

**QUESTIONNAIRE FOR THE REVIEW OF AGREED UPON PROCEDURES**

CHURCH:

CONTACT PERSON/TITLE:

EMAIL:

PHONE (Optional):

Best method of contact:

Best schedule to contact:

ACCOUNTING SYSTEM (e.g., QuickBooks, manual, etc.):

List the people who have access to the accounting records and their level of access

Name/Title	Level of access

Does the Church keep its accounting records on cash basis or accrual basis?

**Collections and Other Cash Receipts**

1. Are Sunday collections and other receipts counted by at least two people?
2. Are count sheets or similar used to document collection/receipts?
3. Provide the names of the counters. Add more lines or use another sheet of paper if needed.

Position	Name/Title (if any)
Counter	

4. Are any of the counters listed related? If yes, indicate who and type of relationship.

5. After counting and documentation do counters initial or sign count sheet(s)?
6. Do any of the counters have access to the accounting system?
  - a. Who, if any.
7. Who deposits collection/receipts with bank?
  - a. Are deposits transmitted to bank on the day of collection? If not, when?
  - b. Are the collections kept in a fire-proof safe until the deposit is made?
  - c. Does the person who deposits the collection have access to count sheets?
    - i. Accounting software?
8. How many copies of the count sheets are produced after counting is concluded?
  - a. Who receives completed count sheets?
9. Who is responsible for recording receipts/deposits into the accounting system?
10. Are count sheets and bank validated deposit slips matched and reconciled after deposits are completed?
  - a. By who (name and title, if any)?
  - b. Are count sheets/validated deposit slips initialed/signed after verification?

**Cash Disbursements**

1. Is a check request used to initiate disbursement process? If not, why?
  - a. Are check request, etc. reviewed and approved?
  - b. Does the reviewer initial/sign-off on check request to indicate approval?
2. Who is responsible for writing checks?
3. How many signatures are required on checks?
4. List the names of the authorized check signers and the dates when they were authorized to sign (if the whole year, write the year). Add more lines or use another sheet of paper if needed.

Name of authorized check signers	Dates Authorized

5. Is the check request marked to indicate check number and date paid?
6. Who is responsible for recording disbursements in the accounting system?
7. Who mails checks to payees?

**Transfers of funds between bank accounts:**

- a. Who determines if a transfer of funds between bank accounts is necessary?
- b. Is there a policy that provides guidance for transfers between bank accounts
- c. How is transfer of funds initiated?
- d. What document is used to detail transfer of funds?
- e. Who approves transfers between bank accounts?
- f. Is Bishop's committee involved with oversight of transfers?

**Bank Balances**

1. Who receives and opens bank statements?
  - a. Do they have access to the accounting system?
2. Who performs the bank reconciliation?
  - a. Do they have access to the accounting system?
3. How often is the bank reconciliation performed?
4. Does anyone review the completed bank reconciliation and/or cancelled checks?
  - a. Who performs the review and when is the review done?
  - b. Does this person sign the statement to indicate a review was done?
  - c. Does this person have access to the accounting system?
  - d. Is Bishop's committee involved with bank reconciliation/review? Please provide brief description.

**Statement of Financial Position (aka Financial Statements)**

1. How often are financial statements prepared?
2. Who prepares the financial statements?
3. Are the financial statements reviewed throughout the year? If yes,
  - a. Who reviews the financial statements?
  - b. How often are the financial statements reviewed?
4. Were there any receivables and/or payables/loans with related parties or employees as of year-end? This does not include normal payroll/reimbursements.

**Construction and Repair Contracts**

1. Did you have any construction or repair contracts that met any of the following.
  - a. Electrical work

- b. Work involving ladders, such as painting or roofing
  - c. Cost of \$50,000 or higher
2. If yes, did you get diocesan approval for the project?

#### **Endowment/Restricted/Designated Funds**

1. Were any assets with donor restrictions established during the year? If yes, do you have documentation for
  - a. The type of fund (i.e., Endowment, Restricted or Designated)
  - b. Purpose of the fund
  - c. Vestry/Bishop's committee approval for the establishment of the fund
2. Were there any withdrawals from funds during the year?
3. Please complete Schedule of Funds excel spreadsheet

#### **Alms Fund**

4. Does the church have an Alms Fund that is separate from the operating/general account?
  - a. What is the name and Federal ID number used for the account?
  - b. How often is the account reconciled?
  - c. Who reconciles the account?
  - d. When was the last audit of the Alms Fund?
  - e. Who performed the audit?
  - f. How are Alms disbursements processed?
  - g. What are the procedures/policy for disbursements?

#### **Tax reporting**

1. Who do you use for your payroll?
2. Who prepares the W-2 and W-3 forms?
3. When were the W-2 and W-3 forms filed?
4. Who reviews the W-2 and W-3 forms?
5. Who prepares the 1099 and 1096 forms?
6. When were the 1099 and 1096 forms filed?

**Commented [RC1]:** There are 1099-MISC and 1099-NEC, so let's just say 1099

#### **Budget Preparation**

1. Who prepares the budget?
2. What is process of preparing the budget?
3. Is the budget reviewed/approved? By whom?
4. Is the budget compared to actual income and expenses during the year? If yes, by whom and how often?

**Pledge records**

1. What software is used to maintain pledge records?

**Initial items to have readily available to the reviewer**

1. Bank Statements – January through December 2022
2. Check register for 2022 (that includes the following)
  - a. Listing of income/receipts for 2022
  - b. Listing of checks/disbursements for 2022
3. General Ledger showing 12/31/2022 ending balance
4. Monthly bank reconciliations for December 2021, January through December 2022, and January 2023.
5. Collection count sheets
6. Bank validated deposit slips/receipts
7. Donor records of individuals/year-end statements to the donors
8. Documentation of disbursements
  - a. Invoice and/or check request form
  - b. Initials or signatures to indicate review and authorization of disbursements
  - c. Copies of cancelled checks, if available
9. General excise tax returns (Forms G-45 and G-49) if applicable
10. Payroll federal Form 941, W-2, and W-3
11. Hawaii state withholding and unemployment filings
12. Form 1099 and Form 1096, if applicable
13. Vestry/Bishop's committee meeting minutes
14. Periodic and annual financial statements (statement of financial position)
15. Construction and repair contracts that meet criteria outlined above
16. Newly created funds documentation