

Financial Handbook

Albany Presbytery

Update December 2011



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I - Committee Structure

A - PRESBYTERY COUNCIL'S BUDGET & FINANCE COMMITTEE

OVERVIEW

The Budget and Finance Committee is a committee of Council consisting of seven members, with a minimum of 3 ministers and 3 elders elected by the Council for a term of three years per class.

Accountability –

The Budget & Finance Committee is accountable to the Presbytery Council to prepare and submit to Council the annual budget of the Presbytery, regular financial reports, as defined by the “Budget Process Policy” of the Presbytery, to engage in study and recommendation of any special matters referred to it by Council, and to report to each stated meeting of Presbytery the current state of the budget and the finances of the Presbytery, pointing out any concerns the committee may have.

Communication –

Detailed minutes are taken and distributed to members within 10 days of the meeting. Notices of next stated meetings are sent in a timely fashion.

Attendance –

Committee members are needed at all meetings. A committee member will be dismissed after 3 unexcused absences. One notification will be given. Numerous excused absences will be addressed on a case-by-case basis. When members are unable to attend, written updates and reports are to be filed prior to the meeting.

Meeting Format –

Meetings are held as the business of the committee requires. Meetings open and close with devotions. The Chair(s) provide a draft agenda which is subject to amendment by committee members.

Role of Chairs –

The Chair(s) moderate committee meetings. The committee will appoint one member to serve on Council, who may make reports to Council and to Presbytery. The Chair(s) also ensure that members know their responsibilities and have the resources and support needed to fulfill their responsibilities. The Chair(s) ensure the development of a yearly work plan, prepare a budget, which reflects the goals of the committee and the Presbytery, and review the work plan at year's end.

Role of Staff –

The General Presbyter and Financial Manager are staff advisors to the committee. They have voice but no vote in committee meetings. The General Presbyter will generally attend all meetings and assume tasks with the consent of the committee. The Financial Manager will attend all meetings. The Financial Manager will prepare reports on the current financial condition of the Presbytery, distribute the most current financial reports available, and advise the committee of matters of concern. The balance sheet, including the dedicated accounts report; and the income and expense statement, with comparison to the budget; are prepared monthly. Statements will be distributed to the committee in a timely manner to be reviewed, approved, and reported to the Council and the Presbytery by the committee on a quarterly basis. The Financial Manager will refer to the committee matters of financial and budgetary policy.

Role of Members –

Members may expect to spend up to two hours at stated meetings and up to five hours on committee work between stated meetings.

B – Presbytery Council’s Mission Review Committee

OVERVIEW

The Mission Review Committee is a committee of Council consisting of five members, with a balance of ministers and elders elected by the Council for a term of three years per class.

Accountability –

The Mission Review Committee is accountable to the Presbytery Council to review and evaluate the programs and operations of our mission partners, to make budget recommendations annually to Council, to engage in study and recommendation of any special matters referred to it by Council, and to report to the stated meetings of Presbytery at which the budget is received and adopted the current state of the mission side of the budget and the finances of the Presbytery, pointing out any concerns the committee may have.

Communication –

Detailed minutes are taken and distributed to members within 10 days of the meeting. Notices of next stated meetings are sent in a timely fashion.

Attendance –

Committee members are needed at all meetings. A committee member will be dismissed after 3 unexcused absences. One notification will be given. Numerous excused absences will be addressed on a case-by-case basis. When members are unable to attend, written updates and reports are to be filed prior to the meeting.

Meeting Format –

The committee meets monthly as needed opening and closing with devotions. The Chair(s) provide a draft agenda which is subject to amendment by committee members.

Role of Chairs –

The Chair(s) moderate committee meetings. The committee will appoint one member to serve on Council, who may make reports to Council and to Presbytery. The Chair(s) also ensure that members know their responsibilities and have the resources and support needed to fulfill their responsibilities. The Chair(s) ensure the development of a yearly work plan, prepare a budget, which reflects the goals of the committee and the Presbytery, and review the work plan at year’s end.

Role of Staff –

The General Presbyter and Financial Manager are advisors to the committee. They have voice but no vote in committee meetings. The General Presbyter will generally attend all meetings and assume tasks with the consent of the committee. The Financial Manger will prepare reports on the current financial condition of the Presbytery, distribute the most current financial reports available, and advise the committee of matters of concern.

Role of Members –

Members may expect to spend up two hours at stated meetings and up to five hours on committee work between stated meetings.

C - Board of Trustees

OVERVIEW

The Board of Trustees of the Albany Presbytery consists of nine members, three of whom shall be ministers, and six elders. New members shall be elected at the last stated meeting of the year and take office on the first day of the succeeding calendar year. They shall be elected by three classes, each year's class consisting of one minister and two elders.

