



## ROMAN CATHOLIC DIOCESE OF SAN DIEGO

### Cash Handling Guidelines

#### Purpose

The following guidelines are being promulgated for the purpose of providing parishes and schools with a “best practices” approach to carrying out internal controls that will most effectively safeguard their cash. These guidelines provide the transparency and accountability that are essential to maintaining public confidence in the sound stewardship of those assets, as provided by priests, employees, and volunteers.

#### Key Principles

- There should be dual custody of cash at all times from non-related individuals.
- The use of Tamper Evident Bags (TEB) and a TEB log are critical to the integrity of the chain of custody of cash receipts.

#### Areas of Focus

- I. **Collection During Mass**.....**Page 2**
  - Use a separate TEB for each collection (1st collection, special collection, etc.)
  - TEBs should be placed in the drop safe as soon as possible after the collection
  - Count teams must consist of at least 3 unrelated people
- II. **Parish Non-Collection Receipts**.....**Page 3**
  - All money should go through the parish office, including ministry related money
  - A receipt book (triplicate) should be used for all receipts
  - Receipts should be placed in a labeled TEB and placed in the safe on a daily basis
- III. **Schools**.....**Page 4**
  - All families should be billed for everything through the tuition management system in use
  - All cash and checks should go through the school office
  - A listing of students should be easily accessible so it can be updated with payment status as soon as payments are received
- IV. **Special Events, Parish / School Organizations**.....**Page 5**
  - All cash should go through a central “bank” booth for events that involve multiple points of purchase (festivals, etc.)
  - For events off parish grounds, all appropriate steps should be taken to avoid accepting cash at the event
  - Authority to receive and handle money should be limited to as few members of the organization as possible

## **Cash Handling Guidelines**

### **I. Collection During Mass**

#### **a. Pre-Collection**

- Prior to weekend masses, ensure all pews in the church have an adequate supply of loose envelopes, including any for special collections.
- Label Tamper Evident Bags (TEB) for all weekend masses. There should be only one bag per collection, and the label should make clear the mass time and purpose of each collection (1<sup>st</sup> collection, special collection for natural disaster, etc.).
- Place the labeled TEBs for all weekend masses in the room in the church where the drop safe is located. A spare bag should also be made available in case of defects or errors.
- Fill out a TEB control log with the details of each bag (serial number, date, mass time, etc.). The log should remain in the possession of the appropriate parish staff member, it does not follow the TEBs. See **Attachment 1** for a sample control log.

#### **b. Collection**

- Immediately following each collection, the ushers are to consolidate the collection baskets into the assigned TEB under the presence of a witness. At least one of the ushers involved in this process must be an adult; preferably, ushers who are minors should not be involved in the consolidation process. The collection must be maintained in its original form, that is, no change is ever given from the collected funds.
- Seal the TEB and remove the bag's label strip. The strip should be placed in a pre-designated place that will ensure delivery to the appropriate parish staff member who will use it to cross check serial numbers at count time.
- Place the sealed bags in the drop safe. Keys/combinations to the safe should be reserved for a limited number of people and safeguarded so that no unauthorized individuals can gain access to them.
- In the event of a bag error, place the entire fouled bag inside of a TEB containing collections, which will then be sealed and placed in the drop safe.
- If there is a second collection, ensure that all funds from the first collection are consolidated and sealed in the proper TEB before taking up the second collection.
- It may happen that a parishioner missed the basket and wishes to add to the collection after TEBs have been sealed. In this event, the spare TEB may be used, and it should be properly labeled prior to placing it in the drop safe. If the spare bag has already been used, place the offering into an envelope, label and seal the envelope, and put it in the drop safe.

#### **c. Counting**

- Count teams must consist of no fewer than three (3) unrelated individuals. It is recommended that count teams consist of 6-8 individuals.
- If possible, multiple count teams should be formed, with count duties being performed on a rotating basis.
- Any individual (or their relative) who performs recordkeeping functions of the parish (bookkeeper, business manager, etc.) is precluded from being a member of the count team.
- The count area should be free of distractions and through traffic. The only people in the count room should be the counters.
- Counting should be performed on the first business day after weekend masses.

