

1.0 PURPOSE OF THIS DOCUMENT

To define roles, responsibilities, and accountability relationships for members and staff involved in monitoring, managing or directing finances for the Unitarian Society of New Haven.

2.0 HIGH-LEVEL ROLES AND RESPONSIBILITIES:**2.1 Role of the Board of Trustees**

The USNH Bylaws (Article VI, Section 2) state that:

The Board shall decide on matters of policy, within the limits of the bylaws. It shall be responsible for the full range of activities essential to the achievement of the Society's purpose and mission.

The Board shall have charge of the assets and business of the Society with the full power and authority to oversee the same.

Thus, the Board has overall budgetary and oversight responsibility for the financial well-being of the congregation and its assets, and is accountable to the congregation for same.

2.2 Role of the Treasurer

The primary responsibility of the Treasurer (who is an officer of the Board) is oversight of the financial operations and health of USNH, which is exercised primarily by attending Finance Committee meetings, communicating with the staff and the Management Team, making spot checks of the financial database, and reporting to the Board and congregation.

The Treasurer is accountable to the Board and to the Congregation.

2.3 Role of the Management Team

The Management Team has primary responsibility for overseeing the day-to-day financial functioning. The Management Team delegates most operational finance-related responsibilities to the Finance Committee. A member of the Management Team attends Finance Committee meetings and works collaboratively with the Committee.

The Management Team is accountable to the Board of Trustees, and one or more of the lay members of the Management Team attends Board meetings.

2.4 Role of the Finance Committee

The Finance Committee has primary responsibility for directing and monitoring day-to-day financial operations and makes recommendations regarding financial matters to the Management Team.

The Finance Committee works closely with the Congregational Administrator and the Bookkeeper, and is accountable to the Management Team.

2.4.1 Finance Committee Portfolios

The Finance Committee divides its various responsibilities and tasks into Portfolios, each handled by a different member of the Committee. The content of portfolios is reviewed annually by the Finance Committee and any changes are made to this document.

Portfolio I: Regular check signing and reconciliations:

Weekly, reviews and signs checks prepared by the bookkeeper.

Quarterly, reviews the monthly bank reconciliations completed by the bookkeeper.

Reviews deposits and reconciles with weekly deposit forms.

Portfolio II: Weekly offering

Schedules approved safe keyholders and approved volunteers to count and secure the weekly offering collections, grocery card sales, and any other monies collected on Sundays.

Portfolio III: Investments and Reporting

In collaboration with the Management Team and the Endowment & Legacies Committee, manages short term cash investments and makes recommendations for managing debt.

Processes stock donations.

Reviews and signs annual Sales Use and Tax reports prepared by the bookkeeper, prior to e-filing by the bookkeeper.

Portfolio IV: Bi-monthly payroll review and financial vendor oversight.

Oversees payroll operations.

Evaluates and proposes changes to insurance coverage. (Policies are automatically renewed every two years)

Reviews bank services and makes recommendations for better or cheaper products.

2.5 Role of the Congregational Administrator

The Congregational Administrator performs most routine financial tasks and has primary responsibility for the pledge database.

The Congregational Administrator works closely with the Bookkeeper, the Finance and Stewardship Committee Chairs, and a representative of the Management Team, and provides occasional backup for tasks usually handled by the Bookkeeper.

The Congregational Administrator is accountable to the Minister.

2.6 Role of the Bookkeeper

The Bookkeeper performs more specialized financial tasks, including recording all financial activity using standard accounting methods and specialized financial software.

The Bookkeeper works closely with the Congregational Administrator and the Finance Committee Chair, and provides occasional backup for tasks usually handled by the Congregational Administrator.

The Bookkeeper is accountable to the Chair of the Finance Committee.

2.7 Role of the Stewardship Committee

The Stewardship Committee is responsible for mounting an annual spring campaign for financial pledges for the coming fiscal year (July through June).

The Stewardship Committee works closely with the Congregational Administrator and keeps the Management Team, Board, and Finance Committee apprised of campaign progress.

