

# Internal Control Questionnaire - Parish

**Purpose:** This **2023** questionnaire is designed as a tool for parishes to help evaluate the accounting controls and financial management procedures in use. The answers to these questions will assist your parish in improving the quality of the financial information you use, as well as, improve the security of your assets.

**Instructions:** Answer each of the questions in this questionnaire and provide requested information if necessary. The Pastor *and* Finance Council are required to 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 and are not certifying to anything in terms of how the parish is operated. **There is no attestation to verify which procedures are used at the parish.**

If a parish school exists, please complete a separate questionnaire signed by the school's Finance Council.

Attach the completed questionnaire and supporting documents to an email, and send to your finance Deanery specific email "... [@charlestdio.org](mailto:charlestdio@charlestdio.org)" by **June 30, 2023**.

## PARISH INFORMATION

Name of Parish \_\_\_\_\_

Diocesan Parish Number \_\_\_\_\_

City \_\_\_\_\_

Parish Telephone Number \_\_\_\_\_

EIN # of Reporting Entity \_\_\_\_\_

Number of Families \_\_\_\_\_

## PASTOR INFORMATION

Name of Pastor \_\_\_\_\_

Date of Assignment at Parish \_\_\_\_\_

Phone Number \_\_\_\_\_

E-mail address of [@charlestdio.org](mailto:charlestdio@charlestdio.org) \_\_\_\_\_

## BOOKKEEPER INFORMATION

Name of Bookkeeper \_\_\_\_\_

Phone Number \_\_\_\_\_

E-mail address of [@charlestdio.org](mailto:charlestdio@charlestdio.org) \_\_\_\_\_

|   |   |
|---|---|
| 0 | 0 |
|---|---|

Name of Parish

Number

| Finance Council   |
|---|
| An overview of the responsibilities and role of the Parish Finance Council is provided in the Diocese of Charleston Parish Finance Council Handbook available on the Diocese of Charleston website. Catholic schools are required to have a Finance Council unique and apart from the Parish Finance Council. |

*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.*

**Please check one box for each question**

| Q# | <u>FINANCE COUNCIL</u>  | YES | NO |
|----|---|-----|----|
| 1  | Does the Parish have a unique and active Finance Council that meets at least quarterly? Or if the entity is a Mission, is there representation on the Parish's Finance Council? |     |    |
| 2  | Does the Parish finance council consist of at least three unrelated members who are not employees and selected from the parish community?                                       |     |    |
| 3  | Does the Finance Council have an appointed Chairperson and Secretary?   |     |    |
| 4  | Does the pastor consult both the parish finance council and the bishop for all acts of MAJOR importance and extraordinary acts?   |     |    |
| 5  | Does each member of the Finance Council act in the best interest of the parish?   |     |    |
| 6  | Does the Finance Council confirm in writing that there are no known conflicts of interest?  |     |    |
| 7  | Are meeting minutes from the Finance Council meetings archived as part of the parish's permanent record?  |     |    |
| 8  | Are all Finance Council meetings open to the parish community?  |     |    |
| 9  | Does the Finance Council utilize Subcommittees?   |     |    |
| 10 | Does the pastor consult both the parish finance council and the bishop for all resources over \$10,000?   |     |    |
| 11 | Is the pastor aware that the finance council can be consulted on ordinary acts; though it is not required?  |     |    |
| 12 | Is the Finance Council involved in developing the parish annual budget?   |     |    |
| 13 | Does the Finance Council review the parish year-end financial reports?  |     |    |
| 14 | Does the Finance Council review the parish quarterly reports at least on a quarterly basis?   |     |    |
| 15 | Does the Finance Council provide assistance in the communication of the Mid-Year Financial Report and the Annual Financial Report to the community?                             |     |    |
| 16 | Does the Finance Council provide advice on the use of undesignated bequests or other unbudgeted revenue?  |     |    |
| 17 | Does the Finance Council review the request for any new bank accounts?  |     |    |

