

Charter for Asbury First Finance Committee

Finance Committee Membership

The Finance Committee consists of lay members selected through the nominations process, generally for 3 year terms, as well as pastor(s) and staff. Paid staff, other than the pastor(s), are members without vote.

In order to successfully steward the congregation's financial resources and fulfill the responsibilities outlined in the United Methodist Book of Discipline (see full text at the end of this document), the Finance Committee should include representatives from key ministry areas, committees and teams supported by this committee and and/or to whom this committee has delegated responsibilities.

In the context of current Asbury First's current governance structure, the Finance Committee will include the following representation, recognizing that in some situations one individual may fill more than one role:

- Chair (Governing Board Treasurer)
- Vice Chair (succession planning for next Chair)
- Senior Minister (or designee)
- Giving Team representative
- Legacy Giving Team representative
- Investment Committee representative
- Pastor Parish Relations Committee representative
- Property Stewardship Committee representative
- Outreach Committee representative
- Church Administrator (paid, without vote)
- Director of Finance (paid, without vote)

At-large members may also be included as members of the Finance Committee; however, total committee membership should generally not exceed twelve persons.

Teams for special purposes will be formed as needed.

Committee Member Commitments

- Nurture the financial vitality of Asbury First by helping the congregation to grow in their understanding of stewardship beyond "fundraising to pay the bills"
- Focus on the aspirations, needs, ministries and mission of the whole church
- Prioritize regular meeting attendance
- Respect confidentiality
- Disclose any conflicts of interest (signed Conflicts of Interest Annual Disclosure)
- Ensure all relevant information and updates from your work area, committee or team are promptly shared with the committee
- Review documents provided in advance of meetings
- Share in the work and responsibilities of the committee

- Actively participate in meeting discussions and decision-making
- Speak with one voice outside of meetings (we can agree to disagree when we're meeting; outside of meetings we must speak with one voice to the congregation)

Chair Commitments

The Chair role is supported by a detailed job description. In addition to the committee member commitments listed above, the Chair will

- Lead organized meetings with a clear agenda
- Provide the agenda and other meeting materials in advance of scheduled meetings
- Encourage and support participation by all members of the committee
- Serve as an active member of the Governing Board
- Provide regular updates to the Governing Board regarding the goals and work priorities of the Finance Committee, financial status of the church, and any significant concerns identified

Finance Committee Responsibilities

Per the United Methodist Book of Discipline (see full text at the end of this document), the role of the Finance Committee is stewardship of the church's financial resources in support of the ministry and missional priorities determined by the congregation and approved by the Governing Board. The Finance Committee is charged with the following responsibilities, and with supporting staff, teams and committees to whom these responsibilities may be delegated:

- Oversee financial stewardship
 - One aspect of overseeing financial stewardship is monitoring monthly income and expenses compared to budget
 - Another aspect of overseeing financial stewardship is building trust through transparency, inspiring the congregation to focus on God's abundance, and encouraging giving as discipleship
- Compile an annual budget for approval by the Governing Board
 - The role of the committee is to facilitate the congregation-wide activity of discerning, planning and budgeting to fund priorities supported by the congregation- to match resources to mission
 - The role of the committee is not to set spending priorities- that is the work of the congregation, pastors and Governing Board
- Raise sufficient income to meet the budget
 - Delegated to Giving Team, Legacy Giving Team, Investment Committee
- Administer funds received by the church
 - Delegated to the Director of Finance
- Count and deposit the offering
 - Delegated to the Director of Finance
- Disburse funds
 - Delegated to the Director of Finance

- Establish internal control policies and procedures
 - The role of the committee is to review and report annually on the adequacy and effectiveness of internal control policies and procedures
 - Writing internal control policies and procedures is the responsibility of the Director of Finance
 - Ensuring staff compliance with internal control policies and procedures is the responsibility of the Church Administrator to whom paid and volunteer finance staff and teams report
- Provide for an annual audit of the church financial statements
 - The annual audit should be performed by an outside professional auditor
 - The annual audit will be reviewed by the Finance Committee then submitted to the Governing Board for review and approval
- Report to the annual charge conference on the audit
 - This will occur after review and approval by the Governing Board
- Recommend proper depositories for church funds
 - Delegated to Investment Committee, Director of Finance and others as appropriate
- Use contributions in accordance with donors' intent (ensure all donor restrictions are maintained)
 - Delegated to Director of Finance
- Report annually to the Governing Board all designated funds separate from the church budget
 - Included in reporting delegated to the Director of Finance

In fulfilling the above responsibilities, the Finance Committee serves in a fiduciary capacity and as such must always strive to act in the best interest of the entire congregation.

