

Documenting Cash Receipts

The more attention church leaders give to putting all cash-handling procedures into writing and to having a periodic review of internal controls the fewer the problems that are likely to evolve from weak internal controls. In most churches the primary source of revenue is through donations by cash or by check. Without exception, all cash received should be documented very carefully. This documentation should include pre-numbered envelopes and a corresponding offering tally sheet. Once the offering is taken up and brought to the office, counters should verify the amount on the check with the amount on the envelope. The amount recorded on the envelope should be recorded on a permanent church contribution record. New I.R.S. regulations require that those who give more than \$250.00 in one gift must receive a written receipt from the church for that gift. Counting procedures must be clear and complete. All donations must be properly accounted for and classified as to the nature and purpose of the gift. All funds should go through the counting process. This would also include funds received in the mail. Donations should be deposited as soon possible after the counting process is complete and recorded. Once the counting process is completed, the persons who counted the offering should sign an offering tally sheet. This tally sheet summarizes the contributions and totals the designated gifts into categories of general budget, missions budget, or restricted gifts and unrestricted gifts. Ideally the best procedure after the count is complete is to place the offering into a locking bank deposit bag. One usher will have the key to the locked bag, while two other ushers will take the secured bag to the bank where it will be recounted by two tellers and verified by a deposit receipt. This deposit receipt should later be compared to the signed offering tally where it will be stapled together. When a night deposit box is not available, some churches will keep the contributions in a steel safe until it can be deposited. Regardless, the deposit should be made as soon as possible after the collection is taken-up.

SIGNED: _____
