

The Board of Administration of Gateway Conference is to provide Vision, Leadership, Resources, and Oversight and Assist churches to fulfill their calling to make known to people everywhere God's call to wholeness through forgiveness and holiness in Jesus Christ, invite into membership, and equip for ministry all who respond in faith. adapted from Book of Discipline, ¶6010.

GATEWAY CONFERENCE STANDING POLICIES 2018

I. ADMINISTRATIVE ITEMS

- A. The Board of Administration is empowered to amend policies and budget between Gateway Annual Conference sittings.
- B. The Conference participates in the Pastor's Pension Plan (PPP) created by the Denomination. Local churches/circuits pay the premiums (13.5%) monthly directly to the FMCUSA World Ministries Center. PPP payments are not to be construed as part of the pastor's compensation.
- C. That each local church pay to the conference budget a tithe of 2% to 8% based on their annual operating budget. Payments for each month are to be sent by the 10th of the following month. Payments should be sent to the Conference Office.
- D. Non-payment or deficit of EPP (Home Ministries) or tithes sent according to the Annual Report shall be paid in the first quarter of the next fiscal year.
- E. Each conference board or committee wishing funds must submit a proposed itemized ministry budget for the following fiscal year to the Board of Administration by September 1.
- F. Members of conference boards and committees attending called meetings be reimbursed travel expenses (rate to be determined by BOA yearly).
- G. All real property transactions must have the prior approval of the Superintendent per the Book of Discipline ¶6400.F and must be reported to the Board of Administration. Transactions include: purchase, sale, mortgage, loan, refinance, encumbrance, or conveyance in any manner. Please follow the guidelines in the Church Buying Real Estate Brochure which is available on our website www.gatewayfmcusa.org under forms and resources. The following trust clause must be included in all deeds: *"Irrevocably in trust for the use and benefit of the Free Methodist Church of North America, incorporated under the name of 'The Free Methodist Church of North America,' subject to the Book of Discipline, usages, and ministerial appointments of said church, as from time to time authorized and declared; and, if sold, the proceeds shall be disposed and used in accordance with the provisions of said Book of Discipline, and the civil law; and in further trust and confidence that in the houses of worship now constructed or that may hereafter be constructed on said premises hereby conveyed, the seats shall be forever free; and in further trust and confidence that the said trustees and their successors in office shall permit at all times the preachers who may be duly authorized according to the Book of Discipline of the said Free Methodist Church, to hold religious services in said houses of worship according to said Book of Discipline."*
- H. All employees are to be covered by Workers' Compensation Insurance as required by law.
- I. The fiscal year shall coincide with the calendar year per the Book of Discipline ¶5050. The balance of individual conference accounts shall start at a zero balance each fiscal year.

II. **STRATEGIC DEVELOPMENT FUND**

The Strategic Development Fund (SDF) shall be used in support of all Gateway Conference strategic efforts to advance the mission of its churches as designated by the BOA. This shall include support of personnel, training and materials for church planting, church revitalization and Gateway Retreat Center initiatives, but shall not be limited to only these strategic efforts and initiatives. All receipts from church and ministry properties being sold by the conference (i.e. not by active local churches); as well as other gifts, bequests, and donations, shall be placed in this fund.

III. **GATEWAY CONFERENCE LOCAL CHURCH INITIATIVE GRANTS**

To further the goals of the Free Methodist Church USA and Gateway Conference, churches are invited to submit a proposal that advances the opportunity for local churches to begin new initiatives that support these goals. Specifically, **the Conference desires to support initiatives that engage the local church in the life and lives of the community in which they serve.** Grant Application and information regarding deadlines for submission are available on our website: www.gatewayfmcusa.org under Gateway Forms and Resources.

IV. **CONFERENCE LOAN POLICY**

The Board of Administration recommends that churches contact the FM Foundation. Loans are no longer made to churches. If a church feels their need is under the parameters of the Local Church Initiative Grants, they can submit a letter of inquiry by May 31 (see above).

V. **CHURCH LOANS TO INDIVIDUALS OR MINISTERIAL STAFF**

The Gateway Conference Board of Administration does not recommend loans to pastoral staff or any other person. If a church is considering loaning money to a member of their ministerial staff or other person, the Conference Superintendent shall be consulted for strict Gateway Conference Board of Administration guidelines regarding loans and approval by the Conference Superintendent.

VI. **EPP (EQUAL PARTICIPATION)**

That each church support UNITED MINISTRIES FOR CHRIST our denominational cooperative ministries, Book of Discipline ¶4360, on the following basis:

1. Each local church will participate with a MINIMUM Basic Support Shares goal for UMC-Home Ministries. This amount will be based on the formula provided by the World Ministries Center. This goal will be given to each church in the summer preceding each new year.
2. That each church send money designated for missionary support and special projects through the World Ministries Center be sent by the local church directly to UMC-World Missions in Indianapolis.
3. Special offerings for non-UMC projects are in addition to the above MINIMUM goals.
4. That giving will be recorded as follows:

HOME MINISTRIES

Basic Support-General
Board of Bishops
Administration/WMC

WORLD MISSIONS

Missionary Share MSA
County Support CSA
New Missionaries

NON-UMC

VISA
Child Care Min.
Crisis Response

Ministerial Grants/ Scholarships/Credentialing Human Resources FM Networks Church Planting Grants Light & Life Communications	Compassion Promotion/Magazine Deputation/Heartbeat Extra Mile Projects Ward Society
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5. That each church schedules conventions or services to promote UMC-Home Ministries and UMC-World Missions.

VII. AFFILIATED MINISTRIES

Because of the substantial benefit the Gateway pastors and churches receive each church is encouraged to place Greenville College and Set Free Movement in their budget or receive an annual offering for their ministry.

