

# INSTRUCTIONS FOR CONGREGATION ACCOUNTING

(Use these instructions if the congregation uses a bank account as the primary means of holding funds. If the congregation uses a cash box as the primary means of holding funds, use the cash version of *Instructions for Congregation Accounting* [S-27c].)

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## INTRODUCTION

1. The body of elders should assign a qualified brother, preferably a ministerial servant, to serve as the accounts servant. The accounts servant is responsible for maintaining accurate, up-to-date records for the congregation's accounts, doing so under the oversight

of the secretary. Since congregation funds have been given voluntarily and involve personal sacrifice, they should be handled carefully and used properly.—1 Cor. 4:2.

2. Use the forms provided by the branch office for keeping congregation accounting records, and follow the instructions presented in this document and on the sample forms. Each month, printed copies of the forms should be produced for the accounts files. When two or more congregations share the use of the Kingdom Hall, a separate bank account should be established for the Kingdom Hall Operating Committee to pay for Kingdom Hall operating expenses.—See *Instructions for Kingdom Hall Operating Committee Accounting* (S-42b).

## CONGREGATION FUNDS

3. **Primary Account:** The congregation should have only one primary method for holding funds. In these instructions and in related accounting forms, this is referred to as the primary account. This document describes the use of a bank account for the primary account.

4. A bank account should be opened using a name that is similar to the congregation's address line on correspondence received from the branch office, such as "Central Congregation of Jehovah's Witnesses, New York, NY." If a bank account cannot legally be opened in the name of the congregation, an account should be opened in the name of two or three brothers who must sign an agreement that the balance of this account is the property of the congregation. If possible, these brothers should be elders or ministerial servants. Copies of any documents required for the purpose of establishing a congregation bank account should be retained in the archive file.—See paragraph 59.

5. Between two and five brothers should be approved by the body of elders to make payments from the primary account electronically or as check signatories or both. The accounts servant should not be authorized to make payments from the primary account. A list of the approved brothers should be signed by the Congregation Service Committee and kept in the standing approvals file. The brothers who are approved to make payments may be given access to Internet banking tools for making electronic payments, if available. When electronic banking features allow for alert notifications to be sent for specific events, the secretary should receive notification when electronic payments are made and when changes are made to the alert notifications. Although the accounts servant is not authorized to make payments, he should be able to monitor the account activity by means of an Internet banking tool. Any bank card issued for the account should not be used to make withdrawals, transfers, electronic payments, or purchases. If possible, the bank card should be set up as a deposit-only card.

6. Bank statements should be given unopened to the secretary. If bank statements are obtained electronically, the secretary should download and print them. The secretary should review the statement for any irregularities and initial the statement before giving it to the accounts servant for reconciliation. If applicable, the secretary can decide whether to have the paid checks returned by the bank or to receive images of the paid checks.

7. The *Accounts Sheet* (S-26) is the main ledger used to record transactions affecting the primary account. If transactions are up-to-date, the "Primary Account/Ending Balance" amount in the "Accounts Sheet Summary" box on page 2 may be used to determine the current balance. If an electronic version of the *Accounts Sheet* is not being used, the accounts servant may choose to duplicate the transaction entries in a separate bankbook in order to maintain a running balance of the primary account.

8. If available, the *Authorization Agreement for Funds Transfers* (TO-60) form is used to authorize the branch office to make electronic transfers to or from the congregation's primary account, including any contributions received via jw.org for the congregation. To initiate this arrangement, the congregation must complete an *Authorization Agreement for Funds Transfers* form signed by the secretary and two brothers authorized to make payments. The original form should be sent to the Accounting Department, and a copy should be kept in the standing approvals file. Once the congregation receives an authorization letter from the branch office, the congregation may begin using jw.org to enter amounts that should be transferred by the branch office to or from the primary account. If there are any changes to the bank account used for jw.org transactions, a revised *Authorization Agreement for Funds Transfers* form should be sent to the Accounting Department as soon as possible.

9. **Funds Kept With the Branch Office:** If the arrangement is available in the branch territory and is approved by the body of elders, the congregation may keep funds with the branch office for emergency use or for a special purpose. Doing so makes these funds available for use in promoting Kingdom interests while the congregation is not using them. This should not be viewed as a banking arrangement. No interest is paid on funds kept with the branch office. It is not necessary for a resolution to be passed when funds are sent to or requested back from the branch office. Such decisions may be made by the body of elders. (See paragraph 30.) Funds kept with the branch office may also be donated to Kingdom Hall and Assembly Hall construction worldwide. If approved by resolution, the secretary should notify the Accounting Department, using jw.org e-mail, of the amount being donated.—See paragraph 12.

