

BANK ACCOUNTS/RECONCILIATIONS

All parish or school funds must flow through the parish or school general checking account. This includes funds for mass stipends, schools, committees, and organizations such as men's, women's and athletic clubs. The only two exceptions to this policy are charitable gaming and cafeteria funds if part of the National School Lunch Program, which must remain in separate checking accounts because of governmental reporting policies. Parish or school checking accounts and parish or school organization imprest checking accounts must be held in FDIC insured banks. The full amount on deposit must be fully insured by the bank. If the funds are not insured, they must be transferred to the Archdiocese Deposit and Loan Fund. Please note checking accounts should be registered in the name of the parish or school, such as "*Parish or School Name* General Checking Account," and for imprest checking accounts "*Parish or School Committee*".

Operating Accounts

To be fiscally responsible it is recommended that a parish maintain a minimum level of 3 months of operating cash in their general parish or school checking account. Any excess operating cash should be transferred to the Archdiocese Deposit and Loan Fund. Additionally, each parish or school may have various savings accounts restricted for specific purposes within the Archdiocese Deposit and Loan Fund.

Imprest Accounts

Parish or school organizations may maintain imprest checking accounts at a specified level; not to exceed one month's operating expenses.

Bank Reconciliations

Bank statements for the parish, school and/or all parish or school organizations (including imprest accounts) should be mailed to the parish or school office and should have a month end closing date. They should be reviewed by someone other than the person doing the bank reconciliation, preferably the pastor or pastoral/school administrator. A copy of the cancelled checks must be attached to the bank statement.

The review consists of verifying signatures on all cancelled checks and endorsements and ensuring that no deposits are being made to imprest accounts other than the reimbursement check. All electronic transfers to and from the account should be reviewed. The reviewer should sign and date the bank statement once the review is complete. After this review, the statements should then be forwarded to the appropriate organization/person responsible for reconciling the bank statement.

All bank accounts must be reconciled each month. The PDS Ledgers software includes a program to do this. It is recommended that the bank reconciliations be completed by the 7th business day after the statement ending date. The Finance Council should review all bank reconciliations for all checking and imprest checking accounts. This review should be documented in their meeting minutes and on the reconciliation.

If possible, the parish or school general account bank reconciliation should not be done by the bookkeeper. However, if limited staff makes it necessary for the bookkeeper to prepare the bank reconciliation, it is highly recommended that the Finance Council review it and document the review in their meeting minutes.