

Purpose: This **2020** questionnaire is designed as a tool for parishes and schools to help evaluate the accounting controls and financial management procedures in use.

We expect that the answers to these questions will assist your parish or school in improving the quality of the financial information you use as well as improve the security of your assets.

Instructions:

Provide requested information and answer each of the questions in this questionnaire. If a parish school exists, please complete a separate questionnaire signed by the school's Finance Council.

The Pastor/Administrator/Principal and Finance Council should sign and date the completed questionnaire. By signing the document, members of the Finance Council are simply stating they have reviewed the answers provided in the questionnaire. **There is no attestation to verify which procedures are used at the parish. Council members are not certifying to anything in terms of how the parish is operated.**

Attach the completed sheets to an email and send to: parishfinances@charlestdiocese.org by 4/30/2020.

PARISH OR SCHOOL INFORMATION

Name of parish or school _____

City _____

EIN # of Reporting Entity _____

Number of Families or Students _____

Number of Teachers at School _____

Office Hours _____

Bookkeeper's Office Hours _____

Accounting software in use (name; version; year; OS) _____

INFORMATION REGARDING PERSONNEL

Name of Pastor/Administrator/Principal _____

Start date at Parish/School _____

Name of person(s) who maintains accounting records _____

Alternative e-mail address to @charlestdiocese.org (if any) _____

Telephone number & location if not same as parish/school _____

Questions on **financial information** should be directed to _____

Telephone number & location if not same as parish/school _____

Name of church or school

Please answer each question and provide an explanation for all "no" answers. If you are in doubt of the meaning of the question, please contact the Office of Financial Services for assistance.

Q#	Please check one box for each question	YES	NO
	<u>ADMINISTRATION</u>		
1	Does the church and school each have a unique and active Finance Council that meets at least quarterly?		
2	Does the church/school finance council consist of at least three unrelated members who are not employees , selected from the church/school community?		
3	At fiscal year end, did the parish/school submit to the Bishop the annual representation letter containing the signatures of all Finance Council members ?		
4	To the best of your knowledge, is the parish/school in compliance with all diocesan policies as outlined in the DOC Accounting & Internal Control Procedures manual?		
5	Is it prohibited to rent parish facilities and/or properties to for-profit organizations or to individuals who are not parishioners?		
6	If the parish or school is selling food (other than school cafeterias) or any merchandise (other than Religious articles) on a regular basis, is the activity handled solely by volunteers (no paid employees involved)?		
7	Are all fundraising activities that occur on a regular basis handled solely by volunteers?		
8	Is the sale of SCRIP handled solely by volunteers?		
9	Does the parish/school follow Diocesan policy in prohibiting bingo and any games of chance?		
10	Is it prohibited for the parish to sell advertising space in the church bulletin, any regularly self published periodicals, or accept payment from a publisher?		
11	Are passwords in place to restrict access to the accounting software and census data base to authorized personnel?		
12	When there is a change in personnel, are safeguards, i.e. locks,keys, passwords, etc., changed to deny access to the person leaving a position or to a person changing responsibilities?		
13	Are computer files backed-up on at least a weekly basis, and stored offsite or in a secure, fireproof receptacle?		

Name of church or school

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Q#	Please check one box for each question	YES	NO
<u>FINANCIAL REPORTING</u>			
14	Has the annual budget been published to the parish or school community in accordance with policy as stated in the Parish Finance Council Handbook?		
15	Have semi-annual financial reports been made available to the parish/school community within 60 days of the previous 6 months activity?		
16	Did these reports contain the Balance Sheet and the Income Statement for the period?		
17	Does the Net Income reported on the Balance Sheet equal the Net Income reported on the Income Statement each month?		
18	Does the Finance Council review budget vs. actual variances on, at least a quarterly basis, and make adjustments to projected spending as necessary?		
19	Does the Finance Council review and approve the financial statements before they are published?		
20	Does this review include comparing cash, savings, endowment and loan balances to the bank and/or diocesan statements?		
21	Does this review include verifying, on the Balance Sheet, that the prior year retained earnings/(deficit) rolls forward into the new fiscal year fund balance correctly, confirming that no journal entry has been made to the equity section of the balance sheet?		
22	Are subsidiary ledgers (i.e. unpaid tuition, columbarium A/R, cemeteries) maintained for corresponding Balance Sheet accounts and reconciled to the General Ledger on a monthly basis? Is a reconciliation of Transit revenue to expense done monthly?		

