

# Money & Mission

Volume V, Issue 3 - November 5, 2014



## Editorial

### **Ambassadors for the Army**

In his second letter to the church at Corinth, Paul exhorted the members to think of themselves as “ambassadors for Christ” (II Corinthians 5:20). In the next few weeks, a number of us will have the opportunity to be ambassadors for The Salvation Army. For many in the community, it will be their only contact with the Army’s representatives during the year.

I am referring, of course, to those who will be attending Christmas kettles in malls and other strategic locations across the country. There is a world of difference between the individual who smiles warmly at passersby, graciously thanks all who donate and radiates pride in her assignment, and the individual who projects an image of boredom and indifference.

The kettle donations support the Army's ministry to thousands for whom Christmas would otherwise be a bleak period. Let us take full advantage of this annual opportunity to be the Army's enthusiastic ambassadors to our communities.

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## Policy Perspective

### Christmas Kettles

The season for the Christmas Kettle campaign is almost upon us. The following guidelines will help us to safeguard kettle donations and keep our workers safe:

- Secure the kettle bubble to the stand in a way that no one could grab it and run.
- Lock the two halves of the bubble with a padlock; don't open until back on Army property, where the key should be kept.
- Never leave a kettle unattended; if scheduled to be there for a long time, arrange for an appropriate person to provide periodic relief.
- If a donor is unable to place money in the kettle, the kettle worker should do so immediately, in the presence of the donor.
- For safety reasons, ensure that kettles collection, transportation and drop is done by two individuals.
- Consider using an armoured car or security service for making large bank deposits.
- Ensure that opening and counting of kettle donations is done by two unrelated persons on Army property, for reasons of control and for protection of those involved; the totals should be recorded and signed by those involved in the counting.
- Keep all funds in a safe until they can be counted and deposited; deposits should be made on the next business day.
- Provide kettle workers with a contact number to call if difficulties are encountered while attending a kettle.

## Accounting & Financial Reporting Focus

### Update on Agresso

In the June 4, 2014 issue of *Money & Mission* the Finance department announced the movement of the Canada and Bermuda Territory to the new Agresso financial system, commencing in April 2015.

The implementation process is now well underway. An implementation team with members from the Finance department's management team and from IT is currently heavily involved in the training and building phase of the process. Testing is expected to begin in January

the training and testing phase of the process. Testing is expected to begin in January.

Ministry units performing their own accounting will continue to use Shelby until their accounting is transferred to the Finance department. We anticipate that all units will have their accounting transferred by mid-2016.

Key aspects of the new system are:

- A completely revised chart of accounts, with a common structure of accounts and departments across the Territory.
- The ability to report by both object (e.g., administration, fund-raising, charitable programming, etc.) and function (e.g., office supplies, salaries, etc.).
- Streamlined work flow approvals that are routed electronically.
- Improved reporting at the area and divisional levels in addition to the Territorial consolidated reporting.
- Full web access to personnel outside the Finance department.

We will shortly be releasing a Discussion Paper and Invitation to Comment on the proposed chart of accounts. Our goal is to ensure that the new chart of accounts will meet all legitimate reporting requirements.

We will also be developing a training program for Army personnel affected by the new system which we expect to deliver early in 2015.

We are very excited about the Agresso system. We expect it to give the territory information which will help us to make more timely and effective decisions.

### **Scheduling of Audits**

Please send a note to the consolidation group at [THQ\\_Consolidation@can.salvationarmy.org](mailto:THQ_Consolidation@can.salvationarmy.org) if there are any changes to your external audit or your unit requires a new external audit. Internal audits need to be requested through your DSBA, who will work with internal audit to determine the feasibility of your request. Remember that vacations must not be taken during the audit season, usually between late April and early June. This is to ensure that staff is available to answer audit questions. Ministry units will be notified of the exact audit dates when they become available.

## **Charity Corner**

### **Receipting and Safekeeping of Gift Cards**

These days, it is quite common for ministry units to receive donations in the form of gift cards or certificates, particularly around Christmas. However, when it comes to issuing a charitable receipt, donations of gift cards are not as straight-forward as cash donations.

According to Canada Revenue Agency, a charity may issue an official donation receipt for a gift card only in the following situations:

a) When the holder of a gift card that has been issued for consideration donates the gift card to a registered charity. For example, an individual purchases a \$50 gift card from Wal-Mart

and donates the card to a corps. In this situation, the corps may issue a \$50 donation receipt right away, even if it does not redeem the card until later;

b) When the issuer of a gift card donates it to a charity for **no** consideration, the registered charity can only issue an official receipt at the time the charity redeems the gift card and receives property. For example, on April 1, 2014, Wal-Mart donates five \$100 gift cards to a corps. On December 20, 2014, the corps purchases \$390 worth of supplies from Wal-Mart by redeeming four of the gift cards, leaving an unredeemed balance of \$110; which is later redeemed in full for more supplies on January 8, 2015. In this scenario, the corps may issue a donation receipt dated December 20, 2014 for \$390, and another receipt dated January 8, 2015 for \$110.

Please also remember that gift cards represent real cash value and involve the same risks as cash. Here are guidelines to follow if your ministry unit uses gift cards.

- Similar to petty cash, store gift cards in a secure location until distribution. Keep cards in a locked cash box that, in turn, *is stored in a safe*.
- Appoint a single staff member as custodian of the gift cards.
- At the date of acquisition, record the full value of the gift cards on your books as an asset, regardless of whether they were purchased or received as a donation.
- Maintain a detailed list of all gift cards (including serial number and dollar amount) and document their use.
- As they are used, transfer gift cards from the asset account to the appropriate expense account in your financial records.
- Ensure that recipients sign for gift cards as they are used. When this is not possible (e.g. when cards are distributed in a Christmas hamper), two independent representatives of The Salvation Army should sign for the card.

If you purchase food vouchers and pay for them in advance, they should be treated as gift cards. If the supplier invoices you for vouchers it has honoured, they do not need to be treated as gift cards but can be expensed as paid.

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**Giving Hope Today**

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## For more information...

Please click [here](#) for back issues of *Money & Mission* or to see our index by topic.

For more information about the Finance Department, please visit

<http://salvationist.ca/departments/finance/>

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