10. Increases and decreases in the balance of funds kept with the branch office should be recorded on the *Accounts Sheet* (S-26) using the “Other/In” and “Other/Out” columns. If transactions are up-to-date, the “Other\_\_\_\_/Ending Balance” amount in the “Accounts Sheet Summary” box on page 2 may be used to determine the current balance.

11. **Target Balance:** The body of elders should endeavor to maintain a combined balance of congregation funds that does not exceed the target balance. To determine the target balance, add together the “Total Congregation Expenditures” amount [e] on the *Monthly Congregation Accounts Report* (S-30) for the past 12 months and divide the total amount by 12. The body of elders should choose an amount between two and three times this average amount to be the target balance. If the congregation does not share the use of the Kingdom Hall with another congregation, a target balance that is equal to the average congregation expenses for four to six months may be maintained. A record of the approved target balance, signed by the Congregation Service Committee, should be kept in the standing approvals file.

12. If the “Available Congregation Funds at End of Month” amount [k] on the *Monthly Congregation Accounts Report* exceeds the target balance for a number of months, the body of elders may recommend that the congregation consider a resolution to make a one-time donation to Kingdom Hall and Assembly Hall construction worldwide. If the congregation regularly has excess or insufficient funds, this may indicate that the amount of the resolved monthly donation to Kingdom Hall and Assembly Hall construction worldwide should be adjusted at the time of the next review.—See paragraph 24.

13. The congregation may resolve to pay for a future expense that would require funds to be collected in advance over a period of several months. Funds reserved for special purposes are not counted against the target balance.—See paragraph 49.

## CONTRIBUTIONS

14. **Contribution Boxes:** Separate boxes for collecting contributions for local congregation expenses and contributions for the worldwide work should be set up in the Kingdom Hall. More than one box may be used for each purpose. In addition to using the contribution box labels provided by the branch office, the body of elders may choose to label the boxes “Local Congregation Expenses” or “Worldwide Work.” All contributions collected for the worldwide work must be remitted to the branch office monthly. At times, the congregation may be instructed by the branch office to set up an additional contribution box temporarily for a special purpose.

15. Publishers may choose to contribute to the worldwide work by sending funds directly to the branch office, using [donate.jw.org](http://donate.jw.org) or other methods. Publishers should not be discouraged from using such methods, even though this might reduce the amounts placed in the contribution box for the worldwide work at the Kingdom Hall.

16. **Collecting Contributions:** All contributions are to be collected after each meeting, once the majority of those in attendance have left. When funds are removed from the contribution boxes, two brothers should always be present. Both should count the money. The amount collected for each designated purpose should be recorded on duplicate *Transaction Records* (S-24) with the “Contribution” checkbox selected. Both brothers should sign and print their names on the duplicate forms. One *Transaction Record* along with the funds collected should be kept by or given to the accounts servant. The second *Transaction Record* should be given to the secretary by the brother verifying the count. The secretary will retain all *Transaction Records* given to him, making them available for the three-month audit.

17. The accounts servant is responsible for doing all he reasonably can to protect contributed funds until they are deposited in the primary account. Contributions should never be used to care for a personal need, even temporarily.

18. **Deposits to the Primary Account:** Cash and checks collected from contribution boxes should generally be deposited in the primary account weekly. If it is not practical to make weekly deposits, the body of elders may approve that this be done less frequently. However, at least one deposit should be made each month after the last collection is made. A record of the approval to make deposits less frequently than once per week, signed by the Congregation Service Committee, should be kept in the standing approvals file. Where available, a bank card may be used to assist with the deposit process. (See paragraph 5.) The accounts servant should record each deposit on the *Accounts Sheet* (S-26). (See paragraph 39.) Do not combine on the same deposit slip contributions collected in one month with contributions collected in another month.

19. **Electronic Transfers:** If approved by the branch office, the congregation may accept contributions for the local congregation by means of electronic bank transfers. The accounts servant should monitor the activity in the primary account each week and record the contributions on the *Accounts Sheet* (S-26) in the month the funds were received, if possible. (See paragraphs 39 and 40.) It is not necessary to complete *Transaction Records* (S-24) for an electronic transfer of contributions. Any statement from a service provider for transfers of contributions to the congregation, such as contributions made via [donate.jw.org](http://donate.jw.org), should be matched against credits in the primary account and then placed in the current file. Donors who wish to obtain a refund of a donation made using [donate.jw.org](http://donate.jw.org) will need to contact the branch office directly.