|    |   |  |  |
|----|---|--|--|
| 18 | Does at least one member of the Finance Council review the monthly bank reconciliations and bank statements?  |  |  |
| 19 | Does the Finance Council assist the pastor in establishing an endowment program or cash reserves for the care and maintenance of the parish property??  |  |  |
| 20 | Does the Finance Council review the parish debt?  |  |  |
| 21 | Does the Finance Council review the parish's internal controls and accounting procedures?   |  |  |
| 22 | Does the parish have two adult members of the parish who are active in parish life, good standing, are skilled in business affairs and not part of the Finance Council who are chosen as auditors?  |  |  |
| 23 | Does the Finance Council review the financial reports of all parish auxiliary groups; i.e. APO's?   |  |  |
| 24 | Does the Finance Council provide advice on hiring and evaluating a business manager, accountant or similar position?  |  |  |
| 25 | Is prior approval obtained from the Bishop before accepting a restricted donation as required in the DOC Accounting & Internal Control Procedures manual?   |  |  |
| 26 | 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?   |  |  |
| 27 | 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? |  |  |
| 28 | Does the Finance Council periodically review priests' expenses for adherence to the allowable reimbursable expenses as published by the Office of Priest Personnel?   |  |  |

|   |   |
|---|---|
| 0 | 0 |
|---|---|

Name of Parish

Number

*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.*

**Please check one box for each question**

| Q# | BANK ACCOUNTS   | YES | NO |
|----|---|-----|----|
| 29 | Does the parish have one general operating account from which all check disbursements are made? (an additional account that is mandated by law is acceptable)   |     |    |
| 30 | Are the pastor and the parochial vicar the only local authorized signers on the parish accounts (other than affiliated organizations)?  |     |    |
| 31 | 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?  |     |    |
| 32 | Are checks returned for non-sufficient funds followed-up immediately, resolved and adjusted as necessary?   |     |    |
| 33 | Is the numbering sequence from one check run to the next accounted for?   |     |    |
| 34 | Is a check protector i.e., watermark, utilized on your checks?  |     |    |
| 35 | Is the drawing of checks to cash or bearer prohibited?  |     |    |
| 36 | Are all Parish savings invested with:<br>- Diocesan Saving & Loan Program;<br>- Catholic Community Foundation of SC; or<br>- 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? |     |    |
| 37 | Are all bank account statements and investment accounts statements (excluding those owned by the Catholic Community Foundation of SC for the benefit of the parish) included in the quarterly report to the diocese?  |     |    |
| 38 | Can you confirm there have been no occasions in the past year when the bank reconciliation has shown an unreconciled difference?  |     |    |
| 39 | Does the Parish have stock? (If the answer is No, skip questions 40-43).  |     |    |
| 40 | Is the Parish stated as the ultimate beneficiary of all donations of stock with no obligation to any additional beneficiary?  |     |    |
| 41 | Are all stock donations being transferred into the Catholic Community Foundation of SC account?   |     |    |
| 42 | Has a letter been sent to Comerica Bank naming the donor and indicating the specific beneficiary for all donations of stock ?   |     |    |
| 43 | Has the diocese been copied on the letter of notification of donation of stock?   |     |    |

|   |   |
|---|---|
| 0 | 0 |
|---|---|

Name of Parish

Number

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

This should be an all encompassing list and in agreement with the accounts on the Balance Sheet.

| <b>Bank Accounts and Signatories</b> |                          |                                |
|--------------------------------------|--------------------------|--------------------------------|
| <u>Name of Financial Institution</u> | <u>Name of Signatory</u> | <u>Title / Parish Position</u> |
| 1                                    |                          |                                |
| 2                                    |                          |                                |
| 3                                    |                          |                                |
| 4                                    |                          |                                |
| 5                                    |                          |                                |
| 6                                    |                          |                                |
| 7                                    |                          |                                |
| 8                                    |                          |                                |
| 9                                    |                          |                                |
| 10                                   |                          |                                |

