OPEN BIBLE CHURCHES
CENTRAL REGION

FINANCIAL GUIDELINES FOR LOCAL CHURCHES

But everything should be done in a fitting and orderly way.
1 Corinthians 14:40

The church needs a good set of FINANCIAL CONTROLS!

- Interview every person who will assist with money. They must be someone you can count on, confidential and trustworthy.
- Observe (initially and periodically) everyone who assists with money.
- ALL funds must run through the church accounts so that true income and expenses can be tracked appropriately.
- Church credit and debit cards may only be used by authorized users, approved by the church board.
- Quality software should track contributions, income (deposits), and expenses. There are several options available. Contact the regional office for assistance in choosing one that will best fit your needs.

TREASURER ROLE (officer of the church)

- Oversee offering counters
- Assist with annual budget
- Review reports - including Statement of Activity and detailed credit card statements
- Compare offering sheets to deposits for accuracy
- Meet with bookkeeper regularly to make sure policies are being followed and to check bookkeeper's work - contributions recorded, monthly expenses, bank reconciliation, and financial reports

BOOKKEEPER ROLE (volunteer or employee of the church)

- This person should **NOT** be a signer of checks.
- Record contributions and prepare deposits (stamp all checks FOR DEPOSIT ONLY)
- Pay bills promptly
- All credit/debit card receipts will be submitted to the bookkeeper with a designation of the type of expense noted. No personal purchases can be made with a church credit or debit card.
- All reimbursements must be pre-approved, be church-related, and be accompanied by receipts.
- Receipts should be retained for 7 years.
- Reconcile accounts
- Prepare monthly financial reports (Balance Sheet and Profit & Loss Report) for Pastor, Treasurer, and board meetings
- File 941's and payroll taxes promptly, issue W-2's and 1099's
- Prepare year end contribution reports

CHECK SIGNATURES

We recommend two signatures on all checks. Any exceptions should be discussed with the Regional Executive Director prior to implementation. This is not to make things more complicated but to have the accountability of two people reviewing all expenses. I often recommend that the pastor and board members are signers unless a board member is also serving as the bookkeeper.

- All signers must be approved by the church board and will inspect and initial the expense requisition form and sign the check.
- The person preparing the checks should **NOT** be a signer.

COMPENSATION

- Tax forms must be completed and sent in a timely manner.
- Housing allowance must be declared and recorded in the board minutes PRIOR to payment.
- The church is required to provide workmen's compensation through the church's insurance company.

COUNTERS

They are to be people of integrity who understand the importance of confidentiality as people's giving should be honored as such.

- There should ALWAYS be two non-related people counting the offering in a private area.
- Rotate people regularly.
- An accurate offering sheet should be completed for each offering or fundraiser. Counters present offering, offering sheet, and envelopes to the bookkeeper to confirm accuracy, record contributions, and complete the deposit slip and deposit process.

OPEN BIBLE CHURCHES

Send 5% and MVP monies (see attached sheet on OBC Financial Cooperation)

- Affiliated churches are to send these to the national office monthly
- Use coupons provided (a contribution receipt and coupon is sent to churches monthly)
- Make check payable to Open Bible Churches. Send coupon and check to:

Open Bible Churches
2020 Bell Avenue
Des Moines, IA 50315

- Online giving is also an option at www.openbible.org

REGIONALLY SUPERVISED CHURCHES

Complete monthly Attendance Report, Offering Report, Balance Sheet, and Profit & Loss Report

- Keep track of the weekly attendance in your main service
- Scan and email attendance and financial reports to info@openbiblecentral.org

Changes to pastor compensation and/or large purchases for the church must be **pre-approved** by the Central Region board.

TAX OPTIONS when compensating church staff:

1. **Someone in the church learn how to file IRS documents**
   - Provide quarterly 941's to IRS on employee compensation
   - Provide W-2's to employees, including pastors- postmarked by January 31
   - Complete and send in W-3 and W-2's- postmarked by January 31
   - Complete/distribute 1099's by January 31
   - Complete/send 1096 with the 1099's by January 31
2. **Hire an outside local firm to do your tax filing for you.**
   - MinistryWorks, a ministry of Brotherhood Mutual- 866-215-5540

     https://www.ministryworks.com/services/payroll-tax-filing/
3. **Pastors cannot have tax withholding but must pay quarterly self-employment payments.**

OPEN BIBLE
CHURCHES

FINANCIAL COOPERATION

Local Church Tithes and Offerings- The local church is the bedrock of all Open Bible ministry. Individuals give their tithes and offerings to support the local church pastoral staff, facilities, and ministries of the church. Faithfulness as a steward of God's blessings is first demonstrated in the local church.

Ministerial Tithe- A minister with full income (salary and housing) from the ministry shall send full tithe (10%) to the Association. Senior pastors with partial income from the ministry shall tithe 10% to the Association on all ministerial income and half (5%) of all secular income. Ministers who are not senior pastors may be eligible to tithe to the local church on all secular income if the minister meets the criteria and adheres to the process as prescribed in the Open Bible Manual. A minister with no income from the ministry shall tithe to the Association on half (5%) of all secular income.

5% Plan- A church shall send 5% of its tithes and undesignated offerings to the Association each month. Al five percent-plan giving is forwarded to the region in which the church is located. These funds are used for administrative expenses and outreach ministries of the region.

MVP (Mission Venture Plan)- The Association's strategy to assist constituents to invest in regional, national and international Great Commission ministries. All affiliated churches and credentialed ministers shall contribute monthly to the MVP.