

Making End-of-year Transfers on the Financial Summary

NOTE: Before the year is closed, it is good church finance to zero out expense funds with negative balances, things such as office expense, utilities and facility maintenance, and, if applicable, to reclaim excess amounts of church budget allocations from any local expense accounts that received more than they needed. You will start the new year with more clarity, because your Church Budget ending balance will be more accurate.

- Since every church's local fund list and budget allocation process is different, I can give you principles and show you examples, but it will be up to you and your church board to decide how to apply those principles. In these examples, the account names are blank, but they are all local expense funds such as supplies, maintenance and utilities.
- If your church has never closed the year this way before, and ending balances just continue to grow or go deeper in the negative year after year, it would be a good time for you to suggest this practice to your board and explain to them how it works.

This transfer process should occur just before you print the reports and close December – everything else in December should be done first. It consists of transferring Church Budget or reserve type funds INTO the expense accounts that have negative balances, so that they end the year with a zero balance. And transferring excess Church Budget funds OUT OF accounts that ended the year with more than they needed, so that all the expense type local funds end the year with a zero balance.

So that you can visualize its, let me show you two financial summaries, one before the end-of-year transfers, and just below it, in the second example, you see it after the transfers. Look at the difference in the "Ending Balance" column.

Account	Begin. Bal.	Deposits	Checks	Transfers	Ending Bal.
COMBINED BUDGET	332,523.72	257,968.58	3.00	-526,105.19	64,384.11
CHURCH EXPENSE					
Building/Property Insurance	-25,721.00		13,954.00	39,675.00	0.00
Church Expense - General	80.40	225.36	1,908.71	188.98	-1,413.97
Debt Retirement (Building Loan)	250.25	200.00	88,138.70	71,872.45	-15,816.00
Fire Alarm Equipment Maintenance	-2,650.00			2,650.00	0.00
Flowers & Gifts	-1,755.00	688.00	1,840.00	2,837.00	-70.00
Janitorial Supplies	-4,052.98		2,633.61	5,697.41	-989.18
Janitorial Service	-24,950.00	1,000.00	15,300.00	36,650.00	-2,600.00
Lawn Maintenance	-18,950.00		12,900.00	28,625.00	-3,225.00
Office Equipment & Maintenance	-24,900.78	843.52	9,542.40	32,040.54	-1,559.12
Office Supplies & Expense	-6,095.13	127.53	-388.94	6,703.46	1,124.80
Pest Control	0.00		540.00	420.00	-120.00
Storm Water Fees	-1,190.40		1,190.40	2,380.80	0.00
Telephone Svcs	-1,640.47		283.47	1,923.94	0.00
COMBINED BUDGET	332,523.72	260,849.22	3.00	-580,241.14	13,128.80
CHURCH EXPENSE					
Building/Property Insurance	-25,721.00		13,954.00	39,675.00	0.00
Church Expense - General	80.40	225.36	1,908.71	1,602.95	0.00
Debt Retirement (Building Loan)	250.25	200.00	88,138.70	87,688.45	0.00
Fire Alarm Equipment Maintenance	-2,650.00			2,650.00	0.00
Flowers & Gifts	-1,755.00	688.00	1,840.00	2,907.00	0.00
Janitorial Supplies	-4,052.98		2,633.61	6,686.59	0.00
Janitorial Service	-24,950.00	1,000.00	15,300.00	39,250.00	0.00
Lawn Maintenance	-18,950.00		12,900.00	31,850.00	0.00
Office Equipment & Maintenance	-24,900.78	843.52	9,542.40	33,599.66	0.00
Office Supplies & Expense	-6,095.13	127.53	-388.94	5,578.66	0.00
Pest Control	0.00		540.00	540.00	0.00
Storm Water Fees	-1,190.40		1,190.40	2,380.80	0.00
Telephone Svcs	-1,640.47		283.47	1,923.94	0.00

Before end-of-year Transfers.

Note the "Ending Balance" of the "Combined Budget" fund.

