

*Independent Accountants' Report  
on Applying Agreed-Upon Procedures*

Chairman of the Audit Committee  
Office of General Minister and President of the Christian Church (Disciples of Christ)

We have performed the procedures in the attached schedule, which were agreed to by Office of General Minister and President of the Christian Church (Disciples of Christ) (Office of General Minister), on determining the appropriateness of the accounting treatment for Treasury Service clients performed by the Office of General Minister as of and for the year ended December 31, 2017. The Office of General Minister's management is responsible for the services performed. The sufficiency of these procedures is solely the responsibility of the Office of General Minister. Consequently, we make no representation regarding the sufficiency of the procedures in the attached schedule either for the purpose for which this report has been requested or for any other purpose.

Our procedures and associated findings are described in the attached schedule.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not, conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the appropriateness of the accounting treatment for Treasury Service clients. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Office of General Minister and is not intended to be and should not be used by anyone other than this specified party.

*Katz, Sapper & Miller, LLP*

Indianapolis, Indiana  
April 2, 2018

# OFFICE OF GENERAL MINISTER AND PRESIDENT OF THE CHRISTIAN CHURCH (DISCIPLES OF CHRIST)

## AGREED-UPON PROCEDURES - SUMMARY OF PROCEDURES AND FINDINGS

The following summarizes our findings from our agreed-upon procedures undertaken on the behalf of Office of General Minister and President of the Christian Church (Disciples of Christ) (Office of General Minister) with regard to the appropriateness of the accounting treatment for Treasury Service clients performed as of and for the year ended December 31, 2017.

The agreed-upon procedures were performed on the following treasury service clients of the Office of General Minister: Council on Christian Unity (CCU), Christian Church Services (CCS), College of Regional Ministers (CRM), Christian Church in Florida (Florida), Christian Church in Indiana (Indiana), Christian Church of Greater KC (GKC), Christian Church in the Upper Midwest (UMW), Christian Church in Kentucky (Kentucky), Christian Church in Illinois and Wisconsin (Illinois and Wisconsin), Northwest Regional Christian Church (NRCC), Christian Church of Mid-America (CCMA), National City Christian Church Foundation (NCCCF), Christian Church in Georgia (Georgia), Christian Church Capital Area (CA), Disciples of Christ Historical Society (DCHS), Christian Church in Pennsylvania (PA), Central Pastoral Office of Hispanic Ministries (CPOHM), Central Rocky Mountain Region (CRMR), Christian Church in Oklahoma (OK), Christian Church in the Southwest (SW), Great River Region of the Christian Church (GRR), and Christian Church in Ohio (Ohio).

### **Procedures**

1. Cash
  - a. Complete standard financial institution confirmations for all cash accounts and compare confirmed balances to completed bank reconciliations as of December 31, 2017.
  - b. Select a random sample of 25 cash receipts and 40 cash disbursements across all Treasury Service clients. Cash disbursements should exclude internal transfers. Obtain source documentation for each selected transaction.
    - i. Verify the following attributes are present on each source document:
      1. Proper approval
      2. Transaction matches source documentation
      3. Payee matches source documentation (for cash disbursements only)
    - ii. Trace transactions to the general ledger. Compare the accounts used and the transaction amounts to the source documentation to identify any discrepancies greater than \$5.00.

### **Findings**

We confirmed all cash accounts open at December 31, 2017 and agreed confirmed balances to the completed bank reconciliations without exception.

For the random samples of cash receipts and disbursements selected, we noted no findings.

### **Procedures**

2. Investments
  - a. Complete standard financial institution confirmations for all investment accounts and compare the confirmed balance to the trial balance as of December 31, 2017 within \$1.00.
  - b. Agree ending balance on investment schedules to the trial balance as of December 31, 2017 within \$1.00.

**OFFICE OF GENERAL MINISTER AND PRESIDENT OF THE CHRISTIAN CHURCH  
(DISCIPLES OF CHRIST)**

**AGREED-UPON PROCEDURES - SUMMARY OF PROCEDURES AND FINDINGS (CONTINUED)**

***Findings***

We noted one entity for which the confirmed balance did not agree to the trial balance resulting in an understatement on the trial balance of \$9.16 due to not recording interest income. We did note that the confirmed investment balance agreed to the investment schedule balance. We noted three other entities for which the confirmed investment balances did not agree to the trial balance resulting in an understatement on the trial balance of \$26.92, \$16.15, and \$5,034.83 due to not recording interest income. We noted one entity for which the confirmed balance did not agree to the trial balance or the investment schedule balance resulting in an understatement of \$8,000 due to not recording unrealized gains. We noted one entity for which no investment schedule was maintained and therefore we could not complete the procedure.

***Procedures***

3. Fixed Assets
  - a. Agree the ending fixed asset balance, accumulated depreciation, and depreciation expense per the detail schedule to the trial balance as of December 31, 2017, within \$100.00.

***Findings***

We noted one entity in which the fixed asset schedule did not agree to the trial balance. The gross fixed assets were overstated by \$20,811.75, accumulated depreciation was understated by \$200,420.10, and depreciation expense was overstated by \$1,445.30. We noted that per discussion with Office of General Minister management that the entry was not fully completed. Subsequently, Office of General Minister management has provided a corrected trial balance with the corrected entry in which the trial balance amounts for gross fixed assets, accumulated depreciation, and depreciation expense agree to the fixed asset schedule. We noted one entity in which the fixed asset schedule balance for gross fixed assets did not agree to the trial balance for gross fixed assets resulting in an overstatement of \$100,000 due to land being excluded from the fixed asset schedule, as it is not depreciated.

***Procedures***

4. Payroll
  - a. Haphazardly select one month's payroll report, using the same month for each entity. Agree the total on the payroll report to the expense accounts in the trial balance within \$5.00.
  - b. Haphazardly select 25 changes on the payroll change report for all Treasury Service clients, for the month selected above, and compare to each source document to verify proper authorization.

***Findings***

We selected June 2017 for testing.

We noted no findings related to the payroll procedures performed.

**OFFICE OF GENERAL MINISTER AND PRESIDENT OF THE CHRISTIAN CHURCH  
(DISCIPLES OF CHRIST)**

**AGREED-UPON PROCEDURES - SUMMARY OF PROCEDURES AND FINDINGS (CONTINUED)**

***Procedures***

5. General Accounting and Journal Entries
  - a. Randomly select 40 journal entries across all Treasury Service clients. Compare amounts used and transaction amounts to the source documentation to identify any discrepancies for management, including proper approval.

***Findings***

We noted three journal entries in which the journal entry amount did not agree to the source documentation. The total variance was \$5.58.