

Constance Departmental Ministry Cash Handling Policy

In the context of department ministry activities, financial transactions are necessary for effective ministry. An offering may be taken in a ministry setting. Or it may be necessary to maintain a supply of cash to make change for sales of various items or for the collection of fees for service.

The purpose of this policy is to define minimum requirements expected of each ministry when handling such cash supplies and the cash flow from sales and services. For the purpose of this policy, the term cash handling in the policy title refers broadly to transactions involving cash coins and bills as well as checks.

These requirements are not a reflection on the trustworthiness of any ministry. Rather, this policy is meant to create a healthy environment of controls to protect ministry participants and that will ensure that cash is handled in the best interest of the church.

I. Ministry Cash Box Supplies for Weekly Ministry

A ministry may feel that it has circumstances that require a cash supply from week to week to manage their ministry. This cash supply will be referred to here as a Ministry Cash Box Supply.

A. Approval of Ministry Cash Box Supplies

Any ministry that requires a cash supply for week to week activity must request authorization of this supply from the Sr. Associate Pastor of Corporate Ministries in writing stating the purpose. This should be an estimated amount of cash necessary to make change for cash transactions. Upon the effective date of this policy, ministries with an existing cash supply should make an estimate and request a supply of cash in writing.

B. Use of Cash Supply

Authorized cash supplies are to be used only for the purpose of making change for cash transactions. The cash supply and any other cash receipts are not to be used to make purchases for any reason. Purchases are to be made through the use of cash advances, billings and invoices, or personal expenditures and check requests for reimbursement.

C. Cash Box Handling Controls

The authorized cash supply requires careful handling to ensure its protection. Accordingly the following controls are to be followed by each ministry that has an authorized cash supply.

1. Cash supplies are to be kept in some form of cash box that closes.
2. During ministry activity, cash supplies must be in the presence of two designated cash handlers for each ministry event. Cash handlers may have other responsibilities but must be in the presence of the cash and the other cash handler at all times. Cash handlers

should not be new to the church, and must be able to perform the requirements of this policy.

3. The two cash handlers must not be related family members.
4. At the completion of the ministry event, the cash handlers will:
 - a. Determine if a deposit is necessary according to D. Excess Cash Deposits below.
 - b. Ensure that the cash box is kept in a locked staff office or the administrative office supply area.

D. Excess Cash Deposits

A regular pattern of deposits is expected from each ministry responsible for a cash supply as follows. These deposits may consist of cash and checks.

1. A deposit of cash and checks in excess of the authorized amount is to be made at least monthly no matter what the amount of the excess. The Sr. Associate Pastor of Corporate Ministries will assess with you if a more frequent, weekly pattern of deposits is necessary.
2. The deposit is to be made in the church safe using the Ministry Deposit Envelope.
3. As part of the church's fiscal yearend closing in June, the church office will ask if you should deposit your cash supply over the summer, due to projected inactivity, and have it resupplied in the fall when it is needed.

E. Increasing the Authorized Cash Box Supply Amount

Resupplies of the authorized amount of cash may be made as needed for ministry activity. However, requests for increased cash supply amounts must be reviewed and approved by the Sr. Associate Pastor of Corporate Ministries.

F. Retiring an Authorized Cash Box Supply

When a change of ministry activity results in the elimination of the original need for a cash supply, it is to be retired by depositing the supply, and notifying the Sr. Associate Pastor of Corporate Ministries that it is no longer needed

II. Occasional Miscellaneous Cash Transactions

- A. Occasionally, a ministry may have event-related cash transactions for the sale of books, or tickets to an event. If cash is needed for these purposes, a cash advance should be used and the same controls for a ministry cash box are to be followed:
 1. Use of a closing cash box, in a locked area when not in use.
 2. The cash box in the presence of two unrelated cash handlers when in use.
 3. At least monthly deposits, and more frequently with a large volume of sales.
 4. Return of cash at the end of the event and no purchases made with the cash.

- B. Your ministry may not require a cash supply for making change for these types of occasional miscellaneous cash transactions. Nevertheless, good judgment should be used in handling the income and regular (at least monthly) deposits of cash and checks should be made.

III. Ministry Offerings

Any ministry that takes a regular or occasional offering is expected to follow these controls:

- A. No portion of the offering is to be removed and used for any purpose such as purchases or resupplying a cash box.
- B. Two unrelated individuals are to be designated to transport the offering from the place of ministry to the church office for a deposit in the church safe.
- C. If the offering is taken offsite (e.g. in a home, at a retreat, etc.) and it is impractical for two individuals to transport the offering for a deposit, an alternative control is necessary as follows. A count is to be made by two unrelated individuals at the site of the offering and a written report of the count is to be made and signed with legible signatures by both individuals. A copy of the report is to be given by the individual not transporting the offering to the church treasurer.

IV. Ministry Petty Cash Funds

A petty cash fund is a supply of cash where a small amount of cash is used for minor receipts of income and purchases for minor amounts of supplies. For example, the church office maintains a minor petty cash fund based on the collection of personal copying fees and purchases of stamps. Other than this office petty cash fund, no other ministry is authorized to maintain a petty cash fund.