



Kairos Prison Ministry International, Inc.

Ministry Financial Policies And Practices

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Table of Contents

I. Introduction

Spiritual Underpinnings	Page 4
Purpose	Page 4
Kairos Riverbanks	Page 5

II. Financial Policies

A. Record Keeping	Page 6
B. Segregate Accounting from Funds Control	Page 6
C. Objectives	Page 7
D. Submit Financial Reports in a Timely Manner	Page 7
E. Submit Affiliation Fees in a Timely Manner	Page 8
F. Financial Reporting Tools - QuickBooks and KairosDonor	Page 9
G. Bank Accounts	Page 10
H. Allowable Methods of Incurring of Expenses	Page 10
I. Reimbursable Expenses	Page 11
J. Non-Reimbursable Expenses	Page 11
K. Annual Budget	Page 12
L. Post Office Boxes	Page 12
M. Restrictions on Who May Serve	Page 12
N. Organizational Models	Page 12

O. Inventory and Fixed Assets	Page 13
P. Kairos Units Are to Be Good Stewards	Page 14
Q. Ordering Supplies from the Kairos International Office	Page 14
R. Implementing Statements	Page 14
III. Tools	
KairosDonor	Page 15
IV. Organizational Structures & Practices	
A. Model 1 - Bank Account Exists at State Chapter Committee Level	Page 18
B. Model 2 - Bank Accounts Exist at the State Chapter Committee and Advisory Council Levels	Page 23
C. Model 3 - Bank Accounts Exist at the State Chapter Committee and Area Committee Levels	Page 28
Exhibits	
A. Standard Chart of Accounts	
B. Expense Reimbursement Form	
C. Cash Disbursement Voucher	
D. Receipt Log including a Donations Sheet, a Purchased Items Sheet and a Summary Page	
E. Annual Budget Form	
F. Job Descriptions	
G. Implementation Checklist	

I. Introduction

Spiritual Underpinnings

There is an overriding spiritual principle that guides the heart of the financial aspect of the Kairos ministry. As illustrated in 1 Corinthians chapter 12, we are all part of one Body. Each organizational entity does not stand alone, but we are all connected together to accomplish the will of God in this ministry. You might think of this in terms of a jigsaw puzzle. Each piece of the puzzle is different and unique. However, when we each align ourselves in the method intended by the designer of the puzzle, a beautiful picture is formed. And, when there are parts who by their disobedience remove themselves from the picture, the picture is incomplete.



Every Advisory Council, every Area Committee and every State Chapter are part of the financial picture of the ministry. Some Advisory Councils have the gift of raising funds in excess of their local requirement. Other Advisory Councils may be struggling in this area. In the Christian experience, those blessed with abundance lovingly share with the less fortunate among us, and so it is in Kairos. Each has a place in the picture painted by God, and each is needed. All are expected to go beyond themselves and provide for the new and the less fortunate, so that the total is even greater to the glory of God.

Purpose

The By Laws of Kairos Prison Ministry International, Inc. (KPMI, Inc.) require that a full and accurate account be kept of all financial transactions of the organization. All financial aspects of the ministry operate under one Federal Tax ID number, and all parts of the ministry are connected as one body by affiliation agreements.

We believe that the ministry of Kairos is ordained by God, and that we are guided by the Spirit to bring the light of Christ into the darkness of the prison environment. We realize that there are currently far more dark places called prisons than we can address today, but we know that God wants us to continue to reach into more and more of these dark places. In order to do this, the ministry needs to increase the resources that it has available. The continued operation and growth of the ministry demand that as we work to grow our traditional sources of funds, we also reach beyond our traditional sources and solicit funding from donors that can contribute large sums of money. This effort requires that the financial operation of the ministry be audited by an independent accounting firm to determine that the annual financial statements of the ministry are a true and accurate representation of our financial situation. Therefore, it is imperative that all member elements of the ministry comply with the policies and practices defined in this document.

Kairos Riverbanks

The policies and practices in this document are designed to facilitate orderly and accurate record keeping and to ensure that the financial needs of the ministry are met. At the same time, it also recognizes that various organizational models exist within the ministry. It is in that context that the ministry thinks of itself like a river with its methods, policies, guidelines always remaining within the banks of the river.

The riverbanks guide the flow of the ministry according to the directions of the Kairos Board of Directors. There are many details involved in the proper operation of the ministry. Some are less important than others, but those that are very important are delineated by the riverbank. The Board of Directors delegates the authority to each State Chapter to decide on which path down the financial river that they will take – but they must stay between the riverbanks of the Kairos Financial Policies and Practices. Regardless of which path they take, as long as they stay on the river, they will manage the financial operations of the ministry in a proper and acceptable manner.



In some places, you will find that the river is quite wide, and there is room to take different paths down the river. For example, each State Chapter can choose from a number of structural formats that best meets the needs of their ministry.

However, in some places the river is very narrow – perhaps so narrow that there is only one path on the river available. An example is having dual control over the handling of funds.

places, so narrow that there may only be one path – such as separation of duties.

It is important to understand that there are boundaries to the financial management of the Kairos ministry. These boundaries are represented by the riverbanks. It is when we get outside these boundaries that we have left the Kairos method, and are no longer obedient to the ministry. As you read the Financial Policies and Practices, you will be introduced to the specifics of the Financial Riverbanks.

These Policies and Practices provide a framework for the ministry's financial accounting system and are to be considered permissive guidelines except where stated as mandatory by language such as "will", "must", "cannot", "not".

II. Financial Policies

The key parts of the financial riverbanks are defined as the financial policies of the ministry.



A. Accurate and Up-to-Date Records Must Be Maintained

Every State Chapter, Area Committee (where they exist) and Advisory Council must maintain complete and accurate financial records. The standards for this record keeping are defined within this document. That is, every organizational entity is required to implement the financial practices as defined by this document.



B. Segregate Accounting and Funds Control

At all levels within every organizational level, there will be a segregation of duties with respect to handling money/funds and the accounting of the funds. This segregation of duties is fundamental to the methods and practices of the financial aspect of the ministry, and the following required practices stem from this Policy.

a. What was formerly one position, Treasurer, has been split into two positions, Financial Secretary and Treasurer.

1. The Financial Secretaries are responsible for the accounting and reporting of funds at their organizational level. They will not have signature authority over the funds, and they will not physically handle the funds.
2. The Treasurers are responsible for handling the actual funds at their organizational level. They have signature authority over their funds (subject to the organizational method chosen by their State Chapter), and actually handle the funds (i.e. make deposits, sign checks, etc).



C. Objectives of Financial Practices

1. Segregation of duties with respect to handling money and the accounting function. This requires that the individual who has custody of the assets such as signatory authority on the bank account and physical access to the funds not be the same individual who has accounting responsibility such as general ledger maintenance, bank reconciliation and financial reporting.
2. Segregation of duties with respect to the disbursement of funds. This requires that the individual who prepares and/or signs the checks not be the same person who performs the bank reconciliation.
3. Reconciliation process. The individual with responsibility for bank reconciliation must do so each month before financial statements are prepared and forwarded to higher authority.
4. Dual control over incoming funds. This requires that two persons be involved in processing incoming cash, which is checks and currency. All checks processed should be restrictively endorsed, that is stamped with, "For Deposit Only to the Account # _____".

To achieve these objectives it is necessary to assign financial roles between two people at all levels in the ministry that have a bank account and where ever money enters the ministry. Detailed assignments of duties for each organizational structure are provided in Section IV – Organizational Structures and Practices.



D. All Organizational Financial Secretaries will submit required Financial Reports in a timely manner.

1. The State Financial Secretary will submit a quarterly Balance Sheet and Profit & Loss Statement to the International Office within 60 days of the end of the quarter. For a State Representative to the International Board to be in good standing for voting purposes, the financial reports must be submitted no later than 60 days after the end of the quarter. Timely submission of first quarter reports determines good standing for the Summer International Board Meeting. Timely submission of third quarter financial reports determines good standing for the Winter International Board Meeting.
2. The Financial Secretary of the Advisory Councils and Area Committees with bank accounts will submit a quarterly Balance Sheet and Profit & Loss Statement to the appropriate higher authority (State Chapter Committee or Area Committee Financial Secretary) within 30 days, but no later than 45 days, of the end of the quarter. Those Advisory Councils or Area Committees that fail to submit financial reports within 90 days of the end of the quarter will be subject to suspension until the appropriate remedy is affected. Those Advisory Councils or Area Committees that fail to submit financial reports within 90 days of the end of the quarter two quarters in a row will be subject to decertification.

