

POLICY NAME: Control & Safeguard of Assets/Accounting Practices

1. Purpose

- 1.1. This policy mandates a system of checks and balances to ensure that money and property belonging to the congregation of Deer Lake United Church is properly received, adequately protected, accurately recorded and effectively used. Effective controls protect both the church's assets and the reputation of church volunteers as elected to offices of financial responsibility in the management of those assets.

2. Scope

- 2.1. This policy applies to anyone with responsibility for any aspect of the day-to-day financial affairs of DLUC (Treasurer, Envelope Secretary, signing officers).

3. Policy Statement

- 3.1. No one person is in complete control of any one accounting function. All cheques and withdrawals from DLUC's accounts require the signature of two signing officers who are at arm's length, and supporting documentation must be available for each signing officer to review.
- 3.2. All financial documents (cheques to be signed, bank statements, cancelled cheques, bank reconciliation, records of investment etc) are to be reviewed by a minimum of two individuals.
- 3.3. Cash is to be counted, recorded, and deposited under dual custody.
- 3.4. All disbursements (other than Petty Cash) are to be made by cheque.
- 3.5. Blank cheques are never to be pre-signed by one signing officer.
- 3.6. All offerings received, no matter who the beneficiary, must be counted and recorded by members of our congregation. No cash is to leave the premises before it is counted and recorded.
- 3.7. Signing officers are to be approved by the Board.
- 3.8. The personal information of DLUC's signing officers is to remain private and is under no circumstances to be released to any party without written consent. Any application for credit in favour of DLUC must be approved in writing by all signing officers before that application is released to the business offering the credit account.
- 3.9. Any and all financial activity of DLUC must be included in all financial records and reports, including the Annual Report and the Registered Charity Information Return.
- 3.10. All computerized financial records will be backed up and kept off site.
- 3.11. Bank statements are to be reconciled monthly.
- 3.12. The party responsible for maintaining the bookkeeping records (Treasurer) will have no contact with cash transactions.

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Authorized by: DLUC Board

Staff position or organization responsible for authorising the policy

Maintained by: Treasurer

Staff position responsible for keeping the policy up to date and error free

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- 3.13. All decisions which may impact the control and safeguard of DLUC's assets must involve the Finance Committee, and in particular, the Treasurer, as responsibility for adherence to government legislation and United Church policy is theirs.

4. Definitions

- 4.1. **Arm's Length:** Describes a relationship where persons act independently of each other, or who are not related
- 4.2. **DLUC:** Deer Lake United Church
- 4.3. **Dual Custody:** Involving two people, both of whom are equally responsible for the action
- 4.4. **Signing Officer:** Any member or employee of DLUC who has been given Board approval to have authority over the church's banking transactions, and whose signature authorizes withdrawals from the church's accounts

5. Responsibility / Owner

- 5.1. The Treasurer has oversight responsibility for all revenues and expenses of DLUC.
- 5.2. The Treasurer, the Finance Committee as a whole, and the individual signing officers are responsible for ensuring compliance with this policy.

6. Legislative Context / External References

- 6.1. United Church of Canada Financial Handbook for Congregations 2006 Edition
Section 3 – Financial Management for Charities
<http://www.united-church.ca/mtf/pdf/financial2006.pdf>
- 6.2. Office of the Information and Privacy Commissioner for British Columbia – Resources for Organizations
http://www.oipc.bc.ca/sector_private/resources/index.htm
- 6.3. United Church of Canada Privacy Position – Policy, Bulletins, FAQs
<http://www.united-church.ca/privacy/info/home.shtm>

7. Associated Documents / Internal References

- 7.1. Treasurer's Job Description
- 7.2. Envelope Secretary's Job Description
- 7.3. Board Minutes – April 20, 2004
- 7.4. Letter from Jean M Anderson CMA (auditor) attached to Board Minutes – June 15, 2004
- 7.5. Associated procedure:

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- 7.5.1. Monthly bank and investment account statements and bank reconciliations are to be available at all Board meetings for review.

- 7.5.2. Monthly financial statements (balance sheet and income statement comparing actual expenses to budgeted amounts) are to be available at all Board meetings.

- 7.5.3. Bank statements and cancelled cheques are to be reviewed by the Church Secretary before being given to the Treasurer and the statement is to be initialled by the Church Secretary or another signing officer to indicate this has taken place.

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