



WATCH TOWER

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FAX / TÉLÉCOPIE
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December 6, 2009

TO ALL BODIES OF ELDERS IN CANADA

Re: Transferring funds on the jw.org Web site

Dear Brothers:

We wish to inform you of a new arrangement approved by the Governing Body for transferring funds to the branch office. By mid-2010, this new arrangement will replace the current method of sending to the branch office a check and a *Contribution Remittance Form* (S-20) each month.

Donations and payments: Congregations in several branch territories have been using the jw.org Web site to make donations and payments to their branch offices. In view of the positive results, all congregations in Canada are now being encouraged to make donations and payments to the branch office in this manner.

In order to activate the **Transfer Funds** section of the jw.org Web site, all congregations are asked to please complete the enclosed *Authorization Agreement for Debit/Credit Transactions* (TO-60) and send it to the branch office by March 1, 2010.

Almost all congregations are already using the jw.org Web site to submit field service reports and literature requests. The Web site will have a new section under the *Congregation* tab called **Transfer Funds**, which can be used by congregations that have their bank account information on file with the branch office. The procedures to access the Web site, add user accounts, and perform other functions will remain the same as outlined in previous correspondence from the branch office. Initially, the account administrators will be assigned the new role *Transfer Congregation Funds*, but they can also assign it to other brothers approved by the body of elders, such as the accounts servant.

Before making a donation or a payment on the Web site, you should fill out the *Record of Electronic Funds Transfer* (TO-62) and have it signed by the secretary or another authorized signer. Once that is done, log in to www.jw.org, click on the *Congregation* tab and, under the **Transfer Funds** section, choose *Donations and Payments*. Enter the amounts being transferred in the corresponding fields. Click *Next* to view the total transfer amount and confirm it. If everything is correct, click *Submit*. Record the transfer number on the TO-62 form. Print a copy of the screen to file with the TO-62 form in the congregation's accounts records.

If the Kingdom Hall Operating Committee is making Kingdom Hall loan payments through the titleholding congregation's account information and the operating committee's bank account information is already on file with the branch office, the account administrators in the titleholding congregation will be assigned the new role *Transfer Operating Committee Funds*. This role will need to be assigned to the brother(s) approved by the operating committee.

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The brother caring for the operating committee accounts should fill out the *Record of Electronic Funds Transfer* and have it signed by the chairman of the operating committee or another authorized signer. Once that is done, log in to www.jw.org, click on the *Congregation* tab and, under the **Transfer Funds** section, choose *Donations and Payments*. Select *Operating Committee* from the **Select Account** dropdown box. After entering the amount to be transferred, click *Next* to confirm the amount. If everything is correct, click *Submit*. Record the transfer number on the TO-62 form. Print a copy of the screen to file with the TO-62 form in the operating committee's accounts records.

Funds on deposit: For a number of years, an arrangement has been available to congregations to place funds on deposit with the branch office. However, a recent analysis shows that only 9 percent of congregations in Canada are taking advantage of this provision.

Each congregation is instructed to maintain a checking account for handling necessary financial obligations. Generally, checking accounts earn little or no interest, and some may even incur a monthly service charge. Many congregations have successfully negotiated a no-fee checking account or maintain enough funds in the account to have the monthly fee waived. This is to be commended. However, some congregations have excess funds sitting in checking accounts with little or no interest being earned. Other congregations may have a savings account where excess funds can earn interest until needed. (See paragraph 2 of *Instructions for Congregation Accounting* [S-27].) At best, though, each congregation acting on its own will only achieve a limited return on its excess funds. Therefore, we are encouraging all congregations to give serious thought to participating in the funds-on-deposit arrangement with the branch office.