3. Every effort will be made to love the offending organizational elements into compliance. When these efforts fail, the monetary assets of the organizational element will revert to the State Chapter Committee Treasurer and the State Chapter Committee will assume control of all other functions of the decertified organizational element until a new Area Committee or Advisory Council can be formed.



E. All Organizational Elements will submit International and State Affiliation Fees and Audit Fees in a timely manner.

1. The State Financial Secretary will submit affiliation fees quarterly to the International Office within 60 days of the end of the quarter. For a State Representative to the International Board to be in good standing for voting purposes, the affiliation fees must be submitted no later than 60 days after the end of the quarter. Timely submission of first quarter fees determines good standing for the Summer International Board Meeting. Timely submission of third quarter fees determines good standing for the Winter International Board Meeting.

2. Advisory Councils and Area Committees with bank accounts will submit International and State affiliation fees to the appropriate higher authority within 30 days, but no later than 45 days, of the end of the quarter. Those Advisory Councils or Area Committees that fail to submit fees within 90 days of the end of the quarter will be subject to suspension until the appropriate remedy is affected. Those Advisory Councils or Area Committees that fail to submit fees within 90 days of the end of the quarter two quarters in a row will be subject to decertification.

3. Every effort will be made to love the offending organizational element into compliance. When these efforts fail, the monetary assets of the organizational element will revert to the State Chapter Committee Treasurer and the State Chapter Committee will assume control of all other functions of the decertified organizational element until a new Area Committee or Advisory Council can be formed.

4. Audit fees of \$60.00 per weekend conducted in a state are due and payable on a quarterly basis, in the same time frame as the Affiliation Fees outlined in paragraphs 2 and 3 above. These fees may be changed from time to time and are in direct support for the cost of having an audit performed on the entire ministry on an annual basis.



F. All Organizational Elements will use specified tools for Recording, Accounting, Reporting, and Donor Acknowledgements.

1. All State Chapter Committees and Area Committees will submit reports using the QuickBooks software.
2. All Advisory Councils with bank accounts will either use QuickBooks software or the KairosDonor software to manage its financial transactions. QuickBooks users will submit financial reports in QuickBooks format.
3. All organizational elements that have bank accounts will use the Standard Chart of Accounts attached as Exhibit A. Accounts may be added for situations peculiar to that organizational element with written approval from the Executive Director, in consultation with the International Treasurer and the Chairperson of the Finance Committee. Such requests will be submitted in writing through or by the State Financial Secretary.
4. The Advisory Council Financial Secretary will send an IRS acceptable acknowledgement letter to each donor within a reasonable time of the receipt of the donation. This acknowledgement letter must contain the phrase, “We acknowledge that no goods or services were rendered in exchange for this donation.” The Advisory Council Financial Secretary will also provide to donors a summary of the year’s donations by January 31 of the next year. The KairosDonor software greatly assists with this effort by maintaining a data base and by providing properly formatted letters.
5. The Advisory Council Financial Secretary will implement a program to provide routine written feedback to donors within a reasonable time after the completion of a 3-Day Weekend. This effort will convey the ministry’s appreciation of their gifts and will encourage a continuing desire to provide financial support for the ministry. The KairosDonor software greatly assists with this effort by maintaining a data base and by providing properly formatted letters.
6. Persons making a “significant” in-kind donation or choosing not to seek reimbursement for Kairos-related purchases, will be requested to submit documentation of their expense to the appropriate Financial Secretary so that an accurate accounting of all costs associated with the ministry can be maintained. Donations of \$100 or more in value will be considered “significant” for reporting purposes. Lesser amounts may be reported. The Financial Secretary will send an acknowledgement to all in-kind donors. The KairosDonor software greatly assists with this effort by maintaining a data base and by providing properly formatted letters.



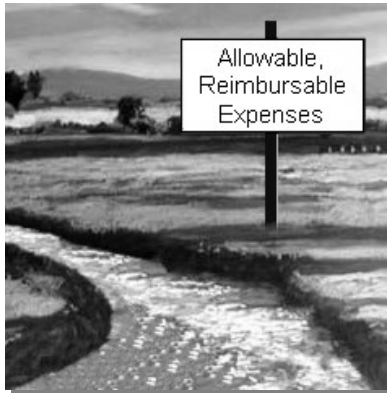
G. Any and all bank accounts will be opened in the name of Kairos Prison Ministry International (KPMI), Inc. All bank accounts will use the KPMI, Inc Federal Tax ID Number, with an appropriate Fictitious Business Name for the organizational element opening the account. All monies donated to KPMI, Inc will be deposited only in these bank accounts in a timely manner. The State Chapter Committee Treasurer will be signatory on all bank accounts within the State. If practical, all bank accounts within a State should be with the same bank.

Cash disbursements from these accounts will be made using two-part, pre-printed, sequentially numbered checks. Under no circumstances will checks be signed in advance or made payable to “cash” or “bearer.” The custodian of the unused or “blank” checks will provide for the secure storage of same.



H. Expenses of the ministry programs will normally be incurred using the following methods in order of preference. All expenses, no matter how incurred, must be properly documented. Written documentation includes cash register receipts, signed vendor receipts, signed credit card receipts with the details of the purchase or paid invoices.

1. Credit accounts established with local vendors. Copies of vendor invoices will be submitted within 21 days after completion of the event for which the purchase was made.
2. Cash or Gift Card from local vendors for amounts commensurate with the expected purchase amount. Documentation must be submitted within 21 days after completion of the event for which the Cash or Gift Card was issued.
3. Prepaid bank Debit Card with a limit commensurate with the expected purchase amount. Documentation must be submitted within 21 days after completion of the event for which the Debit Card we issued.
4. Personal credit card with reimbursement. Reimbursement will only be made when such requests are submitted on the Expense Reimbursement Form attached as Exhibit B or its equivalent.
5. Cash advance from the appropriate Treasurer to the Weekend Leader, the Support Team Coordinator and/or other Core Team members making purchases to support the ministry. Future cash advances to the same organizational element will be denied until all open cash advances are properly accounted for. Documentation must be submitted within 21 days after completion of the event for which the cash advance was given.



I. Reimbursable Expense. Reimbursement may be made to any member of KPMI, Inc for the following reasonable expenses. These reimbursements are those which are necessary for KPMI, Inc programs, as described in the program manuals. Expenses will be borne by or allocated to the organizational element incurring them.

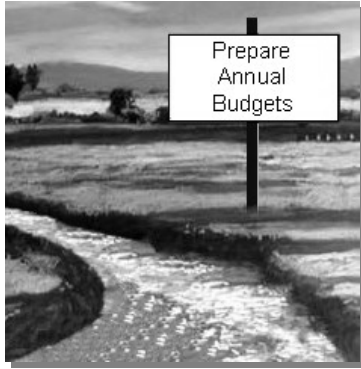
1. Supplies such as paper, marking pens or printer ink cartridges.
2. All supplies incidental to Kairos programs such as cleaning supplies, dissolving paper, table decorations, note paper, folders, photographs, pencils, index cards, masking tape or envelopes.
3. Postage and post office box rental.
4. Printing and copying charges.
5. Long distance telephone charges.
6. All reasonable food items needed for Kairos programs.
7. Facility costs.
8. Advanced training registration fees and associated travel expenses for approved Weekend Leaders.
9. Registration fees and travel expense for State Representatives to the International Board to attend Board meetings and conferences.
10. Any extraordinary expense pre-approved by the State Chapter Committee, Area Committee or the Advisory Council including those that might normally be excluded.



J. Non-Reimbursable Expenses. Reimbursement will NOT be made for the following expenses

These expenses will not be reimbursed unless specifically approved in writing by the State Chapter Committee, Area Committee or Advisory Council.

1. Transportation, including gasoline or mileage, for in-state Kairos activities.
2. Cookies or cookie ingredients.
3. Stationary and cost associated with personal agape letters.
4. Weekend Program manuals (may be provided at no cost)
5. Promotional merchandise.
6. Medical tests (i.e. TB tests).
7. Basic telephone, cell phone or internet charges.
8. Medical expenses from injury or illness associated with a Kairos event.
9. Child care services for a team member.
10. The value of “donated” labor by an individual or an organization.



