

Catholic Diocese of Memphis
Parish Visit Internal Control Checklist
A: 06.30.08

Parish: _____

Pastor: _____

Associate Pastor(s): _____

Does the parish have a:

School? _____

Cafeteria? _____

Parish Visit Date: _____

GENERAL QUESTIONS

 X if Management Letter Comment

_____ 1) Are accounting personnel required to take vacations? _____
Who performs the accounting duties during their absence? _____

_____ 2) Are journal entries authorized? _____

_____ 3) Who initiates purchases? _____

_____ 4) Who authorizes purchases? _____

_____ 5) Are due to or due from accounts reconciled monthly? _____

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CASH

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_____ List all bank accounts maintained, their account numbers and the authorized signers:

<u>Bank</u>	<u>Account Number</u>	<u>Authorized Signer</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

- _____ 1) Are bank statements mailed directly to the rectory by the bank?
Yes _____ No _____
- _____ 2) Are bank statements reconciled timely? Yes _____ No _____
By whom? _____
- _____ 3) Type of bookkeeping system used:
Standard Diocesan Journals _____ One-Write _____
Batch-Process _____ PDS _____
Other (Describe) _____
- _____ 4) Are accounting records and checks maintained in a safe or locked file cabinet
when not in use? Yes _____ No _____
- _____ 5) Is the pastor an authorized signer for all parish and organization bank accounts?
Yes _____ No _____
If not, why not? _____

- _____ 6) Have all signature cards been recently reviewed at the bank by the pastor and do
they all contain the currently authorized signatures only? Yes _____ No _____

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- _____ 7) Does the parish have a petty cash fund(s)? Yes _____ No _____
If yes, how many? _____
If yes, how does it function and what is the amount of each fund?

How often is cash replenished? _____
Do the fund amounts agree to the general ledger? Yes _____ No _____
- _____ 8) Does the parish use wire transfers or automated clearing house (ACH) transfers?
Yes _____ No _____
If yes, how are the transfers documented and authorized?

INVESTMENTS

- _____ 1) Does the parish maintain in their possession any investments (CD's, stocks, and bonds)? _____

- _____ 2) Are all of the above investments listed on the general ledger? Yes _____ No _____
- _____ 3) Is investment/interest income recorded monthly (or when paid)? Yes _____ No _____

LOANS, SUBSIDIES, AND ASSESSMENTS

- _____ 1) Does the parish have any loans from the Diocese or with an outside financial institution? Yes _____ No _____
- _____ 2) Has the parish made any personal loans to employees or others? Yes _____ No _____
- _____ 3) Are all loans and interest expense properly recorded on the general ledger? Yes _____ No _____
- _____ 4) Does the parish have a debt reduction plan? Yes _____ No _____
- _____ 5) Does the parish have a copy of their debt amortization schedule(s)? Yes _____ No _____

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- _____ 6) Does the parish/school receive any subsidies? Yes _____ No _____ If Yes, are they properly accounted for? Yes _____ No _____
- _____ 7) Is the new Cathedraticum methodology (effective January 1, 2008) being used? Yes _____ No _____
Are assessments paid to the Diocese within 30 days after month-end? Yes _____ No _____

OFFERTORY COLLECTIONS

Briefly describe the offertory collection procedures: _____

- _____ 1) Is the offertory secure after the collection? Yes _____ No _____
How? _____
- _____ 2) When is the offertory counted? _____
By whom? _____
- _____ 3) Is tally sheet total and bank deposit receipt compared? Yes _____ No _____
By whom? _____
- _____ 4) When is offertory deposited? _____
By whom? _____
- _____ 5) If receipts remain in the rectory, are they kept:
In an operational safe? _____
Locked file cabinet? _____
Other (describe)? _____
- _____ 6) Who records deposits to the accounting records? _____
- _____ 7) Is there a comparison of the tally sheet to the receipted deposit ticket?
Yes _____ No _____
- _____ 8) Who records offertory to the parishioner contribution records?