There are significant advantages to participating in this arrangement. First of all, each congregation would only need to operate one checking account for its monthly financial activity. Congregations would not have to worry about opening savings or other accounts and becoming involved in investment decisions. Second, by consolidating funds, the branch office is able to earn additional interest at rates above what a congregation normally earns by acting on its own. The funds earned by the branch office would then be available for use in building Kingdom Halls in lands with limited resources or for covering other necessary operating expenses. All of this is accomplished by making full use of funds that have already been contributed but may now be idle, earning little or no interest.

To simplify this arrangement and make it easier for the congregations that participate, we have eliminated the need for a resolution to be passed each time funds are deposited with or withdrawn from the branch office. One resolution must be passed to begin participating in the arrangement, but subsequent deposits and withdrawals may be made at the discretion of the body of elders. It is also no longer necessary to submit a written request in order to have deposited funds returned. (This direction updates paragraphs 22-3 of *Instructions for Congregation Accounting*.) Of course, a resolution approved by the congregation is still needed for congregation funds to be *donated* to the branch office.

Before funds are deposited with or withdrawn from the branch office, you should still fill out the *Record of Electronic Funds Transfer* (TO-62) and have it signed by the secretary or another authorized signer. Once that is done, log in to www.jw.org, click on the *Congregation*

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tab and, under the **Transfer Funds** section, choose *Funds on Deposit*. In the corresponding field, enter the amount being transferred. Click *Next* to confirm the transfer amount. If everything is correct, click *Submit*. Record the transfer number on the TO-62 form. Print a copy of the screen to file with the TO-62 form in the congregation's accounts records. If the transaction involves a request for a return of funds, the amount requested will be returned electronically within seven business days. The accounts servant should record all of this activity on the congregation's monthly *Accounts Sheet* (S-26) and checkbook.

We have also extended this arrangement to include operating committee accounts. If your operating committee account contains funds in excess of what is required to care for a few months' worth of expenses, the combined bodies of elders should consider leaving these funds on deposit with the branch office. If they agree to do so, each congregation must pass one resolution allowing the operating committee to begin participating in this arrangement. Thereafter, it may be left to the discretion of the operating committee whether to deposit or withdraw additional funds from this account. As noted above, these funds may be transferred on the jw.org Web site using the procedure described above if the operating committee's bank account is already on file with the branch office. If it is not, it will be necessary to complete an *Authorization Agreement for Debit/Credit Transactions* (TO-60). All correspondence and statements regarding this account will be sent through the titleholding congregation. This material should then be given to the chairman of the operating committee.

New forms reflect the updates in this arrangement, the *Record of Electronic Funds Transfer* (TO-62) and the *Authorization Agreement for Debit/Credit Transactions* (TO-60). You may print the *Record of Electronic Funds Transfer* (TO-62) form from the jw.org Web site as needed for your normal use. These forms include an option for Kingdom Hall building fund accounts to be kept on deposit with the branch office. Further direction about how the money in Kingdom Hall building funds can be deposited with the branch office will be provided in the future.

History of funds transfers: Another feature under the **Transfer Funds** section is the *View History* page, which can help the congregation to keep track of funds that have previously been transferred. The history includes the transfer number, date of transfer, and user name for each of the transfer requests made during the last year. For security reasons the amount of each transfer request is not visible.

May Jehovah's blessing be upon this effort to show increased diligence in caring for this aspect of the Master's belongings. (Matt. 25:23) Please accept an expression of our warm Christian love.

Your brothers,

Watch Tower B. & J. Society

OF CANADA

c: Traveling overseers

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PS to secretary:

This letter should be retained in the congregation's permanent file of policy letters. A copy should also be given to the accounts servant for the congregation's accounts records. We will advise you to start using this new feature of jw.org as soon as it becomes available. In the meantime, please forward your completed TO-60 forms to us by March 1, 2010. If you need more S-20 forms than what has been sent to your congregation, you may print what you need from the jw.org Web site. Questions may be addressed to the Accounting Help Line at 905-873-4101, extension 2240.

Questions and Answers About Funds on Deposit

Question 1: What amount of funds should we retain locally?

