Preface

Ferry Farm Baptist Church was constituted as a church November 1, 1959 with 83 members and with very modest means. In fact the church depended on financial assistance from the Southern Baptist Extension Board in Richmond for several years.

The church operated without any formal (documented) financial policy and procedures except the foundational components as stated in the Church Constitution. All financial decisions were made by the church at the regular monthly business meetings and documented in the regular business meeting minutes. Much of this was possible because of the long term pastorate of Rev Paige A. Young (44 years) and many other long term members.

In recent years the church has experienced many changes in leadership including a new pastor as well as activities and programs. With the changes the church recognized the need for formal policy and procedures and a team was established to review the church minutes of record of the past 50 years and document the decisions as made by the church during that time as the current policy. That document was completed, presented and accepted by the Church as its Financial Policy and Procedures dated October 2009.

After using the document for the past three years the Finance Committee identified some minor changes that needed to be made as well as some extensions and decided to draft an update for presentation to the Church for consideration and approval. That effort began in February 2012.
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- **Appendix C**: Contract Services for facilities and equipment List
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- **Appendix E**: Request for Reimbursement/Payment
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INTRODUCTION

The basis of the financial system of Ferry Farm Baptist Church (FFBC) is the faith that God will provide through the tithes and offerings of His people for the financial needs of His Church. The Church operates under a “unified” budget process. The budget is prepared yearly by the Budget Committee representing all organizations within the Church. The budget is adopted by the vote of the Church at a regular business meeting. The Treasurer is responsible for disbursements as authorized by the vote of the Church.

The diagram below provides a visual representation of the church financial system.
Constitution

Ferry Farm Baptist Church Finance is described in the Constitution in Article IV, Sections 1-6 as follows:

“Article IV. Church Finance

Section 1. A unified budget, shall be prepared and presented to the church annually by a budget committee composed of the church council, stewardship chairman, a member of the finance committee, a member of the personnel committee, and a chairman of the budget committee who serves at the request of the stewardship chairman.

Section 2. Receipts from all sources shall be kept in one of three accounts: General Fund, Escrow account and a Church Building Account. From the General Fund shall be paid all budgeted expenses as the church may direct; from the Escrow Account, according to the schedule adopted by the church; and from the Building Account, expenditures as directed by the Church for building purposes.

The church will accept designations for three budgeted line items; Lottie Moon Christmas offering for foreign missions, the Annie Armstrong Easter offering for home missions and a perpetual church building fund for meeting future building needs.

Section 3. All funds, for any and all purposes, shall pass through the hands of the treasurer and be properly recorded on the books of the church. The expenses of all organizations, as approved by the church, shall be paid from the general expense fund as heretofore provided. All special fund raising activities require the approval of the church council.

Section 4. Special offerings may be sought by the church or by any of its organizations only upon approval of the church after recommendation of the finance committee and the church council.

Section 5. It is anticipated that under the leadership of the Holy Spirit, the membership will give regular financial support to the church and its programs.

Section 6. Gifts or offerings, other than those included in the budget may be given to the church upon approval of the church following recommendations of the Finance Committee.”
The Constitution in Article II, Church Officers, defines the positions of the Treasurer and the Financial Secretary as follows:

“Treasurer

The church shall elect annually a church treasurer. It shall be the duty of the treasurer to receive, preserve, and pay out upon approval of the church or in accordance with the provisions of the church budget, all money, or things of value paid or given to the church, keeping at all times an itemized account of all receipts and disbursements. Payment of bills for local work and expenses shall be made promptly by check, and all funds received for denomination of other causes shall be remitted at least monthly by check. It shall be the duty of the treasurer to render to the deacons at each regular monthly meeting an itemized report of receipts and disbursements for the preceding month, and this report shall be read to the church in its regular monthly business meeting. Within thirty days after the end of each fiscal year, the treasurer shall render to the deacons and to the church an annual report showing the total amount of receipts, and an itemized statement of all disbursements. Prior to the rendition of this annual report, upon its completion by the treasurer, the report shall be audited by the trustees, and their signatures placed at the end of the report before it shall be accepted by the church. All books, records, and accounts kept by the treasurer shall be considered the property of the church. The books shall be open to inspection at all times by any member of the church. Upon rendering the annual account at the end of each fiscal year, and its approval by the auditing committee, and its acceptance and approval by the church, the same shall be delivered by the treasurer to the church clerk, who shall keep and preserve it as part of the permanent records of the church. The treasurer shall, upon the election of his successor, at the completion of his fiscal report, promptly deliver to the active chairman of the deacons all books, records, and accounts in his hands pertaining or relating to in any manner the duties of the office he is relinquishing. He shall consider it a part of his responsibility to promote in every proper way scriptural giving on the part of the entire membership of the church.

