

**Diocese of Tucson
Fiscal Services Internal Audit
AUDIT FINDINGS TEMPLATE
as of January 2010**

Parish Name, City

Date of Audit

Line	Policy and/or Procedure	Finding		Comment
		Yes	No	
1	FINANCIAL MANAGEMENT			
2	Assets			
3	A three-month operating reserve exists			
4	Accounting records are accessible only by authorized individuals			
5	Cash reserves are sufficient to cover Unremitted Special Collections, Custodial and Deferred liabilities			
6	Excess funds are maintained in the Parish Pooled Investment Trust (<i>PPIT</i>)			
7	Excess revenue over expense is projected for the current fiscal year			
8	Funds for parish groups are held in parish bank accounts with transactions reported in parish books			
9	Inventory of assets is maintained			
10	Keys are safeguarded			
11	Office equipment is safeguarded			
12	Parish Accounting Manual (<i>PAM</i>) provided by DOT's Fiscal Services (<i>DOTFS</i>) is available at the Parish			
13	Statement of Financial Position (B/S) and Statement of Activities (P&L) as of _____ appear appropriate			
14	<i>Vision</i> distribution method (notation only)		na	Note
15	Bank Accounts			
16	All parish bank accounts are reported in the parish financial statements			
17	All parish funds are kept in bank accounts under the name of the parish			
18	Appropriate personnel are signers on bank accounts			
19	Bank accounts include only checking and savings accounts			
20	Bank statements and reconciliations are reviewed			
21	Reconciliations are performed timely			
22	Board of Directors (BoD) and Parish Finance Council (PFC)			
23	BoD lay members are not employees of the parish nor do they volunteer in a capacity which compromises their Board responsibilities.			
24	BoD approves yearly budget			
25	BoD approves Parish Annual Financial Reports			
26	BoD holds annual meetings			
27	Appointed PFC members are not employees of the parish nor do they volunteer in a capacity which compromises their PFC responsibilities.			
28	PFC holds periodic meetings during the year			
29	PFC reviews revenue and expense trends			
30	Computer Security			
31	Computer files are backed-up on a consistent basis			
32	Computer backups are stored in a fire-proof or off-site location			
33	Computers are physically safeguarded			
34	Internet-connected computers have appropriate protections			
35	Password system is used			
36	Passwords are changed on a timely basis			
37	Disbursements			
38	Bills are paid timely			
39	Blank checks are safeguarded			
40	Blank checks are unsigned			
41	Check disbursements are documented			
42	Check preparer does not sign checks			
43	Check signer reviews checks and supporting documentation			
44	Checks are signed by authorized individuals			
45	Credit card disbursements are documented			
46	Debit card disbursements are documented			
47	Diocese Statement of Account is current			
48	Electronic fund disbursements are appropriate			
49	IRS Form 1099 is submitted for applicable vendors			
50	Petty Cash fund is managed appropriately			
51	Sales tax is paid when applicable			
52	Segregation of duties is adequate for disbursements			
53	Signature stamp is not used on checks			
54	Special collection monies are forwarded to DOTFS timely			
55	Vendors and check payees exist			
56	Void check procedure is appropriate			
57	Offertory Collection and Count			
58	Access to the safe is limited to appropriate individuals			

