

## Chinese Christian Mission Church (CCMC) – Durham

### Financial Management Policies

<b>Item</b>	<b>Content</b>
<b>Document Name</b>	Chinese Christian Mission Church (CCMC) – Durham Financial Management Policies
<b>Document Version</b>	V1.0
<b>Formulating Body</b>	Deacon Board of Chinese Christian Mission Church
<b>Approval Date</b>	June 25, 2026
<b>Effective Date</b>	June 25, 2026
<b>Revision Record</b>	First Version

**Contents**

Chinese Christian Mission Church Financial Management Policies ..... 1

Chapter I: General Provisions..... 4

    Article 1 (Purpose)..... 4

    Article 2 (Basic Principles) ..... 4

Chapter II: Financial Organization and Responsibilities..... 4

    Article 3 (Responsibilities of the Financial Deacon) ..... 4

    Article 4 (Responsibilities of the Receiving Co-worker) ..... 4

    Article 5 (Responsibilities of the Bookkeeping Co-worker) ..... 5

    Article 6 (Responsibilities of the Deacon Board) ..... 5

Chapter III: Income and Bookkeeping Management..... 5

    Article 7 (Offering Management) ..... 5

    Article 8 (Receiving System)..... 5

    Article 9 (Segregation of Duties)..... 5

    Article 10 (Financial Supervision)..... 6

    Article 11 (Cash Management)..... 6

Chapter IV: Expenditure and Reimbursement System ..... 6

    Article 12 (Reimbursement Requirements)..... 6

    Article 13 (Dual Approval System)..... 6

Chapter V: Expenditure Approval System..... 7

    Article 14 (General Expenditures)..... 7

    Article 15 (Major and Emergency Expenditures) ..... 7

Chapter VI: Financial Reporting and Disclosure..... 7

    Article 16 (Periodic Disclosure) ..... 7

    Article 17 (Annual Financial Report) ..... 8

Chapter VII: Budgeting and Electronic Management ..... 8

    Article 18 (Budget System)..... 8

    Article 19 (Electronic Records and Cloud Backup) ..... 8

    Article 20 (Bank Account and Electronic Payment Management)..... 8

Chapter VIII: Audit and Supervision..... 9

    Article 21 (Internal Audit) ..... 9

    Article 22 (External Audit) ..... 9

Chapter IX: Conflict of Interest and Designated Offering Management..... 9

    Article 23 (Conflict of Interest)..... 9

Article 24 (Designated Offerings) .....	9
Chapter X: Financial Archive Management.....	10
Article 25 (Archive Retention).....	10
Chapter XI: Pastor Compensation Management.....	10
Article 26 (Compensation Principles).....	10
Article 27 (Compensation Structure).....	10
Article 28 (Approval and Supervision).....	11
Chapter XII: Supplementary Provisions.....	11
Article 29 (Policies Amendments).....	11
Article 30 (Effective Date).....	11
Appendix A: Expense Reimbursement Form .....	12
Appendix B: Financial Approval Authority Table .....	13
Appendix C: Financial Processes.....	14
I. Offering Counting Process.....	14
II. Bank Deposit Process.....	14
III. Reimbursement Approval Process .....	14
IV. Monthly Reconciliation Process.....	14
V. Annual Budget Process.....	15
VI. Year-End Financial Closing Process .....	15
VII. Electronic File Backup Process .....	15
Appendix D: Principles for Confidentiality and Access Management of Financial Data .....	16
Appendix E: Principles for Investment and Wealth Management .....	17

## **Chapter I: General Provisions**

### **Article 1 (Purpose)**

To regulate the financial management of the Chinese Christian Mission Church (hereinafter referred to as the "Church" or "CCMC"), ensure that the use of funds aligns with Biblical principles, legal requirements, openness, and transparency, and protect the Church and related co-workers from potential legal and administrative risks, these policies are hereby formulated.

