

**HOLYROOD CHURCH
IGLESIA SANTA CRUZ
INTERIM ALTERNATIVE AUDIT PROCEDURE
DECEMBER 31, 2019**

**HOLYROOD CHURCH
IGLESIA SANTA CRUZ
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INDEPENDENT AUDITORS' REPORT

**INTERIM ALTERNATIVE AUDIT PROCEDURE
NOTES TO INTERIM ALTERNATIVE AUDIT PROCEDURE
ATTACHED INFORMATION**

CASH BALANCES, INVESTMENTS & INCOME (CONTINUED)

✓ = Yes

✓ = See
Comments

- 18. Examine year-end statements of any invested funds. Are all investments properly recorded on the books?
- 19. Were any restricted gifts received during the year?
- 20. Has the congregation respected donor restrictions on all current and past gifts?
- 21. Review procedures and control of plate collections, other cash receipts and deposits. Do these systems provide adequate controls?
- 22. Are contribution statements sent out at least quarterly?
- 23. Do contribution statements show the pledge balance?

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CASH DISBURSEMENTS

- 24. Did you receive a list of authorized signatories for each account?
- 25. Examine a selection of disbursements.
- 26. Are there invoices (not statements) for disbursements?
 - a. Are there authorizations for disbursements?
 - b. Do checks have the specified number of authorized signatures?
 - c. Is the accounting system used adequate and properly maintained?

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LIABILITIES

- Are clergy and lay pension payments calculated correctly and up to date?
- 27. Is payment of the diocesan Apportioned Share current?
- 28. Are any diocesan loans current?
- 29. Are utility and insurance payments current?
- 30. Are any mortgage or other loan payments current?

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DISCRETIONARY FUNDS

- 31. Is the account in the name of the church?
- 32. Was the account set up by Vestry resolution?
- 33. Is the church's tax ID number used for the account?
- 34. Is the discretionary account free of operating fund activity, or if there was operating fund activity in the account, was it included in the Parochial Report?
- 35. If the account was used for personal expenses which the IRS would consider taxable, were these amounts included in the priest's W-2?

- N/A
- N/A
- N/A
- N/A
- N/A

PAYROLL

- Are workers properly classified as either employees or independent contractors?
- 36. Are 1099s issued to independent contractors who made more than \$600?
- 37. Do payroll records indicate that filing requirements were met and that withheld taxes & all employer taxes were properly calculated and remitted?
- 38. Do the salaries authorized in the budget match the amounts that were paid?
- 39. Was all compensation, including any bonus, reported on the W-2?

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PAROCHIAL REPORT

- 40. Compare the annual report to the Parochial Report. Are all amounts entered on the Parochial Report in accordance with the Parochial Report instructions?
- 41. If not, has a revised Parochial Report been prepared and submitted?

- N/A
- N/A

LITIGATION

- 42. Is there any current or threatened litigation involving the congregation?

- N/A
- ✓ = Yes ✓ = See
Comments

COMMENTS

List here, or in a separate letter, comments about any question above that you could not answer in the affirmative. Please number your comments to correspond to the question you are commenting on.

n/a

RECOMMENDATIONS

List here, or in a separate letter, any recommendations about needed improvements in systems or controls. Anything included here should be discussed with the congregation's leadership.

n/a

AUDIT COMMITTEE'S CERTIFICATION

We certify:

1. that we have performed the procedures outlined above;
2. that we have noted all exceptions on this form or in an attached letter;
3. that we have included all recommendations on this form or in an attached letter.

Audit Committee members' signatures

Date

Audit Committee chair's telephone number

Audit Committee chair's e-mail address Submit the

completed audit report by mail to:

Controller's Office
Episcopal Diocese of New York
1047 Amsterdam Avenue
New York, NY 10025-1747

Or as a pdf attachment by email to parishaudits@diocesenyc.org.

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NOTE #1

NATURE OF ORGANIZATION

Holyhood Church/Iglesia Santa Cruz (Church), organized in 1893, is a nonprofit organization operating as a religious organization under the laws of the state of New York. The Church is an Episcopal church under the auspices of the Diocese of New York. The Church is dedicated to encouraging each other toward loving God and people by pursuing the priorities of the early church: expressing love to God, serving our church and community, leading the next generation to Jesus, taking Jesus to the world, and forming relationships for spiritual growth.

NOTE #2

SUMMARY OF INTERIM ALTERNATIVE AUDIT PROCEDURE

The Interim Alternative Audit Procedure of the Church has been prepared based on the information provided. Additional attached information is provided to clarify certain questions that cannot be answered with a yes or no.

NOTE #3

The Church has, roughly, 130-175 parishioners at any one time. Masses said Monday through Friday have an attendance of, roughly, 15-20 parishioners. Masses said on the weekends have an attendance of, roughly, 100-160 parishioners. Morning Prayer is said Monday through Friday and is attended by, roughly, 10-15 parishioners. Bible study is also given in the evening.

NOTE #4

The Church rents out space for various groups and meetings. Such as choir school, community outreach, food pantry, Sunday school, and offices.

NOTE #5

The Board of Directors meets on a monthly basis, except for the months July and August as per the Church by-laws.

***Attached Information**

17d) All accounts were made available