- At least one member of the count team and one member of the parish staff are to retrieve the TEBs from the drop safe in order to establish a clear chain of custody from the ushers. TEBs should be transported from the church to the count room in an opaque bag.
  - Special consideration and efforts should be made to ensure both the safety of the individuals transporting the collection from the church to the count room, and the security of the money being transported. Examples might include changing the time or day of the transport, changing the route taken, changing the individuals performing the transport, using different types of opaque bags, etc. The purpose of this is to minimize the possibility of theft by any individuals who might be familiar with a transport routine that has no variety.
  - See **Addendum A** for detailed counting procedures.
- d. Depositing
- Deposits should be made as soon as reasonably possible, most preferably on the first business day after weekend masses once counting has been completed.
  - Deposit should remain in the locked safe until a courier service, which may be provided by Union Bank, arrives for pickup. At that time, retrieve the deposit from safe, fill out the courier log book and give the deposit to the courier.
  - If a courier service is not practical and deposits are made by employees/volunteers, those deposits should not be made at night and the times of the trips to the bank should vary. The deposit should be concealed within a purse, briefcase, etc. as to not draw attention.
- e. Post-Deposit
- If deposit was made in person, obtain a deposit receipt from the bank. If deposit was made remotely or by courier, verify online that deposit was made and that the amount was accurate, and print out the deposit details.
  - Give deposit receipts or online verification of deposit to bookkeeper.
  - Bookkeeper will enter deposit information into QuickBooks.

## II. **Parish Non-Collection Receipts**

- a. Receiving
- All money should go through the parish office. This includes receipts for sacraments, faith formation, youth group, mass offerings, etc. All parish staff and ministries should be made aware of this policy so that they do not accept money. In the event that money is accepted outside of the parish office, the individual accepting the money must make the parish office aware and take it to the office as soon as possible.
  - A receipt book (triplicate) should be used for all receipts. One copy goes to the donor, one copy stays with the money, and one copy remains in the book for record keeping purposes. Receipts should indicate the form of payment (cash, check, credit).
  - At the end of each day, all cash receipts should be placed in a TEB, the bag should be labeled with the date, and it should be placed in a locked safe or cabinet in the office.
  - If parish accepts credits cards, refer to **Attachment 2** for guidance.
- b. Counting
- Counting of non-collection receipts is to be done by the count team, which should meet on the first business day after weekend masses.

- On count day, a designated member of the parish staff will collect all of the TEBs from the week from the office safe and take them to the count team for counting.
  - Once counting has been completed, the count team will provide the appropriate parish staff member with a count sheet, detailing the receipts from the week.
  - See **Addendum A** for detailed counting procedures.
- c. Depositing
- Deposits should be made as soon as reasonably possible, most preferably on the first business day after weekend masses once counting has been completed.
  - Deposit should remain in the locked safe until a courier service, which may be provided by Union Bank, arrives for pickup. At that time, retrieve the deposit from safe, fill out the courier log book and give the deposit to the courier.
  - If a courier service is not practical and deposits are made by employees/volunteers, those deposits should not be made at night and the times of the trips to the bank should vary. The deposit should be concealed within a purse, briefcase, etc. as to not draw attention.
- d. Post-Deposit
- If deposit was made in person, obtain a deposit receipt from the bank. If deposit was made remotely or by courier, verify online that deposit was made and that the amount was accurate, and print out the deposit details.
  - Give deposit receipts or online verification of deposit to bookkeeper.
  - Bookkeeper will enter deposit information into QuickBooks.

### **III. Schools**

- a. Receiving
- Tuition Management system should be used for all money collections, however, if not possible all money should go through the school office. All school staff should be made aware of this policy so that they do not accept money. In the event that money is accepted outside of the school office, the individual accepting the money must make the office aware and take it to the office as soon as possible.
  - A receipt book (triplicate) should be used for all receipts. One copy goes to the donor, one copy stays with the money, and one copy remains in the book for records keeping purposes. Receipts should indicate the form of payment (cash, check, credit).
  - Where applicable, a listing of students should be easily accessible so it can be updated with payment status as soon as payments are received.
  - At the end of each day, all cash receipts should be placed in a TEB, the bag should be labeled with the date, and it should be placed in a locked safe or cabinet in the office.
  - If school accepts credits cards, refer to **Attachment 2** for guidance.
- b. Counting
- Counting should be done by at least two (2) individuals.
  - Counting should be conducted at least once a week.
  - On count day, a designated member of the school staff will collect all of the TEBs from the week from the office safe and take them to the count room.
  - Once counting has been completed, the count team will provide the bookkeeper with a count sheet, detailing the receipts from the week.
- c. Depositing
- Deposits should be made as soon as reasonably possible, most preferably no later than one (1) business day after counting has been completed.