K. All organizational elements will prepare an annual budget to be approved at its level and to be submitted to the next higher authority within 30 days from the start of the fiscal year.

1. The Annual Budget should be prepared in the format attached as Exhibit E or its equivalent.
2. Quarterly financial reports should include a comparison of the actual income and expenses to the budgeted income and expenses.



L. Post Office Boxes are often utilized and are accepted as part of the Ministry. PO Boxes are used at every level of the ministry in some States and they serve as a means to provide safety and security in the event an inmate attempts to correspond with a volunteer. (Note: It is the Wisdom of Kairos that members of the ministry not establish a correspondence relationship with inmates.) These PO Boxes are also used to receive mail from donors. The collection of these donations will be at the direction of the Treasurer at the organizational level that maintains a Post Office Box in accordance with the procedures outlined in Models 1, 2 and 3.



M. There are restrictions on who may serve in the various financial positions. This is in order to preserve the reality of “segregation of duties” and “dual control” that is reflected in the independence of the two people involved. Under no circumstances will a husband and wife serve as Financial Secretary and Treasurer respectively for the same organizational element. Nor will a husband and wife team meet the requirements of the procedures relating to paragraph L. above.



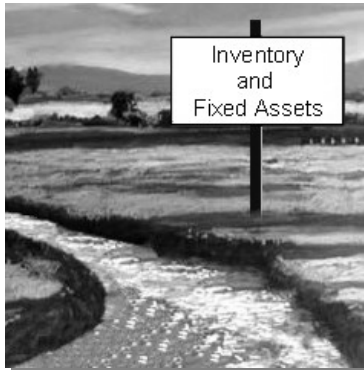
N. Each State Chapter will select the Organizational Model for Financial Accountability that it will operate within.

There are three authorized organizational models for financial accountability, as defined by which organizational element has a bank account, within the ministry. Each State Chapter will organize its financial operations around one and only one of these models. A State Chapter is not authorized to create a hybrid model that is composed of a blending of the models, and a State Chapter is not authorized to create a new model that is different than one of the three authorized models.

The three financial organizational models are:

- a. The State Chapter Committee has one bank account and provides financial services to all organizational elements within the State. No Advisory Council within the State has its own bank account. See Model 1 below.
- b. The State Chapter Committee has a bank account and each Advisory Council within the State has its own bank account. See Model 2 below.
- c. A State is divided into “Areas” within which there is up to 8 Advisory Councils per Area. The State Chapter has a bank account and each Area Committee has a bank account and provides financial services to the Advisory Councils within its area. The Advisory Councils do not have bank accounts. See Model 3 below.

1. All State Chapter Committees will have adopted and be operating as one of the above three organizational structures no later than December 31, 2006.
2. Requests for exceptions to these structures will be submitted to the Executive Director, who will consult with the International Treasurer and the Chairperson of the Finance Committee before making a determination for approval.
3. It is recognized that a State may migrate from one of these structures to another as the activity in the State grows. In the event that a State desires to migrate from one structure to another, they must request approval in writing from the Executive Director.



O. Generally it is the policy of the ministry that “consumable” items will be expensed at the time of purchase and that large items such as tables or computer systems that remain under the control of any organizational element will be carried as a fixed asset according to the following conditions.

1. Items purchased for use in the ministry, such as crosses, manuals, or dissolvable paper will be expensed when purchased. Any residual “inventory” will be considered expensed. Merchandise for resale such as mugs or t shirts will also be expensed as Cost of Goods Sold when purchased. Income from sales of merchandise will be shown when received.
2. Large non-consumable items such as a trailer, a set of tables or chairs or a computer system that cost less than \$1000.00 will be expensed at the time of purchase. Items that cost \$1000.00 or more, and remain under the control of the organizational element purchasing them, will be carried on the Balance Sheet as a “Fixed Asset”. Items of any cost that are purchased and donated to a prison will be considered to have become property of the prison and will be expensed at the time of purchase.



P. Kairos Units are to be good Stewards

Due to the spiritual nature of the ministry – many parts, one body, and the affiliation of all organizational elements to the one corporate ministry, all members are urged to exercise an open spirit with regards to the moneys donated to the ministry. We must always remember that it is not our money. We need to recognize that our God is a generous God who will reward our efforts with blessings over and above our immediate needs. We are enjoined spiritually to share God’s abundance for the greater good and growth of the work of Christ in prison. All organizational elements are expected to be good stewards and to raise sufficient funds to

support their part in the ministry.



Q. Ordering Supplies from the International Office. Official Kairos materials, brochures, manuals and supplies will be purchased from the Kairos International Office. Only the State Chapter Committee Financial Secretary is authorized to order merchandise on a credit basis. All other orders will be accepted on a pre-paid basis only.



R. Each State Chapter Committee, Area Committee and Advisory Council will implement these Financial Policies and Practices no later than December 31, 2006. An implementation checklist is provided in Exhibit G. as a guide. A sample letter to report the completion of this implementation to the next higher level in the organization is also included in Exhibit G. State Chapter Committees should report to the International Treasurer.

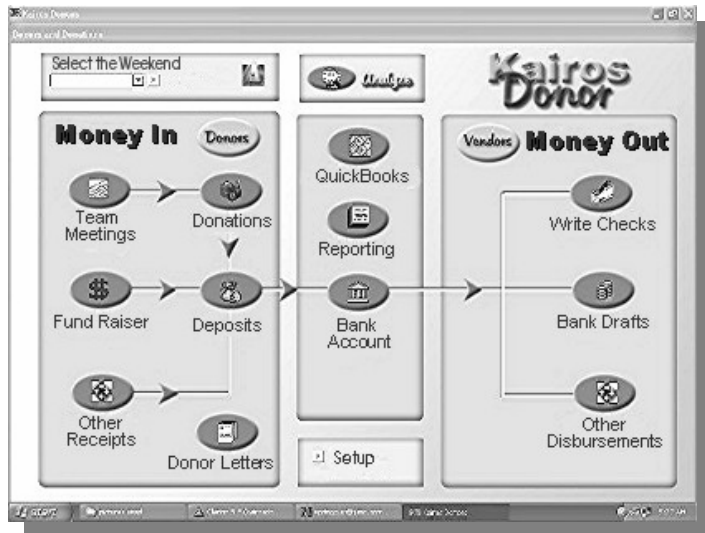
III. Financial Tools

It is recognized that there are many tools available that can assist a Financial Secretary in the accomplishment of their responsibilities. For the sake of consistency, the ministry has decided that all Financial Secretaries above the level of the Advisory Council will use the QuickBooks software. This software is a full-featured, general purpose accounting and reporting program. All Area and State Chapter Financial Secretaries will use this software program to record, account, and report the financial transactions of the ministry. The ministry recognizes that this requirement places a certain level of accounting “professionalism” as an expectation of any Area or State Financial Secretary.

At the Advisory Council level, the expectations are different. Here, the ministry expects that the Financial Secretary have a disciplined, administrative capability in the conduct of the financial responsibilities of the ministry. It is not a requirement that volunteers at this level have accounting or bookkeeping training or experience.

In order to provide consistency and order in the financial dealings at the Advisory Council level, the ministry has arranged for the development of a software program that is custom tailored for the Advisory Council financial operations. This program, KairosDonor, will be available through the International Office upon approval of this Policies and Practices document. The Advisory Council may choose to use either QuickBooks or KairosDonor in fulfilling its responsibilities under this Policy and Practices document. Other programs are not approved for use.

KairosDonor is not a general purpose accounting program, but rather a program that is tailored to the specific requirements of the Advisory Council operations. It is particularly important to realize that the KairosDonor program provides an easy to use method of providing feedback to donors to acknowledge and thank them for their support of the ministry. It also provides the required IRS Charitable Contribution acknowledgement letters with a minimum of effort.



Even if an Advisory Council chooses to use QuickBooks as their accounting software, the Financial Secretary will still want to use KairosDonor because of its Donor Management capability and the impact that this feature has on increasing the financial support for the local ministry.

The KairosDonor program also provides a simple method to print donor acknowledgement letters that will provide the donor with documentation for their charitable contributions for the IRS.