Accountability:

All members are expected to attend all meetings. Any unexcused absences will be followed up by a phone call; three excused or unexcused absences in a year may signal that the member really can't fit this commitment into his or her schedule, and the Chair will ask whether resignation is the best solution.

Meeting Format:

Meeting will be held as needed. The Presbytery office may send out email reminders 10 days in advance. Members may request to be excused due to emergencies but will ensure that any reports or work will be submitted on time.

Role of President:

The President moderates, and serves as liaison to Council. (S)he also makes reports to the Presbytery, delegating certain responsibilities when appropriate. The President also ensures that members know their responsibilities and have the resources and support they need to meet those responsibilities. The President ensures the development of a yearly work plan, and a review of the work done at year's end.

Role of Staff:

The General Presbyter and the Financial Manager attend all meetings of the Board. They act as advisors, and have voice but no vote.

Role of Members:

Members are expected to spend up to 2 hours at Board meetings, and up to 2 hours doing other work of the Board in between meetings.

ACCOUNT & FUND DESCRIPTIONS

The Trustees of the Presbytery of Albany are responsible for management of a number of accounts. Below are descriptions of major investment accounts. From time to time the Trustees may open and dissolve short term accounts for special purposes. Annually the activity of all accounts managed by the Trustees is reported to the Presbytery.

1. Checking Account

This account is set up to handle the day to day transactions of the several accounts identified below. The treasurer keeps a record of all deposits and withdrawals from the account and an accountability of the balance by account.

The current expectation is to keep a minimum balance in the checking account and invest monies not needed for current expenses.

2. Ecclesiastical Endowment Fund

(invested with Curran Investment Management)

These funds came from the four predecessor presbyteries which merged into the present Albany Presbytery. They are managed by the Trustees with "total return" (income and growth combined) as the criteria of measurement. The objective is to provide an increasing flow of income over time for use by the

Presbytery to support general ecclesiastical activities. No additional funds have been added to this endowment since the Presbytery mergers of 1958-59.

A draw from the endowment for support of the Presbytery is allowed using a formula which provides 5 percent of the endowment fund balance each year.

The calculation uses an average fund balance for the calculation, as follows:

The balance at the most recent June 30

The balance at December 31 of the previous year

The balance at December 31 of the year previous to that

3. Jermain Account

(invested with Curran Investment Management)

The Trustees assumed responsibility for the Jermain Account as a result of Mr. Jermain's original will.

The Trustees will continue to manage this fund until a final disposition is made by the courts.

4. Mission Endowment Fund

(invested with Curran Investment Management)

Comprised primarily of assets that came to the Presbytery as a result of church closings. They are managed by the Trustees with "total return" (income and growth combined) as the criteria of measurement. The objective is to provide an increasing flow of income over time for use by the Presbytery to support mission activities.

A draw from the endowment for support of the Presbytery is allowed using a formula which provides 5 percent of the endowment fund balance each year.

The calculation uses an average fund balance for the calculation, as follows:

The balance at the most recent June 30

The balance at December 31 of the previous year

The balance at December 31 of the year previous to that

INVESTMENT POLICIES

The primary objective of all funds invested in securities is to combine growth of capital with income via high-quality investments. This is accomplished through diversification, income, and risk control through equities, fixed income securities, and/or cash equivalents.

The funds are invested with a target weighting mix as follows:

| Asset Class | Min Wt | Target Wt | Max Wt |
|--------------------|--------|-----------|--------|
| Equities | 60 | 70 | 80 |
| Fixed Income | 20 | 29 | 40 |
| Cash & Equivalents | 0 | 1 | 5 |

The General Assembly of the Presbyterian Church has placed a restriction of corporations due to their involvement in military-related production, tobacco or human rights violations. The divestment list is available at <http://www.pcusa.org/mrti/divestment.htm>

The Albany Presbytery does not invest funds in securities of the listed companies.

II Financial Overview & Policies

A - General Accounting Practices

ACCOUNTING DOCUMENTATION

Policy Statement: *It is the policy of Albany Presbytery to establish and maintain records to record costs of the organization based on generally accepted accounting principles (GAAP), as well as any applicable, current and existing Federal guidelines.*

Interim financial statements are produced each month reporting income and expense for each fund. The information is also used to evaluate our current performance against budget and to assist in projecting costs and budgets for the upcoming year. The Financial Manager will ensure that all appropriate committees and individuals will receive regular financial reports as requested and/or helpful.