|   |   |
|---|---|
| 0 | 0 |
|---|---|

Name of Parish

Number

*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.*

**Please check one box for each question**

| Q# | AFFILIATED ORGANIZATIONS   | YES | NO |
|----|--|-----|----|
| 44 | Does the Parish have an Affiliated Organization? (If the answer is No, skip the remainder of this page).   |     |    |
| 45 | Has the pastor approved the bylaws submitted by the affiliated organization?   |     |    |
| 46 | Are all bank accounts of affiliated organizations independent of the parish?   |     |    |
| 47 | Are all affiliated organizations funds solely in a checking account?   |     |    |
| 48 | Is the pastor an authorized signer on all affiliated organizations' bank accounts, along with no more than two officers and no parish employees?   |     |    |
| 49 | Are all affiliated organizations' bank statements received directly at the parish and reviewed by the pastor?  |     |    |
| 50 | Does the affiliated organization transfer to the parish its year end cash balance less one month's operating expense needed to reopen the following fiscal year?   |     |    |
| 51 | Whenever an affiliated organization must pay an individual for services rendered, is the check instead written to the parish allowing for the capture of 1099 information on the parish books?                   |     |    |
| 52 | Do affiliated organizations follow the same procedures for processing cash receipts as the parish?   |     |    |
| 53 | Do the by-laws of the affiliated organization establish a maximum amount of cash that may be kept as an operating fund?  |     |    |
| 54 | Are all gifts for the parish from an affiliated organization given as cash by check and never in the form of goods or services purchased by the affiliated organization?   |     |    |
| 55 | 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?                    |     |    |
| 56 | Does the parish submit the affiliated organizations' monthly bank statements; bank reconciliations; and a quarterly Affiliated Parish Organization Financial Report, completed by the treasurer, to the diocese? |     |    |
| 57 | Other than a check written to the parish, does the affiliated organization only write checks for the organization's own fundraising or meeting expenses?   |     |    |

|   |   |
|---|---|
| 0 | 0 |
|---|---|

Name of Parish

Number

**Affiliated Parish Organizations**

**Instructions:** To properly record receipt of all documentation due in the quarterly financial report to the Diocese, please complete a list of current affiliated parish organizations. Please provide the name of each affiliated parish organization and indicate whether or not the APO has a bank account independent from the parish funds that are listed on the Balance Sheet.

Affiliated organizations of the parish 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.

|   |   |                                      |                                      |
|---|---|--------------------------------------|--------------------------------------|
| 1 | <u>Name of Affiliated Parish Organization</u> | <u>Independent bank account? Y/N</u> | <u>Name of Financial Institution</u> |
|   |   |                                      |                                      |
|   | <u>APO Officers</u>                           |                                      |                                      |
|   | President                                     |                                      | Treasurer                            |

|   |   |                                      |                                      |
|---|---|--------------------------------------|--------------------------------------|
| 2 | <u>Name of Affiliated Parish Organization</u> | <u>Independent bank account? Y/N</u> | <u>Name of Financial Institution</u> |
|   |   |                                      |                                      |
|   | <u>APO Officers</u>                           |                                      |                                      |
|   | President                                     |                                      | Treasurer                            |

|   |   |                                      |                                      |
|---|---|--------------------------------------|--------------------------------------|
| 3 | <u>Name of Affiliated Parish Organization</u> | <u>Independent bank account? Y/N</u> | <u>Name of Financial Institution</u> |
|   |   |                                      |                                      |
|   | <u>APO Officers</u>                           |                                      |                                      |
|   | President                                     |                                      | Treasurer                            |