Name of church or school

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Q#	Please check one box for each question	YES	NO
<u>BANK ACCOUNTS/INVESTMENTS</u>			
23	Are all bank accounts/investments (excluding those owned by the Catholic Community Foundation of SC for the benefit of the parish) included on the Balance Sheet and included in the quarterly report to the diocese?		
24	Are the pastor, parochial vicar and school principal, where applicable, the only local authorized signers on the parish/school accounts (other than affiliated organizations)?		
25	Are ALL checks written exclusively from the general operating account?		
26	Are the unopened bank statements delivered directly to the pastor, or his designee (Finance Council Chairperson), and is the statement opened and reviewed (including a review of the signatures on checks for authenticity) by this person?		
27	Are monthly bank reconciliations performed for all bank accounts, and are all reconciling differences resolved on a timely basis?		
28	Can you confirm there have been no occasions in the past year when the bank reconciliation has shown an unreconciled difference?		
29	Are bank reconciliations reviewed by a Finance Council member on a periodic basis (at least four times per year) and signed by the reviewer to denote the review?		
30	Does this review include checking the payees on all checks to be sure they agree with the payees as shown in the G/L or A/P system?		
31	Are all checks outstanding for more than 120 days investigated and resolved?		
32	Are all parish/school savings invested with the Diocesan Saving & Loan Program; Catholic Community Foundation of SC; or only invested in government insured interest bearing accounts such as Certificates of Deposit, Money Market Funds, U.S. Government Instruments, Government Agency Instruments or State/Municipal Government Instruments?		
33	Is the parish/school stated as the ultimate beneficiary of all donations of stock with no obligation to any additional beneficiary?		
34	Are all stock donations being transferred into the Catholic Community Foundation of SC account?		
35	Has a letter been sent to Comerica Bank naming the donor and indicating the specific beneficiary for all donations of stock ?		
36	Has the diocese been copied on the letter of notification of donation of stock?		
37	Are funds received for Mass stipends identified in the ledger, and a record kept of Masses said in accordance with Canonical requirements?		

Name of church or school

Please answer each question and provide an explanation for all "no" answers. If you are in doubt of the meaning of the question, please contact the Office of Financial Services for assistance.

Q#	Please check one box for each question	YES	NO
<u>AFFILIATED ORGANIZATIONS</u>			
38	Is the pastor or principal an authorized signer on all affiliated organizations' bank accounts, along with no more than two officers and no parish/school employees?		
39	Are all affiliated organizations' bank statements received directly at the parish/school and reviewed by parish bookkeeper?		
40	Does the pastor receive and review affiliated organizations' financial statements, along with a reconciliation of the activity to the beginning and ending cash balances, at least quarterly?		
41	Does the parish submit the affiliated organizations' monthly bank statements; bank reconciliations; and a quarterly Treasurer's Financial Report to the diocese?		
42	Do affiliated organizations follow the same procedures for processing cash receipts as the parish/school?		
43	Whenever an affiliated organization must pay an individual for services rendered is the check instead written to the parish/school allowing for the capture of 1099 information on the parish/school books?		
44	Other than a check written to the parish/school, does the affiliated organization only write checks for the organization's own fundraising or meeting expenses?		
45	Are all gifts for the parish/school from an affiliated organization given as cash by check and never in the form of goods or services purchased by the affiliated organization?		
46	Are all bank accounts of affiliated organizations independent of the parish/school financial statements?		
47	Do the by-laws of the affiliated organization establish a maximum amount of cash that may be kept as an operating fund?		
48	Does the affiliated organization transfer to the parish/school its year end cash balance less one month's operating expense needed to reopen the following fiscal year?		
49	Are all affiliated organizations funds solely in a checking account?		

