



## **BANK ACCOUNTS/RECONCILIATIONS**

All parish funds must flow through the parish general checking account. The only exceptions to this policy are charitable gaming which must remain in separate checking accounts because of state reporting policies. Parishes and parish organizations may maintain checking accounts at a specified level, not to exceed three month's operating expenses. Parish checking accounts must be held in FDIC insured banks and credit union accounts must be insured by NCUA insured credit unions. The accounts should be registered in the name of the parish, such as "Parish Name General Checking Account," or "Parish Name Booster Club Checking Account."

### **Bank Accounts**

- All parish funds should flow through the operating account. The only exception is that charitable gaming funds must be in a separate checking account because of government policies.
- Limit the number of bank accounts (Operating account, Cemetery Fund if applicable, and School Account if applicable)
- Any and all checking, savings and investment accounts must be included in the general ledger and be a part of the year-end diocesan financial reports.
- Bank accounts must be opened in the name of the parish.
- The mailing address for the bank accounts should never be a personal address. Bank statements should be mailed to the parish office and should have a month end closing date.
- Surplus funds (excess of three months of operating cash) should be transferred to the Diocese's Deposit and Loan Account.
- Entities within the parish such as RCIA, youth group, etc. should not have a separate checking account from the parish.
- Mass stipend funds may be handled under the parish regular operating account as long as the Mass stipend transactions can be recorded and reported separately from the regular parish operating activity. Proper records should be kept and include: date when stipend was received, intention and name of giver, amount and number of masses, date when Mass is to be said, and name of priest who officiates the Mass.

### **Bank Statements**

- Bank Statements should be opened and reviewed by someone other than the bookkeeper or business manager. It is recommended that the pastor open, review and initial the bank statement monthly. If the bank statement is sent electronically, the business manager or bookkeeper should print the statement and give it to the Pastor before reconciling.
- Monthly all the bank statements should be reconciled and balanced to the general ledger. This should occur within 15 days after receiving the bank statement.
- The bank statement should be reconciled by someone other than a check signer. At least quarterly, it is recommended that someone from the finance committee compare the bank reconciliation to the general ledger.
- Completed bank reconciliations should be signed by the preparer and signed by the Pastor or appropriate reviewer.
- All electronic ACH fund transfers must be pre-authorized by the Pastor.
- All bank statements and the bank reconciliations should be retained and filed.