
Diocese of Buffalo

PDS Ledger Operations Reference Manual



August 21, 2023

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Section 1 - Parish Financial Administration Software Initiative

A. Introduction

PDS Ledger

The PDS Ledger computer software program is a complete accounting solution for parishes. The program is compliant with Financial Accounting Standards Board (FASB) 93, 116 and 117. PDS Ledger allows you to enter invoices, print checks, enter revenue, budget and view accounts. To quickly see the parish's financial position you may print a balance sheet and income statement.

PDS Ledger software was first used by parishes in the Diocese of Buffalo in the mid 1980's. Over the years its usage in our diocese continued to grow. By 2008 over 70 parishes were utilizing PDS Ledger.

History of the Parish Financial Administration Software Initiative

In 2008 Bishop Kmiec assembled the Parish Financial Controls Committee and charged it with assessing "... the governance of parishes, the present diocesan financial policies and procedure manual business practices, expanding training programs for priests and parish lay personnel and establishing a process to monitor financial controls at the parish level." Later that year in October Bishop Kmiec welcomed the committee's report stating, "Based on this report, we will further strengthen the financial oversight of parish monies. I want to reassure the faithful that we continue to implement measures to safeguard parish finances."

In December 2009 the Diocesan Finance Council received a recommendation from a committee comprised of pastors, business managers and diocesan staff that the Diocese of Buffalo adopt PDS Ledger as the standard parish and school financial administration software for the Diocese of Buffalo. The committee accepted this recommendation and forwarded it on to Bishop Kmiec for his consideration.

On January 29, 2010 Bishop Kmiec formally introduced the Parish Financial Administration Software Initiative to pastors, canonical administrators, parish business managers, elementary school principals and regional school business managers. Bishop Kmiec's letter may be found on the next page.

Purpose of the PDS Ledger Operations Reference Manual

The purpose of this manual is to provide the parish's bookkeeper, business manager and pastor with general diocesan accounting and policy information as it relates to PDS Ledger and parish, school and cemetery financial operations.

The manual is not intended to be a source of information that would be found in a "Principals of Accounting" book.

Newer versions of the PDS Ledger Operations Reference Manual

The most current version of this manual may be found on the Diocese of Buffalo's web site at the following address:
<http://www.buffalodiocese.org/AboutDiocesan/DiocesanOffices/ComputerServices.aspx>



OFFICE OF THE BISHOP

DIOCESE OF BUFFALO
795 MAIN STREET BUFFALO, NY 14203-1250
716-847-5500 Fax 716-847-5550

January 29, 2010

Dear Pastor:

I would like to share with you information with regard to financial and data administration in our parishes. The Diocesan Finance Council received a recommendation in December 2009 from a committee comprised of pastors, business managers and diocesan staff to adopt standard parish and school financial administration software in the Diocese of Buffalo. I accepted the recommendation to adopt Parish Data Systems (PDS) software in all of our parishes and schools. Currently, 143 parishes utilize the Office (census) module to track parishioner data and 80 parishes use the Ledger accounting module. This represents 84% and 47%, respectively, of our 171 parishes utilizing PDS software.

The advantages of having all of our parishes using the same software include:

- Consistent information systems throughout all parishes will benefit priests when they transfer to a different parish
- More timely financial data for parishes, schools, vicariates and the diocese leading to quicker, more informed decisions and increased financial stability
- Safeguard our parish resources in accordance with the intention of benefactors and donors
- Uniform chart of accounts
- Reduced time spent preparing monthly and annual financial parish and school reports

Salient aspects of the **Parish Financial Administration Software Initiative** are as follows:

- The Diocesan Computer Services Department will begin a three year phase-in plan commencing March 1, 2010, culminating in February 2013 with all parishes and schools in the Diocese of Buffalo participating
- All parishes will maintain software upgrade support for Office and Ledger from PDS at a current annual cost of \$540
- All parishes will electronically transmit financial data from Ledger to the diocese twice a year


- All parishes will electronically transmit parishioner name and address updates on a regular basis to the Foundation of the Roman Catholic Diocese of Buffalo to maintain the Catholic Charities database

Mr. James Kavanagh, Director of Computer Services, will be our project manager on this initiative. I ask that you contact Mr. Kavanagh at (716) 847-5598 or jkavanagh@buffalodiocese.org if you would like to schedule an installation appointment.

While no single software package will meet the operating and reporting requirements of all users the Diocesan Finance Council believes PDS is the best fit for our diocese. I know that change will impact many of our parish personnel and that a transition to a new way of operating will require time to adjust.

I am grateful for all that you and your staff do in support of the Church in Western New York. Let us keep each other in prayer and be thankful for our shared priesthood as we continue our work to build up the Kingdom of God.

Fraternally in Christ,

A handwritten signature in black ink, reading "Edward U. Kmiec". The signature is written in a cursive style with a cross at the beginning.

Most Rev. Edward U. Kmiec
Bishop of Buffalo

EUK/tt

cc: Canonical Administrators
Parish Business Managers
Elementary School Principals
Regional School Business Managers

C. Delineation of Responsibilities

<u>Entity</u>	<u>Responsibilities</u>
PDS	Support and maintain PDS Church Office and PDS Ledger
Tri-Delta Resources	Provide computer, printer, network and non-PDS software support to parishes/schools (project business partner)
Computer Services	Offer PDS Church Office and PDS Ledger support/training Provide “ <i>Delineation of Responsibilities</i> ” document to parishes Provide “ <i>Computer and Network Support for your Parish/School</i> ” document to parishes Provide “ <i>PDS Education and Support</i> ” document to parishes Provide “ <i>PDS Ledger Operations Reference Manual</i> ” to parishes Maintain Parish Business Manager, Parish Bookkeepers and Parish Secretaries e-mail distribution groups Maintain Computer Services web site with PDS information (future)
Foundation	Coordinate PDS Development Connection name and address data transfer (from PDS Church Office into Raisers Edge)
Finance	Analyze PDS DioView data integrity and reasonability and address data problems with parishes Provide support for accounting questions
Internal Audit	Provide support for accounting questions
Parish	Equipment Related <ul style="list-style-type: none">• Procure PC’s, printers, backup equipment, etc.• Install computer/networking equipment and cables• Install and maintain Internet connectivity Software Related <ul style="list-style-type: none">• Back up data and maintain an off site copy• Maintain PDS Church Office and PDS Ledger at the most current software version• Regularly transfer PDS Church Office parishioner name and address data via PDS Development Connection to the diocese’s Foundation (utilized for Catholic Charities’ annual appeal)• Semi-annually transmit PDS Ledger data to PDS DioView (utilized by the diocese’s Finance and Internal Audit Offices) Software and Equipment Support <ul style="list-style-type: none">• Maintain a computer and network support arrangement with a vendor either on call or pay as need basis• Maintain PDS software support contract (PCP – Preferred client Program) for PDS Church Office and PDS Ledger PC Security <ul style="list-style-type: none">• Install Microsoft critical patches on all PC’s• Maintain anti-virus software with current definitions• Install Microsoft Defender (anti-spyware)• Activate Windows Firewall Other <ul style="list-style-type: none">• Web site development and procurement of domain names

D. PDS Education and Support

Available from PDS

PDS Telephone Support

Software Support: 877.737.4457
Orders/Information: 800.892.5202

PDS SUPPORT VIA CLIENT PORTAL

PDS offers assistance and support over the Internet 24/7. This includes Product Tips, a Knowledge Base and Live Chat (interact in real time with a PDS customer support representative). Bookmark this site and use it as your first stop for product support: www.parishdata.com/support

PDS SELF- PACED TRAINING VIDEO LIBRARY

PDS offers training over the Internet. Go to www.parishdata.com/training, click on “more” within Self-Paced Training and then Click on the “Self-paced Training Login”

HELP FEATURE WITHIN PDS CHURCH OFFICE AND LEDGER

When you open PDS Church Office or PDS Ledger on your computer, you may click on “Help” for more information regarding the area you are currently in.

AVAILABLE FROM DIOCESAN COMPUTER SERVICES

- **TELEPHONE SUPPORT AND HANDS-ON TRAINING**

Initial start-up and on-going training classes are held in the Catholic Center Computer Services Training Lab.

For support, information or to sign up for classes contact:

- PDS Church Office: Adam Berry at 716.847.5591 or aberry@buffalodiocese.org
- PDS Ledger: Adam Berry at 716.847.5591 or aberry@buffalodiocese.org

- **PDS LEDGER OPERATIONS REFERENCE MANUAL**

Contact Adam Berry at 716.847.5591 or aberry@buffalodiocese.org

E. Computer and Network Support for Your Parish/School

Diocesan Computer Services recommends and utilizes *Tri-Delta Resources* for computer equipment/network repairs and support at the Catholic Center. As our business partner we highly recommend them to you for your parish/school.

Tri-Delta Resources: Locally owned systems integration provider offering small and large network support service and equipment repairs.

Maintenance: Computer, printer and network equipment maintenance is available under contract or at the rate of \$85 per hour plus materials.

Services: Computer and network services are available at the rate of \$120 per hour. This would include fixing a PC infected with a virus, resolving non-PDS software problems (PDS is supported by Diocesan Computer Services), trouble shooting a non-functioning router, resolving software/printer interface problems, etc.

Information: Please contact the following:

Lou Mistretta / Sales

Cell: 716-695-4025

lmistretta@tri-delta.com

Al Janiga / Service

Service Dispatch: 800-724-4201

ajaniga@tri-delta.com

General

Office: 716-648-5141 (ext. 7019)

Section 2 - PDS System Implementation

A. Training Class

PDS Ledger Class 1 Course Outline

The class is presented as a three hour session in a hands-on environment. It is conducted in the Learning Center on the fourth floor of the Catholic Center.

Topics in the class include:

- Startup Processing
- Accounting Principles
- Chart of Accounts
- Cash Receipts
- Expenses
- Adjusting Journal Entries
- Backup Your Data
- Month End Processing

PDS Ledger Class 2 Course Outline

The class is presented as a three hour session in a hands-on environment. It is conducted in the Learning Center on the fourth floor of the Catholic Center.

Topics in the class include:

- Chart of Accounts
- Bank Statement Reconciliation
- Reports:
 - Balance Sheet
 - Income Statement
 - General Ledger
- Group Lists
- Month and Year End Processing

B. System Setup CD

The System Setup CD provided by the Computer Services department contains a restore file which includes the following:

1. A restore file xxxxxx.pds
 - The Chart of Accounts with alternate account numbers
 - Annual Financial Report Worksheet
 - All Group Income Statement
 - All Group integrity test
 - User profile templates
2. Restore Instructions
3. Sample printouts of:
 - Chart of Accounts
 - Balance Sheet
 - Income Statement
4. PDS Ledger Operations Reference Manual. For future updates go to <http://www.buffalodiocese.org/AboutDiocesan/DiocesanOffices/ComputerServices.aspx> for the most recent version of this manual.
5. Program installation file - Ledger6Setup.exe

Instructions for restoring the data file:

1. Have your System Setup CD that was provided by Computer Services available.
2. Click on the Backup/Fix tab at the top and click on Restore Data icon.
3. Under Select Location of Backup select Drive and from the dropdown arrow select your CD drive.
4. Highlight the restore file displayed in the window on the right. Click next.
5. Click Start Restore.
6. Click OK when completed.

Checking for program updates:

1. Click Online Resources at the top
2. Click Check for Program Updates
3. If a new version is available click Yes to install

C. System Implementation Checklist –System Setup

PDS Ledger System Implementation Checklist

System Setup

Completion
Date

Item

1. Order accounts payable checks. It is recommended that checks be ordered from PDS to allow easier transition.
2. Modify the standard chart of accounts (Section 9 in this manual) to match your current chart. This step should be done on paper first and only after you are satisfied should you make the changes on the computer. Use the new chart's account number scheme. One of the most important reasons for this step is to make it as easy as possible to transfer and reconcile the account balances between the old bookkeeping system and PDS Ledger. Therefore, it is very important to have a one-to-one account relationship between your current chart and the new chart. In other words, one account on your current chart of accounts must match one account on the new chart of accounts. Do not add accounts that you have not used to-date and do not merge two or more accounts together. This will only make transferring and reconciling the account balances between the two systems more difficult.
3. Modify the chart of accounts on the computer to match the changes from the previous step.
4. Run the Verify Chart of Accounts (COA) utility. This will check the chart of accounts for simple errors. For example, are all income accounts grouped together? If errors are reported then you must correct the errors before you continue. This utility is found on the Chart of Accounts, COA Detail screen at the bottom-right corner of the screen.
5. Print the modified chart of accounts (Reports, Chart of Accounts Reports, Listing Reports, chart of Account Quick Report). Compare the report with the old chart of accounts. Correct any errors and reprint the report.
6. Modify the All Group Income Statement format file (Section 9 in this manual) to fit the new chart of accounts. This step should be done on paper first and only after you are satisfied should you make the changes on the computer. The All Group Income Statement must contain all income and expense accounts identified on the chart of accounts. If even one account is missing or duplicated, the net surplus/deficit will not be correctly reported. The computer cannot detect these problems. The group reports were designed to be very flexible in order to meet a wide variety of reporting needs. Therefore, the computer cannot detect if an account is "missing" or "duplicated." One method for verifying that the All Group Income Statement is accurate is to print an Income Statement in account number order. The report totals should match the All Group Income Statement totals exactly.
7. Modify the All Group Income Statement on the computer to match the changes from the previous step. This is done under COA Groups, Group Detail screen.
8. Print the modified All Group Income Statement file (Reports, Group Reports, Group Easy Report, Print Group List Specs). Compare the report with the old report. Correct any errors and reprint the report.

9. Add your most commonly used vendors on the computer. Previous invoices are a good source for name and address information. Keep the information simple and only key what is absolutely required. There is no need to fill in every field on the vendor maintenance screen.

D. System Implementation Checklist –Closing the Old Bookkeeping System

PDS Ledger System Implementation Checklist

Closing the Old Bookkeeping System

<u>Item</u>	<u>Completion Date</u>
1. Close the old accounting system books. Obtain year-to-date account balances by printing a year to date balance sheet and income statement from your old bookkeeping system.	
2. If possible, obtain a bank statement for the cash checking account through the close date. The bank should be able to print an “unofficial statement” or an “account activity report”.	
3. Reconcile the cash checking account balance. It is the reconciled <u>check register</u> balance that will be input into the PDS Ledger System not the ending bank statement balance. The amount should be the same as the ending cash balance from the old account system that has been reconciled with the bank.	
4. Prepare a list of outstanding checks (payroll and accounts payable). This information will be helpful when you perform a bank reconciliation on the new system. Because the new system will not contain checks from the old system you may find that you will have an un-reconciled difference. This difference may be the amount of checks from the old system that are still outstanding.	

