

Management of Collections

Promote the integrity of the parish, its employees and volunteers, and instill confidence within the parish community through a well controlled collection process.

A. *Guarantee that all donations collected by the ushers are delivered intact (as collected) to the count team by supplying pre-numbered tamper resistant bags. The donations are consolidated into one sealed bag; and secured, without any strays, prior to the collection count. These collection controls also apply to Poor Boxes and Candle Offerings and other like donations.*

1. Before mass, inform the ushers of the number of collections. Assign tamper resistant bags or locking bank bags for these collections (regular collection and special collection) plus a spare bag in the event of a defective bag seal or an error made in closing the bag. If a bag is spoiled, retain it and submit it with the collections.
2. During the offertory, the ushers move pew to pew with the basket collecting from the worshippers.
3. The ushers consolidate the individual collection baskets to a pre-numbered sealed tamper resistant bag assigned to that mass and lining the main collection basket. This is always done in the presence of a witnessing usher.
4. The collection is maintained in its original form, that is, no change is ever given from the collected funds or checks cashed from the collected funds.
5. If there is a second collection, do not delay consolidating and sealing the tamper resistant bag with the first collection. Always consolidate and seal the tamper resistant bag for the first collection before taking up the second collection. The ushers move pew to pew with the basket collecting from the worshippers.
6. The ushers consolidate the individual baskets to a pre-numbered sealed tamper resistant bag assigned to that mass. This is done always in the presence of a witnessing usher.
7. If the tamper resistant plastic bags are used, on the front of the bag, fill-in the mass, collection (first or second), and the date. Use ink. If the locking bank bags are used, the bags should be pre-numbered and marked for collection (by manufacturer).
8. The bag(s) for the regular collection and, if applicable, the second collection are transported to a secure area for safekeeping prior to delivery to the count team.
9. It may happen that someone missed the basket and wishes to add an envelope to the collection. Any loose envelope is placed in the pocket in the front of the sealed bag, or added to a smaller sealed bag and transported to a secure area for safekeeping prior to delivery to the count team. If this is a regular occurrence, review the usher procedures.
10. Document the procedures for the ushers to follow, especially how to properly seal the bags. Post and communicate these procedures with the ushers. Let the ushers know how much you appreciate their cooperation in successfully implementing these procedures.

**DWC
Mass Collections
Revision 5/20/2013**

B. *Ensure the proper use of safekeeping devices, such as safes, to safeguard funds.*

11. A limited number of people should maintain lock combinations and/or custody of keys to parish safe(s). Combinations and keys should never be stored in an unlocked desk drawer, hung on a wall, the back of a door, or in an unsupervised area where anyone can gain access to them.

12. Limit the amount of funds secured in a safe, to a minimum, with the excess deposited with a bank or night depository. The deposit should be made immediately following the count. If there is a day or so wait for armored pickup - secure the stored collections. If possible avoid storing cash receipts overnight. Whenever possible, deposits should be made daily.

C. *Make available a secure area for counting and provide supplies to aid the count process.*

13. The count area should be free of distractions and through traffic to access a supply closet or bathroom by individuals other than counters. Limit the number of people, other than the counters, in the room. Only the counters, priest overseeing count, and /or someone from parish staff should be in the room. The parish staff or priest should not be counting the collections.

14. Set up the count room with the counting supplies, collection worksheets, and bank deposit tickets. Also, supply a new tamper resistant bag to secure the funds to be deposited after the count is complete.

D. *The tamper resistant bags are delivered unopened to the count team, preserving the chain of custody from the ushers. No one should handle money to sort or organize it prior to the arrival of the count team.*

15. Once the counters (3 or more unrelated people) are assembled, the pastor or his designate will deliver the tamper resistant bags containing the mass collections. Other sources of revenue received by mail, or in person at the parish office are also delivered to the counters.

16. The counters will examine the bags to note if the condition is okay, meaning secure – no breaches of the seal or if the condition of the bag is irregular. The condition of the bag and the bag number should be recorded on the Bag Tracking Form. If the integrity of the bag is compromised (torn, ripped, not sealed properly) the irregularity will be documented on the Bag Tracking Form. The pastor should immediately be notified of any irregularity.

17. The bags are opened using a scissor. Envelopes, checks, cash, and coin are separated to ease counting.

DWC
Mass Collections
Revision 5/20/2013

E. *Collections are counted, classified, and recorded by alternating count teams or duties are rotated among several count team members. The complete collection is deposited. None of the collection is kept at the parish as convenience cash.*

