

# Synod Treasury Guidelines to Delegates and Deputies

as presented to Synod Legana 2009 (Appendix 3e, page 167-173 in Acts of Synod Legana)

## Status: guidelines only

(These were never formally adopted. Many of these rules later find themselves into the official Synod Rules – as published elsewhere on the FRCA website. Yet it is an important document that serves as the framework that shaped the changed synod rules. It also gives a lot of practical advice and guidance to the convening church, delegates, and more.)

### 1. Responsibilities of the Convening Church

To ensure the Treasure Report and Audit reports are included in the Deputies Reports, the convening Church shall advise the Treasurer and the Auditing Church at least three months before the report is due. If the Treasurer's report is to be included in with the other Deputies reports to Synod, the Synod Treasurer is to be advised accordingly.<sup>i</sup>

The convening Church shall appoint an organizing committee who will be responsible for all Synod expenditure.

#### The Organizing Committee

- The Committee shall make itself aware of what equipment is available from the Synod Sound and Technical Committee to ensure there is no duplication. When Synods are held outside the Perth Metropolitan area, the Committee shall check whether it is more efficient to hire local equipment and expertise. The Sound and Technical Committee with their experience can provide advice on typical requirements.<sup>ii</sup>
- The Committee shall ensure that all the Churches and Delegates are provided with a copy of these Rules and Guidelines whilst co-ordinating the Synod to remind them of their obligations and to avoid confusion.<sup>iii</sup>
- The Committee shall request the Churches to advise the Committee the number of copies of Deputies Reports they require and to advise the Synod of the number of copies of Acts of Synod they require.<sup>iv</sup>
- When preparing an estimate of Synod expenditure for the Treasurer, the Committee shall be cognizant of the fact that they are stewards of Synod funds, (and therefore of the Churches and their members), and all expenditure is to be wisely considered.<sup>v</sup>
- The Committee shall arrange to have all costs it incurs to be checked and authorized by at least two persons in the Committee (or the convening Church) and forwarded to the Synod Treasurer for payment direct to the payee. The Committee is requested to provide bank account details to allow the Treasurer to make these payments by Internet direct deposit.<sup>vi</sup>

### 2. Responsibility of the Synod

Every Synod shall:

1. Appoint (at least) 2 delegates to form the Synod Financial Advisory Committee. At least one of these members shall be proficient in Microsoft Excel so that as Synod proceeds the Advisory Committee can continually adjust the draft budget as each decision that affects the budget is made. In that way the Advisory Committee can advise Synod, at the time the decisions are being made, what impact the decision has on the overall budget and the financial demands on the Churches. No financial decision should be made by Synod in isolation from the overall budget.<sup>vii</sup>

2. Ensure that the Finance Advisory Committee monitors the draft budget as the Synod proceeds and the Synod itself shall finalize and approve the final budget making the due allowance for expenditure expected to be incurred by the Delegates to the Synod, Deputies and Synod itself.
3. Appoint Deputies for Synod Treasury to handle all financial matters relating to the operation of the Synod and its deputies. One of the Deputies shall be appointed as Treasurer.
4. Appoint a church to audit the books of the Treasury. The auditor's written report shall be submitted to the convening church prior to the Synod in accordance with Synod rules.
5. Approve the percentage of funds to be contributed by each Church as determined by the Treasurer in the draft budget.
6. Ensure that the Deputy for printing Deputy Reports to Synod and the clerk responsible for printing the Acts of Synod arrange that the cost of reports and Acts attributable to the Churches is invoiced directly to the Churches. Costs of Deputy Reports and Acts of Synod attributable to Synod shall be authorised by the relevant Deputy or clerk and forwarded to the Treasurer for payment. See also Section 5 and footnote xii.
7. Where practicable the Synod shall invite the Treasurer to be present to be able to answer any questions relating to the Statement of Income and Expenditure and to provide assistance in finalizing the final budget.
8. Ensure that Synod treasury reports are properly included in the Acts of Synod so people who want to refer to the documents have accurate information to go on.<sup>viii</sup>
9. Ensure all Synod delegates are involved in the adoption of the final budget.<sup>ix</sup>
10. Ensure all Deputies are advised of any changes made to Rules and Guidelines.

### **3. Responsibility of the Treasurer**

The Treasurer shall be responsible for the Synod finances as approved by the Synod.

The Treasurer shall:

1. Send accounts to the churches for their contribution to Treasury funds in accordance with the cost sharing arrangement approved by Synod. Churches shall be invoiced once per year during the period between Synods.
2. Collect and bank the monies received from the churches.
3. Pay all accounts that have been properly documented and authorized by the Churches and Deputies including:
  - a) reimbursement of loss of income claimed by Deputies or Delegates at the rate approved by Synod; and
  - b) reimbursement of vehicle travel costs based on 50% of the rate published by the RAC WA for a large vehicle.<sup>x</sup> (See: <http://rac.com.au/motoring/motoring-advice/buying-a-car/running-costs.aspx>)