Name of church or school

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Q#	Please check one box for each question	YES	NO
<u>CASH RECEIPTS</u>			
50	Are responsibilities for the cash/offertory count and deposit functions segregated from those for recording cash receipts and general ledger entries?		
51	Are totals on cash/offertory count sheets compared to bank validated deposit slips by someone other than personnel who have access to cash receipts?		
52	Are totals on cash/offertory count sheets reconciled to the amount entered in the census database by someone other than personnel who have access to cash receipts?		
53	Has the parish established cash/offertory count procedures in accordance with diocesan guidelines as outlined in the DOC Accounting & Internal Control Procedures manual, and are these procedures being followed?		
54	Do procedures include: Multiple unrelated counters and transporter of cash at all times?		
55	... the use of standardized count sheets?		
56	... all counters to sign the count sheets?		
57	... a locked or tamper evident bag to store and transport receipts?		
58	... separate control of the key for locked bags?		
59	... an accounting for the seal tag on tamper evident bags by someone not involved in sealing or transporting the bags?		
60	Have all counters been screened with background checks?		
61	Is an envelope process for offertory in place, and are annual statements sent to parishioners giving them a record of their contributions to the parish?		
62	If a parishioner disputes their offertory statement, is the dispute resolved by someone other than personnel who have access to cash receipts?		
63	Are all cash receipts deposited and recorded in the general ledger in the proper account on a timely basis?		
64	Is all cash received deposited intact, and no funds removed from the deposit for any reason?		
65	Is a restrictive endorsement placed upon each incoming check immediately upon receipt?		
66	Are "NSF" checks followed-up immediately, resolved and adjusted as necessary?		
67	When funds are collected for cafeteria operations, after-school care and other similar programs, are specific procedures in place to reconcile the funds received with a record of individuals served and prepared by personnel who do not have access to cash receipts?		
68	Are prenumbered tickets used for admission to athletic, drama and other similar events, and then reconciled to funds received by personnel who do not have access to cash receipts?		
69	Is prior approval obtained from the Bishop before accepting a restricted donation as required in the DOC Accounting & Internal Control Procedures manual?		
70	Is there an established procedure for recording restricted donations as restricted and for ensuring that the funds are used only for the restricted purpose imposed by the donor?		
71	Was permission sought from the Vicar General to accept bequests which are greater than \$10,000; restricted in purpose; not cash or readily marketable securities? Was a copy of each will sent to the Diocese? Were all donations exceeding \$10,000 reported to the Diocesan CFO?		

Name of church or school

Please answer each question and provide an explanation for all "no" answers. If you are in doubt of the meaning of the question, please contact the Office of Financial Services for assistance.

Q#	Please check one box for each question	YES	NO
<u>ACKNOWLEDGEMENTS</u>			
72	Are annual statements of donations issued to all donors? Is each single gift of \$250 or more acknowledged on a separate line of the annual statement?		
73	Do acknowledgements for non-monetary gifts provide a description of the item donated with no reference to its value?		
74	Are persons responsible for preparing acknowledgements aware that a volunteer's time is not tax deductible and should not be acknowledged as a charitable contribution?		
75	Are persons responsible for preparing acknowledgements aware that payments for Faith Formation and other program fees are not tax deductible and should not be acknowledged as charitable contributions?		
76	Are persons responsible for preparing acknowledgements aware that contributions earmarked for an individual or narrow class of receipts, i.e. tuition for named individual, are not tax deductible and should not be acknowledged as a charitable contribution?		

