

<b>INTERNAL CONTROL QUESTIONNAIRE</b>	<b>YES</b>	<b>NO</b>	<b>NA</b>
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<b>GENERAL OPERATIONS</b>				
1.	Please list the names and titles of the employees at the parish: _____ _____ _____ _____ _____ _____ _____ _____ _____			
2.	Does the financial secretary/business manager’s activities involve only keeping the records of cash collections and preparing the support for disbursements? For example, does the financial secretary/business manager have access to cash before it is deposited? ____ Is the financial secretary/business manager an authorized check signer? ____ (Under Canon Law, only the pastor is permitted to sign parish checks.)			
3.	Are all facilities locked when not in use? ____ (yes/no) Describe any security system that is in place _____			
4.	How often does the Finance Council meet (quarterly, monthly)? Should be at least quarterly _____			
5.	Does the Finance Council perform an internal audit function? Example internal audit procedures would include reviewing offertory count sheets and agreeing the amounts to the deposit in the bank and the posting in the general ledger, review of invoices, original bank statements and cancelled checks, and ensuring that the monthly bank reconciliations are performed.			
6.	If yes, what documentation do they review?			
7.	How often do they review the listed documents? _____			
8.	Describe the process for preparation of the budget.			
9.	Are employee passwords secured and not shared?			
10.	Are receipts or thank-you letters issued for all non-cash donations?			
11.	Is the Parish free of any legal issues (such as active lawsuits or pending matters that could relate in lawsuits)?			
12.	If no, please provide detailed information of all such issues and indicate whether it is settled or ongoing			
13.	Does the parish maintain a maintenance log which includes major repairs and purchases invoices, and warranties as required by the Diocesan Construction and Renovation Policy?			
14.	List the societies affiliated with the Parish and describe what each society does. Indicate if they have their own bank account. Inquire of the pastor if he is an authorized signer on <u>all</u> of the accounts and if he does sign all checks, as he must.			

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	Does the parish use computer back-up procedures for its financial and census data systems? The procedure should include taking the most recent back-up off-site to ensure its safety and availability in the event of a disaster (flood, fire, etc.) at the parish office. The back-up could be stored on a flash drive or an external back-up to make it easily portable.			
15.	Does the Parish have a copy of the Diocesan Construction and Renovation Policy?			
	<b>WEEKLY OFFERINGS AND COLLECTIONS</b>			
16.	Describe the process for handling collection money that comes in the mail or to the office during the week.			
17.	Are members encouraged to use their offering envelopes?			
18.	Are members encouraged to use checks in making their offerings and other gifts?			
19.	Describe the process for handling the collection from the time it is collected at mass to the time it is counted. Note: It should be taken to a secure, locked counting area by at least two people.			
20.	How many ushers are there per mass?			
21.	What do the ushers do with the offering after they have finished the collection?			
22.	Where is the collection counted?			
23.	Is this area secured during the counting?			
24.	Do the money counters verify that the contents of the offering envelopes are identical to the amounts written on the envelopes by the members?			
25.	Describe how the money counters indicate if there is a difference between what is written on the outside of the envelope and the contents? Note: Any discrepancies should be written on the envelope and initialed by the money counter. If nothing is written on the envelope, the money counter should write the amount on the envelope.			
26.	Are all checks restrictively endorsed using a rubber stamp "Pay to the Order of (Bank name-Parish name) For Deposit Only and Account Number"?			
27.	If yes, when are the checks restrictively endorsed?			
28.	When is the collection deposited?			
29.	If the collection is held overnight, describe where the collection is held, who puts the collection in the holding area, and who has access to the collection.			

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30.	Who takes the deposit bag to the bank? Note: It should be taken by at least 2 people.			
31.	Is all cash received deposited in the bank without being reduced by disbursements or petty cash?			
32.	Do the counting teams count and complete collection reports detailing currency, coin and checks included in envelopes and monies not included in envelopes?			
33.	If yes, do the counters sign the collection reports?			
34.	How many copies of the collection report are prepared? Note: They should be prepared in DUPLICATE. The count team no longer is required to maintain a copy.			
35.	How are they distributed? Note: They should be distributed as follows: to the parish financial secretary along with the open offertory envelopes, and to a designated member of the parish finance council.			
36.	Do the counters prepare the deposit slip?			
37.	How many copies of the deposit slip are prepared? Note: They should be prepared with an original and two copies.			
38.	How are the copies distributed? Note: They should be distributed as follows: to the parish financial secretary to be compared to the collection sheet, one to a member of finance council and one copy to the bank.			
39.	Does the Parish have assigned money counters?			
40.	How many? _____ Note: At least two people should count the offertory.			
41.	Are money counters rotated?			
42.	Are all of the money counters independent of one another? (i.e none of the counters that count at the same time should be related by blood or marriage)			
43.	Are all of the money counters <b>not</b> employed by the Parish?			
44.	Are contribution records maintained for members?			
45.	If yes, are they kept manually or on the computer?			
46.	Do <b>all</b> members receive periodic notices of their contributions <u>at least on an annual basis</u> ? <b>These should be mailed to the donors, not only made available in the back of the church.</b>			
47.	If manual records are kept, are the statements sent to each member photocopied from the original records so the members' copy couldn't be altered?			
48.	Are members instructed to report any irregularities or errors in their notices to the Finance Council?			
49.	If no, who are they instructed to report differences to? Note: It should <b>not</b> be the Business Manager/Financial Secretary or any individual responsible for recording the contributions in the general ledger.			
50.	If parishioners move, are their accounts marked as inactive, and not deleted from the system?			