20. **Donation Acknowledgments:** If requested, a donation acknowledgment should be prepared by the accounts servant or the secretary using the *Sample Donation Acknowledgment* (TO-67) as a guide. The acknowledgment should be signed by the coordinator of the body of elders or the secretary. The signed original should be given to the donor, and a copy should be placed in the current file for the month during which the donation was received. The branch office will send donation acknowledgments to individuals who make donations directly to the branch office, using donate.jw.org or other methods.

## APPROVING EXPENSES

21. **Coordinator of the Body of Elders:** The coordinator of the body of elders, or an assigned elder in his absence, should approve the expenses listed below by initialing the original invoices or purchase receipts. The accounts servant may assist by confirming that invoices for recurring expenses, such as utilities and taxes, are received each month. The accounts servant is not permitted to approve expenses. Approved invoices and purchase receipts should be kept in the current file for the month during which the payment is made.

- (1) **Recurring Minor Expenses:** These expenses include travel reimbursements for visiting public speakers, the printing of labels on invitations, items purchased for congregation-sponsored public witnessing, and similar disbursements.
- (2) **Charges From the Branch Office:** These charges might include costs associated with a rush literature shipment and will appear on a statement provided by the branch office. These charges should be paid promptly. When making a payment, use the line "Payment of Charges on Account" on the *Record of Funds Transfer* (TO-62).
- (3) **Circuit Overseer Expenses:** The coordinator of the body of elders may ask the circuit overseer to submit his expenses for the week of his visit. These expenses may include food expenses, routine office expenses, transportation expenses that are not covered by the branch office, and certain moderate personal expenses, such as expenses for dry cleaning, shoe repair, and haircuts. The circuit overseer will provide purchase receipts for the expenses to be reimbursed. If the expenses are higher than usual, the circuit overseer could divide them among the congregations or submit them to the assembly overseer. If the congregation or circuit is not able to cover all or part of the circuit overseer's expenses, including expenses for accommodations, he can submit them to the branch office for reimbursement.
- (4) **Kingdom Hall Operating Expenses:** These expenses include (1) costs for utilities, supplies, and services in connection with the operation, maintenance, and repair of the hall, (2) costs incurred by the maintenance trainer during his visit, such as transportation and office supplies, and (3) costs associated with the use and maintenance of any apartment on the Kingdom Hall property. When only one congregation uses the Kingdom Hall, the body of elders should establish a modest limit per transaction for the coordinator of the body of elders to approve out-of-the-ordinary operating expenses, such as for repairs to or the replacement of equipment, provided funds are already on hand in the congregation account. A record of this amount, signed by the Congregation Service Committee, should be kept in the standing approvals file. When two or more congregations use the Kingdom Hall, a record that lists the congregation's monthly financial responsibility in caring for operating expenses as documented in the current written agreement should be kept in the standing approvals file.

22. **Congregation Resolution:** The expenses listed below must be approved by means of a congregation resolution.—See paragraph 26.

- (1) **Donations to the Branch Office:** These include the donation of congregation funds to the worldwide work, Kingdom Hall and Assembly Hall construction worldwide, or similar arrangements instituted by the branch office.
- (2) **Kingdom Hall Operating Expenses:** These include expenses for repairs to or the replacement of equipment that exceed the per-transaction limit set by the body of elders, minor renovations, and the initial set up of Internet service for the Kingdom Hall. These expenses require a resolution even if any required approval from the Local Design/Construction Department has been obtained.
- (3) **Circuit Overseer Expenses:** Such expenses include any contribution the congregation might make to care for the circuit overseer's housing or vehicle.

23. **Resolved Donations:** The congregation will receive periodic correspondence from the branch office describing various activities that are being supported financially by the organization. To assist in supporting these arrangements, the congregation might be asked to make resolved donations from their congregation funds as they are able. In some cases, a suggested per-publisher amount will be provided. When the notice of such an arrangement is received, the body of elders should review the ability of the congregation to support the arrangement and present a corresponding resolution to the congregation. Although it might be possible to make a large onetime donation to support the arrangement, it is generally more practical to make smaller monthly donations until the resolution is fulfilled, since the balance of congregation funds is kept to a minimum.—See paragraph 26.

