

Diocese of Lexington 2009
Diocesan Operation – Financial Review – Parish

Completed by: _____

PARISH PROFILE

Date: _____

Review Date: _____

Parish: _____

Pastor: _____

Bookkeeper: _____

Finance Council Members:

_____	_____
_____	_____
_____	_____
_____	_____

Parish Bank Accounts:

<u>Financial Institution</u>	<u>Account Name</u>	<u>Account #</u>	<u>Mailing Address</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Parish Organizations Bank Accounts:

<u>Financial Institution</u>	<u>Account Name</u>	<u>Account #</u>	<u>Mailing Address</u>	<u>Authorized Signatory</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Completed by:

QUESTIONNAIRE INTERNAL CONTROL

Date:

CASH RECEIPTS

Control Objective:

To ensure that all cash intended for the parish is received, promptly deposited, properly recorded reconciled and kept under adequate security.

- Describe the procedures used for counting and preparing the deposit of the weekly collection. (Include the storing of the collection after the masses; number of money counters; who prepares the deposit slip; who takes the deposit to the bank, etc.)

Please check response. YES NO N/A
 (If answer is NO please use back of form to explain.)

- | | | | |
|---|-------|-------|-------|
| 2. Is the weekly mass collection counted by at least two individuals who are present at all times during the counting process? | _____ | _____ | _____ |
| 3. Are the money counters rotated on a periodic basis? | _____ | _____ | _____ |
| 4. Is the weekly mass collection counted in a secure area or location? | _____ | _____ | _____ |
| 5. Is cash recorded and are checks restrictively endorsed immediately? | _____ | _____ | _____ |
| 6. Is any money taken from the loose collection before it is counted? | _____ | _____ | _____ |
| 7. Is the cashing of personal checks out the loose collection prohibited? | _____ | _____ | _____ |
| 8. Is a summary of the cash counted sent directly to the person responsible for the cash recording and bank reconciliation functions? | _____ | _____ | _____ |
| 9. Is this summary used to prepare bank deposit slips? | _____ | _____ | _____ |
| 10. Is cash deposited in a bank account intact and on a timely basis?
On what day is the weekly collection deposited? _____ | _____ | _____ | _____ |
| 11. Is the initial listing of receipts compared with the bank deposit slips? | _____ | _____ | _____ |
| 12. Is the receipts summary prepared for use in posting to the cash receipts journal? | _____ | _____ | _____ |
| 13. Are cash receipts posted by a person independent of the cash receiving and cash processing functions? | _____ | _____ | _____ |
| 14. What is the average dollar amount of the weekly collection? _____ | | | |
| 15. Are parishioners encouraged to use envelopes for offertory purposes? | _____ | _____ | _____ |
| 16. Is the amount of the offering indicated on the outside of the envelope for subsequent posting to parishioners' records? | _____ | _____ | _____ |

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17. Who is responsible for recording envelope-users contributions? _____

Please check response. YES NO N/A
(If answer is NO please use back of form to explain.)

18. Is this person independent of the counting process? _____

19. Are statements sent to regular envelope-users for income tax and verification purposes at least annually? _____

20. Are significant donations (>\$250) acknowledged in writing? _____

21. Does the pastor open the mail that is addressed to the parish? _____

Completed by:

QUESTIONNAIRE INTERNAL CONTROL

Date:

CHARITABLE GAMING

Control Objective:

To ensure that all charitable gaming activities are conducted in accordance with the Kentucky State Charitable Gaming Laws.

Please check response. YES NO N/A
 (If answer is NO please use back of form to explain.)

