

Presbytery of the Twin Cities Area
ANNUAL FULL FINANCIAL REVIEW CHECKLIST FOR CONGREGATIONS
Format Prepared November 2020

Presbyterian Church _____

For the Fiscal Year _____, ending _____

Financial Review Committee Members:

Treasurer:

Date Completed:

BANK ACCOUNTS & INVESTMENTS. For each account maintained by the church, the following items should be checked.

_____ Reconciliation of Bank & Investment Accounts: Are bank accounts balanced monthly? Verification of beginning and ending year balance.

_____ Account signatories verified

_____ Telephone or other transfers verified

_____ Safe deposit box access checked

_____ Account balances confirmed by Bank (see attached forms)

Notes

INCOME

_____ Offering counted by two unrelated persons

_____ Funds deposited in timely fashion

_____ Financial secretary's and treasurer's records compared against deposits

_____ Transactions checked against postings to GL

_____ Other income processes verified

_____ Designated funds directed to restricted accounts

_____ Pledges recorded on donor records

_____ Confirmations sent to donors

confirmations sent _____ (Keep a list)

confirmations returned _____

_____ Differences researched & cleared

_____ Finance secretary's records reviewed

_____ Finance secretary's records agree with general ledger

NOTES:

DISBURSEMENTS

- _____ Per capita and General Mission gifts paid per session direction
- _____ Invoices properly approved
- _____ Canceled checks matched to invoices
- _____ Canceled checks examined to verify that disbursements were actually paid to the proper parties
- _____ Check numbers and dates noted
- _____ All checks, used and voided, accounted for
- _____ Purchase order system, if applicable, functioning appropriately
- _____ Accounts to charge noted on invoice
- _____ Are there any invoices to vendors over 30 days in arrears
- _____ Interest & service charges recorded
- _____ General ledger balances equal daily transactions
- _____ Procedure in place to account for restricted gifts
- _____ Procedure in place to distribute gifts regularly (Confirm receipt by Presbytery/Synod/GA)
- _____ Designated gifts paid out on a timely basis (Confirm receipt by Presbytery/Synod/GA)
- _____ Disbursement of petty cash funds given proper approval
- _____ Reimbursements to the petty cash fund properly made
- _____ Maximum figure for individual approval of payments established and

followed

NOTES:

FINANCIAL REPORTS

_____ Financial Reports provide a complete picture of the congregation's financial circumstances

_____ Financial Reports contain sufficient information to be helpful to the Session, committees and congregation

_____ Financial Reports prepared in a format that is helpful to the Session, committee members and congregation?

_____ The approved budget included in the Financial Reports?

_____ Approvals for all over-budget expenditures

_____ Policies for restricted funds reviewed

_____ Restricted funds used according to policy

_____ Regular reports provided to finance committee/Session/Pastor on pledges received

_____ Reports provided in timely fashion

_____ Reports distributed to the appropriate people

_____ Financial Reports include both a Balance Sheet and a Statement of Income and Expenses

NOTES:

GENERAL LEDGER

- _____ Restricted funds separated appropriately
- _____ Internal controls for receipts reviewed
- _____ Internal controls for disbursements reviewed
- _____ Other asset accounts reviewed (equipment, buildings, contracts, etc.)
- _____ Accounts payable reviewed
- _____ Accounts receivable reviewed
- _____ Prepaid expense account reviewed
- _____ Any related party/employee loans noted
- _____ Unearned Income account reviewed
- _____ Fund balance from prior year correct
- _____ Correct fund balance carried into next year

NOTES:

ADMINISTRATIVE

_____ Policy/Process for safeguarding documents

_____ Persons with access to important documents/safeguarded documents are identified

_____ Employer Identification Number obtained

_____ File for EIN and tax filings safeguarded

_____ Deed to church property and mortgages (if any) safeguarded

_____ Insurance policies safeguarded

_____ Insurance coverage appears to be adequate

_____ Prior year insurance policies safeguarded

_____ Church has separate bond for persons handling money

NOTES:

PAYROLL

- _____ Personnel files kept for all employees
- _____ Personnel files safeguarded and confidential
- _____ Salaries paid according to approved terms
- _____ Appropriate tax forms issued to all employees
- _____ Government remittances, and payroll tax deposits are timely made
- _____ Employee time sheets filed and approved (not by treasurer)
- _____ Employee benefits paid and current, including pension and retirement contributions
- _____ Any salary reduction plans noted
- _____ Session/committee approval noted and written documentation in file
- _____ Amounts paid to persons on contract/honorarium verified
- _____ Proper 1099 filing for persons paid on contract/honorarium

NOTES: