

### **Policy**

**The Church Council should maintain and regularly review a robust system of internal controls to safeguard the assets of the church. The Council should operate under the same standards and safeguards as a good business operation. This includes developing and maintaining written policies and procedures for key responsibilities.**

**Policies and controls require shall separate duties among those receiving incoming money, those authorizing payments, the person(s) paying or transferring money, and the team participating in the annual internal audit.**

**The BLC Council should assure regular recording, reporting, and analysis of income, expenses, and balance sheet and conduct an annual review of BLC fiscal positions and processes. The Council shall report fiscal condition and review a budget with the congregation no less than annually.**

Financial Functions at BLC and those who perform them include:

- (a) Director of Finances - elected Council person with lead responsibility for financial accounting and analysis;
- (b) Tellers – volunteers who gather and record offerings and gifts;
- (c) Financial Secretary – Council appointed volunteer who records members and friend’s gifts and designations;
- (d) Church administrator and staff - tracks rents due and received and bills received;
- (e) Treasurer - Council appointed volunteer who serves as custodian of all funds, maintains the General Ledger and all accounting records of the congregation, and who pays bills and transfers funds as instructed;
- (f) Council members or designees - sign vouchers to authorize the payment of bills or the transfer of monies from one account to another; and
- (g) Audit Committee – Council appointed volunteers, independent of other financial roles, who annually conduct an audit and provides this to the Council, along with any recommendations.

### **Policy Guidelines**

- The tasks of the Director of Finances, the Treasurer, the Financial Secretary, and the Audit Committee are outlined in the BLC Bylaws. The Treasurer and the Financial Secretary are selected by the BLC Council and work under the guidance of the Director of Finances. The Audit Committee is selected annually by the Council.
- An instruction list of Teller processes and procedures has been developed and a copy of the latest version is filed with this policy statement. The list will be reviewed at least annually by the Director of Finances. The Director of Finances may select a Head Teller to oversee the weekly activity of the Tellers.
- No Teller should be required or allowed to handle the congregation’s income alone at any time. There should be two or more non-related Tellers.
- The Treasurer or the Pastor (or their family members) should never perform teller duties.

- Cash should not be stored in the church (i.e., deposits in our bank should be made timely).
- Records of income/gifts are confidential and only available to the Pastor, President, Director of Finances, or persons designated by the Council to do stewardship studies.
- At least quarterly, contribution statement summaries will be sent by the Financial Secretary to congregation members and others who have donated money to BLC.
- BLC members and friends should be regularly encouraged to make their offerings by check or, preferably, by electronic giving.
- Members of the BLC Council, or designees appointed by the Council (because they manage programs), may prepare and sign vouchers authorizing the transfer of monies to pay bills, reimburse those who forwarded monies for approved purposes, or move monies from one BLC account to another.
- No person can authorize payment to him/herself. Another Council member must sign relevant vouchers.
- The church administrator may be authorized by the Council to prepare and sign vouchers for certain regular bills (e.g. utilities), with a record of the vouchers available to the President.
- The Treasurer responds to signed vouchers and, as instructed, transfers the monies indicated.
- Reports of the financial situation at BLC will be provided to the BLC Council at least monthly. These will include Balance Sheets and Reports of Financial Activities provided by the Treasurer. An overview and analysis will be provided by the Director of Finances. At least semiannually, a report originating with the Financial Secretary and describing giving patterns will be provided.
- The Director of Finances, with assistance from the Treasurer and the Financial Secretary, will assist in the preparation of the annual budget (see Budget Policy statement).
- All BLC financial data shall be kept up-to-date, backed up at least monthly, and, for those records resident on a local computer, secured in a secondary location whenever practical.