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<b>ASSETS And LIABILITIES</b>				
51.	Is the pastor the only authorized signer on the parish accounts? Under Canon Law, the pastor is to be the only signer on parish accounts. The area Dean would be the back-up signature if the pastor was unavailable. A parochial vicar cannot be the check signer.			
52.	Are all Parish savings and investment accounts maintained at the Catholic Institute or Catholic Foundation? (If the Parish owns any securities, stocks, bonds, CD's or other investments, outside of the Catholic Institute or Catholic Foundation, please answer this question as "NO")			
53.	If no, attach a list to provide the name of the institution where the savings account is held and the account number and list each asset held.			
54.	Are bank transfers prohibited?			
55.	If no, when do transfers occur?			
56.	How is money transferred between bank accounts?			
57.	Are all bank accounts reconciled monthly?			
58.	Who prepares the reconcilements?			
59.	Are bank statements and canceled checks opened and reviewed by the Pastor prior to the reconcilements?			
60.	Are the balances in the checkbook compared to the balances in the General Ledger and reconciled bank statement to ensure they all agree?			
61.	Does the parish utilize online banking?			
62.	<p>If the parish uses online banking, are the following controls in place:            Are transfers prohibited to accounts other than those belonging to the parish?            Yes _____ No _____</p> <p>Is remote deposit (check scanner) used? Yes _____ No _____ If remote deposit is used, is the deposit prepared by an individual other than the bookkeeper/business manager?</p> <p>If remote deposit is used, are the day's deposit batches balanced to the count sheet(s) and is that documentation maintained?</p> <p>If remote deposit is used, is all cash still taken to the bank immediately by the counters?</p> <p>If remote deposit is used, are the physical checks that have been scanned maintained in a safe location? After each audit, the checks should be properly destroyed to protect the donors.</p> <p>Does the parish use online bill paying? Yes _____ No _____ If yes, does the pastor still initial all of the invoices before they are entered for payment?</p> <p>If using online bill paying, are the invoices marked "PAID" or otherwise cancelled to prevent duplicate payment?</p> <p>If paying bills online, is a report printed for each batch of payments made, similar to a check register that would list the date of payment, vendor paid and amount?</p> <p>Is the pastor the only individual with the ability to approve payments online? The bookkeeper/business manager may be able to enter a batch of invoices to be paid but should not be able to release any payments to vendors or other</p>			

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	accounts. This is comparable to how the pastor is the only individual that is permitted to sign a parish check.  Does the pastor have the invoices in front of him as he is approving each online payment to ensure that only parish bills are paid?			
63.	Does the parish use Venmo or other similar app?			
64.	If yes, please describe the internal controls in place over the app. Specifically, please list each individual that has access to the app. Also, who has administrative rights to make changes to the setup, including who can change the bank account that receives payment within the app? What are the procedures in place to ensure that all deposits received by the app make it to the parish bank account? _____ _____ _____			
65.	Do you reconcile the number of outstanding masses to the number of masses that can be said in one year and send any excess to the Missions Office or another priest?			
66.	Is the individual who records the masses in the mass book separate from the individual who reconciles the mass account?			
67.	Does the Parish have a safe-deposit box?			
68.	If yes, are two signatures required for access to the safe-deposit box?			
69.	List all property owned by the Parish:			
70.	Does the Parish have any loans?			
71.	If yes, with what institution? _____			
	<b>DISBURSEMENTS (OTHER THAN PAYROLL)</b>			
72.	Does the parish always receive receipts or other supporting documentation from the pastor or other priest for payments from the Business Expense Reimbursement Account?			
73.	Does anyone (for example, an individual from Finance Council or the Dean.) review and sign off on the expenses paid from the Business Reimbursement Account?			
74.	Does the Parish use any credit cards?			
75.	If yes, is the balance of the card paid in full in each month so that no finance charges are incurred? <u>Attach a listing</u> of all cards held. Include in the listing for each card, the card number, the institution held, and what member of the parish staff is authorized to use the card.			
76.	If cards are held, describe the procedures to ensure detailed receipts are turned in for each purchase and how use of the card is monitored.			
77.	Describe the process for making purchases.			