ANNUAL FINANCIAL REVIEW

Policy Statement: *It is the policy of Albany Presbytery to meet the requirements of G-11.0307 in the Book of Order. The results of such review will be recorded in the minutes of the Presbytery when complete.*

ANNUAL BUDGET

Policy Statement: *It is the policy of Albany Presbytery to have an annual budget approved by the Presbytery each calendar year (see Budget Process Calendar). See Appendix C for Budget Process Calendar.*

AUTHORIZED SIGNERS FOR DISBURSEMENTS

Policy Statement: *It is the policy of Albany Presbytery to require certain management and/or Governing Body signatures on checks disbursed.*

Individuals authorized to sign checks for the Mission and Ecclesiastical accounts on behalf of the Presbytery include the General Presbyter and Presbytery Treasurer. Individuals authorized to sign checks for the Trustees' accounts include the Financial Manager, Trustees' Treasurer and President. Only one signature is required for any given transaction.

BANK STATEMENTS

Policy Statement: *It is the policy of Albany Presbytery to reconcile all bank statements.*

Policy Interpretation and Implementation:

1. The General Presbyter (or designee) opens, reviews, dates and initials all bank and investment statements upon receipt.
2. Once that review has been completed, the statements are forwarded to the Financial Manager, or appropriate Board officer for reconciliation.
3. The Financial Manager or appropriate Board officer will complete reconciliation against the Presbytery records within 60 days of receipt. Discrepancies will be reported immediately to the General Presbyter.
4. Once reconciliation has been completed, the bank statements and reconciliation report will be kept on file.

DEPOSIT OF FUNDS

Policy Statement: *It is the policy of Albany Presbytery to uphold a process for depositing funds which maintains internal controls.*

Policy Interpretation and Implementation:

The following procedures will be followed in the process of depositing funds:

1. All church-wide mission support funds are submitted by churches to the Presbytery office and promptly deposited by into a single account. The Financial Manager then reviews and disburses funds into the appropriate accounts.
2. The Support staff will prepare the bank deposit slip for those checks and other funds which come into the office, and will make a copy of each check being deposited (or written backup in the case of cash). Checks shall be endorsed for deposit upon receipt.
3. The Financial Manager will review the completed deposit slip and items to be deposited.
4. Checks and supporting documentation are retained by the Financial Manager.
5. All deposits should be made within one week of receipt.

DISBURSEMENT OF FUNDS

Policy Statement: *It is the policy of Albany Presbytery to disburse funds in order to pay vendors, to reimburse expenses of staff and to meet other Presbytery financial obligations.*

Policy Interpretation and Implementation:

- A. The Financial Manager receives all requests for payment, and upon review and approval (including identification of the appropriate budget line item) disburses funds.
 1. Disbursements by check are forwarded to the Treasurer or other authorized signer for signature.
 2. Disbursements by electronic transfer are performed by the Financial Manager and reviewed by the General Presbyter.
- B. The support staff mails the checks with any necessary documentation. The supporting documentation retained for the Presbytery files is stapled to the check stub and filed.
- C. Unused checks will be safeguarded at all times and kept in a locked cabinet when the office is closed. Blank checks will not be signed ahead of time.
- D. All checks must be made out to specific companies and individuals, and may not be made out to cash.
- E. Presbytery credit cards will be provided to employees as deemed necessary by the General Presbyter, and shall be used only for Presbytery expenses. The monthly credit card statement will be reviewed by the Financial Manager and General Presbyter and such review will be documented and kept on file.
- F. The Financial Manager monitors expenditures against approved budget amounts and periodically reports to committee, task force and Board chairs the status of their budget allocations.
- G. Committees, Task Forces and Boards may reallocate funds between line items within their budgets, within their total budget allocation. Permission to exceed their total budget allocation must be submitted to and approved by the Presbytery in advance.
- H. If a Committee, Task Force or Board wishes to carry money over from one budget year to another, whether in an existing dedicated account or by establishing a new one, the request must be submitted to and approved by the Presbytery prior to December 31 of the given budget year.

EMPLOYEE & VOLUNTEER EXPENSES, REPORTING AND REIMBURSEMENT

Policy Statement: *It is the policy of Albany Presbytery to reimburse all individuals in a timely fashion for expenses related to Presbytery business.*

Policy Interpretation and Implementation:

1. Expense Reimbursement:

Expenses incurred in the performance of committee and task force work are reimbursable under a vouchered reimbursement plan for all committee and task force members. Reimbursable expenses must be submitted within 60 days and include travel (to and from committee meetings as well as other travel on committee business), meals, parking, tolls, supplies, and postage. Other expenses not listed here may also be reimbursable; please check with the Financial Manager. Mileage is reimbursed at the standard IRS business rate. Committee and task force members should be aware that reimbursement at this rate is higher than the volunteer mileage rate allowed by the IRS. This creates income to the recipient to the extent that the reimbursement exceeds the IRS standard charitable mileage rate. Should an individual receive mileage reimbursement totaling more than \$600 in a single year, a form 1099 will be issued to the individual from the Presbytery office.