24. The congregation should have a standing resolution to make a monthly donation to Kingdom Hall and Assembly Hall construction worldwide. In May of each year, the body of elders should review the amount of the monthly donation to determine whether or not there is a need to adjust it for the coming year. The desire of the congregation to support the arrangement and the congregation's financial circumstances should be carefully considered. If necessary, a confidential survey of all publishers may be taken to determine the amount each family is able to contribute monthly toward all local congregation expenses. If the body of elders decides that a reasonable adjustment could be made to the monthly donation, a new resolution should be presented to the congregation. If no adjustment is recommended, the current resolution may remain in effect.

25. If sufficient funds are not available for all resolved donations in a particular month, additional funds should not be solicited. The elders should determine whether congregation funds available at the end of the month will be applied toward the resolved monthly donation(s) and whether the shortfall should be made up in future months. However, it would be appropriate for the elders to remind the congregation of the resolved monthly commitments. If the congregation can no longer contribute the amount(s) it has resolved to contribute on a regular basis, the elders should consider the situation at the next annual review of the resolved amount(s).

26. **Procedure for Resolutions:** When it is necessary to present a resolution to the congregation, the body of elders should discuss the matter thoroughly and agree on the content of the resolution. A resolution should be prepared for presentation at the mid-week meeting. The elder serving as chairman at the midweek meeting should briefly but

clearly explain the need to the congregation and the recommendation of the body of elders. Those in attendance should be allowed to ask questions about the matter before a vote is taken. Voting on a resolution is done by a show of hands and is limited to those in the congregation who are baptized, unless legal requirements direct otherwise. If the resolution is approved by the majority in attendance, it should be dated and signed by the coordinator of the body of elders and the secretary. If the resolution provides approval for a onetime payment or donation, it should be placed in the appropriate monthly folder in the current file. If the resolution provides approval for recurring payments or donations, it should be placed in the standing approvals file.

## **FUNDS TRANSFERS WITH THE BRANCH OFFICE**

27. Use the *Record of Funds Transfer* (TO-62) to provide details and document the approval of donations and payments being transferred to the branch office. If the congregation has access to jw.org, the accounts servant should be assigned the “Transfer Congregation Funds” role in the congregation’s jw.org domain. At the conclusion of the month, the accounts servant should prepare the form by entering the appropriate amounts in the “Donations and Payments” section based on the amount of contributions collected during the month, donation amounts approved by resolutions, and any charges on the congregation’s account statement from the branch office. After signing the form, the accounts servant should have the form reviewed and approved by the secretary or another brother approved to make payments. Once approved, the accounts servant should submit the *Record of Funds Transfer* using one of the following methods:

- (1) When the “Donations and Payments” information will be entered on jw.org and the funds will be transferred automatically based on an approved *Authorization Agreement for Funds Transfers* (TO-60), the accounts servant should enter the transfer details on jw.org by the sixth day of the following month. The confirmation number provided on jw.org for the transfer should be written on the *Record of Funds Transfer*. The branch office will initiate the electronic withdrawal of funds based on the information submitted.
- (2) When the “Donations and Payments” information will be entered on jw.org and the funds will be transferred by means of a check, a money order, or an electronic transfer or will be deposited in a branch bank account, the accounts servant should enter the transfer details on jw.org, including the reference number from the payment, by the sixth day of the following month. The confirmation number provided on jw.org should be written on the *Record of Funds Transfer*. If the funds are transferred by means of a money order or bank deposit, the receipt for the money order or deposit should be attached to the *Record of Funds Transfer*.
- (3) When the *Record of Funds Transfer* will be sent by e-mail or postal mail to the branch office and the funds will be transferred by means of a check, a money order, or an electronic transfer or will be deposited in a branch bank account, the accounts servant should write the reference number from the payment on the *Record of Funds Transfer*. A copy of the form should be placed in the current file. The original copy should be mailed to the branch office by the sixth day of the following month along with the check, the money order, or a copy of the bank deposit slip. If the funds are transferred by means of a money order or bank deposit, the receipt for the money order or deposit should be attached to the congregation’s copy of the *Record of Funds Transfer*.

28. The monthly remittance sent to the branch office should be recorded as a payment from the primary account on the *Accounts Sheet* (S-26) for the month that just ended. The payment should be entered and dated as the last transaction for the month. (See paragraph 39, points 1 and 2.) Although the transfer of funds to the branch office will likely occur in the first few days of the following month, the signed and completed *Record of Funds Transfer* should be placed in the same monthly folder as the corresponding *Accounts Sheet*.

29. If a notification is received from the bank indicating that there were insufficient funds in the primary account to complete the remittance to the branch office or if it is noticed that the amounts transferred from the primary account do not agree with the amounts on the *Record of Funds Transfer*, determine the reason for the mistake, as this may indicate a problem in the bookkeeping. If needed, the branch office will send instructions to the congregation for resubmitting the funds or correcting the discrepancy.