4. Records Team Purchased Items and Fund Raiser Receipts

KairosDonor records income from team meetings that is the result of team members purchasing items such as Program Manuals (which may be provided at no cost). KairosDonor keeps track of such income, but realizes that it is different than an actual donation.

Some Advisory Councils conduct significant fund raising events, such as a garage sale. KairosDonor provides a mechanism to record income from fund raising events.

5. Manage Advisory Council Financials (Bank Account, Cash, Income, Expenses, and Transfers)

KairosDonor understands the financial organizational structure (Model) that the State has chosen, and will provide the needed financial tools for the Advisory Council Financial Secretary to manage the finances for the Advisory Council's ministry. This includes depositing receipts into a bank account (State, Area or Advisory Council), bank statement reconciliation, check writing, fund transfers, cash withdrawals, etc.

6. Provide Standard Financial Reporting

With minimal effort, KairosDonor provides a standard Advisory Council financial report, using the standard chart of accounts for the Advisory Council. In addition to a financial report by Kairos Weekend, the program will also provide trended financial reporting to assist the Advisory Council in reviewing the ongoing financial stewardship of the ministry.

7. Advisory Council Budgeting

The KairosDonor program provides a budgeting mechanism to make it easy to meet the policy requirements for budgeting. The budgeting tool in KairosDonor provides budget recommendations.

8. Creates QuickBooks Transactions for the State or Area Financial Secretary

The State and Area Financial Secretaries are required to use QuickBooks as the standard tool for recording financial transactions at their level of responsibility. KairosDonor provides an automatic generation of QuickBooks compatible transactions that can be simply emailed to the State or Area Financial Secretary.

IV. Organizational Structures & Practices

As described in the Policies section of this document, each State Chapter is to select one of three organizational models for its financial processes. This section details the organizational practices for each of those models.

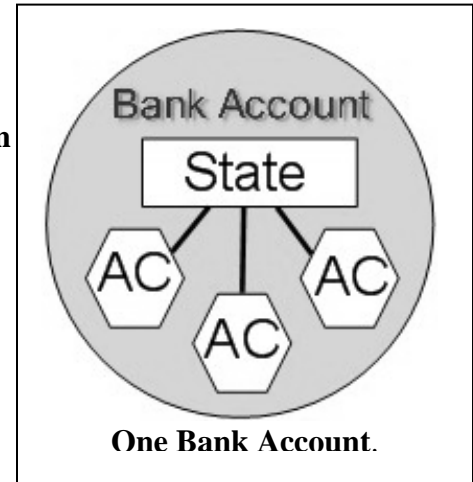
Model 1

The State Chapter Committee has the only bank account in the State

1. The State Chapter Committee will elect a Treasurer and a Financial Secretary per the procedures outlined in the State Chapter Committee Operating Procedures who will perform the duties listed below.

Treasurer:

- a. Receive cash, which is checks and currency, from any source.
- b. Deposit cash in the bank using two-part deposit slips.
- c. Provide a copy of the deposit slip and deposit receipt from the bank to the State Financial Secretary.
- d. Maintain a supply of deposit slips and rubber endorsement stamps for the State bank account. Provide for secure, locked storage of same.
- e. Provide a supply of deposit slips and an endorsement stamp to each Advisory Council Treasurer, and to the person designated as Counter 2 for the State Chapter Committee PO Box.
- f. When a Post Office Box or other mailing address is maintained by the State Chapter Committee, appoint two persons to retrieve the mail and count any cash received. The State Treasurer may be one of the appointees. If the donations received by mail are, on average, less than six per month, the Treasurer or the person designated as Counter 1 may perform both Counter 1 and Counter 2 functions.
 1. Designate one person as Counter 1 who will retrieve the mail at regular intervals commensurate with the volume of mail.
 2. Designate a second person as Counter 2 who will help count and document any cash received.
 3. Counter 1 and Counter 2 open the mail and count the cash together.
 4. Counter 1 prepares a list, using the Receipt Log attached as Exhibit D or its equivalent, showing name, address, check number, amount, & date.
 5. Counter 2 verifies the cash count, stamps checks with endorsement, prepares the deposit slip and compares the total to the Receipt Log prepared by Counter 1. If the two totals are not in agreement, reconcile the difference until they are in agreement. When the two totals are in agreement, Counter 1 and Counter 2 sign the Receipt Log. Counter 1 sends the original of the Receipt Log to the State Financial Secretary within 5 days. Counter 2 deposits the funds in the State bank account and sends a copy of the deposit slip and the deposit receipt from the bank to the State Financial Secretary within 5 days, and sends a copy of the deposit slip to the State Treasurer with in 5 days.



When making the deposit directly is not feasible, Counter 2 sends the cash collected to the State Treasurer for deposit. Counter 2 provides for secure, locked storage of unused deposit slips and endorsement stamp.

- g. Upon receipt of disbursement authorization from the State Financial Secretary, make payment as soon as possible after receipt. When payment has been made, return a copy of the check and the supporting documentation to the State Financial Secretary, noting on the documentation when the check was mailed.
- h. Oversee and provide training advice to the Advisory Council Treasurers.

Financial Secretary:

- a. Receive all invoices, requests for reimbursement and requests for advances from State Chapter Committee members, Advisory Council members and Core Team members.
- b. Verify the expenditure is in accordance with these Financial Policies and Practices. If not, contact the State Committee Chair for disposition of the charge or request.
- c. Enter data from item a. into QuickBooks, create the disbursement authorization and send the information to the State Treasurer. The disbursement authorization will include at a minimum a voucher authorizing the payment, using the Cash Disbursement Voucher form attached as Exhibit C or its equivalent, or a check prepared for the payment. Either option will be accompanied with supporting documentation such as an invoice or a request for reimbursement.
- d. Reconcile Receipt Logs and deposits. Notify the State Treasurer and the Advisory Council Treasurer when deposits are made from the Advisory Council team meetings or from Advisory Council Post Office Box receipts
- e. Send an IRS acceptable acknowledgement letter for all donations received through the State Chapter Post Office Box. This letter should contain the phrase, "We acknowledge that no goods or services were rendered in exchange for this donation." (Note: Another person could perform this activity at the direction of the State Financial Secretary.)
- f. Maintain all records, including documentation of receipts, deposits, disbursements and payments for five years.
- g. Reconcile the monthly bank statement with the check register and the General Ledger each month. Submit the reconciliation to the Treasurer for concurrence and then to the State Chapter Committee Chairperson for review.
- h. Submit all required reports to the International Office in QuickBooks format. .
- i. Provide financial reports at the State Chapter Committee meetings, and whenever requested by the State Executive Committee.
- j. Prepare an Annual Budget for submission to the State Chapter Committee for approval at its first meeting of the year.
- k. Oversee and provide training advice to the Advisory Council Financial Secretaries. Assist each Advisory Council with the preparation of an Annual Budget for their activity. Exhibit E is a suggested format for an Annual Budget.