- 18.** The donation envelopes are opened and the content amount is verified to the amount indicated on the front of the envelope. Notate this review by check marking the amount on the envelope. The donation envelopes are set aside and saved.
- 19.** Checks are restrictively endorsed by stamping for deposit only to the parish account.
- 20.** Photocopies of loose checks (for example, those not contained in an envelope) are made and retained along with the donation envelopes. If a photocopier is not readily available, then list the names, and dollar amounts recorded on the checks.
- 21.** The currency is separated by denomination, counted, and banded. The amount and the counters initials are recorded on the band. The banded currency is then given to a second counter who opens the band, recounts and records their initials. The band will now have the amount counted and two sets of initials. When collections are normally large and include large amounts of cash coins sorters and rollers and bill counters can improve accuracy.
- 22.** Two adding machine tapes are run to verify the total of the checks. Two adding machine tapes are run to total the currency and coin. There are now three separate tapes duplicated for checks, currency, and coin.
- 23.** The counters complete the count sheet by documenting the currency, coin, and checks. The adding machine tape should be identified by indicating cash or check; initialed, dated. One copy of the tape is attached to the collection worksheets (sample worksheet is attached). Each counter signs or initials the collection worksheet to provide accountability for the amounts.
- 24.** The counters will record the currency and checks on a duplicate bank deposit ticket. All information is completed on the deposit ticket. The original, along with the adding machine tapes are sent to the bank and a copy retained at the parish.
- 25.** The count sheet is retained, along with the deposit ticket, and bag tracking form. Bank deposit receipts may arrive in the mail within a few days of the transactions. Immediately match the deposit receipt to the count sheet to verify and attach both. If a receipt is not received, review bank statement and contact the bank. Such documents should be readily available for an audit. Records should provide clear documentation of cash receipts from the time of collection to the time of deposit.
- 26.** The collection is placed in a tamper resistant bag ready for transport, along with the deposit ticket and second copy of the adding machine tape listing check amounts. The collection is then transported for deposit processing in the bank.
- 27.** If the collection is transported to the bank via armor courier service, then the deposit ticket is placed in the bag with the collections. The bag is then sealed and placed in the safe awaiting pickup. If the collection is to be delivered to the bank by someone from the parish, then the bag is sealed and the deposit ticket is retained outside the bag and delivered to the bank.

DWC
Mass Collections
Revision 5/20/2013

F. *Confirm the amount of deposit credited to the parish account and add the transaction to the general ledger.*

28. The deposit advice received from the bank is compared to the balance of the count sheet. The deposit advice is maintained along with the count sheets.

29. The deposit is coded by the type of revenue and entered into the accounting system.

G. *Management oversight by the Pastor/parish staff of the performance of the collection and processing of funds.*

30. Overages and shortages between count worksheets and bank deposit receipts should be reviewed to determine if additional count team members should be recruited or if count duties should be changed. Immediately notify the Pastor.

31. A comparison is made of the actual collection to the budgeted collection for the week, the previous week results and periodically the previous year results.

32. Document evidence of weekly / periodic supervisory reviews of collection worksheets, journal entries, and deposit slips.

33. The actual collection is published in the church bulletin each week, by regular and special collections.

34. The Finance Council should periodically review the collection process steps for lapses in procedures and to refresh the process.

H. *Parish staff: To the extent staffing levels permit, the duties of collecting, recording, depositing, and reconciling cash receipts should be separated among different individuals. If a parish does not have sufficient staff to separate responsibilities for cash handling, record keeping and reconciliation in the most desired manner, closer day-to-day supervision by the pastor or someone authorized by the pastor is necessary.*

35. Someone independent from the cash receipt function summarizes the cash receipt and this cash summary is compared to the validated bank deposit; to ensure that all collections were deposited intact.

36. All cash receipt accounting entries are supported with validated bank deposits tickets and other documentation to ensure an independent verification of cash deposits.

37. Different individuals are responsible for handling each aspect of the cash receipt procedures. For example, the person who receives cash does not prepare the deposit. The person who prepares the deposit does not handle the reconciliation.

38. If a donor makes an individual contribution of more than \$250, the donor should be sent a timely tax acknowledgement in writing stating the amount and date of the contribution.

39. A system to provide year end contribution statements to parishioners using envelopes, checks or automatic bank contributions must be in place.

40. Only the counters, priest, business manager should be in the count room.

41. Checks received are restrictively endorsed.

42. Records should provide clear documentation of cash receipts from the time of collection to the time of deposit.

DWC
Mass Collections
Revision 5/20/2013

I. *Parishioner contributions from donor envelopes and checks and automatic bank contributions are tracked, reviewed, and reported back to parishioners.*

43. Develop written procedures to instruct the person completing the data entry. Do not back date envelopes to the Sunday date printed on the envelope. Use the date of the collection. For instance, school families submitting multiple envelopes for previous Sundays on one Sunday should be entered with the Sunday date the multiple envelopes were received, not the day the data was entered, or the Sunday dates printed on the envelopes.

44. Each week, print the Contribution Summary Report and compare to the envelope total for both number and dollar amount recorded on the Sunday collection worksheets. Depending upon the percentage of envelope usage, you can verify if the deposit is reasonable. The amount contributed on the Contribution Summary Report should be lower by the amount of cash on the Sunday collection worksheet.

45. Someone who is independent of the counting, depositing, and recording of collections prepares the year-end parishioner statements.

46. On an annual basis at least send donors a statement identifying the donation amounts received from the person.

47. If there is a discrepancy, resolve it immediately by reviewing contribution records.

The importance of adhering to these procedures cannot be overemphasized. Adequate internal controls are to be in place to ensure the personnel handling cash are being afforded the protection to which they are entitled should allegations of impropriety ever be made.