

First Universalist Unitarian Church of Wausau¹

Financial Procedures Manual

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1. Introduction

This Financial Procedures Manual provides clear and detailed guidelines for the financial management of the First Universalist Unitarian Church of Wausau. It ensures compliance with the Board of Trustees' Policies, specifically the 4.3 Asset Protection Policy, and aligns with the church's bylaws to establish a framework for financial operations, reporting, and communication. Regular review and updating of this manual are essential to reflect any changes in policies, procedures, or legal requirements.

2. Roles and Responsibilities

Board of Trustees:

- Oversee the financial health and policy compliance of the church.
- Approve the annual budget and financial reports.
- Ensure adherence to the Policies and Bylaws.

Minister:

- Provide oversight for all financial activities.
- Ensure compliance with established financial procedures.
- Collaborate with the Office Administrator, OAF, and the Board to maintain financial integrity.
- Address any financial concerns raised by the Office Administrator, OAF, or Board in a timely manner.

Office Administrator:

- Execute day-to-day financial operations.

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- Maintain accurate financial records.
- Liaise with the OAF to ensure accurate and timely financial reporting.

OAF:

- Provide professional accounting services.
- Assist with payroll, financial reporting, and compliance.
- Offer guidance on financial best practices.
- Ensure compliance with local, state, and federal financial regulations.

3. Financial Management Processes

3.1 Cash Receipts:

- Document all cash received with a receipt.
- Cash should be counted by two individuals and recorded in the cash log.
- Deposits are made weekly, typically on Monday after office hours. If a large donation is received onsite, a second deposit may be made during the week.

3.2 Disbursements:

- All disbursements require an authorized signature (two signatures if **greater than \$250.00**).
- Invoices must be approved by the Office Administrator before payment.
- Payments should be made using checks or electronic transfers whenever possible.

3.2.1 Reimbursements

Staff, board members, and volunteers may occasionally incur expenses on behalf of the church. Reimbursement is available for **pre-approved, budgeted expenses** and must be requested using the Church Reimbursement Form, accompanied by original receipts. Reimbursements are issued by **check only**, following the church's regular disbursement process.

Submission Timeline

- Reimbursement requests must be submitted within **30 days** of the expense date.

Processing Schedule

Reimbursements are processed **on the first Monday of each month**. If the first Monday falls on a holiday or the church is closed, reimbursement will take place on the **next available Monday**. Exceptions may be made for time-sensitive or hardship situations at the discretion of the Office Administrator or Minister.

Approval & Control

1. All requests must be approved by the **Office Administrator** and reviewed for alignment with the approved budget.
2. **Committee-related expenses must also be approved by the appropriate Committee Chair** prior to submission.
3. Expenses over **\$250** require a **second signature**, in accordance with the church's disbursement policy.

4. The person requesting reimbursement should sign and date the form. Whenever possible, reimbursement checks should **not be signed by the requestor**.

Documentation & Record-Keeping

Reimbursement requests must include **original itemized receipts** and a completed Reimbursement Form. These documents will be retained in accordance with the church's financial recordkeeping policy.

Payment Method

Reimbursements are issued **by check only**.

Expense Planning

To reduce the burden of out-of-pocket spending:

- Staff are encouraged to use the **church credit card** for planned, budgeted purchases when feasible.
- Those anticipating significant reimbursable expenses (e.g., travel, events, or supplies) should coordinate with the Office Administrator **in advance** to explore alternatives such as advance checks, adjusted credit limits, or direct vendor billing.

3.3 Deposits:

- Prepare a deposit slip for all cash and check deposits.
- The Office Administrator must promptly enter deposits into the accounting system.
- Deposit records are entered and maintained by the Office Administrator. Bank statement reconciliations are conducted by the OAF as part of their regular monthly reporting.
- Report any discrepancies between the deposit records and bank statements to the Minister and Chair of the Finance Committee.
- Document unplanned gifts (e.g., non-pledged contributions, pre-pledged contributions, direct distributions from IRAs, wealth managers, donor's employers, etc.) in Realm. Notify the OAF of the contribution and include the corresponding budget line item.

4. Budget Preparation and Implementation

Budget Preparation:

- The Office Administrator drafts an annual budget proposal in consultation with the Minister and Finance Committee.
- The Board of Trustees reviews the proposal in October and November (if necessary) and approves the final budget proposal for the December annual congregational meeting.

Budget Implementation:

- The Board monitors actual expenditures against the budget monthly.
- The Office Administrator provides monthly budget reports, provided by the church's OAF, to the Minister and Board.
- Any significant variances must be reported to the Board.

5. Financial Reporting

Monthly Reports:

- OAF: Completes monthly reconciliation and generates the following reports for the Board packet:
 - Balance Sheet
 - Profit and Loss Budget vs. Actuals
 - Profit and Loss by Month
- Office Administrator: Prepares the following reports in Realm upon request by the Board's financial lead (e.g., Board President or Finance Committee Chair):
 - Non-Pledged Gifts Report
 - Pledged Gifts Report
 - Annual Pledge Balance Report

Annual Reports/Accounting Practices:

- The budget creation process begins each September, involving the Office Administrator, Minister, Board financial advisor or Finance Committee, and Board. This process includes a detailed analysis of the current year's Profit and Loss Budget vs. Actuals, considering the expressed needs of the church's Minister, staff, Board, and Committee Chairs, subject to appropriate consideration and approval.
- The Board reviews proposed budgets in October and November; the budget requires approval in November's meeting.
- Interest earned from CDs, high-yield savings, and checking accounts goes directly to the operations budget and, if unused at the end of the fiscal year, is rolled into the Board's reserve fund.
- Undesignated memorial and funerary gifts go to operations; designated gifts go to the appropriate designation.
- Send invoice(s) to the church's building users and parking lot clients each December. (Establish either a quarterly or annual billing program that must be satisfied by December 31 each year.)

6. Communication and Expectations with OAF

- Maintain regular communication with OAF for payroll and financial reporting.
- Schedule quarterly meetings to review financial status and address any concerns.
- Provide OAF with necessary documentation and access to financial records.
- Ensure timely submission of all required reports and compliance documents.
- Report any discrepancies or issues identified during reviews to the Minister and Chair of the Finance Committee promptly.

7. Financial Calendar

Weekly:

- Process and record all cash, check, and electronic transfer receipts.
- Update financial records.

Monthly:

- Prepare and review income and expense statements.

- Reconcile bank statements.
- Submit financial reports to the Minister and Finance Committee by the 2nd Tuesday of each month.

Quarterly:

- The congregation approves the annual donation amount to the Unitarian Universalist Association's Annual Program Fund (APF) at the annual meeting. This amount is paid quarterly on the 15th of March, June, September, and December.
- If applicable, send invoices to parking lot clients and building users.

Annually:

- Draft and review the annual budget (process detailed above).
- The Board will conduct an end-of-year financial review each October and November.
- The Board will review the minister/staff annual health and dental insurance allotment each October and November.
- The Board will review the current fees for building and parking lot use and set the upcoming year's fees each October and November.
- Prepare financial statements for the annual congregational meeting (process detailed above).
- The Office Administrator will prepare and mail/email annual invoices for the church's building users and parking lot clients each December. (Clients added mid-year will be billed from the start of service through December of the current year.)