

This document (Part B) contains all of the above CDF policies in a checklist format for accountability:

## Rector's Discretionary Fund Policy CHECKLIST (Part B)

*The preferred answers are noted with a light gray "X" - Any answers that are in the non-preferred box should be answered/noted on the reverse of this sheet, with reference to the # at the far left. If there are specific questions, please contact the Canon to the Ordinary, Scott Holcombe at 321-525-2366 or [sholcombe@cfdiocese.org](mailto:sholcombe@cfdiocese.org).*

<p>It is suggested that each vestry adopt the <b>Rector's Discretionary Fund (CDF) Policy checklist</b> as the guidelines for Rector's Discretionary fund use, accountability, and operating policies of the Clergy/Rector's Discretionary Fund for _____ Episcopal Church.</p> <p>This document also provides a checklist/outline to be used for vestry/warden oversight of this important Parish ministry and is a checklist for compliance.</p>		YES	NO
General information	<p>The purpose of the Rector (or Clergy) Discretionary Fund (CDF) is to provide funds for the Rector/clergy to <b>use for pious and charitable purposes. Has the fund been used for any purposes that are not pious/charitable?</b> <i>(If yes, list all check numbers, dates, payees and amounts at the end of this checklist!)</i></p>		X
	<ul style="list-style-type: none"> <li>Have these <b>funds been used exclusively to aid the needy</b> or for uses that are consistent with the parish's mission?</li> </ul>	X	
Setting up the account	<ul style="list-style-type: none"> <li>Is it clear to all that the CDF Account belongs to the Church not the Rector?</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Is the account in the name of the Church?</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Was this account opened using the Church's FEIN number?</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Is the Bank statement sent to the church address, and reconciled by a trusted person other than the Rector/clergy?</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Is the CDF located at the same bank as all other church operating funds? <i>(This simplifies transactions and accessing records!)</i></li> </ul>	X	
	<ul style="list-style-type: none"> <li>Is there a debit card tied to this CDF account? <i>(This is strongly discouraged!)</i></li> </ul>		X
Authorized signers	<ul style="list-style-type: none"> <li>Are the Rector and/or all other clergy of the parish designated as signers on this account?</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Are there at least two other persons designated signers on this account?</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Does the Vestry update the Signature privileges on this account annually?</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Are any clergy spouse or clergy family members authorized signers</li> </ul>		X
Source of funds	<ul style="list-style-type: none"> <li>Is the CDF funded from an undesignated "loose" offering once/month (either option is ok)</li> </ul>	X	X
	<ul style="list-style-type: none"> <li>Is the CDF funded from a line item in the monthly church budget (either option is ok)</li> </ul>	X	X
	<ul style="list-style-type: none"> <li>Are donations from individuals for the CDF deposited in the general fund, and recorded on donor's statements, and then transferred to the CDF?</li> </ul>	X	
	<ul style="list-style-type: none"> <li>If there are funds available from a designated endowment For the CDF, do the clergy have access limited only to the interest from the designated endowment fund?</li> </ul>	X	
Operational guidelines	<ul style="list-style-type: none"> <li>Are the CDF Bank statements opened by a person of trust, reconciled, and filed by someone other than one of the clergy?</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Are files or folders (paper or digital) of the CDF Bank Statements and reconciliation reports maintained by someone other than the clergy and kept in the "cloud" ?</li> </ul>	X	

	<ul style="list-style-type: none"> <li>Is the CDF check register kept up to date with all debits and credits clearly posted?</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Is there a written policy that the balance of the CDF remains in the parish when the clergy departs?</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Are there any checks that have been written to individuals?</li> </ul>		X
	<ul style="list-style-type: none"> <li>Is there a written vestry policy that emergency cash assistance should be limited? (Suggested maximum cash \$20-\$50)</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Are there signed receipts for all cash assistance?</li> </ul>	X	
	<ul style="list-style-type: none"> <li>If the clergy were reimbursed for cash given to a person in need, did someone other than the clergy should write the reimbursement check?</li> </ul>	X	
	<ul style="list-style-type: none"> <li>If there were any extraordinary expenditures from the CDF was that expenditure communicated to one of the wardens when the gifts are made?</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Are all passwords or user names associated with this CDF account known to all signers on the account and password protected in the cloud?</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Were any contributions made to the CDF for the direct benefit of a named individual ("pass through" gifts) ?</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Did any church employees receive funds from the CDF?</li> </ul>	X	
	<ul style="list-style-type: none"> <li>If the Rector departed during the past year was the CDF audited?</li> </ul>	X	
	<ul style="list-style-type: none"> <li>If the Rector departed were there any questionable expenditures that should be reimbursed to the church or the CDF?</li> </ul>		X
Record keeping	<ul style="list-style-type: none"> <li>Are there clear, orderly records of all deposits and all expenditures?</li> </ul>	X	
	<ul style="list-style-type: none"> <li>If a receipt was lost or damaged, are there replacement notes signed and dated regarding the expenditure.</li> </ul>	X	
Monthly tasks	<ul style="list-style-type: none"> <li>Were all checks/payments from the General Fund Account to the CDF deposited? (get a copy of these transactions from the church treasurer)</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Review all checks to payees and examine who endorsed them</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Are the purpose of the expenditure is on the check register- rent, utility/food</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Review all notes/receipts and file them</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Reconcile the CDF account and file the reconciliation report</li> </ul>	X	
Annual audit	<ul style="list-style-type: none"> <li>Check that the discretionary fund is in the congregation's name</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Is the Congregation's Federal Employer's Identification number (FEIN) the number used to identify the CDF account at the bank</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Has the CDF been used for any normal operating fund expenses? (If this has happened, the General Fund should repay the CDF at the completion of the CDF audit.)</li> </ul>		X
	<ul style="list-style-type: none"> <li>Has the <b>CDF been used for any clergy</b> personal expenses</li> </ul>		X
	<ul style="list-style-type: none"> <li>Have all moneys for the discretionary fund passed through the congregation's general bank account</li> </ul>	X	
	<ul style="list-style-type: none"> <li>CDF should be audited by the Senior Warden, Treasurer, or person appointed</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Discretionary Funds are subject to audit should be done in January for the year previous</li> </ul>	X	
	<ul style="list-style-type: none"> <li>Guidelines set out in the Manual of Business Affairs, Chapter 6: section 16 should direct the audit</li> </ul>		