

**1. Title:** Cash Receipts Processing

**2. Purpose:**

2.1 Provide controls for all forms of cash receipts (payments) including currency, coins, checks and money orders.

2.2 Ensure that all cash receipts are appropriately secured, recorded and reported according to generally accepted best management practices.

2.3 Provide adequate management control procedures for the safeguarding and the handling of cash receipts; both “offerings” and “non-offerings” cash receipts.

2.4 Ensure that cash receipts are protected from misappropriations.

2.5 Ensure that physical access to cash receipts and cash receipts records are limited to authorized personnel.

2.6 Provide appropriate internal controls for cash receipts.

2.7 Provide training for persons responsible for cash receipts.

**3. Policy:**

3.1 Cash receipts collected for any purpose shall be appropriately protected/secured at all times.

3.2 Cash receipts are classified as either “offering” or “non-offering” cash receipts.

3.3 The Church Administrator is responsible for receiving non-offering cash receipts from *responsible church organizations* and individuals for authorized purposes. The Church Administrator serves as the “collecting officer” and receives cash receipts for depositing in the church’s bank account(s).

3.4 Cash receipts given to or deposited with the Church Administrator shall be recorded with the use of the *Cash Receipts Reconciliation and Deposit Form*, (FPCC Form 08051) / (F-08051) which is exhibited as Appendix A.

3.5 The individual who submits/transfers any cash receipts to the Church Administrator is responsible for appropriately completing F-08051.

3.6 A non-offering cash receipt shall be recorded as a *journal entry* for the depositor-provided current liability account number.

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3.7 The organization transferring the cash receipts to the Church Administrator is responsible for verifying at the appropriate date (availability of monthly reports) that the balance of the specified account is accurate.

3.8 The cash receipts received by the Church Administrator shall be immediately secured by the Church Administrator in the church's safe until removal for making a bank deposit.

3.9 The Church Administrator shall verify the accuracy of a submitted F-08051 and sign it verifying same. A copy of the signed form shall be provided to the individual submitting the cash receipts to the Church Administrator. The signed form shall serve as a receipt for the deposit with the Church Administrator.

3.10 All completed FCC Form 8051's shall be filed by the Church Administrator as part of FPCC's financial records.

3.11 Either the Church Treasurer or the Administration Ministry Chairman shall perform the duties of the Church Administrator if the Church Administrator or an Acting Church Administrator established by a formal delegation is not available.

3.12 The number of persons required to actually handle FPCC cash receipts shall be kept to the very minimum. Individual accountability should always exist in handling FPCC cash receipts and all exchanges of cash receipts must be documented.

3.13 Personal transactions with FPCC funds are strictly prohibited. Monies shall not be loaned from FPCC's funds.

3.14 All persons responsible for the receiving/receipting of FPCC's non-offering cash receipts will reconcile monies collected at the time of collection. The reconciliation must be documented in writing and signed by two individuals. F-08051 may be used for this purpose. This document shall be retained by the signers until F-08051 is completed and the monies are deposited with the Church Office. Two persons should always be involved for counting monies collected and a record made of the counting process.

3.15 All monies collected for any and all church functions and needs shall be deposited at the earliest opportunity to the church's bank account.

3.16 Deposits shall be made with the church's bank each Monday or on a Tuesday if Monday is a holiday.

3.17 Non-offering cash receipts may only be collected from members of the congregation for events, materials, and functions that have been approved by an

authorized church organization. Such approvals shall be recorded in the organization's meeting minutes.

3.18 All Church personnel handling cash receipts shall be advised by the Administration Ministry of the proper actions to take in the event of a robbery. It is the FPCC's position that no employee should endanger themselves or others by attempting to resist robbery. Generally, the instructions issued by persons attempting an armed robbery should be followed as precisely as possible. No more or less action than specified should be followed, particularly in the case of armed robbery.

**4. Definitions:**

4.1 Bookkeeper – one who does the bookkeeping, the recording of data in a prescribed manner and generally is responsible for keeping all of the records of a business or of only a minor segment such as customer accounts. Duties are generally clerical in nature.

4.2 Cashier – one who is responsible for moneys received and expended: one that has charge of money: one that collects money.

4.3 Cash receipts - includes coins, currency, checks, money orders, credit cards and other payment forms which may be processed by a financial institution.

4.4 Church Administrator – a member of the church Staff. See OPS 02.02 for a description of the Church Administrator's responsibilities.

4.5 Church Treasurer – an officer of the church elected by the session who is responsible for church finances and who is supervised by the session. See OPS 02.09 for specific responsibilities.

4.6 Offering cash receipts – includes all cash receipts received as worship offerings during worship service as free will and as payment on a pledge; and also includes payments received on pledges in the mail or delivered in person to the church office.

4.7 Non-offering cash receipts – includes all cash receipts which are NOT offering cash receipts. Such cash receipts may be for reimbursements for expense accounts, i.e. reimbursements for books bought for various classes, reimbursements for church events. Cash receipts may be for purposes such as the PW's once per year collection for the Sunshine fund or ticket sales for an event. Several people may be involved over a period of several days.