Financial Secretary

The financial secretary shall be elected annually. He shall receive the empty collection envelopes after the money has been removed and counted by the proper persons selected by the deacons to serve in turn and from these he shall give each donor individual credit as provided in the improved record system offered by the Baptist Sunday School Board. He may keep the envelopes for reference if he so wishes. He will also fill out the sheet for the monthly balance and report found in the record book, which will indicate receipts from envelopes, plate or loose, and miscellaneous or special offerings. He shall also be responsible for preparing and mailing annual statements to all contributing members. The financial secretary has no responsibility for totals received through any channels of the church offerings.”
Members of the Finance Committee serve at the pleasure of the Church. The Nominating Committee brings forth nominees to the Church, which includes representatives of the Deacon Board, the Trustees, the Treasurer, and other members of the Church. The Committee is elected at the annual Church business meeting, and the membership term is for one year. The Pastor serves as an ex-officio member, and all ministerial staff are invited to attend meetings.

The Finance Committee is to provide general counsel to the Church and all standing committees regarding financial matters (i.e., if a proposal is within the limits of the budget, if the Church has sufficient funds to proceed with the request for expenditure, or to provide an appropriate recommendation as to how to handle the proposal, etc.). The Constitution charges the Finance Committee to make recommendations in two specific areas (Constitution Article IV, Section 4 and 6):

“Section 4. Special offerings may be sought by the church or by any of its organizations only upon approval of the church after recommendation of the finance committee and the church council.”

“Section 6. Gifts or offerings, other than those included in the budget may be given to the church upon approval of the church following recommendations of the Finance Committee.”

The Finance Committee meets regularly, usually monthly, to discuss the financial matters of the Church. Special meetings can be held or called as needed.

Recommendations from the Committee are brought to Church business meetings in the form of a motion for action or as a report for general information.

**Budget**

The budget is a planning document based on projected expenditures as well as fixed expenditures. The budget is prepared as part of the annual Stewardship emphasis month by the Budget Committee, which is made up of representatives from the organizations and committees within the church. The Finance Committee chairperson serves as a member of the Budget Committee.

**Unified Budget**

“A unified budget shall be prepared and presented to the Church annually by a budget committee composed of the church council, stewardship chairman, a member of the finance committee, a member of the personnel committee, and a chairman of the budget committee who serves at the request of the stewardship chairman” (Constitution Article IV, Section 1).
A unified budget is one in which all of the expected expenditures of the church are combined into a categorized list and are allocated a dollar amount based on the expected expenditures as well as the anticipated receipts of the church for a given year. Thus, all revenue is deposited into a general fund and expenditures are distributed from that fund. Designations to a specific category are generally not allowed, but there are a few exceptions identified in a paragraph entitled “Designated Funds”.

**Budget Adoption**

The proposed budget is presented at the November Church business meeting for discussion and adoption by vote of the Church. The proposed budget is mailed to the Church membership at least one week prior to this meeting. At this meeting, the budget is discussed, amended if necessary, and adopted. The Church’s budget year is January 1-December 31.

**Receipts**

All offering receipts are counted by the Counting Committee and deposited in the local bank. All offering envelopes and deposit records are given to the Church Treasurer for record keeping.

*All offering receipts must be received by the Church Treasurer by December 31 in order for them to be credited to the personal annual financial statement for that year. All mailed offering receipts must be postmarked no later than December 31 in order for them to be credited to the personal annual financial statement for that year.*

Monies received for other activities (i.e., Wednesday Night Fellowship Dinners, youth trips and activities, etc.) are deposited into the General Fund along with the other receipts on a weekly basis. All deposit records are given to the Church Treasurer for record keeping.

**Counting Committee**

The Counting Committee is elected and serves the church in the same manner as the Finance Committee. The duty of the committee is to count all offering and receipts from worship services as well as Bible Fellowship and any other receipts that have come to the church. An accurate accounting of all receipts is prepared for deposit on the standard deposit slips for the bank and all envelopes, deposit slips and tracking material is prepared for the church treasurer for official church records. The Committee is responsible for taking the prepared deposit to the bank and depositing it in the night depository.

**Disbursements**

All disbursements are the responsibility of the Church Treasurer as authorized by the Church. All disbursement requests should have proper identification, including the name and address of the person submitting the request, the purchase receipts and the budget line
item/category to which it should be charged as well as the name of the person authorizing the expenditure.

All disbursements will be made on a bimonthly basis on the 15\textsuperscript{th} and 30\textsuperscript{th} of each month.

A trustee is authorized to handle disbursements in the absence of the treasurer.

**Disbursement Authorization**

All disbursements are authorized through the approved budget process or by approval of the Church at a business meeting.

The following expenditures are authorized by adoption of the annual budget:

1. Personnel salaries, including related items associated with salaries and staff conference and personal development line items;
2. Debt/loan retirement;
3. Operational Items (utilities, insurance items, etc.);
4. Specified Mission Organizations outside the church;
5. Educational and training supplies (Sunday School, IBS, VBS, etc.);
6. Missions and Outreach; and
7. Routine/Special Events (Wednesday Night Fellowship Dinners & programs, Stewardship Dinner, etc.)

Approval of emergency expenditures that cannot wait for a scheduled or called business meeting is the responsibility of the Pastor and the Trustees.

