

ANNUAL REMINDERS

I. Monthly Remittance

When sending your monthly report to the conference, please keep these tips in mind:

1. *Your report is due in our office by the tenth (10th) of the month.*

2019 Local Church Remittance Date: (Report and Check due in Conference Office)			
Report	Due 10th	Report	Due 10th
December 2018	January 15, 2019	July 2019	August 12, 2019
January 2019	February 11, 2019	August 2019	September 10, 2019
February 2019	March 11, 2019	September 2019	October 10, 2019
March 2019	April 10, 2019	October 2019	November 12, 2019
April 2019	May 10, 2019	November 2019	December 10, 2019
May 2019	June 10, 2019	December 2019	January 10, 2019
June 2019	July 10, 2019		

1. A proper remittance report form should be completed and a CHECK for the total remittance MUST be INCLUDED.
2. If you are using an electronic bill paying system to send your remittances, please be sure to email a copy of your remittance report to our office. The email address is ojoseph@aecsd.com or treasury@aecsd.com.
3. All other financial documents can be mailed later and should include the following:
 - a. The Weekly Contribution or Deposit Report -This report lists by week all contributions received by the local church for the month.
 - b. Transaction or Financial Summary – This report shows all Funds received, disbursements and transfers, beginning and ending balances by department/expenses for the month.
 - c. Copy of the monthly bank statement and monthly bank reconciliation for **all** church accounts (including checking, savings, CD's investments and funds held at the Columbia Union Revolving Fund).
 - d. Copy of the members' receipts or contribution summary detail report for the month.
 - e. Checks written or monthly disbursement report showing each itemized expenditure.

- f. **An annual financial summary is due with your January documents showing all financial activity for the year (January – December)**
5. The following are **not** acceptable substitutes for the Monthly Remittance Report:
 - a. Check stub listing amounts and offerings
 - b. Weekly contribution report
 - c. Financial summary report
6. Only **ONE** check should be sent to cover all your funds including monthly local church goals and any special offerings.
7. If you are sending funds for your locally funded payroll, please **DO NOT** include it on your monthly remittance report. A separate check should be sent for salary. (You do not need a separate check for funds listed on the monthly remittance report).
8. Please include the **FULL** name of your church on the monthly remittance report. (Example: Philadelphia – New Life **NOT** “New Life”. Also, include your name, address, telephone number, and email address where we can contact you in case there is a question about the report.

II. Procedures for Delinquent Monthly Local Church Remittances

Local Church Remittances are due in the AEC Treasurer’s office on the 10th of each month.

If the monthly remittance report is not received by the Conference closing date, the local church treasurer will be called by a treasury staff member and a notice will be mailed to the treasurer with a copy to the pastor noting the outstanding remittance report.

If the monthly remittance report is not received by the 20th of the month, the local church pastor will be called by treasury staff member.

If the remittance report is not received by the end of the month, a telephone call may be scheduled between the local church pastor, the local church treasurer and the conference treasurer to resolve the outstanding report(s) issue.

III. Reporting to the Local Church Board

As treasurer, you are responsible to keep your local church board and membership informed of **all** financial matters of the local church which includes:

1. A complete financial report presented at each monthly board meeting.

2. A complete financial report presented at each quarterly church business meeting.

Your report for these two meetings should include:

- a. Summary of the weekly contributions for the current month. (Board only) [Jewel Deposit report]
- b. Year to date contributions for the church from all income sources. (Business meetings) [Jewel Contribution summary report]
- c. Summary of monthly department activity balances, showing a beginning balance, deposits (credit), disbursements (debts) and an ending balance, and a year to date report for Business Meetings. [Jewel Monthly/year to date financial summary]
- d. Copy of the monthly bank reconciliation for all accounts. (Board only)
- e. Listing of all the local funds the church owns. (Bank accounts, savings, cd, etc.) (Board only). [Jewel year to date financial summary]
- f. Any other reports or information requested by the pastor, Finance committee or the local church board.