2. Vouchering Requirements:

Expenses should be vouchered, either using a paper voucher form or an email. Supporting documentation for all expenses should be submitted with the voucher request. For mileage requests, a statement including the date of the expenses, the places traveled to and from, and the reason for the travel is sufficient documentation. For any items purchased, a paper receipt should be submitted. The Presbytery is exempt from sales tax and any individual expecting to purchase reimbursable items which would be subject to sales tax should carry a tax-exempt form with them and present it to the vendor. Extra forms are available from the Presbytery Office. ALL reimbursements are to be submitted through the committee or task force chair by the end of the month following the month in which the expense was incurred – for example, by the end of February for any January expense. This is required by the IRS for the reimbursement to be considered non-taxable to the recipient. A paper voucher form and a tax exempt form are included in this manual.¹

3. Employee Expenses:

The employee expenses of the General Presbyter must be reviewed and approved by the Stated Clerk, and vice versa.

PAYROLL

Policy Statement: It is the policy of Albany Presbytery to pay employees (see #1-#7) and independent contractors (see #8) in a timely and efficient manner, while complying with all federal and state regulations regarding such as well as the Personnel Policies of Albany Presbytery.

Policy Interpretation and Implementation:

1. The Presbytery contracts with an outside payroll service to process all payroll activities, including all required state and federal tax reporting and filing.
2. Hourly and non-exempt employees will fill out time sheets and submit to their supervisor on a regular basis. The timing of such submission is to be established between each employee and their supervisor, but will be at least monthly.
3. Payroll will be paid on the 15th and last day of each month, or the immediately preceding business day should the regular day fall on a weekend or holiday.
4. An office support staff person collects and submits accurate hiring, hour, and salary information for paying employees to the payroll service prior to the scheduled pay date.

¹ See appendix A

5. When the payroll is delivered, the support staff person checks the information submitted with the payroll register for accuracy and signs and dates the register after review.
6. Checks and direct deposit advices are delivered to employees.
7. The payroll reports from the payroll service are given to the Financial Manager. The Financial Manager posts the information to the General Ledger and reconciles the bank account when the statement is received.
8. Independent contractors will be paid on a monthly basis, or as per the contract as negotiated.

B - Church-wide Commitments & Connections

Albany Presbytery's financial procedures are governed by the Manual of the General Assembly, Organization for Mission, Appendix A: Financial Issues. (The current version of this manual as of this writing can be found at http://www.pcusa.org/ga218/pdf/ga_manual_08.pdf.) Accordingly, Albany Presbytery subscribes to the Glossary of Terms Related to Financial Issues, the Principles underlying the funding of the mission and ministry of the P.C.(U.S.A.), and the Churchwide Funding Plan detailed in Appendix A.

BUDGET DEFINITIONS

Congregations of Albany Presbytery support the presbytery through two income sources: Ecclesiastical and Mission.

1. The ecclesiastical budget supports the administrative and personnel expenses related to the coordination and evaluation of the presbytery's mission and the necessary ecclesiastical, legislative and judicial functions of the PCUSA. Ecclesiastical costs include the following: operation and governance, Presbytery Committees required by the Book of Order, Administrative, Office and, ecumenical partnerships expenses. Personnel positions include the General Presbyter, the GP Administrative Assistant, the Stated Clerk, the Financial Manager and other expenses related to this staff.

The Ecclesiastical Budget is funded by sharing the costs through a per capita assessment of all member congregations.

2. The mission budget supports God's mission with our congregations and beyond. The mission budget supports local, national, and international mission work including ministries of compassion, advocacy, discipleship, education and evangelism. Mission costs include the following: Committees, Boards and Task Forces authorized by the Presbytery and/or the Council, mission projects and/or agencies recommended by the Mission Support Task Force and authorized by the Presbytery. Personnel positions include the CLP Dean and Contract Staff for Church Health and Transformation

The mission budget is funded as member congregations each determine their own level of giving through a pledging campaign administered by the Council's Mission Review Committee.

UNRESTRICTED AND RESTRICTED GIVING

Unrestricted giving refers to gifts received for the overall support of the adopted budget of the presbytery. Restricted giving refers to gifts that are restricted by a contributor or donor for use in support of a validated project, budget category, or appeal. Unrestricted giving is foundational in the Churchwide Funding Plan. Through unrestricted giving, individuals and governing bodies share in support of the whole mission and ministry in which the church engages. Restricted giving, such as directed mission support, churchwide special offerings, and other specific appeals, is a valuable and important method of adding to unrestricted giving. Contributors wishing to use restricted giving are encouraged first to choose projects or categories within adopted budgets through directed mission support. Special offerings and other specific appeals are always restricted by their stated purpose.

