



# Financial Controls

## The Akron First Seventh-day Adventist Church

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### **Scope**

This policy shall govern the financial operation of the Akron First Seventh-day Adventist Church and all of its ministries. This includes receipts (collections), deposits, disbursements, reporting of all gifts and offerings provided to and disbursed by the Akron First Seventh-day Adventist Church.

### **Purpose**

The financial responsibility of the church is to be a wise steward of the resources God has entrusted to us. Financial transparency is a must for it is important that donors know their money is being used in the way it was intended.

### **Administration**

#### ***Fiscal Year***

The church fiscal year shall begin January 1 and conclude December 31. The Stewardship Team will present a budget for adoption at a church business meeting, to the church board for initial approval by the December church board meeting of the previous year.

#### ***Financial Records***

The church will be responsible for maintaining adequate financial records at the church facilities. A backup of these records should be kept at a offsite location.

#### ***Financial Reports***

Monthly financial reports of expenditures and receipts shall be made available. The treasurer will present income and expense reports to the church board, on a monthly basis, for its evaluation and discussion.

#### ***Contribution Statements***

Contribution statements will be provided to each member and nonmember who donates to the Akron First Seventh-day Adventist church during a given fiscal year.

### **Segregation of Duties**

The work of treasury should be done by a team of people, not just one individual.

#### ***Stewardship Team***

The Stewardship Team has general supervision of the church finances, is responsible for preparing the yearly budget, and reviewing & recommending student aid to Mayfair Christian School and Mount Vernon Academy. The Stewardship Team is comprised of the Pastor, Treasurer, Head Elder, Head Deacon, and Operations Director.

#### ***Treasurer***

The Treasurer is in charge of administrating the budget and finances of the church. The Treasurer does the following:

- Prepares monthly financial statements.



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- Establishes a system of accountability for counting the monies received in church offerings.
- Provides receipts to every member and visitor who makes donations.
- Attends church business and board meetings to provide financial reports and answer questions.
- Protects the church's good name and credit.

### ***Treasurer – Accounts Payable (AP)***

The Assistant Treasurer AP is responsible processing all payments for expenses incurred by the church.

### ***Treasurer – Accounts Receivable (AR)***

The Assistant Treasurer AR collects and counts all monies from pledges, loose plate collections and special offerings and collections. The Assistant Treasurer deposits all funds received and furnishes to the treasurer a copy of each deposit receipt.

## **The Offering**

Once an offering has been collected the Treasury follows the following process.

1. The loose (cash) offering is counted by a member of the Treasury department and one of the deacons. At this time the envelopes are gathered together to be counted later - see 3 below.
2. The cash offering and envelopes are placed together in a bank bag and placed in the safe.
3. Later in the day two members of the Treasury meet at the church to complete the counting of the offering. At this time the loose (cash) offering is recounted and the envelopes are opened and counted.
4. After the offering has been counted and reconciled a deposit slip is prepared and the offering is put into a sealed bank bag. Control amounts are secured by a member of the treasury to compare later to the bank receipt.
5. The sealed bank bag is placed in the safe until taken to the Bank.
6. The deposit is taken to the bank by a member of the Treasury.
7. A few days later the bank sends a receipt to the Church treasurer. The treasurer compares the receipt to his control total and reconciles any differences. Control detail is given to the treasurer who enters the amounts into the General Ledger.

## **Designated Funds**

The Akron First Seventh-day Adventist church complies with the legal standards of charitable contributions. As such, the following guidelines apply to a designated contribution:

- The contribution is unconditional and without personal benefit to the donor.
- The church will receive designated giving only to areas which are church approved or are already part of the church budget. No designated gifts will be received until the church approves that fund.
- Non-cash gifts to the church will be acknowledged with a letter of appreciation which can be used by the donor, along with proof of value, to deduct it from their taxes. All non-cash gifts become property of the church and may be used or sold at the church's discretion. The church reserves the right to either accept or refuse any non-monetary gift.



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- The value of personal services is never deductible as a charitable gift.

### **Expense Reimbursement**

Pre-approval is required for reimbursement of any expense over \$250. A pre-approval expense form must be filled out and approved by the appropriate team/board.

- Requests for reimbursement above \$250 must be approved by the church stewardship committee.
- Requests for reimbursement above \$500 must be approved by the church board.

For reimbursement of any expense, an Expense Reimbursement Request form must be filled out and turned in to the Treasury department of the church.

### **Privacy**

The Akron First Seventh-day Adventist Church maintains strict confidentiality about our donors, their gifts, and personal information. We respect the privacy of our donors and will not make available this information without prior permission of the donors, except where disclosure is required by law.