



Treasurers Call Resources & FAQs  
**The Episcopal Diocese of Northern California**  
May 23, 2023

**Discussion Topics**

- TMR Do's & Don'ts
- Church Credit Card Usage
- Fund Accounting
- 2023 Congregational Audit Process

**Resources** (Click to open)

- [May 2023 Treasurer Call Slide Deck](#)
- [May 2023 Treasurers Call Recording](#)
- [Credit Card Usage Policy – Example \(PDF/Word\)](#)
- [Sample Chart of Accounts](#)
- [Congregation Financial Review Survey](#)
- [2023 Treasurers Monthly Report](#)
- [2023 Treasurers Call Schedule](#)
- [2023 Important Diocesan Dates & Events](#)
- [Church Accounting webpage](#)
- [Treasurers Resources on our website](#)

***Please note:** When visiting our website, you may need to clear your cache in order to view updated documents. To do so, click in the address bar, then press the F5 key on your keyboard.*

**TMR Do's & Don'ts**

**Q: What do I do if I've made an error in a previous month?**

**A:** NEVER edit prior months. Instead, notate it on the current month.

**Q: What can be deducted under Line M (*Capital Expenditures*)?**

**A:** If it's not budgeted, not reoccurring, or if the life expectancy is greater than one year (*i.e. purchasing ten copies of the Book of Common Prayer can be deducted under Line M*). Only expenses reported on the Statement of Activities can be deducted.

**Church Credit Card Usage**

**Q: What form of payment should discretionary funds be used with?**

**A:** Checks. Checks are trackable. In the instance the IRS decides to audit the rector, checks have the benefit of being able to provide a clear trail of the payment. If an entity does not accept a check, the church business credit card is an acceptable alternative form of payment to use. A check can then be written from the discretionary fund reimbursing the church for the

credit card charge. Cash withdrawals should never be made from the discretionary fund as there is no audit trail supporting what the cash is then used for.

**Q: Can a church use debit cards?**

**A:** No. It is NEVER advisable for a church to use debit cards. This includes discretionary accounts. Not only do debit cards not have fraud protection, but it also circumvents the internal controls requiring approval and multiple signatures for church expenditures.

**Q: Can the discretionary account be used for things that are not discretionary (i.e. office supplies for the church, or to pay the PG&E bill)?**

**A:** No, NEVER. This is not an appropriate use of discretionary funds.

**Q: Can churches use people's individual credit cards?**

**A:** Individuals can make purchases on their personal credit card and ask for reimbursement, but a church employee or rector shouldn't open a credit card specifically for church use and expect that card to be paid by church funds.

**Q: When printing a receipt from Amazon (for reimbursement), when should the receipt be printed?**

**A:** The receipt should not be printed until the item has shipped and/or is received. Often, the initial purchase may include a certain number of items, but an item ends up being shipped separately or delayed, and therefore the final receipt has a different amount than the initial receipt.

**Fund Accounting**

**Q: What is the difference between unrestricted and restricted funds?**

**A:** *Restricted* indicates the funds are donor restricted (i.e. *Mary gave \$1,000 to be used for the flower ministry*). *Unrestricted* indicated the funds are available for use. Under *Unrestricted*, there can be Vestry/Mission Committee designated funds. Vestry/Mission Committee designated fund(s) indicates the Vestry/Mission Committee has designated funds towards a certain mission or priority. It always means they can change their mind and designate the funds towards something else. (i.e. *the vestry votes they want a separate account for children's ministries and want to put \$5,000 in it. The Vestry/Mission Committee can redesignate the \$5,000 at any point and put it towards something else like painting the church*). The term that used to be used here was *Temporary Restricted*, however that term is no longer commonly used. It's important not to comingle designated funds and donor restricted funds as it could make the entire fund donor restricted. This means that a parish could end up with two similar funds, one of which is designated and one donor restricted.

