



UNITED EVANGELICAL CHURCH

(UNITED CHURCH OF CHRIST)

EAST AVENUE & DILLON STREET
BALTIMORE, MARYLAND 21224
CHURCH PHONE: 276-0393

W. SCOTT HENGEN III, PASTOR
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MEMO: 3 February 1981

To: Members of the Church Council

From: J. Edwin Myers, Chairman Auditing Committee

SUBJ: EXAMINATION OF FINANCIAL RECORDS.

1. Attached is a copy of report submitted at the Congregational meeting on Wednesday, 28 January 1981, regarding the review and examination of the financial records of the Church.

2. O - Observation - R - Recommendation

A. O - A total of \$806.13 was spent for postage taken from petty cash, broken-down as follows"

- (a) *\$295.87 - Mailing Endeavor
- (b) 296.85 - Roll and sheet stamps
- (c) 10.50 - Postage due
- (d) 73.86 - Miscellaneous mailings
- (e) 44.80 - Mailing of Upper Rooms
- (f) 84.25 - Mailing of commitment letters

*The last four months of the year the postage has increased but our membership has not.

R - A separate sheet should be set up in the financial records to keep an accurate record of postage, obtained from the monthly petty cash record form.

B. O - People are being paid for items purchased but no receipt of purchase is being submitted.

R - To reimburse person for paying cash, a formal receipt must be submitted. If person wants to be paid in cash, check should be made payable to the individual and check can then be endorsed and cash given.

C. O - The oil bills seems to be exceptionally high for the parsonage. Bills paid in 1980 covered the period from 4 December 1979 thru 23 December 1980, a total of 2,071 gallons consumed.

R - Have a representative from Fred Gross Company to check over the utilities that require the use of oil and advise us of their findings.

D. O - Below is a breakdown of the following accounts:

- (a) *\$3,439.08 - Church Office (\$439.08 over budget)
- (b) 3,752.02 - Church Supplies (\$1,252.02 over budget)
- (c) 1,357.96 - Flowers and decorations (\$357.96 over budget)
- *\$1,000.00 - issued for petty cash and of this amount \$806.13 was for postage

R - Refer to "A" above regarding postage

Church Office account should be broken down into the following accounts:

- (a) Stationery, printing & office supplies
- (b) Repairs/service equipment
- (c) Postage
- (d) Miscellaneous
- (e) Petty cash

Church Supplies account should be broken down into the following accounts:

- (a) Janitorial
- (b) Hardware (Electrical, plumbing & etc.)
- (c) Miscellaneous

On stationery supplies, we should look into the possibility of obtaining prices from other sources rather than from one or two concerns in order to obtain a better discount.

E. ① - Altar flowers seem to be exceptionally high.

R - Shop around to see where we can obtain better prices

3. Rather than keep our records on columnar sheets, individual accounts should be set-up in a visible type booklet or folders.
4. In my opinion, John Strong as financial secretary, has done an excellent job in taking over the duties of the treasurer with regards to obtaining the check books and handling the issuance of all payments of bills on time.

cc: Ruth Beckwith
Fred Long
William Voelker
Louis Oberlander
John Strong



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MEMO: 12 January 1981

To: The Congregation Membership of the United Evangelical Church

From: J. Edwin Myers, Chairman Auditing Committee

SUBJ: EXAMINZATION OF THE FINANCIAL RECORDS

1. On Monday, 12 January 1981, in the presence of the Treasurer-Louis E. Oberlander and Financial Secretary-John Strong, we, Ruth Beckwith, Fred Long and J. Edwin Myers reviewed and examined the financial records of the Church.
2. In our opinion the books are in balance and all transactions are accountable.

cc: Church Council ✓
Ruth Beckwith
Fred Long
William Voelker

Seey

MEMO: 4 November 1980

To: Members of Church Council

From: J. Edwin Myers

Subj: CHECK BOOK

At the request of Mr. George Tuerk-President, I requested the check books of the Treasurer-John Bond, through the Financial Secretary-John Strong.

A thorough review of all transactions recored in the check book and verified against the monthly bank statements were made. A total of 14 man hours was necessary in order to bring the books up-to-date.

A monies have been accounted for and the check book is in balance.

The following discrepancies have been noted:

- a. Double posting of deposit
- b. In several instances pay roll amounts noted noted in general check book.
- c. Bank statements not verified against check book balances.
- d. After April 30, 1980, no balances were maintained, only the name of the person to whome the check was made payable to and the amount of the check.
- e. Two checks were incorrectly written:
 - Check #306 (pay roll) check stub showed \$43.13 whereas check was written for \$61.99 and cleared.
 - Check #571 (regular) check stub showed \$125.00 whereas check was written for \$251.27 and cleared.
- f. All voided checks are not accountable.

In all my years, in auditing or reviewing accounting transactions, I have never encountered such carelessness in record keeping.

I would like to make the following recommendations:

- a. The check books and financial records should be maintained by one person.
- b. Deposit slips are in sets of four - one copy maintained by record kepper, three copies to bank, one of which to be returned by bank, in bag, verifying deposit.
- c. The treasurer's main responsibility should see that the deposits are made regularly and also pick up the bank bags.
- d. So that all checks can be accounted for, voided checks are not to be destroyed but maintained and filed with the end of month bank statements.

Recommend list total wrapped money for audit record.