Name of church or school

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Q#	Please check one box for each question	YES	NO
	CASH DISBURSEMENTS		
77	Are written bids from at least three vendors obtained prior to hiring a vendor to perform substantial property repairs and/or improvements?		
78	Are all major expenditures above the parish specific spending limit approved in advance by the Bishop?		
79	Are checks issued only upon receipt of properly approved original vendor invoices, or properly approved expense reports or check requests?		
80	Do check signers review support documents before signing checks?		
81	Is a replacement check issued only after confirmation of the stop payment is received and attached to the request for the replacement check and the original check voided in the A/P system?		
82	Do procedures exist to insure that all disbursements are properly classified in the General Ledger?		
83	After a check has been prepared for the payment of an invoice, is the check number, chart of account code, and date paid indicated on the part retained?		
84	Are all invoices or receipts "canceled" (marked "paid") after payment?		
85	Is a check protector i.e., watermark, utilized on your checks?		
86	Does someone other than the signer of the checks (pastor/principal) or the bookkeeper mail the checks?		
87	Are unissued, blank checks stored in a locked, non-portable receptacle?		
88	Is the numbering sequence from one check run to the next accounted for?		
89	Is the drawing of checks to cash or bearer prohibited?		
90	Are signature stamps or plates only used in the absence of the pastor/parish administrator and only to pay invoices previously initialed as approved?		
91	Is it prohibited to sign blank checks?		
92	Are all expenses paid when due, with no vendor invoices being intentionally past due?		
93	Is the use of debit cards prohibited?		
94	Are credit cards issued in the parish/school name and reflect the individual's name?		
95	Are receipts for credit card purchases required and reconciled to the credit card statement?		
96	Are credit cards kept under lock and key at the parish/school when not in use?		
97	Are credit card balances paid in full each month?		
98	Are standard expense reports required for expense reimbursements to employees and payment of credit card statements?		
99	Is all required information on expense reports completed, including the requesting party's signature, and are original receipts attached prior to issuing payment?		
100	Have funds collected for National and Special collections been remitted to the Diocese within 30 days of the collections?		

Name of church or school

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Q#	Please check one box for each question	YES	NO
<u>PERSONNEL AND PAYROLL</u>			
101	Are all diocesan regulations with regard to hiring employees consistently followed, including the requirement for a background check?		
102	Are complete personnel files maintained for all employees?		
103	Are all employees properly classified as "exempt" or "nonexempt" according to FLSA, including the minimum salary threshold for exempt status of \$455/week (excluding teachers)?		
104	Are all payments to employees (other than to Religious, and other than for properly accounted employee expense reimbursements), including bonuses processed through payroll?		
105	Are timesheets used for all hourly employees? Are employees required to accurately document time worked and submit to their supervisor?		
106	Does the pastor or the employee's supervisor review and approve all hourly employee timesheets?		
107	Are non-exempt employees paid time-and-a-half for all hours worked in excess of 40 hours per week, and "comp time" never given in lieu of the paying of time-and-a-half?		
108	Are all non-exempt employees paid for all hours worked and not allowed to volunteer time working in the same capacity that they are employed in?		
109	Are only those payments to Religious who are subject to a vow of poverty and are working at the direction of his/her ecclesiastical superiors, processed through Accounts Payable?		
110	Are all payments to Religious issued in the name of the Religious Order and not the individual Religious?		
111	Have all individuals treated as independent contractors been reviewed against the IRS guidelines to ensure they are properly classified?		
112	Are W-9s on file for all non-employees who have been paid for services, and are 1099s issued in accordance with IRS regulations?		
113	Are W-4s maintained and up to date on all employees?		
114	Are Mass offerings paid to your parish's priests processed through Accounts Payable? Does the parish issue a Form 1099M to all priests who have been paid \$600 or more in the calendar year?		
115	Do all employees enrolled in the diocesan health insurance program regularly work at least 30 hours per week?		
116	Do all employees enrolled in the diocesan health insurance program have the appropriate premium withheld from their pay ?		
117	Are all eligible employees being covered for life insurance and long term disability through Sagebrush Insurance Services paid for by the parish/school?		
118	Are all salary levels reviewed with the Finance Council?		

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Name of church or school

Please answer each question and provide an explanation for all "no" answers. If you are in doubt of the meaning of the question, please contact the Office of Financial Services for assistance.

