



Catholic Diocese of Columbus

1200.0 - Auctions, Festivals and Other Activities

The policies in **Section 1200** outline the requirements for any Diocesan entity or auxiliary organization which sponsors a fundraising activity or event.

Activities include but are not limited to:

- Auctions
- Festivals
- Carnivals
- Bingo
- Raffles or reverse raffles
- Games of Chance
- Concessions at athletic events

The following policies and guidelines are in effect:

1201.0 - Written Procedures and Guidelines

1202.0 - Signature of Pastor, Canonical Authority, Principal

1203.0 – Other Controls

1204.0 – Scrip and Cash-like Certificates

1205.0 - Reporting of Results

1206.0 - Bingo



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1201.0 - Written Procedures & Guidelines

Each event or activity must have a designated leader/chairperson.

The leader/chairperson, along with the planning committee where applicable, will develop written procedures and guidelines for the given event and distribute them to the event participants, both employees and volunteers. Advance documentation and review of the roles and responsibilities will aid participants in carrying out their duties.

Adequate procedures must be provided for the control over cash and inventory. The procedures related to control of cash are to be review with and approved by the financial staff of the entity.

When planning an event, the number of employees/volunteers should include those needed to conduct the event as well as those needed to fulfill the financial requirements stated in the policies of **Section 1200**.

For Festivals and other significant events, the entity should contact the Diocesan Insurance Office to determine if our property and casualty insurance carrier, Catholic Mutual, has written procedures that should be incorporated into what the entity creates. For example, Catholic Mutual has comprehensive procedures for organizing and conducting a Festival, while minimizing risk to the entity and Diocese.



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1201.0 - Written Procedures & Guidelines

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1202.0 - Signature of the Pastor/ Canonical Authority/ Principal/ Director

The Pastor/ Canonical Authority/ Principal/ Director is to be a signatory and receiver of information on any bank account held for the purpose of one of these events.

The original bank statement is to be mailed to the sponsoring entity where a copy is retained in file and then forwarded on to the group responsible for conducting the event.

Depending on available resources, the authorized signers for and reconcilers of the event account should be members of the sponsoring entity, with payment requests submitted by the group conducting the event.

As outlined in **Policy 305.0 Bank Accounts are Reconciled Monthly**, the individual who reconciles the account should not be a signer on the account.

The Pastor/Canonical Authority/Principal/Director must be the signatory on any contract whose value is less than \$10,000.00, for goods or services obtained for the event. It is highly recommended that, even at this value, all contracts are reviewed by the Diocesan Finance Office to assure that appropriate protections are built into the language of the contract.

All contracts/proposals with a value of \$10,000.00 or more must be sent to the Diocesan Finance Office for review and approval. Those with a value of \$50,000.00 or more must be signed by the Bishop.



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1203.0 - Other Controls

Event Revenue

Event revenue should be counted and deposited intact.

Cash should never be taken from event receipts for repayment of expenditures prior to deposit.

The receipts must be recorded in detail on a Cash Receipts Log consistent with **policy 402.0**.

Adequate Physical Safeguards

Adequate physical safeguards must be established over cash and inventory.

Large quantities of cash must be kept in an area with access limited to only those responsible for counting or deposit preparation.

When cash is kept in a public area for the purpose of running the event, excess monies should be periodically removed to a safe location with limited access. Preferably, excess cash should be kept in a secure safe.

If inventory includes certificates or other items like cash, these must also be kept in a secure safe where access is limited to the designated custodian of the program.

Adequate Segregation of Duties

The collection, counting, and deposit of funds raised during an activity or event should be performed by separate individuals.

If there are not enough resources available to separately fill these roles, duties should be alternated and performed under dual control.

Reconciliation of cash like inventory should also be conducted and verified by separate individuals and under dual control.

Event Disbursements

Event revenue should never be used to pay for expenses prior to deposit.

Receipts must be retained to document any reimbursable expense.

