

Presbytery of San Fernando FINANCIAL CHECKLIST

Polity & Records Committee, 1997 (updated 2008)

This checklist is designed for the assistance of church trustees and finance committees. Some items, especially on page 3, may be delegated to personnel, safety, buildings & grounds and other session committees. As there are financial considerations in every item, all committees are encouraged to communicate regularly. The desirable answer for all questions is YES.

PROCEDURES	YES	NO	N/A	COMMENT
1. Do you have a written standard operations procedure for handling of church finances that is clearly defined and distributed yearly to all of those responsible for handling cash receipts, paying bills, and recording financial transactions? Is a copy kept in the church office?				
2. Is the Treasurer elected yearly by the session and is he/she directly accountable to the Board of Trustees or the Session on a monthly basis?				
3. Did your Board of Trustees or Finance Committee examine and sign the Master Policy Fidelity & Security Checklists distributed by Covenant Presbyterian Insurance Program?				
4. Did your Board of Trustees or Finance Committee review <i>Notes on Doing a Church Audit</i> distributed by Presbytery?				
BANK ACCOUNTS	YES	NO	N/A	COMMENT
1. Are all bank accounts authorized by Session?				
2. Is a current signature card for each account on file?				
3. Are incoming checks and statements opened only by the authorized person or persons?				
4. Are checks reviewed for irregularities, such as checks out of sequence, unauthorized signatures and evidence of tampering and any irregularities promptly questioned and corrected?				
5. Are bank statements reconciled monthly and the reconciled amounts compared with the financial statements of the period?				
6. Is the bank reconciliation reviewed by a responsible officer?				
CASH RECEIPTS	YES	NO	N/A	COMMENT
1. Are the offerings counted by two unrelated persons?				
2. Are the deposit slips completed by the people counting the offering?				
3. Are cash receipts deposited on a regularly defined basis?				
4. Are deposit slips placed in a secure office file for the church officer or office manager who does the bookkeeping/accounting and kept on file for the yearly audit or review?				
5. Are checks restrictively endorsed?				
CASH DISBURSEMENTS	YES	NO	N/A	COMMENT
1. Is there a written check writing policy, approved by Session?				
2. Have the Trustees or Finance Committee established internal procedures to prohibit checks to bearer or to cash?				

3. Are all checks pre-numbered and accounted for?				
4. In the supply of unused checks adequately accounted for?				
5. Are spoiled checks mutilated to prevent reuse and kept on file?				
6. Does your church have a voucher system?				
7. If you have a voucher system, are the persons signing the checks independent of those approving the voucher?				
8. If you use the voucher system, are vouchers canceled?				
9. If you use a voucher system, are checks mailed by people other than those signing the voucher?				
10. Do you avoid signing checks in advance of their drawing?				
CASH/PETTY CASH FUNDS	YES	NO	N/A	COMMENT
1. Is a petty cash fund a line item in your budget? When spent are the funds accounted for?				
2. Are there guidelines for use of the funds?				
3. Is responsibility for each fund vested in only one person?				
4. Are disbursements evidenced by supporting documents?				
5. Are payees required to sign voucher?				
PROPERTY, PLANT AND EQUIPMENT	YES	NO	N/A	COMMENT
1. Are detailed fixed asset records kept and balanced?				
2. Is accumulated depreciation kept?				
3. Are periodic checks made of the physical existence of the fixed assets?				
PURCHASING	YES	NO	N/A	COMMENT
1. Is there a policy for obtaining competitive bids for large purchases?				
2. Are competitive bids obtained according to policy?				
3. Are bills paid only from original invoices?				
PAYROLL	YES	NO	N/A	COMMENT
1. Are time records kept?				
2. Are time records independently approved before checks are written?				
3. Is the organization in compliance with local laws, payroll tax deposits?				
4. Is an injury and illness prevention program in place?				
ACCOUNTING	YES	NO	N/A	COMMENT
1. Is a record retention policy in place?				
2. Are budgets prepared and administered?				
3. Is a complete balance sheet showing all fund balances, assets and liabilities prepared monthly?				

4. Is a complete revenue and expense statement prepared monthly?				
5. Do the balances on the financial statements correspond to the reconciled bank statements?				
6. Are restricted gifts adequately accounted for?				
OPERATIONS	YES	NO	N/A	COMMENT
1. Are there current job descriptions?				
2. Are performance evaluations conducted at least annually?				
3. Does your church have Personnel/Employment Policies approved by Session and updated regularly?				
SYSTEMS	YES	NO	N/A	COMMENT
1. Are computer systems backed up at least weekly?				
2. Are backups kept off site?				
SECURITY	YES	NO	N/A	COMMENT
1. Adequate lighting?				
2. Adequate security for building?				
3. Adequate fire protection system?				
4. Minimal amount of cash kept on the premises?				
INSURANCE	YES	NO	N/A	COMMENT
1. Are hold harmless agreements in force for all outside organizations using the facilities?				
2. Are outside organizations required to provide insurance in compliance with Presbytery policy?				
3. Is adequate insurance maintained for the property?				
4. Is adequate liability insurance maintained?				