### **Article 2 (Basic Principles)**

Church financial management shall adhere to the following principles:

1. Faithful Stewardship Principle
2. Openness and Transparency Principle
3. Dual Supervision Principle
4. Legal and Compliance Principle
5. Conflict of Interest Avoidance Principle

## **Chapter II: Financial Organization and Responsibilities**

Church financial management is supervised and executed by the Deacon Board, and jointly managed by financial deacons, receiving co-workers, bookkeeping co-workers, and other relevant financial co-workers according to their division of duties. The Church shall endeavor to avoid having a single person independently control the entire process of financial collection, approval, payment, reconciliation, and account management.

### **Article 3 (Responsibilities of the Financial Deacon)**

The Financial Deacon is responsible for:

1. Executing and supervising these Financial Management Policies.
2. Reviewing offering and income records.
3. Reviewing reimbursement, expenditure, and accounting records.
4. Safeguarding and archiving financial-related documents.
5. Preparing and submitting financial reports.
6. Periodically checking the execution of financial processes.

### **Article 4 (Responsibilities of the Receiving Co-worker)**

The Receiving Co-worker is responsible for:

1. Daily collection and registration of offerings.
2. Bank deposit matters.
3. Revenue-related accounting processing.
4. Organizing and archiving financial vouchers.

### **Article 5 (Responsibilities of the Bookkeeping Co-worker)**

The Bookkeeping Co-worker is responsible for:

1. Daily expenditure bookkeeping.
2. Assisting in the preparation of financial statements.
3. Cooperating with the Financial Deacon to complete periodic bank reconciliations.

### **Article 6 (Responsibilities of the Deacon Board)**

The Deacon Board is responsible for:

1. Approving major expenditure items.
2. Supervising the Church's financial operations.
3. Deliberating on the annual budget and final accounts.
4. Reviewing major financial risk matters.

## **Chapter III: Income and Bookkeeping Management**

### **Article 7 (Offering Management)**

1. All offering income must be recorded truthfully and completely.
2. No individual may privately process, withhold, or retain offering funds for an extended period.
3. The Church shall endeavor to avoid using personal accounts to collect offerings on its behalf.

### **Article 8 (Receiving System)**

1. Offering funds must be counted and recorded by at least two co-workers together.
2. Co-workers participating in the counting and recording must confirm the amount and sign for archiving.
3. All relevant records shall be kept intact for auditing purposes.

### **Article 9 (Segregation of Duties)**

1. Receiving co-workers are responsible for fund receipts/payments and banking matters; bookkeeping co-workers are responsible for account records; the duties of both parties should be properly separated.

2. Bookkeeping work shall be handled by a financial co-worker who is not a receiving co-worker.
3. The Financial Deacon is responsible for auditing accounts, supervising financial processes, and periodically reviewing financial records, but in principle shall not concurrently hold receiving and bookkeeping positions. If the Financial Deacon participates in bookkeeping due to Church personnel limitations, the monthly bookkeeping sheet must be reviewed and signed by another deacon.

### **Article 10 (Financial Supervision)**

In principle, the Financial Deacon does not directly participate in offering counting, but shall review relevant records and bank reconciliations every month.

### **Article 11 (Cash Management)**

1. All cash offerings must not be kept by individuals privately or retained for a long period.
2. Offering funds shall, in principle, be deposited into the Church's bank account within three working days after receipt.
3. If funds cannot be deposited in a timely manner due to special circumstances, it must be reported to the Financial Deacon for the record.
4. In principle, the Church's daily expenditures should avoid the use of cash payments.

## **Chapter IV: Expenditure and Reimbursement System**

### **Article 12 (Reimbursement Requirements)**

1. Reimbursements must be accompanied by legally valid original vouchers.
2. Reimbursement applications must fill out the CCMC Expense Reimbursement Form (Appendix A) and state the purpose of the expenditure.
3. Expenditures must not be split into smaller amounts to circumvent approval authority limits.
4. In principle, reimbursement applications should be submitted within sixty (60) days after the expenditure occurs; late applications must be accompanied by a written explanation.

