

**General Conference of
Seventh-day Adventists**

East-Central Africa Division

Managing Personal and Church Resources

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Abbreviations of book titles

- 1T Testimonies, vol. 1 (2T, etc., for vols. 2-9), by EGW
- AA The Acts of the Apostles, by EGW
- AH Adventist Home, by EGW
- CMan Seventh-day Adventist Church Manual
- CH Counsels on Health, by EGW
- CS Counsels on Stewardship, by EGW
- Ed Education, by EGW
- GW Gospel Workers, by EGW
- MH The Ministry of Healing, by EGW
- MYP Messages to Young People, by EGW
- PK Prophets and Kings, by EGW
- WP Seventh-day Adventist Working Policy

“Conference” is used as a synonym also for mission and field.

“Church” is used as a synonym also for company and branch.

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FOREWORD

God has chosen men and women in different generations to be instruments in His hands to carry forward the work of salvation for mankind. This is a privilege and not a right. There is no greater work under the sun that God values more than this. Anyone who has become a disciple of Jesus is a co-worker with God. One of the evidences that God is serious about us working together with Him is seen in the fact that He gave a variety of gifts. These gifts are to be used in accomplishing the task the Lord assigned us.

Church treasurers are God's appointed stewards of holy things that belong to God. All the financial and material resources that come into the coffers of the church belong to the Lord. Treasurers are then appointed by God, through the church members, to be custodians of those resources. Their responsibility is to receive, keep and disburse these resources for use as God, through the church, has directed. This work, like any other work for the Lord, should be done with great diligence, care and great reverence to the Lord. King David, being aware of this, counselled his son Solomon saying:

“And Solomon, my son, learn to know the God of your ancestors intimately. Worship and serve him with your whole heart and a willing mind. For the Lord sees every heart and knows every plan and thought. If you seek him, you will find him. But if you forsake him, he will reject you forever. So take this seriously. The Lord has chosen you to build a Temple as his sanctuary. Be strong, and do the work.” 1 Chronicles 28:9,10 NKJV.

Treasurers are serving a perfect God. This, rightly understood, injects fear and some may be tempted to give excuses and not take up the task they are called to carry. But it is good to remember that one of the reasons God chose us as His instrument is to perfect us. Treasurers should therefore aim at improving their skills by training frequently. Leadership of the church is taking lead in providing

materials that will help every treasurer to do a work that will bring glory to God. This is what Jesus did, E.G. White writes:

“For the carrying on of His work, Christ did not choose the learning or eloquence of the Jewish Sanhedrin or the power of Rome. Passing by the self-righteous Jewish teachers, the Master Worker chose humble, unlearned men to proclaim the truths that were to move the world. These men He purposed to train and educate as the leaders of His church. They in turn were to educate others and send them out with the gospel message.”

AA 17

I sincerely appeal to all leaders to use every opportunity to train. I appeal to every church treasurer to aim at improving skills in managing God’s resources faithfully, "Never be lazy, but work hard and serve the Lord enthusiastically." Romans 12:11. “Every branch of God's cause is worthy of diligence ... “ 6T 469

I sincerely thank the division treasurer and his team for the effort taken to prepare this Manual. It is a very handy tool for training and study. This work was not intended to be exhaustive, but with time, materials will be added or reviewed as the experience in using this manual will guide. May God bless you in the journey you are taking in studying this manual.

“If the work survives, that builder will receive a reward... So, my dear brothers and sisters, be strong and immovable. Always work enthusiastically for the Lord, for you know that nothing you do for the Lord is ever useless.” 1 Cor. 3:14; 15:58

Geoffrey Mbwana
President
Seventh-day Adventist Church
East-Central Africa Division

Part I - Introduction

1 Resources Available

The Bible - God's Word contains divine guidelines and principles in financial matters. Any church treasurer will be blessed in studying the Bible and seeking wisdom from above. A concentration of financial wisdom is found in the Gospels, in the Proverbs, and in the books of Ezra and Nehemiah.

Counsels on Stewardship - This book is a compilation of Ellen G. White quotations. It contains excellent guidelines that will lead not only church treasurers but all believers to make financial decisions that are in harmony with the divine plan.

Working Policy for East-Central Africa Division – Section S to X describes the financial management of the Seventh-day Adventist Church and its background and rationale. See www.adventist.org.

Church Manual - The Seventh-day Adventist Church Manual is very helpful for all church officers. Read especially the chapters “Church Officers and Their Duties” and “Gospel Finance”.

Church Treasurers' Manual - By attending seminars for church treasurers held by the conference and by studying this manual, many questions will be answered regarding the work and the responsibilities of the church treasurer.

WEB-sites

1. www.adventist.org
2. www.adventsource.org
3. www.ministerialassociation.com
4. www.stewardship.com
5. www.adventistrisk.org

Other Material - The conference will provide church treasurers with the following materials. Be sure never to run out of this material and be sure always to use it.

1. Envelopes for tithe and offerings
2. Receipt books
3. Analysis books
4. Trust fund reports
5. Supplies register

Supplies etc. - A ruler and a pen are indispensable. A calculator, a stapler, a puncher, and a stamp with church name and address will be of great help. Cash count forms are produced locally. A cash box and a cupboard with lock will help you to protect all accounting material.

Where to Get More Help - Church treasurers are always welcome to contact the conference treasurer, the stewardship director, the trust services director and the local church auditors for further advice.

2 The Church Treasurer's Qualifications

Holy to the Lord - The church treasurer is called to an important and sacred task. Not only God's tithes and offerings are holy but also the treasurer himself or herself is holy – set apart to a very special work. "You and these treasures have been set apart as holy to the Lord." (Ezra 8:28) "Be careful not to treat the holy gifts of the people of Israel as though they were common." (Num 18:32)

Trustworthy, Unselfish, Faithful, Orderly and Willing to Learn - "The care exercised by Ezra in providing for the transportation and safety of the Lord's treasure, teaches a lesson worthy of thoughtful study. Only those whose trustworthiness had been proven were chosen, and they were instructed plainly regarding the responsibility resting on them. In the appointment of faithful officers to act as treasurers of the Lord's goods, Ezra recognized the necessity and value of order and organization in connection with the work of God." (PK 617) The conference will instruct the church treasurers. The treasurers also have to share all relevant practical knowledge and

ethical requirements with his/her support team – assistants, counting group, elders, pastor and whoever is working with church finances. Read also: CS 143.

Transparency - Transparency in handling funds and promptness in reporting back to givers are very important aspects in the treasurer's work. Even though tithing is a command from God and offerings are based on the givers' love to God, we cannot just expect people to give without giving them information about the needs and reporting back to them about how tithes and offerings have been used. Seek information and share information.

Honest, Truthful and with Integrity - "Honesty should stamp every action of our lives. Heavenly angels examine the work that is put into our hands; and where there has been a departure from the principles of truth, 'wanting' is written in the records." (CS 142) "In His work there are to be no dark corners where dishonest deeds are done." (CS 143) "Truthfulness and integrity are attributes of God, and he who possesses these attributes possesses a power that is invincible." (MYP 35) Treasurers will shun corruption, favouritism, tribalism and nepotism. (Dan 6:4)

Excellent Reputation - "I assigned supervisors for the storerooms... These men had an excellent reputation..." (Neh 13:13) A thorough background check on these new treasurers was done. The treasurer's example of high ethical standards will have a positive and long lasting influence on church members. The treasurer leads by example.

Willing to Counsel and Encourage Members to be Faithful - "The treasurer can greatly encourage faithfulness in the payment of tithes and deepen the spirit of liberality on the part of the church members. A word of counsel given in the spirit of the Master will help the brother or sister to render faithfully to God His own in tithes and offerings, even in a time of financial stringency." (CMan 67)

3 Principles in Financial Management

Honesty and Justice - “The godly are directed by honesty.” (Prov 11:5) “One who hates corruption will have a long life.” (Prov 28:16) “Select ... some capable, honest men who fear God and hate bribes.” (Exod 18:21) “It is wrong to show favouritism...” (Prov 24:23)

Tribalism should never exist among Adventists. We all have the same Father and the same Saviour who invites us to a heaven where all tribes respect each other and live together. Jesus loved Jews as well as Romans and Samaritans. When tribalism and favouritism was felt in the early church, actions were immediately taken to eliminate the problem. (Act 6:1-6) The fourth commandment requires us to treat the foreigners as we treat our own.