30. The *Record of Funds Transfer* is also used to approve and initiate transfers of funds kept with the branch office. A separate confirmation number provided on jw.org should be written on the *Record of Funds Transfer* once completed. (See paragraph 9.) Although donations and payments should be submitted monthly, funds may be sent to or requested back from the branch office at anytime, using a *Record of Funds Transfer*.

## **MAKING PAYMENTS**

31. **Electronic Payments From the Primary Account:** After verifying that an expense has been approved for payment and that sufficient funds are available in the primary account, the accounts servant should indicate the amount and the payee information on the documents and forward them to one of the brothers approved to make the electronic payment. The brother making the payment must not be the same brother who approved the expense. The brother making the electronic payment should review the documents for approval and accuracy, process the payment, and then initial and write the date and any reference number of the electronic payment on the documentation. A receipt produced by the Internet banking site or e-payment tool indicating the amount and the payee should be printed. All of these documents should then be returned to the accounts servant. As soon as possible, the accounts servant must confirm that the amount and the payee on the payment receipt are correct and record the payment on the *Accounts Sheet* (S-26).

32. **Electronic Funds Withdrawals From the Primary Account:** Where available, arrangements may be made with suppliers, who provide such services as telephone, Internet, or electrical, authorizing them to withdraw the amount owed to them directly from the congregation's primary account each month. When such an arrangement is being established, both the secretary and another brother approved to make payments from the primary account should sign the authorization agreement supplied by the company. A copy of this agreement should be kept in the standing approvals file. The monthly invoice from the supplier showing the amount that will be withdrawn should be approved and initialed by the coordinator of the body of elders like all other invoices and purchase receipts. The monthly invoice should be placed in the current file for the month during which the withdrawal occurs.

33. **Check Payments From the Primary Account:** After verifying that an expense has been approved for payment and that sufficient funds are available in the primary account, the accounts servant should provide to one of the approved check signers a check with the payment details written on it and the supporting documentation. The check sign-

er must not be the same brother who approved the expense. The check signer should review the documents for approval and accuracy, sign the check, and then return these to the accounts servant. Checks should not be signed unless they have been filled out completely. The accounts servant should forward the check to the payee and record the payment on the *Accounts Sheet* (S-26).

34. **Cash Payments:** When cash is needed to pay for a small congregation expense, a brother should pay for the approved expense, using his personal cash and then should be reimbursed by the congregation by means of a check or an electronic payment. However, if this is not practical, cash collected from contribution boxes may be used to reimburse the brother. The full amounts collected from the contribution boxes must already have been documented on the *Transaction Records* (S-24) prior to using cash from the receipts to make an approved payment. Cash from contribution boxes may not be provided in advance to those making a purchase. The “Cash Box Deposit” and “Cash Advance” checkboxes on the *Transaction Record* should not be used.

35. After verifying that the invoice or purchase receipt for the expense has been approved and that sufficient cash has been collected to cover the expense, the accounts servant should initial and write the date, the payee, and the amount on the document and then exchange the cash collected from the contribution boxes for the invoice or purchase receipt. The recipient of the cash must sign and date the invoice or purchase receipt, confirming that he has received and counted the cash. If there is no invoice or purchase receipt, such as when reimbursing a visiting public speaker for his travel expenses, a *Transaction Record* with the “Payment” box checked should be used to document the approval of the expense and the payment details. The recipient of the cash must sign and date the *Transaction Record*, confirming that he has received and counted the cash.

36. The accounts servant should record the full amounts collected from the contribution boxes as listed on the *Transaction Record* in the “Receipts/In” column of the *Accounts Sheet* (S-26). The cash payment amount should be recorded as a separate transaction in the “Receipts/Out” column. The remaining deposit amount should be recorded as a separate transaction in the “Receipts/Out” and “Primary Account/In” columns.—See paragraphs 39, points 4 and 5, and the *Sample Accounts Sheet—Congregation Bank Version* (S-190b).

37. **Insufficient Funds:** If sufficient funds are not available in the primary account to pay outstanding bills, the accounts servant should immediately notify the secretary, who in turn should obtain direction from the body of elders. If bills cannot be paid within one month, the Service Department should be contacted.

