



## **FINANCIAL SELF REVIEW REPORT INSTRUCTION 2016-2017**

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This report enables the finance council to review the procedures used by the parish, parish school, and their affiliated organizations to determine whether or not they are operating in accordance with diocesan policies and recommendations.

This report is to be filled out by a member of the finance council. This person should not be an employee of the parish or school, nor should this be a person who is responsible for the financial operations of the parish or school. In the case of schools, where a finance council may not exist, the parish finance council should be brought in to perform the financial self review.

The pastor is responsible for the oversight of all financial transactions that take place under the auspices of the parish and school. This includes the parish, all organizations that use the parish name or the diocesan Federal Tax ID number, the parish school and all school organizations that use the school name or the diocesan Federal Tax ID number.

When questions are answered "No" please explain in the "Explanations/Recommendations" section at the end of the document. The finance council is responsible for following up on these issues to ensure appropriate procedures are in place.

Please refer questions about these reports to Teresa Conville in the Compliance & Parish Financial Services Office, [tconville@dsj.org](mailto:tconville@dsj.org) or (408) 983-0241.



## FINANCIAL SELF REVIEW 2016-2017

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PARISH/SCHOOL: \_\_\_\_\_ PARISH/SCHOOL ID: \_\_\_\_\_

PASTOR/MPL/PRINCIPAL: \_\_\_\_\_

This report is designed to ensure that the accounting controls and procedures in use in this parish or school meet acceptable standards for a non-profit organization and follow the accounting procedures authorized by the Diocese of San Jose.

### DECLARATION

I verify that the parish or school accounting records are maintained in a conscientious manner and that these records are preserved as part of the Parochial Archives.

To the best of my knowledge, this examination has been conducted according to the Diocesan guidelines. Based on this examination, I verify that there is an accurate and complete accounting of the temporalities of this parish or school prepared and maintained in accordance with standards adopted by the Diocese of San Jose.

I have provided the Pastor or Principal and the Office of Financial Services with a copy of the completed Financial Self Review Questionnaires.

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Prepared by:

Date:

Please send this report to Compliance & Parish Financial Services Office by **Friday, August 18, 2016** and keep a copy with the Parish or School Financial Records.

# 1. GENERAL PROCEDURES:

Who performs the following functions:	Name	E-mail	Telephone number:
a. Maintains the accounting records			
b. Monitors the budget?			
c. Maintains collection bags log? Not applicable for schools			
d. Counts the collections? Not applicable for schools.			
e. Prepares deposits of collections and other cash: <i>Not applicable for schools.</i>			
f. Deposits collections in the bank: Not applicable for schools.			
g. Prepares the payroll:			
h. Writes checks:			

i. Is authorized to sign Parish/School checks:			
j. Receives the bank statements?			
k. Reconciles the bank statements?			

## 2. ACCOUNTING SYSTEM

a. Are all accounting files on Right Networks remote server?	Yes <input type="checkbox"/> No <input type="checkbox"/>
1) If No, are data files backed up at the end of each work day and stored in a fireproof locked safe?	Yes <input type="checkbox"/> No <input type="checkbox"/>
b. Is there a parish/school accounting manual?	Yes <input type="checkbox"/> No <input type="checkbox"/>
c. Do all parish/school bank accounts have supporting documentation retained and filed in a systematic way ( <i>bank statements, bank reconciliations, deposit slips, etc.</i> )?	Yes <input type="checkbox"/> No <input type="checkbox"/>
d. Are all accounting records, unused checks and pre-numbered cash collection bags (if applicable) stored in a locked safe or file cabinet?	Yes <input type="checkbox"/> No <input type="checkbox"/>
e. Are all disbursements made by pre-numbered checks?	Yes <input type="checkbox"/> No <input type="checkbox"/>
f. Are asset and liability accounts ( <i>checking, savings endowments, loans</i> ) reconciled monthly?	Yes <input type="checkbox"/> No <input type="checkbox"/>
g. Who has access to the safes and locked deposit boxes?	

### 3. CASH RECEIPTS AND COLLECTIONS

a. Are all cash receipts ( <i>i.e. sacramental stipends, fiestas, CCD, etc.</i> ) stored in a locked safe prior to being deposited?		Yes <input type="checkbox"/> No <input type="checkbox"/>
b. Are miscellaneous receipts deposited on a timely basis ( <i>at least once a week</i> )?		Yes <input type="checkbox"/> No <input type="checkbox"/>
c. Are collections placed in pre-numbered bags and promptly secured after each Mass? <i>Not applicable for schools</i>		Yes <input type="checkbox"/> No <input type="checkbox"/>
d. Are cash collections kept in a locked safe prior to counting? <i>Not applicable for schools.</i>		Yes <input type="checkbox"/> No <input type="checkbox"/>
e. Are cash receipts and collections counted and handled by more than one person?		Yes <input type="checkbox"/> No <input type="checkbox"/>
f. When and where is the collection counted: <i>Not applicable for schools.</i>		Yes <input type="checkbox"/> No <input type="checkbox"/>
When:	Where:	
g. Are all checks endorsed for "Deposit Only" to the parish/school account when counted?		Yes <input type="checkbox"/> No <input type="checkbox"/>
h. Is a listing of cash and check collections ( <i>i.e. a worksheet</i> ) made and compared to the bank deposit ticket?		Yes <input type="checkbox"/> No <input type="checkbox"/>
i. Is the worksheet retained and filed?		Yes <input type="checkbox"/> No <input type="checkbox"/>
j. When is the Sunday collection deposited? <i>Not applicable for schools.</i>		
k. Who at the parish is responsible for ParishSOFT system administration?		
l. Is a statement of annual contributions mailed to parish/school donors?		Yes <input type="checkbox"/> No <input type="checkbox"/>
m. Are all special collections remitted to the Office of Financial Services within six weeks of being taken up? <i>Not applicable for schools.</i>		Yes <input type="checkbox"/> No <input type="checkbox"/>
n. Does your parish/school use credit cards to receive funds?		Yes <input type="checkbox"/> No <input type="checkbox"/>
1) If Yes, is your parish/school Payment Card Industry (PCI) Compliant (contact Teresa Conville, <a href="mailto:tconville@dsj.org">tconville@dsj.org</a> if you need more information about this topic)?		Yes <input type="checkbox"/> No <input type="checkbox"/>
o. What steps have you taken to protect card holder data?		

