



## ACCOUNTING SERVICES

### **Parish Annual Financial Report**

For the fiscal year ending June 30, 2011, the Parish Annual Financial Report was **due September 15th**. Please email [accountingservices@archindy.org](mailto:accountingservices@archindy.org) if you have any questions or need the link resent.

### **Paycor Fees- Please Review**

Some parishes and schools continue to be billed by Paycor incorrectly. Please review the invoices received each pay and make sure there are **NO charges** for delivery fees after the initial delivery of the paystubs. Please contact your Paycor representative to resolve any over-billing concerns. Below is a listing of the correct fees.

#### The following is a list of Paycor fee charges:

\$10 per pay period service fee / \$1.25 per pay per employee fee / \$60 annual W-2 fee / \$4.25 per employee W-2 fee

\$1 new hire fee- which is optional and can be turned off as requested (contact Rene to adjust this as a report needs to be sent to the State)

\$1.25 check fee for all other items like garnishments, child support, etc.

The delivery fee is based on actual cost and should **ONLY** be one time for the initial delivery of the paystubs. After that we are paperless and you shouldn't be charged.

Also, some locations may have received a \$15 charge resulting from checks clearing early. That was the result of a processing error made at the Catholic Center, which has since been resolved. If you have received that fee, please contact Rene Raychel at [centralpayroll@archindy.org](mailto:centralpayroll@archindy.org) provide her with a copy of your invoice and the Archdiocese will refund that fee to your specified account.

### **Important: Clergy Wages**

Priest wages are billed to the parishes on the monthly billing assessment. **All** stipends and priest related pay and personnel changes for priests are processed through Central Payroll—please submit these to Central Payroll at [centralpayroll@archindy.org](mailto:centralpayroll@archindy.org).

### **Group Ruling**

The IRS Group Ruling exemption letter for 2011 is available on our website at <http://www.archindy.org/finance/files/parish/general/2011GroupRuling.pdf>.

### **ADLF Rates for October - December 2011**

Loans 3.50% Deposits 1.0%

If you have any questions please contact the Office of Accounting Services at our email [accountingservices@archindy.org](mailto:accountingservices@archindy.org).

### **ADLF**

The next ADLF meeting is Thursday, November 17, 2011. If your parish would like to be placed on the agenda for this meeting, please contact Julie Laughlin by October 31<sup>st</sup> at (317) 261-3371 or [accountingservices@archindy.org](mailto:accountingservices@archindy.org).

### **\*Due November 15th\* State Form NP-20**

Indiana law requires organizations to report annually to maintain their sales tax exemption by filing an annual financial report, Form NP-20. This form is brief and is due November 15, 2011. If you did not receive a form in the mail from the state, please contact the Indiana Department of Revenue's Nonprofit Section at (317)232-2188 or forms are available online at <http://www.in.gov/dor/3506.htm>.

### **When is Income Taxable?**

Your 501(c)(3) organization is generally required to pay tax on income that isn't related to its main purpose—even if that income keeps the not-for-profit afloat. This unrelated business income (UBI) is something to watch closely, because if your nonprofit is ever audited, the IRS will likely scrutinize your records to see whether you've accurately reported UBI. According to the IRS, an activity generally is unrelated business and its income subject to UBI tax if the activity: (1) is a trade or business, (2) is regularly carried on, and (3) isn't substantially related to furthering the organization's exempt purpose. Typically, all three situations must exist for the income to be considered UBI. For more information, please refer to the IRS website <http://www.irs.gov/charities/article/0..id=96104.00.html>.



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### Fax Receipts at the Catholic Center

We have recently gone through a phone upgrade that has changed how we at the Catholic Center receive faxes. The numbers for the faxes you currently have are all still valid they are just received differently. You might experience a voice pickup when dialing a fax number. All fax machines dump into voicemail and are picked up by the fax machine. We're working to "hide" the voice from the system but the fax system works fine. Please wait 10-15 seconds and the fax will send without problems.

### Fax Numbers for Accounting:

General	317-236-7327
Payroll	317-592-4038
ADLF	317-592-4035

### Summary of Incorporation Information Action Items

Please verify that you have completed all Initial Incorporation Documents as well as the Annual Incorporation Meeting requirements with Charlie Feeney at [cfeeney@archindy.org](mailto:cfeeney@archindy.org). Parishes may receive a notice from the State of Indiana regarding filing a Business Entity Report as a result of the incorporation. **This is an annual filing with the State of Indiana that will be handled by the Office of Accounting Services.** Any questions can be directed to Charlie or to [accountingservices@archindy.org](mailto:accountingservices@archindy.org).