The authorization and substantiation of payments should conform to the policies outlined in **Section 600.0 - Cash Disbursements** when it comes to vendor invoices and expense reimbursements.



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1203.0 - Other Controls

All revenue and expenses associated with an event must be submitted to the sponsoring entity for appropriate entries to be made to the accounting records of the entity.

The entity business office should create a control sheet for each event that provides the level of detail necessary for appropriate accounting entries to be recorded.



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1204.0 - Scrip and Cash-like Certificates

Many parishes and schools utilize Scrip as a fundraiser. Parishioners purchase Scrip from the parish or school, which they then use at local stores such as JC Penney, Kohl's, or K-Mart.

Scrip is also commonly used to pay utility bills.

There are literally hundreds of businesses nationwide that participate in the Scrip program.

When parishioners purchase items with Scrip, the parish or school receives a small percentage as the fundraiser contribution.

People order Scrip from the parish or school, which in turn orders Scrip from a company such as the National Scrip Center. The Scrip then arrives at the parish or school to be picked up by or distributed to parishioners.

Scrip can be an excellent fundraiser if it is properly handled and safeguarded.

Since Scrip is an alternative form of currency, it is to be treated as cash. Accordingly, parishes and schools must follow safe procedures in the handling of Scrip. The following procedures are to be followed:

1. Volunteers should not take Scrip home for delivery.
2. Parishioners participating in the program should pick up Scrip at the parish or school in a centralized location.
3. Scrip can be sent home from school with a person's son or daughter if the person signs a waiver providing the parish or school permission to do this.
4. Scrip is to be stored in a safe, which is locked at all times. The safe is to be kept in a non-obvious, secure area on the parish or school premises.
5. A large inventory of Scrip is not to be maintained. Scrip can be received from the National Scrip Center (or other Scrip clearinghouses) in one day by airmail. Parishes or schools should only order the amount of Scrip which has been requested by program participants.
6. Adequate bookkeeping that tracks the purchase and distribution of Scrip is required. At least two people should have dual responsibility for the maintenance of Scrip records. When a parish or school receives an order of Scrip, serial numbers are to be recorded. In the event that Scrip would be lost or stolen, the recording of the serial numbers would allow the parish or school to quickly identify which Scrip was missing. Local stores could then be alerted to watch for the stolen Scrip.
7. Scrip records are to be audited or reviewed by an employee of the parish or school on a monthly basis. This employee is not to be one of the people responsible for maintenance of Scrip records. If, due to staffing, this is not possible, then the Parish Finance Council should perform this audit/review.
8. The Scrip records are not to be stored with the Scrip, but in a separate area.



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1205.0 - Reporting of Results

Regular income and expense statements are to be generated and submitted to the sponsoring entity business office on a monthly basis throughout the duration of all phases of the event/program.

The statements must reflect:

1. cash in accounts
2. an inventory of certificates or goods
3. revenue for the period being reported
4. expenses for the period
5. distributions from the event/program to the sponsoring entity

The business office of the sponsoring entity is to create a reporting format, specific to the event, that provides the above information in sufficient detail to allow control over receipts and disbursements, and the recording of all appropriate accounting entries.



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1206.0 - Bingo

There are specific state laws and mandatory policies regarding the operation of Charitable Bingo (i.e., “traditional” bingo and “instant” bingo).

The Catholic Conference of Ohio serves as the informational resource and regulator of Bingo for the Diocese of Columbus.

You must contact the Catholic Conference for more information on:

- Laws of the State of Ohio regarding Bingo
- Bingo licensing
- Eligibility for Bingo licensing

Information is available from the Catholic Conference via:

- Internet : www.ohio.cathconf.org/D/bingo.htm
- Telephone : Carolyn Jurkowitz at (614) 224-7417
- e-Mail : cjurkowitz@ohiocathconf.org

Entities of the Diocese of Columbus are to adhere to all rules, regulations and procedures of the Catholic Conference and the State of Ohio, including but not limited to licensure, recordkeeping and reporting.