

FINANCIAL PROCESSES FOR DAY-TO-DAY OPERATIONS

Summarized below are a number of recommendations regarding financial processes critical to the day-to-day administrative operations. It is our hope that this information will assist you in preparing for a scenario where business offices may be closed for a period of time. These procedures are for your planning purposes and will assist during this time and will also be helpful in any event that an office is closed due to a weather event or for the purposes of illness prevention.

Good News – Our work over the past years to migrate our parish systems to the “cloud” was a key to ensuring business continuity. ParishSoft, ConnectNow Accounting, and our payroll system, PayChex, are all accessible from any PC, by users with appropriate security IDs and passwords, and internet access.

General Considerations

Please see below for our initial set of recommended processes and procedures for operating a parish or school business office during an unanticipated closure or when only limited access to the business office is possible.

If the parish or school business office is shut down, please develop a set of processes and procedures for handling the following functions. Please consider what access to the building, if any, your essential staff may need to have.

What should I do now?

- Develop procedures to work remotely such that business managers or bookkeepers have access to a computer with internet access, passwords to access bank accounts, and remote access to accounting software.
- Have check stock with a laser printer at an offsite location.
- From a remote computer, staff should be able to record cash receipts, prepare checks and record disbursements, record payroll, and run reports to be emailed to and discussed with the Pastor/Administrator and Finance Council
- Procedures need to consider how the following four critical business functions will occur.
 1. Payroll
 2. Cash receipts
 3. Cash disbursements
 4. Cash balances in checking accounts

Payroll:

1. The PayChex payroll system is an internet-based system and can be accessed anywhere there is access to the internet. Procedures will continue to follow the current standard processes and payroll schedule.
2. Determine with the Pastor, Administrator or Principal how timecards/hours submitted will be approved and submitted for final processing.
3. If you need additional assistance regarding payroll, please contact your PayChex representative.

Cash receipts:

1. Determine your mail delivery protocol. Will mail be delivered or will it be held at the post office for pick up by staff? Who will pick it up? Mail procedures and protocol may be different based on parish/school locations or individual situations.
2. If conditions allow and are possible, two persons should obtain the mail for opening and processing. After the mail is processed, prepare deposit slips, make deposit at bank, and record deposit in accounting records remotely.
3. With regards to weekly offertory collections, in the event money counters/volunteers are not available and **during this time frame only**, two staff members may count and process the deposit. A Pastor or Administrator may serve as one of the counters.

Cash disbursements

1. Develop procedures for approval of invoices from the Pastor or Administrator.
2. Determine how checks will be processed and signed. Will this occur remotely? Or in the office? How will check stock be secured?
3. Make sure mailing supplies (envelopes and stamps) are readily available, if necessary.
4. Additionally, electronic disbursements may be made remotely, if needed.
5. Passwords to access accounts with banks and vendor accounts for electronic statements need to be available offsite.
6. Parishes/Schools that use Shared Accounting Services (SAS) should work with your SAS contacts to determine the optimal manner for handling the payment of bills over the coming weeks, including any approvals that may differ from the normal cash disbursement process.

Cash balances

Utilize your Finance Council to establish a procedure where a daily cash balance report is prepared for and discussed with the Pastor, Administrator, or Principal each morning. This report will state the amount of funds available to pay for day-to-day operating costs of the parish, mission or school. The report should include all accounts that are readily available for operations and should report the prior day's cash balance at the beginning of the day, total cash deposits made, total cash disbursements made, transfers-in/out, and ending cash balance. Discuss this cash balance report each morning until further notice.

Recommendations regarding e-giving

Encourage parishioners to consider electronic giving. Develop **sensitive** messages to let our community know that we will do all we can to operate with limited resources, but without financial support the critical functions of the parishes cannot continue. This message should acknowledge that this may not be possible for them as we understand that their particular situations may not allow for this.

FY 2021 Budgets

Under these circumstances, we understand that budgets are not at the forefront of anyone's thoughts. Please continue to work on your budget as time permits, knowing that the deadline for submission to the Chancery will be extended beyond April 30th.

Financial Challenges

An objective conversation may need to occur where the business manager can advise the Pastor, Administrator, or Principal and Finance Council/School Finance Committee how many days or weeks the parish or school can continue to cover payroll and pay bills in a scenario where there is a significant drop in revenue. The goal is to anticipate decisions that need to be made and communicated days in advance, if possible, regarding which mission critical functions can continue and which functions need to be curtailed.

Business managers and bookkeepers should not feel as if they need to take on this burden on their own. If needed, request the assistance of members of the Parish Finance Council or School Finance Committee for assistance to implement these recommended processes and procedures.

We ask that parishes and schools continuously monitor cash flow and contact the Diocese when the location has less than 60 days of operating reserves to make payroll and pay day-to-day bills.

If recovery of funds is not anticipated in the near term, the Archdiocese can begin the process of establishing an operating line of credit for your location if necessary. Please be prepared to provide the amount of operating line of credit needed for your specific location.