Q#	Please check one box for each question	YES	NO
<u>COLUMBARIUMS</u>			
119	Does your parish have a columbarium?		
120	Is an aging report of outstanding balances due maintained?		
121	Is a license issued to the purchaser when payment is made in full?		
122	Is the resale of a niche allowed?		
123	Are records maintained of eligible person(s) of a niche?		
124	Are niches allocated for the poor?		
125	Is there a fund for the perpetual care/maintenance of the columbarium, its surrounding grounds and security?		
126	Are there plans to expand the columbarium in the next 12 months?		
127	Is a separate checking account maintained for the proceeds from sales and for paying expenses regarding the columbarium?		
128	Are the pastor and parochial vicars the only local authorized signers on the columbarium account?		
129	Are cash receipts, revenue and expenses regarding the columbarium maintained in separate accounts in the general ledger?		
<u>CEMETERIES</u>			
130	Are cemetery records (perpetual care, lots, etc.) maintained in the parish office?		
131	Are cemetery records (perpetual care, lots, etc.) maintained in the diocesan cemetery office?		
132	Are the records stored in a safe or locked fireproof cabinet?		
133	Are duplicate records stored at another location?		
134	Should any disinterment have taken place in the past fiscal year: was the proper paperwork filed with DHEC?		
135	... a funeral director present at all times during the disinterment?		
136	... was written permission obtained from all parties that legally had the right to grant such permission?		

<u>Informational:</u>
What is the date the columbarium was built?
How many niches are contained in the columbarium?

Bank Accounts and Signatories

Fiscal 2020

Please list below the name of each financial institution (other than the Diocese of Charleston) where your parish or school has a bank account or investment account.

For each account named, please **list all individuals who have signing authority on the account.**

Also, please identify the title or position each named individual holds in the parish or school.

	Name of Signatory	Title/Parish Position
1	_____	_____
2	_____	_____
3	_____	_____
4	_____	_____
5	_____	_____
6	_____	_____
7	_____	_____
8	_____	_____
9	_____	_____
10	_____	_____
11	_____	_____
12	_____	_____
13	_____	_____
14	_____	_____
15	_____	_____

Affiliated Parish/School Organizations

Fiscal 2020

To properly record receipt of all documentation due in the quarterly financial report to the Diocese, please complete a list of current affiliated parish or school organizations.

Affiliated organizations of the parish/school are defined as those societies, ministries and clubs fiscally responsible to the pastor or parish administrator. Assets of any such association are the property of the parish. A quarterly accounting of assets including reconciled bank statements for the APO is to be submitted with reports.

Please provide here the name of each affiliated parish/school organization and indicate whether or not the APO has a bank account independent from the parish funds that are listed on the Balance Sheet.

Name of Affiliated Parish Organization	Independent bank account? Y/N	Name of Financial Institution
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		

This questionnaire applies to:

_____ **Church OR**

_____ **School**

*After the questionnaire is completed, we ask that the Pastor/Administrator/Principal and Finance Council sign and date it. By signing the document, members of the Finance Council are simply stating that they have reviewed the answers provided in the questionnaire. **There is no attestation to verify which procedures are used at the parish. Council members are not certifying to anything in terms of how the parish is operated.***

This 2019/2020 Internal Control Questionnaire was completed by:

Signature	_____
Printed Name/Title	_____ Date

This 2019/2020 Internal Control Questionnaire has been reviewed by the following:

Pastor/Parish Administrator/Principal Signature and Printed Name	_____ Date
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Finance Council Chairperson Signature and Printed Name	_____ Date
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Finance Council Secretary Signature and Printed Name	_____ Date
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Finance Council Member Signature and Printed Name	_____ Date
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Finance Council Member Signature and Printed Name	_____ Date
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Finance Council Member Signature and Printed Name	_____ Date
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Finance Council Member Signature and Printed Name	_____ Date
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Finance Council Member Signature and Printed Name	_____ Date
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Finance Council Member Signature and Printed Name	_____ Date
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