



churchassistants.com

Bookkeeping for Small to Medium Churches

Attention to Detail



Your church is focused on ministry. While your outreach may be large – your staffing level may be small, especially financial staff.

Managing finances can be challenging for small to medium-sized churches. At churchassistants.com, we understand your challenges completely and we can help. The daily details of recording transactions, crunching numbers, and analyzing spreadsheets is not where you want to spend most of your time. However, it is these details that can greatly damage your church if they are not handled correctly.

The Devil is in the Details

This brief article can help you understand why internal controls are so important and the basic control elements that must be in place for your church's financial health.

Churchassistants.com can help you have a healthy church while you focus on what matters most – your ministry!

Why Are Internal Controls Important?

Ever wonder why internal controls are so important? When you are talking about a church, “we trust that our staff will always do the right thing,” right? Or (even better), “we have never had an issue before with theft or fraud.”

While you should definitely trust your staff and only hire staff you trustand hopefully you never experience an instance of theft or fraud, internal controls are not just about trust; internal controls are also about protection. Protecting your church's financial operations, assets, and reputation are the pinnacle of why internal controls are necessary.

What Are Internal Controls?

Internal Controls (IC) are a framework of policies, procedures and activities utilized by an organization to ensure financial information is reliable, operations are effective and efficient, and laws and regulations are followed. By implementing sound internal controls, your church will better protect its assets, discourage fraud and mismanagement, and ensure reliable and timely information is obtained, maintained and reported.

The Basics of Internal Controls

Internal controls act as the checks and balances against theft, fraud, and abuse. At a minimum, internal controls should include the following:

- Segregation of duties – no single individual should perform all functions of a financial transaction.

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- Authorization and approvals – all financial transactions should be authorized and approved by a person of appropriate authority.
- Verification, reconciliation, reviews and documentation – verification, reconciliation and review are performed on significant transactions and documentation is maintained in the records.
- Physical security – physical access to cash, equipment, and financial records should be limited only to those who need it and based on their needed level of use.

Good Stewardship

While it is easy to overlook or minimize the importance of internal controls in a church organization, the financial health and reputation of your church rely on it. Good stewardship over the church's resources is an important part of any ministry.

We're Happy to Help

If you need our assistance, we're only a phone call away. Contact us by phone at 855-777-7310, by email at Staff@churchassistants.com or by sending us a contact request using the form on our website. Finally, follow us on Instagram: https://www.instagram.com/churchassistants?utm_source=qr&igsh=MWJnZWg1eWRqb2NxYQ==