

DATE ADOPTED BY BOARD: 3.17.15

POLICY SET IV. Management

POLICY NUMBER: IV.E. 3

POLICY NAME: Care for Financial Resources. Asset Protection

POLICY PURPOSE: To describe how the Congregation's assets are protected.

IV.E. 3. Care for Financial Resources. Asset Protection.

A. The Administry Leader, together with the Administry Finance Team, shall be responsible for asset protection, financial controls and risk management. The Administry Leader shall report periodically and at least annually the status of asset protection to the Board.

B. Accounting.

The Congregation's financial records and controls shall follow accounting practices that are reasonable and appropriate to congregations of comparable size. Policies and procedures shall be written addressing the following financial controls:

1. Handling of receipts and access to cash and credit cards.
2. Segregation of duties. To the degree that it is practicable, the duties of record keeping, bank reconciliation, and cash disbursements and cash receipts shall be appropriately segregated.
3. Cash Disbursements.
 - a. The Treasurer, Finance Chair, and Minister are authorized to sign checks.
 - b. At least one authorized individual shall approve all cash disbursements.
 - c. Two unrelated authorized individuals shall approve all disbursements of \$5,000.00 or more.
 - d. All approvals shall be documented in writing.
4. Team expenditures.
5. Reconciliation of accounting records. Congregational accounting records shall be reconciled with financial institution statements as often as those statements are issued and copies of such reconciliations shall be made available to the Treasurer, Finance Chair and the Board.
6. Segregation of restricted vs. non-restricted funds. An Administrative Policy shall be written that assures restricted and non-restricted funds are separated in accordance with rules established for non-profit organizations.

7. Background checks. Criminal background checks will be required for people authorized to sign check and others who have access to financial instruments and records.

C. Document retention. Policies and procedures shall govern the retention, storage and destruction of the Congregation's critical documents, including but not limited to financial, pastoral, business, personnel, and corporate records in both paper and/or electronic forms, using applicable legal retention periods when they are available. All records that are maintained shall remain the property of the Congregation.

D. Insurance.

1. The Congregation shall carry adequate insurance to protect against crime, property losses at replacement value and liability for injuries to others, less reasonable deductible and/or coinsurance limits. Insurance coverage shall include customary and usual corporate liability and personal liability for Board members and staff, taking into account pertinent statutory provisions and exemptions applicable to Iowa non-profit organizations.

2. The Board/Administry Leader shall appoint a volunteer or staff member to maintain all information regarding insurance, including records of annual review, insurance visits and any remedial steps taken. This individual shall be responsible for scheduling the annual Board review of insurance policy coverage and activity.

3. The Board shall annually review and approve all insurance coverage and activity.

E. Tangible Property. The Administry Team shall maintain the Congregation's property and equipment in good working order, subject to reasonable wear and tear.

F. Intangible Property. The Administry Team shall protect the Congregation's intellectual property, information, files, and other intangible property from significant damage or loss. Works created by paid staff for Congregational programming are the property of the Congregation. Intangible property created by volunteer members of the Congregation is their sole property and as such are excluded.

G. Congregational Operating Funds. Congregational operating funds shall only in be deposited in federally insured institutions.

H. Investments. Investments shall only be made in qualified brokerage accounts. The Finance Committee Chair in consultation with the Board and Administry Team Leader shall set the strategy for invested funds.

I. Debt. The Board in collaboration with the Administry Leader and Finance Committee will decide upon acquisition of credit cards, lines of credit, or other borrowing.

J. Accounts. Only the Board can approve opening of accounts on behalf of the Congregation.