### **Article 13 (Dual Approval System)**

All reimbursement applications must simultaneously possess:

1. Ministry Department Deacon approval;
2. Financial Deacon approval;
3. The approvers must not be the same person.

#### **Special Circumstances:**

1. If the Department Deacon applies for reimbursement personally, the Board Chair Deacon

shall approve it on their behalf.

2. If the Financial Deacon applies for reimbursement personally, it must be jointly approved by the Board Chair Deacon and another deacon.

## **Chapter V: Expenditure Approval System**

### **Article 14 (General Expenditures)**

Budgeted expenditures shall be executed in accordance with established approval procedures.

### **Article 15 (Major and Emergency Expenditures)**

1. Any single budgeted expenditure exceeding three thousand US dollars (US\$3,000) must be approved by a vote of the Deacon Board before execution.
2. Unforeseen emergency expenditures outside the budget resulting from urgent repairs, equipment failure, safety risks, or other unpredictable circumstances shall be subject to the following provisions:
  - For a single amount not exceeding two thousand US dollars (US\$2,000), it may be jointly approved and executed by the Board Chair Deacon and the Financial Deacon, and must be reported in writing for the record at the next Deacon Board meeting;
  - For a single amount exceeding two thousand US dollars (US\$2,000), an extraordinary Deacon Board meeting should be convened if possible, or majority consent should be obtained via an electronic method approved by the Deacon Board before execution.
3. The emergency expenditure mechanism applies only to non-budgeted emergency matters and does not apply to expenditure items already included in the annual budget.
4. If non-budgeted emergency expenditures involve budget adjustments, they shall be submitted to the Deacon Board for confirmation through normal budget procedures.

## **Chapter VI: Financial Reporting and Disclosure**

### **Article 16 (Periodic Disclosure)**

1. Church financial reports shall be disclosed to members at least twice a year.
2. Financial reports shall be submitted to the Deacon Board once a quarter, detailing:
  - Account balances;
  - Income and expenditure conditions;
  - Major financial change matters.
3. This allows the Deacon Board to timely grasp the Church's financial status during ministry advancement and relevant decision-making.

## **Article 17 (Annual Financial Report)**

The Church shall compile a complete annual financial report after the end of each fiscal year and disclose it to members.

## **Chapter VII: Budgeting and Electronic Management**

### **Article 18 (Budget System)**

The Church shall formulate an annual budget every year, which, after being reviewed and passed by the Deacon Board, shall be submitted to the General Membership Meeting for approval and execution.

### **Article 19 (Electronic Records and Cloud Backup)**

1. All financial records should be electronicized as much as possible and securely stored in a cloud system.
2. Access permissions for financial data shall be restricted to authorized personnel only.
3. Financial electronic files shall be regularly backed up, and appropriate security measures shall be taken.

### **Article 20 (Bank Account and Electronic Payment Management)**

1. Church bank accounts must have at least two authorized signers established.
2. The Church shall ensure that at least two authorized co-workers have the necessary account management and recovery permissions.
3. Online banking and electronic payment permissions must not be completely controlled by a single person.
4. The Financial Deacon shall not uniquely hold the final control power over fund transfers.
5. The addition, replacement, or removal of authorized bank account personnel must be approved by the Deacon Board.
6. All electronic offering platforms and payment accounts must be unifiedly managed by the Church.
7. All financial systems and payment accounts should have two-factor authentication (2FA) enabled, and passwords should be updated regularly.
8. Church funds shall, in principle, not be deposited into personal accounts, personal payment platforms, or kept long-term by individuals on behalf of the Church.
9. When authorized personnel such as the Financial Deacon, receiving, or bookkeeping co-workers leave office, they shall complete a formal handover of accounts, passwords, financial records, and relevant materials within a reasonable timeframe.

## **Chapter VIII: Audit and Supervision**

### **Article 21 (Internal Audit)**

1. The Church shall conduct an internal financial review every year and disclose the review results to members.
2. The Church shall arrange for non-financial co-workers or a designated review team to conduct random inspections of financial records, bank statements, and reimbursement vouchers.
3. Review results shall be reported to the Deacon Board.

