

# **Appendix M**

## **OFFERTORY COLLECTION PROCEDURES**

### **Offertory Collection Procedures**

The parish offertory collection procedures are designed to strengthen internal control over offertory receipts, which are the primary source of income for most parishes. The procedures restrict the handling or control of funds by a single individual and establish controls over the count and deposit of funds and the maintenance of contributions records. With three or more individuals handling or controlling the receipts, the risk is substantially lowered that the receipts will be improperly diverted or inadvertently left at an unsecured location. This also serves as a defense to unwarranted accusations regarding the handling of the receipts as a single individual is more vulnerable to criticism. The controls also minimize the possibility that undeposited offertory receipts and the related documentation are tampered with.

The required procedures for collecting, securing, counting, depositing and recording offertory receipts are listed below. These procedures treat as an option and not as a requirement the taking of the offertory to the altar, having a priest present during counting and the mailing of year end contribution statements to all parishioners.

### **Offertory Collection Procedures**

The following are the required offertory collection procedures using pre-numbered tamper evident plastic bags:

1. The ushers for each Mass are to be documented, i.e., a roster or a written schedule for the ushers indicating the Mass date, Mass time and the names of the ushers. Where possible, the ushers are to be rotated to different Mass times and rotated between groups.
2. The ushers take up the collection by passing the offertory baskets. The ushers are to be in plain view at all times.
3. In the back of the church, but in plain view, the smaller offertory baskets are emptied into one or more pre-numbered tamper evident plastic bags. Other collection receipts such as second collections are to be appropriately segregated with- in the plastic bags or in separate bags. The procedures for regular collections are to be followed for second or special collections.
4. The head or designated usher before or during Mass is to update the Bag Control List for each bag used. The head or designated usher is to remove and keep the detachable pre-numbered tag from the bag for verification purposes in case he is later contacted by the money counters.
5. The offertory in the pre-numbered plastic bags may be taken to the altar with the gifts by a designated usher. During or after Mass the offertory is placed in a safe or taken directly to the counting room to be immediately counted.

6. If the money counters do not contact the head or designated usher within one week, then the tags may be discarded. If the head usher is contacted by the money counters and there is a discrepancy, the tags are to be turned over to a designated Finance Council or Audit Committee member.
7. For parishes with multiple worship sites, the priest saying the Mass along with at least one usher is responsible for taking the offertory immediately after Mass to the parish administrative center to be counted or secured. The offertory is not to be left in an adjoining rectory, at a worship site or in the vehicle of the priest or any other individual.
8. Only the parish priests should have the combination to the safe or a key to the secured location. The safe combination should be changed when there is a turnover in parish personnel who know the combination.

### **Counting the Offertory**

The number of counters must be at least three but not more than four unrelated persons per week to increase accountability. It is desirable that a parish priest from time to time should be present along with at least three unrelated lay persons. Where possible, lay persons should be grouped into teams and are to be rotated weekly to different Mass times and different groups based on a written schedule. The parish bookkeeper and the person who posts the offertory to the parishioner contribution records are not to be money counters. A separate Money Counter's Report is to be prepared for each Mass. The following procedures are to be used:

1. The collection is to be counted in a secure location, i.e., limited access and interruptions. The collection is to be counted on the day received, preferably after each mass. The offertory should also be balanced by mass for comparison by the finance council for any unusual trends. The money counters are to examine the plastic tamper evident bags and verify the bag numbers with the Bag Control List. All or at least a sample of the bag numbers are to be verified by contacting the head usher(s). The money counters are to report to the Pastor and the Finance Council any apparent tampering with the bags or if the bag numbers do not match those used by the ushers. The bag numbers are recorded on the money counter report and the bags are then opened to begin the counting process. If there is a discrepancy with the bag numbers, the bags are to be turned over to a designated Finance Council or Audit Committee member, otherwise the bags are discarded.
2. The envelopes are opened and the money inside is taken out and compared to the amount listed on the envelope. Envelopes with no amounts or envelopes with incorrect amounts are to be marked with the correct amounts. An envelope or a list is to be prepared for loose checks since the check indicates the contributor.
3. The envelope amounts are totaled and the money from the envelopes (currency, coin and checks) is counted and both totals are compared and reconciled. The confirmed envelope total is recorded on the Money Counter's Report in the envelope section along with the number of envelopes.

