

# Financial Secretary

A Financial Secretary receives and records the gifts of members and other givers and supervises the counting and deposit of all offerings.

## History and Background

Acts 6:1-6 records the selection of the seven who were of good reputation and full of the Spirit. One of their tasks was to handle the collection and distribution of the offerings. These were the forerunners of today's treasurers and financial secretaries. They held an important place in the early church.

As modern accounting practices evolved, separation of duties became a generally accepted accounting principle. Thus one person (the financial secretary) is responsible for taking in money and an unrelated person (often the treasurer) is responsible for disbursing money. This separation of duties is an essential internal control designed to protect the church and all persons entrusted with your church's finances.

## Common Practices

Handling income of the church with integrity and accuracy is essential if the trust of givers is to be maintained. Errors must be handled promptly in a manner that maintains confidence.

In addition to the separation of duties, at the end of each year (or whenever a change in persons in these positions occurs) an audit by a qualified outsider should take place as an added safeguard for these people and the church. Churches will never want to put their volunteers or staff in a position where they are exposed to suspicion of mishandling church funds. Thus proper internal controls protect people as well as church funds.

## Responsibilities

Your specific responsibilities generally include:

- Ensuring proper procedures are in place, understood and followed for the duties of the position.
- Recruiting, training and overseeing counters for offerings (tellers). Ensuring that teams of at least two unrelated people count each offering and that each teller's service is rotated throughout the year and among teams.
- Ensuring that tellers prepare and submit a report of receipts with documentation.
- Ensuring that receipts are kept in a safe until deposited and that deposits are made safely and as soon after receipt as practical.

- Posting or overseeing posting of givers' records of giving. To ensure accuracy, member records' total is balanced to total receipts made by check and/or envelope.
- Making reports to givers at least quarterly as required by the IRS.
- Providing receipts summaries to the Treasurer (bookkeeper, contracted accounting firm, etc.) for inclusion in the accounting system/financial statements and for reconciliation with bank statements.
- Posting pledge information to givers' records and reporting overall pledged amounts.

Additional responsibilities may include, depending on church policy and practice and technologies used:

- Assisting givers with establishing electronic giving authorizations.
- Performing control and balancing procedures in an automated system, including electronic receipts and givers' records.
- Advising the pastor of significant giving changes of individuals as a possible pastoral care concern.
- Providing pledge and giving history to the stewardship committee (in the level of detail permitted by your church practice or policy) to assist with the stewardship campaign.

- Assisting givers with establishing electronic giving authorizations.
- Depositing checks received by mail.

## Skills and Attributes Needed

- Basic understanding of accounting procedures.
- Trustworthiness; honesty.
- Confidentiality.
- Enjoys working with numbers.
- Attention to detail; accuracy.
- Commitment to the church and its mission.
- Ability to work with the financial team.
- Ability to attract and support volunteers.
- A positive image of the task.

## Ways to Increase Skills, Knowledge and Effectiveness

- Ask for a position description Outlining responsibilities, expectations and accountability.
- Talk with people who have been financial secretaries.

- Attend workshops and seminars sponsored by your association or conference or local colleges or technical schools on accounting principles and practice.
- Have a conversation with the Treasurer to clarify how your work interfaces with the accounting system and overall procedures.
- Become familiar with the various categories of contributions you might encounter in your church (special offerings, capital campaigns, pledged and unpledged giving, memorial gifts, etc.) and the ways these gifts might be received so you may record them and credit the donor properly.
- Review an Audit Guide for Internal Control procedures relating to handling Cash and Receipts in general.
- Investigate electronic giving resources recommended by the United Church of Christ national offices.

## Issues Facing the Church

- In too many churches offerings are counted, recorded and deposited by one trusted person working alone. Sometimes this person even takes the offering home where it may be

more peaceful and convenient to do the counting and recording. Why is this practice unwise?

- When a new Financial Secretary introduces proper controls (rotating teams of at least two counting, etc.) in a church where a lone trusted individual or a long-standing team has been counting the offering, she or he may be perceived as untrusting or rigid. How can proper procedures be introduced in a way that minimizes the possibility of valued volunteers or their friends being offended?
- Can you envision putting the emphasis on creating a safe environment for volunteers by explaining how financial control procedures protect tellers from the possibility of unjustified suspicion of mishandling funds? Could you enlist the Treasurer or Trustees to help in instituting new procedures? Might you help the tellers to understand and be the advocates for the change? (If a teller says, “No one should agree to handle the cash without a second person assigned. We should protect our volunteers as well as church assets. I for one want that protection.” – that should remove resistance.)
- Are there any responsibilities which you don’t think are carried out well? If so, what might you do?