SHARED AND DIRECTED MISSION SUPPORT

Shared Mission Support refers to gifts and contributions received with no restrictions for the overall support of the adopted budgets of governing bodies.

Directed Mission Support refers to a form of restricted giving for designated budget categories or projects within adopted budgets. Directed mission support will be applied first to designated budget items.

Shared mission support will be applied to all items within approved budgets after directed mission support has been applied to designated budget items.

EQUALIZATION

Equalization refers to the use of unrestricted funds to fulfill the commitments and/or agreements that have been made by a governing body.

Funding of approved budgets is accomplished as follows:

- I. Restricted Funds are applied first to the appropriate budget item.
- II. Unrestricted funds are then applied toward fulfillment of all budget items.
- III. This use of unrestricted funds provides for equalization within a governing body's budget. This process supports the orderly planning and budgeting decisions of governing bodies while honoring appropriate restrictions and designations.

Sessions are encouraged to follow the division of mission support commitments adopted by the Presbytery and to use directed mission support within those division agreements. If a session does not follow this division agreement, the Presbytery will fulfill agreements through use of unrestricted funds. This use of unrestricted funds provides for equalization among governing bodies. Churchwide special offerings and other specific appeals may not be used to fulfill mission support commitments and are not subject to equalization.

MISSION RECEIVING SITE

Albany Presbytery is the receiving site for all Churchwide Mission Support funds for its constituent churches. As the receiving site, Albany Presbytery collects, receipts and remits all Churchwide Mission Support funds to the appropriate agencies.

C - Dedicated Funds

Within the separate mission and ecclesiastical funds, it is at times necessary to set aside specific monies for specific use. This is accomplished by using the device of dedicated funds. Dedicated funds can arise in a variety of ways; e.g. Presbytery or Council action, receipt of monies outside of budgeted categories, the accumulation of funds across more than one budget cycle. The authority to spend from dedicated funds rests with a committee or task force of the Presbytery. The following list of active dedicated funds is not intended to be comprehensive:

| Dedicated Account | Responsible Entity |
|---|---------------------------|
| Calvin Worship Grant | COM (strategy) |
| Church Reconciliation Fund | COM (congregational care) |
| Clergy Colleague Grant | COM (pastoral care) |
| Commissioned Lay Pastor | CLP Task Force |
| Dedicated/Miscellaneous | COM |
| Frank E Clark Grant | COM (congregational care) |
| Hurricane Irene Relief | Disaster Response TF |
| James H Miller Fund | Council/Presbytery |
| Judicial Expense Reserve | PJC/IC |
| New Initiative Fund | Council/Presbytery |
| P&J Local Church Initiative | P&J |
| Pakistani-American Fellowship | COM |
| Peacemaking | P&J |
| Pensions & Ministerial Assistance | COM (pastoral care) |
| Presbiterio Mam Relationship | S&MS |
| Student in Seminary | CPM |
| Youth Triennium | Youth Events TF |
| Hebron Reserve Fund | Trustees |
| Mission Scholarship Fund | Council through the MRC |
| Mission Promotion & Itineration Council | Council through the MRC |

D –Treasurer’s Duties

The treasurer weekly reviews the bills and vouchers for the Presbytery accounts and signs the attached checks for payment. If needed the treasurer will initial vouchers for payment. If necessary the treasurer will sign checks other than weekly.

The treasurer attends Presbytery meetings.

E - Financial Manager's Duties

The primary duties of the Financial Manager are administering the budgets, processing mission receipts, resourcing committees and/or task forces, financial reporting, and federal and state compliance. The following table describes the basic work plan for the Financial Manager.

| | <i>Daily</i> | <i>Weekly</i> | <i>Monthly</i> | <i>Quarterly</i> | <i>Annually</i> |
|-----------------------|-------------------|---|---|---|--|
| Office/Admin/Training | - Mail - Email | | - Staff Meetings - B&F Meeting - Council Meeting | - Pby Mtgs - MRC mtgs | -Treasurer workshop - MGBFN mtg |
| Cash Receipts | | | - Record receipts in QB - Receipt churches - Remit mission receipts to GA & Synod - Transfer \$\$ to Pby a/c's | | |
| Cash Disbursements | | - Prepares Check for signature by the Treasurer | - Bank Reconciliations | | |
| Payroll | | - Monitor payroll changes, keep employee files up to date | - Transfer \$\$ for payroll - Post payroll to G/L | | |
| General Ledger | | | - Journal Entries - Closing Month - B/S Analysis & Reconciliations | | - Meet with auditors |
| Financial Reporting | | | - Prepare I&E, B/S, Hebron, Miss & Eccl pmt reports | - Submit quarterly reports for pby meetings | - Year end Treasurer Mailing - 1099's |
| Budgeting | | | - Monitor process - Perform tasks as needed to meet calendar | | |

