

Budget And Finances

BIBLICAL FINANCIAL PRINCIPLES

The following principles, based upon God's Word, govern the financial affairs of IHN Bible College. You may want to incorporate these as standards for your own school:

1. IHN Bible College acknowledges that God is our Source and the Chief Patron of this ministry, "Jehovah Jirah", the Lord will provide:

Genesis 22:14: And Abraham called the name of that place Jehovah Jirah, as it is said to this day, in the mount of the Lord it shall be seen.

This means our trust is not in riches:

Proverbs 11:28: He that trusts in his riches shall fall.

God is the source, and we are only stewards:

I Chronicles 29:14: ...For all things come of you, and of your own have we given you.

2. We will not incur any indebtedness, but will enlarge the work according to the means the Lord might be pleased to provide:

Romans 13:8: Owe no man anything, but to love one another.

3. The vision and objectives of this organization shall be shared in a proper, factual presentation, with no undue emotional pressure or pledging methodologies employed to generate funds. The major methodology for specific requests for funds is to make such needs known through secret prayer by officers, members of the Board of Directors, staff members, and designated international intercessors of the organization. It is not enough to obtain means for the work of God, but that these means must be obtained by God's principles:

Proverbs 16:8 (LB): A little gained honestly is better than great wealth gotten by dishonest means.

Matthew 6:6: But you, when you pray, enter into your closet and when you have shut your door, pray to the Father Who is in secret and your Father Who sees you in secret shall reward you openly.

4. IHN Bible College will tithe ten percent of all receipts on a monthly basis to other ministries, such ministries being designated by the Board of Directors. Due to the stated objectives of this ministry, prime consideration will be given in selection to National ministries in Third World Nations.

Malachi 3:1-2: Bring all your tithes into the storehouse, that there may be meat in my house, and prove me now herewith says the Lord of hosts, if I will not open you the windows of heaven and pour you out a blessing and that there shall not be room enough to receive it; and I will rebuke the devourer for your sakes; and he shall not destroy the fruit of your ground, neither shall your vine cast her fruit before the time in the field, says the Lord of hosts; and all nations shall call you blessed...

5. No financial or business partnerships will be formulated with unbelievers by or on behalf of IHN Bible College:

II Corinthians 6:14-18: Do not be bound together with unbelievers; for what partnership have righteousness and lawlessness, or what fellowship has light with darkness? Or what harmony has Christ with Belial, or what has a believer in common with an unbeliever? Or what agreement has the temple of God with idols? For we are the temple of the living God; just as God said, "I will dwell in them and walk among them; And I will be their God, and they shall be My people. "Therefore, come out from their midst and be separate," says the Lord. "And do not touch what is unclean; And I will welcome you. "And I will be a father to you, And you shall be sons and daughters to Me," Says the Lord Almighty.

6. IHN Bible College will not participate in "get rich quick" schemes or similar "gimmick" sources of funding for the ministry:

Proverbs 28:22: A man with an evil eye hastens after wealth and does not know that want will come upon him.

Proverbs 20:21: An inheritance gained hurriedly at the beginning Will not be blessed in the end.

7. The primary focus of IHN Bible College is the stated purposes and objectives of the corporation, not financial gain as an end in itself:

I Timothy 6:10: For the love of money is a root of all sorts of evil, and some by longing for it have wandered away from the faith and pierced themselves with many griefs.

8. IHN Bible College will not engage in business or financial transactions not in keeping with the stated purposes and objectives of the organization:

II Timothy 2:4 : No soldier in active service entangles himself in the affairs of everyday life, so that he may please the one who enlisted him as a soldier.

9. IHN Bible College will abide by governmental financial regulations in all nations to which the ministry of this organization is extended:

Romans 13:6-7: For because of this you also pay taxes, for rulers are servants of God, devoting themselves to this very thing. Render to all what is due them: tax to whom tax is due; custom to whom custom; fear to whom fear; honor to whom honor.

10. IHN Bible College will not withhold payment of financial obligations when corporate funds are readily available:

Proverbs 3:27-28: Do not withhold good from those to whom it is due, When it is in your power to do it. Do not say to your neighbor, "Go, and come back, And tomorrow I will give it," When you have it with you.

