

# **Peoples Church of Chicago Financial Management Policy**

## **I. Introduction**

This policy is designed to ensure responsible management of the financial resources of the Peoples Church of Chicago. It emphasizes the separation of duties, regular audits, and stringent controls to prevent misuse of funds and maintain transparency.

## **II. Financial Audits**

### *1. Annual Financial Audits*

- External financial audits shall be conducted annually. The audit will review financial transactions, policies, and controls to confirm compliance and identify areas for improvement.

## **III. Roles and Responsibilities**

### *1. Board of Trustees*

- Responsible for the overall financial oversight and the approval of policies and budgets.

### *2. Treasurer*

- Manages financial reports, oversees daily fiscal operations, and liaises with auditors.

### *3. Financial Committee*

- Supports the Treasurer in budgeting and audits, reviews financial policies, and suggests improvements.

### *4. Pastor/Church Leaders*

- Ensure adherence to the approved budget and financial policies.

## **IV. Financial Controls**

### *1. Separation of Duties*

- Duties related to authorization, recording, and custody of financial records, when possible, will be distinct and managed by different individuals to deter fraud.

### *2. Bank Reconciliation*

- Bank accounts are reconciled monthly by the Board of Trustees.

### *3. Check Writing Procedures*

- All checks require at least two hand-affixed signatures (countersignatures) for validation when the amount is above \$3,000.

### *4. Payment Verification*

- The Board of Trustees will approve the annual budget.
- The Board of Trustees must separately approve any payment not in the annual budget.

## **V. Revenue Management**

### *1. Cash and Check Deposits*

- Money collected (cash/checks) must be deposited into the church safe immediately.
- Money from safe must be deposited into bank account the same day it is received by the administrator to enhance security and accounting accuracy.

## **VI. Asset and Facility Management**

### *1. Security and Access*

- Church offices should be locked when no staff or officers are present to ensure the security of physical assets and financial records.

## **VII. Policy Review and Updates**

### *1. Regular Review*

- This policy will be reviewed annually by the Board of Trustees or as situations arise that warrant reevaluation.

### *2. Amendments*

- Any amendments will require a simple majority vote by the Board of Trustees after thorough discussion within the Financial Committee.

## **VIII. Conclusion**

Implementing this Financial Management Policy is critical for safeguarding the resources entrusted to the Peoples Church of Chicago. All members and leaders are expected to support these measures in our shared commitment to transparency, stewardship, and integrity.