E. System Implementation Checklist –Opening the PDS Ledger System

PDS Ledger System Implementation Checklist

Opening the PDS Ledger System

Completion
Date

Item

1. Verify that the fiscal year is correct. You can do this by clicking on the System Process tab at the top of the program. If the Fiscal Year is not correct you need to advance the fiscal year. You can do this by Clicking on the **Transactions Tab, End of Period Tab** and then the **Close Period** tab. Click the “Close Fiscal Year for Ledger” button. Click Yes to confirm, Click No for backup, Click Yes on warning message. Continue to do this until it has been advanced to the desired fiscal year. If you are starting up Ledger in September of the new fiscal year you will want to advance the current month to August of the year prior to the new fiscal year. If you are starting up during the fiscal year you will want to advance to the month prior to the first month you will be using Ledger. You can do this by clicking on the “Close Month for Ledger” button. Click on No to backup data, click yes to advance and click OK that month has changed. Continue to do this until you reach the desired current month. As an example, if you were going to start using Ledger for the first time in September of fiscal year 2012/2013 you would advance the year and month until the current month reads August and the current fiscal year reads 9/2011 thru 8/2012. If you are starting up Ledger during the fiscal year, as an example March 2013, you would advance the year and month until the current month reads February and the current fiscal year reads 9/20 12 thru 8/2013. This allows you to get your ending balances into the system.
2. Create an adjusting journal within the PDS Ledger System to transfer balances to PDS Ledger. The date of the journal must be the last day of the month being closed (i.e. 8/31/2012). Key the year-to-date balances (using the last day of the month for example 8/31/2012) of the accounts on the Balance Sheet and Income Statement Reports obtained from your old bookkeeping system. You may wish to create 3 separate adjusting journals: one for the Balance Sheet accounts, one for revenue accounts, and one for expense accounts. Be careful to observe the proper debits and credits (cash accounts have debit balances, liabilities have credit balances, revenue accounts have credit balances and expense accounts have debit balances). After you have keyed in the last balance of a journal, the computer displays the difference between the total debits and total credits. This difference must be posted to a “Prior Year Fund Balance account (account #2901). The computer will not let you leave the journal until the debits and credits are equal.
3. Print a Balance Sheet and Income Statement Report from Ledger and compare them to the reports printed from the old bookkeeping system. Mark any discrepancies with a red pen. Create another adjusting journal to correct the errors. The date of the journal must be the same as the journal used to key in the beginning account balances (i.e. 8/31/2012). Do not modify the journal used for the beginning balances because this will destroy your audit trail. Rerun the Balance Sheet and Income Statement reports from Ledger and compare the balances again. **Repeat this step until the account balances agree between the old bookkeeping system and the PDS Ledgers System.**
4. When all account balances agree between Ledger and the old bookkeeping system close the month in Ledger using the same process discussed earlier. Once the current month is advanced to the desired month the system is ready for use.

Adjusting Journal Entry Input Document

Transaction Date: _____

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT

Note Asset Accounts – Debits will add to balances
 (1000-1999) Credits will subtract from balances

 Liability Accounts – Debits will subtract from balances
 (2000-2999) Credits will add to balances

 Income Accounts – Debits will subtract to balances
 (3000-3999) Credits will add from balances

 Expense Accounts – Debits will add from balances
 (400 0-4999) Credits will subtract to balances

Section 3 – Daily/Weekly Processing

A. Introduction

Written instructions are being developed by Computer Services

B. Invoice Maintenance and Check Printing

Invoice Maintenance Guidelines

- Process invoices as they are received.
- Prepare a batch of invoices. A batch may be any number of invoices. However, you may wish to keep it to a number that can be keyed in a reasonable amount of time; perhaps less than twenty. If you are processing invoices on a daily basis then this should not be a problem.
- Code each invoice with the appropriate general ledger expense account number. If more than one account is used then distribute the invoice amount to each account.
- You may also wish to circle or highlight such information as: invoice date, due date, purchase order number and amount due.
- Run a calculator tape on the total amount due for each invoice. The total will be used in a later step as a check against the computer.
- Query each vendor within Ledger. Add new vendors as required.
- Enter the batch of invoices into Ledger.
- When you have completed the batch print a Batch Report
- Compare the total from the Batch Report with the total from the calculator tape. Research and correct any discrepancies.

Check Printing Guidelines

- Selecting two or more invoices for the same vendor will print one check.
- **Before** starting the check process – verify that the starting check number is the same on the check printing screen, check utilization log and in the box before printing the checks.
- **After** printing the checks – visually verify the computer printed check number on the stub with the pre-printed check number on the check before pressing “Step 5 Finished” button.

PDS Ledger Check Utilization Log

<u>Check Number (s)</u>	<u>Date</u>	<u>Paid Invoices/ Alignments</u>	<u>Manual Disbursement</u>	<u>Payee/Purpose*</u>	<u>Amount*</u>	<u>Entered in L/P*</u>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	<input type="checkbox"/>

***Specify for a manual disbursement**

C. Cash Receipts

Written instructions are being developed by Computer Services

D. Adjusting Journal Entries

Adjusting journal entries are performed when an amount is not transacted either through a receipt or a check disbursement. A bank service charge is an example of an item requiring an adjusting journal entry. The parish does not write a check to the bank for the bank service charge, instead the amount is automatically deducted from the bank statements. In order to incorporate the bank service charge into our bookkeeping, it is necessary to make an adjusting journal entry.

Other examples include: Payroll, Transfer to/from Savings, recording a long term accounts payable – such as a mortgage or lines of credit.

ADJUSTING JOURNAL ENTRIES

Example to Record Bank Service Charge

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT
4420.10	Bank Charges	\$40.00	
1000.10	Operating Account		\$40.00
	To record bank service charge		

Note Expense Accounts – Debits will add to balances
 Credits will subtract from balances

Income or Liability Accounts – Debits will subtract from balances
 Credits will add to balances

ADJUSTING JOURNAL ENTRIES

Example to Record Interest Earned

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT
1030.10	Investments-Savings	\$120.00	
3120.10	Interest Income		\$120.00
	To record interest earned		

Note Expense Accounts – Debits will add to balances
 Credits will subtract from balances

Income or Liability Accounts – Debits will subtract from balances
 Credits will add to balances

Transfers Between Checking and Savings

The type of entry (I.E. adjusting journal entry, disbursement entry) made in Ledger to record transfers between the checking and savings accounts depend on the nature of the transfer. The examples below illustrate typical entries.

Adjusting Journal Entry Input Document

Example: Transfer between checking and savings

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT
1000.10	Operating Account	\$5000.00	
1030.10	Investments – Savings		\$5000.00
	(This example assumes the savings account is defined on the Chart of Accounts)		
	Entered to Ledger/Payable _____		

Adjusting Journal Entry Input Document

Transaction Date: _____

[illegible]

Note Asset Accounts – Debits will add to balances
(1000-1999) Credits will subtract from balances

Liability Accounts – Debits will subtract from balances
(2000-2999) Credits will add to balances

Income Accounts – Debits will subtract from balances
(3000-3999) Credits will add to balances

Expense Accounts – (4000-4999)	Debits will add to balances
	Credits will subtract from balances

E. Payroll Processing

Recording Automated Payroll

Automated payroll services such as ADP typically generate the checks and ACH transactions necessary to pay employee wages and remit federal and state taxes. Additionally, these automated services fulfill government reporting requirements. Parishes must examine automated reports for correctness, and are required to maintain such reports as part of a proper audit trail. Retention periods for various payroll related records may be found in the *Diocese of Buffalo Business Administration – Best Parish Practices*.

Adjusting journal entries must be entered into the general ledger each pay period to reflect the payroll activity. These journal entries will be based upon the information found in the reports that are provided by the automated payroll service. The journal entry should include gross wages, the employer share of social security and medicare taxes, and any voluntary withholdings from employee's wages which will be remitted by the parish to the appropriate party on behalf of their employee such as medical, dental, 403(b), etc.

The example shown below is meant to demonstrate the general format of the adjusting journal entry based upon ADP reports and the PDS Ledger new chart of accounts. Figures are based on the sample ADP reports found on the adjoining pages. Employee withholdings for federal, state, social security and medicare taxes are remitted on behalf of the employee by the payroll service therefore are no longer required to be recorded as liabilities by the parish and are not included in the adjusting journal entry.

Adjusting Journal Entry

DR.	see below	Salary Expense	10,612.08 (A)	
DR.	4060	Social Security – Employer Share	524.59 (B)	
DR.	4061	Medicare – Employer Share	122.69 (C)	
CR.	1000	Cash	2	,134.38 (D)
CR.	1000	Cash	8	,801.45 (E)
CR.	2030	Health Insurance Contributions		80.85 (F)
CR.	2030	Health Insurance Contributions		42.68 (G)
CR.	2032	403(b)		200.00 (H)

Salary Expense Accounts

<u>PDS #</u>	<u>Dept</u>	<u>Title</u>
4000	.10	Salaries – Regular Clergy
4001	.10	Extra Clergy
4020	.10	Salaries – Women Religious
4030	.20, .40	Salaries – Administration
4031	.20, .40	Salaries – Instruction
4032	.20	Salaries – Pre-K

<u>PDS #</u>	<u>Dept</u>	<u>Title</u>
4033	.20	Salaries – Montessori
4034	.20	Salaries – After School
4035	.50	Salaries – Cafeteria
4050	.10, .30	Salaries – Regular Help
4051	.10, .30	Salaries – Extra Help
4052	.10, .20, .30	Salaries – Operation & Maint

Payroll Liability Accounts (Voluntary Contributions)

<u>PDS #</u>	<u>Title</u>
2030	Health Insurance Contributions
2031	Pre-Tax Medical
2032	403(b)
2033	Long-Term Disability Contributions
2034	Employee Catholic Charities Contrib
2035	Wage Garnishment

SAMPLE ADP REPORTS



Liability	Taxes Debited	Federal Income Tax	236.59
Recap		Earned Income Credit Advances	.00
		Social Security - EE	353.37
		Social Security - ER	524.59
		Social Security Adj - EE	.00
		Medicare - EE	122.69
		Medicare - ER	122.69
		Medicare Adj - EE	.00
		COBRA Premium Assistance Payments	.00
		Federal Unemployment Tax	.00
		State Income Tax	272.45
		State Unemployment Insurance - EE	.00
		State Unemployment/Disability Ins - ER	.00
		State Unemployment Insurance Adj - EE	.00
		State Disability Insurance - EE	.00
		State Disability Insurance Adj - EE	.00
		Workers' Benefit Fund Assessment - EE	.00
		Workers' Benefit Fund Assessment - ER	.00
		Local Income Tax	.00
		School District Tax	.00
		Total Taxes Debited	2,114.18
Other Transfers		ADP Direct Deposit	Acct No. XXXXX0001 TransABA XXXXXXXXXX 5,519.20
		ADP Check	Acct No. XXXXX0001 TransABA XXXXXXXXXX 3,282.11
		Total Amount Debited From Your Accounts	10,935.83
Bank Debits and Other Liability		Adjustments/Prepays/Voids	.00
Taxes - Your Responsibility		None This Payroll	
		Total Liability	10,935.83

[illegible]

(A) Allocate to the appropriate salary expense account and department

PERSONNEL	HOURS		EARNINGS		GROSS	STATUTORY DEDUCTIONS		VOLUNTARY DEDUCTIONS		NET PAY						
	Reg	G/T	Hours	314		Reg	G/T	Earnings	314		Earnings	314	State / Local	Federal	State / Local	Federal
CHARLES File: 000119 Dept: 000010 Rate: 1846.15					1,846.15											
MELISSA M File: 000112 Dept: 000010 Rate: 50.0000	3.00				150.00											
MICHELLE File: 000117 Dept: 000010 Rate: 500.00					500.00											
	1.00				50.00											
VINCENT A File: 000132 Dept: 000010 Rate: 15.0000	80.00	8.00			1,200.00	180.00										
KENNETH File: 000103 Dept: 000010 Rate: 85.0000	8.00				680.00											
EMILY E File: 000104 Dept: 000010 Rate: 50.0000	4.00				200.00											
PAULA File: 000131 Dept: 000010 Rate: 50.0000	3.00				150.00											
KEITH File: 001001 Dept: 000010 Rate: 240.00					240.00											

PERSONNEL	HOURS		EARNINGS		GROSS		STATUTORY DEDUCTIONS		VOLUNTARY DEDUCTIONS		NET PAY
	Reg	O/T	Hours	3x4	Reg	O/T	Earnings	3x4	Earnings	5	
MARY T File: 001007 Dept: 000010 Rate: 50.0000	1.00						50.00				50.00
BARBARA A File: 000098 Dept: 000010 Rate: 120.0000	10.00						1,200.00				1,200.00
PATRICK S File: 001006 Dept: 000010 Rate: 75.0000	5.00						375.00				375.00
REV File: 000087 Dept: 000010 Rate: 2027.42							2,027.42				2,027.42
CHRISTINE E File: 000094 Dept: 000010 Rate: 15.3900	33.75						519.41				519.41
PAULA L File: 000101 Dept: 000010 Rate: 50.0000	6.00						300.00				300.00
PAUL File: 000105 Dept: 000010 Rate: 85.0000	1.00						85.00				85.00
TIMOTHY J File: 000099 Dept: 000010 Rate: 75.0000	6.00						450.00				450.00
JOANNE File: 000092 Dept: 000010 Rate: 409.10							409.10				409.10

REG

REG

ADP Payroll Register RC CHURCH Company Code: Batch : 6959-056 Period Ending : 10/20/2012 Week 43
 Service Center : 056 Pay Date : 10/25/2012 Page 3

This should equal the total of the various salary expense accounts and departments
(entry (A))

COMPANY TOTAL		HOURS		EARNINGS		STATUTORY DEDUCTIONS		VOLUNTARY DEDUCTIONS		NET PAY
COMPANY CODE		161.75	REG	10,432.08	REG	186.00	OT	736.59	FIT	17 Pays 3,282.11
		8.00	OT	00	EARNINGS 3	353.37	SS	5,842.87	TOTAL DEDUCTIONS	
		00	HOURS 3	00	EARNINGS 5	122.69	MED			
		00	HOURS 4	00	EARNINGS 5	272.45	STATE			
STATUTORY DED ANALYSIS		272.45	01 NY	80.85	23 MEDPTX	42.68	24 DENPTX	200.00	46 403HS	(H)
VOLUNTARY DED ANALYSIS		914.43	C CHECK1	481.84	SV1 SV1					
		4,123.07	CK1 CK1							
NET PAYROLL		3,282.11	CHECKS	9	FLAGGED	1	STARTING CHECK NUMBER	10799603		
TOTAL DEPOSITS		5,519.34	VOUCHERS	8	NET CASH PAYS 1,000.00 OR MORE	3	ENDING CHECK NUMBER	10799611		
NET VODS		00	ADJUSTMENTS							
NET CASH		8,801.45								

REG

		RC CHURCH		Batch : 6959-056	Period Ending : 10/20/2012	Week 43
Payroll Register Company Totals		Company Code:		Service Center : 056	Pay Date : 10/25/2012	Page 4

Recording Employee Disability Pay

Parishes receive remittance statements detailing the disability checks sent to employees receiving disability payments. The details on the remittance statement must be reported to ADP as a manual check so that taxes can be properly recorded for year-end W-2 purposes.

Checks are received by the parish from the third party administrator for taxes (federal, state, social security and medicare) withheld from the employee's disability check.

Adjusting journal entries must be entered into the general ledger each pay period to reflect the payroll activity. These journal entries will be based upon the information found in the reports that are provided by the automated payroll service. The journal entry should include gross wages, the employer share of social security and medicare taxes, and any voluntary withholdings from employees' wages which will be remitted by the parish to the appropriate party on behalf of their employee such as medical, dental, 403(b), etc. The gross wages will be reduced by the net amount of the manual checks reported as "VOIDS" on the ADP report. An additional adjusting journal entry must be entered into the general ledger to record the receipt of the check from the third party administrator for taxes withheld from the employee's disability check.

The example shown below is meant to demonstrate the general format of the adjusting journal entry based upon ADP reports and the PDS Ledger new chart of accounts. Figures are based on the sample ADP reports found on the adjoining pages. Employee withholdings for federal, state, social security and medicare taxes are remitted on behalf of the employee by the payroll service therefore are no longer required to be recorded as liabilities by the parish and are not included in the adjusting journal entry.

