

Diocese of London Cheque Signing Policy

The Diocese has implemented a new policy requiring two signatures on each cheque for all bank accounts whether parish or diocesan.

Our auditors (KPMG), audit committee, finance committee, diocesan management and a number of priests have asked for two signatures on all cheques. The Council of Priests recommended this new policy to Bishop Fabbro; he agreed. Some dioceses have had such a policy for years while others require only one signature. In business the standard is two signatures on all cheques. It is a good financial control and demonstrates our financial transparency. Thankfully our incidences of cheque signing problems (abuse) have been low to date. In other words we are not implementing this new policy because of widespread cheque signing abuse. Instead it is being implemented “proactively” and simply as a “best practice” for financial controls.

We consider this ministry of being a cheque signing officer to be a “High Risk Ministry” as outlined in our “Called, Gifted & Sent” program. Each parish is responsible for following the detailed screening protocols prior to selecting and submitting names to the Diocese.

Who can be added as a second signatory?

- Associate pastor
- Deacon
- Member of the Finance Committee
- Business Administrator
- Neighboring pastor
- Retired priest

The financial secretary cannot be a signing officer. “Best practices” for financial controls will not permit it. We recommend the Pastor being the main cheque signer. Whenever possible the Pastor should sign all cheques in addition to one of the other signing officers. When the Pastor is unavailable the two other cheque signers will sign the cheques. In order to reduce the number of cheques pre-authorized payment can be arranged for utilities, payroll, etc.

No signing officer should ever sign a blank cheque or sign a cheque without first seeing the invoice or other supporting documentation.

In addition to the Pastor we ask you to submit the names of two cheque signers on the attached form. The additional cheque signers are also required to sign the attached “Agreement and Acknowledgement of Responsibilities for a Parish Cheque Signing Officer”. The signed original should be retained in the parish office and a copy should be returned with the list of cheque signers. If your parish already has multiple cheque signers we ask that each of them complete the form entitled “Agreement and Acknowledgement of Responsibilities for a Parish Cheque Signing Officer” – return the completed forms all together to Carol East at the Diocese.

Dave Savel
Financial Administrator
October 26, 2009