- Deposits should be made at least once a week.
  - Deposit should remain in the locked safe until a courier service, which may be provided by Union Bank, arrives for pickup. At that time, retrieve the deposit from safe, fill out the courier log book and give the deposit to the courier.
  - If a courier service is not practical and deposits are made by employees/volunteers, those deposits should not be made at night and the times of the trips to the bank should vary. The deposit should be concealed within a purse, briefcase, etc. as to not draw attention.
- d. Post-Deposit
- If deposit was made in person, obtain a deposit receipt from the bank. If deposit was made remotely or by courier, verify online that deposit was made and that the amount was accurate, and print out the deposit details.
  - Give deposit receipts or online verification of deposit to bookkeeper.
  - Bookkeeper will enter deposit information into QuickBooks.

#### **IV. Special Events, Parish/School Organizations**

##### a. Pre-Event

###### Events Involving Booths (festivals, etc.)

- Plans should be made for there to be one central booth that will serve as the “bank” for the event. All cash should flow through that one booth, with only tickets being accepted at other booths. All volunteers must be made aware of this and instructed to not accept cash at any other booths.
- A schedule should be devised to pick up cash from the “bank” booth and taken to a secure location in the parish office. It is important to not allow too much cash to accumulate in the booth, and a schedule will guard against this. There should be a limited number of individuals who pick up cash from this booth.
- Spools of double roll raffle tickets should be procured for the “bank” booth. Tickets on one side of the double roll will be given in exchange for cash to be used at all of the other booths. The matching ticket on the other side of the roll will be retained at the “bank” booth to serve as a receipt book of sorts. This is important because writing out actual receipts during the event is a logistical impracticality, and the retained ticket will serve as a cross check during the counting process to ensure cash receipts match tickets sold.

###### Other Special Events (galas, golf tournaments, etc.)

- Every reasonable step should be taken to arrange for pre-payment in the parish office for such events. Acceptance of cash should be avoided at events held off parish grounds.
- If making payments at the event site is unavoidable, the use of a credit card reader (ex: Square) would be the preferred method of accepting payments. If this method is used, the credit card reader and device used to process payment (ex: an iPad) must be parish-owned devices. The use of personal devices to process payments is prohibited. See **Attachment 2** for guidance.
- If the acceptance of cash at the event site is unavoidable, all reasonable arrangements should be made to ensure dual custody of cash at all times from non-related individuals, and to secure receipts in a manner that limits the accessibility of cash to a limited number of authorized individuals. At the conclusion of the event, all cash should be placed in a

labeled TEB which should be sealed and immediately taken to the parish office by at least two (2) unrelated individuals and placed in the safe.

b. During Event

*Events Involving Booths (festivals, etc.)*

- All cash must flow through the “bank” booth.
- Cash will be exchanged for tickets, which will be used to purchase items, food, rides, etc. at all of the other booths.
- The schedule devised for cash pickups at the “bank” booth should be followed closely; however, the schedule should ensure that pick up times vary (i.e. not always on the same minute of the hour). Individuals making the pickups should place the cash in a TEB (preferably out of sight of patrons) labeled with the date and time of the pickup and the TEB should be sealed and placed into an opaque bag for transport to the parish office. Transport should be done by two (2) unrelated individuals and the TEB should be secured in the parish office safe. The individuals transporting the cash and the routes taken to the office should be rotated so that a pattern cannot be discerned. This is to ensure the safety of the individuals performing the transport, as well as the security of the cash, during this particularly vulnerable step.

