

Q: “Are there simple guidelines for handling money in the church?”

A: There are some general procedures that you would do well to follow. The principles listed below will provide a good base from which to start.

Income Handling Principles

1. No individual should be required or allowed to handle the congregation's income alone at any time.
2. It is preferred that no cash be stored in the church.
3. It is preferable for several people to be involved on a rotating basis in handling income.
4. All income transactions (receipts and disbursements) should be properly recorded and verifiable. It is understood that the recording of income/gifts from individuals of the congregation is a confidential matter and such records are only available to the Pastor, Financial Secretary, and the Stewardship Committee when required.
5. It is suggested that the pastor should not serve in the position of Treasurer and pastor should not have check signing authority over any church account.
6. Avoid even the appearance of potential conflicts of interest.

Suggested Steps in Handling Income

1. Immediately following the service, two persons carry the contents of the offering plates to a room for counting or placed in an adequate safe for counting the following day. Church funds/offerings should never be taken to a private home for counting.
2. The envelopes are immediately opened by at least two persons. Envelopes are marked as to intent and purpose if for other than undesignated offerings.
3. Balances between envelope totals and cash/check totals are reconciled.
4. A summary report outlining the various accounts income is to be credited to, is prepared and initialed by at least two persons.
5. A deposit slip is prepared and at least two persons bring the deposit directly to the bank.
6. A copy of the deposit slip and the summary report are given to the treasurer and to the financial secretary .
7. Persons in the above steps should be rotated periodically. It is best if the treasurer and the financial secretary are not personally involved in the above procedure.
8. The term of office, served by the treasurer, should be limited to a specific period of time. The successor to the treasurer should not be from persons

- of the same family nor should this office be rotated between the same individuals serving as financial secretary and treasurer.
9. Persons involved in handling income should not be involved in any way in the handling of expenditures.
 10. Funds collected from other activities (fundraisers, special events, etc.) should be directed to those responsible for recording and making bank deposits of these funds. A copy of the deposit slip and summary report is given to the treasurer and financial secretary.
 11. Members should be encouraged to make their offering by check, not cash.

Suggested Steps in Handling Expenditures

1. Bills and obligations should be approved for payment. This approval should be indicated in writing by the person responsible. In larger congregations, a purchase/approval form may be used to approve payment and identify the account to be charged. In all cases, expenditures should be supported by original invoices and/or receipts, not photocopies.
2. Check is prepared.
3. Check is signed by persons authorized under the bank account agreement. Dual signatures are recommended. The pastor should not be an authorized signer.
4. Blank checks should never be signed in advance, under any circumstance.
5. Check number is written on invoice/support document to prevent duplicate payment, and check is mailed.
6. At least three persons should be involved in the above four steps, even in a simple system.
7. Savings and/or Investment Accounts - if the Financial Secretary and/or Treasurer is authorized to initiate fund transfers to/from these accounts via telephone, it is suggested that a verification notice (written form) be developed indicating that on a specific date such transfer took place (and for what purpose) and signed by the President of the congregation. This form to be retained in the files of these accounts.

The above materials have been gleaned from:
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