“Is it time to hire a bookkeeper for our church?”

This is a question we receive often at the Center for Faith and Giving, especially as congregations face aging membership, declining volunteer capacity, and the need to build sustainable financial systems for the future.

The following questions are meant for reflection. There is no right or wrong answer, just an opportunity to evaluate honestly where your congregation is currently and assess what might be helpful for your church financials going forward.

Current Capacity and Leadership Continuity

- Do you currently have skilled volunteers who are willing to do the church bookkeeping, bill pay, payroll, categorizing income and expenses, reconciliations, and financial reports…along with other financial positions and responsibilities (collecting and depositing money, recognizing and recording income from donors, etc?)
- Should those skilled volunteers become unable to fulfill the financial duties, do you have others in the congregation who could step in to ensure continuity?
- Does your congregation hold these leaders as trustworthy in ethics and in skills?

Evaluating Your Current Financial Model

- How did you get to the current model of your finance team?
- What decisions have been made along the way for specific circumstances or budgets or convenience? (Was it a temporary fix after someone left/died? Maybe it hasn’t changed in a long time and currently requires more people or more time/capacity/skill than your congregational leaders have? Perhaps it was added it to admin position when past treasurer/bookkeeper ended their term?)
- How much time is being used currently in your system?

Determining the Need for Outside Bookkeeping

- What tasks would be helpful to have an outside bookkeeper take on? (Some typical ones might be: entering deposits in an accounting platform, bill pay, categorizations, reconciliations, reports, contribution statements, etc.)
- Would you have volunteers who would be willing to take on financial roles if they

didn't require in-depth accounting knowledge?
- If you hired an external bookkeeper, would it be helpful to have an unbiased person putting together financial statements? There can be benefits to having outside eyes and accountability.

Practical Considerations Before Hiring

- Are you willing to add money to your church budget to ensure your bookkeeping gets done and done well? Typical bookkeepers might charge anywhere from $200 - $1500 per month, depending on size of your congregation and what their responsibilities will be. This could be more if you are a larger congregation with lots of financial specifics.
- Is your current accounting platform accessible digitally? In-person bookkeepers might be available near you, but there might be more potential if you look at virtual bookkeeping. Most churches already use digital platforms for some giving and donor management systems.

Questions to Ask a Potential Bookkeeper

- What is their experience with church bookkeeping and the specific accounting platform your church is using?
- Can they provide references from organizations that are similar to your congregation?
- What can you expect for a timeline for creating a contract and onboarding
- What is their preferred process for receiving information from your church (e.g., via email, document management app, or through an accounting platform)?
- When can you expect monthly reports to be received? Let them know if there are standing monthly meetings that you need reports for (e.g., if you need reports before your board meeting that meets on the third Thursday each month).
- How easy is it to schedule meetings or have questions answered? Will they be available by phone, email, or text for questions that arise? Is there a limit
- What happens if the bookkeeper is unable to fulfill their duties?

Note: *There are pros and cons to hiring a solo/small bookkeeping company vs. a larger firm. Many solo bookkeepers may not have a specific person to step in, but might be connected to an accounting network of professionals who could step in if needed. Smaller firms can usually provide more hands-on support and be more flexible in meeting your church's needs. Larger firms probably have plans in place when one bookkeeper needs to take a leave of absence, but they can also be less flexible for your specific church's needs. There's no right answer except what your church feels most comfortable with.*

Wise Practices When Working with a Bookkeeper

Maintain Financial Oversight

Although you are hiring someone to do the bookkeeping for your congregations, this does not mean you should be hands-off. Be sure someone is looking at bank statements, financial statements, and reconciliation reports regularly.

Maintain Payment Controls

For bill pay, there are some banks and bill processors that will let you add a step for approvals. Use these, if possible, to ensure that someone from the church is approving payments to be made.

Limit Bank Account Access

Give your bookkeeper "read-only" access for your bank accounts unless they need greater access for bill pay or other reasons. "Read-Only" access allows them to see bank statements and transactions, but without any access to other parts of your bank account.

Conduct Regular Internal Reviews

Recommended to do an internal audit every 1-3 years.

Schedule Periodic External Reviews

Recommended to have an external audit/financial review every 3-5 years. Larger churches should do this more frequently. "Audit" is a specific term and can only be performed by a licensed CPA. Non-CPA financial reviews can be an option, as well.

This list was compiled by ordained Disciples minister Rev. Douglass Anne Cartwright, owner of Epiphany Bookkeeping, a ***virtual bookkeeping business*** *that is passionate about providing* ***clear and accurate financials for non-profits, small businesses, and individuals****. Contact Epiphany Bookkeeping, LLC at 214-247-6048 or info@epiphanybookkeeping.com.*