*Other Special Events (galas, golf tournaments, etc.)*

- If the acceptance of cash at the event site is unavoidable, all reasonable arrangements should be made to ensure dual custody of cash at all times from non-related individuals, and to secure receipts in a manner that limits the accessibility of cash to a limited number of authorized individuals. At the conclusion of the event, all cash should be placed in a labeled TEB which should be sealed and immediately taken to the parish office by at least two (2) unrelated individuals and placed in the safe.
- Under no circumstances should cash be taken home by any individual with the intent to take it to the parish office the following day. All cash must be taken to the parish office safe immediately upon the conclusion of the event.

c. Counting

- Counting of event receipts is to be done by the count team, which should meet on the first business day after weekend masses.
- On count day, a designated member of the parish staff will collect all of the TEBs from the event from the office safe and take them to the count team for counting.
- Once counting has been completed, the count team will provide the appropriate parish staff member with a count sheet, detailing the receipts from the event.
- See **Addendum A** for detailed counting procedures.

d. Depositing

- Deposits should be made as soon as reasonably possibly, most preferably on the first business day after weekend masses once counting has been completed.
- Deposit should remain in the locked safe until a courier service, which may be provided by Union Bank, arrives for pickup. At that time, retrieve the deposit from safe, fill out the courier log book and give the deposit to the courier.
- If a courier service is not practical and deposits are made by employees/volunteers, those deposits should not be made at night and the times of the trips to the bank should vary. The deposit should be concealed within a purse, briefcase, etc. as to not draw attention.

e. Post-Deposit

- If deposit was made in person, obtain a deposit receipt from the bank. If deposit was made remotely or by courier, verify online that deposit was made and that the amount was accurate, and print out the deposit details.
- Give deposit receipts or online verification of deposit to bookkeeper.
- Bookkeeper will enter deposit information into QuickBooks.



# DIOCESE OF SAN DIEGO

## Guidelines for Online Payment Processing

Parishes and Schools need to comply with the following guidelines provided by the Diocesan Cyber Security Task Force with regard to Online Payment Processing:

- Merchant of Record for credit card transactions  
No Parish or School should serve as the Merchant of Record on credit card transactions for the system they wish to use. The Parish or School will need to obtain documentation that the processing company is a PCI Compliant Merchant of Record.
- Vendors assuming entire Liability including Merchant of Record  
Square and Paypal are vendors who assume the entire liability including Merchant of Record and the Parish or School will not need to complete the PCI Compliance questionnaire.
- Credit Card capture Device  
The Parish or School will provide a phone/tablet dedicated solely for the use of processing credit card transactions:
  - The phone/tablet may be connected to a secure non-public internal wireless network on the grounds of the Parish/School. It may not be used at home or any public WIFI.
  - If used at an event offsite, the phone/tablet will need to be connected via a Parish/School cell phone service or hotspot.
  - The phone/tablet will **not** have any other apps on the device and secured to prevent authorized Parish/School staff from making changes to the settings and apps on the device.
- Vetted Vendors for Mobile Card/Online Processing  
Acceptiva, Faith Direct, ParishSoft, Square, Stripe, VANCO, World Pay (formerly Vantiv)  
Use of Venmo or other person-to-person methods of electronic payment are not permitted.
- Accounting for PayPal in QuickBooks
  - PayPal accounts will be treated as 'Bank' type accounts in QuickBooks. Account should be a sub-account of AC 103 Fundraising Accounts.
  - When funds are requested from the PayPal account and deposited into the Parish/School checking account, it will be recorded as a transfer between Bank accounts. In QuickBooks, go to **Banking** → **Transfer Funds**:- TRANSFER FUNDS FROM will be the PayPal Bank Account and TRANSFERS FUNDS TO will be the bank account where funds are deposited. No further entry is required in QuickBooks.
  - PayPal bank account needs to be reconciled each month.

These guidelines are established to strengthen cyber security and protect the data of those who wish to donate or make payments online.

