

Would like to share some details on the topic of St. Matthew's financial management processes.

My comments will focus on my role, our budgeting process, counting financial gifts, approving and paying expenses and reporting processes.

We describe ourselves as "A Neighborhood Church with A Worldwide Community", to live into this mission we routinely use the practice of Christian Discernment. This process is used by our community, the vestry and Blair to set priorities for the church.

As Treasurer, I see my role and responsibility to safeguard the integrity of the process of counting your generous gifts and the accounting for the expenses that assist in carrying out our discerned community priorities.

Our budgeting process begins in June.

- Ministry budget forms are sent to ministry leaders, a vestry member work with each leader.
- Based on the proposals a draft budget is shared with the vestry for discussion and comment.
- After this discussion, a detailed draft budget is completed and compared to our current year budget and an estimated target for our generosity campaign is produced.
- After the results of the generosity campaign are known the vestry approves the final budget and I report the results of our past year and review the new budget at the annual meeting in January.

It's good to remember that St. Matthew's has no endowment income, so 100% of the yearly budget is paid for with pledges. A short summary of our 2016/2017 generosity campaign was 106 pledging families totaling \$370,006 or an average of \$3,495.

STM's Financial Management is based on The Manual of Business Methods in Church Affairs produced by the Episcopal Church of Minnesota and we use ACS Technologies software which is integrated with The City's giving page providing us a secure, simple online giving option.

Overall our practices have checks and balances, ensuring security and transparency to Blair and the vestry.

Which brings me to The Counting Ministry.

- Working teams of two after each morning service this team counts and records each financial gift into a secure spreadsheet.
- After balancing the report the counters sign a record of their work and deposit the weekly gifts at the bank.

- All checks are copied allowing our Bookkeeper, Fariba to double check that each gift is recorded as the giver intended.

Our bookkeeper Fariba is generally here Monday and Thursday afternoons and is always available via email @ bookkeeper@stmatthewsmn.org. Most weeks I meet her late Monday afternoons to review the week and sign needed checks.

To process payment for expenses a request form, known as blue sheets is completed than they are approved, normally by Blair or myself, but never by the person receiving the payment. Fariba reviews to ensure the form was properly completed and processes the check for payment.

There are a limited number of people approved to sign checks with two signatures needed for check over \$1,000 and again never signed by the person who benefits from the payment.

Ongoing reporting include:

- Monthly accounts are balanced
- Financial reports are produced for Blair and the vestry, comparing actual results vs the approved budget.
- Quarterly statements are provided to all that have given financial gifts to STM.
- Periodic reports are created for staff and ministry leader for their areas.
- The entire year's results and budget are reported to the congregation at our annual meeting.

All processes are periodically reviewing with any updates approved by Blair and the vestry.

I welcome any questions in person, on the phone or via email.

(612)840-5114

dlglienke@landolakes.com

Thanks again for your time today.