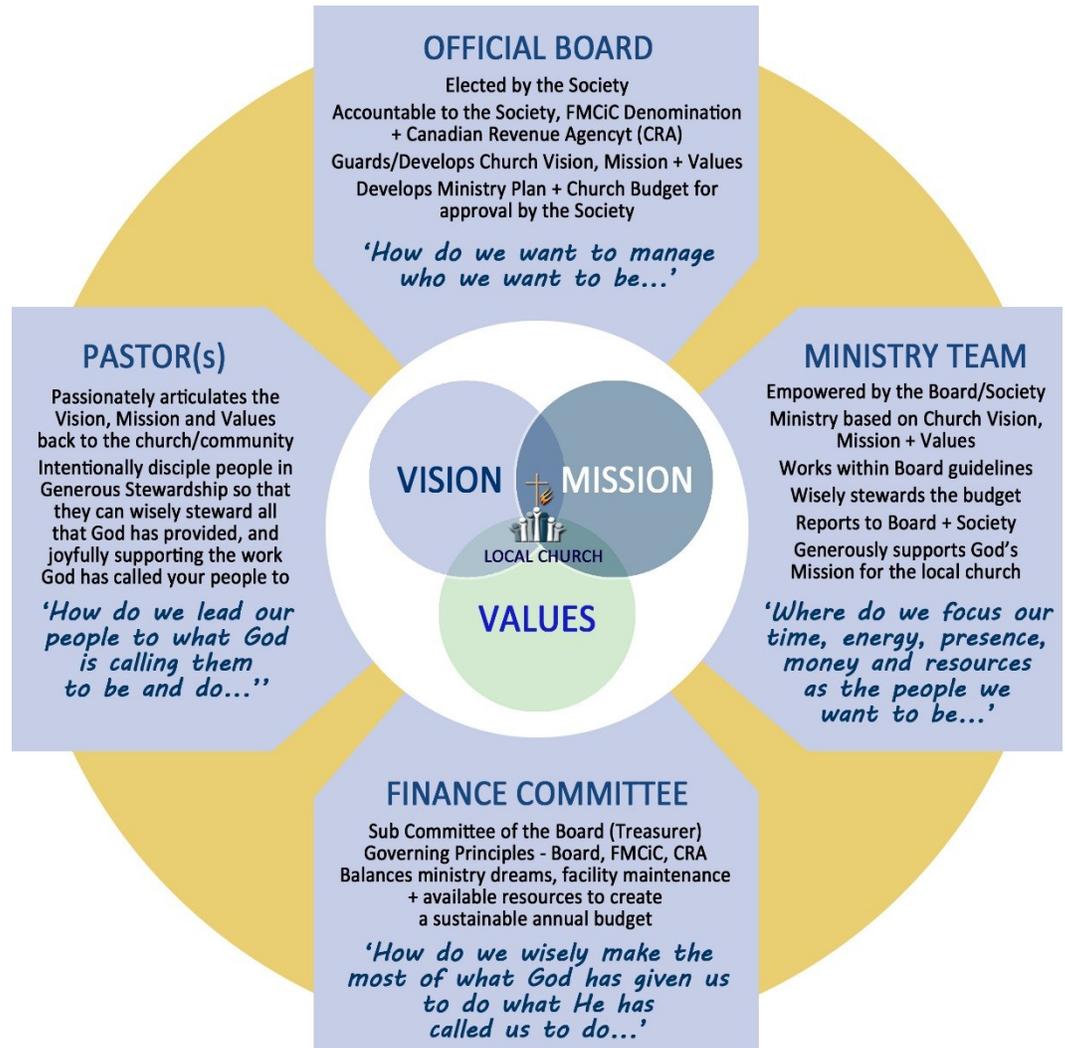


FMCiC Finance Committee Guidelines

How do we do this Finance Committee thing?

You have been asked to join the Finance Committee and now you are asking, "How do we do this Finance Committee thing?" Here are four key things to remember that will help you be the most effective Finance Committee member possible.

