

# **Mount Zion Baptist Church of Greensboro, Inc.**

## **MINISTRY DESCRIPTION**

Ministry Title:	Finance Committee
Reports To:	Executive Council
Committee Member from Staff:	Director of Enabling
Date Prepared/Revised:	July 29, 2006

## **Ministry Purpose Statement**

Counsel, guide and advise the staff and church in the judicious use and management of all financial resources of Mount Zion Baptist Church and all of its integrated auxiliary ministries. Ensure that adequate internal financial controls are in place to safeguard the church's financial resources and to protect the reputation of the staff and Mount Zion Baptist Church. Maintaining the integrity of Mount Zion Baptist Church's finances is the ultimate mission of the Finance Committee.

## **Specific List of Responsibilities**

### **Primary Responsibilities:**

- Ensure that accurate and complete financial records are being maintained in the Finance Office.
- Ensure that accurate, timely, and meaningful financial statements are prepared and presented to the Executive Council and Elders Council.
- Monitor the spending of the annual general operating budget and anticipate possible financial problems.
- Ensure adequate levels of cash reserves. Study seasonal patterns of budget income and disbursements and recommend adjustments of reserve levels accordingly.
- Safeguard church assets by implementing proper internal financial controls at the direction of the Elders Council.
- Ensure compliance with all federal, state, and other governmental reporting requirements.

- Assist the Internal Auditing/Safety Committee in their review of the church's financial operating systems as needed.
- Help the Executive Council and Elders Council understand the church's financial condition.

Specific Responsibilities:

- Review the monthly Financial Reports prior to its presentation to the Executive Council, Elders Council and church business meeting. Make sure a current Balance Sheet is being prepared as part of the financial reports.
- Review budget-to-actual comparisons of ministry expenditures. Determine if the voucher system is properly functioning.
- Ensure that at least three competitive bids are being received on purchases of \$5000 or more.
- Make sure that staff members are properly adhering to the Employee Reimbursement Policy. Reimbursements could be denied or become taxable to the employee if substantiation and timing rules are not followed.
- Monitor the check signing process to ensure that proper internal controls are functioning.
- Ensure that proper internal controls of collection, counting and deposition of church offerings are in place and are functioning adequately.
- Ensure that restricted gifts are properly received, not commingled with budget funds, and are only expended based on the donor's intent. Determine if such gifts are deductible contributions based on IRS regulations.
- Monitor the disposition of all non-cash gifts to the church and determine if IRS reporting is required (IRS Form 8282).
- Ensure completion of appropriate IRS forms.
- Make recommendations for shortfall and surplus in the general operating budget.
- Review and recommend financing for all long-range capital needs as indicated in the strategic plan.
- Recommend the investment of dormant funds as outlined in the Investment Policy.

- Monitor the church's financial policies and procedures as documented in the Financial Section of the church's Policies and Procedures Manual. Recommend new or revision of existing policies.
- Monitor budget allocation adjustments as communicated from the Elders Council.
- Ensure that the Record Retention Policy is being adhered to regarding all financial related records. This policy is found in the General Administration Section of the church's Policies and Procedures Manual.
- Work with the Executive Council developing plans for teaching the body on stewardship issues.
- Provide reasonable assurance that the following Mount Zion Baptist Church ministry objectives have been achieved in their specific ministry:
  1. Effectiveness in accomplishing the church's ministry purpose, objectives and goals
  2. Efficiency in performing assigned responsibilities and duties
  3. Assessment of possible risks and exposures to the church
  4. Compliance with applicable governmental laws and regulations
  5. Reliability in the managing and reporting of church finances
  6. Observance of internal policies, standards and procedures
- Present an Annual Financial Report to the Executive Council.
- Perform other duties as requested by the Executive Council and the Elders Council.