|   |   |
|---|---|
| 0 | 0 |
|---|---|

Name of Parish

Number

*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.*

**Please check one box for each question**

| Q# | CASH RECEIPTS  | YES | NO |
|----|--|-----|----|
| 58 | 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? |     |    |
| 59 | Are ushers informed all the number of collections and provided a tamper evident bags to consolidate these collections?   |     |    |
| 60 | Does the usher deliver the bag to the count team in a secure location?   |     |    |
| 61 | Does the parish limit the number of people who have access to the lock combinations/keys to the parish safe?   |     |    |
| 62 | Does the parish limit the amount of funds secured in the safe?   |     |    |
| 63 | Are deposits to the bank made daily?   |     |    |
| 64 | Does the parish limit the number of people who are in the room when collections are being counted?   |     |    |
| 65 | Does the parish prohibit the use of parish staff for counting?   |     |    |
| 66 | Does the parish supply a new tamper evident bag to secure funds after being counted?   |     |    |
| 67 | Does this parish account for the seal tag on tamper evident bags by someone not involved in sealing or transporting the bags?  |     |    |
| 68 | Does the count team consist of 3 or more unrelated people?   |     |    |
| 69 | Have all counters been screened with background checks?  |     |    |
| 70 | Does the parish rotate count teams or the duties among several count team members?   |     |    |
| 71 | Is all cash received deposited intact, and no funds removed from the deposit for any reason?   |     |    |
| 72 | Are checks endorsed by stamping "For Deposit Only" immediately upon receipt?   |     |    |
| 73 | Are copies of checks retained?   |     |    |
| 74 | Does the parish have two separate persons complete the count or two separate machine tape runs?  |     |    |
| 75 | Does the parish keep each deposit receipt?   |     |    |
| 76 | Are totals on cash/offertory count sheets compared to bank validated deposit slips by someone other than personnel who have access to cash receipts?   |     |    |
| 77 | Does the parish review the variances between the bank deposit slip and count worksheets to determine if there is human error or the need to revise procedures?   |     |    |
| 78 | Is the collection published in the church bulletin weekly?   |     |    |



|    |  |  |  |
|----|--|--|--|
| 79 | Does the Finance Council periodically review the collection process?   |  |  |
| 80 | Are responsibilities for the cash/offertory count and deposit functions segregated from those responsibilities for recording cash receipts and general ledger entries? |  |  |
| 81 | 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?    |  |  |
| 82 | If a donor makes a contribution over \$250, are they sent a timely tax acknowledgement in writing stating the amount and date of the contribution?                     |  |  |

|   |   |
|---|---|
| 0 | 0 |
|---|---|

Name of Parish

Number

*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.*

**Please check one box for each question**

| Q# | RECON OF BANK STATEMENTS  | YES | NO |
|----|---|-----|----|
| 83 | Are the unopened bank statements delivered directly to the pastor, or his designee (Finance Council Chairperson)?   |     |    |
| 84 | Are the bank statements reviewed (including a review of the signatures on checks for authenticity) by the pastor, or his designee (Finance Council Chairperson)?  |     |    |
| 85 | Are monthly bank reconciliations performed for all bank accounts, and are all reconciling differences resolved on a timely basis?                                 |     |    |
| 86 | Are the monthly bank reconciliations reviewed and signed off by the pastor or parish administrator?   |     |    |
| 87 | 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? |     |    |
| 88 | ...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?                            |     |    |
| 89 | Are checks older than 120 days investigated?  |     |    |
| 90 | Are all voided checks saved and accounted for with the work "VOID" written across the face of the check and the signature portion removed?                        |     |    |