## RECORDING TRANSACTIONS AND PREPARING REPORTS

38. **Accounts Sheet (S-26):** Use the *Accounts Sheet* to maintain a ledger of the congregation’s financial transactions. Begin each month with a new *Accounts Sheet*. Fill in the information at the top of page 1. In the “Accounts Sheet Summary” box on page 2, carry forward the “Ending Balance” amounts for the month that just ended by recording these as the “Balance Forward” amounts for the new month under the corresponding headings. No balances are carried forward from the “In” or “Out” columns on page 1 of the *Accounts Sheet* when a new month is started.

39. Record transactions in date order on the *Accounts Sheet* as soon as possible after they occur. Entries should be made according to the following instructions for each

column on the *Accounts Sheet* and based on the examples shown in the *Sample Accounts Sheet—Congregation Bank Version (S-190b)*.

- (1) **“Date” Column:** For contributions, record the date the funds were collected as shown on the *Transaction Record (S-24)* or the date of the electronic transfer. (See paragraph 40.) For deposits made in the same month during which the contributions were collected, record the date of the deposit. For deposits of contributions collected during the preceding month, the deposit should be recorded as if it were made on the last day of the preceding month. The funds transfer to the branch office should always be recorded and dated as the last transaction of the month. For all other disbursements, record the date of the electronic transfer, the date written on the check, or the date of the cash payment from receipts.
- (2) **“Transaction Description” Column:** Describe the nature of the transaction. For deposits of contributions collected during the preceding month, the actual deposit date should be included in parentheses. For an electronic transfer, include the confirmation or reference number for the transfer. For a check payment, include the check number. For the monthly remittance to the branch office, include in parentheses the transaction date shown on the *Record of Funds Transfer (TO-62)* form.
- (3) **“TC” Column:** Using the transaction codes listed below, enter a code to identify the category of the transaction. Additional codes approved by the secretary may be used if necessary. The transaction codes will be helpful when summarizing information for the *Monthly Congregation Accounts Report (S-30)*.

Code	Category
W	Contributions for the worldwide work
C	Contributions for the local congregation collected from boxes
CE	Contributions for the local congregation received by electronic transfer
D	Deposit to primary account
E	Congregation expenditure
I	Interest from bank account
S	Funds received for a special purpose

- (4) **“Receipts” Columns:** In the “Receipts/In” column, enter contribution amounts that have been recorded on *Transaction Records*. In the “Receipts/Out” column, enter contribution amounts deposited to the primary account and amounts of any cash payments made from receipts. Do not use the “Receipts” columns to record contribution amounts received by means of electronic transfers.
- (5) **“Primary Account” Columns:** Record transaction amounts that add to or subtract from the primary account balance. In the “Primary Account/In” column, record amounts received by means of electronic transfers, deposit amounts, and any interest earned on the account. A deposit amount recorded in this column should always be the same as the amount recorded in the “Receipts/Out” column on the same transaction line. If a check written to the congregation is returned unpaid by the bank, the amount of the unpaid check

should be recorded in the “Primary Account/In” column as a negative amount. In the “Primary Account/Out” column, record amounts paid from the account by means of an electronic transfer/withdrawal or a check along with any bank fees. If a check payment made from the primary account must be voided or if any payment made from the account is rejected by the bank because of insufficient funds, the amount of the payment should be recorded in the “Primary Account/Out” column as a negative amount.

- (6) **“Other” Columns:** Use these columns to record amounts that add to or subtract from another account used by the congregation, such as funds kept with the branch office.—See paragraphs 9 and 10.

40. If it is discovered that a transaction shown on the bank statement was not recorded on the *Accounts Sheet* for a month already closed out, the transaction may be recorded on the *Accounts Sheet* for the current month. Such transactions might include interest earned, bank charges, and electronic transfers of contributions to the congregation. The actual transaction date shown on the bank statement should be included in parentheses in the “Transaction Description” column when recording the transaction.—See paragraph 55.

41. If two sheets are necessary to record the transactions for one month, total the columns on the first *Accounts Sheet*. Then record these totals on the first transaction line of the second sheet and enter “Totals Carried Forward” in the “Transaction Description” column.

42. After the final transaction for the month has been recorded on the *Accounts Sheet*, total all the “In” and “Out” columns on page 1. Record the totals, and transfer them to the corresponding lines of the “Accounts Sheet Summary” box on page 2. For each section in the “Accounts Sheet Summary” box, add the “In” amount and subtract the “Out” amount from the “Balance Forward” amount to calculate the “Ending Balance” amount. Add all “Ending Balance” amounts, and enter the total on the “Total Funds on Hand at End of Month” line.