The Stewardship Committee is accountable to the Management Team, and a member of the Management Team sits on the committee.

2.8 Role of the Endowment & Legacies Committee

Members of the Endowment Committee are elected by the Congregation, and Article X of the USNH Bylaws is explicit about the charge to the Committee, its structure, and reporting responsibilities.

The Bylaws do not explicitly state the role or entity to which the Committee is accountable, but it can be inferred that the Committee is accountable to the Congregation through its annual report.

2.9 Checks and Balances:

In general, the Treasurer, the Management Team, and the Finance Committee provide a system of checks and balances to prevent financial negligence and provide accurate financial information and realistic projections to the Board and Congregation.

3.0 KEY FINANCIAL STANDARD OPERATING PROCEDURES:

Any temporary changes needed to any of the above procedures, along with the rationale for same, will be communicated in writing to the Chair of the Finance Committee, the Management Team, and the Treasurer, before procedures are changed. Similarly, these entities will be notified in writing when standard procedures are resumed. This requirement and the following procedures are for the protection of the parties involved in handling monies, as well as the protection of USNH monies.

3.1 Regular Banking Procedures: Given the amount of cash typically collected on Sundays, banking is usually done weekly.

3.1.1 The Congregational Administrator prepares the deposit, copying all checks and explanatory notes or emails concerning checks or other payments, recording pledge payments and other payments towards designated funds in the pledge database, sorting the deposit by purpose.

3.1.2 The Bookkeeper enters aggregate deposit amounts into the financial database, by appropriate line item and, with the Congregational Administrator, reconciles the two databases with respect to pledge income.

3.1.3 A member of the Finance Committee is present on banking days to field questions, assist with (re)counting all cash, and review the deposit summary.

3.2 Handling and reconciling cash and grocery cards: Two people accompany the Sunday collection plates at all times as they leave the Sanctuary, through the counting and until the money is put into the safe. Similarly, two people reconcile the sale of grocery cards. Two people are also present whenever money and/or grocery cards are placed into or removed from the safe.

3.3 Crediting of pledge payments: Only payments specified as “pledge” or known to the Congregational Administrator to be regular pledge payments will be credited to pledge accounts.

Pledge payments will be credited to the fiscal year in which the payment is made, unless the donor specifies a different fiscal year (e.g., prepayments and “late” payments made after the end of a fiscal year).

4.0 INVENTORY OF FINANCIAL RESPONSIBILITIES:

Inventory of Financial Responsibilities			
Row	USNH Financial Responsibilities	Who is Responsible?	Category
1	Oversee the receipt, deposit, management, and disbursement of the Society's funds consistent with Board Governance Policies and Bylaws	Treasurer	1. Overall
2	Counts and documents cash received in the Sunday collection plate.	Finance Committee and approved volunteers (two people)	2. Income: Offering
3	Verifies Sunday collection (cash)	Congregational Administrator	2. Income: Offering
4	Prepares bank deposit, including all checks and cash received since previous deposit	Congregational Administrator	2. Income: Offering
5	Verifies weekly bank deposit form	Finance Committee and	2. Income:

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Row	USNH Financial Responsibilities	Who is Responsible?	Category
		Bookkeeper, independently	Offering
6	Deposits in the bank the income from Sunday and other sources	Congregational Administrator and Bookkeeper (together), with backup from Finance Committee	2. Income: Offering
7	Oversees all aspects of the annual stewardship campaign.	Management Team, through a representative on the Stewardship Committee	3. Income: Pledges and donations
8	Records pledges and payments, by household, in pledge database	Congregational Administrator	3. Income: Pledges and donations
9	Records aggregate pledge payments in financial database	Bookkeeper	3. Income: Pledges and donations
10	Monitors pledge fulfillment and sends periodic pledge statements, primarily electronically.	Congregational Administrator	3. Income: Pledges and donations
11	Reconciles data on pledge payments between both financial and pledge databases.	Bookkeeper and Congregational Administrator	3. Income: Pledges and donations
12	Records endowment contributions	Congregational Administrator (pledge database), Bookkeeper (financial software)	3. Income: Pledges and donations
13	Process securities donations.	Finance Committee	3. Income: Pledges and donations
14	Sends acknowledgement letters according to protocol, especially for donations of \$250 or more as required by IRS. Acknowledgements are made electronically if possible.	Congregational Administrator	3. Income: Pledges and donations
15	Addresses questions and concerns raised by members of the congregation about pledges and contributions	Congregational Administrator	3. Income: Pledges and donations