|   |   |
|---|---|
| 0 | 0 |
|---|---|

Name of Parish

Number

*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.*

**Please check one box for each question**

| Q#  | CASH DISBURSEMENT  | YES | NO |
|-----|--|-----|----|
| 91  | Are ALL checks written exclusively from the general operating account?   |     |    |
| 92  | Is the pastor the only authorized check signor?  |     |    |
| 93  | Are the distribution of expenses reviewed by the pastor, or his designee (Finance Council Chairperson)?  |     |    |
| 94  | Are signature stamps or plates prohibited from use for checking signing?   |     |    |
| 95  | Does the parish prohibit signing blank checks?   |     |    |
| 96  | Are expenses over \$1,000 reported to the Finance Council?   |     |    |
| 97  | Are all major expenditures above the parish specific spending limit approved in advance by a letter from the Bishop?   |     |    |
| 98  | Are written bids from at least three vendors obtained prior to hiring a vendor to perform substantial property repairs and/or improvements?                        |     |    |
| 99  | Are cash disbursements recorded in the parish's financial records at least weekly?   |     |    |
| 100 | Is the use of debit cards prohibited?  |     |    |
| 101 | Is there a detailed receipt with a business purpose for every petty cash disbursement (not to exceed \$25)?  |     |    |
| 102 | Does the parish have a petty cash account and is the balance under the allowed maximum of \$200?   |     |    |
| 103 | Is replenishing petty cash from collection prohibited?   |     |    |
| 104 | Do procedures exist to insure that all disbursements are properly classified in the General Ledger?  |     |    |
| 105 | Are standard expense reports required for expense reimbursements to employees and payment of credit card statements?   |     |    |
| 106 | Is all required information on expense reports completed, including the requesting party's signature, and are original receipts attached prior to issuing payment? |     |    |
| 107 | Have funds collected for National and Special collections been remitted to the Diocese within 30 days of the collections?  |     |    |

|   |   |
|---|---|
| 0 | 0 |
|---|---|

Name of Parish

Number

*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.*

**Please check one box for each question**

| Q#  | ACCOUNTS PAYABLE   | YES | NO |
|-----|--|-----|----|
| 108 | Is the approval of all vendor bills documented with the initials of the pastor or parish administrator?  |     |    |
| 109 | Are checks issued only upon receipt of properly approved original vendor invoices?   |     |    |
| 110 | Are checks issued only upon receipt of properly approved expense reports or check requests?  |     |    |
| 111 | Are delivery of goods and services verified before authorizing payment?  |     |    |
| 112 | Are all expenses paid when due, with no vendor invoices being intentionally past due?  |     |    |
| 113 | Are all invoices or receipts "canceled" (marked "paid") after payment?   |     |    |
| 114 | Does the Parish have a credit card? (If the answer is No, skip questions 115-119).   |     |    |
| 115 | Does the credit card state the name of the parish and reflect an individual's name?  |     |    |
| 116 | Are credit cards kept under lock and key at the parish when not in use?  |     |    |
| 117 | Does the parish have a process to check out a credit card when needed?   |     |    |
| 118 | Are credit card balances paid in full each month?  |     |    |
| 119 | Are receipts for credit card purchases required and reconciled to the credit card statement?   |     |    |
| 120 | Do check signers review support documents before signing checks?   |     |    |
| 121 | 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? |     |    |
| 122 | Does someone other than the signer of the checks (pastor) or the bookkeeper mail the checks?   |     |    |
| 123 | Are unissued, blank checks stored in a locked, non-portable receptacle?  |     |    |

|   |   |
|---|---|
| 0 | 0 |
|---|---|

Name of Parish

Number

*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.*

**Please check one box for each question**

| Q#  | FINANCIAL REPORTING  | YES | NO |
|-----|--|-----|----|
| 124 | Does the parish have passwords to restrict access to the general ledger?   |     |    |
| 125 | Are computer files backed up at least once a week and secured offsite or in a fireproof receptacle?  |     |    |
| 126 | Has the annual budget been published to the Parish community in accordance with policy as stated in the Parish Finance Council Handbook?   |     |    |
| 127 | Have semi-annual financial reports been made available to the Parish community within 60 days of the previous 6 months activity?   |     |    |
| 128 | Did the semi-annual financial reports available to the Parish community contain the Balance Sheet and the Income Statement for the period?   |     |    |
| 129 | Does the Net Income reported on the Balance Sheet equal the Net Income reported on the Income Statement each month?  |     |    |
| 130 | Are payroll liabilities reconciled at least quarterly?   |     |    |
| 131 | Does the Finance Council review budget vs. actual variances on at minimum of a quarterly basis?  |     |    |
| 132 | Does the Finance Council make adjustments to projected spending as necessary?  |     |    |
| 133 | Does the Finance Council review and approve the financial statements before they are published?  |     |    |
| 134 | ...Does this review include comparing cash, savings, endowment and loan balances to the bank and/or diocesan statements?   |     |    |
| 135 | ...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? |     |    |
| 136 | Are subsidiary ledgers (i.e. 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?                                 |     |    |
| 137 | At fiscal year end, did the Parish submit to the Bishop, the annual representation letter containing the signatures of all Finance Council members ?   |     |    |

