

Vestry 105: Finance & Stewardship Jump-Start



Brian Barnhart – Treasurer Holy Communion

Desiree Brattin – Canon for Finance & Administration

Rev. Canon Whitney Rice - Canon for Evangelism & Discipleship Development



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Agenda

- Ministry of a Treasurer
- Treasurer Duty: Internal Congregation Stakeholders
- Treasurer Duty: External Stakeholders
- A Year in the Life of a Treasurer
- Resources Available to Treasurers
- Theology of Stewardship
- Wrap up



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Treasurer Duty: Internal Congregation Stakeholders

Treasurer Responsibility

Reporting

Bookkeeping

Forecasting

Budgeting

Stewardship Support

Risk Considerations

Key Problems to Solve

Are we OK? Are we tracking well to our budget? Do we have enough cash?

Are checks getting written and pledges being received? Are the books in order?

How are we going to end the year?

What is next year going to look like financially?

Do we need to make any specific asks this campaign season?

Do we have good Internal Controls? Are our pledges too concentrated on too few members?



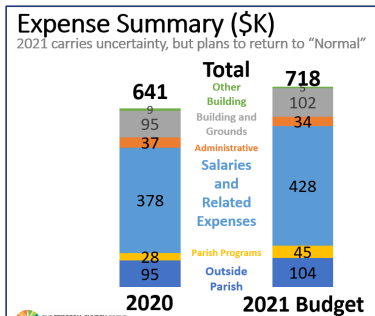
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Treasurer Duty: Internal Congregation Stakeholders Cont

Reporting Level of Detail

	2020 Totals		
	Actual (Jan-Oct)	Budget	% of Budget
1-9905 Bank Fees	1,585	2,000	99%
1-9910 Other Administrative Costs		1,700	80%
1-9922 Rector's Hospitality Allowance	804	2,500	32%
1-9923 Other Staff Hospitality	443	1,000	44%
1-9924 Contingency/Emergency Fund	2,500	2,000	125%
Total 120 Other Administrative Expenses	5,332	10,200	54%
Total 13 Administrative Expenses	34,972	25,400	137%
14 Building and Grounds			
140 Utilities			
1-910 Electric	9,310	12,000	78%
1-911 Gas	3,245	7,500	43%
1-912 Water	903	1,200	75%
1-913 Sewer	753	1,000	75%
1-914 Trash	239	700	41%
1-9210 Telephone/Internet	4,359	2,000	145%

VS



Less is More: Less granular reporting may better meet your congregation's needs and will save you time and effort

Recommendations

- Automation** - Encourage online giving to smooth donation trends and save efforts on processing and reminders
- Stewardship** - Incorporate multiple views
 - Annual Campaign
 - Capital Campaign
 - Planned Giving
 - Special Designation Giving
- Alternative Income** - Consider non-stewardship options such as rental income or grants
- Thank you Campaigns** – Let donors know they are appreciated, even when not in a Campaign



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Treasurer Duty: External Stakeholders

Audits

- Required annually by both National and Diocesan Canons. Due into the Diocesan Office by July 1
- Why are audits necessary?
- Audit guidelines can be found in Chapter VI of the [Manual of Business Methods in Church Affairs](#)

Annual Assessment

- What is it? Funds to support the mission of the church at the diocesan and national level
- Diocesan assessment is a minimum of 12.5% of net disposable budget income following a deduction of \$750 and based on the Parochial report (Line A) from the previously completed year
- National assessment is 15% of diocesan operating income less a \$140,000 exemption

Parochial Reports

- What is it and why do congregations file?
- Canonical Due Date of March 1 to the Diocese
- 2020 report changes



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Treasurer Duty: External Stakeholders Continued

IRS – Clergy Taxes

- Clergy have dual tax status - Considered employees for income tax reporting purposes and self-employed for Social Security and Medicare tax purposes
- Housing Allowance – Must be approved in advance by resolution

Church Pension Fund

- Clergy Pension Fund – Church employers are required by Canon law to pay pension assessments. Current rate is 18% of cleric's total assessable compensation
- Lay Pension Fund - Mandatory for employees working a minimum of 1,000 hours annually. If a defined benefit plan is selected, the employer contribution shall be not less than 9% of the employee's compensation; if a defined contribution plan is selected, the employer shall contribute not less than 5% of the employee's compensation and match at least 4 %
- Church Medical Trust – The Denominational Health Plan (DHP) mandates coverage for eligible employees working a minimum of 1,500 hours annually

Diocesan Financial Support

- The Diocese provides various forms of financial support – Diocesan Operating Budget, Church Assistance Endowment Fund Grants, New Ventures in Community Ministry Grants, Continuing Education Grants for clergy and lay employees, COVID Livestreaming Equipment Grants, COVID Church Cleaning Grants, Kelton White Fund Capital Project Loans



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A Year in the Life of a Treasurer

Task	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Vestry Reporting and Forecasting	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Book keeping and check writing	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Budget Preparation											■	
Stewardship Support									■			
Risk Considerations												
Submit Parochial report			◆									
Confirm Diocesan Assessment	◆											
Audit Support					■							
Grant Applications												

Resources available for Treasurers

- <https://www.diocesemo.org/> - Diocese of Missouri website
- [Manual of Business Methods in Church Affairs](#) - Financial Management, internal Controls, bookkeeping, taxes, discretionary funds, audit guidelines, risk management, records management
- [The Vestry Handbook](#)
- [The Vestry Resource Guide](#)
- <https://www.churchnext.tv/library/what-vestries-need-to-know-about-money/202586/about/>
- <https://www.ecfvp.org/vestry-papers/article/607/basics-of-church-financial-reporting-part-ii>
- <https://www.generalconvention.org/forms-and-instructions> - Parochial Report downloadable forms, instructions and online filing
- <https://www.episcopalfoundation.org/> - Resources on Endowment Management Solutions, Donor Advised Funds, Planned Giving, Capital Campaigns



Resources available for Treasurers Continued

- <https://www.tens.org/> - The Episcopal Network for Stewardship
- <https://www.churchlawandtax.com/> - Information on legal, tax, financial, and risk management matters
- [IRS tax guide for churches and religious organizations pub 1828](#)
- [Church Pension Group 2021 Federal Reporting Requirements for Episcopal Churches](#)
- [Church Pension Group 2021 Clergy Tax Return Preparation Guide for 2020 returns](#)
- <https://www.cpg.org/> - Church Pension Group – Pension, health insurance, property & casualty, payroll services
- [Clergy Compensation Guidelines](#)
- Online giving platforms – [Vanco](#), [Tithe.ly](#), [Generosity by Lifeway](#), [Pushpay](#), [SecureGive](#), [E-give USA](#), [Realm](#)
- Canon for Finance & Administration – Available for consultation
- Other Treasurers – SAME TEAM!!
- Recurring Diocesan Treasurer Calls



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Theology of Stewardship

- God as Giver
- Giving as the Sacramental Life
- The Biblical Witness
- Tithe as a Life-giving Spiritual Practice



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