**Church Accounts**

As described in Article IV, Section 2 of the Constitution, all receipts are to be “kept in one of three accounts:”

1. General Fund
2. Escrow Account
3. Church Building Account

From the General Fund shall be paid all budgeted expenses as the Church may direct; from the Escrow Account, according to the schedule adopted by the Church; and from the Church Building Account, expenditures as directed by the Church for building purposes.

**Building Fund**
The Building Fund was established in 1993 with a Constitutional Amendment for the purpose of financing “future building needs.” The expenditure of these funds require a vote of the Church. See Constitutional excerpt Article IV, Section 2.

The use of these funds is for new efforts or major renovations including real estate, new buildings, major renovations and expansion which include equipment and furnishing needed for enhancing the ministry and mission of Ferry Farm Baptist Church.

**Designated Funds**

The Church will accept designations for three budgeted line items: Lottie Moon Christmas Offering for Foreign Missions, Annie Armstrong Easter Offering for Home Missions, and a perpetual Church Building Fund for meeting future building needs.

**Contingency Fund**

The Contingency Fund was established by the Church to meet the needs of unexpected costs that were not included in the annual budget. The Fund was also to cover operational costs in the event of receipts being inadequate to meet the expenses such as salaries and other immediate needs. The Church voted to set aside 1% of the general fund receipts each year as a contingency fund and carry the funds forward from year to year until needed. Use of these funds must be approved by the Church. This policy was adopted beginning with fiscal year 2000.

The use of these funds are for emergency needs (insufficient funds to make payroll or monthly operational cost) or for large expenditures which exceed the yearly planned budgeted items such as replacing heating system, major roof replacement, and other such items. The use of these funds for such project (unbudgeted items above) needs shall not deplete the Fund below one month’s operational reserve.

**Petty Cash Fund**

Monies received through the Church office for incidentals such as copying and audio or video tapes are maintained by the Church Secretary. These funds are used to purchase incidentals/supplies as needed for office/custodial operation.

**Wednesday Night Fellowship Dinner Fund**

Monies collected from the Wednesday Night Fellowship dinners are used to purchase food items and supplies. Meal prices are determined by the costs incurred for these meals. The receipts will be counted by the Counting Committee and deposited along with the weekly receipts.
Budget Spending Limits

Spending limits are set upon approval of the annual Church budget. Each individual expenditure must remain within the stated budget category of the Church-approved budget and must be approved by the appropriate committee head. A line item may be amended by submitting a request to the Finance Committee to determine availability of funds and appropriateness. Upon determination of these two conditions, the Finance Committee will bring the request to a Church business meeting for approval.

Non-Budgeted Expenditures

Requests for non-budgeted expenditures must be submitted to the Finance Committee to determine if the request is consistent with Church policy and if funding is available. Upon determination of these two conditions, the Finance Committee will bring the request to a Church business meeting for approval.

Signing of Checks

All checks are to be signed by the Church Treasurer. In the absence of the treasurer, a check may be signed by a Trustee. Signature cards for signing are maintained by the bank holding Ferry Farm Baptist Church account.

Credit Cards

Credit cards are issued to persons whose role and responsibility require that individual to make transactions which require available purchasing means to fulfill the daily work task. The cards are issued by the local bank handling the Church accounts. Cards are issued to Ministers, Treasurer, Church Secretary, Senior Adult Ministry (SAM) Coordinator, Transportation Committee, Wednesday Night Dinner Coordinators, etc. An application for each card must be completed and signed by a Trustee and submitted to the bank for approval. See appendix A for a list of persons currently holding credit cards.

Each credit card is a separate account. All charge receipts and/or invoices must be submitted to the Church Treasurer by each individual card holder on a monthly basis. No charges will be paid without appropriate receipts; the card holder will be responsible for these charges. When these have been received, payment of the account will be made by the Treasurer.

Money Market Account

The Church established a money market account or an investor’s account with a local bank to provide higher interest savings when an account balance is above the norm for operations.
Cooperative Program

We tithe as a Church through the missions category of the budget. This establishes a minimum amount given to missions each month. If a shortage occurs in the Cooperative Program during the year it will be made up at the end of the year.

Baptist Children’s Home

The Church designated 10% of budget line item (Cooperative Program) to the Baptist Children’s Home.

Family Life Center

The Church offers a reception in the Family Life Center following a funeral service to any member of the Church. The Church and its members assume the cost of this service.

Small Missions or Ministry Projects

Some small mission projects by Church organizations are excluded from the Church budget. Specifically this applies to the “Sunshine Funds” used by Bible Fellowship classes for sending cards, flowers, etc. to members of the class.

Fund Raising

All fund raising activities require the approval of the Church following a recommendation of the Church Council.

Special Offerings

Special offerings may be sought by the Church or by any of its organizations only upon the approval of the Church after recommendation of the Finance Committee and the Church Council.