|   |   |
|---|---|
| 0 | 0 |
|---|---|

Name of Parish

Number

*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.*

**Please check one box for each question**

| Q#  | PAYROLL   | YES | NO |
|-----|---|-----|----|
| 138 | Are timesheets used for all hourly employees? Are employees required to accurately document time worked and submit to their supervisor?   |     |    |
| 139 | Does the pastor, or the employee's supervisor, review and approve all hourly employee timesheets?   |     |    |
| 140 | Does the Finance Council review salary ranges for specific jobs by category?  |     |    |
| 141 | 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?                        |     |    |
| 142 | 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?  |     |    |
| 143 | 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?              |     |    |
| 144 | Are all payments to Religious issued in the name of the Religious Order and not the individual Religious?   |     |    |
| 145 | Are all eligible employees being covered for life insurance and long term disability through Hartford insurance services paid for by the parish?  |     |    |
| 146 | Do all employees enrolled in the diocesan health insurance program regularly work at least 30 hours per week?   |     |    |
| 147 | Are complete personnel files maintained for all employees?  |     |    |
| 148 | Does the parish prohibit payment of wages in the form of cash?  |     |    |
| 149 | Are all employees properly classified as "exempt" or "nonexempt" according to FLSA, including the minimum salary threshold for exempt status of \$684/week (excluding teachers)?                |     |    |
| 150 | Are all payments to employees (other than to Religious, and other than for properly accounted employee expense reimbursements), including bonuses, processed through payroll?                   |     |    |
| 151 | Are W-4s maintained and up to date on all employees?  |     |    |
| 152 | Have all individuals treated as independent contractors been reviewed against the IRS guidelines to ensure they are properly classified?  |     |    |
| 153 | Are W-9s on file for all non-employees who have been paid for services, and are 1099s issued in accordance with IRS regulations?  |     |    |
| 154 | Are Mass offerings paid to your parish's priests processed through Accounts Payable? Does the parish issue a Form 1099NEC to all priests who have been paid \$600 or more in the calendar year? |     |    |
| 155 | Do all employees enrolled in the diocesan health insurance program have the appropriate premium withheld from their pay ?   |     |    |
| 156 | Does the parish make use of the guidance offered by the Diocesan Human Resources Department to determine employee compensation for similar positions?   |     |    |
| 157 | Are all diocesan regulations with regard to hiring employees consistently followed, including the requirement for a background check?   |     |    |

|                |        |
|----------------|--------|
| 0              | 0      |
| Name of Parish | Number |

*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.*

**Please check one box for each question**

| Q#  | <u>FIXED ASSETS</u>   | YES | NO |
|-----|---|-----|----|
| 158 | Does the parish account for fixed assets (items purchased that are expected to have an estimated useful life of greater than one year and a cost of greater than \$1,000.00)? |     |    |
| 159 | Does the parish maintain permanent records for all fixed assets?  |     |    |
| 160 | When an asset is disposed, does the parish write the expense to the original purchase price?  |     |    |