Cash Receipt

To record receipt of check for taxes withheld from employees's disability check

DR.	1000	Cash	116.93	
CR.	See above	Salary Expense		116.93


Adjusting Journal Entry

To record activity per ADP reports

DR.	see above	Salary Expense	11,887.24	(A)	
DR.	4060	Social Security – Employer Share	594.92	(B)	
DR.	4061	Medicare – Employer Share	139.13	(C)	
CR.	1000	Cash	2,56		8.89 (D)
CR.	1000	Cash	8,34		9.12 (E)
CR.	2035	Wage Garnishment			71.93 (F)
CR.	2033	Long-Term Disability Contributions			640.00 (G)
CR.	2030	Health Insurance Contributions			120.18 (H)
CR.	See above	Salary Expense			871.17 (I)

SAMPLE ADP REPORTS

Liability	Taxes Debited	Federal Income Tax
Recap		
		968.03
		Earned Income Credit Advances .00
		Social Security - EE 403.01
		Social Security - ER 594.92
		Social Security Adj. - EE .00
		Medicare - EE 139.13
		Medicare - ER 139.13
		Medicare Adj. - EE .00
		COBRA Premium Assistance Payments .00
		Federal Unemployment Tax .00
		State Income Tax 324.67
		State Unemployment Insurance - EE .00
		State Unemployment Insurance Adj. - ER .00
		State Unemployment Insurance - EE .00
		State Disability Insurance - EE .00
		State Disability Insurance Adj. - EE .00
		Workers' Benefit Fund Assessment - EE .00
		Workers' Benefit Fund Assessment - ER .00
		Local Income Tax .00
		School District Tax .00
		Total Taxes Debited Act. No. XXXXXX5000 Tran/ABA XXXXXXXXXX 2,568.89
Other Transfers		ADP Direct Deposit Act. No. XXXXXX5000 Tran/ABA XXXXXXXXXX 8,036.09
		ADP Check Act. No. XXXXXX5000 Tran/ABA XXXXXXXXXX 313.03
		Total Amount Debited From Your Accounts 10,918.01
Bank Debits and Other Liability		Adjustments/Prepay/Voids 871.17
Taxes - Your Responsibility		None This Payroll
		Total Liability 11,789.18
		Includes Adjustments that are your responsibility


Statistical Summary
 ADP® Statistical Summary

Company Code:
 Region Name: GREAT LAKES REGION

Batch : 2227
 Quarter Number: 4
 Service Center: 056

Period Ending : 12/22/2012
 Pay Date : 12/27/2012
 Current Date : 12/14/2012

Week 51
 Page 1

(A) Allocate to the appropriate salary expense account and department

PERSONNEL		HOURS		EARNINGS		GROSS		STATUTORY DEDUCTIONS		VOLUNTARY DEDUCTIONS		NET PAY
File	Per End	Reg	O/T	Hours	REG	O/T	Earnings	REG	O/T	State / Local		Voucher#
051801	12/31/2012	151.67			2,171.58		2,171.58	172.61		41.78	NY	510001
DEPT TOTAL					2,171.58		2,171.58	172.61		41.78	NY	
051823		32.75			345.84		345.84	11.70		1.56	NY	71115531
DEPT TOTAL					345.84		345.84	11.70		1.56	NY	
K.		32.50			435.18		435.18	36.14		6.68	NY	510003
DEPT TOTAL					435.18		435.18	36.14		6.68	NY	
1376 08		70.00			1,376.08		1,376.08	126.22		58.02	NY	510004
DEPT TOTAL					1,376.08		1,376.08	126.22		58.02	NY	
62 0000		12.00			744.00		744.00	46.25		19.25	NY	510005
DEPT TOTAL					744.00		744.00	46.25		19.25	NY	
13 9100		80.00			1,112.80		1,112.80	137.79		42.28	NY	510006
DEPT TOTAL					1,112.80		1,112.80	137.79		42.28	NY	



Payroll Register

Company Code:

Batch : 2227-056 Period Ending : 12/22/2012 Week 51
Service Center : 056 Pay Date : 12/27/2012 Page 1

PERSONNEL	HOURS		EARNINGS		GROSS		STATUTORY DEDUCTIONS		VOLUNTARY DEDUCTIONS		NET PAY
	Reg	O/T	Reg	O/T	Reg	O/T	Federal	State / Local			
File: Dept: Rate: 85.0000	9.00		765.00		765.00		5.50 FIT 32.13 SS 11.09 MED	14.75 NY	701.53 C CHECK1		Voucher# 510007
File: Dept: Rate: 11.8500	22.00		260.70		260.70		1.00 FIT 10.96 SS 3.78 MED	1.00 NY	243.97 C CHECK1		Voucher# 510008
S File: Dept: Rate: 13.3900	67.50	7.50 11	903.83	100.43 11	1,004.26		65.27 FIT 42.17 SS 14.56 MED	32.97 NY	809.29 C CHECK1 40.00 12 METLIF		Voucher# 510009
DEPT TOTAL 518100	296.00 REG .00 O/T 7.50 HOURS 3 .00 HOURS 4	5,822.59 REG 100.43 EARNINGS 3 .00 EARNINGS 5 5,923.02 GROSS	.00 O/T .00 EARNINGS 4 5,923.02 GROSS				459.43 FIT 248.77 SS 85.87 MED 187.36 STATE		4,941.59 TOTAL DEDUCTIONS		8 Pays .00
HOURS ANALYSIS:											
EARNINGS ANALYSIS:											
STATUTORY DED. ANALYSIS:											
VOLUNTARY DED. ANALYSIS:											
File: Dept: Rate: 10.5000	170.28 E		170.28		170.28		9.00 FIT 7.15 SS 2.47 MED	40.00 12 METLIF			Adjustment Void PP: 0000362900
Dept: Rate: 10.5000	170.28 E		170.28		170.28		9.00 FIT 7.15 SS 2.47 MED				Adjustment Void PP: 0000362662
Dept: Rate: 10.5000	373.66 E		373.66		373.66		29.00 FIT 15.69 SS 5.42 MED	4.10 NY			Adjustment Void PP: 0000362513
Dept: Rate: 10.5000	136.94 E		136.94		136.94		5.00 FIT 5.75 SS 1.99 MED				Adjustment Void PP: 0000362255
										124.20	



ADP Payroll Register

Company Code:

Batch : 2227-056 Period Ending : 12/22/2012 Week 51
Service Center : 056 Pay Date : 12/27/2012 Page 2

This should equal the total of the various salary expense accounts and departments
(entry (A))

COMPANY TOTAL COMPANY CODE	HOURS	EARNINGS	STATUTORY DEDUCTIONS	VOLUNTARY DEDUCTIONS	NET PAY
593.92 REG .00 OT 7.50 HOURS 3 .00 HOURS 4	10,798.71 REG 1,088.53 EARNINGS 3 .00 EARNINGS 5 11,887.24 GROSS	968.03 FIT 403.01 SS 139.13 MED 324.67 STATE	8,868.20 TOTAL DEDUCTIONS	13	1,184.20
HOURS ANALYSIS:	7.50 11 PTO				
EARNINGS ANALYSIS:	968.10 E ERSICK	100.43 11 PTO			
STATUTORY DED. ANALYSIS:	324.67 01 NY				
VOLUNTARY DED. ANALYSIS:	8,011.09 C CHECK1	25.00 S SAV-1	640.00 (G) METLIF	120.18 (H) MEDPTX	
NET PAYROLL:	1,184.20 CHECKS:	1 FLAGGED:	"NONE"	STARTING CHECK NUMBER:	71115531
TOTAL DEPOSITS:	8,096.09 WITHHOLDERS:	12 NET CASH PAYS 1,000.00 OR MORE	2	ENDING CHECK NUMBER:	71115531
NET VOIDS:	871.17 (I) ADJUSTMENTS:	5			
NET CASH:	8,349.12				

F. Backing Up Your Data

Overview

Information that is stored in computers includes program software (i.e., Microsoft Word and Internet Explorer) and end user data. Computer equipment and program software can be replaced if a computer breaks, is compromised by a virus, is stolen or is destroyed. If there is no copy of the end user data then there may be a serious problem.

Mission critical data is end user data that if lost would seriously affect the day to day operations of the parish or be very expensive to recreate. Parish data that is mission critical should be backed up and stored off-site in a building different than the one where the computer is located. Most parishes would consider their PDS Office and PDS Ledger data as mission critical and therefore would want to backup data at a minimum of once per week and store off-site.

Sample Plan

The key to protecting the parish's mission critical data is to have a written backup plan that includes management's active participation. Though the actual process of backing up data may be delegated to various parish personnel it is imperative that the Pastor or business manager periodically review the backup process to ensure that it is occurring.

A sample plan for backing up PDS Ledger data would be to utilize tapes, CDs, DVDs or flash drives – four (4) weekly, four (4) monthly and one (1) annual. All tapes, CDs, DVDs or flash drives would be kept in a separate building and would have labels indicating “PDS Ledger data backup,” type of backup (weekly, monthly or annual) and the date of the backup. Weekly backups would be performed every Friday or the last business day of the week, monthly backups would be performed on the last business day of the month and annuals on the last business day (around 8/31). If more than one type of backup falls on the same day (i.e., Friday is also month end) then only one backup occurs and it is the one that covers the longer period of time (i.e., monthly rather than weekly). Finally, within the monthly and weekly types of backups there is a rotation schedule whereby the oldest disk or tape within the given type is re-utilized first. All annual backups should be retained permanently.

Section 4 – Month-End Processing

Introduction

At the end of each month, the PDS Ledger activity should be reviewed to identify any processing errors and mispostings. It is difficult to effectively review work you performed, so if possible, have a member of the Finance Council scan the General Ledger and Income Statement for obvious errors. Correct all mispostings and ensure the system is balanced prior to closing the month.

Using the following pages (4-2 through 4-6) to review and close the month in PDS Ledger.

Month-End Close Checklist and Review Procedures

Month being closed (Month/Year) _____ Date Completed: _____

Perform **all** Month End Reconciliations and Review Procedures before generating month end reports and closing.

Complete All Procedures:

1. Run the Fix Damaged Data Utility/Check for Updates:

Performed By/Date _____

- a) Click File on the menu bar. Click on Test/Fix, Fix Data Discrepancies. Click Fix Data, click Ok (for automatic back up).
- b) Print the report and scan for errors. **Errors must be researched and corrected** before continuing with the rest of these checklist procedures.
- c) Check for updates to PDS Ledger to ensure you are operating with the most recent edition of the software.
 - o Click File on the menu bar. Click on check program for updates. Click the button that says check. Run any necessary updates.

If you need assistance, please call Computer Services. Once all errors are corrected, rerun the report. Attach report and/or corrected report to this checklist.

2. Complete the Bank Reconciliations:

Performed By/Date _____

- a) **All PDS Ledger assets must be reconciled using PDS Ledger.**
- b) Print the reconciliation reports (Reconciliation Summary Report, Outstanding Checks/Deposits and Reconciled Checks/Deposits).
- c) Attach all reconciliation reports to the appropriate bank statement.
- d) If Bank Reconciliation is done prior to month-end review, verify all reports are being printed and attached to bank statements.

3. Balance Sheet Review and Report Printing:

a) Total Assets versus Total Liabilities Review:

Performed By/Date _____

• Preview/Print Balance Sheet Report:

Click Reports, Chart of Accounts Reports, Accounting Reports, Stmt. of Financial Position (Bal. Sheet). Click Next; Next; Next; Balance Sheet Layout Options; Include/mark Comparison with "Last Year" and **"Print Account Numbers"**, "Suppress Accounts with Zero Balances" and **"Print Out of Balance Warning on Report"**. Click Next. Verify that the Report Date/Month of Report is correct. Click Preview, Print, Ok and Close.

• Review the Balance Sheet:

Make sure there is no "Out of Balance warning" on the balance sheet. If this warning appears, an out of balance condition could be an indication of bookkeeping issues, data problems, month end close problems or fiscal year end close issues. **Contact Computer Services** for assistance in resolving.

b) Liability (2000) Accounts Review:

Performed By/Date _____

• Review all liability (2000) accounts:

Scan all activity and ensure accuracy.

- Liability balances in most cases should be zero. Some account balances such as health insurance contributions or 403b may appear to "float" from month to month because a payment has not yet been sent to the related vendor.

- It should be possible to prove the balances for all the employee withholding accounts by reviewing the payroll registers for the current month. However; in no case should any balance continue to grow from month to month.
- Send out checks for any outstanding special collections. Special Collection remittance must be made per the special collection schedule within 4-6 weeks of the weekend collection.

c) **Test Mass Stipend Accounts:** Performed By/Date_____

*** Complete this step only if your Mass Stipend Account is maintained in PDS Ledger.**

- Verify the Mass Stipend Asset Account(s) Balance is equal to the Mass Stipend Liability Account:

Asset Account Balance \$_____ = \$_____ Mass Liability Account Balance

The total Mass Asset Balance MUST equal the Mass Liability balance. If different review all transactions in the Mass asset account to ensure ALL transactions are posted to the Mass Liability account. Make correcting Adjusting Journal entries as needed. (The transactions in the Mass asset account(s) must not affect the parish Surplus (Deficit).

d) **Prior Year Fund Balance Account (PYFB) Review:** Performed By/Date_____

- There should not be any activity posted to this account, unless directed by Computer Services or Internal Audit. If activity is recorded, review for accuracy. If assistance is needed, contact Computer Services or Internal Audit.
- To review, run an income statement for the Prior Year Fund Balance Account. If the report is blank, no activity was recorded. If there was activity, print the report, and provide documentation to substantiate the activity. NOTE: Activity posted to Prior Year Fund Balance should only be posted at the direction of Internal Audit or Computer Services.

Continue to Step e on next page (4-4)

e) **Test Cash Balance:**

Performed By/Date _____

- This test is similar to the Reconciliation Box on page 2 of the Diocesan Annual Report. Its purpose is to prove the ending cash balance. **Note:** This test should only be completed after any discrepancies identified in the Total Asset versus Total Liabilities Review (step #3,a) have been corrected.
- Complete the chart below.

Category		Amount	Source Document
Prior Fiscal Year Total Assets		.	Prior Fiscal Year 8/31 Balance Sheet
Prior Fiscal Year Payroll/Other Liabilities (*)	-	.	Prior Fiscal Year 8/31 Balance Sheet
Current Fiscal Year YTD Surplus/Deficit	+	.	Current Fiscal Year Balance Sheet
Test Ending Cash	=	.	
Current Fiscal Year Total Assets		.	Current Fiscal Year Balance Sheet
Current Fiscal Year YTD Payroll/Other Liabilities (*)	-	.	Current Fiscal Year Balance Sheet
Prior Year Fund Balance (PYFB) Adjustments	+/-	.	PYFB Account in PDS Ledger (See Step #3d)
Adjusted Current Fiscal Year Total Assets	=	.	

* To compute this line, take your total liabilities less your Surplus/Deficit and Prior Year Fund Balance.