Read also: Deut 10:17-19; 2 Chr 19:7; Prov 16:11; 17:26; 19:22; 8:13; 17:23; 28:21; Luke 20:25; Gal 3:28; Eph 2:13-17.

Planning and Budgeting, Practicing Economy and Living within Income - “Don’t begin until you count the cost. For who would begin construction of a building without first calculating the cost to see if there is enough money to finish it?” (Luke 14:28) “Gather the leftovers, so that nothing is wasted.” (John 6:12) “Many, very many, have not so educated themselves that they can keep their expenditures within the limit of their income.” (CS 249)

Debt-free Living - “Just as the rich rule the poor, so the borrower is servant to the lender.” (Prov 22:7). “Owe nothing to anyone – except for your obligation to love one another.” (Rom 13:8) “Keep within bounds. Shun the incurring of debt as you would shun leprosy.” (CS 272) “... one should not manage his affairs in a way that will incur debt... (CS 256) “Be determined never to incur another debt. Deny yourself a thousand things rather than run into debt... Make a solemn covenant with God that by His blessing you will pay your debts and then owe no man anything if you live on porridge and bread.” (CS 257) “All must practice economy. No worker should manage his affairs in a way to incur debt ... When one voluntarily becomes involved in debt he is entangling himself in one of Satan’s nets which he sets for souls.” (CS 254)

Read also: Prov 6:1-5; CS 256-283.

Self Support - “He has given His people a plan for raising sums sufficient to make the enterprise self-sustaining. God’s plan in the tithing system is beautiful in its simplicity and equality.” (3T 388). “Encourage every effort toward self-support. This will strengthen self-respect and a noble independence.” (MH 177) “We may give to the poor, and harm them, by teaching them to be dependent... Real charity helps men to help themselves...” (MH 195)
Read also: Prov 6:6-11; 20:4.

Liberality - “Everything we have has come from you, and we give you only what you first gave us!” (1 Chr 29:14) “If you help the poor, you are lending to the Lord – and he will repay you!” (Prov 19:17) “The spirit of liberality is the spirit of heaven. The spirit of selfishness is the spirit of Satan.” (CS 19) “The most difficult sermon to preach and the hardest to practise is self-denial.” (CS 29)
Read also: Prov 14:31; 22:22; 28:27; Deut 15:7,11; Matt 25:35-40; 2 Chr 31:5-12; Jer 22:3; Isa 32:8; 58:6-7; Zech 7:8-10; Luke 6:38; 21:3-4; 14:13; 2 Cor 8:1-12; 9:6, 7; Matt 16:24.

Part II – Funding God’s Work

4 Principles of Stewardship

It is God’s Money

1. “You know the generous grace of our Lord Jesus Christ. Though he was rich, yet for your sakes He became poor, so that by His poverty He could make you rich.” (2 Cor 8:9)
2. We are entrusted with God’s money to manage. (Matt 25:14)
3. God is keenly interested in how we discharge our stewardship obligations. (Mark 12:41-44)
4. We will give an account of our management of God’s money. (Matt 25:19; Luke 12:48; Rom 14:12)
5. When managing God’s money, we are also called to bear our cross in self-denial. (Matt 10:38; Mark 8:34; Luke 14:27)
6. Bringing glory to God must be the guiding principle in discharging all our stewardship obligations. (1 Cor 6:19, 20; Matt 5:16)
7. It is not poverty that results in infidelity, but infidelity that leads to poverty. (Mal 3:9)

Management of God’s Money

1. **Worship:** “Then Jacob made this vow: ‘If God will indeed be with me and protect me on this journey, and if He will provide me with food and clothing, and if I return safely to my father’s home, then the Lord will certainly be my God. And this memorial pillar I have set up will become a place for worshipping God, and I will present to God a tenth of everything he gives me.’” (Gen 28:20-22)
2. **Providing for Family Needs:** “But those who won’t care for their relatives, especially those in their own household, have denied the true faith. Such people are worse than unbelievers.” (1 Tim 5:8)
3. **Helping the Needy:** “Pure and genuine religion in the sight of God the Father means caring for orphans and widows in

their distress and refusing to let the world corrupt you.”
(James 1:27) See Isa 58:7; Deut 14:28-29, 1 Tim 6:17, 18.

4. **Invest in Eternity:** “By doing this they will be storing up their treasure as a good foundation for the future so that they may experience true life.” (1 Tim 6:19)
"Don't store up treasures here on earth, where moths eat them and rust destroys them, and where thieves break in and steal. Store your treasures in heaven, where moths and rust cannot destroy, and thieves do not break in and steal. Wherever your treasure is, there the desires of your heart will also be." (Matt 6:19-21)

Remember: “There are only two places in the universe where we can place our treasures,—in God's storehouse or in Satan's; and all that is not devoted to God's service is counted on Satan's side, and goes to strengthen his cause. The Lord designs that the means entrusted to us shall be used in building up His kingdom. His goods are entrusted to His stewards that they may be carefully traded upon, and bring back a revenue to Him in the saving of souls.” (CS 35)
“Every Christian is a steward of God, entrusted with His goods. Remember the words: ‘Moreover it is required in stewards, that a man be found faithful.’” (9T 246)

System and Regularity - 1 Cor 16:1-2; Neh 10:32-39; 2 Chr 31:11-21

5 Tithe

“Bring all the tithes into the storehouse so there will be enough food in my Temple. If you do,” says the Lord of Heaven’s Armies, “I will open the windows of heaven for you. I will pour out a blessing so great you won’t have enough room to take it in! Try it! Put me to the test!” (Mal 3:10) “I have given them the Israelites’ tithes, which have been presented as sacred offerings to the Lord. This will be the Levites’ share.” (Num 18:24) “In the same way, the Lord ordered that those who preach the Good News should be supported by those who benefit from it.” (1 Cor 9:14)

Read also: Gen 14:18-20; Lev 27:30; Num 18:26; 2 Chr 31:5; Neh 13:10-12; Matt 23:23.

“God has made the proclamation of the gospel dependent upon the labours and the gifts of His people. Voluntary offerings and the tithe constitute the revenue of the Lord’s work. Of the means entrusted to man, God claims a certain portion: the tenth...” (AA 74) “The tithe is sacred, reserved by God for Himself. It is to be brought into His treasury to be used to sustain the gospel labourers in their work.” (9T 249) “The command to pay tithe is so plain that there is no semblance of excuse for disregarding it.” (CS 105) “They should not allow poverty to prevent them from laying up a treasure in heaven.” (CS 107) “Humility, self-denial, benevolence, and the payment of a faithful tithe; these show that the grace of God is working in the heart.” (CH 590) “Every soul who is honoured in being a steward of God is to carefully guard the tithe money. This is sacred means. The Lord will not sanction your borrowing this money for any other work.” (EGW Letter 81, 1897)

When to Return the Tithe - Tithe is to be returned as first fruit when the personal income is received. (Prov 3:9) “The Lord calls for His tithe to be given in to His treasury, strictly, honestly and faithfully.” (CS 71)

Where to Return the Tithe - “...into the storehouse so there will be enough food in my Temple.” (Mal 3:10) The “storehouse” is the central place – the conference treasury – that secures “food in my Temple” – compensation to the Levites/pastors – and a just distribution to all parts of God’s work. All tithes and a portion of the offerings received in the local churches are passed on to the conference.

How to Calculate the Tithe - Tithe is 10% of one’s increase or personal income (Lev 27:30, 32). Tithe should be computed on the gross income before deduction of tax, etc. Personal income is produce from herds, gardens and fields, salary, hourly wages, tips, commissions, allowances, benefits, individual profits from business or professional operation, investment income, pension benefits, inheritances, health care assistance, employer-provided tuition

assistance, and non-cash benefits (free house, car) to name the most common. “In determining the proportion to the cause of God, be sure to exceed, rather than fall short, of the requirements of duty.” (4T 485)

What the Tithe is Used For - In the Adventist Church the tithe is set aside for the ministry such as employees’ salaries and allowances, Bible teachers, administration, departmental work, evangelistic work, radio, TV, literature. “As for the tribe of Levi ... I will compensate them for their service in the Tabernacle ... I will give them the tithes from the entire land of Israel... I have given them the Israelites’ tithes, which have been presented as sacred offerings to the Lord.” (Num 18:21, 24) Therefore, according to God’s word, we don’t return tithe to human beings but to God who gives it to the pastors and to the ministry. We are responsible towards God for returning tithe, and the ministry is responsible towards God for how His tithe is being used.