Seminary Scholarships
Seminary students who are or have been members of or under the watch-care program of Ferry Farm Baptist Church may apply annually for a scholarship. An application letter should be submitted to one of the Church pastors. Applications must be approved by the Church at a business meeting. Scholarships are $500 per semester per student, not to exceed $1,000 per student per calendar year. The scholarship is paid directly to the seminary the student is attending.

Staff scholarships and career development monies are addressed in the Personnel Policy and Procedures Manual

**Memorial Building Fund**

The Church established a Memorial Building Fund for the collection of memorial gifts. These gifts are to be deposited in the Escrow Account and dispersed annually for debt retirement or to the Building Fund in the event of no indebtedness. This annual payment is in addition to that paid through the budget.

**Gifts or Offerings**

“Gifts or offerings other than those included in the Church budget may be given to the Church upon approval of the Church following the recommendation of the Finance Committee” (Constitution Article IV, Section 6).

**Disposal or Sale of Church Property**

Church property that has been purchased or donated may be recommended by the Building and Grounds, Equipment, or Transportation Committees for disposal with approval of the Church. Items which have trade-in value or salvage value may be disposed of likewise. Property that is beyond economic repair shall be disposed of properly. The Church reserves the right to donate property to individuals, organizations or fellow churches which are in need of the items. Funds collected from the sale of property shall be deposited into the General Fund.

**Individual Financial Statements**

The Church provides numbered offering envelopes which establish an account number for each individual or family. A record of the financial offerings is provided for each account at the end of the fiscal year. Summary statements are mailed annually.

All offering receipts must be received by the Church Treasurer by December 31 in order for them to be credited to the personal annual financial statement for that year. All mailed offering receipts must be postmarked no later than December 31 in order for them to be credited to the personal annual financial statement for that year.
Church-Sponsored Athletic Teams

The Church has sponsored athletic teams in the “church league” offered through the Dept. of Parks and Recreation. Funds are budgeted annually to support these teams as recommended through the budget process. Uniform expenditures have been limited to support teams with the costs of tee-shirts. Teams sponsored in the past have been men, women and youth softball; men and youth basketball; and men volleyball.

Bids and Price Quotations

The Church recommends that bids and price quotations be sought for purchases to be made by various committees whenever possible. It is recommended that at least two to three quotes or bid responses be sought for large equipment items and furnishings. We acknowledge that sole source quotations are appropriate for adopted materials, such as the educational literature, repair and replacement parts, and services awarded by contract.

Insurance Policies

The Church maintains a total of five insurance policies; the Ferry Farm Baptist Church Pre-School maintains one accident policy. Insurance coverage includes policies for the following:

A. Church
   1. Workman’s Compensation
   2. Blanket Accident Policy
   3. Business Auto Policy
   4. General Package Policy (Commercial)
   5. Commercial Umbrella Policy

B. Pre-School
   1. Accident Policy – Students and Staff

See appendix B for a list of current policies which is updated yearly by the Trustees.

Church Service & Equipment Contracts/Service Arrangements

The Church has a number of contracts and arrangements with various businesses and organization to service and maintain the facilities and equipment of FFBC. A complete list of such arrangements is available in Appendix C and it is updated yearly by the Trustees.
Cell Phone Services

The Church may provide a shared cell phone plan and service to the pastoral staff in order to provide continuous communication capability with the Church office. Upon leaving the position, the employee must turn in their cell phone, and service for that line will be discontinued.

Ferry Farm Baptist Church Pre-School

The establishment of the pre-school was approved on May 17, 1992. Goals, policies, and guidelines were presented to the Church and amended to read that the Director of the Sunday School be automatically included as the seventh member of the Pre-School Education Committee. The second amendment to the proposal guidelines was that the name shall be Ferry Farm Baptist Church Pre-School. The goals, guidelines and policies were approved as amended.

The sponsorship of the School includes free use of the Church, educational building, equipment, and utilities. The School will be self-supporting for salaries and benefits of the staff members required to operate the school. Funds to pay the Director, other staff members, and to furnish the necessary supplies to operate the school shall be generated from the tuition and registration fees paid by the students who attend the school. Payroll taxes on staff and accident insurance on students are covered by pre-school tuition. The Church agreed to support the preschool in the amount of $1,000 for unforeseen expenditures such as emergencies and outreach to the needy. A balanced budget was presented to the Church for the Pre-School on November 15, 1992.

Financial Audit

It shall be the duty of the Trustees to have the books of the church treasurer audited prior to the annual meeting and at such time as there is a change of church treasurer.

Financial Loans, Leases, Sales of Property, etc.

Upon a specific vote and approval of the Church, the Trustees have the power to buy, sell, mortgage, lease or transfer any property. In like manner the Trustees have the authority on behalf of the Church to make, execute, and deliver notes, bonds, deeds of trust as necessary.

Payroll

Ferry Farm Baptist Church salaried employees are paid semi-monthly by direct deposit. Sick and vacation leave forms are submitted to and signed by the Personnel Committee or the Pastor to the Church Treasurer for payroll and accounting purposes. Hourly staff employees maintain time cards or time sheets which are submitted to and kept by the Treasurer for payroll
and accounting purposes. Payment is made semi-monthly by direct deposit. Employee health insurance benefit reimbursements and travel expenses (Appendix D) are paid in like manner and are included with the payroll check semi-monthly.

