 36%
- Yearly: 35%
- Never: 8%
National Study of Congregations’ Economic Practices

WHERE FINANCES ARE SPENT

- Personnel: 49%
- Facilities: 23%
- Missions: 11%
- Programs: 10%
- Dues: 6%

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Clarity in Reporting Matters

Consider this analogy:
Which recipe makes more sense?
- Prepare mirepoix.
- Chop onions, carrots, and celery. Sauté in butter at a low heat for 15-20 minutes until soft and caramelized.

Clear and concise reporting empowers leaders to effectively manage resources. Informed leaders can ask deeper questions such as: do our finances ALIGN with our mission?
Fiduciary Work - Financial Dashboard

YTD Income and Expense

- Income: Actual - $300,000.00
- Expense: Actual - $200,000.00
- Income: Budget - $100,000.00
- Expense: Budget - $100,000.00

Legend: 
- Blue: Actual
- Red: Budget
Fiduciary Work - Financial Dashboard

Annual Campaign Pledge Contributions

<table>
<thead>
<tr>
<th>Percent of Pledges Paid</th>
<th>Pre Paid</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sept</th>
<th>Oct</th>
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<td>Yr. 2019</td>
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Fiduciary Work - Financial Dashboard

Invested Assets

- Overall Value
- 3% Growth Target (inc. additions)

<table>
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<tr>
<th>Year</th>
<th>Value</th>
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<tbody>
<tr>
<td>Dec. '15</td>
<td>$50,000.00</td>
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<td>Dec. '16</td>
<td>$100,000.00</td>
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<tr>
<td>Dec. '17</td>
<td>$150,000.00</td>
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<tr>
<td>Dec. '18</td>
<td>$200,000.00</td>
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<tr>
<td>June '19</td>
<td>$250,000.00</td>
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Fiduciary Work - Financial Dashboard

Long Term Debt down $82,301.72 for year

- April
- May
- June

- Construction Loan
- Roof Loan
ORIENTATION FOR NEW CONGREGATIONAL LEADERS

Questions and Observations

Treasurers and Financial Secretaries