=Total Liabilities – (Surplus/Deficit + Prior Year Fund Balance)

Does the **Test Ending Cash** Agree with the **Adjusted Current Fiscal Year Total Assets**? Yes No

If **No**, then possible discrepancies:

- Pay careful attention to the signs of the amounts. On the Balance Sheet negatives are typically shown in brackets.
- Multiple cash accounts as reported on the Balance Sheet. It may be necessary to combine all the account balances together and record the total as the cash balance.
- Other liabilities, such as Prepaid Tuition as reported on the Balance Sheet. It may be necessary to combine other liabilities and record the total in the YTD Payroll Liabilities.

f) **Print Balance Sheet Report:**

Performed By/Date _____

When All Balance Sheet Review procedures (steps a -e) have been completed. Print a Balance Sheet Report for the Monthly records (if no changes were made, use the balance sheet printed in step 3a):

- Click Reports, Chart of Accounts Reports, Accounting Reports, Stmt. of Financial Position (Bal. Sheet). Click Next; Next; Next; Balance Sheet Layout Options; Include/mark Comparison with Last Year and Print Account Numbers. Click Next. Verify that the Report Date/Month of Report is correct. Click Preview, Print, Ok and Close. File in monthly folder.

g) **Print Money Transfer Batch Report:**

Performed By/Date _____

Note: All transfers between Assets should be recorded using the Money Transfer transaction option.

- Click Reports at the top. Click All Reports. Scroll down to Money Transfer Reports. Under Listing Reports, click Money Transfer Batch Report. Click Next; Next; Next; Next; until you get to the Select Money

Transfers page. Sortation/Sort Order should be set to Date and Date Range to Current Period. Click Preview, Print, OK and Close.

- The printed Money Transfer report should be filed in the monthly folder.

4. Income Statement/General Ledger Review and Report Printing:

a) Run All Group Integrity Test:

Performed By/Date_____

- Open PDS Ledger, click on Reports at the top. Click on All Reports, scroll down to Group Reports. Click Group Easy Reports, Click Verify Group-Summary. (If this report is not in your system, contact Computer Services). Click Next, Next, Next, Next. Select Groups screen: Print ALL Group; Preview: Print: OK; Close.
- Review the report for missing and duplicate accounts. All accounts listed on this report are not properly included in the ALL Group Income Statement. All Missing or Duplicate accounts **MUST** be corrected. Call Computer Services for assistance in correcting the All Group Income Statement Report.
- Once all missing and duplicate accounts have been corrected, **rerun** the report.
- Attach report and/or corrected report to this checklist.

b) General Ledger Review:

Performed By/Date_____

- Print/Preview the General Ledger Report:
Click Reports, Chart of Account Reports, Accounting Reports, General Ledger Report.
Click Next; Next; Next; Next; Under Sortation: Sort Order should be Number. Set the Date Range to Current Period. Click Preview, Print, OK and Close.
- Review the General Ledger for errors and mispostings:
Scan the detail activity for all Receipt (3000) and Expense (4000) accounts. Determine if the activity posted to the account appears reasonable.
- Research activity that has a **negative amount**. There should absolutely be no negative numbers (debit balance in Receipts 3000 accounts or credit balance in Expenses 4000 accounts). This indicates an error in posting has occurred. For example, a cash receipt may have been incorrectly distributed to an expense account. Correct/Re-Classify by AJE. Refer to #4,e for how to print the General Ledger Report.
- If assistance is needed, please contact Computer Services, 847-8395 or Internal Audit, 847-5572.

c) All Group Income Statement Review:

Performed By/Date_____

- Print/Preview the Income Statement Report:
Click Reports, Chart of Accounts Reports, Accounting Reports, Stmt. of Activity (Income Statement).
Click Next; Next; Next; Layout Options Style Name; "Budget" or "Standard" from the drop-down menu.
Click Next. Under the Selection Information tab, select Group from the Sort Order drop down menu.
Select the appropriate COA Group from the drop-down menu (usually the ALL Group). Set the date range to Current Period. Click Preview, Print, OK, Close.
- Review the Income statement to ensure all Receipt accounts (3000s) have a credit balance; debit balance will have (). Any Receipt accounts with a debit balance must be reviewed and corrected. Typically, ONLY deposits should be recorded to receipts accounts. Post correcting Adjusting Journal Entries as necessary.
- Review the Income Statement to ensure all Expense accounts (4000s) have a debit balance; credit balances will have (). Any Expense accounts with a credit balance must be reviewed and corrected. Typically, ONLY Paid Invoices and Disbursements should be recorded to Expense accounts. Post correcting Adjusting Journal Entries as necessary.
- Review the All Group Report sub totals and the total at the bottom of the report to ensure these are accurate. If the report does not total properly, incorrect total levels exist in the All Group Report. These must be corrected. Contact Computer Services for assistance, 847-8395.

d) **Test Surplus/Deficit:** Performed By/Date_____

The surplus/deficit on the Balance Sheet should equal the surplus/deficit on the Income Statement.
This test ensures all revenue and expense accounts are included in the ALL Group Income Statements.

ALL Group Income Statement: Year to Date Surplus/Deficit _____

Balance Sheet Surplus/Deficit _____

Does the All Group Income Statement Surplus/Deficit agree with Balance Sheet Surplus/Deficit? Yes No

Possible source of discrepancies:

- Missing account(s) on the ALL Group Income Statement. Re-run All Group Integrity Test from step #4, a.
- Duplicate account(s) on the ALL Group Income Statement. Re-run All Group Integrity Test from step #4, a.
- Call Computer Services for assistance as needed, 847-8395.

e) **Print Reports:** Performed By/Date_____

Only after completing the General Ledger Review, The All Group Income Statement Review and the Surplus/Deficit test, generate the PDS Ledger reports for the monthly file (if no changes were made during the month-end review, you may use the reports printed in 4b and 4c):

- Print the General Ledger Report:
Click Reports, Chart of Account Reports, Accounting Reports, General Ledger Report.
Click Next; Next; Next; Next; Under Sortation: Sort Order should be Number. Set the Date Range to Current Period. Click Preview, Print, OK and Close. File in Monthly Folder.
- Print the All Group Income Statement Report:
Click Reports, Chart of Accounts Reports, Accounting Reports, Stmt. of Activity (Income Statement).
Click Next; Next; Next; Layout Options Style Name; "Budget" or "Standard" from the drop-down menu.
Click Next. Under the Selection Information tab, select Group from the Sort Order drop down menu.
Select the appropriate COA Group from the drop-down menu (usually the ALL Group). Set the date range to Current Period. Click Preview, Print, OK, Close. File in Monthly Folder.
- Print Receipt Transaction Report:
Click Reports at the top. Click All Reports, Cash Receipts Reports, Listing Reports, Receipt Transaction Report. Click Next; Next; Next; Next until you get to the Select Receipts page. Sortation/Sort Order should be set to Date. Set Date Range to Current Period. Click Preview, Print, OK and Close. File in Monthly Folder.
- Print the Journal Entry Batch Report:
Click Reports at the top. Click All Reports. Scroll down to Adjusting Journal Entry Reports. Click Listing Reports, Adjusting Journal Entry Batch Report. Click Next; Next; Next; Next; until you get to the Select Journal Entries page. Sortation/Sort Order should be set to Date and Date Range to Current Period. Click Preview, Print, OK and Close. File in Monthly Folder.

5. **Check Utilization Log & Check Register Review and Report:**

This step is to ensure all checks have been accounted for and recorded in PDS Ledger.

Print/Preview the Check Register Report: Performed By/Date_____

- Click Reports at the top. Click All Reports, General Transaction Reports, Listing Reports, Check Register Report. Click Next; Next; Next; Next; until you get to the Select Transactions page. Under Sortation: Sort Order should be set to Date & Date Range should be set to Current Period. Click Preview, Print, OK and Close.

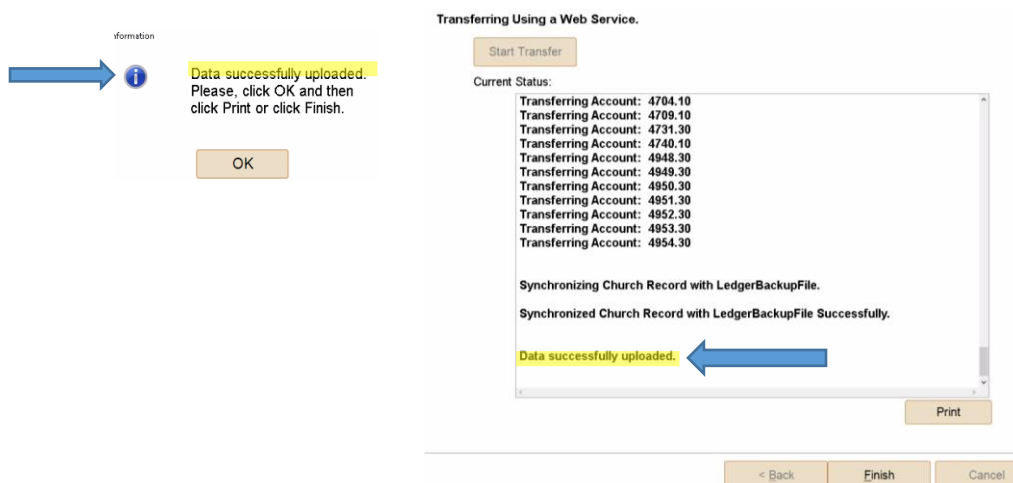
- Review the Check Register Report in PDS Ledger: pay close attention to the check numbers. Look for duplicate or missing check numbers. Correct check number errors and gaps by adding voided checks. **Voided checks must be recorded in PDS Ledger;** even checks voided during the check printing process.
- Confirm actual check numbers using digital images from the bank.
- Ensure all checks have been recorded in the Check Utilization Log. Follow up by locating the missing checks or updating the log.
- All voided check stock should be attached to the applicable bank statement.

After all corrections have been made to the PDS Ledger check register: Print the Check Register Report (directions above) and file in the monthly folder.

6. Synchronize Data with Diocese

Performed By/Date _____

- Click File, Data Synchronization, Synchronize with Diocese, click next. Verify “Include a Fresh Data Backup” and “include Alt. Account in name” check boxes are marked. Click Next. Click Start Transfer.
- Ensure message is received: “Data Successfully uploaded” Call Computer Services for assistance as needed, 847-8395.



7. Close the Period:

Performed By/Date _____

If you are closing the **fiscal year** skip this step and perform the Fiscal Year End Procedure.

- Click Transactions, End of Period, Close Month for Ledger. Click “Yes” to back up your data.
IMPORTANT: You should back up your data to a flash drive or CD and label it **PDS Ledger Month End Backup for month/year**. When the backup is complete, click Print, Ok and Close.

DO NOT CLOSE A MONTH OR FISCAL YEAR IF YOUR BALANCE SHEET HAS AN “OUT OF BALANCE WARNING” Call Computer Services 847-8395

- A popup window will appear asking you if you want to continue with the Close Month process. Click “Yes” if all the above steps have been completed. This will advance ledger to the next month.

8. Distribution and Filing:

Performed By/Date _____

- Make copies of all month end reports and distribute them to the Pastor.
- Place all reports generated & this completed checklist into the appropriate month end folder.
- All Cash Receipt & Adjusting Journal Entry Batch rpts. should be attached to supporting documentation.
- All Cash Receipt, Invoice, Paid Invoice, Money Transfer and Adjusting Journal Entry batch reports should be filed in batch number order by month.
- All paid bills should be filed alphabetically by payee, in separate paid bill files.

Retention: Checklist and all Reports Must be retained for 7 years, in monthly folder.

Section 5 – Fiscal Year-End Processing

A. Introduction

Written instructions are being developed by Computer Services

B. Fiscal Year-End Close Checklist

Computer Services is Currently Reviewing this Section for Possible Changes

Before you actually close the fiscal year you should print year end reports and verify the information. After the fiscal year is closed it is "locked" from further activity. Attempting to correct activity will result in the transaction being automatically reversed in the current account period.

Ledger-Payables retains detail transactions for seven fiscal years and this information is available for inquiry and reports. However, keep in mind, that if you have recently upgraded from the DOS version 2.4 detailed transactions from past fiscal years will NOT be available, only month end balances.

1. It is recommended that you perform a backup to a CD, DVD, tape or other removable media (step 7c). Do not use your normal weekly backup media for this process. You may use a flash drive, but the drive MUST be archived for permanent retention.
2. Perform the steps outlined in the Month-End Close Checklist for the month of August then return to this checklist.
3. Review the month-end reports and make any final adjustments; if necessary, reprint the month-end reports
4. Optional: If you have setup and intend to use the end of year group lists (PAREOY, SCHEOY, CEMEYOY) print these now and verify the results before continuing. Please see – End of Year Group List document for detailed instructions.
5. Print a General Ledger Report for the entire fiscal year:
 - a. Click: Transactions, Accounting Overview, Reports, Chart of Accounts Reports, Accounting Reports, General Ledger Report
 - b. Click: Next, Next, Next, change Date Range to the current fiscal year, click: Preview, Print, OK, Close
6. Print a Vendor Activity Report for the entire fiscal year:
 - a. Click: Transactions, Accounting Overview, Reports, Paid Invoice Reports, Listing Reports, Paid Invoice Report
 - b. Click: Next, Next, Next, change the Sort Order to Vendor Name, change Date Range to the current fiscal year, click: Preview, Print, OK, Close
7. Close the Fiscal Year:
 - a. Click Transactions, End of Period tab, click Close Period
 - b. Click Close Fiscal Year for Ledger
 - c. The program will prompt you to back up the data. Click Yes to perform a backup. Label the backup with the proper fiscal year you are closing, e.g., Fiscal Year Close 9/2010 - 8/2011; this backup must be retained permanently so place it in a secure area
 - d. The program will prompt you to confirm the closing of the fiscal year and advance to the next year, click Yes, Ok
8. Place all reports and this checklist in the year end folder

Section 6 – Calendar Year-End Processing (1099s)

A. Introduction

Written instructions are being developed by Computer Services

B. Explanation of 1099s

Written instructions are being developed by Computer Services

C. Calendar Year-End Close Procedure

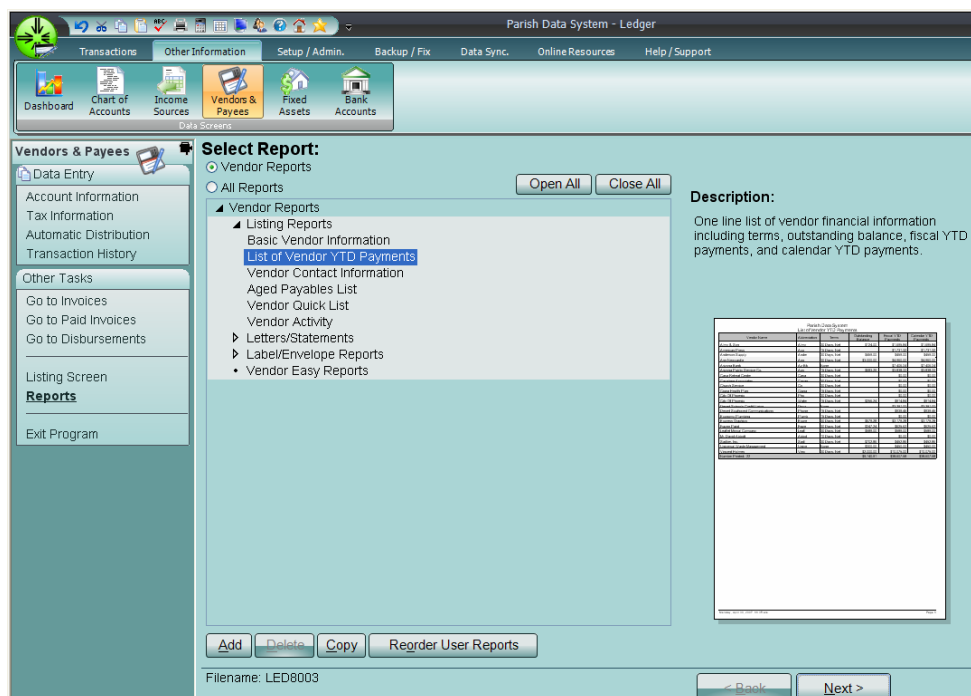
Important Notes

- **Obtain vendor calendar YTD totals BEFORE closing the month of December.** This is very important because version 3 deletes the calendar YTD totals automatically when December is closed. You may continue to post activity to the month of January, including printing checks. When you close December, the software will automatically update the vendor calendar totals for any checks written in January.