- | | | | |
|--|-------|-------|-------|
| 1. Is the organization licensed to conduct charitable gaming activities? | _____ | _____ | _____ |
| 2. Are the charitable gaming activities conducted for less than fifteen days in any one calendar month? | _____ | _____ | _____ |
| 3. Is the charitable gaming license conspicuously displayed at the premises where the games are conducted? | _____ | _____ | _____ |
| 4. Are eligible workers paid for the services rendered at no more than \$5 per hour and \$30 per session and paid on a monthly basis? | _____ | _____ | _____ |
| 5. Are operators prohibited from using bingo cards without charge or at a reduced charge? | _____ | _____ | _____ |
| 6. Are quarterly reports of the organization's charitable gaming activities reported to the appropriate governing body? | _____ | _____ | _____ |
| 7. Is a separate checking account maintained for all receipts and disbursements related to charitable gamine? | _____ | _____ | _____ |
| 8. Do all the checks on this account have preprinted consecutive numbers, the words "Charitable Gaming Account" and the licensee's state charitable gaming license number? | _____ | _____ | _____ |
| 9. Are all checks made payable to a specific person or corporation? | _____ | _____ | _____ |
| 10. Are checks made payable to "Cash" forbidden? | _____ | _____ | _____ |
| 11. Are all receipts from charitable gaming deposited no later than the next banking day following the date of the charitable gaming session? | _____ | _____ | _____ |
| 12. Are the results of each gaming session fully and accurately documented? | _____ | _____ | _____ |
| 13. Is the separate gaming account reconciled monthly by someone other than the person who is authorized to sign checks on that account? | _____ | _____ | _____ |
| 14. Are charitable gaming records maintained for a period of at least three years? | _____ | _____ | _____ |

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OTHER INCOME Questionnaire Internal Control
Control Objective:

To clearly identify control and separately report other income sources in an accurate manner.

Please check response. YES NO N/A
(If answer is NO please use back of form to explain.)

- | | | | |
|---|-------|-------|-------|
| 1. Does the parish receive income from rental activities, preschool programs, use of parking lots or any other non-church related activities? | _____ | _____ | _____ |
| a. Are signed approved rental contracts on file? | _____ | _____ | _____ |
| b. Are certificates of insurance provided and updated listing parish and diocese as other insured parties? | _____ | _____ | _____ |
| c. Are these incomes reported separately on Parish financial reports? | _____ | _____ | _____ |

2. If yes, please describe these activities and the controls surrounding them.

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QUESTIONNAIRE INTERNAL CONTROL

Date:

CASH DISBURSEMENTS

Control Objective:

To ensure that cash is disbursed only upon proper authorization of the pastor, for valid church business, and that all disbursements are properly recorded.

Please check response. YES NO N/A
 (If answer is NO please use back of form to explain.)

- | | | | |
|---|-------|-------|-------|
| 1. Are invoices or requests for expense reimbursements supported by appropriate receipts and/or approval indicating receipt of goods or services? | _____ | _____ | _____ |
| 2. Are supporting documents canceled (stamped paid) when checks are written? | _____ | _____ | _____ |
| 3. Are all disbursements, except petty cash, made by check? | _____ | _____ | _____ |
| 4. Are checks pre-numbered and used in sequence? | _____ | _____ | _____ |
| 5. Are checks made payable to specific payees and not to Cash? | _____ | _____ | _____ |
| 6. Are unused checks kept in a secure location when they are not in use? | _____ | _____ | _____ |
| 7. Is a record of cash disbursements (e.g., check stubs, check copies, etc.) kept by the person processing the checks? | _____ | _____ | _____ |
| 8. Is check-signing authority vested in the pastor, parish priest, or parish director (and other limited approved check signers)? | _____ | _____ | _____ |
| 9. Is the signing of blank checks prohibited? | _____ | _____ | _____ |
| 10. Does the parish leader review the documentation supporting checks prior to signing them (or after if signed by another approved signer)? | _____ | _____ | _____ |
| 11. What procedures are used for the issuance of checks when the parish leader (and parochial vicar(s) are away? _____ | | | |
| _____ | | | |
| 12. Are cash disbursements posted to the cash disbursements journal or the general ledger by a person independent of the authorization, check processing and check signing functions? | _____ | _____ | _____ |
| 13. Are disbursements posted to the records at least on a monthly basis? | _____ | _____ | _____ |
| 14. Are paid invoices filed and maintained by the parish? | _____ | _____ | _____ |

Completed by:

QUESTIONNAIRE INTERNAL CONTROL

Date:

PETTY CASH

Control Objective:

To ensure that petty cash funds are disbursed only for proper purposes, are adequately safeguarded, and are properly recorded.

Please check response. YES NO N/A
 (If answer is NO please use back of form to explain.)

