

### Practical procedures to safeguard integrity

*by Dan W. Hess*

Don't ask me how it happened, because I honestly don't know.

The facts are these: after several months of stable, predictable giving, the income of Sunrise Christian Fellowship mysteriously dropped 40 percent. Our commitments to people and programs were suddenly pinched. Church leaders naturally turned to their treasurer (me) and began asking questions.

It was then I realized the folly of my being the sole person in the church to count, record, and deposit the offerings. I knew I hadn't had my hand in the till-but how could anyone else be sure? Although no accusations were raised, I was still uncomfortable. I was also greatly relieved when church giving returned to its normal level the next month! We never did figure out what caused the dip.

Many church treasurers are, like me, accountants or businessmen by profession. We view this position as a chance to use our professional skills in God's work. However, unless some financial controls are in place, our integrity may be jeopardized.

Even the apostle Paul touched on the importance of good church money management in 2 Corinthians 8:20-21 (PHILLIPS): "Naturally we want to avoid the slightest breath of criticism in the distribution of their gifts, and to be absolutely above-board not only in the sight of God but in the eyes of men."

#### **Here are some practical procedures worth considering:**

1. Have at least two people present whenever offerings are counted. That way nothing irregular can occur, honest or otherwise, without being observed.
2. If at all possible, separate the functions of record keeping and cash handling. In other words, the treasurer, who likely keeps the church books, should have another trusted person make the actual bank deposits. This way the treasurer cannot be accused of stealing money and then doctoring the books, nor will the depositor have incentive to steal, because he has no access to the books where he could hide the deed.
3. Require two signatures on checks larger than a certain amount, say \$100. Again, the purpose is not so much to prevent fraud as to protect the treasurer's integrity.
4. Persons with responsibility for handling cash should be specifically designated by the governing board. They should be elected to their posts if at all possible, in order to avoid the impression of self-serving appointments.
5. Separate the functions of receiving cash and disbursing cash. Those who count the offering should not be the ones to write and sign checks for disbursement.
6. Use banking facilities as much as possible. Keep minimal cash on hand.
7. Record and deposit all cash receipts promptly.
8. Disburse all funds by check.

The above guidelines help safeguard the church's money, which is the asset most susceptible to theft. In addition, it is good stewardship to have as much church money as possible earning interest. By using interest-earning checking accounts and money market funds, it is fairly easy to do this, even if the money is to be spent shortly. Church treasurers

## Protecting the Church Treasurer

who have not recently studied the type of bank accounts now being offered should do so, as changes have been rapid in this area in the past two or three years.

The conscientious church treasurer will also appreciate a clear delineation on who is authorized to spend the church's money and for what purposes. The membership in general, although well-meaning, should not be allowed to purchase items for the church and then present the treasurer with the bill. This puts the treasurer in a difficult position if the item is questionable. In addition, the member has no way of knowing whether the cash was available or whether this was the highest-priority use of the cash at the time.

A middle road is to authorize one person in each area of ministry to make limited purchases. Such persons-and this includes pastors-must be diligent to turn in organized, complete records so all monetary transactions can be traced and verified as proper. The treasurer should have the ability to prove his or her innocence if necessary.

Even though such procedures may be more time-consuming, bothersome, and expensive, the treasurer's integrity and reputation are at stake. For the small church to apply all of these principles may be difficult. However, many of these are easy to implement at little expense in time or money. In addition, most church members consider financial integrity a must. Their feeling of security in the proper handling of their offerings has a direct relationship to how freely they give.

One final suggestion: If possible, make your treasurer a part of the inner circle of leadership. Let this person sense and help develop the vision for the church, praying with you over key decisions and problems. This tells the treasurer that his key role is more than tending ledger sheets; it is caring for people.

The role of treasurer is certainly one of the spiritual "gifts of administration" (1 Cor. 12:28). The office of treasurer is thus a position of spiritual leadership within the body.

When the people view the treasurer in this light, it tends to negate any "appearances of evil." They see this person as committed to the core motives and goals of the church, not just a detached money handler.

The church treasurer performs a necessary and important function. The pastor and governing board can make the job more enjoyable and less dangerous by following these ideas. Most importantly, the treasurer can help move the church forward in its basic mission of caring for the flock and reaching to the community.

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