How to Print a List of Vendor with \$600 or more in the Calendar Year

- Print of list of vendors with \$600 or more in the Calendar year and determine which vendors must receive a 1099.

1. Click: ***Other Information, Vendors & Payees, Reports, Vendor Reports, Listing Reports, List of Vendor YTD Payments***



2. Click: Next, Next, Next, Next, Additional Selections tab, Click here to add new condition

Parish Data System - Ledger

Transactions Other Information Setup / Admin. Backup / Fix Data Sync. Online Resources Help / Support

Dashboard Chart of Accounts Income Sources Vendors & Payees Fixed Assets Bank Accounts

Vendors & Payees

Reports

Return to Vendors & Payees
Select a Different Report

Overview
Select Printer
Listing Layout
Select Vendors

Preview Report
Print the Report
Cancel the Report

Exit Program

Select Vendors:

List of Selections:

- Simple Selection - Never Saved

Selection Information Vendor Selections **Additional Selections**

Choose records where All of the conditions in the following sub-section are true
[Click here to add new condition](#)

Save Add Delete
Clear Copy Reorder
Export Sel. to a File
Import Sel. from a File

Clear Additional Selections ☐ Exclude rather than include the selected records.

Preview Report Print Report Back to Overview < Back Preview Cancel

Parish Data System - Ledger

Transactions Other Information Setup / Admin. Backup / Fix Data Sync. Online Resources Help / Support

Dashboard Chart of Accounts Income Sources Vendors & Payees Fixed Assets Bank Accounts

Vendors & Payees

Reports

Return to Vendors & Payees
Select a Different Report

Overview
Select Printer
Listing Layout
Select Vendors

Preview Report
Print the Report
Cancel the Report

Exit Program

Select Vendors:

List of Selections:

- Simple Selection - Never Saved

Selection Information Vendor Selections **Additional Selections**

Choose records where All of the conditions in the following sub-section are true

1 Ven Totals Calendar YTD is equal to

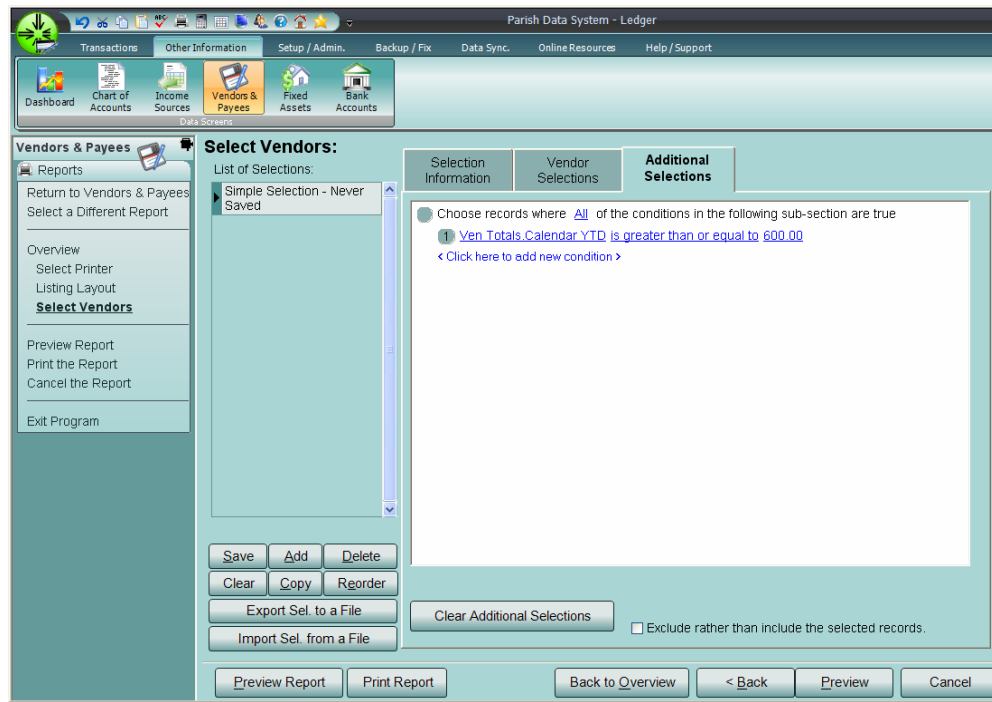
- Ven
- Ven Address
- Ven Phone
- Ven Totals
- Balance
- Calendar YTD**
- Fiscal YTD
- Last Amount
- Last Date
- Last Reference
- Next Amount
- Next Date
- Next Reference
- Aged
- Ven Dist

Save Add Delete
Clear Copy Reorder
Export Sel. to a File
Import Sel. from a File

Clear Additional Selections ☐ Exclude rather than include the selected records.

Preview Report Print Report Back to Overview < Back Preview Cancel

3. Select the Ven Totals Calendar YTD field from the list of fields
4. Select Greater Than or Equal To
5. Key 600.00



6. Preview, Print, Ok, Close

7. Examine the report and determine which vendors are to receive 1099s. In addition, mark the appropriate vendors as 1099 = Yes on the Vendor Detail/Tax Info screen.

For those parishes that converted from version 2.4 in the 2004 calendar year, check the Voided Check Log for checks voided using a journal entry and adjust the vendor calendar totals appropriately.

Parish Data System - Ledger

Transactions Other Information Setup / Admin. Backup / Fix Data Sync. Online Resources Help / Support

Dashboard Chart of Accounts Income Sources Vendors & Payees Fixed Assets Bank Accounts

Search Order by: Name Navigation Save Add Vendor Cancel Delete Vendor Tasks

Vendors & Payees:

Vendor Name: Joe's Snow Plowing ☐ Inactive

Abbreviation: Joes ID Number:

Tax Information:

Date a W-9 was Sent:

Vendor has W-9 on File: ☐

Taxpayer ID Number (TIN): 123-45-6789

Vendor Receives a 1099: ☒

Type of Organization:

☐ Corporation

☐ Individual/Sole Proprietor

Name of the Individual:

☐ Tax Exempt Organization

☐ Government Agency

☐ Partnership

☐ Other (Specify):

Vendors & Payees

Data Entry

Account Information

Tax Information

Automatic Distribution

Transaction History

Other Tasks

Go to Invoices

Go to Paid Invoices

Go to Disbursements

Listing Screen Reports

Exit Program

8. Use this list to prepare the 1099s. Although Ledger-Payables can print the 1099s it is not recommended for the following reason:
 - A. Most parishes have just a few 1099 vendors
 - B. Laser printers cannot print carbon copies (a minimum of four copies are required)
9. After you have prepared the 1099s you may close the month of December.

~~Section 7 — PDS DioView~~

This section has been removed from this manual

Section 8 – Annual Report Worksheet

Written instructions are being developed by Computer Services

Section 9 – Chart of Accounts

A. Introduction

Written instructions are being developed by Computer Services

B. Chart of Accounts Classifications

<u>Account Range</u>	<u>General Classification</u>
1000	Assets
2000	Liabilities & Equity
3000	Receipts:
3000	Regular Receipts
3100 & 3200	Auxiliary Receipts
3300	Extraordinary Receipts
3400 -3600	Other School Related Receipts
3700-3800	Reserved for future use
3900-3949	Special Collections
3950-3999	Cemetery
4000	Expenditures:
4000	Salaries & Payroll Costs
4100	Supplies
4200	Printing
4300	Utilities
	Other Operating Expenses (including other school
4400 & 4500	related)
4600	Reserved for future use
4700	Capital Expenditures
4800	Reserved for future use
4900-4949	Special Collections

C. Chart of Account Instructions

Classification: Reference point for user to identify the financial statement and category.

Acct Range: The range of account numbers available for the specified classification.

PDS Account Number: Account numbers assigned by Diocese of Buffalo for a specific purpose within the classification. Additional accounts may be opened by the parish to record additional detail at a parish level, however the account number must fall within the *Acct Range* and the purpose of the account must be consistent with the *Classification*.

Departments: The departments within a parish in which the stated accounts should be opened. Accounts only need to be opened if such a department exists at the parish (e.g. school, cemetery).

- .10 Parish
- .20 School
- .30 Cemetery
- .40 Religious Education
- .50 Cafeteria

Account Name: The name of the PDS account. The account name should be an accurate description of the activity in the account.

(.10) Parish Alt #: This column contains the number corresponding to the account number on the *Diocese of Buffalo Parish Financial Report*. This information is required to be entered into PDS in the *Alt. Number* field in order for the *Annual Parish Financial Worksheet* to be generated to aid in the preparation of the *Diocese of Buffalo Parish Financial Report*.

(.40) Rel Ed Alt #: This column contains the number corresponding to the account number on the *Diocese of Buffalo Parish Financial Report*. This information is required to be entered into PDS in the *Alt. Number* field in order for the *Annual Parish Financial Worksheet* to be generated to aid in the preparation of the *Diocese of Buffalo Parish Financial Report*. Currently all religious education related receipts are recorded in Section IV - account 240 and expenditures are recorded in Section XII - account 387.9 of the *Diocese of Buffalo Parish Financial Report*.

(.30) Cemetery Alt #: This column contains the number corresponding to the account number on the *Diocese of Buffalo Parish Financial Report*. **This information is required to be entered into PDS only if your parish operates a cemetery.** Information should be entered in the *Alt. Number* field in order for the *Annual Parish Financial Worksheet* to be generated to aid in the preparation of the *Diocese of Buffalo Parish Financial Report*. The cemetery report is located on page 4 of the *Diocese of Buffalo Parish Financial Report*.

(.20) School Alt #: This column contains the number corresponding to the account number on the *Diocese of Buffalo Elementary School Financial Report*. **This information is required to be entered into PDS only if your parish operates a school.** Information should be entered in the *Alt. Number* field in order for the *Annual Parish Financial Worksheet* to be generated to aid in the preparation of the *Diocese of Buffalo Elementary School Financial Report*.

(.50) Cafeteria Alt #: This column contains the number corresponding to the account number on the *Diocese of Buffalo Elementary School Financial Report*. **This information is required to be entered into PDS only if your parish operates a school.** Information should be entered in the *Alt. Number* field in order for the *Annual Parish Financial Worksheet* to be generated to aid in the preparation of the *Diocese of Buffalo Elementary School Financial Report*.

D. Chart of Accounts with Descriptions

Diocese of Buffalo
Standard Chart of Accounts

PDS Account				(.10)	(.40)	(.30)	(.20)	(.50)	
<u>Acct Range</u>	<u>Number</u>	<u>Departments</u>	<u>Account Name</u>	<u>Parish</u>	<u>Rel. Ed</u>	<u>Cemetery</u>	<u>School</u>	<u>Cafeteria</u>	<u>Account Description</u>
<u>Alt #</u>				<u>Alt #</u>	<u>Alt #</u>	<u>Alt #</u>	<u>Alt #</u>	<u>Alt #</u>	
<u>ASSETS:</u>									
All bank accounts and investments should have a separate general ledger account with the institution's name and account number in the title.									
Checking Accounts									
1000-1019									
	1000	all	Operating Account	101	101	130 (Op) 134 (PM)	101	101	Checking accounts maintained by the parish, school and cemetery including operating account, payroll, etc.
		.20, .50	-regional school				121	121	
Petty Cash									
1020-1029									
	1020	all	Petty Cash	101	101	130 (Op) 134 (PM)	101	101	Cash maintained in the office for small and/or incidental purchases. The fund should be maintained on an imprest basis (receipts for paid items and remaining cash equal a predetermined amount such as \$250) and replenished at least monthly.
		.20, .50	-regional school				121	121	
Savings Accounts									
1030-1049									
	1030	all	Investments - Savings	102	102	131 (Op) 135 (PM)	102	102	Savings accounts maintained by the parish, school and cemetery. These funds are generally not needed on a day to day basis and accounts currently pay a very low rate of interest.
		.20, .50	-regional school				122	122	
CD's									
1050-1069									
	1050	all	Investments - CD	102	102	131 (Op) 135 (PM)	102	102	Certificates of Deposit held by the parish, school and cemetery. CD's are bank instruments that evidence the deposit of funds for a particular period of time (generally 3 months or more) and pay a higher rate of interest than savings or money market accounts.
		.20, .50	-regional school				122	122	
Money Market Accounts									
1070-1089									
	1070	all	Investments - Money Market	102	102	131 (Op) 135 (PM)	102	102	Money Market accounts held by the parish, school and cemetery. These accounts are designated to hold funds that are not needed on a day to day basis, pay interest and allow transfer to and from with relative ease.
		.20, .50	-regional school				122	122	
SJIF Short Term Investments									
1100-1119									
	1100	all	SJIF Short Term Investment	103	103	132 (Op) 136 (PM)	103	103	Short-term accounts maintained in the St. Joseph Investment Fund. These funds earn interest and are not subject to market fluctuations.
		.20, .50	-regional school				123	123	

Diocese of Buffalo
Standard Chart of Accounts

PDS Account				(.10)	(.40)	(.30)	(.20)	(.50)	Account Description	
Acct Range	Number	Departments	Account Name	Parish Alt #	Rel. Ed Alt #	Cemetery Alt #	School Alt #	Cafeteria Alt #		
Other Short Term Investments										
1120-1139										
	1120	all	Other Short Term Securities	105	105	133 (Op) 137 (PM)	105	105	Short-term accounts maintained in securities other than the St. Joseph Investment Fund. These securities earn interest and are not subject to market fluctuations.	
		.20, .50	-regional school				126	126		
SJIF Long Term Investments										
1140-1159										
	1140	all	SJIF Long Term Investment	103	103	132 (Op) 136 (PM)	103	103	Long-term accounts maintained in the St. Joseph Investment Fund. These funds earn interest and are subject to market fluctuations which should be recorded in acct. #3140 <i>Gain (Loss) on Investments</i> . These funds should be recorded at the purchase price and adjusted to market value at year-end.	
		.20, .50	-regional school				123	123		
Other Long Term Investments										
1160-1179										
	1160	all	Other Long Term Securities	105	105	133 (Op) 137 (PM)	105	105	Long-term investments in securities such as stocks, bonds or other securities. These funds earn interest and dividends and are subject to market fluctuations which should be recorded in acct #3140 <i>Gain (Loss) on Investments</i> . These funds should be recorded at the purchase price and adjusted to market value at year-end.	
		.20, .50	-regional school				126	126		
Other Securities and US Gov't Obligations										
1180-1199										
	1180	all	US Gov't Obligations	105	105	133 (Op) 137 (PM)	105	105	Investments in instruments issued by government institutions such as municipal bonds, savings bonds, etc. These investments are generally long-term in nature.	
		.20, .50	-regional school				126	126		
Loans Receivable										
All loans receivable should have the borrower's name and account number in the general ledger title.										
1200-1209										
	1200	.10	Due From Cemetery to Parish	106					The outstanding principal portion of funds lent to a parish cemetery to aid in the operation of the cemetery. A corresponding liability should be recorded by the cemetery.	
	1201	.30	Due from Parish to Cemetery			133			The outstanding principal portion of funds lent to a parish by a parish cemetery. A corresponding liability should be recorded by the parish.	
	1202	.10	Due From Another Parish	106					The outstanding principal portion of funds lent to another parish to aid in the operation of the parish. A corresponding	