### Growth and Expansion Grants Coming Soon!!

The Archdiocese of Indianapolis Growth and Expansion Fund was established to provide financial support to parishes, schools and agencies of the archdiocese to grow or expand their ministries which are vital to the mission of the church. The Growth and Expansion grants will be awarded through an application process. Applications will be available soon and will be accepted through Monday, November 28th and distributions will be made in early 2012. The 2011 Applications and award criteria will be available on the archdiocesan website at [www.archindy.org](http://www.archindy.org) by clicking on the finance office page. Please direct all questions to Stacy Harris at 1-800-382-9836 ext. 1535 or via e-mail at [sharris@archindy.org](mailto:sharris@archindy.org).

### Fifth Third Pooled Checking Account

Fifth Third Bank Interest Bearing Checking Account is where catholic-related entities' funds are pooled together and invested to receive a higher rate of return each month. This account has been with the Archdiocese since 1993. Besides a higher rate of return than an average interest-bearing checking account, the advantages include no investment sweep fee, lower service charges, and the ability to increase the rate of return as the pool grows. Currently, the Indianapolis Pool has over 100 accounts with approximately \$35,000,000 invested. If your parish is interested in joining this account, please contact Paul Burch at Fifth Third bank at 317-383-2668 or [Paul.Burch@53.com](mailto:Paul.Burch@53.com).

## RISK MANAGEMENT

### Risk Management Forms

We have had a number of late reported claims on both storms and workers comp. Please have someone on staff inspect your buildings after every storm that comes through, especially the roof, basements, windows, computers, phones and electrical systems. For workers comp claims there is a first report form that must be filled out immediately upon hearing of an injury. Please have these forms available in every department.

### Insurance Self Inspections

We will be launching the parish/school self-inspection program in early Fall. We will need to have a contact name and email address for each parish. This can be the maintenance person, parish staff member, business manager, or pastor. Please send to Mike Witka at [mwitka@archindy.org](mailto:mwitka@archindy.org).

### Event Rental Insurance

You have received by now a packet explaining the event rental insurance coverage. If you have any question contact Mike Witka at [mwitka@archindy.org](mailto:mwitka@archindy.org)



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## HUMAN RESOURCES

### Employee Auto-Saving

The Archdiocese's practice of auto-enrolling all full time employees hired after July 1, 2008 in the 403b savings and employer match program has been very well received. The plan also auto-escalates the original savings percent of 2% by 1% each year until the employee saving percent reaches 6%. Due to the economy, we did not auto-escalate savings percentages two years ago. This year we increased to 3%, the 403b savings percentage of eligible employees with a savings percentage of 2%. Employees should see the increase in their July 15, 2011 paycheck or the September 15, 2011 paycheck if they have a teacher contract.

### New HR Site

Please check the new Human Resources website, [www.archindyhr.org](http://www.archindyhr.org). It is a clearinghouse of information about employment, benefits, discounts and other offerings with convenient links to use. Find out more about our two newest benefits for health plan members: Health Advocate – where one toll-free call can link you with all of your health benefits – and Healthcare Blue Book – which pays you to select high-quality/low-cost medical providers.

### 2012 HEALTH PLAN

The Human Resources Office announced that the 2012 medical and dental plans will have the same monthly premiums, annual deductibles, co-insurance, and annual out-of-pocket maximums as the 2011 medical and dental plans. 2012 will be the third consecutive year with no cost increases in these plans. This information is being provided now for the benefit of administrators and teachers who will soon be signing contracts or work agreements for next year. Please contact Human Resources at [hr@archindy.org](mailto:hr@archindy.org) if you have any questions.

### Wellness Screenings

This fall, the Archdiocese is offering free, comprehensive health screenings with a \$50 incentive. All employees and spouses (whether they are on our health plan or not) are eligible to participate. Last year, we offered screenings at over 50 parishes, schools, and agencies, and over 2,000 people participated. Results are confidential and can be sent directly to your physician. Please take a few minutes for this important program, and encourage others to participate as well. Please contact Human Resources at [hr@archindy.org](mailto:hr@archindy.org) with any questions or suggestions.

### Upcoming Pension Plan Changes

Recently employees were notified by mail of important changes to Archdiocesan pension benefits. It is important that business managers, principals and administrators understand the changes being made to effectively communicate this with all existing and future employees.

Current pension benefit changes: We intend to continue funding pension benefits for all current employees and for new employees hired before January 1, 2012. It is the current intention of the Archdiocese to continue to make contributions to the pension for these employees. Please note, new employees hired on or after January 1, 2012 will NOT be covered by the pension plan.