43. At the close of a month, the “Receipts/Ending Balance” amount in the “Accounts Sheet Summary” box should always equal zero. If there is a difference between the “Receipts/In” and the “Receipts/Out” amounts at the end of the month, either the deposit of the final collection of contributions for the month was not recorded or another error was made.

44. The “Primary Account/Ending Balance” amount in the “Accounts Sheet Summary” box must be reconciled with the statement from the bank using the “Primary Account Reconciliation” box on page 2 of the *Accounts Sheet*. (See paragraph 55.) The “Primary Account/Ending Balance” amount should equal the balance of any separate bankbook being used to maintain a running balance of the primary account as of the last day of the month.

45. If the congregation has any other account, such as funds kept with the branch office, the “Other\_\_\_\_/Ending Balance” amount in the “Accounts Sheet Summary” box must be reconciled with the statement received for that account using the “Other Account Reconciliation” box on page 2 of the *Accounts Sheet*.—See paragraph 56.

46. **Monthly Congregation Accounts Report (S-30):** Use the *Monthly Congregation Accounts Report* to summarize the receipts and disbursements that have been recorded

on the *Accounts Sheet* (S-26) for the month just completed and to report the balance of funds at the end of that month. (See the *Sample Monthly Congregation Accounts Report—Bank Version* [S-191b].) Begin each *Monthly Congregation Accounts Report* by carrying forward the amount in figure (i), “Total Funds at End of Month,” from the previous month’s report to figure (a), “Total Funds at Beginning of Month,” for the new month.

47. In the “All Receipts” section, use the “Congregation Receipts” category to summarize contribution amounts received for local congregation expenses. These amounts include the entries on the *Accounts Sheet* having the transaction code “C,” “CE,” “I,” or “S.” Use the “Other Receipts” category to summarize amounts that have been collected for the worldwide work or for any special purpose for which a contribution box has been set up. (See paragraph 14.) These amounts include entries on the *Accounts Sheet* having the transaction code “W.” Do not include deposit transactions (transaction code “D”) when summarizing amounts in the “All Receipts” section.

48. In the “All Disbursements” section, use the “Congregation Expenditures” category to summarize the amounts recorded on the *Accounts Sheet* having the transaction code “E.” These transactions include payments for congregation expenses, bank fees, and resolved donation amounts transferred to the branch office. Use the “Other Disbursements” category to summarize amounts collected from contribution boxes that were forwarded to the branch office. These amounts include entries on the *Accounts Sheet* that have the transaction code “W.” Do not include deposit transactions (transaction code “D”) when summarizing amounts in the “All Disbursements” section.

49. Use the “Congregation Funds Reserved for Special Purposes” section to summarize the amount of congregation funds collected for special purposes, if any.

50. After completing page 1 of the *Monthly Congregation Accounts Report*, the total in figure (i) should equal the “Total Funds on Hand at End of Month” amount in the “Accounts Sheet Summary” box on page 2 of the *Accounts Sheet*. If there is a discrepancy, an error was made. If there is no discrepancy, complete the “Monthly Congregation Accounts Announcement” on page 2 of the *Monthly Congregation Accounts Report*.

51. The accounts servant should sign the completed report and provide a copy to the secretary for his review. The secretary should forward a copy of the report to the coordinator of the body of elders, who will arrange for the “Monthly Congregation Accounts Announcement” to be read to the congregation. The original *Monthly Congregation Accounts Report* and the corresponding *Accounts Sheet*, along with the supporting paperwork, should be placed in the current file for that month.

52. **Verification of Correspondence From the Branch Office:** The branch office will send a donation acknowledgment to the congregation every month. The branch office will also send a statement if there has been activity during the month for any charges to the congregation or for funds kept with the branch office. (See paragraphs 9 and 21, point 2.) The secretary should review these documents for any irregularities and then give them to the accounts servant.

53. The accounts servant should compare each amount on the donation acknowledgment or statement from the branch office with the corresponding *Record of Funds Transfer* (TO-62). If the donation acknowledgment or statement does not list the congregation’s funds transfer, it should appear on the next month’s acknowledgment or statement. If a transfer does not appear on the next month’s acknowledgment or statement or if there is

some other discrepancy, the accounts servant should inform the secretary. The secretary should report the matter to the Accounting Department. If possible, copies of the documents related to the discrepancy should be included with the report.

54. File the donation acknowledgment and any statement from the branch office with the corresponding *Record of Funds Transfer*.—See paragraph 28.