**Q: What is the difference between a Bank/Investment Account and a Fund Account?**

**A:** Bank or Investment Account(s) simply report the total in a physical bank and are reported as an Asset. A Bank/Investment Account can have multiple Fund Accounts in it. Fund balances may be co-mingled within a single or multiple bank accounts and the balance of each fund is

reported in the Equity section of the Statement of Financial Position. For example, the flower fund could be in both the XYZ Bank-Checking account, and XYZ-Savings account.

**Q: How should someone name a Bank/Investment Account?**

**A:** Bank/Investment accounts should generally not be named for specific funds – Investment accounts are a vehicle for investing money, not tracking fund balances. Instead, Bank/Investment Accounts should be named according to the Bank and Account type: For example – “US Bank – EFNC Investment Fund” or “XYZ Bank – Checking”.

**Q: If I'm using funds from my building account to pay for a new roof, do I have to list it on the TMR?**

**A:** If you're using it from a Funds Account, no. However, if you want to list it on the TMR (under Deductions), you must also include in the transfer from a fund on your operating statement as income to offset the expense.

**2023 Congregational Audit Process:**

**Q: Will my church be audited?**

**A:** All churches are ~~were~~ asked to complete a [Congregation Financial Review Survey](#). The Audit Committee is reviewing the 2022 Year End financials you've provided and will follow up with approximately 20 churches for an in-person review. If you're one of those 20, you will be contacted by an auditor to schedule an audit for July or August. If you're concerned and would like a review, please reach out to Kati Braak ([kati@norcalepiscopal.org](mailto:kati@norcalepiscopal.org)). If you have not already done so, please submit the following Financial documents ASAP at [this link](#):

- December 2022 Statement of Financial Position (Balance Sheet)
- 2022 Year-end Fund Report (if separate from Statement of Financial Position)
- 2022 Full-Year Statement of Activities (Income/Operating Statement)
- 2022 Treasurers Monthly Report (full excel worksheet)
- 2023 Budget

**Treasurers Call Zoom Meeting Info:**

<https://us02web.zoom.us/j/86875353412?pwd=c3Zjd0FaZHMzMVVFISU40NGNKbER4UT09>

**Meeting ID: 868 7535 3412 Passcode: 95825**

One tap mobile +16699006833,,86875353412#,,,,,0#,,95825# US (San Jose)  
+12532158782,,86875353412#,,,,,0#,,95825# US (Tacoma)

Dial by your location +1 669 900 6833 US (San Jose) +1 253 215 8782 US (Tacoma) +1 346 248 7799 US (Houston) +1 646 558 8656 US (New York) +1 301 715 8592 US (Washington D.C) +1 312 626 6799 US (Chicago)

**Contacts:**

**Tamoya Bell**, Sr. Accountant  
[accountant@norcalepiscopal.org](mailto:accountant@norcalepiscopal.org)  
916-442-6918 ext. 229

**Kati Braak**, Director of Operations  
[kati@norcalepiscopal.org](mailto:kati@norcalepiscopal.org)  
916-442-6918 ext. 228

**John Nykamp**, Diocesan Treasurer  
[treasurer@norcalepiscopal.org](mailto:treasurer@norcalepiscopal.org)

**Peter Juvé**, Investment Fund Committee  
[peter@norcalepiscopal.org](mailto:peter@norcalepiscopal.org)

**Michelle Karimi**, Executive Staff Support  
[michelle@norcalepiscopal.org](mailto:michelle@norcalepiscopal.org)  
916-442-6918 ext. 215

**Sharon Morrison**, Chair  
Investment Fund Committee  
[sharon.morrison@trunorthwp.com](mailto:sharon.morrison@trunorthwp.com)  
916-599-6875

**The Rev. Julie Wakelee**, Canon to the  
Ordinary:  
[julie@norcalepiscopal.org](mailto:julie@norcalepiscopal.org)  
916-442-6918 ext. 214