Ferry Farm Baptist Pre-School employees are paid on a monthly basis by direct deposit. Payroll records are kept by the Pre-School Director and submitted to the Church Treasurer for payment and accounting purposes.

**Purchasing**

Purchasing for the Church is done by the staff, Church officers, and/or committee members within the approved budget line. The staff member, Church officer, or committee chairman is responsible for approving purchases within the appropriate budget line and making the Budget Committee aware of needs for the next budget year, as well as informing the Finance Committee of additional needs for the current year, if necessary. Balances may be obtained through the Church Treasurer or committee chair and can be found in the Budget Report that is kept in the Library.

**Approval of Bills**

Ordered equipment, materials and supplies should be checked by the individual placing the order. The packing slip and/or invoice should be signed by the purchaser before being submitted to the Church Treasurer for payment. Reimbursement requests by an individual should be attached to a purchase order with the invoice signed by the department or committee chairperson for payment. All reimbursement requests (Appendix E) must be submitted to the Treasurer within 60 days of the expenditure.

**Sales Tax Exemption**

Ferry Farm Baptist Church is a non-profit organization (501 C3) which was granted based on group ruling #1966 for BGAV as well as #1674 for SBC. Therefore, purchases made for equipment, foodstuffs, and supplies are tax exempt. Sales tax exemption forms are available in the Church office.

For additional details see Appendix F.

**Miscellaneous Notes**

Additional notes are included as appendix G for clarification
Appendix A:

The following is a list person and positions to which Credit Cards have been issued:

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<th>Position</th>
<th>Person</th>
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<tr>
<td>Pastor</td>
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<tr>
<td>Music Minister</td>
<td>Duane DeHart</td>
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<tr>
<td>Children’s Minister</td>
<td>Carol Seeley</td>
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<tr>
<td>Youth Minister</td>
<td>Rob Marsh</td>
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<tr>
<td>Church Secretary</td>
<td>Julie Young</td>
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<tr>
<td>Wednesday Meals Coordinator’s</td>
<td>Matt Pifer</td>
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<tr>
<td>Transportation Committee Chair</td>
<td>Sonny Tolley</td>
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<tr>
<td>SAM’s Ministry Coordinator</td>
<td>Wendell Latham</td>
</tr>
<tr>
<td>Community Meals Coordinator</td>
<td>Debbie Conrad</td>
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<td>Church Treasurer</td>
<td>Julie Malecha-Adlon</td>
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Appendix B

The following policies are contracted through Lee-Curtis, Freeman, Graves, and Hall Insurance Agency:

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<th>Company</th>
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<td>WHR-2335573-28</td>
<td>Workman’s Compensation</td>
<td>Hanover Insurance Group</td>
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<tr>
<td>42-SR-344129</td>
<td>Blanket Accident Policy</td>
<td>Hartford Life and Accident Insurance Co.</td>
</tr>
<tr>
<td>AHR-3128815-24</td>
<td>Business Auto Policy</td>
<td>Hanover Insurance Group</td>
</tr>
<tr>
<td>ZBR083274924</td>
<td>General Package Policy (Commercial)</td>
<td>Hanover Insurance Group</td>
</tr>
<tr>
<td></td>
<td>Building and Activities Contents</td>
<td></td>
</tr>
<tr>
<td>UHR0663015-29</td>
<td>Commercial Umbrella Policy</td>
<td>Hanover Insurance Group</td>
</tr>
<tr>
<td>42-SR151193</td>
<td>Pre-School Accident Policy</td>
<td>Hartford Life and Accident Insurance Co.</td>
</tr>
<tr>
<td></td>
<td>Students and Staff</td>
<td></td>
</tr>
</tbody>
</table>
# Appendix C

## Church Service & Equipment Contracts/Service Arrangements

The Church has the following contracts and service arrangements:

**Building and Grounds Committee oversight**

<table>
<thead>
<tr>
<th>Type of Contract</th>
<th>Vendor</th>
<th>Type of Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Lawn Maintenance</td>
<td>The Rose Gardner</td>
<td>Annual Contract</td>
</tr>
<tr>
<td>2. Trash Removal</td>
<td>Waste Management</td>
<td>Annual Contract</td>
</tr>
<tr>
<td>3. Pest Control</td>
<td>PermaTreat</td>
<td>Annual Contract</td>
</tr>
<tr>
<td>4. Snow Removal</td>
<td>Gerald Young</td>
<td>Per Call</td>
</tr>
<tr>
<td>5. Fire Alarm Systems</td>
<td>Richmond Alarm Co.</td>
<td>Annual Contract</td>
</tr>
<tr>
<td>6. Professional Cleaning Service</td>
<td>PBM</td>
<td>Per Call</td>
</tr>
<tr>
<td>7. HVAC &amp; Electrical</td>
<td>John Durham</td>
<td>Per Call</td>
</tr>
<tr>
<td>8. Service fire extinguishers, exit lights, emergency lights</td>
<td>Fire Tech Inc.</td>
<td>Annual Contract</td>
</tr>
<tr>
<td>9. Test/Inspect FLC Sprinkler System</td>
<td>Fire Sprinkler Service Group</td>
<td>Annual Contract</td>
</tr>
<tr>
<td>10. Test/Inspect FLC range hood</td>
<td>Global Fire Protection, LLC</td>
<td>Annual Contract</td>
</tr>
<tr>
<td>11. Certified Cleaning of FLC range hood</td>
<td>Clean Slate Power Washing</td>
<td>Annual Contract</td>
</tr>
<tr>
<td>12. Boiler Inspection</td>
<td>Hartford Steam Boilers</td>
<td>Annual Contract</td>
</tr>
</tbody>
</table>