1. The church is God's people on God's mission. The church is meant to be Spirit driven, with vision and purpose, to accomplish God's mission where he has placed you. Start with prayer.
2. The congregation is the local expression of the Body of Christ. It has components that need to work together like the parts of a body. The Official Board is commissioned by the Society to guard the vision and hold the property of the Church in trust. The Ministry Leaders are gifted by God to carry out the mission of God in the community where God has placed them. The Pastor(s) are commissioned by God to equip the church to do the work that God has prepared in advance for them to do. The Finance Committee needs to hear the heart of all the leadership parts of the Body. A good idea is for the Finance Committee to circulate Thom Rainer's questions (see p.2) to the Official Board, pastor(s) ministry leaders, as it seeks input from each of these leadership bodies. Then with their input assembled, the Finance Committee prayerfully proposes a budget plan to the leaders for assign the dollars. Once the budget plan is approved, the Finance Committee, along with the Official Board, pastor(s), ministry leaders monitor the flow of the revenues and expenditures.
3. Remember that dollars don't drive the church! Use tools in your Finance Committee work that promote faith, hope, love, and grace. Let your budget tell the story of what you heard God say to the local church, and what you did about it. Take advantage of the tools provided on the FMCiC website for Generous Stewardship, or call for help! Learn to place your dollars where God's heart is, and let the story be about what God has done!
4. Once the Finance Committee develops a budget plan, it is responsible to oversee and account for those dollars. Integrity in handling God's resources is not subjective. It is monitored by God, by the Canadian government, and by the people of the Board on behalf of the Society. This requires the Finance Committee to be familiar with the regulations and guidelines that govern your local church, and to meet at least once a year to establish the next year's budget plan based on projected gifts and income. There may be cases where one or two more meetings a year are necessary for the purpose of monitoring and making adjustments to the budget (up or down). Beyond that, let things go and let God move! Remember, once the Committee work is done, the committee work is closed down.



The following guidelines have been adapted from Section 37 of the General Operating By-law No. 1 of the church incorporation documents provided by the FMCiC. (If your church is incorporated, it must comply with the full By-Law directives)

Finance Committee Guidelines + Duties

- Established by the Board with a minimum of three (3) church members and a maximum of seven (7), including the Treasurer.
- Qualifications for Finance Committee Members should include: being a Member of the Society and in agreement with its constitution; demonstrates a personal commitment to Jesus Christ as Saviour and Lord; be actively involved in the Church; understand the vision, mission and values of the Church; and have knowledge and skills on matters of finance.
- The term for the Finance Committee is one (1) year, but members can be re-appointed/elected.
- Members are volunteers and cannot receive remuneration for their service (any reasonable expenses with receipts can be reimbursed)
- Roberts Rules of Order shall be the guide in running any meeting.
- The Chair and the Secretary of the Finance Committee shall be elected from among the membership of the Finance Committee. Neither the Treasurer nor the Auditor may be the Chair of the Finance Committee.
- Minutes shall be kept of all Finance Committee meetings and a summary report of such meetings shall be presented to the Official Board upon request.

The Finance Committee shall have the following duties:

- a) To propose financial policies and protocols and, once approved by the Official Board, ensure that they are implemented;
- b) To prepare, prior to the end of the fiscal year in consultation with the ministry leaders an annual budget for the upcoming year.
- c) To make recommendations to the Official Board regarding investments;
- d) To assist the Auditor in compiling financial information for the preparation of the audited financial statements;
- e) To review the internal controls in the audit program of the Auditor;
- a) To review the audited annual financial statements of the Church with the Auditor and Official Board;
- b) To make recommendations to the Official board with respect to the financial statements of the Church and the fees, if any, paid for audit services;
- c) To forward financial statements and the annual budget to the Official Board which shall provisionally approve the annual budget prior to the end of the fiscal year;
- d) If incorporated, to prepare each year, prior to the Annual Meeting of Members, audited comparative financial statements for the preceding year prepared in accordance with the financial reporting standards of the Canadian Institute of Chartered Accountants for Charitable and Non-Profit Organizations as may be in place from time to time and which shall be in compliance with the Act and the regulations; If not incorporated, to prepare each year, prior to the Annual Meeting of Members, an audit or a financial review of comparative financial statements for the preceding year prepared by an auditor or a volunteer in accordance with the specified procedures as recommended in the Manual.
- e) The comparative financial statements and the provisionally approved budget shall be made available to the Members in accordance with Section 13.1 of this By-law and the Manual (if not incorporated); and
- f) To carry out such other duties as determined by the Official Board. ■

A Checklist for Your Consideration...

By Thom S. Rainer | ThomRainer.com 2014

As you answer these questions, I hope you will be motivated to think how your church might look at its expenditures and budgets in a different light.

1. If you were to start your church's budget from scratch, how differently would it look than your present budget?
2. Do you have programs and ministries that, if they were discontinued, would have little negative impact on the church or the community?
3. How much of the church's expenditures reflect "the way we've always done it"?
4. Are there clear lines of accountability for spending at every level?
5. How much of the church's funds are used to impact the community?
6. Is the church spending its personnel dollars in the most effective ways?
7. Who are the true decision makers on how church funds are spent?
8. Do some of the expenditures reflect preferential treatment toward some of the members?
9. Is debt hindering your church from doing effective ministry?
10. What are the potential unintended consequences of making significant changes in the budget and expenditures?
11. Do you know clearly how church funds given to support missions are being used?
12. Does your church spend too much or too little on physical facilities?
13. Does the church have adequate funds for training and development of staff and laity?
14. Does the church's budget reflect faith, futility, or foolishness?