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Row	USNH Financial Responsibilities	Who is Responsible?	Category
16	Supports the annual Stewardship campaign by providing pledge data to Stewardship "data person", acknowledging pledges, etc.	Congregational Administrator	3. Income: Pledges and donations
17	Supports the fall Endowment mailings	Congregational Administrator	3. Income: Pledges and donations
18	Creates rules and fees for short-term rentals, and reviews annually as needed	Finance Committee	4. Income: Rentals
19	Negotiates short-term rentals according to established rules and fees.	Congregational Administrator	4. Income: Rentals
20	Negotiates long-term rentals	Finance Committee and legal staff	4. Income: Rentals
21	Serves as point of contact with financial institutions	Finance Committee chair	5. Maintenance
22	Oversees the management of restricted funds for special purposes, such as capital projects, social action, etc.	Finance Committee	5. Maintenance
23	Directs transfers between funds, such as endowment and bank accounts.	Finance Committee Endowment Committee	5. Maintenance
24	Recommends to the Management Team opening and closing bank and brokerage accounts.	Finance Committee	5. Maintenance
25	Reviews bank services and makes recommendations to the Management Team for better or cheaper products.	Finance Committee	5. Maintenance
26	Manages short term cash investments.	Finance Committee	5. Maintenance
27	Manages debt.	Finance Committee and Management Team	5. Maintenance
28	Maintains user accounts and passwords for software. (David Stagg, Al Bosch, and Jesse Greist also have access to the master password list and dispense passwords as needed.)	Congregational Administrator	5. Maintenance
29	Maintains PayPal button at web site	Congregational Administrator	5. Maintenance
30	Conduct annual audit of subscription software (Constant Contact, Jotform, Sign-Up Genius,	Finance Committee	5. Maintenance

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	etc.) to ensure that a) the software is still needed, b) USNH is paying for the appropriate package of features, and c) USNH is getting any discounts available (annual payment, non-profit discount, etc.).		
31	Directs committee chairs and staff as to appropriate accounting tools and systems for disbursements; i.e., vouchers, purchase orders, contracts, etc.	Finance Committee	6. Outgo
32	Authorizes disbursements from the Capital Budget	Buildings and Grounds committee chair	6. Outgo
33	Authorizes disbursements from Temporary Restricted Funds	Restricted fund designated owner or Management Team	6. Outgo
34	Authorizes disbursements from Gifts and Donations	Management Team	6. Outgo
35	Prepares reports for committees, upon request, to monitor their spending	Bookkeeper	6. Outgo
36	Verifies that reimbursement vouchers for committee expenses are supported by receipts and have been approved by authorized chairperson signature. Vouchers for staff are to be supported by receipts and approval by the minister's signature. Review that these expenses are within the budget allocations for that group, then prepare checks for signature by the Finance Committee.	Bookkeeper, Congregational Administrator	6. Outgo
37	Signs checks after reviewing attached vouchers, receipts and signature approval from the appropriate chairperson or minister.	Finance Committee	6. Outgo
38	Mails signed checks.	Congregational Administrator	6. Outgo
39	Prepares and files annual sales tax returns.	Bookkeeper and Finance Committee Chair	6. Outgo
40	Evaluates and proposes changes to insurance coverage. (Policies automatically renew every 2 years.)	Finance Committee to Management Team	6. Outgo