Expenditure shall only be paid against budgeted items and which have been confirmed and authorized by at least two Deputies or Delegates.
4. Keep account records, setting out accurately all disbursements and receipts and balances of funds held.
5. Submit records of account to the Synod Treasury Auditors.
6. When requested by Deputies, provide Deputies with a statement showing progressive expenditure against their budget allocation.
7. Keep Synod funds in interest bearing saving account(s) and/or cheque accounts and invest any temporary surplus funds in a registered banking institution.
8. Draw up a draft budget of estimated expenditure for the next Synod by:

- a) Requesting that the churches provide an estimate of expenditure for Synod Delegates to travel to Synod, any loss of income and any likely incidentals expenditure at least 2 months before Synod;
  - b) Requesting the Deputies to provide an estimate of expenditure for the next Synod period at least 2 months before Synod;
  - c) Requesting the convening church to provide an estimate of the cost to host the Synod at least 2 months before Synod. The Treasurer can provide assistance in determining estimates based on previous Synods;
  - d) Using previous expenditure details to estimate future expenditure;
  - e) Recommending a rate of reimbursement for claims for loss of income by Deputies and Delegates, based on the rate adopted by previous Synods and adjusted by the Australian Bureau of Statistics Consumer Price Index for All Groups for the previous Synod period.; and
  - f) Including an allowance in the budget to cover the cost of the next Synod in order to have funds available to pay for the next Synod.
9. Draw up a draft cost sharing arrangement. Cost sharing shall be based on a total annual contribution by all the Churches which is equal to the total budget divided by the number of years between Synods. Each Church will be invoiced a percentage of the annual contribution based on the number of confessing members in that Church as recorded in the Church Yearbook(s) for that year. When a new Church is instituted part of the way through a year, costs shall be proportioned pro rata between the new Church and the 'mother' Church. The draft budget shall be submitted to the convening Church 1 month before Synod starts.

#### **4. Responsibility of the Synod Delegates and Deputies**

##### **Synod Delegates**

The Synod Delegates shall keep accurate records, including invoices and receipts (where possible), of any expenditure incurred in attending Synod, including airfares and other travel disbursements, accommodation host gifts, loss of income and any incidental costs and submit properly itemized and documented accounts, duly confirmed by their consistory, to the Treasurer for reimbursement. Delegates shall travel economy class and take maximum advantage of airline promotional fares by booking early. Delegates can arrange their own air tickets and pay by credit card and then seek reimbursement from the treasurer or contact the Treasurer to pay the booking agent direct, providing this can be done on line. Consideration should be given to seeking group travel discounts when Synods are held in Tasmania and as there will be a considerable number of people travelling. Delegates are requested to provide bank account details to allow the Treasurer to make these payments by Internet direct deposit.

##### **Deputies**

Prior to Synod, Deputies will be requested to provide the Treasurer with an estimate of expenditure for the following Synod period to allow the Treasurer to prepare a draft budget for Synod. When preparing an estimate of expenditure, Deputies shall be cognizant of the fact that they are stewards of Synod funds, (and therefore of the Churches and their members), and all expenditure is to be wisely considered.

Travel and loss of income are the main expenditure incurred by Deputies, so Deputies need to consider whether the travel being proposed is really necessary and cost effective, whether it can be combined with other travel, whether it is necessary to attend every Synod of other Churches or

College meeting and whether the aim of the proposed travel can be achieved by other means, for example, by correspondence or teleconference.<sup>xi</sup> A good test to apply is, “If I was paying the bill, would I go, or would I use other means?” Deputies shall:

1. Check the availability of funds with the Treasurer prior to incurring major expenditure.
2. Only incur expenses which are included in the Budget allocated by Synod. Where Deputies feel they need to incur expenditure that they have not previously identified, and that has not been included in the budget, they will have to finance it from their own resources and seek the next Synod to approve the item in the next budget for reimbursement at that time.
3. Keep accurate records, including invoices and receipts (where possible), of any expenditure incurred whilst carrying out their role, such as airfares and other travel disbursements, accommodation, loss of income any incidental costs. They shall submit properly itemized and documented accounts, duly confirmed by a fellow Deputy, to the Treasurer for reimbursement. Deputies are requested to provide bank account details to allow the Treasurer to make these payments by internet direct deposit.

### **Proposal**

The Deputies Contact other Churches be tasked to investigate the possibility of setting up a video conferencing facility in the Perth metropolitan area in conjunction with other Churches. This investigation could involve the school boards and Classis North and South as any system adopted could be used on a shared basis.

## **5. Responsibility of the Churches.**

Before Synod, the Churches shall advise the Deputy responsible for the printing of Deputy reports, the number of copies of reports they require for their consistory and membership. The Churches shall also advise the Synod how many copies of the Acts of Synod they require for their consistory and church members. The cost of Deputies Reports and Acts of Synod required by the Churches shall be borne by the Churches.<sup>xii</sup>

The Churches shall:

1. when requested by the Synod Treasurer, provide estimates of travel, loss of income and incidental costs for any Synod Delegates from their Church;
2. ensure delegates are fully aware of the Synod Treasury Rules and Guidelines to Delegates and Deputies;
3. authorize all payment for travel and any other expenditure by any Delegates to Synod from their Church;<sup>xiii</sup>
4. only authorize for payment expenditure that has been properly itemized and documented and appears on the approved budget; and
5. ensure that requests for payment of annual contributions are processed promptly and paying all account within 30 days of receipt.

