

ABCUSA MATTHEW 25 GRANT APPLICATION

A generous donor has given a sum of money through American Baptist Churches USA to be used for programs that address "housing, feeding, education and health with regard to the less fortunate." A panel will select recipients for grants of up to \$5,000 largely based on the degree to which the funds will be used to directly assist persons in poverty. Ministries must be in relationship with American Baptist Churches USA to be eligible to apply, and only one application per church or ministry will be considered per year. Grant funds may not be used to fund staff positions.

1. General Information:

Organization Name Maquoketa Community Cupboard Food Bank (Cupboard)

Affiliation with ABCUSA Maquoketa First Baptist Church sponsors the Cupboard, along with the Maquoketa Ministerial Association

Address 804 West Platt St., Maquoketa, IA 52060

Phone 563-221-1202 Federal Tax ID# 42-1197922

Contact person Stephen R. Vehrs email svbv@yahoo.com

2. Please submit with your application a copy of:

- Your mission statement
- A financial statement FOR THIS MINISTRY. This can be a budget or projected budget, and should not exceed 2 pages. Church budgets are not acceptable.

3. How do you plan to use the requested funds? How will the funds specifically assist individuals battling poverty and its effects? (Please submit on separate sheet. Maximum of one page.)

4. Total cost of the project \$70,000 in 2013

5. Amount being requested from the ABCUSA Matthew 25 Grant \$5,000

6. Your other funding source(s) Other churches in Maquoketa' corporate donations, individuals, Red Cross, civic organizations

I certify that all the information submitted with this application is true and correct, and that we will use any granted funds as described. We will supply a 1-page report on the use of the funds and a photo within six months of receipt of the grant.

(Signed) Stephen R. Vehrs Date August 8, 2013

Stephen R. Vehrs, Trustee Chairman, Maquoketa First Baptist Church

- Incomplete applications will not be considered.
- Recipients agree to share their stories via the ABCUSA website.
- Application deadline is March 1 for grants distributed on April 15; Sept. 1 for grants distributed on Oct. 1 Completed applications should be sent via email to . Only electronic submissions will be accepted.

Mission Statement of the Maquoketa Community Cupboard Food Bank:

The Primary Mission of the Maquoketa Community Cupboard Food Bank (Cupboard), is to provide food at no cost to people who need food and cannot otherwise afford to purchase it.

How do you plan to use requested funds?

We are applying for a Matthew 25 Grant of \$5,000 to be used to purchase approximately 7,000 food items for our (Cupboard). The Maquoketa First Baptist Church serves as sponsor, along with the Maquoketa Ministerial Association, of this community effort to feed the needy individuals and families battling poverty in our community. We also try to leverage our funds by purchasing food from sources that give us a break on the cost of items. Our Cupboard does not discriminate on the basis of race, color, creed, sex, religion, national or ethnic origin, or disability.

How will the funds specifically assist individuals battling poverty and its effects?

We serve an average of 600-650 families, or 1500-1700 individuals, each month of the year. Of the cash donations received, nearly 100 percent of the money goes for purchasing food. There are no overhead costs associated with operating this Cupboard, as all labor, rent, electricity, etc., is donated to the Cupboard. The Cupboard was established in 1979, and recently the area was devastated by the economic recession and subsequent unemployment. Some families simply have no way to access food other than from the Cupboard. The Cupboard is open to the public every Friday from 8:00 A.M. until 11 A.M. and is also available by appointment, 7 days a week, and is handicap-accessible.

Like its counterparts in other communities, the Cupboard runs on a shoestring, and, during the past Christmas holiday, a run on food items left the shelves empty and the bank account depleted. For the first time in our history, the doors of our Cupboard were closed -- there was nothing to hand out to the struggling families that counted on the supplemental food each week. The Maquoketa First Baptist Men's Fellowship took on the challenge and brought in over 1,823 food items. Other Maquoketa churches brought in another 5,635 items, and the Cupboard doors opened once again.

Budget Statement:

2013 Budget for Maquoketa Community Cupboard Food Bank:

Annual Year: January 1 thru December 31, 2013. \$70,000 goal for donations with an average of \$5000-\$6000 per month grocery outflow.

Cash flow shall be recorded as cash or check inflows, and dollar value of grocery outflows on a monthly basis.

All grocery payments shall be made by checks which shall be signed by the Treasurer, or the Treasurer's designee. No bills, notes contracts or disbursements shall be executed by or on behalf of the Cupboard unless the Board of Directors shall expressly authorize the same.

Annual Budget Audit Report on separate attachment

ANNUAL AUDIT REPORT

With this report, the Audit Team presents its audit of the financial records of the Maquoketa Community Cupboard to the Maquoketa Ministerial Association, for the period beginning Jan 1, 2012 and ending Dec 31, 2012.

Audit Objectives

The objectives of this internal audit of the Community Cupboard financial records and operations include determination that:

- All assets and liabilities recorded in the books and records are supported by appropriate independent documentation (i.e., bank statements and vendor invoices)
- All general ledger balances are appropriately reconciled to their underlying assets (i.e., bank statements) and liabilities (i.e., accounts payable)
- All donations are properly classified on the financial statements
- Appropriate financial procedures are in place and are being complied with
- Proper segregation of duties are in place for key financial transactions and are not being circumvented considering the size of the organization and the availability of personnel
- Controls governing bank accounts are in place and operating as intended however it is not clear exactly who is authorized to sign checks. Need to check on this and make sure the proper personnel are authorized
- Expenses are supported by the appropriate documentation. There does not seem to be an approval process in place so perhaps a policy of approving items over some predetermined limit for non-food items should be considered.
- Personal identity information is not properly safeguarded both in system and paper form so changes should be made
- An appropriate records retention policy is in place and being complied with

Audit Conclusion

Based on audit work performed to achieve the objectives listed above, the books and records of The Community Cupboard appear to be materially accurate in all respects. Testing performed also found, with some exceptions as noted in this report, that the controls governing the financial operations process appear to be in place and operating as intended. Although controls over financial operations appear to be adequate, additional work is needed in the following areas:

- *Apparently this organization does not currently carry any liability insurance. It is recommended that liability insurance be acquired.*
- *The donor list is not in a secure location so confidentially could be compromised. It is suggested that steps be taken to assure confidentiality of donor information.*
- *This organization recently became a 503(c) non-profit organization and it is not clear if there are any annual government filings required. Make sure that any required government filings are taken care of in a timely manner.*
- *Bank statement reconciliation should be performed monthly instead of annually with at least one member of the Maquoketa Ministerial Assn.*

Implementation of the recommendations outlined in this report would help strengthen existing controls and provide additional efficiencies.

The Audit Team has performed the procedures and testing called for in the audit procedure adopted by the Maquoketa Ministerial Association. In doing so, the auditors have reviewed the procedures governing the financial reporting and operations process and have found the balances presented to be correct, procedures proper, and records properly kept, except as noted above.

Signed: [Signature]
Audit Team Member

Date: 5-6-13
5-6-13

The Maquoketa Ministerial Association has reviewed this report and has discussed the recommendation(s) presented by the Audit Team. The Ministerial Association will work with the director of the Community Cupboard to review progress being made to address any of the issues identified in this report. Corrective actions will be discussed at subsequent meetings of the Ministerial Association.

Signed: [Signature]
President Ministerial Association

Date: 6-4-13