6 Offerings

Offerings are part of our worship and are used to cover expenses that tithe cannot be used for.

God said through Moses that during the three festivals: “... they must not appear before the Lord without a gift for Him. All must give as they are able...” (Deut 16:16-17) King David called for freewill offerings for building the temple. “Now then, who will follow my example and give offerings to the Lord today? ... The people rejoiced over the offerings for they had given freely and wholeheartedly to the Lord. “ (1 Chr 29:5, 9) “As you harvest your crops, bring the very best of the first harvest to the house of the Lord your God.” (Exod 23:19) “You must each decide in your heart how much to give. And don’t give reluctantly...” (2 Cor 9:7, 8) “Of the means entrusted to man, God claims a certain portion: the tenth. He leaves all free to say whether or not they will give more than this.” (AA 74) Tithe shows our obedience to God. Offerings show our love to God.

Offerings in the Bible (sometimes called the second and the third tithe) were used for building and maintaining the temple, work for the poor, etc. Today the Seventh-day Adventist Church also uses offerings for constructing and maintaining church buildings, support of institutions, welfare work, development and relief work and for several other purposes. (Neh 10:32-33)

Combined Offering Plan - East-Central Africa Division practices the “Combined Offering Plan”. This plan is easy to explain for the giver, and easy to handle for the treasurer.

While tithe is always given in an envelope, offerings are given either in envelopes or as loose offerings. On the envelope there are only three sections:

1. Tithe
2. Combined Offering (All loose offerings will be treated as combined offerings)
3. A free section for earmarked offerings

Destination of Funds Received - Only two offerings are taken each Sabbath. One is received during Sabbath School period and the other during the period of Divine Service. They are treated by the treasurer as one combined offering and shall not be reported separately:

1. All tithes are sent to the local conference.
2. The Combined Offering is split into two equal parts.
 - a. 50% of the Combined Offering is kept by the church treasurer for local church use. There are no restrictions on this 50%. It will be used by the church treasurer as decided by the church board.
 - b. The other 50% is “trust funds” and is transferred to the conference. It will be used as follows: 20% to Conference Advance, 5% to Union projects, 5% to Division projects, and 20% to General Conference World Mission Projects.
3. Earmarked offerings are encouraged to be given in three special cases only:

- a. In case of fundraising for a local building project (stays with the church).
- b. During camp meetings (sent on to the conference). 75% of camp meeting offerings are used by the conference for evangelism and construction of churches and pastors' houses and 25% are used by the union for mission purposes.
- c. This section can also be used for reporting on ingathering. Funds from Ingathering are used by the conference, the union and the division for development and relief work.

Offerings earmarked for special purposes cannot be diverted to other purposes. No treasurer or church board or committee at any level is allowed to use offerings for purposes other than what the giver has indicated. If a change is needed, the giver has to be asked for permission.

7 Planned Giving and Trust Services

Planned Giving and Trust Services of the Seventh-day Adventist Church focuses on the faithful stewardship of the material possessions God has placed in the believer's control. The believer may transfer funds to provide for their family, for the Lord's work and for other persons according to the purpose for which these funds were entrusted to them by God.

The Spirit of Prophecy advises that it is God's plan for man to provide means to carry forward His work through outright gifts, wills, trusts, annuities and other special gift models adapted to their local jurisdiction.

"Many manifest a needless delicacy on this point. They feel that they are stepping upon forbidden ground when they introduce the subject of property to the aged or to invalids in order to learn what disposition they design to make of it. But this duty is just as sacred as the duty to preach the word to save souls." CS 324. "Death will

not come one day sooner, brethren, because you have made your will.” (CS 328) “In disposing of your property...to your relatives, be sure that you do not forget God’s cause.” (CS 328) “The present selfish system of disposing of property is not God’s plan, but man’s device.” (CS 328) “Those who are faithful stewards of the Lord’s means will know how their business stands and like wise men, they will be prepared for any emergency. Should their probation close suddenly, they would not leave such great perplexity upon those who are called to settle their estate.” (AH 396)

The Bible also emphasizes the ownership of all things by God. “The earth is the Lord’s, and everything in it. The world and all its people belong to Him.” (Ps 24:1) “The silver is mine, and the gold is mine,” says the Lord of Heaven’s Armies.” (Hag 2:8)

The Lord expects us to exercise our stewardship by planning for the disposal of the property He has placed in our custody without letting anything go to waste, as demonstrated by His example after feeding the five thousand. “Now gather the leftovers, so that nothing is wasted.” (John 6:12)

Planned Giving and Trust Services encourages the preparation of wills and other gift instruments by directing members to their local conferences where the designated personnel will advise them on how to practice their stewardship by giving resources for the Lord’s work. There is also an opportunity for members to make additional contributions to the Lord’s work during their lifetime through outright gifts. Those who participate in this way have a chance to see the results of their contributions. In local churches, treasurers, as the custodians of the church’s resources, would normally serve as the Planned Giving and Trust Services representatives to direct members who desire to prepare wills and make outright gifts to the local conference offices.

8 Funding from Non-Church Sources

Since “The earth is the Lord’s and everything in it” (Ps 24:1) let us use the opportunities we have to influence people who are not necessarily members of the Adventist Church to give gifts to God’s work. Jesus’ first words to the Samaritan woman were: “Please give me a drink,” (John 4:7) and Elijah’s first words to the widow in Zarephath were: “Would you please bring me a little water in a cup?” and then he said: “Bring me a bite of bread, too.” (1 Kgs 17:10) We should pray as Nehemiah: “O Lord... Please grant me success today by making the king favorable to me.” (Neh 1:11) We also read that Artaxerxes gave silver and gold to the God of Israel (Ezra 7:15) and that King Darius used government money to finance the rebuilding of the temple. (Ezra 6:1-12)

“We are not to feel that it would not be the thing to ask men of the world for means; for it is just the thing to do.” (CS 188) “Times are growing hard, and money is difficult to obtain; but God will open the way for us from sources outside our own people. I cannot see how anyone can take exceptions to the receiving of gifts from those not of our faith.” (CS 187) “The Lord would move upon worldly men, even idolaters, to give of their abundance for the support of the work, if we would approach them wisely, and give them an opportunity of doing those things which it is their privilege to do.” (CS 185) “Let all understand that in presenting the needs of our work, believers can reflect light to others...” (CS 191)

Read also: Exod 12:36; Ezra 1:4, 6; 6:8-12; 7:6, 15-24; Neh 1-2; CS 183-191.

Effort should be made to give our friends from outside the church the possibility of supporting various activities organised by the church. This is also an excellent way to create contact and to show people the values of the church and how we want to improve life for humanity.

Handling God’s money from our own members demands the highest degree of honesty and integrity as does handling money from outside the church (Num 18:32). Dishonesty, bribery, corruption and lack of professionalism will bring disgrace upon the church and upon God’s people and will shut the doors for further donations for years into the

future. If the church can guarantee professional planning and implementation and an honest presentation of accounts, large sums are often available for worthy projects. Before signing any agreement or contract, remember to get advice from the conference to avoid negative surprises that can affect the church both spiritually and financially.

The purposes for funding are numerous, such as development, relief, free Bibles, education, health, buildings for churches, schools or clinics, evangelism, radio, TV, internet, etc. Sources of funding could be:

1. Self supporting ministries led by private Adventist groups help the Adventist Church with projects like evangelistic meetings, church construction or roofing, sponsoring education and providing clothes, medicine and equipment.
2. Government and local authorities sometimes fund areas of health, education and infrastructure.
3. NGOs (as ADRA) often look for partners with worthy projects within the areas of development and relief.
4. Individual persons, known for having influence and/or wealth, are often looking for possibilities to share their resources with projects that have their special interest. Find their area of interest and create a project where their resources can be of special blessing.
5. Ingathering was introduced by the Adventist Church in 1913. Church members raise funds among their friends and family for development and relief projects.

