

[Church Name]

BOOKKEEPING PRACTICES POLICY

****Every form that is used for input to QuickBooks will have a "Q" in upper right hand corner along with any needed notations to show items have been input****

WEEKLY:

- OFFERING:

- Input contributions into QuickBooks using;
 - "Create Sales Receipts" function
 - Using the Copy of the weekly offering form with the Master envelope list with names
 - Enter information "Customer Job" –these are the donors-: pick name from list (start typing last name)
 - Insure date is correct
 - Type in check number or cash in box
 - In "Item" box pick correct item (unrestricted, 1st Sunday of Month, AFLC Special, etc.)
 - In "Fund" box pick correct fund (Admin, Designated, or General)
 - In "Amount" box type in amount

If donation is for more than one "item" ensure each is recorded
- Upon receipt from the Treasure of any corrections to the original weekly offering form;
 - Make any/all corrections to the sales receipts stating why change was made in memo.
 - Verify deposit date using online banking, date of deposit written on original offering form or deposit book from treasurer.
 - Click on Record Deposits; ensure "Deposit to" account, "Date", and "deposit Subtotal" boxes are correct.

- BACK UP QUICKBOOKS

- FILE:

- By Month then subfolder
 - Currently subfolders are;
 - offering by week
 - checks numerically
 - reports/statements by date

Approved: _____ Date: _____

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MONTHLY:

- TRANSFER FUNDS FROM CHECKING TO SAVINGS:

- Using transfer slip from treasurer or online confirmation:
 - transfer funds in from Bus Now to Green Checking
 - Use Banking tab:
 - Transfer funds
 - From account-BUS NOW
 - To account: GREEN CK
 - Keep transfer slip/conformation in checks folder

- DISBURSEMENT FORMS:

- Completed forms are received from the treasurer
 - Input data using the “Write Checks” function.

*****Exception: All payments (including reimbursements) to employee’s (Pastor) must be written from Employee tab/ Pay Employees*****

- Ensure:
 - Checks are written out of the Bank Account assigned (Bus. Now, Kitchen, Annual Pastor Conference, etc.),
 - Check number is correct
 - Date check written is correct (Not date entered in QB’s)
 - Pay to the Order of is correct -donations given are to “other” not “vendor or customer”
 - Amount is correct
 - If needed ensure the “split” is correct
 - Expense account matches (Bulletins, AFLC tithe, etc.)
 - Correct Class is assigned (general, admin, or designated)

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- **BANK STATEMENTS:** *(Currently one is mid-month and one end of month)*
 - Using the current statements, online print out is acceptable.
 - Reconcile QuickBooks
 - Print both the summary and detail reports
 - Run the Balance Sheet *(Dates tab-Custom-use date of statement)*
 - Optional-Highlight report for council:
 - Bank Statements: dates, previous & ending balances
 - Reconciliation Detail/Summary Report: Beginning Balance & Cleared Balance
 - Balance Sheet: Total in account *(BUSINESS NOW CHECKING AKA CHECKING or GREEN BUSINESS Checking AKA SAVINGS)*
 - Attach reports to statements for Treasurer and Finance Committee review

- **INTERNAL TRANSFERS:**
 - *BANK SUB ACCOUNTS (kitchen, pastor conference, furnace, etc.)*
Total Fund amount and how they are to be used is provided by Council
 - When funds are depleted, and you need to add:
 - Use Banking tab:
 - Transfer funds
 - From account-BUS NOW
 - To account: appropriate sub account
 - Date should be 1st of month
 - Reconcile books
 - Ending balance same as beginning balance
 - Print report for treasurer and finance committee

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- REPORTS:
 - Using the Reports tab/Memorized Reports
 - Informational report for bookkeeper:
 - Unrestricted Income & Expense by Class (Dates tab: last month)
 - Verify items are categorized correctly, if designated shows up on this report edit as needed
 - Print for council.
 - Run and Print the following reports for council (email reports to members who have email)
 - Balance Sheet (Dates tab: last month)
 - Contributions (Dates tab: last month) this report is also used to figure AFLC 10% tithe of general donations.
 - Optional: write AFLC 10% and \$ amount on report
 - Transaction Detail by Account (Dates tab: last month)-for comparison to the treasurer checkbook
 - Temporary Restricted-Designated by Class (Dates tab-Custom-use dates: 1/1/2012 through end of last month) this report shows funds still in accounts and is used for council tracking and approval prior to treasurer writing checks.
 - If unclear where funds go-use report to get specific information and write it on report.
 - Unrestricted Funds & Expense-Prev Year Comparison (Dates tab-Custom-use dates: beginning of current year through end of last month, such as 1/1/13 through 3/31/13)
 - Budget vs. Actual (Dates tab- This Fiscal Year: MAKE SURE YOU RUN THIS ON THE LAST DAY OF THE MONTH or before any new transactions are done)
- REVIEW:
 - No later than the Sunday prior to Council meeting all files will be placed in the church inbox (or emailed), for the finance committee to review.
- BACK UP QUICKBOOKS
 - Keep back-up from prior month in church file drawer.

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QUARTERLY:

- Print quarterly report for all employees, email, hand deliver or mail every quarter.
- If requested print copy for treasurer and/or finance committee

END OF YEAR:

• DONOR STATEMENT:

- End of year donor statements completed by bookkeeper and reviewed by treasurer and finance committee. If no issues they are mailed, emailed, or hand delivered no later than January 31st.
- If loose offering of any donated check is for \$250 or more treasurer will give bookkeeper information for issue of receipt to donor
- Report/Memorized Reports/Customers/Year-Unrestricted-Contributions by Customer Detail
 - Dates: Last Fiscal Year
 - Check to make sure all names and all deductible items are included, edit as needed
 - Print settings-Page Breaks-check both smart and after each major grouping

• REPORTS:

- Run and Print the following reports for council (email reports to members who have email)
 - Balance Sheet (Dates tab: Last Fiscal Year)
 - EOY-Summary-council-Contributions (Dates tab: Last Fiscal Year)
 - EOY-Designated Funds (Restricted)-Expense detail (Dates tab: Last Fiscal Year)
 - EOY-NON Designated Funds-Transaction Detail By Account (Dates tab: Last Fiscal Year)
 - EOY-Statement of Income & Expense (Dates tab: Last Fiscal Year)
 - Pastor Transaction Detail by Account (this is easier to read if you make a spreadsheet)
 - EOY-1099's may be needed
 - Verify all people performing services (Guest speaker, Janitor, etc.)
 - modify report/filter tab/ name/ multiple names
 - Print

TAX FORMS

Draft by Bookkeeper, reviewed by Treasurer and Finance Committee, approved by Council, submitted by bookkeeper and filed.

I 9's for all employees (one time if US citizen)

W-9's for anyone receiving income (one time for each individual)

1099-misc. for those needed according to current IRS regulations (yearly)

Michigan Department of Treasury Form 165 (yearly)

W-2 & W-3 (yearly)

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