**Roles in Church Financial Management**

Managing a church’s financial operations requires several people to function in separate roles. Broadly, churches need people for three separate roles:

1. **Tellers**

Tellers are responsible for collecting and counting the offering during services. Tellers must record the number of checks and cash on a count sheet and record the gifts made by each donor in the church’s giving software (e.g., Planning Center, Breeze, etc.), and store the money in a locked bank bag in a safe. Only the tellers should have access to the safe and the safe may only be opened in the presence of two tellers. As soon as possible, the tellers must deliver the offering to the bank and obtain a receipt for the deposit. The dollar amounts on the offering count sheet, the report from the giving software, and the bank receipt must all match and be filed together in the church’s files.

Two tellers must be always present when counting the money and opening the safe. Both tellers must sign all the count sheets and the giving report. Ideally, a church has 4-8 tellers so each teller is only serving once or twice a month and tellers rotate who they work with.

1. **Bookkeeper**

The bookkeeper is responsible for maintaining the church’s accounting records. This includes posting deposits, entering invoices, preparing checks, arranging electronic payments, processing expense reimbursement requests, reconciling the bank accounts, processing payroll, and preparing financial reports including giving statements. However, the bookkeeper **should not have the authority to make payments and should not be a signer on any bank account.** The bookkeeper’s role is simply to record what is happening and produce reports, not to approve or authorize any transactions.

For an example of a bookkeeper job description, follow this link: https://www.executivepastoronline.com/bookkeeper-job-description/

1. **Treasurer**

The treasurer is responsible for the church’s financial operations and policy as the LBA’s delegated representative. The treasurer reviews and approves all the transactions the bookkeeper posts to the accounting systems to ensure the transactions are appropriate and posted to the correct accounts. The treasurer is a signer on the church’s bank accounts and must approve all payments (including payroll and expense reports), which includes signing checks. The treasurer also reviews and signs the monthly bank account reconciliations.

 Some churches have a staff position such as a director of finance, director of operations, or executive pastor who can review and approve the bookkeeper’s activities, which is acceptable. However, the treasurer is still responsible for setting the financial policies and procedures, reviewing financial reports regularly, and arranging for an annual audit. For a reference on internal audits, see the attached internal audit guidelines.

In addition to their role in the financial operations, the treasurer has additional responsibilities as a member of the board (LBA). I’ll talk about these aspects of the treasurer’s role in a future newsletter.

**Who serves in these roles?**

First, and most importantly, there **must be different people in each of these roles.** This is a critical accounting concept called “Separation of Duties.” If one person serves in multiple (or all the) roles, there is no accountability, and it opens the door to fraud. Besides being different people, the people in these roles should not be related to each other or related to the church staff or board. The church staff and board should not be tellers and board members should not be bookkeepers.

In smaller churches where volunteers are more difficult to find, the treasurer may be the bookkeeper.  If the treasurer is the bookkeeper, then the board should appoint another board member(s) to conduct the activities described in the “Treasurer” role such as approving payments and signing checks.   While not ideal, the most important priority is for the church to have a separation of duties.

If you have questions, thoughts, or recommendations, I welcome your feedback at amiedema@theglr.org or (616) 560 6446.