Part III – Handling God’s Money

9 Internal Control

Bringing tithes and offerings is a part of our worship to God as much as is prayer, song and sharing God’s Word. Giving to God should be a joyful act, leaving members with peace of mind, assured that the church’s methods of handling God’s money are safe and secure.

The objectives of internal control are to have organization and procedures focused on both the safeguarding of assets and the reliability of financial records – to prevent errors, and to detect and correct errors if they occur. To follow internal control procedures in handling tithes and offerings is of crucial importance. They will increase the quality of the process all the way from the giver’s hand till the funds are correctly used for local church purposes or received by the conference. But ordinary internal control procedures are not all. In addition we must pray for God’s protection. (Ezra 8:21-34)

1. Use of Offering Bags

“Jehoiada the priest bored a hole in the lid of a large chest and set it on the right-hand side of the altar.” (2 Kgs 12:9) Why did he not leave the chest wide open? He did this so as not to lead people into temptation and to protect God’s money from disappearing after it was given. People could fully trust in a secure handling of all donations.

The use of open offering plates is discouraged because it will make it more difficult for members to follow Jesus’ advice to “Give your gifts in private.” (Matt 6:4). Use of offering plates is also a temptation for weak souls, and it will reduce members’ trust in a safe handling of God’s money.

Bags on handles with narrow openings in the top are ideal for the purpose of collection. A hidden and secured zip-fastener will facilitate emptying the bag when the counting has to take place.

2. Use of Envelopes

The use of tithe and offering envelopes should be encouraged as the primary method of giving. (CMan 60) Givers should indicate name, amount etc. Used envelopes are kept in alphabetical order (according to name) by the treasurer for check at the time of audit.

<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p style="text-align: center;">Tithe and Offerings</p> <p>”Bring all the tithes into the storehouse...” (Mal. 3:10) ”God loves a person who gives cheerfully.” (2 Cor. 9:7)</p> </div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>Name</p> <p>_____</p> </div> <div style="border: 1px solid black; padding: 5px;"> <p>Address</p> <p>_____</p> </div>	<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>SDA-logo and name</p> </div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>Conference name address phone</p> </div> <div style="border: 1px solid black; padding: 5px; height: 80px;"> <p style="text-align: center;">(Local church stamp)</p> </div>
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Date	Amount	Amount	Amount	Amount	Amount
TITHE					
Combined Offering					
Total					
Tithe in kind					
Combined Offering in kind					
Earmarked in kind					

Describe IN KIND till it has been sold and the value can be written in the amount-section.

TITHE supports the gospel ministry throughout the world: Pastors, evangelism, literature etc.

COMBINED OFFERING is shared as follows:

- 50% is used in the local church for any purpose decided by the church board.
- 20% to Conference Advance which is special development and evangelism projects.
- 5% to special projects in the Union.
- 5% to special projects in the Division such as Church Roofing, Free Bibles, ADRA Disaster and Famine Relief, ECD universities, Spirit of Prophecy Books etc.
- 20% to World Mission fund such as ordinary Sabbath School offerings, 13th Sabbath School offerings, birthday offerings, thanks offerings, annual sacrifice, AWR, GC-session offering etc.

All loose offerings are treated as Combined Offering.

EARMARKED: We are encouraged to earmark offerings only in two cases:
 (1) Offerings given during fundraising for local building projects, and (2) Camp Meeting Offerings.

In case the amount inside an envelope does not correspond to the amount written on the envelope the giver should be contacted immediately to eliminate any doubt. To avoid embarrassing situations the treasurer should only open envelopes and verify the content in the presence of another church officer. This should be done immediately after counting the loose offerings. The treasurer and the church officer are bound by professional secrecy now and forever about financial information received from the envelopes.

3. Safeguarding Funds before Counting

Let at least two people go together and collect the offering bags from each Sabbath School class or other groups. All tithe/offering bags should be kept at the pulpit or be locked in a safe place with dual custody immediately after collection.

4. Counting Loose Offerings

“All general offerings not in the envelopes should be counted by the treasurer in the presence of another church officer, preferably a deacon, and a receipt given to such officer.” (CMan 69; 2 Kgs 12:10) For extra security and to facilitate the job it is recommended that the counting be done by a minimum of three people of which one is the treasurer or his/her assistant. Members of the counting group shall not be of the same family and both genders shall be represented. It is recommended to change the people in the counting group on a regular basis.

A cash count form (see example) is completed and signed by the group as backup for the receipt. There should be at least one cash count form for each Sabbath. If not all 52 or 53 forms are there, there should be proof that the church was closed on those Sabbaths. This should be mentioned in the church bulletin or as a document signed by the pastor and an elder.

5. Receipting

Official conference receipt books with sequentially pre-numbered receipts are to be used. They shall be with original and two copies. The original is for the giver. The first copy is for the accounting binder and the last copy will stay in the receipt book.

Sample Cash Count Form for Loose Offerings

Cash Count		Date:
Church Name:		
Purpose of offering:		
Number of bills/coins		Total
	1,000.00	
	500.00	
	200.00	
	100.00	
	50.00	
	20.00	
	10.00	
	5.00	
	2.00	
	1.00	
	0.50	
	0.25	
	0.10	
Total		
Cheques		
Foreign Currency		
Total		
Amount in letters:		
Signatures of counting team:		

“Receipts should be issued promptly for all money received, no matter how small the amount and a strict account of all receipts and payments should be kept by the church treasurer.” (CMan 61) Also anonymous tithe and offerings shall be receipted and reported in the church bulletin or on the bulletin board.

The treasurer shall not use more than one receipt book at a time. One book shall be finished before the next is opened. After the audit the finished receipt books are handed back to the conference. In principle all tithe and offerings should be handed in to the church or to the treasurer. In some areas where distance makes this difficult, a receipt book can be entrusted to the travelling pastor (he will sign for receiving it), to allow him to receive and receipt for tithe and offerings when visiting members. Before the end of the month (if

possible weekly) the pastor will hand to the church treasurer the receipt book and all funds received for updating in the analysis book. Sample receipt:

Seventh-day Adventist Church	
Conference....	
Church/Company: _____	
Receipt No: _____	
Name: _____	
Address: _____	
Tithe	_____
Combined offerings	_____
_____	_____
Total	_____
Amount in letters: _____	
Received with thanks	
Date: _____	Treasurer's signature: _____

If mistakes are made on receipts, a new receipt can be written and “CANCELLED” written on the old receipt - both on the original and on the copies. The original and the copy are kept in the accounting binder in sequence.

All offerings received during any kind of official church gatherings at any time of the week (Sabbath school, divine service, prayer meetings, evangelistic meetings, concerts, fundraising events for the church etc.) have to be receipted and registered as income in the church books and expensed accordingly. Fundraising, arranged by private persons and not done on the church property, for funerals, weddings etc. are considered as private arrangements and are not to be entered in the church books.

6. Foreign Currency

Foreign currency received can be changed to local currency in a bank or at official exchange rate with church members that might want the currency. A proof for the official exchange rate should be filed with the document.

Occasionally a church might need accounting in two currencies, due to common use of two currencies in its area. This situation will need special advice from the conference.

7. Safeguarding Funds after Counting

Cash, cheques or important documents should always be under lock. A safe or any other secured box can be used. If the treasurer's home is not considered safe, this box should be placed in another home that is safer. A "petty cash" can be kept by the treasurer – also under lock. Church funds shall never be mixed with the treasurer's, the pastor's or any other persons private funds. The church treasurer or other members should never take a private loan from the church funds – not even for a single day!

If a bank is available, funds shall be deposited in the bank as soon as possible. A bank account shall be in the name of the church. The signatories will be the treasurer and the pastor and possibly one or two elders according to what is most practical and according to the vote by the church board. Please, get advice from the conference.

8. Handling "In Kind" (See Chapter 10)

In the following chapter you will find ways for a secure handling of tithe and offerings "in kind". Good procedures for receiving, storing, selling, receipting etc. will strengthen the internal control.

9. Accounting (See Chapter 11)

All receipts should be analyzed in the church treasurer's receipts analysis book and trust funds be remitted to the conference treasurer. (CMan 61).

10. Use of Church Funds

The treasurer must remember that the church funds he/she handles do not belong to him/her. The treasurer can only use church funds in accordance with church board decisions. This can be according to a voted budget or according to special decisions made by the board. A "healthy" church finance will reflect money set aside for emergencies and for always being able to pay dues in time. Any payment should be proved by an original receipt. In case the seller can not issue a receipt, a "home-made" receipt has to be produced

with date, name and address of seller and buyer, product/service bought, quantity, price and signatures of two church officers.