|   |   |
|---|---|
| 0 | 0 |
|---|---|

Name of Parish

Number

*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.*

**Please check one box for each question**

| Q#  | COLUMBARIUMS   | YES | NO |
|-----|--|-----|----|
| 161 | Does the parish have a columbarium? (If the answer is No, skip questions 162-173).                                       |     |    |
| 162 | Is an aging report of outstanding balances due maintained?   |     |    |
| 163 | Is a license issued to the purchaser when payment is made in full?   |     |    |
| 164 | Is the resale of a niche allowed?  |     |    |
| 165 | Are records maintained of eligible person(s) of a niche?   |     |    |
| 166 | Are niches allocated for the poor?   |     |    |
| 167 | Is there a fund for the perpetual care and maintenance of the columbarium and its surrounding grounds and security?      |     |    |
| 168 | Are there plans to expand the columbarium in the next 12 months?   |     |    |
| 169 | Is a separate checking account maintained for the proceeds from sales and for paying expenses regarding the columbarium? |     |    |
| 170 | Are the pastor and parochial vicars the only local authorized signers on the columbarium account?                        |     |    |
| 171 | Are cash receipts, revenue and expenses regarding the columbarium maintained in separate accounts in the general ledger? |     |    |
| 172 | What is the date the columbarium was built?  |     |    |
| 173 | How many niches are contained in the columbarium?  |     |    |

| Q#  | CEMETERIES   | YES | NO |
|-----|--|-----|----|
| 174 | Does the parish have a cemetery? (If the answer is No, skip questions 175-181).                                  |     |    |
| 175 | Are cemetery records (perpetual care, lots, etc.) maintained in the parish office?                               |     |    |
| 176 | Are cemetery records (perpetual care, lots, etc.) maintained in the diocesan cemetery office?                    |     |    |
| 177 | Are the records stored in a safe or locked fireproof cabinet?  |     |    |
| 178 | Are duplicate records stored at another location?  |     |    |
| 179 | Should any disinterment have taken place in the past fiscal year: was the proper paperwork filed with DHEC?      |     |    |
| 180 | ... a funeral director present at all times during the disinterment?   |     |    |
| 181 | ... was written permission obtained from <u>all</u> parties that legally had the right to grant such permission? |     |    |



|   |   |
|---|---|
| 0 | 0 |
|---|---|

Name of Parish

Number

*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.*

**Please check one box for each question**

| Q#  | FUNDRAISING   | YES | NO |
|-----|---|-----|----|
| 182 | Does the pastor or parish administrator monitor all fundraising activities?   |     |    |
| 183 | Is each fundraiser coordinated by an appointed committee of reputable and practicing members of the parish?   |     |    |
| 184 | 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? |     |    |
| 185 | Does the Finance Council review the detailed report of the financial results of all fundraisers?  |     |    |
| 186 | Does the parish deposit all monies collected from the fundraiser into the parish bank account?  |     |    |
| 187 | Does the parish prohibit cash disbursements related to fundraising?   |     |    |
| 188 | Is it prohibited to rent Parish facilities and / or properties to for-profit organizations or to individuals who are not parishioners?  |     |    |
| 189 | Are all fundraising activities that occur on a regular basis handled solely by volunteers? (no paid employees involved)?  |     |    |
| 190 | Is the sale of SCRIP handled solely by volunteers? (no paid employees involved)?  |     |    |
| 191 | Does the Parish follow Diocesan policy in prohibiting bingo, raffles, and any other games of chance?  |     |    |
| 192 | Is it prohibited for the parish to sell advertising space in the parish bulletin, any regularly self published periodicals, or accept payment from a publisher?                     |     |    |
| 193 | Is the Parish selling food or any merchandise (other than Religious articles) on a regular basis? (if the answer is no, skip the next question).                                    |     |    |
| 194 | Is the selling of food or any merchandise (other than Religious articles) handled solely by volunteers (no paid employees involved)?  |     |    |