- | | | | |
|--|-------|-------|-------|
| 1. Is a petty cash fund maintained? | _____ | _____ | _____ |
| a. Who is the petty cash administrator? _____ | | | |
| b. How much is maintained in the petty cash fund? _____ | | | |
| c. How often is petty cash replenished? _____ | | | |
| 2. Is petty cash maintained on an imprest basis? | _____ | _____ | _____ |
| 3. Is the responsibility of the fund vested in a single petty cash administrator? | _____ | _____ | _____ |
| 4. Are the types and amounts of petty cash disbursements limited? | _____ | _____ | _____ |
| 5. Do persons receiving cash sign petty cash vouchers? | _____ | _____ | _____ |
| 6. Are vouchers properly supported by invoices or receipts? | _____ | _____ | _____ |
| 7. Is petty cash reimbursed by check only? | _____ | _____ | _____ |
| 8. Are petty cash reimbursement checks payable only to the petty cash administrator and not Cash? | _____ | _____ | _____ |
| 9. Are periodic counts of the petty cash fund made by an individual other than the petty cash administrator? | _____ | _____ | _____ |
| 10. Is the cashing of personal checks out of the petty cash fund prohibited? | _____ | _____ | _____ |
| 11. Are physical safeguards over petty cash funds, including fire-resistant boxes, vaults, etc.? | | | |

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QUESTIONNAIRE INTERNAL CONTROL

Date:

BANK RECONCILIATION

Control Objective:

To verify process and accuracy in financial and cash management record keeping.

Please check response. YES NO N/A
(If answer is NO please use back of form to explain.)

- | | | | |
|--|-------|-------|-------|
| 1. Are the bank accounts reconciled within a timely period after the end of each month?
How long after receipt of bank statement? _____ | _____ | _____ | _____ |
| 2. Does the parish leader receive the bank statements unopened from the bank(s)? | _____ | _____ | _____ |
| 3. Are bank reconciliations prepared by a person independent of the cash receiving, check processing, recording and check signing functions? | _____ | _____ | _____ |
| 4. Are all parish bank accounts included in the parish's semi-annual and annual financial reports? | _____ | _____ | _____ |

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QUESTIONNAIRE INTERNAL CONTROL

Date:

PERSONNEL and PAYROLL

Control Objective:

To ensure that payroll disbursements are made only upon proper authorization of management, to bonafide employees, that payroll disbursements are properly recorded, and that related legal requirements are complied with.

1. How many employees does the church have?
 Full time _____ Part time _____ = Total Employees _____
2. What is the pastor's date of ordination? _____
 Date of appointment? _____

Please check response. YES NO N/A
 (If answer is NO please use back of form to explain.)

- | | | | |
|--|-------|-------|-------|
| 3. Are personnel files maintained? | _____ | _____ | _____ |
| 4. Do the personnel files contain information on: | | | |
| a. employment application and investigation? | | | |
| b. date employed? | _____ | _____ | _____ |
| c. salary or pay rates, changes in compensation and position? | _____ | _____ | _____ |
| d. authorizations for payroll deductions? | | | |
| e earnings records? | _____ | _____ | _____ |
| 5. Are written termination notices given which properly document the reasons for termination? | _____ | _____ | _____ |
| 6. Are all eligible employees offered participation in the medical plans, pension plan, and other employee benefits? | _____ | _____ | _____ |
| 7. Do policies and procedures exist for accounting for vacations, holidays and sick leave? If yes, briefly describe procedure. | _____ | _____ | _____ |
| _____
_____ | | | |
| 8. Who prepares the payroll? _____ | | | |
| 9. Are all employees and non-employees paid by a check for services performed? | _____ | _____ | _____ |
| 10. Are any individuals paid cash for services performed? | _____ | _____ | _____ |

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- 11. Is the payroll distributed to the proper (general ledger) accounts? _____
- 12. Are records maintained for volunteers? _____
 - a. Current names and addresses in PDS _____
 - b. Record of *Virtus* training _____
- 13. Are 1099's given to all non-employees (clergy and independent contractors) who receive over \$600 from the parish during the calendar year? _____
- 14. Are any employees (except teachers and principals) offered letters of employment as a term of employment? _____
- 15. Are volunteers required to sign the Diocesan Abuse & Neglect of Minors form? _____
- 16. Are there records indicating *Virtus* training? _____