59	Collection is placed in tamperproof bags by two individuals			
60	Collection is placed in the safe by two individuals			
61	Collection is removed from the safe by two individuals			
62	Collection is counted in a secure location			
63	Count teams consist of two or more individuals			
64	Count teams are rotated			
65	Count team members are appropriately reference-checked			
66	Count sheet is prepared in ink			
67	Count sheet is signed by count team			
68	Deposit slips are prepared by appropriate individuals			
69	Deposits are taken to the bank by appropriate individuals			
70	Collection is deposited timely			
71	Bookkeeper is not involved in collection or count			
72	Pastor is not involved in collection or count			
73	Collection monies are not used to cash checks			
74	Segregation of duties is adequate for offertory collection and count			
75	Other Revenue			
76	Adequate controls exist for monies received by mail			
77	Adequate controls exist for monies received in the Parish office			
78	Fundraising revenue is managed appropriately			
79	Script revenue is managed appropriately			
80	Parish Annual Financial Report (PAFR) for FY10			
81	Assets appear to be presented fairly			
82	Liabilities appear to be presented fairly			
83	Revenues appear to be presented fairly			
84	Expenses appear to be presented fairly			
85	Net Sustaining Contributions (NSC) appear to be presented fairly			
86	Revenue exceeded expenses			
87	Payroll			
88	Compensation is paid correctly			
89	Compensation is paid through payroll for all personnel			
90	Employees exist			
91	Mass intention stipends and stole fees received by the Parish are paid to parish priests on a biweekly payroll			
92	Medical benefit billings and related payroll deductions are appropriate			
93	Payroll Register report is reviewed			
94	Payroll is paid on a biweekly schedule			
95	Segregation of duties is adequate for payroll			
96	Timesheets are completed in pen			
97	Timesheets are signed by employees			
98	Timesheets are signed by supervisors			
99	Vacation & sick leave data in Employee Maintenance is appropriate			
100	Workers' Compensation codes in Employee Maintenance are appropriate			
101	PERSONNEL MANAGEMENT			
102	Arizona and Federal Compliance notices are posted appropriately			
103	Arizona's minimum wage law is followed			
104	Benefits are provided for eligible employees			
105	Employee personnel files contain required documents			
106	Employee Status Change Forms (ESCFs) are forwarded to Human Resources (DOTHR)			
107	ESCFs are approved by the Pastor or appropriate designee			
108	Employment Eligibility Verifications (aka 19s) exist for all employees			
109	Employment Eligibility Verifications are completed appropriately			
110	Employment Eligibility Verifications are separate from personnel files			
111	Employment eligibility is confirmed through E-Verify for new employees			
112	Exempt/nonexempt status is appropriate			
113	Overtime policy is appropriate			
114	Pay raise policy is appropriate			
115	Pay raises comply with Parish policy			
116	Personnel Manual is available at the Parish			
117	Recruitment and selection policies are followed			
118	Yearly performance evaluations are provided to employees			
119	SAFE ENVIRONMENT PROGRAM (SEP)			
120	Documentation			
121	Attestations are current for all personnel			
122	Attestations are updated triennially			
123	Compliance Plan is current			
124	Criminal history checks are renewed timely			
125	Documentation is safeguarded			
126	Educational Log is maintained			
127	Personnel screening procedures are appropriate			
128	Personnel Spreadsheet (PSS) is maintained			
129	SEP personnel files include required documentation			

130	Sign-in sheets are maintained for education sessions			
131	Education			
132	Triennial safe environment education provided to all personnel			
133	Education sessions include reminders about mandated reporting law			
134	Parents are educated in creating a safe environment for children			
135	Personal safety education (PSE) is presented to children & youth annually			
136	PSE has been approved by the Diocese			Note
137	90% of children & youth are expected to receive PSE in the current year			
138	Presenters feel comfortable presenting safety education			
139	Protocol			
140	Communication exists between the Compliance Officer (C.O.) and the Office of Child, Adolescent and Adult Protection (OCAAP)			
141	Inappropriate behavior not criminal in nature is addressed appropriately			
142	New personnel are screened and oriented			
143	Outside groups are informed that safe environment is practiced			
144	Risk is mitigated for episodic activities such as retreats or fiestas			
145	Risk is mitigated for regularly scheduled programs			
146	Standard Operating Procedures (SOPs) are documented in writing for high responsibility ministries			
147	Teamwork model for SEP is used			
148	Visiting clergy are screened through the Chancellor's office			
149	SCHOOL			
150	Adequate controls exist for monies received in the School office			
151	Collection policy for unpaid tuition and fees exists			
152	CTSO funds are appropriately accounted for			
153	EE tuition discounts are provided to all employees			
154	School was self-supporting in the previous year (notation only)			Note

Finding 1

Finding 2

Finding 3

Finding 4

Note A

Note B

Note C

Attachment: Balance Sheet for _____

Submitted by

Internal Auditor

This audit was designed to provide an overview of compliance with Diocesan policies and procedures. The above findings were determined by examining a sample of documents available at the Pastoral Center, the Parish, and the School (if applicable) as well as discussion with appropriate personnel. Accordingly, this audit does not provide 100% assurance that compliance with applicable Financial Management, Personnel Management and Safe Environment policies are followed at all times, in all procedures, or for all transactions.