|   |   |
|---|---|
| 0 | 0 |
|---|---|

Name of Parish

Number

*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.*

**Please check one box for each question**

| Q#  | <u>GENERAL PRACTICES</u>   | YES | NO |
|-----|--|-----|----|
| 195 | Are annual statements of donations issued to all donors?   |     |    |
| 196 | Is each single gift of \$250 or more acknowledged on a separate line of the annual statement?  |     |    |
| 197 | Do acknowledgements for non-monetary gifts provide a description of the item donated with no reference to its value?   |     |    |
| 198 | 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?                                  |     |    |
| 199 | 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? |     |    |
| 200 | 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?   |     |    |
| 201 | If a parishioner disputes their offertory statement, is the dispute resolved by someone other than personnel who have access to cash receipts?   |     |    |
| 202 | To the best of your knowledge, is the Parish in compliance with all diocesan policies as outlined in the DOC Accounting & Internal Control Procedures manual?  |     |    |
| 203 | Are passwords in place to restrict access to the accounting software and census data base to authorized personnel?   |     |    |
| 204 | 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?                |     |    |
| 205 | Are computer files backed-up on at least a weekly basis, and stored offsite or in a secure, fireproof receptacle?  |     |    |
| 206 | Is the Parish in possession of the Tax Identification Letter issued by the Internal Revenue Service reflecting the official name and assigned EIN of the entity?   |     |    |
| 207 | Are funds received for Mass stipends identified in the ledger?   |     |    |
| 208 | Is a record kept of Masses said in accordance with Canonical requirements?   |     |    |
| 209 | Are Mass offerings paid to priests only after the date of the Mass intention has been fulfilled?   |     |    |

|                |        |
|----------------|--------|
| 0              | 0      |
| Name of Parish | Number |

*If you are in doubt of the meaning of the question, please contact the Office of Financial Services for assistance.*

**Please check one box for each question**

| Q#  | <b>SALES AND USE TAX</b>  |  |
|-----|---|--|
| 210 | How often does the parish file South Carolina Sales and Use Tax? (monthly, quarterly, bi-annually or annually)? |  |

|                |        |
|----------------|--------|
| 0              | 0      |
| Name of Parish | Number |

After the questionnaire is completed, the Pastor and Finance Council are required to sign and date it.

By signing the document, members of the Finance Council are simply stating they have reviewed the answers provided in the questionnaire and are not certifying to anything in terms of how the parish is operated.

**There is no attestation to verify which procedures are used at the parish.**

|   |       |
|---|-------|
| <b>Fiscal Year 2023</b> Internal Control Questionnaire was <u>completed</u> by: |       |
| Printed Name  | Title |
| Signature   | Date  |

|   |      |
|---|------|
| <b>Fiscal Year 2023</b> Internal Control Questionnaire has been <u>reviewed</u> by the following: |      |
| Pastor Signature and Printed Name   | Date |

|                                  |       |
|----------------------------------|-------|
| <b>Finance Council Member 1:</b> |       |
| Printed Name                     | Email |
| Signature                        | Date  |

|                                  |       |
|----------------------------------|-------|
| <b>Finance Council Member 2:</b> |       |
| Printed Name                     | Email |
| Signature                        | Date  |

|                                  |       |
|----------------------------------|-------|
| <b>Finance Council Member 3:</b> |       |
| Printed Name                     | Email |
| Signature                        | Date  |

|                                  |       |
|----------------------------------|-------|
| <b>Finance Council Member 4:</b> |       |
| Printed Name                     | Email |
| Signature                        | Date  |

|   |   |
|---|---|
| 0 | 0 |
|---|---|

Name of Parish

Number

|                                  |       |
|----------------------------------|-------|
| <b>Finance Council Member 5:</b> |       |
| Printed Name                     | Email |
| Signature                        | Date  |

|                                  |       |
|----------------------------------|-------|
| <b>Finance Council Member 6:</b> |       |
| Printed Name                     | Email |
| Signature                        | Date  |

|                                  |       |
|----------------------------------|-------|
| <b>Finance Council Member 7:</b> |       |
| Printed Name                     | Email |
| Signature                        | Date  |

|                                  |       |
|----------------------------------|-------|
| <b>Finance Council Member 8:</b> |       |
| Printed Name                     | Email |
| Signature                        | Date  |

|                                  |       |
|----------------------------------|-------|
| <b>Finance Council Member 9:</b> |       |
| Printed Name                     | Email |
| Signature                        | Date  |

|                                   |       |
|-----------------------------------|-------|
| <b>Finance Council Member 10:</b> |       |
| Printed Name                      | Email |
| Signature                         | Date  |