Note: Chuck Thompson – Point of Contact for Stafford County Fire Services can be reached at 540-379-3579.
### Equipment Committee oversight

<table>
<thead>
<tr>
<th>Type of Contract</th>
<th>Vendor</th>
<th>Contract #</th>
<th>Type of Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Copier Lease</td>
<td>US Bank.</td>
<td>500-0301670-000</td>
<td>Service</td>
</tr>
<tr>
<td>2. Copier Maint &amp; Supplies</td>
<td>ESI</td>
<td>0000038824</td>
<td>Service</td>
</tr>
<tr>
<td>2. Telephone Service</td>
<td>Verizon</td>
<td>???????</td>
<td>Monthly Service</td>
</tr>
<tr>
<td>3. Cell Phone Service</td>
<td>Verizon</td>
<td>???????</td>
<td>Monthly; 2-year</td>
</tr>
<tr>
<td>4. Internet Service – Fios</td>
<td>Verizon</td>
<td>???????</td>
<td>Monthly Service</td>
</tr>
<tr>
<td>5. RSIO Duplicator</td>
<td>ESI</td>
<td>0000029252</td>
<td>Monthly Service</td>
</tr>
</tbody>
</table>

### Minister of Music oversight

<table>
<thead>
<tr>
<th>Type of Contract</th>
<th>Vendor</th>
<th>Type of Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Piano Tuning/Repair</td>
<td>Riley’s Piano Service</td>
<td>Per Call</td>
</tr>
</tbody>
</table>

### Church Treasurer oversight

<table>
<thead>
<tr>
<th>Type of Contract</th>
<th>Vendor</th>
<th>Type of Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Bank Accounts</td>
<td>BB&amp;T</td>
<td>All Accounts</td>
</tr>
</tbody>
</table>
Appendix D: Travel Expense Reimbursement Form

TRAVEL EXPENSE REIMBURSEMENT VOUCHER
FERRY FARM BAPTIST CHURCH
1 Westmoreland Drive, Fredericksburg, VA 22405
540-371-2954

Employee Name and Title: ____________________________

Address: ____________________________ Street ____________________________ City ____________________________ State Zip ____________________________

Phone Numbers: Home ____________________________ Cell ____________________________

<table>
<thead>
<tr>
<th>Date</th>
<th>Nature &amp; Purpose of Expenditure</th>
<th>Miles Traveled</th>
<th>Other Expenses</th>
</tr>
</thead>
<tbody>
<tr>
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</table>

TOTAL

TOTAL OTHER EXPENSES

TOTAL REIMBURSEMENT

Signature of Traveler: ____________________________ Date __________

Signature of Traveler's Supervisor: ____________________________ Date __________
Appendix E: Request for Reimbursement/Payment

REQUEST FOR REIMBURSEMENT/PAYMENT
FERRY FARM BAPTIST CHURCH
1 Westmoreland Drive, Fredericksburg, VA 22405
540-371-2954
EIN # 54-0930922

Date of Purchase/Payment Request: ________________________________

Purchaser's Name: _____________________________________________
Purchaser's Address: ___________________________________________

Purchaser's Phones: Home ___________________________ Cell __________
Purchaser's E-Mail Address: _____________________________________
Budget Line, Committee, or Event to Be Charged: ____________________

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
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</tbody>
</table>

TOTAL AMOUNT

Purchaser’s Signature ___________________________ Date ____________
Approval Signature ___________________________ Date ____________

Ferry Farm Baptist Church is non-profit and does not pay sales tax.
Please provide the EIN number to businesses when making purchases.

FOR TREASURER’S USE ONLY

Date ___________________________ Budget Line ____________________
Check # ___________________________ Budget Line ____________________
Amt. of Check ___________________________ Budget Line ____________________
Appendix F

The following pages of Appendix F provide information on the Virginia Sales and Use Tax Certificate of Exemption as well as the confirmation of the 501 C3 status by the Internal Revenue Service. This information is provided for reference material.
COMMONWEALTH OF VIRGINIA
SALES AND USE TAX CERTIFICATE OF EXEMPTION

(For use by a church conducted not for profit that is exempt from income taxation under Section 501(c)(3) of the Internal Revenue Code or from property taxation under Section 58.1-3606 of the Code of Virginia)

(Name of supplier) ____________________________ Date ____________________________

(Number and street or rural route) ____________________________ (City, town, or post office) ____________________________ (State and ZIP Code) 54 0930 922

The Virginia Retail Sales and Use Tax Act provides that the sales and use tax shall not apply to (Check proper box below).

