

Basic Internal Control Practices

1. An assigned individual such as the church treasurer or financial secretary should handle the accounting functions for the church. Not the pastor.
2. Separation of duties is the key to an effective internal control system.
3. A background screening report should be run for each employee who is involved with the finances of the church.
4. As soon as possible begin using offering envelopes.
5. Encourage members to use checks in making their offerings or give online.
6. At least two people need to be involved in every step of the cash receipts process.
7. Cash must be counted in a secured area.
8. Contribution records must be maintained for every member.
9. Members should be sent notices of their contributions periodically.
10. Invoices for goods and services should be approved by a qualified person before payment is made.
11. Have at least two signatures required for all checks over \$300.00.
12. Reconciliation of the bank account must be prepared monthly by a person who is not involved in writing checks.