11. IHN Bible College will not endorse notes for other ministries and/or individuals:

Proverbs 6:1-3: My son, if you have become surety for your neighbor, Have given a pledge for a stranger, If you have been snared with the words of your mouth, Have been caught with the words of your mouth, Do this then, my son, and deliver yourself; Since you have come into the hand of your neighbor, Go, humble yourself, and importune your neighbor.

12. Requiring contributions from supporters and/or staff will not be permitted:

Proverbs 29:4: The king gives stability to the land by justice, But a man who takes bribes overthrows it.

13. If employees are hired, they will be hired at fair market value:

Proverbs 27:18: He who tends the fig tree will eat its fruit, and he who cares for his master will be honored.

14. The Board of Directors recognizes its responsibility to govern the financial affairs of the organization in a scriptural manner and be aware of all financial and business matters:

Proverbs 24:12: If you say, "See, we did not know this," Does He not consider it who weighs the hearts? And does He not know it who keeps your soul? And will He not render to man according to his work?

15. We recognize that God gives the power to get wealth, but we also recognize that trust in wealth rather than God, leads to spiritual death:

Deuteronomy 8:18-19: But you shall remember the Lord your God, for it is He who is giving you power to make wealth, that He may confirm His covenant which He swore to your fathers, as it is this day. It shall come about if you ever forget the Lord your God and go after other gods and serve them and worship them, I testify against you today that you will surely perish.

Psalms 49:6: Even those who trust in their wealth and boast in the abundance of their riches?

To assure continued financial blessing upon this organization, IHN Bible College will avoid the following violations, which as indicated in Scripture, result in a lack of sufficient funds:

Fraud: Your gold and silver is cankered; and the trust of them shall be a witness against you and shall eat your flesh as it were fire. You have heaped treasures together for the last day. Behold, the hire of the laborers who have reaped down your fields, which is of you kept back by fraud, cries; and the cries of them which have reaped are entered into the Lord of Sabbath. (James 5:3-4)

Not paying employees a fair wage: Woe unto him that builds his house by unrighteousness, and his chambers by wrong; that uses his neighbors services without wages, and gives him nothing for his work. (Jeremiah 22:13)

Greed: He that hurries to be rich has an evil eye; and considers not that poverty shall come upon him. (Proverbs 28:22)

Withheld offerings: There are those who generously scatter abroad, and you increase more; there are those who withhold more than is fitting or what is justly due, but it tends only to want. (Proverbs 11:24)

Refusing instruction: Poverty and shame be to him that refuses instruction; but he that regards reproof shall be honored. (Proverbs 13:18)

Intemperance: For the drunkard and the glutton shall come to poverty; and drowsiness shall clothe a man with rags. (Proverbs 23:21)

Laziness: Love not sleep, lest you come to poverty; open your eyes, and you shall be satisfied with bread. (Proverbs 20:13)

Improper financial pursuits: A faithful man shall abound with blessings; but he that makes haste to be rich shall not be innocent. (Proverbs 28:20)

Regarding offerings lightly/and for personal gain: Why then do you kick, trample upon, treat with contempt, my sacrifice and my offerings, which I command; and honor your sons above me by fattening yourselves upon the choicest part of every offering of my people Israel? (I Samuel 2:29 The Amplified Bible)

Dishonesty: But Peter said, Ananias, why has Satan filled your heart to lie to the Holy Ghost, and to keep back part of the price of the land? While it remained, was it not your own? And after it was sold, was it not in your own power? Why hast thou conceived this thing in your heart? You hast not lied unto man, but unto God. (Acts 5:3-4)

IHN Bible College claims the following promises and shares them with donors to this ministry:

Ecclesiastes 11:1: Cast your bread on the surface of the waters, for you will find it after many days.

Luke 12:33: Sell your possessions and give to charity; make yourselves money belts which do not wear out, an unfailing treasure in heaven, where no thief comes near nor moth destroys.

Acts 20:35b: It is more blessed to give than to receive.

Proverbs 11:25: The generous man will be prosperous, and he who waters will himself be watered.