11. Transfer of Trust Funds to the Conference

“At the close of each month or more often if requested by the conference, the church treasurer shall send to the conference treasurer the entire amount of conference funds received during that month. The church should not borrow, use, or withhold such conference funds for any purpose.” (CMan 67)

Trust funds which consist of 1) total tithe received, 2) 50% of combined offerings, and 3) earmarked offerings for purposes outside the local church, have to be transferred to the conference according to guidelines given by the conference. The transfer (bank, cheque or cash) has to be done in the most secure way, also in consultation with the conference.

Some conferences request a copy of each page of the analysis book to follow the monthly transfer of trust funds. In some cases a “Trust Fund Report” is requested (see example).

The information requested for on the form “Total offerings kept for church use” is needed for General Conference Statistical Report. Please report in one lump sum all funds of any kind received during the month and not sent on to the conference including the 50% combined offering.

In some areas “stations” have been introduced as meeting points between the church and the conference office for the purpose of facilitating the monthly transfer of trust funds. A conference representative will be at the station to receive the funds from the treasurer or from the pastor. If the funds pass from the treasurer, through the pastor, to the conference/station also the pastor has to sign for the funds received from the treasurer. In that case two identical trust fund reports are used. One will be signed by the treasurer and the pastor and will stay with the treasurer. The other is also signed by the treasurer and the pastor and will follow the trust funds to the conference/station. The receipt received at the conference/station shall go back to the church treasurer as

documentation for the transfer. It will be attached to the trust fund report.

Trust Fund Report to Conference:	
Name of Church:	
Name of Treasurer:	
Report for Month:	Year:
Transfer	Amount
Total Tithe	
50% Combined Offerings	
Other Trust Funds:	
- Camp Meeting Offerings	
- Ingathering	
Total	
Amount in letters:	
Transferred by Bank: ___ Cheque: ___ Cash: ___ Pastor: ___	
Other way:	
Total offerings kept for church use:	
Treasurer's signature:	
Date:	
Pastor's signature (if relevant):	
Date:	
Conference/station signature:	
Date:	

12. Supplies Register

Pre-numbered supplies, such as receipt books and analysis books, received from the conference will be registered in the church supplies register.

A similar supplies register will be kept in the conference office – one for each church, where supplies sent to the church are registered. At the end of the year a stamped and signed copy of the supplies register in the conference is sent to the church to be compared with the church register and to be verified during audit.

Supplies Register for Church:

Date	Description	Number	Number Sequence	Treasurer's Signature

13. Assets Register

The assets register lists all furniture and equipment. It is used for insurance purposes and for keeping track of assets owned by the church. New items are added to the list. Deposited items are deleted from the list. Adjustments have to be approved by the board.

Assets Register for Church:

Description	Purchase Year	No.	Replacement Cost	Total
Total				

14. Performance Reports (See Chapter 12)

Weekly or monthly reports on received tithes and offerings are posted on the bulletin board and/or reported in the church bulletin. The monthly report from the conference will also be posted on the bulletin board. The church treasurer will give performance reports regularly to the church board and the church business meeting. (CMan 61) For this purpose a financial statement is produced.

15. Filing System

All financial documentation (receipt books, analysis books, accounting binder, receipts from purchases, bank statements, documentations from the conference, budgets, etc.) has to be filed in a secure place for at least five full financial years after last audit. Different countries might have different regulations. Your conference will inform you. A safe or a locked cupboard in the treasurer's home or in the church can be used for this purpose. Documents that are too old to be kept any longer shall be burned.

The audited financial statements shall be kept indefinitely, attached to church board minutes.

16. Segregating of Duties

In smaller churches the treasurer often carries all responsibilities for receiving and receipting income, paying expenses, entering figures in the books, depositing money in the bank, transferring trust funds, doing bank reconciliations etc. In this way there is no segregation of duties, which is discouraged according to normal accounting standards. If the treasurer has an assistant, it would be good to let this person do bank reconciliations and some other functions. If there is no segregation of duties the treasurer's work should be reviewed at least on a sample basis, and the entries actually verified. All bank reconciliations should be verified. This review can be done on a regular basis (at least quarterly) by the pastor, an elder or a member of the lay audit team.

17. Replacement during Absence of Treasurer

In case of the treasurer's absence due to illness, travel, vacation etc. written procedures should be in place, voted by the board, describing who will take over the daily or weekly duties. Ideally this should be an assistant (chosen by the church) who helps the treasurer in his/her work and therefore is familiar with all procedures. The quality of internal control should, if possible, be strengthened during the absence of the treasurer to avoid any kind of unintentional or intentional errors. Upon departure the treasurer shall give instructions and record what is handed over to the assistant (cash, material). Upon return, the treasurer shall record what is received back and without delay do a thorough control of financial records performed during his/her absence.

18. Training of Church Treasurers

To secure strong internal control the treasurer (especially new treasurers) and his/her team have to be trained. The pastor is responsible that this training takes place:

- If the pastor is well acquainted with the system, he/she can do the training.
- The outgoing treasurer can train the new treasurer. They can work together for some time.

- The training can be given to a group of new church treasurers after election. It can be done by an elder or another lay member that is well acquainted with the system or by the conference.

19. Audit (See Chapters 13 and 19)

The audited financial statement will be presented to the church board and to the church administrative meeting if at all possible within two months after the end of the financial year. Recommendations from the auditors are to be implemented without delay. A signed copy of the statement is sent to the conference after approval by the board.

20. Using Computer Program

The accounting can be done on computer but only a recognized accounting program can be used. Spread sheets should never be used due to lack of security. Please address any questions to the conference treasurer.

10 Handling “In Kind”

“Now when the Lord your God blesses you with a good harvest, the place of worship He chooses for His name to be honored might be too far for you to bring the tithe. If so, you may sell the tithe portion of your crops and herds, put the money in a pouch, and go to the place the Lord your God has chosen.” (Deut 14:24, 25) Many of God’s people brought cash, but all through the history of Israel it was also common to bring tithe and offerings in kind. If they were able to handle in kind in the church of ancient times we also are able to do so today!

“One tenth of the produce of the land, whether grain from the fields or fruit from the trees, belongs to the Lord and must be set apart to Him as holy. ... Count off every tenth animal from your herds and flocks and set them apart for the Lord as holy.” (Lev 27:30, 32) “We promise to bring the first part of every harvest to the Lord’s Temple... We will bring the best of our flour and other grain offerings, the best of our fruit, and the best of our new wine and olive oil. And we promise to bring to the Levites a tenth of

everything our land produces, for it is the Levites who collect the tithes in all our rural towns.” (Neh 10:35, 37) “You are careful to tithe even the tiniest income from your herb garden... You should tithe, yes...” (Matt 23:23,24) The FIRST and the BEST of ALL was handed back to God. (Deut 17:1)

In today’s society we usually think of in kind in terms of fruit, vegetables, eggs, goats and cattle. For many members it is biblical to bring in kind, since God blessed them in kind. Some are not able to sell their in kind, to bring cash to the storehouse, but all should be encouraged to bring a faithful tithe, no matter if it is cash or in kind.

Storeroom. If needed, the church might set apart a storeroom for temporary storage until sale takes place. “We will store the produce in the storerooms of the temple of our God.” (Neh 10:37) See also 2 Chr 31:11. “On that day men were appointed to be in charge of the storerooms for the offerings, the first part of the harvest, and the tithes.” (Neh 12:44) See 2 Chr 31:12; Neh 13:13. Let the church do the same. Both men and women are eligible for this responsibility.

Selling. These supervisors should also be in charge of selling the ‘in kind’ to allow the funds to be used for church purposes and/or sent to the conference. In certain areas and at certain times of the year where large quantities of tithe and offerings in kind are available, the church/conference might consider arranging for transport from rural areas to the town to secure sale and to get the best sales price. All in kind should be sold as soon as possible to prevent loss due to age, putrefaction, disease or theft. See Num 18:32. Let all items be sold for cash (never on credit) and at market price, even when they are sold to members or relatives. A special “Tithe Shop” at the local market place would be an attractive shop due to the high quality of the products - the first and the best produce.