4.8 Teller(s) – a designated elder (not necessarily on Session) appointed by the Administration Ministry (Stewardship Committee) who is responsible for counting and handling offering cash receipts. One referred to as a “counter”.

4.5 Authorized church organization – a church organization approved by the Session.

**5. References:**

- Operations Policy Statement 05.14 – Delegation of Responsibilities.
- Operations Policy Statement 08.01 - Financial Administration
- Operations Policy Statement 08.02 – Accounting Principles
- Operations Policy Statement 08.03 – Chart of Accounts
- Operations Policy Statement 08.06 - Counting of Offering.
- Operations Policy Statement 08.21 - Record Keeping
- Operations Policy Statement 08.22 – Records Retention

**6. Applicability:**

- This OPS applies to any and all persons handling cash receipts at FPCC.
- The Administration Ministry (Finance Committee) is responsible for revising this OPS.

**7. Procedures:**

7.1 Offering Cash Receipts

7.1.1 The worship service’s ushers shall collect the offering during Worship service.

7.1.2 The scheduled ushers shall stow the offering in a bank deposit zipper bag immediately following the conclusion of the service.

7.1.3 The scheduled ushers shall hand the deposit zipper bag to an assigned teller immediately following the conclusion of the service. If a teller is not available, the ushers shall hand the deposit zipper bag to the Pastor.

7.1.4 The teller or Pastor shall immediately secure the deposit zipper bag in the church safe.

SEE OPS 08.06 COUNTING OF OFFERINGS

7.2 Non-offering Cash Receipts

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7.2.1 Ministry and organization leaders shall appoint/designate two individuals to serve as “collection cashiers” for special collections.

7.2.2 The individuals doing the collecting shall count all the collected cash receipts immediately following the collecting event (day) and record the amount.

7.2.3 The collection cashiers shall complete F-08051. Any individual taking monies into the church office for deposit shall complete the F-08051 and follow these procedures.

7.2.4 The collection cashiers shall initial the form in its paragraph (3) for both the “beginning cash” and “ending cash” amounts.

7.2.5 All the cash receipts shall be stowed in a labeled brown envelope labeled with the name of the organization making the deposit and the date deposited.

7.2.6 The organization’s treasurer (or a collection cashier) shall complete the F-08051, (sign in Line 7) and give the envelope containing the cash receipts and the F-08051 to the Church Administrator.

7.2.7 The Church Administrator shall count the cash receipts, verify the accuracy of the F-08051 recorded amount and that the cash receipts were received by signing the F-08051 on line #8.

7.2.8 The Church Administrator shall provide a copy of the signed F-08051 to the “depositor” to serve as a receipt.

7.2.9 The Church Administrator shall place the F-08051 in the envelope, and immediately secure the cash receipts in the Church’s safe.

7.2.10 The Church Administrator shall file the original copy of the F-08051 in the Church’s official financial records. These forms shall be retained until the completion of the annual financial audit and as specified in Policy 08.22 *Records Retention*.

SEE OPS 08.06 COUNTING OF OFFERING FOR FURTHER PROCESSING OF NON-OFFERING CASH RECEIPTS.

7.2.11 The Ministry Chairman or organization depositing / transferring the cash receipts to the Church Administrator shall verify the accuracy of the specified (line 6 in F-08051) account balance on the printing of the first monthly reports following the deposit.

7.2.12 Any finding of error shall be immediately reported to the Church’s Treasurer in writing.

7.3 Training

7.3.1 The Church Treasurer shall train individuals who handle the church's cash receipts on the policy and procedures provided in this OPS.

7.3.2 The Church Treasurer shall keep a record of such training by placing a memo in the individual's Personnel Folder if they are a paid church employee.

**8. Review Schedule:**

The review date for revising this OPS is its effective date's anniversary.

**9. Approval:**

The Session approved this OPS on the above effective date.

Appendix: A

**First Presbyterian Church of Conroe**

**Form Title:** *Cash Receipts Reconciliation and Deposit Form (F-08051)*

**Purpose:** Use for reconciling cash receipts and depositing/transferring cash receipts to the Church Administrator.

1. Sponsoring organization's name: \_\_\_\_\_

2. Name of function/purpose for which monies collected: \_\_\_\_\_  
\_\_\_\_\_

3. Both appointed collection cashiers share in completing this section.

	<u>Amount</u>	<u>Counter's initials</u>	<u>Counter's Initials</u>
Ending cash:	_____	_____	_____
Less beginning Cash:	_____	_____	_____
Cash collected:	_____		

Full names of counters: \_\_\_\_\_  
\_\_\_\_\_

4. Provide the following for monies being deposited:

Total amount of coins	_____	
Total amount of currency	_____	
Total amount of checks	_____	list each on back side
Total deposit	_____	

6. Credit the deposit to the following (current liability/expense) account: \_\_\_\_\_

7. Signature of person making this deposit: \_\_\_\_\_

8. The above stated amount of cash receipts were received by the undersigned.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Full name of signer: \_\_\_\_\_

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9. Keep original with cash receipts. File in Financial Records after bank deposit is made. Provide signed copy to the person named in line 7.

[Copies of this form are available in the Church Office.]