After end-of-year transfers

Notice the difference in the "Ending Balance" of "Combined Budget"

Before: \$63,384.11

After \$13,128.80

Before the transfers, it looked like there was much more in Combined Budget then there actually was. Much of it had already been spent – as evidenced by all the negative ending balances. But the Combined Budget total did not reflect that fact. Now the Ending Balance is much more accurate. And seeing the “after” figure could make a difference in future plans that your board makes.

This next chart is a financial summary that has very few negative balances at the end of the year, but has a large amount of excess Church Budget funds that have been allocated monthly into various accounts but not needed. Here you see before and after. This church will have a much better idea of their financial picture if they do end-of-year transfers.

Note: if your church does not use budget allocations, or has not made transfers through the year from Church Budget to fund various Local Funds, this section will not apply to you.

Account	Begin. Bal.	Deposits	Checks	Transfers	Ending Bal.
Church Budget	97,886.14	30,584.45		-58,330.84	70,139.75
SS Expense - Local Funds	4,750.72	458.75	2,652.41	2,280.00	4,837.06
Church Expense	10,992.04		258.10	1,200.00	11,933.94
Office Supplies - Church Expense	7,187.43			240.00	7,427.43
Electric - Church Expense	1,192.14		2,646.92	3,360.00	1,905.22
Gas - Church Expense	1,410.50		1,153.71	1,200.00	1,456.79
Telephone - Church Expense	309.09		2,702.89	2,280.00	-113.80
Communication - Church Expense	-64.75		420.00	484.75	0.00
Water - Church Expense	1,259.27		717.59	1,200.00	1,741.68
Misc. General Expense - Church Expense	157.86				157.86
Custodial Expense - Church Expense	1,440.00		4,380.00	4,200.00	1,260.00
Lawn/Grounds Maintenance - Church Exp	729.00		3,511.00	2,782.00	0.00
Pest Control - Church Expense	880.00				880.00
Termite Control - Church Expense	18.00		306.00	300.00	12.00
Flowers - Church Expense	1,275.58		125.06	240.00	1,390.52
Church Budget	97,886.14	30,584.45		-30,279.20	98,191.39
SS Expense - Local Funds	4,750.72	458.75	2,652.41	2,280.00	4,837.06
Church Expense	10,992.04		258.10	-10,733.94	0.00
Office Supplies - Church Expense	7,187.43			-7,187.43	0.00
Electric - Church Expense	1,192.14		2,646.92	1,454.78	0.00
Gas - Church Expense	1,410.50		1,153.71	-256.79	0.00
Telephone - Church Expense	309.09		2,702.89	2,393.80	0.00
Communication - Church Expense	-64.75		420.00	484.75	0.00
Water - Church Expense	1,259.27		717.59	-541.68	0.00
Misc. General Expense - Church Expense	157.86			-157.86	0.00
Custodial Expense - Church Expense	1,440.00		4,380.00	2,940.00	0.00
Lawn/Grounds Maintenance - Church Exp	729.00		3,511.00	2,782.00	0.00
Pest Control - Church Expense	880.00			-880.00	0.00
Termite Control - Church Expense	18.00		306.00	288.00	0.00
Flowers - Church Expense	1,275.58		125.06	-1,150.52	0.00

“Church Budget Ending Balance
“before end-of-year transfers -
\$70,139.75

“Church Budget Ending Balance”
after end-of-year transfers -
\$98,191.39

Now that you have seen the benefits
of end-of-year transfers, let’s learn
how to do it.

NOTE: The simplest method and the one that gives the most clarity to the board is to make **two separate transfers**, one to zero the negatives and another to reclaim the excess funds.

1) Start with printing a copy of your Financial Summary – Detail for December. You will use it to make notes which will help when you are making transfers.

2) On that financial summary, underline the local expense accounts that are candidates to be zeroed out. Use two colors. I use red for negative balances, green for the ones that have excess Church Budget funds.

- Let's start with the negative balances. We are mostly talking about regular church expenses like utilities, supplies, and expenses paid monthly like pest control or security services. If a ministry has overspent and the board wishes to leave it in the negative and let future allocations take care of the deficit, that is fine. Or they can authorize you zero it out from Church Budget.
- Once you have chosen all the expense account possibilities and underlined them, you are ready to begin.