Receipts. In kind received are registered on the envelope for Tithe and Offerings. After the sale has taken place a receipt is issued to the giver showing the income from the sale.

11 Accounting System

The conference will normally provide the treasurer with an analysis book which is ready to be used and followed, according to directions from the conference. If this book is not available, an ordinary analysis book purchased in a book store can satisfy the needs. The description below is based on such an analysis book with 10 columns and meets the minimum requirements. Before this book is taken into use, a person from the audit team will sign/stamp and number all pages in numerical order. While entering figures, always use pen, never pencil, as it shall not be possible to alter figures after they are entered.

Use of Analysis Book

The next page shows an extract from an analysis book with some typical transactions.

Funds coming in are shown as positive figures and funds going out are shown as negative figures. **It is very important to notice that in any row the total of the columns for cash and bank shall be equal to the total of conference trust funds and church funds – the last five columns!**

Explanation to Columns

1. The “date” is the actual date when the transaction takes place. Receipts for tithe and offering are dated according to the actual day they were given, which normally is a Sabbath. Expenses are normally dated on the day of payment, or the date of the invoice.
2. Every transaction is supported by a “voucher” in numerical order starting with 001 each year. The voucher number is written by hand in the upper right corner of every voucher before it is entered in the analysis book and classified in inverse numerical order in a ring binder. Every “Tithe and Offering Receipt” is sequentially pre-numbered by the conference and will also receive the voucher number before it is filed.

Advent Mountain Church								Page	1
Date	Vou./Re.	Description	Cash	Bank	Conference Trust Funds			Church Funds	
					Tithe	50% CO	Other F	50% CO	Other F
Jan	2009								
1.1		Transfer from Dec.	80	9,520	4,010	1,600	35 0	1,20 0	2,44 0
3.1	001/515	Combined Off	380			190		1 90	
3.1	002/516	Peter Setako, AWR	20				20		
3.1	003/517	Maria Rusine, T/CO	50		40	5		5	
3.1	004/518	Joseph Sem, T/Ch.Buil	30		20				10
3.1	005/519	Miriam Kak, T/ADRA	40		30		10		
3.1	006/520	Paul Lusimbu, T	290		290				
3.1	007/521	Samson Kikale, T	500		500				
7.1	008	Transfer Cash to Bank	(900)	900					
7.1	009	Dec. Trust F. to Conf		(5,960)	(4,010)	(1,600)	(35 0)		
7.1	010	Electricity, January		(170)				(17 0)	
9.1	011	Repair Window&Door	(60)					(6 0)	
		-							
		-							
9.1	015	Reversal V10 Electr.		170				1 70	
9.1	015	Corr. V10 Electricity		(110)				(11 0)	
10.1	016/522	Rose K, T/CO/Ch.Buil	90		60	10		10	10
		-							
		-							
31.1		Total January	520	4,350	940	205	30	1,23 5	2,46 0
Feb	2009								
1.2		Transfer from Jan.	520	4,350	940	205	30	1,23 5	2,46 0

3. "Description" contains the most important information needed to understand the transaction. Use abbreviations as T and CO for "Tithe" and "Combined Offerings". Earmarked other offerings should be mentioned for easier tracking. If one person gives several different earmarked donations several rows in the analysis book can be used if needed.
4. "Cash" and "Bank" shows transactions in and out.
5. "Conference Trust Funds" shows funds belonging to the conference.
6. "Church Funds" shows funds belonging to the church.

Explanation to Rows

1. All receipts, vouchers, bills, etc., are entered in the cash book in numerical order (according to voucher number), which is often also in chronological order.
2. The first row shows balance of cash and bank at the beginning of the year. These amounts equal to December trust funds not yet transferred to the conference, and balance in church funds.
3. Each registration of combined offerings is split 50/50 between conference and church.
4. Voucher 008 shows a cash deposit to bank.
5. Voucher 009 shows the transfer of December trust funds to the conference.
6. Voucher 010 shows payment of an electricity bill from the bank. But a mistake was made in writing 170 instead of 110. The mistake was discovered later, and voucher 015 shows the correction made in two rows – first a total reversal of the mistake and then the entry of the correct information. Voucher 015 is a photocopy of voucher 009 or simply a hand written explanation referring to voucher 009. Mistakes in the analysis book can only be corrected by reversing the wrong figures by “minus” on a new line and entering the correct information on a new line.
7. Voucher 011 shows repair that was paid in cash.
8. At the end of the week/month a line is drawn and totals made and all sums verified. None of these totals should at any time be negative. A negative total shows that there has been an over expenditure in that column and that money has been borrowed from other funds, which is not allowed. Income and expenses have to be registered in the month where they actually occurred.

The total for cash in the analysis book has to be reconciled with the actual cash count as often as needed, at least weekly. The total for bank at the end of the month has to be reconciled with the monthly bank statement without delay. Any conflicting figures in cash and bank reconciliations are to be investigated and corrected also without delay. A cash count is done by and signed by two church officers on 31st December (Year End).

Expenses for these purposes are all covered by income from combined offerings, according to the budget voted by the church board.

12 Financial Statement

Based on information from the analysis book the treasurer will prepare a financial statement on a regular basis (monthly or quarterly) for the church board, for the church business meetings and for the auditors.

A. Funds Received till 31st Aug.	2008	Bud 08	2007
Tithe	27,670	23,000	23,567
Combined Offerings, 100%	13,458	11,000	10,980
Fund New Church Building	6,000	7,000	7,000
Total	47,128	41,000	41,547

B. Combined Off. till 31st Aug.	2008	Bud 08	2007
Income:			
50% of Combined Offerings	6,729	5,500	5,490
Expenses:			
Maintenance building/furniture	3,050	3,000	2,250
Utilities: Electricity and water	1,000	1,000	900
Equipment	500	700	700
Evang. baptism, communion...	2,000	800	2,150
Total	6,550	5,500	6,000
Net increase / (decrease)	179	0	(510)

C. Balance Sheet	31.08.08	31.12.07	
Assets			
Cash and Bank	14,819	9,600	
Liabilities			
Trust funds owed to the Conf.	5,000	5,960	
Church Funds			
Combined Offerings	1,379	1,200	
New Church Building	8,440	2,440	
Total	14,819	9,600	

A financial statement will typically contain the three sections shown and in some cases be more detailed. The example shows actual income and expenses January to August 2008 compared with the budget for January to August 2008 and actual income and expenses for the same months in 2007 (A and B). Also actual balances are shown (C).

13 Audit

Ezra 8 describes how the treasures set apart as holy to the Lord were accounted for, by number and weight, several times by different people and officially recorded. Every time the responsibility for the treasures was moved from one group of people to another, counting and weighing was done and a complete record was given. 2 Kgs 12:4-8 describes how priests, who actually diverted earmarked offerings to other use, were removed from their financial duties and other people were chosen to take over that responsibility.

“The accounts of every business, the details of every transaction, pass the scrutiny of unseen auditors, agents of Him who never compromises with injustice, never overlooks evil, never palliates wrong.” Ed 144

Audit of the local church accounts is done to protect God’s funds, to reduce temptations for members trusted with handling the funds, to

protect treasurers from unjust suspicion of mismanagement, to develop the treasurers' professional skills, and to protect the church's reputation.

Ordinary and Extraordinary Audit. The yearly audit will be done as soon as practical and no later than two months after the end of the financial year which normally follows the calendar year. The treasurer will hand over to the auditors all financial material and give explanations before the auditors begin their work. In case a new treasurer takes over at New Year, the audit should take place as early as possible in January. In case of change of treasurer during the year, an extraordinary audit has to be done at the time of the handover to the new treasurer. In both cases the outgoing treasurer will prepare for the audit and be available at the audit for answering questions.

Lay Audit Team. Audit should be done by an auditor sent by the local conference. If the audit arranged by the conference is not done in time on a regular yearly basis, a local "Lay Audit Team" has to be established. Two or three neighbouring churches choose one "lay auditor" each. They should have financial and/or accounting experience. This team of two to three members will consist of people from different families, not from the same family as the treasurers and each gender should be represented. The church will inform the conference about the composition of the lay audit team. The team will collaborate with the conference auditor and receive guidelines and if possible training from him/her. Local lay audits will not render superfluous the audit done by the conference.

