# **OAS Billing Notes July 2020 - First Billing of FY 20-21**

The July Billing Statements are being e-mailed to locations on July 21, 2020.

If you are receiving this e-mail, you should also be receiving the statement from [billing@archindy.org](mailto:billing@archindy.org) (delivered by Intacct, the accounting system for the Archdiocese). If you do not receive the e-mail containing the Billing Statement, please check your spam filter and junk folder. If you still cannot locate the Billing Statement, please reach out to the Office of Accounting Services (OAS) at [billing@archindy.org](mailto:billing@archindy.org). **Please make note of this new email address for all billing-related questions.**

**Assessments Updated for the new fiscal year**

The Budget Guidelines are on the Archindy.org website (<http://www.archindy.org/finance/parish/guidelines.html>) and contain information about budgeted Billing and Assessments, as well as a calendar of when various charges will be billed throughout the course of the fiscal year. Each location’s assessments (other than deanery assessments) are included in Appendix C – Assessment Workbook (embedded Excel file within the Word document Budget Guidelines). These assessments are all billed evenly over the 12 months of the fiscal year.

**Cathedraticum Assessment Latino Outreach Assessment**

**Lay Retirement Assessment Deanery Assessments**

**Clergy Healthcare Assessment Indy Education Assessment**

**Workers Compensation (WC) Insurance Premiums.** Workers compensation insurance premiums are billed based on the wages incurred for the previous calendar year (1/1/2019 to 12/31/2019). This amount will remain fixed for the duration of the fiscal year.

**Property Insurance Premiums and Vehicle Insurance Premiums.** Property insurance premiums are billed based on properties held as of July 1, 2020.This amount will remain fixed for the duration of the fiscal year. **Each property is now listed** **individually**. The property insurance rate is unchanged from the previous year but the property valuation was increased by 3%. Please contact Mike Witka at [mwitka@archindy.org](mailto:mwitka@archindy.org) concerning property questions.

**Vehicle Insurance Premiums**

Vehicles are listed individually on the Statement. The rates have not changed from the prior year and are based on type and age of the vehicle. Please check your list to identify any corrections, deletions, or additions that need to be done. Report corrections by email to [billing@archindy.org](mailto:billing@archindy.org)**.**

**Current Month Charges**

**Safe and Sacred Assessment.** The assessment for Safe and Sacred is billed to locations once a year in July. The assessment, which covers the direct costs associated with the Safe and Sacred training, has been allocated to locations using calendar year 2019 wages as an allocation base. See the Budget Guidelines for further details. (<http://www.archindy.org/finance/parish/guidelines.html>)

**Other Recurring Charges**

**Criterion Subscriptions.** All parishes are billed at an annual rate of $16 per household ($1.33 per household per month) for subscription to the Criterion newspaper, **based on the number of households as of May 31, 2020**. This amount will remain fixed for the duration of the fiscal year.

The Billing Statement includes the following items, among others:

**Paycheck Protection Program (PPP) Credits.** All priests are employed under the Archdiocese payroll company and priest wages are then allocated to locations through the monthly billing process. As such, the money to cover priest wages was included in the PPP application for the Archdiocese. To assist locations with cash flows and to share the financial benefit of the Archdiocese PPP loan, we will be providing priest wage credits for the pay periods corresponding to our PPP loan. This includes the following pay dates: May 22nd, June 5th, June 19th, July 3rd, and likely parts of July 17th and July 31st. The July 17th and July 31st pay dates will likely have a prorated wage credit as we expect to have exhausted our PPP loan around that time. We are optimistic that our loan will be forgiven. However, in the event the Archdiocese PPP loan is not forgiven, those bill credits may be reversed.

Accounting for the bill credits should be done as follows:

* Priest wages on the billing statement should be recorded as an expense, as they normally would.
* Credits for priest wages should be recorded as a liability (for example, ‘Priest Wage Credit Liability’ or ‘Arch PPP bill credit liability’). It is important to record this as a liability because similar to your own PPP loan, you won’t have “revenue” (or reduction of expense) until the Arch PPP loan is forgiven.
* Once the Archdiocese is legally discharged from its PPP loan obligation, we will notify all locations. We expect this will occur in late fall 2020. This is the entry you will make in fiscal year 20-21 upon hearing from OAS that the Arch loan is forgiven which will remove the accrued liability and recognize the contribution revenue associated with the benefit:
  + Debit ‘Priest Wage Credit Liability’, reducing the liability to $0
  + Credit ‘Revenue’

On the June billing statement, we provided credits for billed wages as well as billed stipends. After further review, it was decided that stipends are not eligible for bill credit and therefore those credits are being reversed on the July billing statement. You will see a charge on your July billing statement for the same amount you were credited in June.

Please reach out to Carey Kendall with any questions: [ckendall@archindy.org](mailto:ckendall@archindy.org)

**SECA Reimbursement.** Clergy should have submitted their SECA reimbursement form before June 1, 2020 to [centralpayroll@archindy.org](mailto:centralpayroll@archindy.org). Any further requests should be submitted with an explanation for missing the deadline. The form can be found at <http://www.archindy.org/finance/parish/forms.html>. Further information can be found on page 21 of the Budget Guidelines. The SECA process will be handled the same as priest wages or stipends. The reimbursement will be paid through Paylocity to priests and parishes will be billed on the monthly assessment. ***Parishes should not reimburse clergy directly.***

**School and Parish Individual Assessments**

**Lay Health Insurance Premiums.** The lay health insurance premiums billed on the July statement are for June coverage for both medical and dental insurance. To understand how your location’s charge was calculated, refer to the *“Instructions - Employee Listing for Lay Health Insurance Employer Charges”* and *“Lay Health Insurance Calculation and Reconciliation to Billing Statement”* files (separate attachments). These files contain instructions for running the Paylocity Deduction Listing Report and recalculating the employer lay health insurance premiums. These files are also included on the website at <http://www.archindy.org/finance/parish/newsletter.html> if you are unable to open the attachments in this Flocknote e-mail.

**Wages and Compensation**

**Wages and Stipends.** There were two pay dates June 5th and June 19th. Priest wages, stipends, and billable lay wages for those pay dates are included on the July Billing Statement. If you have questions about these charges, please reach out to [centralpayroll@archindy.org](mailto:centralpayroll@archindy.org).

**Criterion Advertising.** Criterion advertising fees are included on the monthly statement. Please do not pay Criterion Advertising fees separately via cash or check; the amount owed for advertising will be pulled with the monthly assessment. The description and fee are provided by the Criterion office. Please reach out to Ann Lewis

Executive Assistant to the Director of Communications, [alewis@archindy.org](mailto:alewis@archindy.org), 317.236.1585 in the Criterion office if you need more information about these charges.

**Archdiocesan Purchasing Department (APD) Purchases.**

For APD purchases we have included as much detail about the purchase as we can on the billing statement. If you have specific questions about APD charges, please contact Steve James, Archdiocesan Purchasing Manager, at [sjames@archindy.org](mailto:sjames@archindy.org) or 317-236-1451.

**Bill Pull**

We anticipate pulling funds due from locations’ accounts on the last business day of the month: **Friday, July 31st**. Please review your statement promptly and report any issues by **Monday** **July 27th,** which will allow us to process any required adjustments in a timely manner. Please contact the Office of Accounting Services at [billing@archindy.org](mailto:billing@archindy.org) or 317-236-1410 if you have questions about this month’s Billing Statement.