2. Advisory Councils will elect a Treasurer and a Financial Secretary who will perform the following functions.

Treasurer

- a. Together with the Advisory Council Financial Secretary, oversee and provide advice to ensure that the collection of all monies by the Advisory Council at team meetings, fund raising events, from a PO Box or by any other means is in accordance with These Policies and Practices.
- b. Maintain a supply of deposit slips and rubber endorsement stamps for the State bank account. Provide for secure, locked storage of same.
- c. Provide a supply of deposit slips and an endorsement stamp to the team or fund raising event person designated as Counter 2 before the first team meeting or the start of the fund raising event. Obtain custody of any excess deposit slips and the endorsement stamp from Counter 2 within one week after the completion of the weekend or the fund raising event.
- d. Provide a supply of deposit slips and an endorsement stamp to the person designated as Counter 2 for the Advisory Council PO Box.
- e. When direct deposit to the State bank account is not feasible for the team Counter 2, fund raising event Counter 2 or the PO Box Counter 2, receive cash and make deposit to the State bank account. Send deposit slip and deposit receipt from the bank to the State Financial Secretary.
- f. When a Post Office Box or other mailing address is maintained by the Advisory Council, appoint two persons to retrieve the mail and count any cash received. The Advisory Council Treasurer may be one of the appointees. If the donations received by mail are, on average, less than six per month, the Treasurer or the person designated as Counter 1 may perform both Counter 1 and Counter 2 functions.
 1. Designate one person as Counter 1 who will retrieve the mail at regular intervals commensurate with the volume of mail.
 2. Designate a second person as Counter 2 who will help count and document any cash received.
 3. Counter 1 and Counter 2 open the mail and count the cash together.
 4. Counter 1 prepares a list, using the Receipt Log attached as Exhibit D or its equivalent, showing name, address, check number, amount, & date.
 5. Counter 2 verifies the cash count, stamps checks with endorsement, prepares the deposit slip and compares the total to the Receipt Log prepared by Counter 1. If the two totals are not in agreement, reconcile the difference until they are in agreement. When the two totals are in agreement, Counter 1 and Counter 2 sign the Receipt Log. Counter 1 sends the original of the Receipt Log to the State Financial Secretary; and, sends a copy to the Advisory Council Financial Secretary for entry into KairosDonor within 5 days. Counter 2 deposits the funds in the State bank account and sends copy of deposit slip and deposit receipt from the bank to the State Financial Secretary within 5 days, and, sends a copy of the deposit slip to the Advisory Council Financial Secretary within 5 days. The State Financial Secretary notifies the State Treasurer and the Advisory Council Treasurer that the deposit has been made. When making the deposit directly is not feasible, Counter 2 sends the cash collected to the Advisory Council Treasurer for deposit. Counter 2 provides for secure, locked storage of unused deposit slips and endorsement stamp.

Financial Secretary

- a. Together with the Advisory Council Treasurer, oversee and provide advice to ensure that the collection of all monies by the Advisory Council at team meetings, fund raising events, from a PO Box or by any other means is in accordance with these Policies and Practices.
- b. Use the KairosDonor software to record and maintain a data base of donors and to issue feedback and acknowledgement letters.
- c. Send IRS acceptable acknowledgement letters to all donors. This letter must contain the phrase, "We acknowledge that no goods or services were rendered in exchange for this donation." (Note: Another person could perform this activity at the direction of the Advisory Council Financial Secretary.)
- d. Prepare the Annual Budget, using Exhibit E or its equivalent, for submission to the Advisory Council for approval at its first meeting of the year.

3. The Advisory Council Treasurer, working with the Team Leader, will appoint two persons and two alternates to collect money at the team meetings. These persons should be members of the Core Team such as the Advising Leader or Agape Coordinator (KI) / Chair (KT) / Leader (KO).. The primary appointees will ensure that they or their alternates are at every team meeting. The Advisory Council Treasurer may be one of the appointees if a member of the team.

- a. The two appointed persons, designated as Counter 1 and Counter 2, will count the money together.
- b. Counter 1 prepares a list, using the Receipt Log attached as Exhibit C or its equivalent, showing name, address, check number, amount, & date.
- c. Counter 2 verifies the cash count, stamps checks with endorsement, prepares the deposit slip and compares the total to the Receipt Log prepared by Counter 1. If the two totals are not in agreement, reconcile the difference until they are in agreement. When the two totals are in agreement, Counter 1 and Counter 2 sign the Receipt Log. Counter 1 sends the original of the Receipt Log to the State Financial Secretary within 5 days after the team meeting; and, sends a copy to the Advisory Council Financial Secretary for entry into KairosDonor within 5 days after the team meeting. Counter 2 deposits the funds in the State bank account and sends a copy of the deposit slip and the deposit receipt from the bank to State Financial Secretary within 5 days after the team meeting, and, sends a copy of the deposit slip to the Advisory Council Financial Secretary within 5 days after the team meeting. The State Financial Secretary notifies the State Treasurer and the Advisory Council Treasurer that a deposit has been made. When making the deposit directly is not feasible, Counter 2 sends the cash collected to the Advisory Council Treasurer Counter 2 provides for secure, locked storage of unused deposit slips and endorsement stamp.

4. The Advisory Council Treasurer, working with the fund raising event coordinator, will appoint two persons to collect monies at the event the same as it is collected at a team meeting.

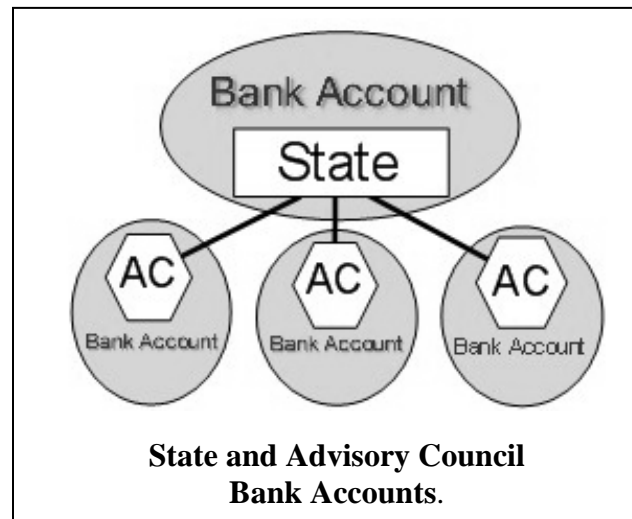
5. When a donation is given to a member of the Kairos community outside of a team meeting or fund raising event, the recipient will bring the donation to the next team meeting or, if no team meeting is scheduled for the next thirty days, send it to the Advisory Council Treasurer. The Advisory Council Treasurer will deposit the donation into the State bank account and send a copy of the deposit slip and deposit receipt from the bank to the State Financial Secretary with an explanation as to where it came from. The explanation may be a Receipt Log or a letter which includes the name and address of the donor and the check number, amount and date. The Advisory Council Treasurer will send a copy of the explanation to the Advisory Council Financial Secretary, who will make an entry in KairosDonor and send an appropriate acknowledgement letter to the donor.

Model 2

The State Chapter Committee has a bank account and the Advisory Councils have bank accounts.

1. The State Chapter Committee will elect a Treasurer and a Financial Secretary per the procedures outlined in the State Chapter Committee Operating Procedures who will perform the duties listed below.

Treasurer:



- a. Receive cash, which is checks and currency, from any source, but primarily from Advisory Councils.
- b. Deposit cash in the State account using two-part deposit slips.
- c. Provide a copy of the deposit slip and deposit receipt from the bank to the State Financial Secretary.
- d. Maintain a supply of deposit slips and rubber endorsement stamps for the State bank account. Provide for secure, locked storage of same.
- e. Provide a supply of deposit slips and an endorsement stamp to the person designated as Counter 2 for the State Chapter Committee PO Box.
- f. When a Post Office Box or other mailing address is maintained by the State Chapter Committee, appoint two persons to retrieve the mail and count any cash received. The State Treasurer may be one of the appointees. If the donations received by mail are, on average, less than six per month, the Treasurer or the person designated as Counter 1 may perform both Counter 1 and Counter 2 functions.
 1. Designate one person as Counter 1 who will retrieve the mail at regular intervals commensurate with the volume of mail.
 2. Designate a second person as Counter 2 who will help count and document any cash received.
 3. Counter 1 and Counter 2 open the mail and count the cash together.
 4. Counter 1 prepares a list, using the Receipt Log attached as Exhibit D or its equivalent, showing name, address, check number, amount, & date.
 5. Counter 2 verifies the cash count, stamps checks with endorsement, prepares the deposit slip and compares the total to the Receipt Log prepared by Counter 1. If the two totals are not in agreement, reconcile the difference until they are in agreement. When the two totals are in agreement, Counter 1 and Counter 2 sign the Receipt Log. Counter 1 sends the original of the Receipt Log to the State Financial Secretary within 5 days. Counter 2 deposits the funds in the State bank account and sends a copy of the deposit slip and the deposit receipt from the bank to the State Financial Secretary within 5 days, and sends a copy of the deposit slip to the State Treasurer within 5 days. When making the deposit directly is not feasible, Counter 2 sends the cash collected to the State Treasurer. Counter 2 provides for secure, locked storage of unused deposit slips and endorsement stamp.

- g. Upon receipt of disbursement authorization from the State Financial Secretary, make payment as soon as possible after receipt. When payment has been made, return a copy of the check and the supporting documentation to the State Financial Secretary, noting on the documentation when the check was mailed.
- h. Oversee and provide training advice to the Advisory Council Treasurers.