IV. Insurance Premiums 2019

By now you should have received the annual multi-peril premium for your property insurance. Please review it and make sure payments are made by the due date. There is usually a four payment plan options available (1. Annual – one payment 2. Two payments 3. Four payments 4. Ten payments) choose the plan that best fits your local church budget.

Please note the following:

- a. When there is a change in the local church treasurer position, you must notify the conference in writing by emailing treasury@aeccsda.com or rbraxton@aeccsda.com
- b. .
- b. When there are additions and deletions of church Insurance (property or Vehicle), proper notification should be made to the conference in writing to our Risk Manager – Chauna Kaye Pottinger at cpottinger@aeccsda.com.
- c. All Insurance claims should be reported immediately to our Risk Manager Chauna Kaye Pottinger by phone or email (610-326-4610 ext.337 or cpottinger@aeccsda.com) and **NOT** directly to Church Mutual Insurance.

- d. If your church is currently renting property to another organization, you are required to have a written lease between your local church and the organization that is renting your property. The renting organization is required to have a minimum of \$3,000,000 in general liability insurance coverage and is required to name all the organizations shown in #E below, as additional insurers. A model agreement is available from the Treasury Department.
- e. When an outside organization is using your property, a Certificate of Insurance is required. The certificate must include naming the following as additional insured: the local church, the Allegheny East Conference Corporation of Seventh-day Adventist, the Columbia Union Conference of Seventh-day Adventist, the Columbia Union Conference Corporation of Seventh-day Adventist, the North American Division of the General Conference of Seventh-day Adventist; the North American Division Corporation of the General Conference of Seventh-day Adventist; the General Conference of Seventh-day Adventist, and the General Conference Corporation of Seventh-day Adventist

V. Federal Identification Number

Each individual church should have a nine (9) digit federal identification number to be used on all bank accounts. If your current number is #23-600040, this is the Allegheny East Conference ID number. ***Please do not use our number.*** We have **enclosed** form SS-4 to ***obtain your own church ID number.*** Please complete the highlighted areas only and follow the instructions on how to apply. This form is also available on the internet at www.irs.gov. In the search box, type "Form SS-4".

VI. 1099 Miscellaneous Form

You are required by the Internal Revenue Service to issue a 1099-Miscellaneous to anyone who receives \$600 or more during the year, 2019. Independent contractors must complete IRS form W-9. This form is to be kept on file by the local church treasurer for filing annual information returns to the IRS. This includes, amounts payable for ministers of music, janitorial services, guest speakers honorariums, pastoral gifts etc. If you need more information please contact the Treasury Department.

VII Local Church Building Project Report

As you may be aware, the value of your land and building are recorded on the Conference ledger to be reported as part of our property, plant and equipment evaluation. The types of projects that will be added to our ledger includes, but are not limited to, new additions or expansions of building, new parking lots not replacement of existing ones, major

renovations that changed the configuration or use of the building and purchases of land, building, etc.

Each local church and school is required to report capital projects to the conference on an annual basis. We are currently preparing for our 2018 annual audit by the General Conference Auditing Service and would like to obtain information from you regarding any building projects, \$50,000 and above, that were completed during the year 2018.

Please **describe** the project and **provide supporting documentation**, such as **copies of check registers**, and **related items** of the costs associated with the building.

Please complete the enclosed report and return to the office by May 30, 2019.

VIII Jewel Local Church Accounting Software

Our goal is that all local churches use the Jewel Local Church Accounting Software Program. Allegheny East Conference has invested in the software and is making the commitment to assist in training. Our goal is to eliminate the volume of papers that are sent to the office. We can achieve our goal by each local church coming into compliance. It will improve the file storage and retention process here at the conference office.

In addition, when Jewel files are transmitted via the Internet, your church records will be backed up on a dedicated server and available in case of an emergency. Finally, the Jewel system will assist to reduce the treasury team's time spent on accounting and reporting. Likewise it will reduce the time needed for the annual financial review process.

