

## IMPREST ACCOUNTS FOR PARISH/SCHOOL ORGANIZATIONS

All parish or school organization funds must flow through the parish or school general checking account with the exception of charitable gaming and cafeteria funds that must be maintained in separate checking accounts. This means that all deposits for parish or school organizations are made directly into the parish or regional school general checking account. The bookkeeper of the parish or school organization can make these deposits. These deposits are restricted for that organization using a separate department code for each organization. The pastor, pastoral administrator, school administrator, parish, or school cannot use these funds without consulting the parish or school organization.

Parish or school organizations have two options for paying bills:

- 1) The organization can prepare a Check Request Form and have the parish or regional school bookkeeper pay all bills.
- 2) The organization can maintain an imprest checking account at a specified level; not to exceed one month's operating expenses.

With an imprest account, the parish or school organization pays their bills directly from their imprest account. All checks require one signature by an officer of the organization. If preferred, organizations may require two signatures. The imprest account should have a least three authorized signers' one being the pastor or school administrator. Unusually large invoices, which may exceed the imprest account limit, are given to the bookkeeper for payment. The bookkeeper prepares the check and charges the restricted funds on reserve for that organization.

When the balance of the imprest account is low, the organization prepares a Check Request Form for reimbursement. **(Sample check request form is provided in *Appendix - Accounting Sample Forms/Reports*).** This request should include a statement of expenses (list of all the checks written in order, with payee, amount paid, and purpose) along with the original receipts which are reviewed by the pastor, pastoral administrator, or school administrator to insure that the expenditures are made in accordance with the purpose of the parish or school organization. The statement of expenses should show the total expenses to be reimbursed and the amount remaining in the imprest account which should balance back to the amount on the parish/school balance sheet. The pastor, pastoral administrator, or school administrator may appoint another person to review these expenditures. However, it should be noted that the responsibility for the appropriateness and completeness of the disbursement and supporting documentation submitted remains with the pastor, pastoral administrator, or school administrator.

The reimbursement check is issued from the funds restricted for that organization and charged to expense accounts set up specifically for that organization. The pastor, pastoral administrator, or school administrator must sign the reimbursement check.

Checkbooks for imprest accounts must be kept in a safe and secure location. However, it is not necessary that they be kept at the parish or regional school office.

All bank statements for imprest accounts should have a month end closing date and are to be mailed to the parish or regional school office. The parish or regional school bookkeeper should open the statements in order to review signatures and to ensure no deposits are being made other than the reimbursement checks. A member of the organization prepares the monthly bank reconciliation of the account and forwards a copy to the parish or school office for review by the parish or school bookkeeper. The imprest account bank statement and bank reconciliation should also be reviewed by the finance council each month.

The parish or regional school bookkeeper must prepare monthly financial reports (income statement, balance sheet, and general ledger) for each organization with a copy forwarded to the Parish Council or School Board and Finance Council. These reports should reflect the organization's income, expenses, and balance of cash restricted to that organization. It is the responsibility of the organization to verify the accuracy of these statements.