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78.	Who approves the parish purchases before the orders are placed?			
79.	Who approves invoices for goods and services before payment is made?			
80.	How is the invoice identified as being approved for payment (example – Pastor initials)?			
81.	Were all disbursements of cash, except for minor items, made by sequentially numbered checks?			
82.	Do you use computer-generated checks?			
83.	Are invoices provided with the checks when they are given to the check signer?			
84.	Do you refrain from signing blank checks?_____ If not, when are they used?			
85.	Are all voided checks defaced and the signature portion cut off and retained?			
86.	Where are voided checks retained?			
87.	Do you refrain from making checks payable to cash? ____ If no, when are they used?			
88.	Where are blank, unused checks kept?			
89.	Is this location secured with a lock?			
90.	How much money is kept in the Petty Cash Fund?			
91.	Is the Petty Cash Fund only used for minor disbursements of cash?			
92.	Are vouchers prepared for all disbursements from the Petty Cash Fund?			
93.	Are receipts kept in the Petty Cash Fund?			
94.	Has the Parish had any expenditures in excess of \$15,000, if total ordinary and extraordinary income is \$250,000 or less; or \$30,000, if total ordinary and extraordinary income is greater than \$250,000?			
95.	If yes, please describe the project and amount of the expenditure.			
96.	Was Diocesan approval obtained?			
	<b>PAYROLL</b>			
97.	Describe the process for hiring new personnel.			
98.	Do you check applicant references and previous employment?			
99.	Do you retain personnel files in accordance with the record retention schedule (3 years for applications/7 years for all other payroll or personnel records)?			
100.	Does the Parish employ any religious employees (i.e. Sisters etc.)?			
101.	If yes, are they paid in accordance with the lay equivalency policy?			

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100.	<p>Employees <u>and</u> volunteers are required to have 3 current clearances as well as complete 3 required training courses. The clearances are: child abuse, criminal history and FBI fingerprint (or affidavit, if applicable). The trainings required to be completed are: Virtus, mandated reporter and code of conduct. Please describe the process used to ensure all employees and volunteers have current clearances on file and have completed the necessary training.</p> <p>Volunteers required to have this information on file include ushers, readers, altar servers over 18 years of age and Eucharistic ministers as well as festival or other event volunteers at events in which children would be present.</p> <hr/> <hr/> <hr/> <hr/> <hr/>			
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	<b>FUNDRAISING</b>			
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101.	<p><u>Attach a list</u> of each fundraising activity (bingo, festival, fundraising dinner, raffle tickets) used by the parish on a separate sheet and state the dates of each that the activity was held during the fiscal year. Please also describe the controls over cash at each of these events.</p>			
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102.	For Bingo, can any one individual win only less than \$1,200?			
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103.	For games of chance other than bingo, can one individual win only less than \$600 <u>and</u> at least 300 times the amount of the wager?			
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104.	If no (that is, the thresholds listed above can be exceeded), is a W2-G Form issued to the winner and filed with the IRS?			
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105.	Is a current small games of chance license maintained?			
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106.	If small games of chance are done at the parish, is the activity run through a separate bank account that is used for small games of chance only, if this separate account is required?			
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107.	<p>Information Technology Controls</p> <p>Does the parish have anti-virus, anti-malware, spam filter installed on all devices with updates happening automatically?</p> <p>Automatic updating of the operating system?</p> <p>Does the parish have a password policy – (must be strong, not shared and changed at the very minimum once per year)?</p> <p>Are there backups locally, offsite or in the cloud?</p> <p>Are all mobile devices be secured with power-on password?</p> <p>Is there a current inventory of devices &amp; infrastructure?</p> <p>Are wireless WPA2 keys used if wireless infrastructure is in place with NO sharing of passwords with non-employee or non-secured devices?</p> <p>Is PDS protected by a password that is not shared?</p>			
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	<p>We, the undersigned Pastor and Members of the Parish Finance Council, hereby certify that the responses provided in this Internal Control Questionnaire provide an accurate representation of the financial operations of our Parish.</p>			
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	<b>NOTE: Each signor must sign their name and then print their name on the line beside.</b>			
	Pastor			
	Finance Council Chairperson			
	Finance Council Member			
	Finance Council Member			
	Finance Council Member			
	Finance Council Member			
	Finance Council Member			
	Finance Council Member			
	Date prepared			