### **Article 22 (External Audit)**

When necessary and upon approval by the Deacon Board, the Church may hire a third-party professional organization to conduct an external audit.

## **Chapter IX: Conflict of Interest and Designated Offering Management**

### **Article 23 (Conflict of Interest)**

1. Deacons, pastors, and financial co-workers who involve their own interests or those of immediate family members in financial matters shall proactively declare it.
2. Those involved in conflicts of interest shall not participate in the discussion, approval, or voting of the relevant matters.
3. Interconnected relationships involving economic transactions with the Church shall be fully disclosed to the Deacon Board.

### **Article 24 (Designated Offerings)**

1. Offerings designated for specific purposes by the congregation must be used exclusively for those designated funds.
2. The use of designated offerings shall comply with US tax laws and policies regarding churches and non-profit organizations.
3. Without approval from the Deacon Board, designated offering uses shall not be altered arbitrarily.
4. If a designated project ends or cannot be executed, the Deacon Board shall determine the appropriate use of remaining funds and explain it to the congregation.
5. The Church retains the final administrative and usage oversight and decision-making rights over designated offering funds to comply with US tax regulation requirements for charitable organizations.

## **Chapter X: Financial Archive Management**

### **Article 25 (Archive Retention)**

1. Annual financial statements and tax documents shall be permanently preserved.
2. Reimbursement receipts, bank records, and financial vouchers shall be preserved for at least seven years.
3. All electronic files shall be regularly backed up and securely preserved.

## **Chapter XI: Pastor Compensation Management**

### **Article 26 (Compensation Principles)**

1. The Church's compensation for pastors shall be based on Biblical teachings and the actual conditions of the Church, following the principles of reasonableness, fairness, transparency, and legality/compliance.
2. The Church should appropriately reference the compensation levels of churches in the same region and of a similar scale.
3. Pastoral compensation shall, in principle, be evaluated once a year. The evaluation shall comprehensively consider:
  - Pastoral ministry performance;
  - Church financial status;
  - Overall developmental needs of the Church;
  - Other relevant practical conditions.
4. Pastoral compensation must not constitute an unreasonable benefit transfer as defined by US tax laws.

### **Article 27 (Compensation Structure)**

Pastoral compensation may include, but is not limited to:

1. Base salary
2. Housing allowance
3. Medical and insurance benefits
4. Retirement fund / Pension
5. Ministry-related allowances

The specific amounts are determined by the annual budget, Deacon Board, and General Membership Meeting, and are not separately listed in these policies.

## Article 28 (Approval and Supervision)

1. Pastoral compensation shall be reviewed by the Deacon Board and submitted to the General Membership Meeting for approval.
2. Pastors themselves shall not participate in the final approval of their own compensation.

## Chapter XII: Supplementary Provisions

### Article 29 (Policies Amendments)

1. The right of interpretation of these policies belongs to the Deacon Board.
2. Amendments to these policies must be discussed and passed by the Deacon Board.
3. These policies shall be reviewed at least once every two years.

### Article 30 (Effective Date)

These policies shall take effect from the date of formal approval.

**Date:** June 25, 2026

**Issued by:** Deacon Board of Chinese Christian Mission Church



## Appendix B: Financial Approval Authority Table

支出申请人 Expense Applicant	
事工部门 Ministry Department	
花费用途 Purpose of Expense	
支出金额 Expense Amount	
执事会会议参与人 Deacon Board Meeting Participants	
执事会会议结论 Deacon Board Meeting Decision	
批准日期 Approval Date	

- This table is specifically used to record the approval process for single budget-approved expenditures exceeding US\$3,000.
- Each application must be filled out completely, with relevant supporting documents attached.
- The “Deacon Board Meeting Decision” column should clearly record “Approved” or “Rejected” along with the voting result.