There are other benefits, please email our conference Auditor, Timothy Privette at timprivette@aecsd.com for training or to request a free copy of the latest version of Jewel, version 7.0.

For your 2019 Treasury Department makeover, make sure you have:

1. The current Jewel CD, version 7.0 and manual
2. A working computer with Internet access
3. Training on performing the needed tasks

IX Columbia Union Revolving Fund

Loan Policies & Procedures – Steps in the loan process:

1. **Application.** When a church or institution wishes to borrow from CURF, they should first ask their **local conference treasurer** for a Revolving Fund Loan Application. When this is completed and approved by the local church board and signed by the local church pastor or treasurer, it is sent to the local conference treasurer for approval by the conference executive committee. After the conference officers sign, it is sent to the CURF Board.

NOTE: The borrower must comply with NAD Working Policy P 15 80 3, which says, “A hazardous waste assessment and review shall be made regarding all church properties and other real estate to be held in the name of a denominational entity prior to acquisition of the asset, whether by gift, purchase, or otherwise. The assessment and review shall be made, using an appropriate firm approved by the organization’s legal counsel.

2. **Amounts/Terms.** For projects costing more than \$200,000 the total amount of the loan requested cannot exceed the lesser of 300% of average, annual tithe for the last three years or 65% of total project cost. Projects costing up to \$25,000 may be financed entirely through the Revolving Fund. Projects costing between \$25,000 and \$200,000 may be financed at 100% on the first \$25,000 and 75% on the amount between \$25,000 and \$200,000.

Maximum repayment period permitted by the Revolving Fund:

Up to	\$3,000	3 years
\$3,001 -	\$4,000	4 years
\$4,001 -	\$5,000	5 years
\$5,001 -	\$6,000	6 years
\$6,001 -	\$7,000	7 years
\$7,001 -	\$8,000	8 years
\$8,001 -	\$9,000	9 years
\$9,001 -	and up	15 years

- Loans for acquisition of vans or school buses – 5 years
- The Revolving Fund may consider requests to extend the repayment term to 20 years.

3. **Approval/Documentation.** When a loan is approved by CURF, a Demand Promissory Note is sent to the church treasurer to be signed by the church pastor and treasurer, and the Guaranty is sent to the local conference treasurer to be signed by the conference officers.

When the signed Demand Promissory Note and the signed Guaranty are received by CURF, the loan funds are then made available upon request.

CURF sends a copy of the signed Demand Promissory Note to the church treasurer and to the local conference treasurer. CURF sends a copy of the signed Guaranty to the local conference treasurer.

4. **Disbursement/Draws.** The borrower must request that a loan be disbursed before loan funds are released. A borrower may request that a loan be disbursed in full or in partial draws, preferably not more than one draw per month. A draw schedule must be supplied to CURFD. Interest is charged from the date the money is disbursed to the borrower. If the full amount is not needed at once, it is

to the advantage of the church or institution to call for the money in partial draws.

Borrowers must request that disbursements (in full or in draws) on a loan begin no later than six (6) months after approval by CURF. Otherwise loan approval will expire, unless special arrangements are made in writing.

5. **Payments.** After the first draw is made, CURF will send monthly statements to the church treasurer. The statement will show the amount of interest charged each month, which is due the first of the next month. Regular payments as shown on the Demand Promissory Note are to begin the first of the next month after the final draw.

NOTE: Payments are due the first of each month. Interest is automatically calculated on the balance each day of the month. It is to the borrower's advantage to send the payment as early as possible. Prepayments may be made at any time in any amount, provided the required payment has been made.

6. Any month a church is sixty (60) days delinquent in payment, the conference treasurer will be notified.
7. All construction loans shall have a draw schedule in CURF's office before any funds are released.
8. All borrowers will be required to give CURF at least ten (10) days written notice for disbursement requests.
9. The current CURF interest paid on deposits is 1.25% and the current interest rate charged on loans is 4.25%. **NOTE: These notes are not insured by the FDIC.**
10. Invest in your church!

X Locally Funded Employees

See separate handout.