

10 Tips for Counting Cash

Plus, best practices for making cash payouts

by Laura Brown



When churches receive tithes and offerings, there's more going on than meets the eye. Along with physically collecting people's money and bringing it to the bank, you should be tracking how much comes in, who it comes from, what it's used for, and how much each individual gives during a year.

This requires substantial record keeping and an effective internal control structure to ensure that the information is accurate and the money stays safe. Here are 10 ways to strengthen control of your cash receipts, and some tips on making cash disbursements:

1. For your offerings, enlist money counters (tellers) who aren't related by family and don't work at the same place during the week.
2. Avoid selecting someone experiencing a financial crisis. This kind of responsibility may expose such a person to temptation.
3. Rotate tellers periodically. Try using teams.
4. When offering plates are emptied, have at least two tellers present. Ask them to count and bag offerings on church premises.
5. Designate a teller to record the money received. Ask another to review and initial the record.
6. On a regular basis, have someone other than the tellers reconcile the bank account and list of money received (to the bank deposit, donor records, and general ledger).
7. Immediately stamp all checks "for deposit only" and place the funds received in a lockable canvas cash bag. Use a bag with only two keys —one you keep at the bank, the other at the church.
8. Deposit cash daily in your bank account. Never keep cash on the premises unless you use a lock box.
9. Compare deposits from the regular services to previous services, noting the consistency of amounts. The amount of money received during morning worship services usually doesn't vary greatly from week to week.

10. Send periodic statements to donors detailing the dates and gift amounts received. If a discrepancy arises, resolve it immediately by securing the assistance of someone other than the teller who originally counted the money.

Procedures for Controlling Cash Disbursements

- Make all disbursements, except from petty cash, by check or draft.
- Require two signatures on all checks over a stated dollar amount.
- Prepare cash disbursements only when someone has approved and documented payment.
- Mark supporting documents "paid" to prevent resubmission.
- Lock up all blank checks.
- On a regular basis, have someone other than the individual preparing disbursements reconcile check registers to the bank statements.

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