Financial Secretary:

- a. Receive all invoices and requests for reimbursement and advances from the State Chapter Committee members.
- b. Verify the expenditure is in accordance with these Financial Policies and Practices. If not, contact the State Committee Chair for disposition of the charge or request.
- c. Enter data from item a. into QuickBooks, create the disbursement authorization and send the information to the State Treasurer. The disbursement authorization will include at a minimum a voucher authorizing the payment, using Cash Disbursement Voucher form attached as Exhibit C or its equivalent, or a check prepared for the payment. Either option will be accompanied with supporting documentation, such as an invoice or request for reimbursement.
- d. Reconcile Receipt Logs and deposits.
- e. Send an IRS acceptable acknowledgement letter for all donations received through the State Chapter Committee Post Office Box. This letter must contain the phrase, "We acknowledge that no goods or services were rendered in exchange for this donation." (Note: Another person could perform this activity at the direction of the State Financial Secretary.)
- f. Maintain all records, including documentation of receipts, deposits, disbursements and payments for five years.
- g. Reconcile the monthly bank statement with the check register and the General Ledger each month. Submit the reconciliation to the Treasurer for concurrence and then to the State Chapter Committee Chairperson for review.
- h. Submit all required consolidated State reports to the International Office in QuickBooks format. .
- i. Provide financial reports at the State Committee meetings, and whenever requested by the State Executive Committee.
- j. Prepare an Annual Budget for submission to the State Chapter Committee for approval at its first meeting of the year.
- k. Oversee and provide training advice to the Advisory Council Financial Secretaries. Assist each Advisory Council with the preparation of an Annual Budget for their activity. Exhibit E is a suggested format for an Annual Budget.

2. Advisory Councils will elect a Treasurer and a Financial Secretary who will perform the duties outlined below.

Treasurer:

- a. Receive cash, which is checks and currency, from any source, but primarily from Advisory Council and Team fund raising events and activities.
- b. Deposit cash in the Advisory Council bank account using two-part deposit slips.

- c. Provide a copy of the deposit slip and deposit receipt from the bank to the Advisory Council Financial Secretary.
- d. Maintain a supply of deposit slips and rubber endorsement stamps for the Advisory Council bank account. Provide for secure, locked storage of same.
- e. Provide a supply of deposit slips and an endorsement stamp to the team or fund raising event person designated as Counter 2. before the first team meeting or the start of the fund raising event. Obtain custody of any excess deposit slips and the endorsement stamp from Counter 2 within one week after the completion of the weekend or the fund raising event.
- f. Provide a supply of deposit slips and an endorsement stamp to the person designated as Counter 2 for the Advisory Council PO Box.
- g. When a Post Office Box or other mailing address is maintained by the Advisory Council, appoint two persons to retrieve the mail and count any cash received. The Advisory Council Treasurer may be one of the appointees. If the donations received by mail are, on average, less than six per month, the Treasurer or the person designated as Counter 1 may perform both Counter 1 and Counter 2 functions.
 - 1. Designate one person as Counter 1 who will retrieve the mail at regular intervals commensurate with the volume of mail.
 - 2. Designate a second person as Counter 2 who will help count and document any cash received.
 - 3. Counter 1 and Counter 2 open the mail and count the cash together.
 - 4. Counter 1 prepares a list, using the Receipt Log attached as Exhibit D or its equivalent, showing name, address, check number, amount, & date.
 - 5. Counter 2 verifies the cash count, stamps checks with endorsement, prepares the deposit slip and compares the total to the Receipt Log prepared by Counter 1. If the two totals are not in agreement, reconcile the difference until they are in agreement. When the two totals are in agreement, Counter 1 and Counter 2 sign the Receipt Log. Counter 1 sends the original of the Receipt Log to the Advisory Council Financial Secretary within 5 days. Counter 2 deposits the funds in the Advisory Council bank account and sends a copy of the deposit slip and the deposit receipt from the bank to the Advisory Council Financial Secretary within 5 days, and sends a copy of the deposit slip to the Advisory Council Treasurer within 5 days. When making the deposit directly is not feasible, Counter 2 sends the cash collected to the Advisory Council Treasurer for deposit. Counter 2 provides for secure, locked storage of unused deposit slips and endorsement stamp.
- h. Upon receipt of disbursement authorization from the Advisory Council Financial Secretary, make payment as soon as possible after receipt. When payment has been made, return a copy of the check and the supporting documentation to the Advisory Council Financial Secretary noting on the documentation when the check was mailed.
- i. Together with the Advisory Council Financial Secretary, oversee and provide advice to ensure that the collection of all monies by the Advisory Council at team meetings, fund raising events, from a PO Box or by any other means is in accordance with These Policies and Practices.

Financial Secretary:

- a. Receive all invoices and requests for reimbursement and advances from Advisory Council members and Core Team members.
- b. Verify the expenditure is in accordance with these Financial Policies and Practices. If not, contact the Advisory Council Chair for disposition of the charge or request.
- c. Enter data from item a. into QuickBooks or KairosDonor, create the disbursement authorization and send the information to the Advisory Council Treasurer. The disbursement authorization will include at a minimum a voucher authorizing the payment, using the Cash Disbursement Voucher form attached or its equivalent, or a check prepared for the payment. Either option will be accompanied with supporting documentation such as an invoice or a request for reimbursement.
- d. Reconcile Receipt Logs and deposits.
- e. Use the KairosDonor software to record and maintain a data base of donors and to issue feedback and acknowledgement letters.
- f. Send an IRS acceptable acknowledgement letter to all donors. This letter must contain the phrase, "We acknowledge that no goods or services were rendered in exchange for this donation." (Note: Another person could perform this activity at the direction of the Advisory Council Financial Secretary.)
- g. Maintain all records, including documentation of receipts, deposits, disbursements and payments for five years.
- h. Reconcile the monthly bank statement with the check register and the General Ledger each month. Submit the reconciliation to the Treasurer for concurrence and then to the Advisory Council Chairperson for review.
- i. Submit all required reports to the State Financial Secretary in the format prescribed by the State Financial Secretary.
- j. Provide financial reports at the Advisory Council meetings and whenever requested by the Advisory Council Chairperson.
- k. Prepare an Annual Budget, using Exhibit E or its equivalent, for submission to the Advisory Council for approval at its first meeting of the year.
- l. Together with the Advisory Council Treasurer, oversee and provide advice to ensure that the collection of all monies by the Advisory Council at team meetings, fund raising events, from a PO Box or by any other means is in accordance with these Financial Policies and Practices.

3. The Advisory Council Treasurer, working with the Team Leader, will appoint two persons and alternates to collect money at the team meetings. These persons should be members of the Core Team such as the Advising Leader, Agape Coordinator or Support team Coordinator. The primary appointees will ensure that they or their alternates are at every team meeting. The Advisory Council Treasurer may be one of the appointees if a member of the team.

- a. The two appointed persons, designated as Counter 1 and Counter 2, will count the money together.
- b. Counter 1 prepares a list, using the Receipt Log attached as Exhibit D or its equivalent, showing name, address, check number, amount, & date.

- c. Counter 2 verifies the cash count, stamps checks with endorsement, prepares the deposit slip and compares the total to the Receipt Log prepared by Counter 1. If the two totals are not in agreement, reconcile the difference until they are in agreement. When the two totals are in agreement, Counter 1 and Counter 2 sign the Receipt Log. Counter 1 sends the original of the Receipt Log to the Advisory Council Financial Secretary within 5 days after the team meeting. Counter 2 deposits the funds in the Advisory Council bank account and sends a copy of the deposit slip and the deposit receipt from the bank to the Advisory Council Financial Secretary within 5 days after the team meeting, and, sends a copy of the deposit slip to the Advisory Council Treasurer within 5 days after the team meeting. When making the deposit directly is not feasible, Counter 2 sends the cash collected to the Advisory Council Treasurer. Counter 2 provides for secure, locked storage of unused deposit slips and endorsement stamp.
- 4. The Advisory Council Treasurer, working with the fund raising event coordinator, will appoint two persons to collect monies at the event the same as it is collected at a team meeting.**
- 5. When a donation is given to a member of the Kairos community outside of a team meeting or fund raising event, the recipient will bring the donation to the next team meeting or, if no team meeting is scheduled for the next thirty days, send it to the Advisory Council Treasurer. The Advisory Council Treasurer will deposit the funds in the Advisory Council bank account and send a copy of the deposit slip and deposit receipt from the bank to the Advisory Council Financial Secretary with an explanation as to where it came from. The explanation may be a Receipt Log or a letter which includes the name and address of the donor and the check number, amount and date. The Advisory Council Financial Secretary will make an entry in KairosDonor and send an appropriate acknowledgement letter to the donor.**

