



ARCHDIOCESE OF PHILADELPHIA CASH DISBURSEMENTS POLICY

Parish Bills

1. The parish shall designate individuals authorized to order goods and contract services on the parish's behalf, including contracts for maintenance, repairs, and capital projects.
2. Prior to authorizing expenditures, designated individuals are to consider whether the expenditure is consistent with the parish budget.
 - a. It is the designated individual's responsibility to consider the necessity and timing of expenditures, particularly when such expenditures are inconsistent with the budget.
3. Supporting documentation (receipts, invoices, etc.) must be maintained for all disbursements, including recurring payments, requests for reimbursement, and credit card bills.
4. Prior to approving payment, delivery of goods and fulfillment of services must be verified, as evidenced by an authorized individual's signature on the receipt or invoice.
5. Pre-numbered checks are prepared by the business manager or bookkeeper, attached to the appropriate supporting documentation, and given to the authorized signer (pastor or other designated clergy) for their review and signature.
 - a. The authorized signer cannot be an individual involved in the maintenance of parish financial records (business manager, bookkeeper, etc.).
 - b. Signers should never pre-sign blank checks, and debit cards are prohibited.
 - c. Voided checks must be marked as such and retained in the parish financial records.
6. Signed checks must be promptly remitted to the vendor for payment.
 - a. Whenever possible, payments should be scheduled to obtain early payment discounts and avoid late payment penalties.
7. Appropriate supporting documentation must be marked as "Paid" with a date and check number to prevent double payment.
8. Disbursements must be recorded in the parish financial records, and regular reconciliation procedures shall take place to ensure accurate processing.
9. Capital expenditures exceeding \$50,000 must receive written authorization from the proper Archdiocesan authority.
10. Disbursements must be summarized and reported to the parish finance council on a regular basis.

Petty Cash

1. A petty cash fund, otherwise known as an imprest fund, provides a small, fixed amount of cash set aside for the purpose of immediately paying for minor, routine business expenses.

- a. Petty cash funds should never be used for personal expenses, to cash checks, or commingled with other cash receipts.
2. The parish shall designate one individual as the custodian, or cashier, of the petty cash fund, who assumes full responsibility for the operations of the fund.
3. Disbursements of petty cash require supporting documentation (invoices, receipts, etc.) in the same manner as disbursements made through checking accounts.
 - a. Individuals making purchases through the petty cash fund must be authorized to do so, despite the inherently minor nature of the transactions
4. If appropriate supporting documentation exists, the fund should be replenished to its designated balance, which will vary by parish, on a regular basis.
 - a. The fund is replenished by cashing a check drawn on the parish's checking account.
 - b. A limit must be established for the fund's balance based on the parish's financial situation and operational needs.