4. The loose cash is counted and the total is recorded on the Money Counter's Report loose cash section. Loose cash is the currency and coins that are put into the collection basket without an envelope to indicate the contributor.  
NOTE: The loose checks are treated as envelope contributions and not as loose cash.
5. Any other receipts from votive lights, flower donations, sacramental offerings, etc., are counted and the totals are recorded on the Money Counter's Report "other" column.
6. The summary section of the Money Counter's Report is completed by adding the envelope and loose cash sections. The currency, coin and checks are to be bundled and/or wrapped and a second count taken to confirm the amount to be deposited. Any discrepancies are to be reconciled. The counters are to indicate the date of the count, what was done with the collection and sign the report. A copy of the report (summary only-no detail by parishioner) is kept by at least one of the counters off site of the parish premises for three (3) years, a copy is given to the person preparing the deposit and the original is given to the parish bookkeeper.

#### **Depositing the Offertory**

The collections are to be deposited on the day received via the use of a night deposit if necessary. Someone other than the bookkeeper is to prepare and make the actual bank deposit. The following procedures are to be followed:

1. A Collection Deposit Summary is prepared by combining the information from the separate Money Counter's Reports for each Mass. The envelopes, loose currency, coins and check totals along with the totals for each type of receipt are carried forward from the Money Counter's Report to the Collection Deposit Summary.
2. The amount to be deposited is verified by a count of the bundled currency, wrapped coin and an adding machine tape run on the checks. All checks are to be endorsed with proper endorsement stamps indicating the account name, bank name and account number.
3. A two-part deposit slip is to be prepared with one part kept on file at the parish.
4. Those who prepare the Collection Deposit Summary, prepare the deposit slip, take the deposit to the bank, confirm and record deposit information are to sign and date the appropriate section at the bottom of the Collection Deposit Summary.
5. The Collection Deposit Summary and deposit slip are given to the parish bookkeeper and these documents, along with the Money Counter's Reports, are kept on file with the other parish financial records for at least three (3) years. The parish bookkeeper is to make sure the deposit, Money Counter Reports, bag numbers and the Collection Deposit Summary are in agreement. Any discrepancies are to be reconciled or explained at the bottom of the form.
6. The bank is to be directed by the pastor to initially contact a designated person not directly involved in the collection process regarding significant deposit discrepancies.

### **Offertory Contribution Records**

The person who posts the contribution envelopes to the individual contribution records is not to be a money counter or the parish bookkeeper. The following procedures are to be used:

1. The amount contributed is posted to the week (block) in the contribution record in which the money was received and deposited. The week indicated on the contribution envelope is ignored for envelopes turned in late or ahead of time.
2. On a monthly or quarterly basis, someone not directly involved in the collection process, i.e., collecting, counting, depositing, posting or recording collections is to verify a sample of the contribution records.

Those parishes with a manual system are to periodically verify a sample of the collections by adding up the amounts in the week (block) selected for review and by adding up the collection envelopes for that week. These totals must agree with the Collection Deposit Summary, the bank statement deposit and the deposit slip for that week. Periodically a sample of the Money Counter's Reports are to be reviewed.

Those parishes with computer systems are to verify the amount posted each week with the Collection Deposit Summary and the amount deposited. This can be done by generating collection reports and reviewing the deposit slips and bank statements. Periodically a sample of the Money Counter's Reports are to be reviewed.

If an individual gives by check but does not use an envelope, a separate posting record should be used for this individual. It is also recommended that a separate posting record be maintained for loose offertory change in order to tie to the deposit slip.

3. The collection envelopes are to be maintained in accordance with diocesan guidelines.
4. Ideally at the end of the calendar year, a copy of the individual's contribution record is to be mailed to each contributor or to a sample of the contributors. The parishioners are to be notified via the parish bulletin that they may request a statement. Any complaints or discrepancies noted by the contributor (parishioner) are to be thoroughly investigated by someone not directly connected with the collection process or record keeping.

*(Refer to Section 2.08.B)*