3) Go to "Home Page/Transfer Funds." Create a transfer that looks something like this:

The "Date" will be the last day of the year: 12/31/24 (use your current year)

The "Memo" will say something like "End-of-year 2024 to zero negative accounts (or balances)"

Click on "Transfer FROM" since we are moving funds from Church Budget to multiple accounts.

The "From Account" is "Church budget."

Leave the "Amount" box blank at first. Jewel will come up with a "Running Total" that we can put there once we have finished with the entries.

One by one, enter all the accounts that have negative balances – the ones you underlined in red, along with the amount needed to bring them back to zero. If the "Financial Summary" says -\$371.40, then the amount to transfer should be \$371.40

Once all are entered, find the "Running Total" and enter it into the Church Budget "Amount" box.

4) Click the green "OK ✓" to save and leave.

5) Go back to the "Financial Summary" and see if all the negative numbers in the "Ending Balance" Column are now zeros.

- If you have missed an amount or entered something incorrectly, go back to "Transfer Funds," click on the red arrow that says "Previous" to get back to the transfer you just made, then click on "Edit Transfer" and fix the numbers until everything on the "Financial Summary" is as you want it.

NOTE: if your church has not used the “Budget Allocations” feature, or has not made transfers through the year to various Local Funds, you can stop here. You do not need this next step.

6) Let’s go through a transfer to reclaim excess Church Budget funds. This has to do with the Local Funds that you underlined in green. The main rule is “Don’t move Trust Funds.” (Read Tutorials #6630 and 6430) Contact me if you would like me to verify your choices.

- There are some church expense type funds that I recommend leaving with a balance, even if it is “Church Budget” funded. These would be “Property and Liability Insurance” and any “Building Repair and Maintenance” type funds. Those can have large expenditures on an annual or occasional basis, so they need to be left to accumulate.
- Most churches leave the different local ministries and evangelism funds alone. Unless, of course, it is a ministry that has received budget allocations for years but has never used them. In that case, moving those allocations back into “Church Budget” where they can actually be used is a wise move.

Once you have chosen all the reclaiming possibilities and verified that they are not Trust Funds, you are ready to begin zeroing out the ending balances.

7) Go to Home Page/Transfer Funds and fill it out like this:

The “Date” should be December 31 of the current year.

“Memo” “End-of-year 2024 (or current year) to reclaim excess CB funds

Click on “Transfer To a single account” since we are moving funds from multiple accounts back to church budget.

The “To” account is church budget.

Again, leave the “Amount” box blank until Jewel totals all the transfers.

Enter all the accounts that have positive balances – the ones you underlined in green, along with the amount needed to bring them back to zero. If the Financial Summary says \$14.62, then the amount to transfer should also be \$14.62. When you finish one line, click “Enter” for a new one.

Once all are entered, the “Running Total” can be entered into the Church Budget “Amount” box.

Transfer Funds

Date: 12/02/20 Memo: End-of-year 2020 to reclaim excess CB funds

☐ Transfer FROM a single account
☒ Transfer TO a single account

From Account(s)	Amount
8650 Utilities: Telephone	1,242.32
8242 Contracts - Copier	14.62
8610 Salary & Taxes - Church Janitor	844.33

Running Total: 2,101.27

To Account: 8100 CHURCH BUDGET Amount: 2101.27 Balance: 998.00

8) Click “OK v” to save and leave.

9) Go back to your Financial Summary and see if everything that you underlined has a zero balance.

If you need to edit either transfer, go back to “Make Transfers” and click on the red “Previous” arrow to find the one that needs to be edited.

Click on “Edit Transfer” and make the changes.

10) Click the green ““OK v” to save the changes and leave.

11) Go back to Jewel Home Page and continue following the Next Step button to close the year. (*Tutorial #7060*)

Corresponding videos: 4.9 – Making End-Of-Year Transfers. Find at <https://www.gccsda.com/auditing/10963>

4.3 Money That Can’t Be Spent

4.10 – How to Identify Trust Funds

For more tutorials on JEWEL INFORMATION & PROCESS HELPS, see section 8000 on the gccsda.org auditor webpage

*This information has been brought to you by the Georgia-Cumberland Conference Audit Team
Created by Linda McCabe. Edited 8/28/2025*