☐ 1. Tangible personal property, except property used in any form of recording and reproducing services, purchased by churches organized not for profit and which are exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, or whose real property is exempt from local taxation pursuant to the provisions of Section 58.1-3606, for use
   (a) in religious worship services by a congregation or church membership while meeting together in a single location, and
   (b) in the libraries, offices, meeting or counseling rooms or other rooms in the public church buildings used in carrying out the work of the church and its related ministries, including kindergartens, elementary and secondary schools. The exemption for such churches shall also include b pulpits, bulletins, programs, newspapers and newsletters which do not contain paid advertising and are used in carrying out the work of the church and gifts for distribution outside the public church building.

☐ 2. Food, disposable serving items, cleaning supplies and teaching materials used in the operation of camps or conference centers by a church as defined in Item 1 above or an organization composed of such churches and which are used in carrying out the work of the church or churches.

The undersigned, for and on behalf of the nonprofit church, certifies that all tangible personal property purchased under this exemption certificate is for the purposes indicated above, unless specified on each order, and that the purchases will be paid for out of church funds.

Name of nonprofit church: Ferry Farm Baptist Church
Address 1 Westmoreland Drive Fredericksburg 22405
(Number and street or rural route) ____________________________ (City, town, or post office) ____________________________ (State and ZIP Code) ____________________________

I certify that I am authorized to sign this Certificate of Exemption and that, to the best of my knowledge and belief, it is true and correct, made in good faith, pursuant to the Virginia Retail Sales and Use Tax Act.

By ____________________________ (Signature) ____________________________ (Title) ____________________________

Information for supplier—A supplier is required to have on file only one Certificate of Exemption properly executed by each nonprofit church buying tangible personal property tax exempt under this Certificate.

NOTE: This exemption certificate does not provide exemption for any tangible personal property purchased by a church

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Requirements for Nonprofit Churches

Legislation passed in the 2004 Virginia General Assembly (House Bill 515 and Senate Bill 585) provides two options for nonprofit churches to request a retail sales and use tax exemption. Nonprofit churches may either continue to use the self-issued exemption certificate, Form ST-13A, or apply to the department for a tax-exempt number.

**Option 1: Form ST-13A**

Code of Virginia Section 58.1-609.10(18) allows nonprofit churches to use the self issued exemption certificate Form ST-13A. Churches electing this option are entitled to the sales and use tax exemption available under the law, as it existed on June 30, 2003. Title 23 of the Virginia Administrative Code (VAC) 10-210-310 provides an exemplary listing of taxable and exempt purchases for nonprofit churches. Over the years, the exemption has been expanded to include, church bulletins, programs, newspapers, and newsletters distributed outside the church, gifts distributed outside the church, bapstisteries, food, disposable serving items, cleaning supplies, teaching materials used in the operation of a camp or conference center which are used in carrying out the work of the church. The 2006 General Assembly further expanded this exemption to include tangible personal property used for recording and reproducing services. This would include video recording equipment, microphones, cassette players. Beginning July 1, 2007, churches may purchase tangible personal property used in caring for or maintaining property owned by the church including, but not limited to, mowing equipment and building materials. The church may not contract with a person or entity to have building materials installed, in the public church buildings used in carrying out the work of the church and its related ministries. This would also include, but not limited to worship services, administrative rooms, kindergarten, elementary, and secondary schools.

**Option 2: Tax-Exempt Number**

Code of Virginia Section 58.1-609.11 provides a broader exemption to nonprofit organizations and churches seeking a sales and use tax exemption. All exemption criteria under Code of Virginia 58.1-609.11 must be met to qualify.

Top

*Apply Online for a Retail Sales and Use Tax Exemption at Nonprofit Online*

Nonprofit Online is a quick, efficient and secure way for you to

December 15, 2011

Ferry Farm Baptist Church
1 Westmoreland Drive
Fredericksburg, VA 22405

Enclosed is a copy of the blanket letter from the Internal Revenue Service dated December 30, 1968, which outlines the Baptist General Association of Virginia's exemption for tax purposes. This includes, in addition to the General Association, affiliated institutions, all other local associations and their respective churches. As an affiliated church, Ferry Farm Baptist Church, Fredericksburg, VA is on the group exemption roster submitted to the Internal Revenue Service under section 501(c) (3) of the Internal Revenue Code.

Not only are you a subordinate under the above group ruling #1966, but also under the Southern Baptist Convention group ruling #1674.

