



**DIOCESE OF PATERSON
FINANCIAL POLICIES AND
PROCEDURES FOR PARISHES**

PARISH CASH RECEIPTS

STATEMENT OF POLICY:

The parish is required to follow the diocesan system for the handling of cash receipts. All receipts, regardless of the source, must be deposited into the central banking account for proper accounting. Parishes are prohibited from using cash/currency for the direct payment of bills or wages, etc. Cash receipts include cash and checks. The basic feature of the cash receipt system is to provide a segregation of duties between the actual handling/counting of cash receipts and the recording of receipts in the parish records.

PROVISIONS – OFFERTORY COLLECTIONS

Each parish shall adopt a written offertory collection process that is utilized on a weekly basis which must strictly meet all requirements of the Diocesan guidelines for offertory collection controls. The written policy shall include at a minimum the following criteria:

- a. Offertory collections is to be secured immediately following the completion of the collection.
 1. Pre-numbered tamper-proof bags are to be used; bags are then sealed, using separate bags for different collections (ex: SECUR-PAK).
 2. A member of the parish usher team should be appointed as the responsible party to secure the funds and should be accompanied by a second member during such a process.
 3. The envelopes are initialed in pen by both, with mass time and date. Parishes should utilize safes with limited access where the collections can be stored until counted.
 4. Access can be limited by either restricting access to the combination/key or having a drop safe, where bags can be deposited without actually opening the safe.
 5. The collections or keys are not to be left unsecured in the possession of any one person.
- b. If more than one collection is held, the funds should be segregated for adequate counting and reporting.
- c. Each mass to have a separate secure bag.
- d. Each parish shall establish a team of counters who are responsible for the counting of the offertory collection. This group should include, at a minimum, two members and no parish employees.



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PARISH CASH RECEIPTS - Continued

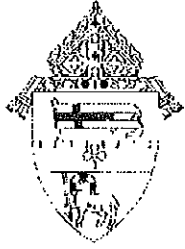
- e. The parish bookkeeper is to have no part in the offertory collection counting process.
- f. In addition to counting of the offertory collection, a volunteer counter shall complete the appropriate deposit slip and accompany the offertory collection to the bank for depositing. Count teams shall have rotating members over the course of the year.
- g. The volunteer count team shall complete an offertory count sheet(s) which should be used to account for each type of cash (different denominations of coin and paper monies) and determine the total collection received. This sheet shall be compared to the deposit ticket to insure completeness and be signed by two members of the count team upon completion. These sheets shall be maintained as part of the parish records (refer to Appendix #5. Collection Sheet Example).
- h. All checks shall be restrictively endorsed immediately upon opening of envelopes or counting of checks.
- i. No cash shall ever be used from the offertory collections for any purpose, including petty cash.
- j. A copy of the counting sheet and duplicate deposit slip is sent to the bookkeeper before going to the bank. The parish bookkeeper shall be responsible for recording all receipts in the parish financial records. Counters will ensure the information that appears on the envelopes agrees with the contribution check-name, amount, etc.
- k. The parish bookkeeper or another designated parish employee shall record contributions to the individual donor's account.



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APPENDIX 5

OFFERTORY COLLECTION SHEET SAMPLE



PATERSON DIOCESAN CENTER

777 VALLEY ROAD
CLIFTON, NEW JERSEY 07013
973 777 8818

July 1, 2012

The following procedures should be followed for every collection:

- For each Mass and each collection, the ushers (ideally two ushers) are to place all collection receipts in the new Security bags and seal them. The ushers should label the bags with the date and time of the Mass, specify first or second collection and sign the bags. These sealed bags should then be placed in the Church safe immediately.
- A new Security bag should be used for each Mass and each collection. If for any reason a bag must be voided, the bag needs to be saved and placed in the safe. This will ensure that all bags are accounted for.
- A member of the count team should gather all the sealed bags and take them to the counting place.
- There should be at least two counters, preferably unrelated to each other.
- The counters open the bags and separate envelopes and cash and loose checks. All loose cash must be counted and recorded on the collection sheets. All loose checks must be counted and recorded on the collection sheets. A listing of the checks should be kept so the checks may be recorded for tax purposes. The envelopes should be opened and the amount in the envelope marked on the envelope. This will facilitate recording of donations for tax purposes. Please use pens for completing the collection sheets.
- A deposit slip for all cash and checks must be prepared. Both members of the count team must sign the deposit slip.
- An adding machine tape may be made for all checks and the total of the tape put on the deposit slip. The tape should be stapled to the deposit slip. It is not necessary to record every check amount on the deposit slip.
- The total on the deposit slip should equal the total on the collection sheets.
- The back of all checks should be restrictively endorsed.
- It is not permissible for anyone to cash a check versus the cash in the collection.
- The deposit slip, cash and all checks should then be placed in another security bag, sealed and taken to the bank by the count team.
- If the count team cannot take the deposit to the bank, the sealed bag(s) should be placed in the rectory safe overnight, and then taken to the bank first thing the next morning by a member of the count team.
- If the deposit is placed in the night depository, the deposit slip will be mailed back to the parish office. If the deposit is taken to the bank on Monday morning, please wait for the deposit slip.

- The deposit slips should be given to the parish bookkeeper after they are stamped by the bank. The collection sheets should also be given to the bookkeeper.
- The bookkeeper may not open the sealed bags or make the deposits. This is a separation of duties.
- The bookkeeper should note any differences between the bank-stamped deposit slips and the collection sheets.
- The bookkeeper then records the deposits into Quickbooks (or other parish software program).

DECREE

**By the Grace of God and the Favor of the Apostolic See,
I, Arthur Joseph Serratelli, Bishop of Paterson,
hereby promulgate the following directives as particular law
for the Diocese of Paterson**

Policy on Handling and Control of Collections

In accordance with Canons 7 & 8, paragraph 2, the following is now particular law for all parishes of the Diocese of Paterson:

- All parishes are to have written policies and procedures for the collecting, counting, recording and depositing of collections, stipends, and all other monies received by the parish. (Effective September 30, 2010)
- Each collection must be accounted for on the parish books in its entirety. No money can ever be taken from the offertory for any purpose, including petty cash. (Effective immediately)
- The offertory collections must be in the custody of at least two independent persons at all times from the point of collection to securing in a safe, then from the safe to the conclusion of the counting. It is acceptable for one person to take the sealed security bag to make the deposit in the bank. There should be a system of rotating teams and members such that the same people are not always doing the same collections. Overseeing that rotation is the specific responsibility of the pastor. The person making the deposit should not be the bookkeeper. (Effective September 30, 2010)
- Sequentially numbered, tamper evident security bags must be used to hold offertory collections. The sealed bags must be signed by at least two ushers immediately after each Mass. The funds must be locked securely. (Effective September 30, 2010)
- The count team must prepare collection sheet documents, deposit slips and the deposit. These documents must be retained with the accounting records. When the collection sheets and deposit slips are prepared, they should be placed into a tamper evident security bag, signed by two persons, and given to the person making the deposit. The parish's bank should be notified of this new procedure and asked to notify the pastor if they observe any tampering with the security bag. (Effective September 30, 2010)
- The collection and its custody must be totally separated from the bookkeeping for those assets. It is of critical importance that there be a complete separation of duties around the collections. (Effective immediately)
- Priests, deacons, and the bookkeeping staff should never be involved in counting or depositing the collection. The pastor's primary function is one of oversight of the process to ensure that proper procedures are followed. The bookkeeper's role is purely one of recording collections in the parish books. (Effective September 30, 2010)
- A review of the implementation of this *particular law* shall take place every six months.
- All to the contrary notwithstanding.

Given at the Pastoral Center of the Diocese of Paterson on the feast of Saints Joachim and Anne, Monday, the 26th of July, 2010.

+ Arthur J. Serratelli

Most Reverend Arthur J. Serratelli, S.T.D., S.S.L., D.D.
Bishop of Paterson

Sister Mary Edward Spohrer, S.C.C.

Sister Mary Edward Spohrer, S.C.C.
Chancellor / Delegate for Religious