## Appendix C: Financial Processes

This appendix serves as the operational execution processes for these policies and has the same enforcement validity as the policies.

### I. Offering Counting Process

1. After offerings are collected, they shall be counted by at least two co-workers together.
2. Counting personnel must jointly check cash, checks, and electronic offering records.
3. After the offering amount is confirmed, an offering statistical record sheet shall be filled out and signed by relevant co-workers for confirmation.
4. Offering records shall be timely handed over to financial co-workers for entry and properly preserved.
5. In principle, the Financial Deacon does not directly participate in offering counting, but shall periodically review relevant records.

### II. Bank Deposit Process

1. Offering funds shall, in principle, be deposited into the Church's bank account within 72 hours of receipt.
2. Before depositing, the offering statistical record and actual amount must be cross-checked again.
3. Bank deposit receipts shall be preserved and archived.
4. Deposit records must be timely updated into the financial system.
5. Anyone who delays a deposit due to special circumstances shall explain to the Financial Deacon and file for the record.

### III. Reimbursement Approval Process

1. The applicant fills out the reimbursement application form and attaches original vouchers.
2. The Department Deacon reviews the purpose of the expenditure and budget status.
3. The Financial Deacon reviews vouchers, amounts, and approval procedures.
4. After compliance is met, the cashier arranges payment.
5. After reimbursement is completed, accounts should be booked timely and relevant data archived.
6. Over-budget or major expenditures shall be submitted to the Deacon Board or General Membership Meeting for approval according to approval authority limits.

### IV. Monthly Reconciliation Process

1. Every month, the Financial Deacon shall perform a cross-check between bank accounts and financial accounts.

2. Reconciliation contents include account balances, income, expenditures, and outstanding items.
3. If discrepancies are found, they should be investigated and corrected in a timely manner.
4. Monthly financial records shall be archived and preserved for reference.

#### **V. Annual Budget Process**

1. Each department shall submit a budget application during the annual budget compilation period.
2. The Financial Deacon summarizes and organizes the draft budget.
3. The Deacon Board deliberates on the budget content and financial feasibility.
4. After being passed by the Deacon Board, it is submitted to the General Membership Meeting for approval.
5. Once the annual budget is passed, it serves as the basis for financial execution for that year.

#### **VI. Year-End Financial Closing Process**

1. At the end of the year, all income, expenditure, and account closings must be completed.
2. Verify bank balances, unpaid items, and designated offering balances.
3. Compile the annual financial report and related financial statements.
4. Organize and archive financial data, and submit them for internal review.
5. Cooperate with external audits or special financial reviews when necessary.

#### **VII. Electronic File Backup Process**

1. All financial documents should be preserved electronically.
2. Financial systems and electronic archives shall be regularly backed up to a secure cloud or designated storage device.
3. Financial data access permissions are restricted to authorized personnel only.
4. Passwords should be updated regularly and two-factor authentication enabled.
5. When financial co-workers leave office, they shall complete the handover of accounts, passwords, and documents.

## **Appendix D: Principles for Confidentiality and Access Management of Financial Data**

1. Financial records, offering data, and personal compensation information are restricted to authorized personnel for review only.
2. No personnel may unauthorizedly disclose sensitive financial data involving personal offerings, compensation, or other confidential items to the outside.
3. Access permissions for electronic financial data shall be managed according to the scope of duties.
4. Financial documents involving personal information shall have appropriate confidentiality and security measures taken.

## **Appendix E: Principles for Investment and Wealth Management**

1. Church fund management shall prioritize safety, stability, and liquidity as its primary principles.
2. The Church shall not engage in high-risk investments, leverage trading, or speculative financial operations.
3. Short-term idle funds of the Church may be considered for placement in low-risk bank fixed deposits, Money Market accounts, or low-risk financial instruments guaranteed by the US government.
4. Any major investment or long-term fund utilization must be discussed and approved by the Deacon Board.
5. The Church is not an investment institution; fund management shall take safeguarding the stability of Church ministry and long-term healthy operations as its main goal.