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<sup>i</sup> For the last two Synods, Synod Treasurers have not been sent letters to remind them of when reports were due.

<sup>ii</sup> The Synod Sound and Technical Committee resides in the Perth Metropolitan area. When Synods are held in Tasmania or Launceston, it may be more economical to hire local expertise. However, the brothers concerned

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are very experiences in what Synods have required in the past and should be consulted during the planning of Synod phase to make use of this experience and to determine the most cost-effective way of addressing sounds and technical issues at the Synod. It may be more economical for them to send over all or part of the equipment they have (belonging to Synod) and have a local expert set it all up.

<sup>iii</sup> Delegates are often ignorant of what is required of them, so it is imperative to send a copy of these rules and Guidelines to all Churches to forward to their appointed delegates.

<sup>iv</sup> Maybe this should be inserted in the convening Church of Synod "to do" list.

<sup>v</sup> Equipment should only be hired if absolutely necessary.

<sup>vi</sup> Where this is not practicable to forward account to the Treasurer, the convening Church shall pay these costs and seek reimbursement from the Treasurer. This should only happen as the exception, rather than the norm because it usurps the role of Synod Treasurer. All such costs incurred shall also be properly itemized, checked and authorized by at least two persons in the organizing committee. The Treasurer has in the past only advanced funds for Synod catering purposes because past experience has shown that sisters who manage the catering need cash to be able to go and buy groceries etc. Again, they should keep an accurate record of all expenditure, including shop receipts as evidence of expenditure and forward this back to the Treasurer with any surplus cash, via the organizing committee.

<sup>vii</sup> One of the first things a Synod shall do is appoint a Finance Advisory Committee whose task it is to become familiar with the draft budget submitted by the Treasurer. The Advisory Committee should consist of 3 to 5 members as defined in Appendix 12. Rules of Synod Acts 1998, Item 4. However, the above mandate suggests only 2 members, which is considered appropriate for the required task providing they can give the task adequate attention and are not detracted by too many other responsibilities.

<sup>viii</sup> Synod Treasurer submits a Treasurer's Report which includes a Statement of Income and Expenditure with explanatory notes. That is a record of what happened with the finances in the years since the previous Synod. Closer to Synod, after receiving estimates of costs from the various Deputies and Churches, a Draft Budget with accompanying explanatory notes is forwarded to Synod to provide a basis of developing a final budget. This cannot be submitted earlier, because delegates to Synod are still being determined at the time the Treasurer's report is submitted. In the past, Synod Treasury information has often been left out of the Acts or was incurrent. For example: Acts 1992 published the incorrect copy of the budget and a revised copy had to be issued. Acts Synod 1998 and 2000 do not even contain a copy of the Treasurer's Report. Acts 2006 do not contain the Statement of Income and Expenditure (2003-2006) in Appendix 19 but includes the page on Cost Sharing (2006-2008) which really belongs in Appendix 21 as part of the Budget document. Often the report attached to the draft budget is left out of the appendices altogether and only the final adopted budget is included. This is probably okay if the Acts record all the decisions properly.

<sup>ix</sup> For obvious reasons Synod budgets are usually one of the last items on the agenda and this is at a time when delegates are tired and are wrapping up. However, delegates should be encouraged to take the approval of the Synod budget seriously as they are stewards of the Church member's finances.

<sup>x</sup> Reimbursements stands at 35c per kilometre as of last Synod. If this is indexed to 2009 it comes to about 50% of the RAC rate recommended. Adopting this rate as an ongoing rate allows the reimbursement rate to be current at all times.

<sup>xi</sup> There are protocols available on the Internet that allow free video conferencing for a very small investment in equipment. For example, a simple and basic system in Skype, using a video camera, microphone and speakers. More sophisticated protocols will require more investigation but would be considerably less costly than paying for airfares and loss of income costs. Attention is also drawn to the fact that Synod 2006 made a decision (article 17 111 3) to combine Canadian Synod and Theological College travel to reduce the financial burden on the Churches. However, logistics has proved this to be impractical, and a combined visit was not made. Alternative ways of reducing expenditure therefore need to be implemented.

<sup>xii</sup> Synod 2006 Art 105 Adopted recommendation 11 "To re-affirm the practice that the Churches are to order and pay for the Synod Acts for themselves." It is proposed that we now extend that to the Reports to Synod as well. Further, the proposed wording above includes copies for consistories. In the past these were provided as part of Synod costs borne by all the Churches. In order simplify the process, it is proposed all costs associated with a Church's requirement be borne by that Church. Synod budget will only reflect the cost of printing Deputies Reports and Acts of Synod that Synod sends to people outside the bond of Churches.

<sup>xiii</sup> The travel to Synod needs to be arranged and paid for prior to Synod and will therefore be added to the budget later. The Church must still authorize the travel expenditure to be claimed from the Synod Treasurer. A Consistory may appoint a consistory member to be responsible to authorize Delegate expenditures.