Diocese of Buffalo
Standard Chart of Accounts

PDS Account				(.10)	(.40)	(.30)	(.20)	(.50)	Account Description
Acct Range	Number	Departments	Account Name	Parish Alt #	Rel. Ed Alt #	Cemetery Alt #	School Alt #	Cafeteria Alt #	
				liability should be recorded by the other parish.					
Shared Services - Due from Parish/Families									
1210-1279									
	1210	.10	Due from _____Parish -Shared Services	140					Due from Parish for Shared Services within Family of Parishes
									One account should be established each parish within the family. This account represent a parish within the family and the amt due. Used by Family hub only.
	1250	.10	Due from _____ Family -Shared Services	141					One accounts should be established for each Family in the vicariate who is invoiced for vicariate or Vicar Forane Expenses. Used by Vicariate h
Other Assets									
1280-1299									
	1280	all	Other Assets -regional school	105	105	133	105 126	105 126	Transactions should generally be recorded on a cash basis. The amount paid for items such as SCRIP (gift cards) or large prepaid items recorded using the accrual method of accounting.
<u>LIABILITIES:</u>									
<u>Short-term Liabilities</u>									
Employee Withholdings (Not required if a payroll service remits on behalf of the parish)									
2010-2029									
	2010		Federal Taxes Withheld -regional school	173				185	Federal income taxes withheld from employees' paychecks to be remitted to the government on behalf of the employees.
	2011		Social Security Withheld -regional school	173				185	Social Security taxes withheld from employees' paychecks to be remitted to the government on behalf of the employees.
	2012		N.Y.S. Taxes Withheld -regional school	173				185	New York State income taxes withheld from employees' paychecks to be remitted to the government on behalf of the employees.
	2013		Medicare Withheld -regional school	173				185	Medicare taxes withheld from employees' paychecks to be remitted to the government on behalf of the employees.
	2014		Wage Garnishment -regional school	173				185	Wages withheld from employees' paychecks to be remitted to a third party.
	2015		Union Dues -regional school				173 185		Union dues withheld from employees' paychecks to be remitted to unions on behalf of the employee.
Voluntary Deductions - Employees									
2030-2049									

Diocese of Buffalo
Standard Chart of Accounts

<u>Acct Range</u>	<u>PDS Account Number</u>	<u>Departments</u>	<u>Account Name</u>	<u>(.10) Parish Alt #</u>	<u>(.40) Rel. Ed Alt #</u>	<u>(.30) Cemetery Alt #</u>	<u>(.20) School Alt #</u>	<u>(.50) Cafeteria Alt #</u>	<u>Account Description</u>
	2030		Health Insurance Contributions -regional school	173			185		Employee portion of health insurance costs withheld from the employees' paychecks to be remitted to the insurance company on behalf of the employee.
	2031		Pre-tax Medical -regional school	173			185		Pre-tax funds withheld from the employees' paychecks for the payment of qualifying medical expenses.
	2032		403 (b) -regional school	173			185		Pre-tax funds withheld from the employees' paychecks and remitted to various investment companies on behalf of the employees for 403(b) contributions.
	2033		Long-Term Disability Contributions -regional school	173			185		Funds withheld from the employees' paychecks and remitted to various insurance companies on behalf of the employees for long-term disability insurance.
	2034		Employee Catholic Charities Contrib. -regional school	173			185		Funds withheld from the employees' paychecks and remitted to Catholic Charities on behalf of the employees for donations to Catholic Charities.
Deferred Tuition & Fees 2100-2119									
	2100	.20, .40 .20	Deferred Tuition & Fees -regional school		186		186 186.1		Tuition and various fees collected in advance for the subsequent school year. These funds are recorded as tuition and fee income in September as the school year begins.
<u>Long-Term Liabilities</u> Funds Held in Trust 2210-2219									
	2210	.10, .20	Funds Held in Trust -regional school	177			186 185		Funds held by the parish and / or school on behalf of others. These funds cannot be used to fund the operations of the parish and / or school and will be remitted on behalf of the organization or individual for whom they are being held.
	2215	.20 .20	Other School Liabilities -regional school				186.2 185		Funds held by the school on behalf of others. These funds cannot be used to fund the operations of the school and will be remitted on behalf of the organization or individual for whom they are being held.
Notes/Mortgages Payable									All notes and mortgages payable should have the lender's name and account number in the general ledger title.

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<u>Acct Range</u>	<u>PDS Account Number</u>	<u>Departments</u>	<u>Account Name</u>	<u>(.10) Parish Alt #</u>	<u>(.40) Rel. Ed Alt #</u>	<u>(.30) Cemetery Alt #</u>	<u>(.20) School Alt #</u>	<u>(.50) Cafeteria Alt #</u>	<u>Account Description</u>
2230-2249									
	2230		Due To Parish Cemetery	157					The outstanding principal portion of funds borrowed from a parish cemetery to aid in the operation of the parish. A corresponding asset should be recorded by the cemetery.
	2231		Due to the Parish from Cemetery			133			The outstanding principal portion of funds borrowed from a parish to aid in the operation of the parish cemetery. A corresponding asset should be recorded by the parish.
	2232		Due To Another Parish	165					The outstanding principal portion of funds borrowed from another parish to aid in the operation of the parish. A corresponding asset should be recorded by the other parish.
	2233		Mortgage Payable -regional school	169			185		The outstanding principal portion of debt incurred by the parish and / or school with a third party as represented by a formal mortgage. The agreement should indicate the amount borrowed, repayment terms and interest rate.
	2234		Note Payable -regional school	169			185		The outstanding principal portion of debt incurred by the parish and / or school with a third party as represented by a formal note. The agreement should indicate the amount borrowed, repayment terms and interest rate.
	2235		Parishioner Loans	169			185		The outstanding principal portion of debt incurred by the parish and / or school with a parishioner as represented by a formal note. The agreement should indicate the amount borrowed, repayment terms and interest rate.
	2236		Line of Credit -regional school	169			185		The outstanding principal portion of line of credit maintained by the parish and / or school with a third party as represented by a formal note. The agreement should indicate the line of credit limit, repayment terms and interest rate.
	2240		SBA PPP Note Payable -regional school	181			187		Funding Provided by Federal Government for Small Business during the spring 2020 pandemic. This acct represents the total amount received. The balance should be brought to \$0 when the loan was "forgiven" or "waived". As of the End of the Fiscal year 2022 this balance should be \$0.
Special Collections National & Diocesan 2300-2349									

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PDS Account			(.10)	(.40)	(.30)	(.20)	(.50)			
Acct	Range	Number	Departments	Account Name	Parish	Rel. Ed	Cemetery	School	Cafeteria	Account Description
					Alt #	Alt #	Alt #	Alt #	Alt #	
		2300		Peter's Pence / Holy Father	180					Funds collected and remitted for the Peter's Pence / Holy Father special collection.
		2301		World Mission Sunday	180					Funds collected and remitted for the World Mission Sunday special collection.
		2302		Catholic University	180					Funds collected and remitted for the Catholic University special collection.
		2303		Campaign for Human Development	180					Funds collected and remitted for the Campaign for Human Development special collection.
		2304		Religious Retirement Appeal	180					Funds collected and remitted for the Religious Retirement Appeal special collection.
		2305		Catholic Relief Services	180					Funds collected and remitted for the Catholic Relief Services special collection.
		2306		Central & Eastern Europe, Poland	180					Funds collected and remitted for the combined Church in Central and Eastern Europe and Catholic League for Religious Assistance to Poland special collection.
		2307		Black / Native American Missions	180					Funds collected and remitted for the Black / Native American Missions special collection.
		2308		Holy Land	180					Funds collected and remitted for the Holy Land special collection.
		2309		Catholic Home Mission Appeal	180					Funds collected and remitted for the Catholic Home Mission Appeal special collection.
		2310		Church in Latin America & Africa	180					Funds collected and remitted for the combined Church in Latin America and Church in Africa special collection.
		2311		Catholic Communication Campaign	180					Funds collected and remitted for the Catholic Communication Campaign special collection.
		2312		Mission Cooperative Plan	180					Funds collected and remitted for the Mission Cooperative Plan special collection.
		2313		Formation (formerly CTK Seminary)	180					Funds collected and remitted for the Christ the King Seminary special collection.

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<u>Acct Range</u>	<u>PDS Account Number</u>	<u>Departments</u>	<u>Account Name</u>	<u>(.10) Parish Alt #</u>	<u>(.40) Rel. Ed Alt #</u>	<u>(.30) Cemetery Alt #</u>	<u>(.20) School Alt #</u>	<u>(.50) Cafeteria Alt #</u>	<u>Account Description</u>
Parish 2350-2399	2315		Diocesan Priests' Retirement Fund	180					Funds collected and remitted for the Retired Diocesan Priests' Medical Benefits Fund special collection.
	2316		Respect Life Sunday for Moms & Babies	180					Funds collected and remitted for the Respect Life Sunday for Moms & Babies.
	2349		Other Special Collections	180					Funds collected and remitted from other special collections not listed separately.
	2350		Nicaraguan Missions	180					Funds collected and remitted for the Nicaraguan Missions parish special collection.
	2351		Other Special Missions	180					Funds collected and remitted for the Other Special Missions parish special collection.
	2352		St. Vincent de Paul Collection	180					Funds collected and remitted for the St. Vincent de Paul parish special collection.
	2353		Collections for Needy Parish Families	180					Funds collected and remitted for the Collections for Needy Parish Families parish collection.
	2399		Other Parish Special Collections	180					Funds collected and remitted from parish special collections not listed separately.
<u>EQUITY</u> 2900-2909									
	2900		Surplus / (Deficit) DO NOT POST -regional school	999.0			999.3		The current year results of operations. This account feeds automatically from the <i>Statement of Activities</i> . NO MANUAL ENTRIES SHOULD BE MADE TO THIS ACCOUNT.
	2901		Prior Year Fund Balance DO NOT POST -regional school	999.2			999.1		The cumulative results of operations from previous years. This account is automatically adjusted annually at the close of the fiscal year to transfer the results of operations for that year from account #2900 <i>Surplus / (Deficit)</i> to this account. MANUAL ENTRIES SHOULD GENERALLY NOT BE MADE TO THIS ACCOUNT.

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PDS Account				(.10)	(.40)	(.30)	(.20)	(.50)	Account Description
Acct Range	Number	Departments	Account Name	Parish	Rel. Ed	Cemetery	School	Cafeteria	
<u>Alt #</u>				<u>Alt #</u>	<u>Alt #</u>	<u>Alt #</u>	<u>Alt #</u>	<u>Alt #</u>	
RECEIPTS:									
Regular Receipts: (INCLUDED IN ASSESSMENT CALCULATIONS)									
Sunday Collections									
3000-3009									
	3000	.10	Sunday Collections	201					All collections taken up at Masses should be placed in tamper evident bags. All receipts from regular weekly collections taken up at Sunday Masses including envelopes and loose monies, and ALL offertory via check, ach debit, etc. received other than through the weekly collection basket.
Holyday Collections									
3010-3019									
	3010	.10	All Saints	201					All receipts from All Saints collections taken up at Masses including envelopes and loose monies.
	3011	.10	Immaculate Conception	201					All receipts from the Immaculate Conception collections taken up at Masses including envelopes and loose monies.
	3012	.10	Christmas	201					All receipts from the Christmas Day and Eve collections taken up at Masses including envelopes and loose monies.
	3013	.10	Solemnity of Mary	201					All receipts from the Solemnity of Mary collections taken up at Masses including envelopes and loose monies.
	3014	.10	Easter	201					All receipts from the Easter Day and Vigil collections taken up at Masses including envelopes and loose monies.
	3015	.10	Ascension	201					All receipts from the Ascension collection taken up at Masses including envelopes and loose monies.
	3016	.10	Assumption	201					All receipts from the Assumption collection taken up at Masses including envelopes and loose monies.
Monthly Collections									
3020-3029									
	3020	.10	Monthly Collections	206.2					All receipts from regular monthly collections taken up at Masses including envelopes and loose monies.
Other Regular Collections									
3030-3049									
	3030	.10	Fuel Collection	206.2					All receipts from collections taken up at Masses to help pay for the cost of fuel including envelopes and loose monies.

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	3031	.10	Maintenance Collection	206.2					All receipts from collections taken up at Masses to help pay for the cost of maintenance including envelopes and loose monies.
	3032	.10	Pew Rental	206.2					All receipts from collections for pew rental. This collection is taken up at few parishes.
	3033	All	Donations	206.2	240	804	419.6	410.3	Receipts received via contributions to the parish excluding Sunday and Holyday Collections, Special Collections, Approved Capital Campaigns, Memorials and Bequests, Flower, and Outreach.
	3049	.10	Other Regular Collections	206.2					All receipts from collections taken up at Masses for special purposes (other than those listed above or Diocesan special collections) for the general support of the parish including envelopes and loose monies.
3050-3099			Reserved for Future Use						
<u>Auxiliary Receipts:</u>									
Votive Candles									
3100-3109									
	3100	.10	Votive Candles	221					All receipts from votive candles, and Sanctuary lamps/lights. Expenditures for votive candles and Sanctuary lamps/lights should be recorded in acct. #4103 Votive Candles.
Rent									
3110-3119									
	3110	.10	Rent	233					All receipts from the rental of parish property.
Investment Income									
Interest Income									
3120-3129									
	3120	.10, .20, .30, .50	Interest Income	231		806	421.1	410.3	Interest earned on interest bearing accounts such as savings accounts, CD's, money market accounts, short-term St. Joseph Investment Funds, etc. A corresponding entry should be made to the asset account.
Dividend Income									
3130-3139									
	3130	.10, .20, .30	Dividend Income	231		806	421.1		Dividends earned on investments in short and long term securities. A corresponding entry should be made to the asset account.