Retirement savings 403(b) plan changes: Effective January 1, 2012, the Archdiocese will improve the matching contributions in our retirement 403(b) savings plan. The Archdiocesan match will be 50% of eligible contributions up to **8%** of pay (up from the previous 6% of pay). This improved matching contribution is available to both existing and newly hired employees (even those hired after 1/1/2012).

Contact Human Resources at [hr@archindy.org](mailto:hr@archindy.org) with questions.

## ARCH CONTACTS

### Do you know who to contact when.....

Property insurance or risk questions?	Mike Witka
ADLF?	Rene Raychel
Payroll?	Centralpayroll@archindy.org
Billing questions?	Rene Raychel
Parish budget or other questions?	accountingservices@archindy.org

Send us your questions! Each month one or two questions will be addressed based on inquiries of the parishes.  
Please submit any questions you would like answered to [accountingservices@archindy.org](mailto:accountingservices@archindy.org).



## CATHOLIC EDUCATION

### State School Vouchers and SGO Scholarships

The Office of Catholic Education has posted extensive information on the new state school vouchers as well as scholarships from the Educational CHOICE Charitable Trust. Over 650 students at Archdiocesan schools have already been approved to receive vouchers. The CHOICE Trust is our Scholarship Granting Organization (SGO) under the law that allows donors of scholarships to non-public schools to designate these toward specific schools and receive a 50 percent credit against their Indiana state tax liability as well as federal tax benefits. This year's solicitation for the annual Celebrating Catholic School Values event is targeting SGO gifts, so if your school can use some help, let us know. The CCSV event is on October 26, 2011 at the new JW Marriott Hotel. Voucher and scholarship information is posted at [www.archindy.org/oce](http://www.archindy.org/oce), front page, Public Downloads, SGO Scholarships and State Voucher Info. or click on <http://www.archindy.org/oce/index.asp?action=ioi&catid=186> or contact Ron Costello at OCE, [rcostello@archindy.org](mailto:rcostello@archindy.org).

### Scholarships and Vouchers

Up-to-date information on SGO Scholarships and State School Vouchers can be found at <http://www.archindy.org/oce/index.asp?action=ioi>. Please select 'SGO Scholarships and State Vouchers Information' on the drop down list.

## INTERNAL CONTROL TIPS OF THE MONTH

### CASH RECEIPTS – SUNDAY AND HOLY DAY COLLECTIONS

Collections refer to cash or checks received from routine parish collections during services or meetings. The following procedures will help to ensure the integrity of this major source of parish revenue.

- Loose cash and envelopes should be collected by appointed ushers during the service and taken immediately by at least two individuals to a secure room and given to appointed counters. If the collection basket is part of the Offertory, it should be taken by at least two individuals to the counting location immediately after the conclusion of the mass. Under no circumstances should the collection basket be left unattended at the altar.
- Counting should be performed by teams composed of at least two individuals, with no related parties on the same team. It is preferable that more than one team is utilized to enable rotation and provide backup for vacations, illnesses, etc. Counters must sign the "deposit count sheet". Signed "deposit count sheets" should be maintained which agree with deposits made to the bank. Collections should be counted immediately following the services or meetings at which they were collected. (This is the preferred method, but counting at the conclusion of all daily services is acceptable if the funds received can be properly safeguarded.)
- Funds should be deposited with the bank after all collections for the day are completed. Any amounts which cannot be deposited should be kept in a locked, fireproof vault.
- Loose contributions should be counted separately from those received in offertory envelopes by at least two people. This amount is recorded on the "deposit count sheet" as "Loose Contributions". A list of loose checks should be prepared including the name of the contributor and the amount. As amounts received in envelopes are counted in the presence of another team member, the amount received is recorded on the front of the envelope. Prepare an adding machine tape of the written envelope amounts.
- No one should ever be allowed to cash personal checks or make change via the collection basket. Periodic contribution statements should be sent to all parishioners, even those who give nothing, (preferably quarterly, but at least annually).
- Envelopes, adding machine tapes, bank deposit slips, and "deposit count sheets" should be forwarded to the parish bookkeeper. The bookkeeper should, in turn, record the deposit(s) in the parish checkbook and ledgers. The bookkeeper will file this documentation by date in a deposit detail file. Please note: it is vitally important that the bookkeeper is NOT a counter and does NOT prepare the deposit slip(s).

For more information regarding this control and to view other internal controls, please visit our website at <http://www.archindy.org/finance/parish/forms.html> and view the "Parish Internal Control and Assessment" and "Internal Control" sections.

Send us your questions! Each month one or two questions will be addressed based on inquiries of the parishes.  
Please submit any questions you would like answered to [accountingservices@archindy.org](mailto:accountingservices@archindy.org).