Key: B&F – Budget & Finance Committee I&E – Income & Expense
 B/S – Balance Sheet MGBFN – Middle Governing Body Financial Network
 G/L – General Ledger MRC – Mission Review Committee QB – QuickBooks

III Loans and Grants

A - Board of Pensions Shared Grants

These are generally intended to assist with a one-time need. Shared grants help active and retired church workers and their spouses with special financial needs or in emergency situations. The need may be extraordinary medical or mental healthcare expenses, a family emergency, custodial care at a home, or any number of special situations.

Shared grants are initiated (recommended) by a governing body or an employing organization that is willing to share equally with the Board in the cost of providing the grant. Grants also may be shared between the Board and two or more other bodies of the church. Each case is reviewed on its merits as determined by the applicant's need and resources.

To apply for a shared grant, pastors should contact their presbytery and church workers should contact their employing organization.

Normally, the Board of Pensions and a governing body of the church or an employing organization jointly meet the emergency needs of members with shared grants. From time to time, however, a governing body or employing organization cannot participate in a shared grant because of insufficient funds. In these instances, an **Emergency Assistance Grant** may be awarded to provide financial support to persons who otherwise might not receive it. Emergency Assistance Grants are funded by the Board's Assistance Program and are subject to certain limits. For more information see

<http://www.pensions.org/portal/server.pt?open=514&objID=237&mode=2>

B - Camperships for Summer Camp

The Council oversees a campership fund, granting camperships each year to campers. Applications are granted on a first come, first serve basis. A new application must be made each year. Camperships are granted for one session only. Forms may be found at www.albanypresbytery.org

C - Church Reconciliation Fund

Purpose: To provide assistance in securing consultants or resource persons to work with churches when there is a serious conflict in a pastor/parish relationship.

Income and Principal: Both interest and principal may be used from this fund with additions to principal normally coming from the Mission Budget of Presbytery. If the Church Reconciliation Fund falls below \$1,000, the Committee on Ministry shall seek to have new funds included in the subsequent year's mission budget of the Presbytery.

Fund Utilization:

1. This fund is administered by the Committee on Ministry; approval of expenditures requires committee action.
2. Normally the fund is utilized at the committee's discretion when it believes the use of a consultant/resource person who is not a member of Presbytery would be beneficial.
3. In consultation with a church session, the Committee on Ministry shall determine in advance the basis for cost-sharing with the church and the authorization limit of funds to be used.
4. This fund may also be used to assist in therapy for a pastor when such therapy is directly related to achieving pastor/parish reconciliation. Utilization in this form shall always be coordinated with the benefits available under the Presbyterian Pension and Benefits Plan.
5. These funds are neither to be used for interim pastoral services nor to assist in funding pastoral termination agreements.

Application: Utilization of this fund is only at the initiative of the Committee on Ministry, but either a pastor or a session may seek the committee's counsel concerning the advisability of seeking a consultant/resource person to work with a conflicted relationship.

D - Local Church Initiative

The purpose of this fund is to provide a process and an incentive by which congregations may engage their local neighborhoods with the tangible application of the gospel to the issues of peace and justice with which their neighbors struggle.

The process includes:

- A covenant relationship between the Presbytery and the Session of a congregation. This covenant includes the expectation that the Presbytery will provide a trained facilitator, tools, support and resources. It also includes the expectation that the Session will go through the complete process as outlined in the Local Church Initiative (LCI) Handbook (available on line at www.albanypresbytery.org)
- research tools for finding out about a congregation's strengths and interests
- research tools for discovering the local community's needs

The fund is in a dedicated account and the Council awards grants based on the criteria set out in the LCI Handbook.

E - New Initiatives Fund

Guidelines

New Initiative funds are provided in order to create and sustain strong, effective ministries while supporting innovative responses to identified issues.

Funding Criteria: In making funding decisions, the Presbytery Council will carefully consider a variety of factors. Funding priorities and evaluation criteria are as follows.

- **Appropriateness** – The project reflects the mission and core values of your congregation and Albany Presbytery. Please include your congregation's mission statement and core values as well as an indication of how your project supports them.

Albany Presbytery's mission is:

- developing vital congregations
- strengthening our relationships
- increasing participation in mission

The Presbytery Council seeks to help Albany Presbytery become the most effective, missional learning community possible.