Inventory of Financial Responsibilities			
Row	USNH Financial Responsibilities	Who is Responsible?	Category
41	Oversees payroll operations.	Finance Committee	7. Outgo: Payroll
42	Set up automatic payments as appropriate.	Bookkeeper	7. Outgo: Payroll
43	Provides information to payroll service for staff salary and benefits (usually annually).	Congregational Administrator	7. Outgo: Payroll
44	Prepares bi-monthly payroll documents for contract payroll service, with copies to Bookkeeper and Finance Committee Chair.	Congregational Administrator	7. Outgo: Payroll
45	Determine USNH pension contributions.	Congregational Administrator	7. Outgo: Payroll
46	Determine ministerial FICA/Medicare reimbursement.	Finance Committee	7. Outgo: Payroll
47	Download payroll detail from vendor into financial software.	Bookkeeper, Finance Committee	7. Outgo: Payroll
48	Prepares annual Workers' Compensation audit.	Bookkeeper	7. Outgo: Payroll
49	Runs monthly PL vs budget report, semi-annual balance sheet, and occasional reports on restricted funds and endowment.	Bookkeeper	8. Reporting
50	Reviews monthly report and alerts Board to any items of concern.	Management Team	8. Reporting
51	Makes quarterly reports to the Board on matters related to the fiscal health of the Society.	Treasurer	8. Reporting
52	Makes annual report to the Board on compliance with Policies 1.5 and 1.6.	Management Team, with audit by Treasurer	8. Reporting
53	Gives an annual report on fiscal health at the annual meeting.	Treasurer	8. Reporting
54	Prepares Finance section of UUA recertification document	Management Team	8. Reporting
55	Speaks with new member class about USNH finances.	Finance Committee or Management Team	8. Reporting
56	Appoints members and chair of Finance Committee in consultation with the existing committee.	Management Team	9. Oversight

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57	Meets with accountant to review year-end financial reports.	Finance Committee (chair), Treasurer and Bookkeeper.	9. Oversight
58	Develops trends and addresses requests from Board.	Finance Committee	9. Oversight
59	Oversees credit card expenses. (Minister, Congregational Administrator, and Sexton have cards.)	Bookkeeper, Finance Committee	9. Oversight
60	Reviews payroll and financial vendors, making recommendations to the MT.	Finance Committee	9. Oversight
61	Oversees bookkeeper operations.	Finance Committee and Management Team	9. Oversight
62	Monitors child care budget and reports hours to Cong. Admin. for payroll.	Director of Lifespan Religious Education	9. Oversight
63	Develops proposals for annual budgets through discussions with Board about priorities and with Council of Chairs.	Finance Committee, Management Team	10. Budget
64	Secures approval from Board, then congregation, for annual budgets.	Management Team	10. Budget
65	Develops multi-year projections for operational and capital budgets.	Management Team, Finance Committee	10. Budget
66	Sets up annual budget allocations in financial software.	Bookkeeper	10. Budget
67	<u>Posts reports from Bookkeeper at Financial Reports section of the Board web site.</u>	Treasurer	11. Record Keeping
68	Advises Management Team on more efficient ways of managing financial operations.	Finance Committee	11. Record Keeping
69	Records all financial activity using standard accounting methods and software.	Bookkeeper	11. Record Keeping
70	Reconciles monthly bank and brokerage account statements.	Bookkeeper and Finance Committee	11. Record Keeping
71	Closes out fiscal year, booking net income/loss.	Bookkeeper, with consulting CPA, reviewed by Finance Committee chair, Treasurer, and Management Team	11. Record Keeping

REVISION HISTORY

Rev	By	Date	Changes Made
1	Finance Committee	12/03/2019	Draft based on May 2015 document
2	Final review by Terry Durham	02/01/2020	Changed 4.1.1 and 4.3.3
A	Management Team	02/04/2020	Approved Initial Release
B	Ad Hoc Committee on Financial Roles and Responsibilities	01/05/2022	Complete revision by CFRR and Management Team
C	Finance Committee	01/06/2023	Revision of rows 36 and 37 by Finance Committee