VIII. PENSION PAYMENTS BY LOCAL CHURCHES

Effective January 1, 2015, churches are to pay the FMCUSA directly for their pension payments. Any pension owed to the conference from previous years (amount that would have been paid by conference to cover deficit church did not pay) is still owed to the conference and should be paid in full.

IX. GUIDELINES FOR LOCAL & CONFERENCE TREASURERS

(also see Book of Discipline ¶5130, ¶6250.J.)

- A. Treasurers should deposit offerings/receipts as soon as possible after being received (preferably in a night deposit box) but not later than the following day.
- B. Local churches and area camps should appoint or elect tellers to count and record public offerings. *All offerings are to be counted when collected and not taken home to count. Privacy of gifts is to be maintained at all times.*
- C. All disbursements shall be made by check or electronic means with supporting documentation (budgets, vouchers, receipts, minutes of authorizing body, invoices) kept with financial records.
- D. A journal record of receipts and disbursements should be kept which contains:
 1. Date of check
 2. Check number
 3. To whom payable
 4. Amount of check
 5. Purpose of disbursement
 6. Source and date of receipts
 7. Any savings account passbooks
- E. Treasurers should summarize the receipt and disbursement records and use totals to prepare monthly/yearly financial reports.
- F. Personal funds shall not be co-mingled at any time with church/camp funds.
- G. All financial records of local, area, and conference treasurers should be audited by means of a review annually. In the event of a change in treasurers during the year, accounts should also be closed and submitted for audit by a review at the time of the change. Treasurers should provide the prior year's auditor's review report with the books to be audited.
- H. Treasurers should close their accounts on December 31 and submit their accounts for audit by review by February 1. The Conference Treasurer's accounts will

close January 5 to allow time to receive final contributions from locals. *NOTE: When writing a check to the Gateway Conference, it should be made payable to the organization and not to the Conference Treasurer.*

X. **GUIDELINES FOR LOCAL AND CONFERENCE AUDITORS**

Duties consist of auditing by review all treasurers' accounts, Book of Discipline ¶ 5140, 6250.K, and making a report in writing. In so doing the auditor(s) will:

- A. Indicate the following in review report
 - 1. Date review was completed
 - 2. Name of treasurer
 - 3. Beginning and closing dates of audit period
- B. Check and test receipts
 - 1. Check amounts posted against source documents and bank statements
 - 2. Check breakdown of receipts on financial report to total receipts
- C. Check and test expenditures
 - 1. Check amounts posted to accounts against checks
 - 2. Check expenditures against invoices or supporting documentation
- D. Check fund balances
 - 1. Check beginning balance (should correspond to closing balance of last audit).
 - 2. Check closing balance against bank statement balance. Review outstanding deposits/checks for accuracy and dating.
- E. Confirm by statement or letter with financial institution/loaner
 - 1. Fund balance, interest rate, and type of account
 - 2. Loan balance, interest rate, and payment schedule
- F. Attach a copy of the Financial Statement to the Review Report. If no financial statement has been made, make one with a minimum of the following information.
 - 1. Beginning balance of each fund
 - 2. Total receipts for year
 - 3. Total expenditures for year
 - 4. Ending balance of each fund
 - 5. Where funds are retained and type of account
- G. *Conclude review report with an opinion statement.* If there are management suggestions, corrections, or procedure changes address these in a separate letter to the appropriate entity and the Board of Administration.
- H. Treasurers should close their financial records as of December 31 (except the conference which close January 5) and submit books for audit by February 1. Audit should be completed by March 1.

RECOMMENDATIONS FOR 2018-2019

I. **BENEFITS**

The church shall provide the following as they relate to all pastoral staff:

- 1. ½ (7.65%) SOCIAL SECURITY - Book of Discipline, ¶4370.B.
- 2. Health Insurance.
- 3. Provide for a Qualified Medical Reimbursement Plan for deductibles, vision, and dental for the pastor's family upon proper receipts and documentation.

This benefit is based on a calendar year consistent with the medical coverage.

4. PASTOR'S PENSION PLAN PREMIUMS (PPP) 13.5% of pastor's pay package - Book of Discipline, ¶4380.G.
5. CONTINUING EDUCATION – (registration, meals and travel to recommended meetings, e.g. Leadership Summit, Pastors/Spouses retreat)
6. That all churches designate an **ACCOUNTABLE REIMBURSEMENT** policy for automobile and professional expenses and reimburse the pastor for mileage driven at the current IRS rate.

II. CONFERENCE MINISTRIES BUDGETS

- A. That our 2019 UMC-Home Ministries Equal Participation be subscribed.
- B. That our 2019 UMC-World Missions Goal be based on total goals submitted by local churches. Local churches need to send in their goals to the World Missions Dept. in Indianapolis specifying who they will be supporting.

III. FINANCE DUE DATES

That the following forms be received in the Conference Office by the date specified:

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| A. Letter of Inquiry for Local Church Initiative Grants | May 31, 2018 |
| B. Church World Mission Goal for 2019 | Dec. 31, 2018 |
| C. Church <u>Yearbook</u> Statistical Report & PPP Report (Conf. Office) | Jan. 31, 2019 |
| D. Church Treasurer's Financial Report for the Year 2018 | Jan. 31, 2019 |
| E. Conference Board Budget Requests for 2018 | Sept. 1, 2018 |

IV. MINISTRY WORKERS

Each church shall have a screening and approving policy for all ministry workers who serve with youth 18 and under to reduce the risk of abuse in ministry programs and guard against false accusations.

V. LIABILITY INSURANCE

Each church shall have liability insurance and shall annually report the coverage limits to the World Ministries Center.

VI. REFUND OF HEALTH INSURANCE

Each church shall consider filing Form 990T for partial refund of pastor's health insurance premiums.