**Attachment 3 - Sample Count Sheet**

**Parish:** \_\_\_\_\_

**Weekly Receipts Count Sheet**

**Week of:** \_\_\_\_\_

**Date of Count:** \_\_\_\_\_

**Receipts from:** e.g. Sunday, Donuts, Catechetical, Youth etc  
\_\_\_\_\_

#	Amt	#	Amt
\$1			
\$2			
\$5			
\$10			
\$20			
\$50			
\$100			

  

1 cent			
5 cents			
10 cents			
25 cents			
50 cents			
dollar			

**Bills** \$ \_\_\_\_\_ (a) **Coins** \$ \_\_\_\_\_ (b)

**CURRENCY** (a)+(b) \_\_\_\_\_

**CHECKS** \$ \_\_\_\_\_ # chks: \_\_\_\_\_

**TOTAL** \$ \_\_\_\_\_

1. Please attach tape for checks.

**COUNTER VERIFICATION:**

Signed \_\_\_\_\_ Verified \_\_\_\_\_

**Parish:** \_\_\_\_\_

**Weekly Receipts Count Sheet**

**Week of:** \_\_\_\_\_

**Date of Count:** \_\_\_\_\_

**Receipts from:** e.g. Sunday, Donuts, Catechetical, Youth etc  
\_\_\_\_\_

#	Amt	#	Amt
\$1			
\$2			
\$5			
\$10			
\$20			
\$50			
\$100			

  

1 cent			
5 cents			
10 cents			
25 cents			
50 cents			
dollar			

**Bills** \$ \_\_\_\_\_ (a) **Coins** \$ \_\_\_\_\_ (b)

**CURRENCY** (a)+(b) \_\_\_\_\_

**CHECKS** \$ \_\_\_\_\_ # chks: \_\_\_\_\_

**TOTAL** \$ \_\_\_\_\_

1. Please attach tape for checks.

**COUNTER VERIFICATION:**

Signed \_\_\_\_\_ Verified \_\_\_\_\_

**Attachment 3 - Sample Deposit Recap and Count Sheet**

Parish: \_\_\_\_\_

General Account - Weekly Receipts Recap

Week of: \_\_\_\_\_

Date of Count: \_\_\_\_\_

	<u>Currency</u>	<u>Check</u>	<u>Total</u>	<u>GL A/C</u>
<b><u>Sunday Collection:</u></b>				
Plate	\$ _____	\$ _____	\$ _____	4001
Envelope	\$ _____	\$ _____	\$ _____	4002
<b>TOTAL SUNDAY COLLECTION</b>	\$ _____	\$ _____	\$ _____	

**Weekly Cash Receipts:**

Donuts	\$ _____	\$ _____	\$ _____	4081
Weddings	\$ _____	\$ _____	\$ _____	4051
Baptisms	\$ _____	\$ _____	\$ _____	4052
Funerals	\$ _____	\$ _____	\$ _____	4053
Mass Offerings	\$ _____	\$ _____	\$ _____	26____
Candle Sales	\$ _____	\$ _____	\$ _____	4091
Faith Formation	\$ _____	\$ _____	\$ _____	4700__
Adult Education	\$ _____	\$ _____	\$ _____	47007
Confirmation	\$ _____	\$ _____	\$ _____	470081
Youth Group	\$ _____	\$ _____	\$ _____	470082
Core Team	\$ _____	\$ _____	\$ _____	4700__
School Envelopes (Yellow)	\$ _____	\$ _____	\$ _____	2604
Parish Development Envelopes (Blue)	\$ _____	\$ _____	\$ _____	273-23
Capital Campaign	\$ _____	\$ _____	\$ _____	27____
Holy Day _____	\$ _____	\$ _____	\$ _____	4005

Special Collection:

_____	\$ _____	\$ _____	\$ _____	250____
<b>Other Receipts:</b>	\$ _____	\$ _____	\$ _____	
_____	\$ _____	\$ _____	\$ _____	
_____	\$ _____	\$ _____	\$ _____	
_____	\$ _____	\$ _____	\$ _____	
_____	\$ _____	\$ _____	\$ _____	
<b>TOTAL ADDITIONAL RECEIPTS</b>	\$ _____	\$ _____	\$ _____	

**TOTAL RECEIPTS**

\$ _____	\$ _____	\$ _____
Agree w/currency tally	Attach tape	Agrees w/deposit slip

# Checks deposited

Deposit Amount: \$ \_\_\_\_\_

TEB #: \_\_\_\_\_

Date Deposit Made: \_\_\_\_\_

Signed \_\_\_\_\_

Signed \_\_\_\_\_



## **Addendum A**

### **Parish Count Team Procedures**

#### ***I. Preparation***

- a. Prior to the count team arrival, parish staff must ensure all necessary supplies are available for the count team to conduct its duties.
- b. At least one member of the count team and one member of the parish staff retrieve the TEBs from the drop safe in order to establish a clear chain of custody from the ushers. TEBs should be transported from the church to the count room in an opaque bag.