Proverbs 22:9: He who is generous will be blessed, For he gives some of his food to the poor.

Isaiah 58:10: And if you give yourself to the hungry And satisfy the desire of the afflicted, Then your light will rise in darkness And your gloom will become like midday.

Malachi 3:10: Bring the whole tithe into the storehouse, so that there may be food in My house, and test Me now in this," says the Lord of hosts, "if I will not open for you the windows of heaven and pour out for you a blessing until it overflows.

Luke 6:38: Give, and it will be given to you. They will pour into your lap a good measure—pressed down, shaken together, and running over. For by your standard of measure it will be measured to you in return."

II Corinthians 9:5: So I thought it necessary to urge the brethren that they would go on ahead to you and arrange beforehand your previously promised bountiful gift, so that the same would be ready as a bountiful gift and not affected by covetousness.

IHN Bible College will train its donors in the following scriptural principles of giving which direct that a believer should give to God's work:

Willingly: Not because he is forced or coerced:

Exodus 35:5: Take from among you a contribution to the Lord; whoever is of a willing heart, let him bring it as the Lord's contribution: gold, silver, and bronze,

I Chronicles 29:9: Then the people rejoiced, for that they offered willingly...

With a perfect heart: Free from "what's in it for me" motives:

I Chronicles 29:9: Then the people rejoiced...because with perfect heart they offered willingly unto the Lord.

Freely: Not because they are required or made to feel guilty:

Ezra 8:28: You are holy unto the Lord...the silver and the gold are a freewill offering unto the Lord God of your fathers.

Matthew 6:38: Freely you have received, freely give.

Without ostentation: For instance, names on founders plaques, names and gift amounts published, etc.

Matthew 6:3: But when you doest alms, let not your left hand know what your right hand doeth.

Regularly:

I Corinthians 16:2: Upon the first day of the week let every one of you lay by him in store, as God has prospered him...

Cheerfully: Not from guilt, or because they are shamed or forced:

II Corinthians 9:7: Every man according as he purposeth in his heart, so let him give, not grudgingly or of necessity, for God loveth a cheerful giver.

With simplicity: Without a lot of complicated fanfare.

Romans 12:8: He that gives, let him do it with simplicity.

According to income: Not going into debt to give, making pledges which will put them under obligation. Financial pledges are not recorded in Scripture.

Matthew 5:42: Every man shall give as he is able, according to the blessings of the Lord your God which he has given you.

According to ability: Giving according to their own ability.

Ezra 2:69 They gave after their ability.

Acts 11:29: Then the disciples, every man according to his ability, determined to send relief unto the brethren which dwelt in Judea.

II Corinthians 8:12: For if there be first a willing mind, it is accepted according that a man has, and not according to that he has not.

By percentage of income: Background verses for tithing: Genesis 14:20; 28:22; Leviticus 27:30; II Chronicles 31:5:

Malachi 3:10 Bring you all the tithes into the storehouse, that there may be meat in my house, and prove me now herewith says the Lord of hosts, if I will not open you the windows of heaven and pour you out a blessing that there shall not be room enough to receive it.

FINANCIAL PROCEDURES

The following financial procedures have been adopted by the Board of Directors of IHN Bible College. While principles from God's Word regarding finances are sacred, procedures are flexible and may be altered by the Board of Directors as long as:

1. The procedure as altered is not in conflict with God's Word.
2. Proper justification for changing a procedure is documented.
3. The suggested change receives approval of the Board of Directors.

At present, procedures are as follows:

1. A proper accounting system shall be maintained by the corporation.
2. A corporate bank account shall be established in the name of IHN Bible College and require two signatures on all transactions on the account.
3. All checks of disbursement shall be signed by two authorized signatures on the corporate account. This shall be the Vice-President and the Treasurer.
4. Transport or counting of any cash shall be done by no less than two representatives of IHN Bible College who will sign for and verify amounts involved in the transaction.
5. When participating in joint ministry outreaches with other Christian organizations, churches or committees, representatives from said organizations will be included in the financial accounting process and have full disclosure. They will sign and verify all transactions with a minimum of two signatures, verified by at least one signature representing IHN Bible College.
6. The corporate financial records will be open for review by any director or officer of the organization at any time.
7. This organization will utilize designated funds only for the designated purpose:

- A. They shall not be utilized or even "borrowed" to meet other needs in the organization, no matter how urgent these needs may be.
 - B. In the event that the specific project to which the funds were designated cannot be undertaken or completed due to circumstances beyond the control of the organization, the following methodology will be employed.
 - 1. The donor will be notified immediately of the reason why the project cannot be pursued or completed.
 - 2. The donor will be given the option of:
 - a. Re-designating the funds to another purpose within the organization.
 - b. Requesting a refund of the designated funds.
 - C. The other approved methodology would be to include on a donor designation card the option for the donor to check that "if sufficient funds are received for this project, this gift can be transferred to the general fund."
- 8. An annual review of the corporate records of IHN Bible College by an independent auditor can be requested by the Board of Directors.
 - 9. In the event of the dissolution of IHN Bible College, as stated in the By-laws of the organization and according to legal requirements imposed upon non-profit religious incorporations, any balance following the liquidation of all corporate financial obligations will be donated to another non-profit religious corporation. Said corporation will be designated by the Board of Directors of IHN Bible College, and, due to the stated purposes and objectives of this corporation, special consideration will be given to organizations engaged in ministry and training of Nationals in Third World Nations.
 - 10. As corporate finances are available, salaried personnel may be designated by the Board of Directors of IHN Bible College. Compensation will be set by the Board of Directors, with consideration of fair market standards for similar position, responsibilities and duties of position as well as educational qualifications and experience of applicant.
 - 11. A proper inventory of all capital equipment purchased by IHN Bible College shall be maintained to assure proper financial accountability in this area.
 - 12. All funds received shall be properly receipted and acknowledged.
 - 13. All funds received, whether cash or check, shall be deposited expediently in the corporate account and not retained in the personal possession of any IHN Bible College representative or left unattended in the corporate offices.
 - 14. All disbursements should be made by checks drawn on the corporate account. The exception to this is a petty cash fund not to exceed \$100 which shall be retained by IHN

Bible College offices for minor expenditures which shall be accounted for by proper receipts.

15. No financial contractual agreements shall be entered into by any representative of IHN Bible College Without the approval of the Board of Directors.
16. A monthly written financial report and an annual financial statement shall be submitted to the Board of Directors for review and approval.
17. Donor profile records shall be maintained on each donor to the ministry, including the following:
 - Name, address, telephone
 - Date of donation
 - Donation amount
18. This ministry will submit the proper reports to the State of California and Federal Internal Revenue Service to enable retention of non-profit status.
19. Authorized representatives designated by the Board of IHN Bible College to make expenditures must maintain proper receipts for all such expenditures. If personal funds of the representative are advanced for corporate expenditures, reimbursement will occur only if the expenditure was approved by the Board and proper receipts are submitted.

SAMPLE SCHOOL BUDGET

Do not let finances prevent you from starting your school. You can start a school in a home with volunteer teachers, if necessary. You do not need all of the following items fully funded to start a school. This sample budget is simply a list of items for future consideration.

Facility related expenses:

Rent or mortgage payments
Taxes and insurance on facility
Utilities
Maintenance personnel
Repairs to facility

Vehicles

Purchase or lease
Maintenance
Insurance
Repairs
Fuel

Furnishings:

Tables/chairs for students
Desks and chairs
File cabinets

Printing:

Letterhead and envelopes
Business cards
Forms

Office Equipment:

Computers, typewriters, adding machines, copy machines, telephone system, etc.
Purchase
Repairs

Supplies for equipment

Expendable office supplies: (Items like pens, paper, etc.)

Salaries:

For teachers

For staff members: Director \$70,000? Secretaries?

President and CEO

VP of Enrollment Services-Director of Admissions

Director of Program Development

Internet Technology

For related staff: Maintenance? Bus driver?

Media equipment and supplies:

Overhead projector and associated supplies

Video projector

White boards and associated supplies

Repair budget for media equipment

Teaching aids (charts, videos, tapes, etc.)

Other?

Curriculum:

Textbooks

Publicity: Funds for advertising and printing publicity.