In all of its activities, the Finance Committee should continue to build on the characteristics of financially vital congregations, including but not limited to:

- Financial transparency
- Missional budgeting and fundraising
- Accounting best practices

Each year the committee should set goals aligning with each of these characteristics, develop strategies to meet the goals and establish quantitative and/or qualitative measures to evaluate progress to achieving these goals.

References Suggest this be at the end

United Methodist Book of Discipline (2020/2024)

United Methodist Guidelines- Finance (2025/2028)

Asbury First United Methodist Church Finance Committee Policy Manual (2013)

Approved by Finance Committee 4/7/2025

Approved by Governing Board TBD

2020/2024 United Methodist Book of Discipline ¶ 258 (pages 204-206)

4. There shall be a committee on finance, elected annually by the charge conference upon recommendation by the committee on nominations and leadership development or from the floor, composed of the chairperson; the pastor(s); a lay member of the annual conference; the chairperson of the church council; the chairperson or representative of the committee on pastor-parish relations; a representative of the trustees to be selected by the trustees; the chairperson of the ministry group on stewardship; the lay leader; the financial secretary; the treasurer; the church business administrator; and other members to be added as the charge conference may determine. It is recommended that the chairperson of the committee on finance shall be a member of the church council. The financial secretary, treasurer, and church business administrator, if paid employees, shall be members without vote. The positions of treasurer and financial secretary should not be combined and held by one person, and the persons holding these two positions should not be immediate family members.

No immediate family members of any appointed clergy may serve as treasurer, finance chair, financial secretary, counter, or serve in any paid or unpaid position under the responsibilities of the committee on finance, as described herein. These restrictions would apply only to the church or charge where the clergy serves. The committee on finance shall give stewardship of financial resources as their priority throughout the year. It may delegate the responsibility to either a sub-group or task force that would plan, strategize, and implement ways to generate more resources for mission and ministries of local churches and beyond. It is strongly recommended that the committee on finance, in collaboration with the church council, find creative ways to turn their congregations into tithing congregations with an attitude of generosity. All financial askings to be included in the annual budget of the local church shall be submitted to the committee on finance. The committee on finance shall compile annually a complete budget for the local church and submit it to the church council for review and adoption. The committee on finance shall be charged with responsibility for developing and implementing plans that will raise sufficient income to meet the budget adopted by the church council. It shall administer the funds received according to instructions from the church council. The committee shall carry out the church council's directions in guiding the treasurer(s) and financial secretary.

- a) The committee shall designate at least two persons not of the immediate family residing in the same household to count the offering. They shall work under the supervision of the financial secretary. A record of all funds received shall be given to the financial secretary and treasurer. Funds received shall be deposited promptly in accordance with the procedures established by the committee on finance. The financial secretary shall keep records of the contributions and payments.
- b) The church treasurer(s) shall disburse all money contributed to causes represented in the local church budget, and such other funds and contributions as the church council may determine. The treasurer(s) shall remit each month to the conference treasurer all World Service and conference benevolence funds then on hand. Contributions to benevolence shall not be used for any cause other than that to which they have been given. The church treasurer shall make regular and detailed reports on funds received and expended to the committee on finance and the church council. The treasurer(s) shall be adequately bonded.
- c) The committee on finance shall establish written financial policies to document the internal controls of the local church. The written financial policies should be reviewed for adequacy and effectiveness annually by the committee on finance and submitted as a report to the charge conference annually.
- d) The committee shall make provision for an annual audit of the financial statements of the local church and all its organizations and accounts. The committee shall make a full and complete report to the annual charge conference. A local church audit is defined as an independent evaluation of the financial reports and records and the internal controls of the local church by a qualified person or persons. The audit shall be conducted for the purpose of reasonably verifying the reliability of financial reporting, determining whether assets are being safeguarded, and determining compliance with local law, local church policies and procedures, and the Book of Discipline.

The audit may include:

- 1) a review of the cash and investment reconciliations;*
- 2) interviews with the treasurer, financial secretary, pastor(s), finance committee chair, business manager, those who count offerings, church secretary, etc., with inquiries regarding compliance with existing written financial policies and procedures;*
- 3) a review of journal entries and authorized check signers for each checking and investment account; and*
- 4) other procedures requested by the committee on finance.*

The audit shall be performed by an audit committee composed of persons unrelated to the persons listed in 2. above or by an independent certified public accountant (CPA), accounting firm, or equivalent.

e) The committee shall recommend to the church council proper depositories for the church's funds. Funds received shall be deposited promptly in the name of the local church.

f) Contributions designated for specific causes and objects shall be promptly forwarded according to the intent of the donor and shall not be used for any other purpose.¹¹

g) After the budget of the local church has been approved, additional appropriations or changes in the budget must be approved by the church council.

h) The committee shall prepare annually a report to the church council of all designated funds that are separate from the current expense budget.