



ACCOUNTING SERVICES

Important Year End Payroll Information

Year end close: Paycor will be keeping the 2011 year open until **January 6, 2012** (otherwise known as "closing the books"). After that time, the W-2 files will be processed for all Archdiocesan locations. It is extremely important that you review your employee information. W-2s that require correction will be processed through Paycor at a fee of \$50.00 each. The most common mistake with W-2 corrections relate to incorrect social security numbers. Please check those carefully.

Prior Year W-2

We no longer have access to the Ultimate software to retrieve a prior year W-2. We are currently working with other providers to be able to obtain the information. In the meantime, you can obtain copies of your tax information, including a W-2 from the IRS. Human Resources can continue to verify employment and wages, so contact HR@archindy.org.

From the IRS website:

Need a Copy of Your Tax Return Information?

You have three easy and convenient options for getting copies of your federal tax return information--tax return transcripts and tax account transcripts--by phone, by mail, or online.

Our new online ordering method, (<http://www.irs.gov/individuals/article/0,,id=232168,00.html>), is available and makes ordering simple. You may also request transcripts by calling 1-800-908-9946, or order by mail using <http://www.irs.gov/pub/irs-pdf/f4506t.pdf> (Request for Transcript of Tax Return).

We do not charge a fee for transcripts. Allow five to ten days for delivery if you order online or by phone.

Definitions: A tax return transcript shows most line items from your tax return (Form 1040, 1040A or 1040EZ) as it was originally filed, including any accompanying forms and schedules. It does not reflect any changes you, your representative or the IRS made after the return was filed. In many cases, a return transcript will meet the requirements of lending institutions such as those offering mortgages and for applying for student loans.

Paycor Year End Fee Schedule:

Re-Open Book Fee	\$250.00
W-2Cs	\$50.00 per W-2C
Amended Returns (annual or quarterly)	\$110.00 Per Return (Arch of Indy would have 2)

December Assessment Withdrawal

The December Assessment will be withdrawn on Friday, December 30th. ** All requests for adjustments to this withdrawal must be sent to Jeanette Walker (jwalker@archindy.org) by **noon on Wednesday, December 21st**. Any request for payroll assistance should also be sent to Jeanette by this date.

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

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 at (317) 261-3371 or 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>.

Year End Training

ACS Technologies will be hosting a one day year end training class at St. Gabriel in Indianapolis on December 7th from 9am to 4pm. These lecture style training classes feature an ACS certified trainer demonstrating year end procedures. Please visit <http://www.acstechnologies.com/foundationalchurches/clientportal/article219814.htm?body=1> to register and for more information.



November 2011 Page 2

ACCOUNTING SERVICES

Fax Receipts at the Catholic Center

We have recently upgraded our phone system which has affected 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
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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 Feeny at cfeeny@archindy.org. Parishes may have received 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 and has been completed by the Office of Accounting Services.** Any questions can be directed to Charlie or to accountingservices@archindy.org.

Growth and Expansion Grants

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 are available and will be accepted through Monday, November 28th and distributions will be made in early 2012. The 2011 Applications and award criteria are available on the archdiocesan website at 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.

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.

Tax-Smart Giving Options

In 2011, individuals at least 70 and a half years old can donate up to \$100,000 from an IRA account directly to a qualified charity. Qualifying IRA owners may make charitable contributions without including the amount as gross income. While there is no income tax deduction for the gift, it can satisfy the annual IRA Required Minimum Distribution.

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.

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 on January 1st. 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.

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

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.



November 2011 Page 3

ACCOUNTING SERVICES

Charitable Contributions

The Archdiocese recommends that parishes, agencies and schools provide contribution statements to parishioners/donors at least annually even to those who give nothing. For tax deduction purposes, the IRS requires a written acknowledgement for one-time contributions of \$250 or more. For contributions made to the parish directly or contributions collected by the parish (when checks are made out to the parish) for special mission collections and/or relief collections, we encourage written acknowledgements. Checks made out to the Mission Office or a special mission directly do not require a written acknowledgement since this is provided by the receiving organization. Donors making gifts totaling \$250 or more to the United Catholic Appeal or Legacy for Our Mission will receive a tax letter from the Archdiocese of Indianapolis. Some facts to remember:

—If a donor receives a benefit in connection with their contribution (such as merchandise, tickets to a ball game or other goods and services), then the deduction is limited to the amount the payment exceeds the fair market value of that benefit.

—Donations of stock or other non-cash property are usually valued at the fair market value of the property. Clothing and household items must generally be in good used condition or better to be deductible

—Regardless of the amount, to deduct a contribution of cash, check, or other monetary gift, you must maintain a bank record, payroll deduction records or a written communication from the organization containing the name of the organization, the date of the contribution and amount of the contribution. For text message donations, a telephone bill will meet the record-keeping requirement if it shows the name of the receiving organization, the date of the contribution, and the amount given.

—To claim a deduction for contributions of cash or property equaling \$250 or more you must have a bank record, payroll deduction records or a written acknowledgment from the qualified organization showing the amount of the cash and a description of any property contributed, and whether the organization provided any goods or services in exchange for the gift. One document may satisfy both the written communication requirement for monetary gifts and the written acknowledgement requirement for all contributions of \$250 or more.

CATHOLIC EDUCATION

Scholarships and Vouchers

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

ARCH CONTACTS

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

Property insurance or risk questions?

Mike Witka—mwitka@archindy.org or (317) 236-1558

ADLF?

Rene Raychel—rrayche@archindy.org or (317) 261-3370

Payroll?

Centralpayroll@archindy.org

Billing questions?

Rene Raychel—rrayche@archindy.org or (317) 261-3370

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.
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THE OAS MESSENGER



November 2011 Page 4

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%.

New HR Site

Please check the new Human Resources website, 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 if you have any questions.

Upcoming Pension Plan Changes

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 with questions.

INTERNAL CONTROL TIPS OF THE MONTH

RECONCILIATIONS

Reconciliations of cash-in-bank are a vital part of a good control environment. The following procedures should be employed.

1. All bank statements will show evidence as having been reconciled with an entity's cash records by someone who is not associated with the cash itself, its accounting, or a signer on the account. If there is not another staff person available that is not associated with cash, then a finance council member should perform the reconciliation or at a minimum perform a detailed review.
2. All bank statements should be mailed directly to the parish office. The reconciler shall receive all statements in an unopened condition.
3. Reconciliation of all cash balances shall be completed prior to the arrival of the next monthly statement(s).
4. Parishes must have no more than a parish operating account, mass stipend account, and a charity gaming account, where applicable.
5. All inter-account transfers should be reviewed by the finance council. Shortages in one account could be covered by an unrecorded check in another bank account (an illegal technique referred to as check "kiting").
6. Any large or unusual transactions should be reviewed by the Parish Finance Council.