



# The OAS Messenger

August 2006

In observance of the Feast of the Assumption, the Catholic Center will close at 1:00 p.m. on Tuesday, August 15, 2006. Also in observance of Labor Day the Catholic Center will be closed Monday, September 4, 2006.

## Automated Church System (ACS) Training

ACS Technologies is offering a training session October 16-20 in Louisville, KY. Visit the website [www.acstechnologies.com/training](http://www.acstechnologies.com/training) or call 1-800-669-2509 for registration information.

## Parish Annual Financial Report

The Parish Annual Financial Report instructions and an email link to complete the report via online survey has been sent. Documents to assist in completing the annual financial report are available on our website at [www.archindy.org/finance](http://www.archindy.org/finance). Click on Parish Finances and then click on Parish Annual Financial Report. If you did not receive the email with instructions, need additional links to complete the report for more than one parish, or if you have any questions, please contact Sarah Harmeyer at 317-261-3376 or 1-800-382-9836 ext. 3376 or [sharmeyer@archindy.org](mailto:sharmeyer@archindy.org). The deadline for the online survey submission is **September 15, 2006**. The signature form at the end of the online report should be submitted to Sarah Harmeyer, Office of Accounting Services for completion.

## 2006 501(c)(3) Group Ruling

The 2006 501(c)(3) Group Ruling is available on the OAS website at <http://www.archindy.org/finance/parish/forms.html>. This letter states that all organizations listed in the 2006 edition of the Official Catholic Directory are exempt from federal income tax. If you do not have a copy of this directory and would like to receive a copy of the page where your organization listed, please contact Sarah Harmeyer in the Office of Accounting Services.

## IRS Form Reminder:

Indiana requires organizations to report annually to maintain their sales tax exemption by filing an annual financial report **Form NP-20**. All organizations should have received a form in the mail directly from the Indiana Department of Revenue. This form is very brief and will be **due by November 15, 2006**. If you did not receive a form, please contact the Indiana Department of Revenue's Nonprofit Section at 317.232.2188 or forms may also be available at [www.in.gov/dor/taxforms/state.html](http://www.in.gov/dor/taxforms/state.html) under the Nonprofit section. If you have any other questions, please contact Sarah Harmeyer at 317.261.3376.

## Most Common Findings

### Parish Internal Control Assessments Parishes Completed During Fiscal Year 2005-06

Here is a list of the most common findings discovered during parish internal control assessments (internal audits) completed during 2005-2006

- Separate checking accounts exist for related organizations and are not subject to proper controls.
- Sunday collections count sheets are not utilized, incomplete, or are not being reconciled to contribution records and the deposit ticket.
- Cash disbursements are being made without proper documentation and invoices are not properly approved before being paid.
- Expenses for fundraising events (such as festivals) are not being properly documented and count sheets and other controls are not being used for deposits made during events.
- Many finance committees are not preparing minutes of their meetings, so there is no evidence that monthly financial statements and bank reconciliations are being reviewed. Five parishes did not have a functioning finance committee.
- Backups of accounting data are not being completed and stored at an offsite location and inventories are not kept of hardware and software purchased by the parish.
- Mass stipend accounts are not being reconciled on a regular basis.
- Two signatures are not used if the pastor or administrator is unavailable to sign checks.
- Receipts are not issued for cash received for miscellaneous deposits, such as mass stipends, tuition, etc.
- Bank reconciliations are being completed by bookkeepers and are not being independently reviewed.
- Contribution statements are not sent to non-contributing parishioners.

To help parishes better prepare for their review, the work programs used by the CPA firms and the internal control policy are available on our website at <http://www.archindy.org/finance/parish/forms.html>. If you have any questions about the internal control assessment process, please contact Michelle Lecher at 261.3371 or [mlecher@archindy.org](mailto:mlecher@archindy.org).

## August 15 payday...Payroll Availability

Central Payroll will be observing the Catholic Center's closing at 1:00 pm on payday, August 15. Please contact Central Payroll with urgent payroll related questions on the morning of Aug 15.

Employee pay stubs are available for review on the web 24 hours before payday. For example Aug 15 paychecks will available for viewing on Aug 14. Please encourage employees to take an 'advance' look at their pay and deductions so any questions can addressed as soon as possible.