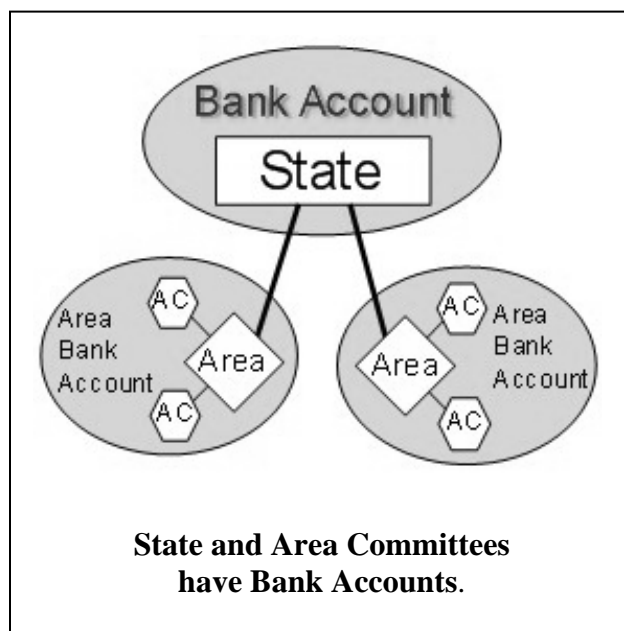
Model 3

The State Chapter Committee has a bank account, the Area Committees have bank accounts, the Advisory Councils do not have bank accounts.

1. The State Chapter Committee will elect a Treasurer and a Financial Secretary per the procedures outlined in the State Chapter Committee Operating Procedures who will perform the duties listed below.

Treasurer:

- a. Receive cash, which is checks and currency, from any source, but primarily from the Area Committees.
- b. Deposit cash in the bank using two-part deposit slips.
- c. Provide a copy of the deposit slip and deposit receipt from the bank to the State Financial Secretary.
- d. Maintain a supply of deposit slips and rubber endorsement stamps for the State bank account. Provide for secure, locked storage of same.
- e. Provide a supply of deposit slips and an endorsement stamp to the person designated as Counter 2 for the State Chapter Committee PO Box.
- f. When a Post Office Box or other mailing address is maintained by the State Chapter Committee, appoint two persons to retrieve the mail and count any cash received. The State Treasurer may be one of the appointees. If the donations received by mail are, on average, less than six per month, the Treasurer or the person designated as Counter 1 may perform both Counter 1 and Counter 2 functions.
 1. Designate one person as Counter 1 who will retrieve the mail at regular intervals commensurate with the volume of mail.
 2. Designate a second person as Counter 2 who will help count and document any cash received.
 3. Counter 1 and Counter 2 open the mail and count the cash together.
 4. Counter 1 prepares a list, using the Receipt Log attached as Exhibit D or its equivalent, showing name, address, check number, amount, & date.
 5. Counter 2 verifies the cash count, stamps checks with endorsement, prepares the deposit slip and compares the total to the Receipt Log prepared by Counter 1. If the two totals are not in agreement, reconcile the difference until they are in agreement. When the two totals are in agreement, Counter 1 and Counter 2 sign the Receipt Log. Counter 1 sends the original of the Receipt Log to the State Financial Secretary within 5 days. Counter 2 deposits the funds in the State bank account and sends a copy of the deposit slip and the deposit receipt from the bank to the State Financial Secretary within 5 days, and sends a copy of the deposit slip to the State Treasurer within 5 days. When making the deposit directly is not feasible, Counter 2 sends the cash collected to the State Treasurer. Counter 2 provides for secure, locked storage of unused deposit slips and endorsement stamp.



- g Upon receipt of disbursement authorization from the State Financial Secretary, make payment as soon as possible after receipt. When payment has been made, return a copy of the check and the supporting documentation to the State Financial Secretary noting on the documentation when the check was mailed.
- h Oversee and provide training advice to the Area Committee Treasurers.

Financial Secretary:

- a. Receive all invoices and requests for reimbursement and advances from State Chapter Committee members.
- b. Verify the expenditure is in accordance with these Financial Policies and Practices. If not, contact the State Committee Chair for disposition of the charge or request.
- c. Enter data from item a. into QuickBooks, create the disbursement authorization and send the information to the State Treasurer. The disbursement authorization will include at a minimum a voucher authorizing the payment, using the Cash Disbursement Voucher form attached as Exhibit C or its equivalent, or a check prepared for the payment. Either option will be accompanied with supporting documentation, such as an invoice or a request for reimbursement.
- d. Reconcile Receipt Logs and deposits.
- e. Send an IRS acceptable acknowledgement letter for all donations received through the State Chapter Post Office Box. This letter must contain the phrase, "We acknowledge that no goods or services were rendered in exchange for this donation." (Note: Another person could perform this activity at the direction of the State Financial Secretary.)
- f. Maintain all records, including documentation of receipts, deposits, disbursements and payments for five years.
- g. Reconcile the monthly bank statement with the check register and the General Ledger each month. Submit the reconciliation to the Treasurer for concurrence and then to the State Chapter Committee Chairperson for review.
- h. Submit all required consolidated State reports to the International Office in QuickBooks format. .
- i. Provide financial reports at the State Chapter Committee meetings, and whenever requested by the State Executive Committee.
- j. Prepare an Annual Budget for submission to the State Chapter Committee for approval at its first meeting of the year.
- k. Oversee and provide training advice to the Area Committee Financial Secretaries. Assist each Area Committee Financial Secretary with the preparation of an Annual Budget for their activity. Exhibit E is a suggested format for an Annual Budget.

2. Area Committees will elect a Treasurer and a Financial Secretary who will perform the duties outlined below.

Treasurer:

- a. Receive cash, which is checks and currency, from any source, but primarily from Advisory Council and Team fund raising events and activities.

- b. Deposit cash in the Area Committee bank account using two-part deposit slips.
- c. Provide a copy of the deposit slip and deposit receipt from the bank to the Area Committee Financial Secretary.
- d. Maintain a supply of deposit slips and rubber endorsement stamps for the Area Committee bank account. Provide for secure, locked storage of same.
- e. Provide a supply of deposit slips and an endorsement stamp to each Advisory Council Treasurer and to the person designated as Counter 2 for the Area Committee PO Box.
- f. When a Post Office Box or other mailing address is maintained by the Area Committee, appoint two persons to retrieve the mail and count any cash received. The Area Committee Treasurer may be one of the appointees. If the donations received by mail are, on average, less than six per month, the Treasurer or the person designated as Counter 1 may perform both Counter 1 and Counter 2 functions.
 - 1. Designate one person as Counter 1 who will retrieve the mail at regular intervals commensurate with the volume of mail.
 - 2. Designate a second person as Counter 2 who will help count and document any cash received.
 - 3. Counter 1 and Counter 2 open the mail and count the cash together.
 - 4. Counter 1 prepares a list, using the Receipt Log attached as Exhibit D or its equivalent, showing name, address, check number, amount, & date.
 - 5. Counter 2 verifies the cash count, stamps checks with endorsement, prepares the deposit slip and compares the total to the Receipt Log prepared by Counter 1. If the two totals are not in agreement, reconcile the difference until they are in agreement. When the two totals are in agreement, Counter 1 and Counter 2 sign the Receipt Log. Counter 1 sends the original of the Receipt Log to the Area Committee Financial Secretary within 5 days. Counter 2 deposits the funds in the Area Committee bank account and sends a copy of the deposit slip and the deposit receipt from the bank to the Area Committee Financial Secretary within 5 days, and sends a copy of the deposit slip to the Area Committee Treasurer within 5 days. When making the deposit directly is not feasible, Counter 2 sends the cash collected to the Area Committee Treasurer. Counter 2 provides for secure, locked storage of unused deposit slips and endorsement stamp.
- g. Upon receipt of disbursement authorization from the Area Committee Financial Secretary, make payment as soon as possible after receipt. When payment has been made, return a copy of the check and the supporting documentation to the Area Committee Financial Secretary.
- h. Oversee and provide training advice to the Advisory Council Treasurers.

