

DIOCESE OF JOLIET FINANCIAL POLICIES

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STATEMENT OF POLICY

The accounting and internal control procedures for parish disbursements shall be as follows:

1. All checks should be pre-numbered and duly accounted for.
2. The supply of unused checks should be adequately safeguarded.
3. A check protector may be used.
4. Rubber signature stamps **cannot** be used. Signature plates may be used, but only if proper controls are in place to prevent their use by unauthorized persons. Please contact the Finance Office to discuss how to implement proper controls or regarding extenuating circumstances concerning this policy.
5. Checks should not be signed in advance or issued without indicating the amounts in words and number (blank).
6. Checks must be issued and recorded in sequential order by number and date. Checks must not be issued in advance, antedated or post-dated. They must be written for the total amount of the invoice. Parishes are not allowed to incur finance charges or late fees.
7. Electronic withdrawals should be avoided. They are allowed in cases where routing certainty exists and proper internal controls are in place. Direct deposits for employee payroll and EFTPS payments are permitted.
8. The person who prepares the checks should not reconcile the bank account, unless Policy F-1 has been followed.
9. All disbursements should be duly substantiated by supporting documents, e.g. supplier's bills, invoices, etc. In absence of said supporting documents, disbursements should be covered by duly approved disbursement vouchers (check requests). Under no circumstances should payment be made from a statement.
10. All mutilated/voided checks should be retained and placed with the paid and cancelled checks for the month. Also, in voiding checks, the space provided for the check signer should be torn off.

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11. Checks should not be drawn payable to cash. This control procedure also applies to parish organizations in order that the recipient of the proceeds of all parish checks could be clearly identified.
12. Checks made out to employees other than payment of salaries should be clearly identified as to purpose.
13. While parishes may elect to use credit cards to facilitate purchases, it is imperative that adequate controls governing access, signoff, and documentation of type and purpose of purchase be monitored. The following guidelines should apply:
 - a. Parishes are not allowed to incur finance charges on a credit card.
 - b. Parishes are obligated to pay any outstanding balances at the end of each billing cycle.
 - c. The account should be reconciled, purchases supported by receipts, filed with the statement and classified monthly.
 - d. All major planned purchases should follow the normal check request cycle. (See E-2) If an emergency major purchase is necessary, obtain the appropriate pre-authorization before purchasing the item.
 - e. Statements should be addressed to the rectory/parish office.
 - f. Any staff issued cards should not be used for personal purchases.
 - g. A list of cardholders should be maintained, detailing name, account number credit limit and expiration date. This list should be reviewed and updated as needed.
 - h. The parish should collect all credit cards at the time of employee dismissal.
14. Parish debit cards are not allowed.