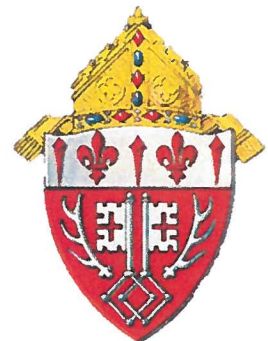

Internal Control Policy

Diocese of Marquette

Administration & Finance



April 1, 2021

INTERNAL CONTROL POLICY

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IOANNES FRANCISCUS

Divina Miseratione et



Apostolicae Sedis Gratia

EPISCOPUS MARQUETTENSIS

DECREE

PROMULGATION OF THE INTERNAL CONTROL POLICY

To assist in the fulfillment of my responsibilities under canon 1276, to promote the good stewardship and administration of Church resources, and to facilitate the fulfillment of the duties of administrators with the diligence of a good householder (cf. canon 1284);

In view of a review of the Diocese of Marquette Internal Control Policy, it was deemed opportune to update this policy.

Therefore, in accord with canons 8 §2, 29, and 391 §1 I hereby decree and promulgate as particular law the Diocese of Marquette Internal Control Policy.

The former Diocese of Marquette Internal Control Policy is hereby repealed and abrogated in accord with canon 20 §1.

Any policy or particular law of the Diocese of Marquette that is contrary to the Diocese of Marquette Internal Control Policy is hereby repealed and abrogated.

The provisions of this decree shall become effective April 1, 2021.

Given at the chancery in Marquette, Michigan this 25th day of March in the year 2021.

Most Reverend John F. Doerfler, STD, JCL
Bishop of Marquette

MaryAnn Bernier, Vice-Chancellor

INTERNAL CONTROL POLICY

The following parish internal control policy is to be implemented at all parishes and missions:

I. CHECK SIGNING

All parish bank accounts shall be established and maintained with the Pastor, Pastoral Coordinator or Administrator as the primary authorized signer of checks. Secondary authorized signers should be limited to the Associate Pastor or a Parish or Finance Council officer.

The parish secretary/bookkeeper shall not be one of the authorized signers of checks. "Rubber stamp" signatures are not allowable.

II. BANK ACCOUNTS

- The number of bank accounts should be strictly limited to those absolutely required. There should be only one checking account.
- All accounts should be opened in the name of the parish or mission, never an individual.
- Bank statements are to be delivered unopened to the pastor, pastoral coordinator or administrator, who will examine the checks and deposits contained therein.
- Bank accounts are to be reconciled by the parish secretary or bookkeeper and approved by the pastor on a monthly basis.

III. CASH RECEIPTS

The parish secretary should make a listing of all checks and cash (cash receipts) that come through the mail. This person should be independent of the accounting functions, if possible. The listing should indicate the date received, person from whom the funds were received, and the amount received. A listing is given to the pastor monthly.

INTERNAL CONTROL POLICY

Cash receipts should be deposited daily, intact (all receipts) with the secretary making up the deposit ticket and taking deposit to the bank. All cash receipts are to be deposited and recorded in the general ledger.

Mass Collection Counting Procedures established by the diocese are to be utilized. Cash receipts are to be maintained in a locked safe until deposited. Receipts are to be deposited no later than the first banking day after the collection takes place. Deposit summary sheets are to be retained for one year.

A tape should be run of the individual envelope receipts (as noted on the outside of the envelope) by the parish secretary/bookkeeper. Individual parishioner donations should be posted to a subsidiary record. The total posted to the subsidiary records should agree with the tape of the individual envelope receipts. The tapes and envelopes should be retained for one year.

Envelope holders are to be given an annual report of contributions made.

Internal Revenue Service regulations require that individual donations of \$250 or more are to be given a separate receipt.

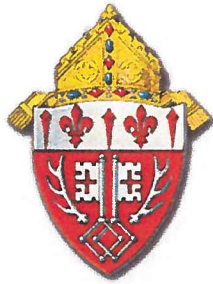
Total of individual envelope holder receipts should be reconciled with general ledger revenue on an annual basis by parish secretary/bookkeeper.

IV. TAMPER EVIDENT BAGS

As part of a sound internal control environment, the use of tamper evident bags is required by all parishes and missions for Sunday and Holy Day collections. Please refer to procedures for tamper evident bags for further details.

V. BUDGET & REPORTING:

- An annual budget will be prepared and approved by the pastor and finance committee.
- Financial statements are to be prepared at least quarterly and submitted to the finance committee for review, comparing budget with actual.
- Annual financial statements of the parish are to be prepared and submitted to the parishioners.



Diocese of Marquette

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