- **Connection** – The project promotes connections between your congregation and the community in which you do ministry or other congregations in your area.
- **Effectiveness** – A well-planned project will result in deeper relationships, better understanding, and tangible, measurable results showing significant impact on the issue to be addressed.
- **Need** – The requested funds are necessary, and based on financial need. These funds are to be “seed money,” and successful applications will demonstrate that the congregation(s) supports the project. Therefore a strong application will show a plan that will address funding needs in the future, as well as some evidence that the congregation(s) is willing to provide at least some modest financial support from the start.

- **Other Considerations** –There is an expectation that those who receive New Initiative funds will provide written, pictorial, and oral reports to your congregations and Albany Presbytery.

Application Process

1. All groups desiring Mission Initiative funding will prepare an application using the form supplied.
 - Applications for funding will be accepted on an ongoing basis throughout the year.
2. Applications will be submitted to:

Presbytery Council of Albany Presbytery
1915 Fifth Avenue
Troy, NY 12180
3. Applications for Mission Initiative funding will be notified as soon as their applications have been received, and the applications will be considered at the next possible Council meeting. If an upcoming Council docket is too full to ensure careful consideration of the application, discussion and decision may be postponed a month or two.
4. The review process will include:
 - An initial review by two members of the Council, who will prioritize proposals according to appropriateness, innovation, connection to the larger church, and to what extent the congregation(s) making the proposal is making a financial contribution to the project, either initially or long term. They may request further information from the applicant(s) or make suggestions for how to strengthen the proposal.
 - These members of Council then bring the proposal to the Council with a recommendation for action.
 - The determination by the Council will be based on need, potential effectiveness, organizational capacity and past responsibility.
5. All recipients of funding from Albany Presbytery shall prepare and submit a brief, written narrative and financial report on funded activities within six months of the award, and then every 6 months afterward until the funds have been spent, using the form provided by the Presbytery.

Adopted by Council August 16, 2011

F - Pensions and Ministerial Assistance Fund

Purpose: This fund is established to assist pastors in financial distress due to medical treatment not covered by medical insurance.

Policy: Active members of Albany Presbytery, unable to pay medical costs due to financial difficulties, should contact the General Presbyter, the Committee on Ministry Chair and/or our Board of Pensions liaison for help in evaluating their situation. When appropriate, grants will be given to offset medical expenses. There are monies available from Albany Presbytery and also through the Shared Grants program of the Board of Pensions.

The Stop Loss provision (contained in Section 13.6 of the Benefits Plan) provides for 100% reimbursement for In-Network or Non-Network medical costs (not reimbursed under Section 13.4) which exceed 4% of the lesser of the Member's Medical Participation Basis or 150% of the Pastors' Median for the preceding calendar year or 8% of Out-of-Network medical costs of the lesser of the Member's Medical Participation Basis or 150% of the Pastor's Median for the preceding calendar year. (The Pastors' Median is the annual

Churchwide median effective salary of ordained ministers serving churches for the immediately preceding Plan Year as the same may be determined by the Board of Pensions from time to time.)

Administration of this policy will be done by the Committee on Ministry according to the following provisions:

1. This policy applies only to members of Albany Presbytery and expenses eligible for reimbursement must have been incurred during the time of such membership. (For this policy, eligible expenses mean the non-reimbursed portion which exceeds 7% but does not exceed 8% of the Member's Medical Participation Basis as determined by the Board of Pensions.)
2. Only incurred expenses properly covered under the Medical Provisions of the Benefits Plan will be subject to reimbursement and such expenses must fall within the same Plan year.
3. Eligibility under this policy will follow all rules and regulations in effect under the Board of Pensions and will be based solely on the documentation submitted and accepted by the Board of Pensions.
4. Reimbursements under this policy will be from the Pensions and Ministerial Assistance Fund of the Presbytery. Reimbursements in amounts less than \$100 will not be made until the end of a Plan year.
5. Authorization for payment of eligible reimbursements requires the written approval of the General Presbyter.
6. This policy shall begin with calendar year 1987 and remain in effect as amended from time to time unless terminated by the Presbytery with eligibility for reimbursement ceasing six (6) months following such termination, or unless there should be a modification in Section 13.6 of the Benefits Plan approved by a future General Assembly.