55. **Reconciliations:** As soon as the monthly bank statement is received for the primary account, the accounts servant should use the “Bank Account” section in the “Primary Account Reconciliation” box on page 2 of the *Accounts Sheet* (S-26) for the month just completed to reconcile the ending bank balance. Once completed, the “Reconciled bank balance” amount should equal the “Primary Account/Ending Balance” amount in the “Accounts Sheet Summary” box on the same sheet. If there is a discrepancy, the accounts servant must notify the secretary immediately. The “Reconciled bank balance” amount should also reconcile to any separate bankbook being used.

56. If the congregation has any other account, such as funds kept with the branch office, use the “Other Account Reconciliation” box on page 2 of the *Accounts Sheet* for the month just completed to reconcile the ending balance on the account statement. Once completed, the “Reconciled balance” amount should equal the “Other\_\_\_\_/Ending Balance” amount in the “Accounts Sheet Summary” box on the same sheet. If there is a discrepancy, the accounts servant must notify the secretary immediately.

## **FILING**

57. **Current File:** This file should contain all the accounts records from the previous three-month audit up to the present. Set up an accounts records folder for each month. Each monthly folder should contain the following items:

- (1) *Accounts Sheet* (S-26)
- (2) *Contribution Transaction Records* (S-24) in the order in which they appear on the *Accounts Sheet*
- (3) Any statement(s) received from a service provider of electronic contributions.—See paragraph 19.
- (4) All paperwork supporting congregation expenditures, such as invoices, payment receipts, and resolutions for onetime donations or payments
- (5) *Record of Funds Transfer* (TO-62)
- (6) Copies of any donation acknowledgments provided by the congregation for individuals
- (7) Donation acknowledgment and any statement from the branch office
- (8) *Monthly Congregation Accounts Report* (S-30)
- (9) Any correspondence concerning the primary account and any other account, including the monthly bank statement, canceled checks, bank deposit slips, and so forth
- (10) *Congregation Accounts Audit Report* (S-25b) in the last month of the audit period

58. **Standing Approvals File:** This file should contain a single folder that includes the following items:

- (1) A list of those approved to make payments from the primary account.—See paragraph 5.

- (2) A record of the approved target balance for congregation funds.—See paragraph 11.
- (3) If applicable, a copy of the approved *Authorization Agreement for Funds Transfers* (TO-60).—See paragraph 8.
- (4) If applicable, a record of the approval to deposit contributions less frequently than once per week.—See paragraph 18.
- (5) If only one congregation uses the Kingdom Hall, a record of the maximum amount that can be approved by the coordinator of the body of elders for an out-of-the-ordinary Kingdom Hall operating expense.—See paragraph 21, point 4.
- (6) If two or more congregations use the Kingdom Hall, a record of the congregation's monthly financial responsibility in caring for operating expenses as documented in the current written Kingdom Hall agreement.—See paragraph 21, point 4.
- (7) Any resolution for making recurring donations or payments
- (8) A copy of any agreement(s) authorizing another entity to transfer funds electronically to or from the primary account.—See paragraph 32.

59. **Archive File:** Accounts records that no longer need to be kept in the current file should be transferred to a separate archive file within the congregation file and kept for the period legally required or for five years, whichever is greater. Similarly, documents from the standing approvals file that have been updated should be transferred to the archive file. The archive file may be similar to the current file, or if it is more convenient, the archive file could have one large envelope for each year's records. The archive file should also include a separate folder for any financial documents that must be kept permanently, including the signed agreement associated with any bank account opened in the name of two or three brothers on behalf of the congregation.—See paragraph 4.

## AUDITING

60. Use the *Congregation Accounts Audit Report* (S-25b) to complete a quarterly audit of the accounts records. The audit should be performed by the coordinator of the body of elders or someone designated by him. However, neither the secretary nor the accounts servant should perform the audit. Also, the same person should not perform consecutive audits. The quarters audited should always be September through November, December through February, March through May, and June through August. The accounts for each quarter should be audited after the bank statements, the donation acknowledgments and statements from the branch office, and any statements from a service provider processing electronic donations are received.

61. The accounts servant should not be present during the audit. However, the auditor may contact the accounts servant to obtain missing documentation or answers to specific questions. Any problems discovered by the auditor should be discussed when the auditor reviews his report with the secretary and accounts servant. An announcement should be made to the congregation, stating: "The congregation accounts have been audited for the quarter ending [date]." The completed *Congregation Accounts Audit Report* should then be filed in the monthly folder for the last month of the audit period.

62. When the audit has been completed, the secretary's copies of the contribution *Transaction Records* (S-24) for the three-month audit period should be discarded. However, any copies of receipts applicable to the next audit are to be returned to the secretary.