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<u>Acct Range</u>	<u>PDS Account Number</u>	<u>Departments</u>	<u>Account Name</u>	<u>(.10) Parish Alt #</u>	<u>(.40) Rel. Ed Alt #</u>	<u>(.30) Cemetery Alt #</u>	<u>(.20) School Alt #</u>	<u>(.50) Cafeteria Alt #</u>	<u>Account Description</u>
Gain (Loss) on Investments									
3140-3149									
	3140	.10, .20, .30	Gain (Loss) on Investments	231		806	421.1		Gains and losses due to market fluctuations on long term securities including long-term St. Joseph Investment Fund. A corresponding entry should be made to the asset account.
Perpetual Care Fund									
3150-3159									
	3150	.30	Income Perpetual Care Fund			805			Interest, dividends, gains or losses earned on funds invested for the perpetual care of a parish cemetery. A corresponding entry should be made to the asset account.
Fundraising Income									
3160-3189									
	3160	.10, .20,.40	Dinners	228	240		419.5		Receipts from fundraising dinners. Expenditures should be recorded in acct. #4480 <i>Dinners</i> .
	3161	.10, .20,.40	Lawn Fetes	228	240		419.5		Receipts from lawn fetes. Expenditures should be recorded in acct. #4481 <i>Lawn Fetes</i> .
	3162	.10, .20,.40	Bazaars	228	240		419.5		Receipts from fundraising bazaars. Expenditures should be recorded in acct. #4482 <i>Bazaars</i> .
	3163	.10, .20	Bingo Kitchen	228			419.5		Receipts from sales of food and beverages at bingo. Expenditures should be recorded in acct. #4483 <i>Bingo Kitchen</i> .
	3189	.10, .20,.40	Other Fundraisers & Activities	228	240		419.5		Receipts from fundraisers & Activities other than those listed separately. Expenditures should be recorded in acct. #4489 <i>Other Fundraisers and Activities</i> .
Bingo & Bell Jar									
3190-3199									
	3190	.10, .20	Bingo	227			418.2		Receipts generated from bingo operations. A separate bingo bank account should be maintained and appropriate reports filed with New York State and the municipality. Expenditures should be recorded in acct. #4490 <i>Bingo</i> .
	3195	.10, .20	Bell Jar	227.2			418.5		Receipts generated from bell jar operations. A separate bell jar bank account should be maintained and appropriate reports filed with New York State. Expenditures should be recorded in

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									acct. #4495 <i>Bell Jar</i> .
Organizations & Societies									
3200-3219									
	3200	.10,.20,.40	Organizations & Societies	222.2	240		419.4		Receipts received from an organization or society not listed separately such as Altar & Rosary, Holy Name, etc.
	3201	.20	Home School Association				419.4		Receipts received from the Home School Association to help fund the operations of the school.
	3202	.40	Youth Ministry		240				Receipts received from Youth Group or any other youth ministry related organizations.
Donations for Use of Property									
3220-3229									
	3220	.10, .20	Donations For Use of Property	234			419.1		Contributions received in exchange for use of the property.
Raffles									
3230-3239									
	3230	.10, .20	Raffles	228.1			418.3		Receipts received for raffles and games of chance. New York State Charitable Gaming requires a separate bank account for games of chance which includes raffles, bell jar and games of chance (including Vegas nights, etc.). The appropriate reports must be filed with New York State and the municipality. Expenditures should be recorded in acct. #4500 <i>Raffles</i> .
<u>Other Auxiliary</u>									
Pamphlets									
3240-3249									
	3240	.10	Pamphlets	206.3					Receipts received from the pamphlet rack.
Flowers									
3250-3259									
	3250	.10	Christmas Flowers	206.3					Donations received for Christmas flowers.
	3251	.10	Easter Flowers	206.3					Donations received for Easter flowers.
Perquisites									
3260-3269									
	3260	.10	Funeral Perquisites	206.3					Fees received for funerals. Also called Stole Fees.

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	3261	.10	Wedding Perquisites	206.3					Fees received for weddings. Also called Stole Fees.
Reimbursements 3270-3279									
	3270	all	Reimbursements	206.3	240	810	419.3	410.3	Reimbursements of expenditures made on behalf of others.
	3271	all	Reimb-403b unvested EE	206.3	240	810	419.3	410.3	Reimbursement from Valic for ER Pension contributions returned as a credit in the Who's Where Invoice
Other Auxiliary 3280-3299									
	3280	.10, .20, .40	Social Events	206.3	240		419.9		Receipts related to non-fundraising social events such as dinners, picnics, etc.
	3299	.10, .20	Other Auxiliary Receipts	206.3			419.3		Any auxiliary receipts not listed separately.
<u>Extraordinary Receipts:</u> Special Drives 3300-3309									
	3300	.10,.20	Special Drives	204			419.5		Revenues generated as a result of special limited time appeals or campaigns for a specific purpose. Supported by copies of info/ask to parishioners, bulletin announcement etc. (i.e. building renovation, debt reduction, etc.).
	3301	.10	Approved Capital Campaigns	204.1					Revenues generated as a result of an appeal. Typically multi-year, involving pledge cards, large Project (ie new building, extensive renovation). The project and the capital campaign has received Approval from the Bishop.
Bequests & Memorials 3310-3319									
	3310	.10,.20,.30,.40	Bequests	205	240	804	419.6		Receipts received via Will or Estate distribution & supported by a signed legal document such as a will or letter from an attorney. Maintain copies of documents & provide on request to DOB Finance.
	3311	.10,.20,.30,.40	Memorials	205	240	804	419.6		Receipts received as a memorial to a deceased individual and supported by a card, letter or check from the donor. Usually after a recent death, ("donation in Lieu of Flowers") or in conjunction with a Special Drive or Approved Capital Campaign. Documentation of the memorial must be retained and provided

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									on request to DOB Finance department
Insurance									
3320-3329									
	3320	.10, .20,.30	Insurance Refunds	239.4		810	419.9		Refunds of insurance premiums.
	3321	.10, .20,.30	Insurance Claims	239.4		810	419.9		Receipts from insurance for payment of any losses incurred.
Grants									
3330-3339									
	3330	all	Grants	239.2	240	804	417	410.3	Receipt of grant funds from various governmental or charitable organizations.
Merged Parish									
3340-3349									
	3340	.10	Merged Parish Income	239.5					Funds generated as a result of a merger of parishes including the transfer of assets to the new parish and proceeds from the sale of buildings and assets of merged parishes.
Other Extraordinary									
3350-3379									
	3350	.10, .20	Scholarship Fund	205			419.2		Funds donated specifically for the purpose of funding of scholarships.
	3351	.20, .40	Catholic Charities		240		419.9		Funds collected for the Catholic Charities drive. The disbursement of these funds to Catholic Charities should be recorded in acct. #4470 <i>Catholic Charities & Other Contributions</i> .
	3352	.20, .40	Catholic Education Collection		240		419.3		Receipts from the Catholic Education collection. Record in .20 if the parish has a parish school or .40 if there is no parish school.
	3360	.10, .20, .30, .40	SBA PPP Receipt	204.2	240	812	427		Receipts from the Small Business Association Paycheck Protection Plan and EDIL Advances Starting spring 2020
	3365	.10, .20, .30, .40	Employee Retention Credits	204.3	240	813	428		Used to record the Federal payroll tax credit, including credit received each pay period and refund of over paid taxes from IRS.
	3366	.10, .20, .30, .40	FF FMLA, PSL and UI Refunds	204.3	240	813	428		Used to record the Federal payroll credit for wages and taxes for Paid Sick Leave & Family Medical Leave Act, paid under Families First for COVID-19 related illness and time off. Additionally includes receipts for the NYS unemployment insurance refunds.

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	3379	.10,.20,.30	Other Extraordinary Receipts	239.2		810	419.9		Any extraordinary receipts not listed separately.
3380-3399			Reserved for Future Use						
<u>Other School Accounts:</u>									
<u>Tuition</u>									
3400-3449									
	3400	.20, .40	Tuition (Parishioner)		240		401		Tuition receipts for grades K - 8 from active members of a parish including parishioners of a parish with a school or parishioners of a parish without a school.
	3401	.20, .40	Tuition (Non-Parishioner)		240		402		Tuition receipts for grades K - 8 from non-active members of a parish or non-Catholics.
	3402	.10, .20	Tuition (Pre-K)	206.5			401.1		Tuition receipts from the pre-school program.
	3403	.20	Tuition (Montessori)				401.3		Tuition receipts from the Montessori program.
<u>Tuition Assistance</u>									
3450-3479									
	3450	.20	BISON Fund				401		Tuition assistance given to families with demonstrated financial need from the BISON Fund.
	3451	.20	Parish Tuition Assistance Fund				401		Tuition assistance given to families with demonstrated financial need from a fund established and administered by the parish.
	3452	.20	Outside Tuition Assistance				401		Tuition assistance given to families with demonstrated financial need from funds other than those listed separately.
<u>Subsidy</u>									
3480-3499									
	3480	.20	Parish Subsidy				403		Funds received from the parish to aid in the operation of the parish school. The subsidy amount represents the difference between the school receipts and expenditures and should equal the amount recorded on the parish general ledger in acct. #4410 <i>Subsidy to Elementary School</i> . Entries to this account should not be made until the school general ledger is finalized for year-end (8-31).
	3481	.20	Direct Support from Parishes				403.1		Funds received directly to School from other parishes, in lieu of CTGP

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									in lieu of CTGP. Funds provided to assist the school, and to allow parishioner rate tuition charges
	3482	.20	Universal Pre-K				419		Government funds received for the operation of a Universal Pre-K program.
	3483	.20,.50	Government Subsidy / Reimbursement				420	411	Receipts from governmental agencies for reimbursements for mandated services, school lunch programs, etc.
	3484	.20	STREAM				419		Receipts received to fund the STREAM (Science, Technology, Religion, Engineering, Arts and Math) initiative.
Fees:									
Registration Fees									
3500-3509									
	3500	.10, .20, .40	Registration Fees	206.5	240		404		Fees received for registration of students in the school or religious education. These fees should be deferred in acct. # 2100 <i>Deferred Tuition & Fees</i> if collected prior to the start of the school year and recognized as revenue in September as the school year begins.
Activity Fees									
3510-3519									
	3510	.10, .20	Activity Fees	206.5			406		Fees received for various extracurricular activities. These fees should be deferred in acct. #2100 <i>Deferred Tuition & Fees</i> if collected prior to the start of the school year and recognized as revenue in September as the school year begins.
Special Subject Fees									
3520-3529									
	3520	.20	Special Subject Fees				405		Fees received for special subject instruction such as music, remedial, etc. These fees should be deferred in acct. #2100 <i>Deferred Tuition & Fees</i> if collected prior to the start of the school year and recognized as revenue in September as the school year begins.
Testing Fees									
3530-3539									
	3530	.20	Testing Fees				419.8		Fees received for in house testing and independent testing agencies.
Sacramental Fees									
3540-3549									

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	3540	.40	First Reconciliation		240				Fees collected for First Reconciliation preparation.
	3541	.40	First Communion		240				Fees collected for First Communion preparation.
	3542	.40	Confirmation		240				Fees collected for Confirmation preparation.
3550-3599			Reserved for Future Use						
Sales:									
Sale of Supplies									
3600-3609									
	3600	.20, .40	Sale of Supplies		240		409		Receipts from the sale of various items including notebooks, school clothing, religious education books and supplies, etc.
Cash Sales									
3610-3619									
	3610	.50	Cash Sales					410	All cafeteria receipts pertaining to the sale of food. A separate bank account should be maintained for the cafeteria and reviewed by someone independent of the reconciling of the account.
After School									
3620-3629									
	3620	.10, .20	After School Income	206.5			416		Receipts from all after school programs.
Other School Revenue									
3630-3669									
	3630	.10, .20	Other School Revenue	206.5			419.9		Other school receipts not recorded separately.
3670-3699			Reserved for Future Use						
3700-3799			Reserved for Future Use						
3800-3899			Reserved for Future Use						
<u>Cemetery</u>									
3950-3999									
	3950	.30	Graves			800			Receipts from the sale of graves.
	3951	.30	Crypts			801			Receipts from the sale of crypts.
	3952	.30	Interments / Entombments			802			Receipts from interments and entombments.

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<u>Acct Range</u>	<u>PDS Account Number</u>	<u>Departments</u>	<u>Account Name</u>	<u>(.10) Parish Alt #</u>	<u>(.40) Rel. Ed Alt #</u>	<u>(.30) Cemetery Alt #</u>	<u>(.20) School Alt #</u>	<u>(.50) Cafeteria Alt #</u>	<u>Account Description</u>
	3953	.30	Memorials / Foundations			803			Receipts from memorials and foundations.
	3954	.30	Parish Collections			807			Receipts from parish collections to support the operation of the cemetery.
	3955	.30	Niches			811			Receipts from the sale of niches.
<u>EXPENDITURES:</u>									
<u>Salaries and Payroll Costs:</u>									
<u>Clergy Salary and Benefits</u>									
<u>4000-4019</u>									
	4000	.10	Salaries - Regular Clergy	306					Gross salary of clergy assigned to the parish based upon the salary scale. Other benefits such as ministry allowance and health insurance should be recorded separately.
	4001	.10	Extra Clergy	307					Gross salary of temporarily assigned priests, non-resident weekenders, extra priests for confession, etc. Specific salary and stipend amounts can be found in the latest Chancery letter.
	4002	.10	Ministry Allowance/Clergy Mileage Reimb	321.8					Allowance paid to clergy for the business use of their personal vehicle based upon the annual number of business miles driven. The allowance is paid quarterly. Please refer to the clergy salary scale.
	4003	.10	Ministerial Fees - Funerals	321.8					Fees paid to clergy for presiding at funerals.
	4004	.10	Ministerial Fees - Weddings	321.8					Fees paid to clergy for presiding at weddings.
	4005	.10	Clergy Health Insurance	321.8					Monthly premiums paid for clergy health insurance.
	4006	.10	Clergy Dental Insurance	321.8					Monthly premiums paid for clergy dental insurance.
	4007	.10	Clergy Retirement Contribution	321.8					Monthly payments made to the priest pension fund based upon current assessment rates.
	4008	.10	Clergy Retreat Expense	321.8					Payments made for clergy retreats.
	4009	.10	Clergy Continuing Education	321.8					Payments made for tuition, fees, etc. for continuing education for clergy.

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	4010	.10	Clergy Auto Insurance	321.8					Premiums paid for clergy auto insurance.
Other Religious Personnel Salary & Benefits									
4020-4029									
	4020	.10	Salaries - Women Religious	307.1					Gross salary of women religious assigned to the parish.
	4021	.10	Health Insurance - Women Religious	321.8					Monthly premiums paid for women religious health insurance.
	4022	.10	Residence Allowance - Women Religious	321.8					Allowance paid for residence expenses of women religious.
	4023	.10, .20	Auto Expense - Women Religious	321.8			519.2		Auto expenses related to women religious. The Leadership Council of Women Religious agreed to phase out the requirement to provide vehicles or a car allowance for women religious effective August, 2009.
	4024	.10	Retreat Expenses - Deacons	321.8					Payments made for deacon's retreats.
	4025	.10	Continuing Education - Deacons	321.8					Payments made for tuition, fees, etc. for continuing education for deacons.
	4026	.10	Ministerial Fees - Deacons	321.8					Fees paid to deacons for presiding at weddings, funerals, etc.
	4027	.10	Salaries - Transitional Deacons	307.1					Gross salary of transitional deacons assigned to the parish.
School / Faith Formation Salaries									
4030-4049									
	4030	.20, .40	Salaries - Administration		387.9		501		Gross salary of all administrative personnel including principal, secretary, bookkeeper, director of religious education, etc. If the secretary is shared between different areas (e.g. school and parish) the salary should be equitably allocated.
	4031	.20, .40	Salaries - Instruction		387.9		511		Gross salary and stipend for all lay and religious teachers in grades K - 8 for the school and all grades for religious education Include the salary of substitute teachers and teachers' aids.
	4032	.10, .20	Salaries - Pre-K	206.5			511.1		Gross salary of all Pre-K teachers and teachers' aids.
	4033	.20	Salaries - Montessori				511.3		Gross salary of all teachers and teachers' aids involved in the Montessori program.