As amended by Presbytery June 14, 2004
COM 9.1.05

Guidelines:

1. Up to \$500 may be expended from this fund upon authorization of the Pensions Representative or the General Presbyter following consultation among at least three of the following:
 - a. Pensions Representative
 - b. General Presbyter
 - c. Pastoral Care Subcommittee
 - d. Committee on Ministry
2. Authorization of loans and grants greater than \$500 must be approved by the Committee on Ministry upon recommendation of the General Presbyter, Pensions Representative or Pastoral Care Subcommittee.
3. No grants requiring Committee on Ministry approval shall be made without adequate documentation being on file with the Pensions Representative.
4. Loans of up to \$500 repayable within one year may be authorized as in (1) above with no interest charged if repaid on schedule. An interest charge at the rate of 5% per annum shall be charged on overdue amounts. Loans more than three months in arrears shall be reported to the full Committee on Ministry.
5. The Pensions Representative and Committee on Ministry shall endeavor to secure shared grants with the Board of Pensions whenever feasible.
6. Grants in excess of \$500 which do not qualify as shared grants with the Board of Pensions normally will not be recommended to the Committee on Ministry.
7. Grants or loans which total in excess of \$500 to the same person within a six-month period must be approved by the Committee on Ministry.

8. If the Pensions and Ministerial Assistance Fund falls below \$4,000, the Committee on Ministry shall seek to have new funds included in the subsequent year's mission budget of the Presbytery.

G - Presbytery's Capital Grant & Loan Fund (Trustees & COM)

Still to come...

H - Rural Initiative Grant (Council)

The Rural Initiative Fund was created to help churches in more sparsely populated areas find new and creative ways to engage their communities in ministry. Churches may use this money as seed money for a new program, to purchase equipment or resources for new or ongoing programs, or to expand an existing program. The maximum grant will be \$1000 per church per year.

Guidelines:

1. Churches must fill out the Rural Initiative Fund Application and send it to Council.
2. Grants will be made throughout the year until all funds are used.
3. A church will only receive one grant per year.
4. Grant applications must be approved by the church's Session.
5. Grants will not be given for building repair and/or maintenance.

Some examples of possible projects:

1. Vacation Bible School
2. Digital Projector for worship
3. Youth Mission Trip
4. After School Program
5. Concert series
6. Arts programs

I - Student in Seminary Fund

Purpose:

This fund is used primarily to assist those preparing for the ministry as they seek to meet the requirements for ordination (beyond a Bachelor's Degree) while they are under care of Albany Presbytery. Normally, this would be during the period of candidacy but, in unusual circumstances, the period of inquiry may also qualify.

Income and Principal:

Both interest and principal may be used from this fund with additions to principal normally coming from offerings received at Ordination and Installation services.

Fund Utilization:

1. This fund is administered by the Committee on Preparation for Ministry. Approval of expenditures requires committee action.
2. The committee can approve scholarship assistance not to exceed \$2,000 per academic year per candidate.
3. These funds can also be used to defray a student's travel expenses for mandatory visits with the committee and the program costs for candidates or inquirers undergoing psychological assessment testing at the Samaritan Counseling Center or a similar approved program.
4. Upon recommendation of the committee and approval by the Presbytery, the funds may also be used for Presbytery's participation in the Early Ministry Institute program of the Synod of the Northeast.

5. Other grants relating to preparation for ministry shall be limited to no more than \$500 and require a two-thirds vote of the Committee on Preparation for Ministry.

Application:

Application for grants from this fund shall be made to the Committee on Preparation for Ministry. Such application shall also indicate any other funding sources to which applications are being made.

J - James Miller Fund

Comprised of assets that were received in honor of former Executive Presbyterian James Miller at his retirement.

K - Washington County Mission Initiatives

As its September 2010 stated meeting Albany Presbytery voted to dissolve the relationship with the Argyle congregation. The agreement included the following provision:

\$40,000 was set aside in a reserve account administered by Albany Presbytery to be used by the PC(USA) churches in Washington County over a minimum of 5 and maximum of 10 years to support new or ongoing ministry and mission in Washington County. The following Washington County PC (USA) churches will be eligible to use the money acting through the appropriate Presbytery structures:

Once the Washington County churches have created a process for its distribution the fund will be available to them.

L - Capital District Community Loan Fund

The Trustees invest in this loan fund (from Mission Endowment Funds). For details go to: <http://www.cdclf.org/>

M - Synod Loans and Grants

<http://www.synodne.org/mediagallery/album.php?aid=170&page=1>

N - General Assembly Loans and Grants

The PC(USA) has a variety of loans and grants. Visit their website at: <http://www.pcusa.org/>

Appendix A

Paper voucher -

[http://www.albanypresbytery.org/pdf/Reimbursement%20\(Check%20Request\)%20form.pdf](http://www.albanypresbytery.org/pdf/Reimbursement%20(Check%20Request)%20form.pdf)

and tax exempt form -

<http://www.albanypresbytery.org/pdf/tax%20exempt%20form%20current.pdf>

Appendix B

Budget Process Calendar

http://www.albanypresbytery.org/pdf/Budget_Process_Calendar_8%2011%2011.pdf