Sincerely,

Eddie Stratton, Treasurer

Enclosure
December 15, 2011

Internal Revenue Service
Exempt Organizations Section

VIA FACSIMILE: 801-620-3263

RE: Baptist General Association of Virginia 54-0575803
     Group Exemption Number 1966

Dear Sir or Madam:

This letter is to update our group exemption roster by including the following church (es) and institution(s) as subordinate under our group ruling #1966:

Ferry Farm Baptist Church
1 Westmoreland Drive
Fredericksburg, VA 22405
Federal ID 54-0930922
Date of Inclusion: December 30, 1968

If you have any questions regarding our group exemption or the addition of this subordinate organization, please contact me as soon as possible.

Thank you for your assistance in this matter.

Sincerely,

[Signature]

Eddie Stratton, Treasurer
Gentlemen:

Based on the information supplied, we rule that you and your affiliated churches and institutions named on the group exemption roster you submitted are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

You and your affiliated churches and institutions are not required to file Federal income tax returns.

It will not be necessary for you and your affiliated churches and institutions to file the annual return of information, Form 990-A, generally required of organizations exempt under section 501(c)(3) of the Code, as you and your exempt affiliated churches and institutions come within the specific exception contained in section 6033(a) of the Code.

Donors may deduct contributions to you or your affiliated churches and institutions as provided by section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to or for the use of you and your affiliated churches and institutions are deductible for Federal estate and gift tax purposes under sections 2055, 2106, and 2522 of the Code.

You and your affiliated churches and institutions are not liable for Federal unemployment taxes. You and your affiliated churches and institutions are liable for social security taxes only if you and your affiliated churches and institutions have filed waiver of exemption certificates, as provided in the Federal Insurance Contributions Act. (Your District Director will be glad to tell you more about the latter point.)
Baptist General Association of - 2 -
Virginia

If you change your purposes, character, or method of operation, please let your District Director know, so that he may consider the effect on your exempt status. Also please keep him informed of any changes in your name or address.

Each year, within 45 days after your annual accounting period closes, please send us two copies of the following information about your affiliated churches and institutions.

1. A statement describing any changes during the year in the purposes, character, or method of operation of your affiliated churches and institutions.

2. A list of the names, mailing addresses including ZIP Codes of churches and institutions on your group exemption roster that during the year:
   A. Changed names or addresses;
   B. Were deleted from the roster;
   C. Were added to the roster.

A director of affiliated churches and institutions may be substituted for this list if it includes the required information and identifies the affected churches and institutions according to the three categories above.

3. For churches and other institutions added to the roster, a letter signed by one of your principal officers containing or attaching:
   A. A statement that the information upon which your present group exemption letter is based applies to the new churches and institutions;
   B. A statement that each has given you written authorization to add its name to the roster;

F-7
Baptist General Association of Virginia

C. A list of those which the Service previously issued rulings or determination letters relating to exemption.

4. If applicable, a statement that your group exemption roster did not change during the year.

Please show your Employer Identification Number on all correspondence with the Internal Revenue Service.

This ruling supersedes our ruling or determination letters addressed to any of your affiliated churches and institutions which have previously received such rulings or determination letters relating to exemption.

You should advise each of your exempt affiliated churches and institutions of the exemption and the pertinent provisions of this ruling.

We are notifying your District Director, Richmond, Virginia.

Very truly yours,

John R. Rebender
Chief, Rulings Section
Exempt Organizations Branch
Appendix G

The following are miscellaneous notes related to budget and budget items which may provide some additional information.

Unified Budget

What is it?
A unified budget is one in which all of the expected expenditures of the church are combined into a categorized list and are allocated a dollar amount from the expected revenue for a given year. Thus, all revenue is deposited into a general fund and expenditures are distributed from that fund. Designations to a specific category are generally not allowed, but there are a few exceptions identified below (Other Special Items).

Why do we use the unified budget approach?
The unified budget includes items such as salaries, mortgage, electric, gas, and water as well as certain mission work, Bible Fellowship, youth activities, building upkeep, equipment needs and other items. By utilizing a unified budget all of these items are allocated from a common “general fund”. All receipts are deposited in the general fund with the exception of the building fund. The result is that all receipts contribute to the general welfare and operation of the church rather than allowing individual receipts to be allocated to special interests and consequently operating expenses suffer insufficient funding. The church votes to adopt the unified budget, prepared by the Budget Committee, so that everyone has an opportunity to understand how their contributions will be distributed as well as understand the total costs of the various categories. Adjustments to the overall budget or individual items can be made at the church business meeting in which the unified budget is submitted for approval.

Other Special Items
There are two mission funds that allow for individual designations of offerings. These are the Lottie Moon Christmas offering and the Annie Armstrong Easter offering. Distributions to these funds are made from the general fund, but are designated by the individual giver. Additionally, a building fund is collected in a separate account for the purposes of providing for larger construction or repairs. Designated and Memorial gifts are deposited in this account. There are also items that are off-budget. Off-budget items are not accounted for in the unified budget. An example of off-budget items is funds or items collected by a class or group to execute a specific project (i.e. food or clothing collections). It is expected that off-budget contributions are additional to normal giving to the unified budget.