

Five Franciscan Martyrs Region

Financial Policies

Purpose and Scope

This document lists the financial and fiscal policies and procedures of the Five Franciscan Martyrs Region. It is meant to collect procedures, which heretofore had been oral, and put them into written form.

Reimbursement and Payments

Reimbursement Policies

If any individual expenditure is \$200.00 or more, present the completed Request to the Regional Fraternity Minister for expenditure approval. The Treasurer is not to process the Request until the Regional Fraternity Minister has approved it.

If the Regional Minister approves a reimbursement request, s/he must sign and date it.

The Region does not require councilors to attend Professions. The Region does not reimburse attendance at Professions.

Visitation and Election mileage will be reimbursed by the Region, not the local fraternity. The local fraternity pays a stipend to the Region based on current policy, which is to pay based on a mileage range. *Note: Make sure Fraternity Minister and Treasurer understand the "Visitation and Election Stipends" procedure furnished by the Region.*

If the local fraternity provides the Visitor with a stipend check payable to the Visitor, s/he must endorse it over to the Region and mail the stipend to the Regional Treasurer.

Lodging is not reimbursed for visitations or elections. The local fraternity should furnish Visitor accommodations if needed.

Reimbursement Instructions

Record the end date of the period in which the expenditure was incurred.

Describe and explain the reason for the expenditure, the date of the expense, and its amount.

If the expenditure is for auto travel, record the miles driven, and insert the current approved rate per mile (currently .50 cents per mile).

If the expense is specific to a Family, include the name of the Family. If it is specific to a fraternity, identify the name of the Family to which it belongs.

Total the expenditures.

If you wish to donate an amount to the Region to help defray expenses, enter it on the line.

Total the individual expenditures being requested for reimbursement less the donation, of any.

Enter your name as you need the check payee to read.

Enter the address where the check is to be mailed, including the city, state, and zip code.

Upon completion of the Request, print, sign, and date the form.

Enclose or attach all receipts.

Payment Instructions

When requesting payment to a third party that is not a reimbursement for expenses paid, use the Payment Request form. Complete it in the same manner as for a reimbursement request.

Note the associated event, activity, or purpose in the description; e.g., retreat deposit. If there is an invoice, attach it.

Treasurer Procedures

The Regional Fraternity Minister will date the approval if needed.

The Treasurer will assign account codes to each expenditure.

The Treasurer will record the validated amount of total expenditure.

The Treasurer will record the date, check number, and amount of the reimbursed expenditure(s).

If the Regional Minister orally authorizes a Request, the Treasurer must record the date of the conversation and sign it.

When there has been a Visitation or Election, the local fraternity should submit a payment to the Region promptly in the amount shown on the Visitation and Election Stipend form. This will be recorded in stipend income.

When there has been a Visitation or Election, the Visitor, in his/her reimbursement request, should note the Family served, so the amount is charged to the proper category.

Digital Request Procedures

If a Request is to be signed electronically, the requester must enter “/s/” after the signature to certify its contents are valid and enter the date so signed.

The digital request form must be saved as a PDF file and emailed to the Treasurer at treasurer@ffmr-ofs.org. If a hardcopy of the form was completed, it can be scanned, saved as a PDF, and emailed.

If there are any paper receipts, these are to be scanned and saved, either as PDF files or as images. They are to be emailed to the Treasurer along with the Request.

If there are any receipts in digital form, they are to be converted to either PDF or image format and attached to the Request as above.

If the Regional Minister orally authorizes a digital Request, the Treasurer must make note of the date of the conversation and enter “/s/” after both names.

When the Treasurer receives a digital Request, possibly with receipts, s/he shall save them to an appropriately named file, preferably with all attachments converted to PDF as well, and appended to the Request. These must be in a form such that they could be printed if so desired.

Financial Policies

Bookkeeping

So that accounts and transactions can be more easily tracked and explained, single entry bookkeeping shall be used. Additionally, double entry bookkeeping software products tend to cost more, so this is a cost saving measure.

To make transactions easier to understand, use cash basis rather than accrual basis. Some exceptions can be made to avoid distortion of current period financial statements:

- Deposits and other prepayments made for events that will take place in the future, especially when they are in a different year, should be recorded as a transfer of funds into an asset account dedicated to prepaid expenses.
- If items are purchased that are to be sold or donated later, record their cost as a transfer from the checking account into a separate asset account, and expense them from that account only as they are sold. This would record the sales or donation value in the same period as the cost is expensed.

Choose income and expense categories that correspond easily to the reporting categories used by IRS on its reporting forms for religious and charitable organizations.

Restricted Funds

If grants or donations from estates are received, they are to be deposited into a separate interest bearing account(s). In compliance with *Five Franciscan Martyrs Donor Fund Guidelines*, as recorded in the *Regional Guidelines*, income generated by these funds can be used for operating purposes, but not the principal, unless that use meets the criteria set out in the Guidelines.

Donations, Stipends

Donations may only be made to other 501(c)(3) organizations, never to individuals.

Pay a Spiritual Assistant's stipend to the organization (friary, etc.) with whom the Assistant is associated; it will thus be considered a donation, since it is to another 501(c)(3) organization.

Local fraternities are considered 501(c)(3) organizations. They are bound by the same restrictions as the Region.