Checklist of items to have ready for audit

1. Binders with all vouchers.
2. Analysis books – used and non-used.
3. Fund analysis books.*
4. Receipt books – used and non-used.
5. An audit binder containing:
 - a. Financial statement for the year to be audited.
 - b. Minutes from all church board and church administrative meetings including approved budget

- and interim financial statements given to the board during the year.
- c. A short written description, approved by the church board, on how the church is handling tithe and offerings received in kind.*
 - d. Church bulletins for the whole year. Documentation regarding dates where the church was closed and no offerings taken.
 - e. Monthly bank statements and bank reconciliations.*
 - f. Agreement with bank regarding bank accounts including and official list of signatories.*
 - g. Cash count document showing cash counted 31st December signed by two church officers.
 - h. Updated asset register listing furniture and equipment.
 - i. Supplies register (locally registered supplies).
 - j. From the conference
 - i. Supplies register (conference register)
 - ii. Monthly and full year trust fund report for the church.
 - iii. Proof of property insurance.
 - iv. Proof of pathfinder club accident coverage and/or international campers insurance.*
 - k. Rental contracts and other liabilities.*
 - l. Church treasurers' manual.
6. The analysis book has to be up-to-date till the day the audit takes place (ex. 25th February) to allow the auditors to make a cash reconciliation with the analysis book.
 7. Previous year's audited material (no. 1-5 above) has to be available for comparison and continuity.

* If relevant for and used by the church.

Apart from preparing these documents it is recommended that the treasurer consults with the Auditor's Checklist (see chapter 18) to be ready to answer the auditor's questions.

Part IV – Other Responsibilities

14 Insurance and Security

“All the world is mine and everything in it.” (Ps 50:12) God asked Adam to “watch over it”. (Gen 2:15) We must recognise God as owner and we as stewards are to care for and protect God’s possessions by taking precautions when we identify risks. When even the ants take precautions when they identify the risk of starving to death during winter (Prov 6:8), why should God’s people not take precautions against the dangers that Satan is sending our way? “A prudent person foresees danger and takes precautions. The simpleton goes blindly on and suffers the consequences.” (Prov 27:12) “When you build a new house, you must build a railing around the edge of its flat roof. That way you will not be considered guilty of murder if someone falls from the roof.” (Deut 22:8)

See also: Gen 41:41-56, Neh 4:9-20

When Ezra travelled to Jerusalem with people and possessions, he identified risks and took precautions. They fasted, humbled themselves, and prayed “that God would give us a safe journey and protect us, our children, and our goods as we travelled.” (Ezra 8:21) When Nehemiah travelled to Jerusalem, “The king had sent along army officers and horsemen to protect me.” (Neh 2:9)

Adventist Risk Management (insurance company used by the church) is more than an insurance company. It helps the church to identify risk, control risk and finance the risk. WP (S60) dictates that all property has to be insured. Insurance premiums are charged to the local church. Wherever possible and needed, protect assets with walls and fences, lock doors and grids, and use watchmen. Use safe and a secure house for storing funds. If the church is big, prepare evacuation plans. Have fire alarms and fire extinguishers in place wherever needed and emergency exits should never be blocked. Let stairs, railing, ramps, platforms, balconies etc. be user friendly and secure. Let people working on the property use safe tools and safety

equipment and follow reasonable safety roles. Use common sense and follow guidelines given by the insurance company.

Three Types of Insurance:

A. Property Insurance (Buildings, furniture, equipment) provides “all risk” insurance on a replacement cost basis up to the amount insured in case of fire, theft, burglary, vandalism, windstorms, flooding, lightning, earthquake, etc. This is done on the basis of an updated list of property - asset register. Be sure that the values quoted in the list are not underestimated.

B. Pathfinder Club Accident Coverage provides death and dismemberment benefit and accidental medical expense benefit up to the maximum allowed by policy (check with Conference) to all Pathfinder Clubs named in the schedule, including unit leaders, and committee members.

C. International Campers Insurance provides travel, accident, and sickness protection to employees, volunteers, and eligible individuals approved and assigned by the church. A complete list of ALL travelling is sent to the conference within the given time limits. The trip shall not begin before receiving an approval of valid insurance. Coverage is for accidental death (maximum USD 2,000) and accident medical expenses (maximum USD 2,000) and maximum USD 500 for other sickness. (Amounts from 2008)

Procedures in Case of Damage or Loss

In case of catastrophic loss due to hurricane, fire, floods, earthquake, volcano, etc., PLEASE report IMMEDIATELY to the conference office. In all other cases contact the conference office as soon as a loss is discovered and get details on procedures, time limits, deductibles, forms to fill out, details to report, etc. The Initial General Claim Alert should contain the following information: Your full name, address, phone, email, church, conference and union, what happened, where, when and how it happened.

15 Maintenance - Building Projects

Maintenance

No matter how small or big, how modest or sophisticated, how low cost or expensive the church building is constructed, it is built to honour the name of the Lord. 1 Kgs 8:20. Haggai.

“Then God looked over all He had made, and He saw it was very good!” Gen 1:31 It pleases God to see something good and beautiful. A place of worship built to honour the name of God, no matter how simple it is, should always be clean and well maintained.

“Receive this ransom money from the Israelites, and use it for the care of the Tabernacle.” (Ex. 30:16) Josiah appointed people “to repair the Temple... They restored what earlier kings of Judah had allowed to fall into ruin.” (2 Chr 34:8, 11) Read also 2 Kgs 12.

The church board chooses one or several persons who will have the responsibility of maintaining the church building, furniture and equipment and the surroundings. All expenses for maintenance should be covered by offerings received from members.

Church Environment

The word “environment” covers many different areas that have to do with “tend and watch over the garden” (Gen 2:15). Keep both the church plot and the surrounding area clean from garbage. Let Adventist churches and the land around be the cleanest areas of the town by a total cleaning at least every Friday.

God decorated the Garden of Eden with flowers and flowering trees and bushes. No matter what kind of church structure we have, we can embellish the property with God’s gifts from nature. Sabbath School classes can be held outside most of the year with simple and permanent benches under shading trees. Pathways that do not get muddy will be appreciated by attendants and will reduce the quantity of mud brought into the church.

Saved rainwater from church roofs for various purposes can be of great blessing.

Let beautiful signboards, with the worldwide Adventist logo, show the way to the church.

New Construction

“Who would begin construction of a building without first calculating the cost to see if there is enough money to finish it?” (Luke 14:28) Any project for new construction, demands planning and financing. Support from experienced people is necessary. In the beginning of the planning phase the conference should be contacted for counsel and advice. Ask for the “East-Central Africa Division Building Plan Form”, which is a comprehensive check list of items for consideration all the way from the creation of the building-idea to items to remember after the construction has been inaugurated.

16 Legal Issues

Laws

We are under God’s law and under the laws of the country both in handling money and other resources (people, buildings, etc.). It is our own responsibility to be up-to-date with these laws and to secure the documents needed for any transaction (written receipts, deeds, agreements, contracts, etc.). In case of doubt, get advice from the conference and/or from approved legal authority. Money and time can be saved by doing the necessary investigations in good time. Non-conformity to the laws of the country might result in legal cases against the treasurer, the church board and other people involved, and may also result in financial loss, loss of trust from members and others, and great embarrassment for the church. “There is safety in having many advisers.” (Prov 11:14; 15:22; 21:5; 24:6)

Status

The local church has no official or legal status on its own. It does not have any constitution or bylaws or constituency meetings. It is not an association, a society or a club. It doesn't own the church or other buildings. The local church is a member of the conference/union which is registered and has official status in its own right. The local church should not engage itself in any liability (except for ordinary matters) without prior consultation with the conference. When buying new land be sure to get the proper documentation (deed) in place, in collaboration with the conference/union (Jer 32:44). Beware of local regulations on use of land and regulations on new buildings. Donated land and/or buildings have to be transferred to the conference/union legal entity as soon as possible.

Honesty

Handling God's money requires total honesty. "If you are faithful in little things, you will be faithful in large ones." (Luke 16:10) We are responsible towards God and man. If we cheat with God's money, use funds for purposes they were not intended for, divert money for personal or family interest, take bribes or take part in corruption, we are liable both towards God and man.

