GUIDELINES AND PROCEDURES FOR SCRIP

Parishes, Parish Elementary Schools, and Related Organizations/Activities
Revised: January, 2013

The following guidelines and procedures have been recommended by the Diocesan Task Force for Financial Policies for parish, parish elementary school, and parish related organizations.

GENERAL GUIDELINES AND PROCEDURES

SCRIP AND EASY MONEY PROCEDURES

PLANNING AND OVERSIGHT

Planning is critical to the success of a Scrip/Easy Money program, as well as any other funding ventures. Therefore it would be appropriate to establish an Oversight Committee. The Oversight Committee is charged with designing the program, establishing the goals, and setting practices and procedures. The committee presents the program to the school board finance committee, monitors the activities of the program, and offers encouragement and support to Scrip workers and participants. The committee determines the distribution of profits only after consultation with the pastor and the school principal. The committee periodically reviews the program goals and is responsible for program operations. Following are four broad areas in which policies and guidelines must be consulted.

INTERNAL CONTROLS

Scrip activity is subject to the same accounting procedures as those used in the parish. Scrip cards are cash. A system must be in place to assure that the cards are counted on a regular basis and protected from theft. Without adequate internal controls, it may be difficult or impossible to prove a loss for an insurance claim. Key areas of internal control include:

Use one separate checking account for scrip activity. Each check requires two signatures. The pastor with the advice of the school board appoints the two check signers. The monthly bank statement should be sent to the parish office. The parish office should make a copy of the bank statement and then forward the bank statement to the appropriate individual.

The Scrip cards must be kept in a secured location on the parish/school premises. Cards are to be sold on the parish/school premises.

A reasonable dollar limit must be set for Scrip inventory and monitored monthly.

Forms should be developed to expedite record keeping. Some examples are a customer order form, an internal inventory form, a vendor order form and a sales tracking form. These forms should be kept for a minimum of three fiscal years.

ACCOUNTING AND REPORTING

Accounting and reporting systems assure that financial activities are proper and that information is communicated to all that participate in the program. Below are key items that will help create a system that meets the needs of the parish/school.

Accounting records should include lists of purchasers, volume of sales per customer, inventories, etc.

The Oversight Committee should review Scrip activity monthly.

Reports should be made monthly to the school board finance committee.
STAFFING

The ideal Scrip worker is both honest and accurate. Volunteers and paid employees handle large amounts of cash and Scrip cards. The Scrip program staff can be employees and/or volunteers. Each volunteer and paid worker should have a job description. There are several categories of tasks within a Scrip program and some tasks may be assumed into combined roles. However, the person who receives monies should not complete the deposit slip and deposit the funds. Likewise, the person who completes the recording of receipts and expenditures should not reconcile the checking account.

ORDERING AND SELLING SCRIP

Establish a working relationship with Scrip vendors. Follow their guidelines for purchasing Scrip cards. Upon receipt of your Scrip cards, always check cards against the order. Items of concern are:

Establish procedures for receiving, processing and delivering Scrip cards.

Count the Scrip card inventory frequently but at least weekly.

The person who reconciles the checking account or the inventory may not be a person who is also involved with selling, ordering or filling orders. The parish or school bookkeeper should reconcile these accounts.

These procedures are intended to help parishes and schools implement and maintain a successful Scrip program.