Answer: It is recommended that congregations retain only sufficient funds to cover at most two or three months of average expenses or enough to meet the bank's minimum requirement for free checking, whichever is greater. The rest can be considered excess and forwarded to the branch office for the funds-on-deposit arrangement.

Question 2: If we currently have a checking account for our monthly expenses and a savings account for our excess funds, do we have to close the savings account and send those funds to the branch office? What if we would prefer to keep the interest for local congregation needs?

Answer: You are to be commended for making wise use of funds dedicated for Kingdom interests. While we leave the decision to the local body of elders, we encourage all to look beyond local circumstances. There are congregations in other lands with greater material needs than we have here in Canada. By our applying the Scriptural principle found at 2 Corinthians 8: 8-15, we hope to achieve an equalizing for the entire brotherhood. At best, a local congregation will only be able to earn interest at the local rate. The branch office has access to higher interest rates because of volume and pricing, and by consolidating any excess funds into the funds-on-deposit arrangement, more interest can be generated collectively to benefit the worldwide work.—Matt. 24:14.

Question 3: What if more than one congregation meets in our Kingdom Hall, an operating committee account has been established to care for the expenses of the Kingdom Hall, and it now appears that excess funds have accumulated in that account? Can we place those funds on deposit with the branch office?

Answer: Yes. The jw.org Web site allows both the congregation and the operating committee to set up their own funds on deposit with the branch office. However, the operating committee account option will not be enabled unless the operating committee has submitted an *Authorization Agreement for Debit/Credit Transactions (TO-60)* with their bank information on it to the branch office. Once this bank information has been received, one of the jw.org account administrators in the titleholding congregation can assign the *Transfer Operating Committee Funds* role to the appropriate brother(s) on the operating committee. All correspondence and statements will be sent through the titleholding congregation.

Question 4: How do congregations and/or operating committees leave funds on deposit with the branch office?

Answer: A congregation must pass a resolution to begin using this arrangement since it is donating interest that could potentially be earned. If the collective bodies of elders are in agreement with leaving operating committee funds on deposit with the branch office, each congregation must pass a resolution for this as well. Such resolutions might state: "We resolve to make wise use of funds dedicated to Kingdom interests by regularly depositing with the branch office any excess congregation (or operating committee) funds. It is understood that whenever a need arises for these funds, they will be returned at the request of the elders." If the branch office already has the congregation or operating committee bank account information on file, simply transfer the amount on the jw.org Web site. This transaction should be recorded on the *Record of Electronic Funds Transfer (TO-62)* and the *Accounts Sheet (S-26)*. No documentation needs to be sent to the branch office. Future additions and withdrawals of funds may be made at the discretion of the body of elders (or the operating committee).

Question 5: How do we request a return of funds on deposit with the branch office?

Answer: You may use the jw.org Web site to make the withdrawal. A written request is no longer required. The amount requested will be returned electronically within seven business days.

Question 6: How do congregations *donate* funds on deposit with the branch office?

Answer: If the congregation has approved by resolution the donation of funds on deposit with the branch office, the funds must first be withdrawn from the branch office on the jw.org Web site. (See question 5.) After the funds have been credited to the congregation's bank account, they may be donated to the branch office at the next monthly funds transfer on the jw.org Web site.

Question 7: What security is in place to make sure funds are not misdirected?

Answer: No changes to banking information will be accepted unless they are on an *Authorization Agreement for Debit/Credit Transactions* (TO-60) that is properly signed by authorized persons. Any funds on deposit will be returned only to the same bank and account number that is on file with the branch office. Of course, all activity will be reflected on the account statement from the branch office.

Question 8: Why am I directed to print a copy of the screen to file with the TO-62 form, as well as make a record on the monthly *Accounts Sheet* (S-26)?

Answer: Financial information, including transactions involving funds on deposit with the branch office, must be accurately reported on each charity's *Registered Charity Information Return* (T-3010B). This step will assist in making sure that details are not overlooked.