

## **Offertory & Cash Controls**

### **Purpose and Goal**

Offertory, especially cash offerings, can easily be converted to personal use if adequate controls are not in place. The offertory should always be under dual control. At least two people are to be in charge of watching over the collection from the time it is taken up, while it is transported to the counting area, during the counting and recording process, until the funds are deposited in the bank. Proper segregation of duties requires a minimum of four individuals for these controls.

### **General Procedures**

Members of the Parish Finance Council and parish staff may not be members of the count team. The pastor and Parish Finance Council members may observe the offertory count but may not participate in the count.

An odd number of count teams are to be used to prevent rotation routine. In other words, the same team should not always count on the third Sunday of the month. This can be accomplished with as few as three teams.

Count team members should be discrete and not share information learned during the offertory count. Repeated indiscretions would be cause for removal from the offertory count teams.

The individual completing the deposit slip and taking the deposit to the bank may not be a member of the count team.

Deposits are to be made within one (1) day of the collection. There should be one count, preferably on Mondays.

### **Responsibilities of Count Team Members**


It is an important internal control that count teams prepare a correct Offertory count. Any errors noted by the bank must be communicated back to the Offertory count team. If a parish experiences consistent incorrect Offertory counts, it risks exposing the parish to theft.

Count teams must have at least two unrelated individuals.

There should be a person designated as Count Team leader. Count team members are to be provided with a job description which includes clearly defined duties and responsibilities.

Count team members may be rotated among different teams.

ALL count team members participating in the offertory count are to sign the count sheets indicating they witnessed at least some part of the count.



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All checks are to be restrictively endorsed, "For Deposit Only," during the counting process. If the endorsement is done with a stamp that includes parish bank information (bank account and routing number) then the stamp is to be kept in a safe or locked filing cabinet.

Envelopes and checks are to be recorded by parishioner name.

A collection report including the total of all cash and checks must be compiled during the counting process and signed by all members of the count team.

A copy of the collection report is to be given to a member of the finance council.

The original collection report is given to the parish bookkeeper for recording.

Collection receipts are to be locked in the secure area designated by the finance council until deposited.

A calculator with a tape should be used for the count and included with the deposit slip to the bank. Two calculator tapes should be run to ensure accuracy of the deposit slip. Banks may charge fees for deposit slips containing errors.

Parishes may wish to invest in the purchase of a cash counting machine to reduce the amount of time to count cash and reduce potential for math errors. There are several reasonably priced models that detect counterfeit bills.

### **Responsibilities of the Finance Council**

The pastor and finance council may not participate in the offertory count, however, they oversee that the count teams are properly trained; security and internal controls over parish assets are maintained.

Finance Council members are to ensure a secure area with restricted access is provided to the Offertory Count Teams. Some parishes may conduct the offertory count in an office provided by the bank. An area that is locked, but to which a multitude of people have a key is not considered a secure area. For these purposes, an area will be considered secure if no more than three people have access to it.

Each month a member of the Parish Finance Council is to reconcile the bank statement or review the bank reconciliation completed by the office staff. The Parish Finance Council member reconciling or reviewing the monthly bank reconciliation is to compare the signed count sheets to the monthly bank statement. The blank check stock is to be reviewed to ensure check numbers are sequential and no blank checks are missing. The disbursements are to be recorded to the correct chart of accounts.

A member of the Parish Finance Council is to conduct surprise cash counts of the parish and school petty cash account(s).

**Responsibilities of the Parish Bookkeeper**

Offertory collections are to be deposited intact and not commingled with other parish funds or other collections.

Deposit slips are to be completed in duplicate with the copy maintained in the parish office.

Donor year end statements are to be prepared from data compiled from the signed collections reports

All revenues must be posted to a standard account number from the approved diocesan chart of accounts.