People

In our relationship with people (members, employees, youth, children, etc.) we should avoid any conflict of interest, favouritism, tribalism, harassment etc. "If you cause one of these little ones who trusts in me to fall into sin, it would be better for you to have a large millstone tied around your neck and be drowned in the depths of the sea." (Matt 18:6. Matt 25:40; 1 Cor 13:4-7) Labour laws and tax laws have to be followed strictly. "Give to Caesar what belongs to Caesar, and give to God what belongs to God." (Matt 22:21; Rom 13:6) Any invoices for tax, duty, rent or fee have to be paid in time. "Owe nothing to anyone – except for your obligation to love one another." (Rom 13:8)

Insurance

Employees and church members that need to be insured while working or travelling for the church must be covered for the needed period. It is our duty to do so and it is also to avoid claims from them

in case anything happens that the insurance would have covered. All church property (buildings, furniture and equipment) has to be insured according to church insurance regulations. The values are to be set neither too low nor too high. Honesty and punctuality in insurance claims are of great importance.

Sub-entities

Operating institutions such as schools or clinics is normally done by the conference or the union. If the local church is involved, remember that this activity requires a lot of knowledge on legal matters. Work together with the conference/union to have the institution's status registered there and to acquire knowledge from similar projects. The institution has to be registered also by the local authorities. Be very careful to adhere to labour laws, tax laws, education laws and medical laws. Be sure to have a financial system in order, from the beginning (with an operating budget), to ensure proper reporting and to ensure that funds are used for their right purpose. It is a requirement that the books of any institution are audited every year. Get advice from the conference. Do whatever possible to have a good relationship with clients (school children and their parents, patients, etc.) by a good Christian contact, openness, collaboration and a professional administration.

Information about Treasury in the Seventh-day Adventist Church

Please copy this chapter and post it on the bulletin board

Prayers Needed. The treasurer and his/her team are doing a noble work. Their lives are in the hands of God. They need your prayers. (Ezra 8)

Tithe is sacred and paid to God, who, according to His Word, gives it to support the gospel ministry work. It is 10% of your increase or personal income. Only a full and faithful tithe is acceptable to God. (Malachi 1 and 3)

Offerings are used according to the purposes stated at the time of collection. Earmarked offerings cannot be used for purposes other than what they were meant for unless the giver has given his/her written consent. (2 Corinthians 9)

Internal Control. The church has implemented good principles for internal control which secures that tithe and offerings reach their destination. (Ezra 8)

Envelopes. Givers should use the tithe and offerings envelopes and always indicate name and amount. Tithe and offerings can be given in the same envelope.

Handling God's Money. For security reasons, we use offering collection instruments with narrow openings in the top. Two or more designated persons will count and sign for the amounts. The treasurer transfers tithe and part of the offerings to the conference each month. (2 Kings 12)

In Kind. Wherever needed, the church should have a system in place to receive tithe and offerings in kind – fruit, vegetables, cattle, etc. Let it be part of worship. Please indicate the in kind on the envelope. Tithe and offerings in kind will be sold as soon as possible at market price. A receipt will be issued showing the amount. (Nehemiah 10)

Receipts will ALWAYS be issued for tithe and offerings given in duly marked envelopes. The receipts will usually be handed out the following week.

Transparency is a biblical principle. The total amount of loose offerings as well as the total amount of tithe and offerings given in envelopes, will be announced weekly or monthly (still showing weekly figures) at the church bulletin board or printed in the church bulletin. When the monthly receipt for tithe and offerings is received from the conference the result is equally announced on the board or in the bulletin. The treasurer reports regularly to the church board about income and expense and on funds held for the church. (Ezra 8)

Confidentiality. Treasurers or other persons handling funds received in envelopes are bound by professional secrecy. No private financial information will be revealed to other persons. The same rule applies for pastors and auditors.

Audit. The church books are audited once a year and a financial statement is presented at the church business meeting. (2 Kings 12)

Never Borrow. Pastors, elders, other church members or family should never ask the treasurer for a “donation” or a “loan” from the church funds, not even for a single day. Don’t ever try to get the treasurer to do what he/she is not allowed to do. (Romans 13:8)

Church Members’ Duty. The system of internal control should give every member good reason for trusting the financial management in the church. But if you suspect that God’s tithe and/or offerings are not being handled in the right way or are diverted to purposes they were not intended for or are disappearing, it is your duty without delay to bring your suspicion to the pastor, or to a member of the lay audit team, or to the conference treasurer for further investigation. Misappropriation of funds will not be tolerated. Do not share your concern with the treasurer or with other church members. Your information and your name will be treated with confidentiality. (2 Kings 12:4-8)

Thank you, for your prayers and faithfulness!

18 Auditor's checklist

Before audit please read the relevant chapters in this manual to be familiarized with the expectations. Be prepared at any time of the year to help the treasurer to improve on procedures if requested. It is the auditor's responsibility to check that the quality of the internal control system is at a high level. Also auditors are bound by professional secrecy. Apart from following the treasurer's checklist for audit preparation, see below, some of the most important audit issues. Check –

1. That church board minutes on financial decisions are reflected in the financial material.
2. That financial information given in church bulletins corresponds to the financial material.
3. That analysis books with pre-numbered pages have been used all the year. No pages missing.
4. That official conference receipt books with pre-numbered receipts have been used all the year. No pages missing.
5. That all receipts issued, correspond to the sequence in the official receipt books.
6. That the system of handling in kind is working well.
7. That the conference supplies register matches to the church supplies register and stock of unused material.
8. That the assets register is found up-to-date.
9. That all weekly cash count forms from offerings are signed, dated and attached to a receipt.
10. That receipts for church expenses and monthly transfer of trust funds to the conference, are all originals.
11. That bank and cash reconciliations have been done on a regular basis and a Year End cash count is available.
Unannounced cash counts can be done during the year.
12. That corrections in the accounting – if any – are made in a secure way (can be followed).
13. That figures on receipts are correctly transferred to the analysis book.

14. That all sums and transfers to the next page in the cash book are correct.
15. That all expenses from combined offerings and earmarked offerings are according to budget and/or other church board decisions.
16. That all trust funds are transferred at least monthly and on time to the conference and that bills also are paid on time.
17. That the financial statement reflects the information from the analysis book.
18. That prices, paid for goods and services are reasonable. In case of doubt, suppliers can be contacted for verification. Give advice to the treasurer regarding possible savings.
19. That the treasurer and his/her helpers are not in a position of conflict of interest – where personal interests of any kind have influenced or might influence the open and honest handling of the entrusted funds.
20. That the procedures followed by the treasurer are sound, secure, effective, precise and make common sense. The auditors will follow up in case of any suspicion about corruption, bribe or fraud. Unethical conduct will not be tolerated. The church has a “zero tolerance” for fraud.
21. A cash count and reconciliation with the analysis book (if possible also a bank reconciliation) is taken on the day the audit takes place.

Auditors will give counsels to the treasurer in case he/she needs to improve the accounting system and the internal control. This is done in writing allowing the treasurer to remember and implement the recommendations. A clean “Auditors’ Statement” could be formulated as follows:

We have audited the books of Adventist Church for the year We found all financial material in good order.

Date: Auditors’ signatures:

In case of major observations, concerns and recommendations, these are to be reported to the church board in the Auditors’ Statement.

19 Quality Checklist

Please, tick off now and endeavour to improve		200 9	201 0	2011
1	We encourage use of envelopes			
2	We always use receipts			
3	We always use analysis books			
4	We have a secure offering tool			
5	We have a secure offering counting system and we change members in the counting team, regularly			
6	Funds are kept in a secure place			
7	If we have a bank nearby we use it			
8	We transfer trust funds to the conference every month			
9	We have an updated asset register			
10	We have a secure filing system			
11	The board receives financial statement at least quarterly			
12	Weekly we post on the bulletin board or in the church bulletin last week's tithe and offerings			
13	Monthly we post on the bulletin board or in the church bulletin the trust fund report from the conference			
14	If we are in an area where members want to hand in tithe and offerings in kind we are able to handle it in a good way			
15	Our property is correctly insured and the church is secured to the needed level			
16	Pathfinder and campers insurance is used whenever relevant			
17	We maintain the church building and the surroundings			
18	Chap. 17 is posted on the bulletin board			
19	Last year was audited			
20	Last year we got a clean audit report			

