GUIDELINES FOR CHURCH TREASURES

(AUDIT POINTS)

Conference Remittances: Conference remittances are due at the Conference office by the 10th of the following month after collected.

Bank Accounts: Have all bank accounts registered in Jewel. Reconcile all accounts on a monthly basis. **Pastor should not be a signer on the bank account.**

Offerings: Always have two or more persons counting the offering. Use a count sheet and have both persons sign it.

Bank Deposits: Make all offering deposits by Tuesday after their collection on Sabbath. The total collected must be deposited in the bank. Use AdventistGiving as one of your methods to receive offerings.

Debit/Credit Card: If a debit or credit card is used, it must be approved by the church board. Pastors should not have access to debit cards, only, if necessary, to credit cards with a specific limit.

Financial Summary: Present to the church board at your regular church board meetings. Keep copies of the minutes where the financial report was approved and a copy of the financial report presented.

Loose Offering: Use the Loose Offering Calendar to properly channel your weekly offerings.

Sabbath School Missions: Distribute two envelopes to each Sabbath School class, one for local SS offerings and one for the missions offering. Send the mission's portion to the Conference with the monthly remittance.

Evangelism Funds: The church Pastor has access to Evangelism Funds for the next calendar year when the funds are properly requested by the deadline of October 31. The local church, along with the pastor, are responsible for providing the Evangelism Report to the Conference Office. Keep the original report and backup documentation in a separate folder for your next audit. Send a copy of the report and the backup documentation to the Conference office in order to free funds that could be requested for the next year.

Payments: Every disbursement MUST have backup documentation in the form of a receipt, invoice or board minutes. Have backup documentation for check, automatic bank drafts, credit card payments, cash withdrawals, and any other form of disbursement.

Services provided to the Church: The church should only use independent contractors or companies for services. Independent contractors have their own license and Certificate of Liability. Have them fill out a W9 form before any service is provided. Request their Certificate of Liability before they begin any work on your premises. Make payments for services separate from reimbursements so that you can easily select in Jewel the payments for services for the IRS 1099 Miscellaneous Form at the end of the year. Stipends or gifts for performing a service are defined as taxable income to the provider of the service.

IRS Form 1099 Miscellaneous: It is necessary to file Form 1099 Miscellaneous with the IRS when you pay $600 or more for services during the calendar year to any independent contractor. It is not necessary to file a 1099 Miscellaneous if the entity is incorporated.
Payments to volunteer: A volunteer cannot be paid or given a stipend.
Locally Funded Payroll: Anyone providing a service to your church that does not qualify as an independent contractor, must then be a locally funded employee and paid by the church via the Conference office. Contact Human Resources at the Conference for more information.
Tithe Envelopes: Use red ink for any absolutely necessary changes to the envelope and put your initials. Create an envelope for the Loose Offering and one for the Sabbath School offering. Your envelopes totals must match the total entered in Jewel.
Church Safety: The church must have a safety officer that will conduct yearly inspections and make a report to the church board. The safety officer will conduct the necessary emergency drills and will work on creating a Church Emergency Response Plan. For more information contact Risk Management at the Conference office.
Verified Volunteer Program: The church must have a Verified Volunteer Program Administrator. This Administrator will ensure all church ministry leaders and officers voted or appointed by the local church, volunteers voted or appointed by the Conference, Union, or the North American Division and its affiliates, as well as all registered volunteers either from within or outside the North American Division voted or appointed to serve in the territory are certified through the Verified Volunteer Program. This new policy mandate includes the church pastor.
Retention of Records: Keep tithe envelopes for 3 years, all other documents for 6 years, with the exception of the Church Journal which must be kept indefinitely.
Organization of Documents: It is easier if you organize your documents on a monthly basis.

- **Monthly Folders**: Keep a monthly folder where you will keep the bank statements, reconciliations, and backup documentation for payments made. Either staple the backup documentation to the check voucher or copy of the check/automatic bank draft transaction, or write the check number and date on the receipt. Use the check report to organize the receipts in the same order.
- **Reports Binder**: Keep your reports in a binder as they are not necessary for the audit. This could be your Church journal that must be kept indefinitely.
- **Permanent Records Folder**: Keep the following items in a separate folder.
    a. Vehicle and Church Insurance
    b. Liability Insurance from entities renting your church premises
    c. Independent Contractors W9 Forms and Liability Insurance
    d. Music License
    e. Tax Exempt Certificate and EIN (Employer Identification No.) letter
    f. Board and Finance Committee Minutes
    g. Copies of Forms 1099 and 1096 as sent to the Internal Revenue Service
    h. Payment Plan Agreement with the Florida Conference

Tithe Envelopes: Keep tithe envelopes together with the bank deposit slip and the count sheet. Bundle them together by week and wrap with a stretch band. Clearly identify the week on the outside. Wrap the 4 or 5 weeks of the month together. Your bundle envelopes must match your entries in Jewel.