Financial Secretary:

- a. Receive all invoices and requests for reimbursement and advances from Area Committee members, Advisory Council members and Core Team members.
- b. Verify the expenditure is in accordance with these Financial Policies and Practices. If not, contact the Area Committee Chair for disposition of the charge or request.
- c. Enter data from item a. into QuickBooks , create the disbursement authorization and send the information to the Area Committee Treasurer. The disbursement authorization will include at a minimum a voucher, in the format of the attached or its equivalent, authorizing the payment or a check prepared for the payment. Either option will be accompanied with supporting documentation.

- d. Reconcile Receipt Logs and deposits. Notify the Area Committee Treasurer and the Advisory Council Treasurer when deposits are made from an Advisory Council team meeting or from Advisory Council Post Office Box receipts.
- e. Send an IRS acceptable acknowledgement letter for all donations, other than Advisory Council and team donations, received through the Area Committee Post Office Box. This letter must contain the phrase, "We acknowledge that no goods or services were rendered in exchange for this donation." (Note: Another person could perform this activity at the direction of the Area Committee Financial Secretary.)
- f. Maintain all records, including documentation of receipts, deposits, disbursements and payments for five years.
- g. Reconcile the monthly bank statement with the check register and the General Ledger each month. Submit the reconciliation to the Treasurer for concurrence and then to the Area Committee Chairperson for review.
- h. Submit all required reports to the State Financial Secretary in the format prescribed by the State Financial Secretary.
- i. Provide financial reports at the Area Committee meetings, and whenever requested by the Area Executive Committee.
- j. Prepare an Annual Budget for submission to the Area Committee for approval at its first meeting of the year.
- k. Oversee and provide training advice to the Advisory Council Financial Secretaries. Assist each Advisory Council with the preparation of an Annual Budget for their activity. Exhibit E is a suggested format for an Annual Budget.

3. Advisory Councils will elect a Treasurer and a Financial Secretary who will perform the following functions.

Treasurer

- a. Together with the Advisory Council Financial Secretary, oversee and provide advice to ensure that the collection of all monies by the Advisory Council at team meetings, fund raising events, from a PO Box or by any other means is in accordance with These Policies and Practices.
- b. Maintain a supply of deposit slips and rubber endorsement stamps for the Area Committee bank account. Provide for secure, locked storage of same.
- c. Provide a supply of deposit slips and an endorsement stamp to the team or fund raising event person designated as Counter 2 before the first team meeting or the start of the fund raising event. Obtain custody of any excess deposit slips and the endorsement stamp from the counter within one week after the completion of the weekend or the fund raising event.
- d. Provide a supply of deposit slips and an endorsement stamp to the person designated as Counter 2 for the Advisory Council PO Box.
- e. When direct deposit to the Area Committee bank account is not feasible for the team Counter 2, the fund raising event Counter 2 or the PO Box Counter 2, receive cash and make deposit to the Area Committee bank account. Send deposit slip and deposit receipt to the Area Committee Financial Secretary.
- f. When a Post Office Box or other mailing address is maintained by the Advisory Council, appoint two persons to retrieve the mail and count any cash received. The Advisory Council Treasurer may be one of the appointees. If the donations received

by mail are, on average, less than six per month, the Treasurer or the person designated as Counter 1 may perform both Counter 1 and Counter 2 functions.

1. Designate one person as Counter 1 who will retrieve the mail at regular intervals commensurate with the volume of mail.
2. Designate a second person as Counter 2 who will help count and document any cash received.
3. Counter 1 and Counter 2 open the mail and count the cash together.
4. Counter 1 prepares a list, using the Receipt Log attached as Exhibit D or its equivalent, showing name, address, check number, amount, & date.
5. Counter 2 verifies the cash count, stamps checks with endorsement, prepares the deposit slip and compares the total to the Receipt Log prepared by Counter 1. If the two totals are not in agreement, reconcile the difference until they are in agreement. When the two totals are in agreement, Counter 1 and Counter 2 sign the Receipt Log. Counter 1 sends the original of the Receipt Log to the Area Committee Financial Secretary within 5 days; and, sends a copy to the Advisory Council Financial Secretary for entry into KairosDonor within 5 days. Counter 2 deposits the funds in the Area Committee bank account and sends a copy of the deposit slip and the deposit receipt from the bank to the Area Committee Financial Secretary within 5 days, and, sends a copy of the deposit slip to the Advisory Council Financial Secretary within 5 days. The Area Committee Financial Secretary notifies the Area Committee Treasurer and the Advisory Council Treasurer that the deposit has been made. When making the deposit directly is not feasible, Counter 2 sends the cash collected to the Advisory Council Treasurer for deposit. Counter 2 provides for secure, locked storage of unused deposit slips and endorsement stamp.

Financial Secretary

- a. Together with the Advisory Council Treasurer, oversee and provide advice to ensure that the collection of all monies by the Advisory Council at team meetings, fund raising events, from a PO Box or by any other means is in accordance with these Financial Policies and Practices.
- b. Use the KairosDonor software to record and maintain a data base of donors and to issue feedback and acknowledgement letters.
- c. Send an IRS acceptable acknowledgement letter to all donors. This letter must contain the phrase, "We acknowledge that no goods or services were rendered in exchange for this donation." (Note: Another person could perform this activity at the direction of the Advisory Council Financial Secretary.)
- d. Prepare an Annual Budget, using Exhibit E or its equivalent, for submission to the Advisory Council for approval at its first meeting of the year.

4. The Advisory Council Treasurer, working with the Team Leader, will appoint two persons and alternates to collect money at the team meetings. These persons should be members of the Core Team such as the Advising Leader, Agape Coordinator or Support team Coordinator. The primary appointees will ensure that they or their alternates are at every team meeting. The Advisory Council Treasurer may be one of the appointees if a member of the team.

- a. The two appointed persons, designated as Counter 1 and Counter 2, will count the money together.
- b. Counter 1 prepares a list, using the Receipt Log attached as Exhibit C or its

equivalent, showing name, address, check number, amount, & date.

- c. Counter 2 verifies the cash count, stamps checks with endorsement, prepares the deposit slip and compares the total to the Receipt Log prepared by Counter 1. If the two totals are not in agreement, reconcile the difference until they are in agreement. When the two totals are in agreement, Counter 1 and Counter 2 sign the Receipt Log. Counter 1 sends the original of the Receipt Log to the Area Committee Financial Secretary within 5 days after the team meeting; and, sends a copy to the Advisory Council Financial Secretary for entry into KairosDonor within 5 days after the team meeting. Counter 2 deposits the funds in the Area Committee bank account and sends a copy of the deposit slip and the deposit receipt from the bank to the Area Committee Financial Secretary within 5 days after the team meeting, and, sends a copy of the deposit slip to the Advisory Council Financial Secretary within 5 days after the team meeting. The Area Committee Financial Secretary notifies the Area Committee Treasurer and the Advisory Council Treasurer that the deposit has been made.. When making the deposit directly is not feasible, Counter 2 sends the cash collected to the Advisory Council Treasurer. Counter 2 provides for secure, locked storage of unused deposit slips and endorsement stamp.

5. The Advisory Council Treasurer, working with the fund raising event coordinator, will appoint two persons to collect monies at the event the same as it is collected at a team meeting.

6. When a donation is given to a member of the Kairos community outside of a team meeting or fund raising event, the recipient will bring the donation to the next team meeting or, if no team meeting is scheduled for the next thirty days, send it to the Advisory Council Treasurer. The Advisory Council Treasurer will deposit the donation into the Area Committee bank account and send a copy of the deposit slip and deposit receipt from the bank to the Area Committee Financial Secretary with an explanation as to where it came from. The explanation may be a Receipt Log or a letter which includes the name and address of the donor and the check number, amount and date. The Advisory Council Treasurer will send a copy of the explanation to the Advisory Council Financial Secretary, who will make an entry in KairosDonor and send an appropriate acknowledgement letter to the donor.

Exhibits

- A. Standard Chart of Accounts
- B. Expense Reimbursement Form
- C. Cash Disbursement Voucher
- D. Receipt Log
- E. Annual Budget Form
- F. Job Descriptions
- G. Implementation Checklist