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TUITION

Briefly describe the procedures involved in collecting, recording, and depositing tuition payments:

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- 1) Is unearned tuition revenue and tuition receivable recorded at the beginning of each school year? _____

- 2) Is a detail tuition receivable sub-ledger maintained? _____

- 3) Are the receivables aged monthly? _____

- 4) Is the receivable detail reconciled to the general ledger on a regular basis and if so, how often? _____ By whom? _____

- 5) Who investigates overdue payments? _____

- 6) At year end, is uncollectible tuition written off? _____
Who authorized this? _____
- 7) Are the duties of reconciling the receivable detail to the general ledger and recording/depositing tuition payments separated? _____

- 8) How often are tuition payments deposited? _____

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OPERATING DISBURSEMENTS

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- _____ 1) Who initially receives and reviews all mail?

- _____ 2) Are invoices reviewed and approved for receipt of goods or services, and accuracy? Yes _____ No _____ By whom? _____
- _____ 3) Who prepares checks? (Checks should be prenumbered) _____

- _____ 4) Who signs checks? (Check signing should require dual signatures over specified dollar amounts). _____

- _____ 5) Is a signature stamp used? (It is recommended that no signature stamp be used)
Yes _____ No _____ If yes, where is it stored? _____

- _____ 6) Does the pastor review prepared checks and invoices before signing?
Yes _____ No _____
- _____ 7) Are paid invoices:
Retained? Yes _____ No _____
If yes, are paid invoices cancelled? Yes _____ No _____
How? _____
- _____ 8) Are checks written in sequence and recorded in a check register and cash disbursements journal? Yes _____ No _____
- _____ 9) Is the supply of unused checks safeguarded? Yes _____ No _____
How? _____

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PAYROLL DISBURSEMENTS

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- 1) Describe procedures for capturing hours for hourly employees, e.g. time cards, time sheets, etc. _____

- 2) Are time sheets approved by an appropriate supervisor and in writing? Yes _____
No _____
- 3) Are I-9s and W-4s properly maintained for each employee? Yes _____ No _____
- 4) Are vacation accounting records maintained for each eligible employee? Yes _____
No _____
- 5) Are W-2s issued for each employee (including the pastor) by January 31? Yes _____
No _____
- 6) Is a reconciliation of the W-2 Transmittal to the 941 Quarterly Federal Reports performed for the calendar year? Yes _____ No _____

FIXED ASSETS

- 1) What is the parish's policy for capitalizing major fixed asset purchases (or is everything expensed?) AND for recording fixed asset disposals? _____

- 2) Were there any significant purchases made during the current year? _____

- 3) Are all properties (i.e., real estate, rental properties) owned by the parish listed on the general ledger? Yes _____ No _____
What information was used to record the value (i.e., insured values, cost, assessed value, other)? _____

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X if Management Letter Comment

Is there a copy of all real estate transactions/deeds, lease agreements, and easement grants on file in the parish office? Yes _____ No _____

_____ 4) Does the parish rent any property or facilities to third parties? Yes _____ No _____

Property name/location

Rented to

_____ 5) Is there a signed lease agreement on file in the parish office? Yes _____ No _____

_____ 6) Is there a copy of proof of insurance on file from the lessee or renter? Yes _____ No _____

_____ 7) Is rental income recorded properly on the general ledger? Yes _____ No _____

_____ 8) Is there a current detailed list of furniture, fixtures, and equipment owned by the parish/school? Yes _____ No _____
If yes, does it reconcile to the general ledger? Yes _____ No _____

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INFORMATION TECHNOLOGY

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- _____ 1) What procedures are in place to make sure that all software on systems is legally licensed? _____

- _____ 2) Does everyone have a unique user name and password for their system and for the accounting and bank software? Yes _____ No _____
- _____ 3) Are any passwords shared among personnel? Yes _____ No _____
- _____ 4) Are passwords required to be changed at regular intervals? Yes _____ No _____
Automated or initiated by the user? _____ How often? _____

- _____ 5) Do all workstations and servers have a firewall and virus protection (especially those with internet access)? Yes _____ No _____
- _____ 6) Is surge protection installed for all equipment? Yes _____ No _____
- _____ 7) If you have a server does it have a battery backup? Yes _____ No _____
- _____ 8) Who is the systems administrator for the server (if applicable) and the accounting software? Server: _____ Accounting: _____
- _____ 9) For entities with a server, is it in a secure location (get description)? _____

- _____ 10) Is all data required to be stored on the server? Yes _____ No _____
- _____ 11) How often and how many backups are made? _____
How many copies? _____
Where are they stored? _____

Prepared by _____ Date _____

Reviewed by _____ Date _____