#### ***II. Sorting and Counting Process***

- a. Once in the count room, separate TEBs into groups:
  - i. Mass collections (1<sup>st</sup> collection)
  - ii. 2<sup>nd</sup> collection
  - iii. Special collections
  - iv. Non-collection receipts
  - v. Other
- b. Verify serial numbers on the TEBs against the TEB control log and sign the control log.
  - i. An additional cross check can be performed between the TEB bags and to the tear off strips that are in possession of the appropriate parish staff member to ensure no bags were substituted.
- c. Each TEB is assigned to a single counter who checks the bag for any irregularities. If any are noticed, details should be documented and presented to the appropriate parish staff member.
- d. Each counter cuts open their bag with scissors and sorts the contents of their bag into:
  - i. Envelopes
  - ii. Loose cash, coin, or checks
- e. Repeat this process until all bags of the particular group being counted (1<sup>st</sup> collection, special collection, etc.) are emptied onto the table and separated. Do not include bags from different groups, they will be counted using the same process after the count for the main collection is complete.
- f. Envelopes
  - i. Sort into three (3) piles:
    1. Parishioner envelopes
    2. Visitor envelopes that have names or envelope numbers written on them
    3. Blank visitor envelopes
  - ii. Open blank visitor envelopes and add the contents to the pile of loose cash, coin, checks. Discard or reuse blank envelopes

- iii. Add the visitor envelopes with identifying information to the pile of parishioner envelopes.
- iv. Open each envelope and note the amount enclosed in red ink on the outside of the envelope
- v. Once all envelopes are annotated with amounts, empty the contents and sort into:
  - 1. Cash, coin
  - 2. Checks
- vi. For cash, coin:
  - 1. Sort into piles by denomination
  - 2. Count currency by denomination using a count machine. Run the currency through twice to verify the count.
  - 3. Record the number of bills and the amounts on the count sheet See **Attachment 3** for a sample count sheet.
- vii. For checks:
  - 1. Make a photocopy of all checks
  - 2. Run two (2) tapes on the checks to verify total amount and count. Attach one tape to the count sheet.
  - 3. Record the number of checks and amount on the count sheet.
  - 4. Endorse all checks with the bank deposit stamp. If a check running machine is used, set checks aside for processing once loose checks are counted.
- viii. Two (2) counters are required to verify and sign for envelope collection.
- g. Plate/loose
  - i. Sort into two (2) piles:
    - 1. Cash, coin
    - 2. Checks
  - ii. For cash, coin:
    - 1. Sort into piles by denomination
    - 2. Count currency by denomination using a count machine. Run the currency through twice to verify the count.
    - 3. Record the number of bills and the amounts on the count sheet
  - iii. For checks:
    - 1. Make a photocopy of all checks
    - 2. Run two (2) tapes on the checks to verify total amount and count. Attach one tape to the count sheet.
    - 3. Record the number of checks and amount on the count sheet.
    - 4. Endorse all checks with the bank deposit stamp. If a check running machine is used, place loose checks with the checks from the envelopes.
  - iv. Two (2) counters are required to verify and sign for the plate/loose collection.
- h. Once counting has been completed, ensure the tamper evident strips that were previously torn off the bags are attached to the count sheet.

- i. Count sheet should be verified by two (2) other counters for accuracy and they should sign the form.
- j. Prepare deposit slip
- k. Place cash, coin, and endorsed checks (if not using a check running machine) inside a new TEB, along with the deposit slip and adding machine tape listing the check amounts
- l. Record the serial number and date of the TEB in a separate TEB log for deposits only.
- m. Place the deposit TEB in the safe until the courier arrives.
- n. Give all count sheets, the duplicate deposit slip, and all tapes to the appropriate parish staff member for recording.
- o. Repeat process for other groups of TEBs (special collections, non-collection receipts, etc.)