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#### 4. BANK RECONCILIATIONS

a. Does the Pastor/Principal receive the unopened bank statements and review it prior to reconciliation?	Yes <input type="checkbox"/> No <input type="checkbox"/>
b. Are all bank account reconciliations prepared within two weeks of receipt of the bank statements?	Yes <input type="checkbox"/> No <input type="checkbox"/>
1) Are bank reconciliations reviewed for accuracy?	Yes <input type="checkbox"/> No <input type="checkbox"/>
2) Are any outstanding items on bank reconciliations from prior fiscal years followed up on and resolved?	Yes <input type="checkbox"/> No <input type="checkbox"/>
By whom:	

#### 5. DISBURSEMENTS

a. Who reviews and approves invoices for:	
1) receipt of services or goods:	
2) accuracy:	
3) account distribution:	
4) payment:	

<b>b. Are invoices initialed as evidence of approval for payment?</b>		Yes <input type="checkbox"/> No <input type="checkbox"/>
By whom:		
<b>c. Are account codes, check number and date paid indicated on the parish/school copy of invoices?</b>		Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>d. Are invoices filed alphabetically by vendor for future reference?</b>		Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>e. Are requests for reimbursement supported by documentation?</b>		Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>f. Has prior approval of the Ordinary been obtained for all non-operational expenditures of \$10,000 or more?</b>		Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>g. Are these approvals kept on file?</b>		Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>h. Is a petty cash fund maintained?</b>		Yes <input type="checkbox"/> No <input type="checkbox"/>
1) If Yes, what is the amount of fund		\$
2) If Yes, are all petty cash payments documented and reviewed when the fund is replenished?		Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>i. Is the payroll information prepared in Workday and reviewed by supervisors?</b>		Yes <input type="checkbox"/> No <input type="checkbox"/>
1) If No, what method is being used and why?		Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>j. Does the Pastor/Principal review payroll report before funding?</b>		Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>k. Are all stipends for sole proprietors/independent contractors paid through the Office of Financial Services Accounts Payable department?</b>		Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>l. Do each of these persons have a business license?</b>		Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>m. Was the previous year's Annual Financial Report filed by August 19?</b>		Yes <input type="checkbox"/> No <input type="checkbox"/>

## 6. FACILITIES

<b>a. If the parish/school receives income from facilities use, is a signed User Agreement and a Certificate of Insurance required of all persons or groups that hold functions on parish/school property?:</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>b. List any persons or groups who are not asked to sign a User Agreement or provide a Certificate of Insurance:</b>	

<b>c. Are signed User Agreements and Certificates of Insurance kept on file at the Parish/School and copies sent to the Office of Financial Services?</b>

## 7. AFFILIATED PARISH/SCHOOL ORGANIZATIONS

Have all parish/school affiliated organizations filled out a separate Affiliated Organization form?	Yes <input type="checkbox"/> No <input type="checkbox"/>
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## 8. FINANCIAL SELF REVIEW AUDIT PROEDURES

<b>a. List the Recommendations from the previous Parish/School Financial Self Review and the action taken:</b>	
<b>b. Review Cash Disbursements - Review at least six months of checks</b>	
1) Do all checks made out to cash have an endorsement?	Yes <input type="checkbox"/> No <input type="checkbox"/>
2) Do all checks made out to cash have supporting written documentation?	Yes <input type="checkbox"/> No <input type="checkbox"/>
3) Do all checks for \$5000 or more have two signatures?	Yes <input type="checkbox"/> No <input type="checkbox"/>
4) Is each check payee's name different from that of the signer?	Yes <input type="checkbox"/> No <input type="checkbox"/>
5) Are all voided checks on file?	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>c. Select 20 checks at random. Does each check have supporting written backup?</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>



<b>d. Review the payments for utilities and phones for a six month period.</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>
1) Identify locations:	
2) Do all payments for utilities and phones have supporting documentation?	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>e. Review Petty Cash</b>	
1) Is there documentation to support the replenishment of petty cash so that proper accounts can be charged?	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>f. Parish/School Credit Card</b>	
1) Are there parish/school credit cards in use?	Yes <input type="checkbox"/> No <input type="checkbox"/>
2) Who are the signatories?	
3) What limits are set on expenditures	
4) Are charges supported by receipts	Yes <input type="checkbox"/> No <input type="checkbox"/>
5) Are all parish/school debit cards cancelled?	Yes <input type="checkbox"/> No <input type="checkbox"/>
<b>g. Observe the procedure for counting the Sunday collections. Not applicable for schools.</b>	
1) Are adequate safeguards in place?	Yes <input type="checkbox"/> No <input type="checkbox"/>

**ALL QUESTIONS ANSWERED "NO" MUST BE EXPLAINED IN THE EXPLANATIONS/RECOMMENDATIONS SECTION BELOW.**

**- End -**