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	4034	.10, .20	Salaries - After School	206.5			511.2		Gross salary of all after school personnel.
	4035	.50	Salaries - Cafeteria					541	Gross salary of all cafeteria personnel.
Other Lay Personnel Salaries									
4050-4059									
	4050	.10, .30	Salaries - Regular Help	310		826			Gross salaries of regular full time and part time secretaries, housekeepers, organists, choir directors, bookkeepers, etc. Do not include school, religious education or maintenance personnel.
	4051	.10, .30	Salaries - Extra Help	311		826			Gross salary of those not regularly employed (e.g. summer help, etc.).
	4052	.10,.20,.30	Salaries - Operation & Maint	310		826	531		Gross salary of operation and maintenance personnel. If the personnel are responsible for multiple buildings or a building shared by different departments, the salary should be allocated in a fair and equitable way such as time spent.
Payroll Taxes									
4060-4069									
	4060	all	Social Security - Employer Share	316	387.9	827	602	541.1	Employer's share of social security taxes on employee's salaries.
	4061	all	Medicare - Employer Share	316	387.9	827	602	541.1	Employer's share of Medicare taxes on employee's salaries.
Lay Personnel Fringe Benefits									
4070-4079									
	4070	all	Health Insurance	321.8	387.9	828	604	549	Employer's share of monthly premiums paid for employee's health insurance.
	4071	all	Lay Pension Legacy Plan	321.8	387.9	828	603	549	Employer's contribution to lay pension legacy plan which was frozen effective 12/31/15. The funding is necessary due to the underfunded status of the plan.
	4072	all	Defined Contribution Plan	321.8	387.9	828	603	549	Employer's contribution to the Defined Contribution Pension Plan which was established 1/1/16. Employer contribution includes core, match, transition and administrative fees.
Lay Personnel Payroll Expenses									
4080-4099									
	4080	all	N.Y.S. Unemployment Insurance	321.8	387.9	827	603.2	549	Payments made to New York State for unemployment under a

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									contributory plan or full reimbursement to New York State if the self-insured option is chosen. The recommended method is the self-insured / reimbursement method.
	4081	all	N.Y.S. Disability	321.8	387.9	827	603.1	549	Payments made for New York State disability insurance currently calculated as 2% of the first \$7,000 of wages for each lay employee.
	4082	all	Workers' Compensation	321.8	387.9	827	603.3	549	Payments made for workers' compensation based upon a rate per \$100 of salary for various types of employees (e.g. lay clerical, teachers, administration, lay custodial and kitchen).
	4083	all	Payroll Processing Fees	321.8	387.9	838	539.2	549	Payments made to outside agency to process payroll, W-2 forms, remittance of taxes withheld to appropriate agencies, etc.
	4084	.10, .20, .40	Lay Continuing Education Expenses	321.8	387.9		510		Payments made for tuition, fees, etc. for continuing education for lay personnel.
	4085	.10, .20, .40	Lay Retreat Expenses	321.8	387.9		510		Payments made for lay personnels' retreats.
	4086	all	Paid Family Leave	321.8	387.9	827	603.1	549	Payments made for paid family leave insurance premiums.
<u>Supplies:</u>									
<u>Parish/Church</u>									
<u>4100-4119</u>									
	4100	.10	Rectory Table	323					Payments made for the cost of meat, groceries and supplies needed to operate the rectory kitchen.
	4101	.10	Rectory Supplies	323					Payments made for any supplies needed to operate the rectory other than those recorded separately.
	4102	.10	Sanctuary	323					Payments made for wine, hosts, linens, banners, vestments, and any other items required for the Sanctuary.
	4103	.10	Votive Candles	357.1					Payments made for the cost of candles used for devotional purposes.
<u>Office/Administration Supplies</u>									
<u>4120-4139</u>									
	4120	all	Office Supplies	323	387.9	830	502	542	Payments made for any supplies needed to operate the office

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<u>Acct Range</u>	<u>PDS Account Number</u>	<u>Departments</u>	<u>Account Name</u>	<u>(.10) Parish Alt #</u>	<u>(.40) Rel. Ed Alt #</u>	<u>(.30) Cemetery Alt #</u>	<u>(.20) School Alt #</u>	<u>(.50) Cafeteria Alt #</u>	<u>Account Description</u>
									other than those recorded separately.
	4121	all	Computer Supplies - Office	323	387.9	830	509.1	542	Payments made for any computer related supplies such as software, cables, etc. used in the office.
	4122	all	Postage	323	387.9	830	502.1	542	Payments made for postage.
	4123	all	Copier Supplies	323	387.9	830	502	542	Payments made for any copier supplies such as paper, toner, etc.
	4124	.20, .40	Administrative Resource Materials		387.9		509		Payments made for any resource materials purchased for administrative staff.
School/Faith Formation - Instructional									
4140-4159									
	4140	.20, .40	Supplies - K-8 Instruction		387.9		512		Payments made for any classroom supplies and materials for grades K - 8 except those recorded separately such as textbooks, office and computer supplies, etc.
	4141	.10, .20	Supplies Pre-K - Instruction	206.5			512.1		Payments made for any supplies used in the Pre-K program.
	4142	.20	Supplies Montessori - Instruction				512.3		Payments made for any supplies used in the Montessori program.
	4143	.20, .40	Office Supplies - Instruction		387.9		512		Payments made for any supplies used in the office directly related to instruction.
	4144	.10, .40	Sacramental Supplies	323	387.9				Payments made for any supplies used in sacramental preparation.
	4145	.20,.40	Textbooks		387.9		513		Payments made for textbooks, workbooks, etc. used in the instruction of the students.
	4146	.20,.40	Instructional Resource Materials		387.9		519		Payments made for any resource materials used in the instruction of the students.
	4147	.20	Computer Supplies - Instruction				519.3		Payments made for any computer related supplies such as software, cables, etc. used in the instruction of students.
	4148	.20	STREAM				519		Expenditures associated with the STREAM (Science, Technology, Religion, Engineering, Arts and Math) initiative.

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Acct	Range	PDS Account Number	Departments	Account Name	(.10) Parish Alt #	(.40) Rel. Ed Alt #	(.30) Cemetery Alt #	(.20) School Alt #	(.50) Cafeteria Alt #	Account Description
		4159	.20,.40	Other Instructional Supplies		387.9		512		Payments made for any supplies used in the instruction of students and not recorded separately.
Operating Supplies										
4160-4179										
		4160	.50	Food and Beverages					544	Payments made for food and beverages served in the cafeteria.
		4161	all	Building & Cleaning Supplies	323	387.9	830	532	542	Payments made for cleaning supplies, tools and equipment used in the operation and maintenance of the building.
		4162	.10, .20	After School Supplies	206.5			512.2		Payments made for supplies used in the after school program.
		4179	all	Other Supplies	323	387.9	830	502	542	Payments made for any supplies not recorded separately.
4180-4199				Reserved for future use						
Printing:										
4200-4219										
		4200	.10	Envelope System	359.9					Payments made for printing of envelopes for Sunday, Holyday, and special collections.
		4201	.10	Bulletins	359.9					Payments made for the printing or purchase of bulletins.
		4202	.10	Missalettes	359.9					Payments made for the printing or purchase of missalettes.
		4203	.10	Periodicals, Pamphlets	359.9					Payments made for the printing or purchase of periodic Catholic literature.
		4204	.10	WNY Catholic News	359.9					Payments made for the WNY Catholic newspaper. This is billed with the assessments.
		4205	.10,	Newspapers	359.9					Payments made for the printing or purchase of newspapers other than the WNY Catholic.
		4206	.10, .40	Record Books	359.9	387.9				Payments made for the printing or purchase of sacramental record books.
		4219	.10, .20, .40	Other Printing	359.9	387.9		509		Payments made for any printing not recorded separately.
4220-4299				Reserved for Future Use						

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Acct Range	PDS Account		Departments	Account Name	(.10)	(.40)	(.30)	(.20)	(.50)	Account Description
	Number				Parish Alt #	Rel. Ed Alt #	Cemetery Alt #	School Alt #	Cafeteria Alt #	
Utilities:										
If available, separate meters should be used to allocate utility costs among the various departments. If meters are not available, a fair and equitable estimate should be used to allocate the utility costs. Suggested methods include allocations based upon square footage or building usage.										
Oil 4300-4309										
	4300	all	Oil		339.9	387.9	831	534	543	Payments made for oil.
Gas 4310-4319										
	4310	all	Gas		338.1	387.9	831	534.1	543	Payments made for natural gas.
Electric 4320-4329										
	4320	all	Electric		338.2	387.9	831	534.2	543	Payments made for electricity.
Telephone 4330-4339										
	4330	all	Telephone		335	387.9	831	507	543	Payments made for telephone.
Water 4340-4349										
	4340	all	Water		339.9	387.9	831	534.3	543	Payments made for water.
Cable 4350-4359										
	4350	.10, .20, .40	Cable		339.9	387.9		534.4		Payments made for cable.
Internet 4360-4369										
	4360	.10, .20, .40	Internet		339.9	387.9		534.4		Payments made for internet.
Other Utilities 4370-4379										
	4370	all	Other Utilities		339.9	387.9	831	534.4	543	Payments made for other utilities not recorded separately.
4380-4399				Reserved for future use						

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<u>Other Operating Expenses:</u>									
<u>Assessments</u>									
4400-4409									
	4400	.10	Diocesan Assessment	301					Payments made for the general assessment which is charged to parishes to support central programs and the diocesan offices.
	4401	.10	Diocesan School Assessment/Direct Support to School	370.1					Payments made via assessment to the Catholic Elementary School Funding Plan by parishes which do not have a parish school to support Catholic elementary school education in the Diocese of Buffalo. also to be used for direct payments to schools for which your parishioners attend.
4410-4419									
	4410	.10	Subsidy to Elementary School	370					Funds paid by the parish to aid in the operation of the parish school. The subsidy amount represents the difference between the school receipts and expenditures and should equal the amount recorded on the school general ledger in acct. #3480 <i>Parish Subsidy</i> . Entries to this account should not be made until the parish general ledger is finalized for year-end (8-31).
<u>Bank / Investments</u>									
4420-4429									
	4420	all	Bank Charges	376.9	387.9	838	539.3	549	Payments made for various charges paid to the bank including check printing, nsf fees, etc.
	4421	.10, .20, .30	Interest Expense	376.9		838	539		Payments made to banks, parishioners or others for interest on outstanding debt such as mortgages, loans, notes, etc.
	4422	all	Administrative Fee - Investments	376.9	387.9	838	539	549	Payments made for fees for the administration of various investments.
<u>Buildings & Grounds</u>									
4430-4439									
	4430	.10, .20,.30	Property Taxes	376.9		838	539.1		Payments made for any taxes incurred on all parish owned property including sewer assessments. This includes parish owned rental property or any property for which the parish is liable.
	4431	all	Property Insurance	376.9	387.9	832	605	549	Payments made for property insurance premiums covering items such as fire, theft, storms, floods, liability, boilers, etc.

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<u>Acct Range</u>	<u>PDS Account Number</u>	<u>Departments</u>	<u>Account Name</u>	<u>(.10) Parish Alt #</u>	<u>(.40) Rel. Ed Alt #</u>	<u>(.30) Cemetery Alt #</u>	<u>(.20) School Alt #</u>	<u>(.50) Cafeteria Alt #</u>	<u>Account Description</u>
	4432	all	Maintenance & Repairs	376.9	387.9	829	535	549	Payments made for repairs to existing buildings and maintenance including materials, paint, outside contractors, etc.
	4433	.20	Asbestos Abatement				539.9		Payments made for asbestos removal or abatement.
	4434	.10, .20	Rent Expense	376.9			539.7		Payments made for the rental of buildings paid to a third party.
	4435	.10	Housing Expense Vicar Forane	376.9					Payment made in conjunction with the Vicar Forane invoice in regards to housing.
Contract Services									
4440-4449									
	4440	.10, .20, .30	Snowplowing & Lawncare	376.9		833	538		Payments made for snowplowing and lawncare services rendered by outside companies.
	4441	.10, .20, .30	Security System	376.9		833	538		Payments made for a security system including monthly monitoring charges.
	4442	all	Copier Expense	376.9	387.9	838	539.6	549	Payments made for the lease and maintenance contracts for copiers. Do not include copier supplies which are recorded in acct. #4123 <i>Copier Supplies</i> .
	4449	.10, .20, .30, .50	Other Contract Services	376.9		833	538	548	Payments for any contract services not recorded separately.
Data Processing & Software Maintenance									
4450-4459									
	4450	.10, .20, .40	PDS Software Maintenance	376.9	387.9		539.5		Payments made for maintenance of PDS software including monthly service contracts.
	4451	.20	eSchool Software Expenses				539.5		Payments made for eSchool software.
	4452	.20	Tuition Processing (3rd Party Fees)				539.5		Payments made to third parties such as Smart Tuition or FACTS for tuition processing.
	4453	.10	Offertory Processing Fees	201					Payments made for offertory processing by a third party.
	4459	.10, .20	Other Data Processing Fees	376.9			539.5		Payments made for any data processing fees not recorded separately.
Development									
4460-4469									

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		PDS Account			(.10)	(.40)	(.30)	(.20)	(.50)	
<u>Acct Range</u>	<u>Number</u>	<u>Departments</u>	<u>Account Name</u>	<u>Alt #</u>	<u>Alt #</u>	<u>Alt #</u>	<u>Alt #</u>	<u>Alt #</u>	<u>Alt #</u>	<u>Account Description</u>
	4460	.10, .20	Development Salaries	310				611		Gross salary of development staff.
	4461	.10, .20	Development Payroll Taxes	316				611		Employer's share of payroll taxes paid on behalf of development staff including FICA, Medicare, unemployment, disability and workers' compensation.
	4462	.10, .20	Development Supplies	323				611		Payments made for supplies used in the development office.
	4463	.10, .20	Development Printing	359.9				611		Payments made for printing of brochures, pamphlets, etc. used by the development office.
	4469	.10, .20	Other Development Expenses	376.9				611		Payments made for any expenses related to development and not recorded separately.
Donations										
4470-4479										
	4470	.10,.20,.30,.40	Catholic Charities & Other Contributions	376.9	387.9	838		609.2		Contributions made to Catholic Charities or other charities.
	4471	.10, .20	Scholarship Fund / TAP	376.9				609.4		Payments made for scholarships or tuition assistance funded by the parish or school.
	4472	.10, .20, .40, .50	Faculty / Staff Goodwill	376.9	387.9			609.1	549	Payments made for bonuses or gifts given to faculty or staff members. The value of the gift or bonus should be reported through the employee's payroll.
	4473	.10,.20,.30,.40	General Goodwill	376.9	387.9	838		609		Costs related to efforts to enhance the public perception of the parish or school.
	4474	0.10	Vicariate Meetings & Activates	376.9						Only to be used for Vicariate- Vicar Forane invoices - Monthly meeting/gatherings for Vicariate business
	4479	.10,.20,.30,.40	Other Donations	376.9	387.9	838		609		Payments made for any donations not recorded separately.
Fundraising - General										
4480-4489										
	4480	.10, .20, .40	Dinners	228	240			419.5		Expenditures related to fundraising dinners. Receipts should be recorded in acct. #3160 <i>Dinners</i> .
	4481	.10, .20, .40	Lawn Fetes	228	240			419.5		Expenditures related to lawn fetes. Receipts should be recorded in acct. #3161 <i>Lawn Fetes</i> .

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PDS Account				(.10) Parish	(.40) Rel. Ed	(.30) Cemetery	(.20) School	(.50) Cafeteria	Account Description
<u>Acct Range</u>	<u>Number</u>	<u>Departments</u>	<u>Account Name</u>	<u>Alt #</u>	<u>Alt #</u>	<u>Alt #</u>	<u>Alt #</u>	<u>Alt #</u>	
	4482	.10, .20, .40	Bazaars	228	240		419.5		Expenditures related to fundraising bazaars. Receipts should be recorded in acct. #3162 <i>Bazaars</i> .
	4483	.10, .20	Bingo Kitchen	228			419.5		Expenditures related to sales of food and beverages at bingo. Receipts should be recorded in acct. #3163 <i>Bingo Kitchen</i> .
	4489	.10, .20, .40	Other Fundraisers And Activities	228	240		419.5		Expenditures related to fundraisers and activities other than those listed separately. Receipts should be recorded in acct. #3189 <i>Other Fundraisers and Activities</i>
Fundraising - Bingo & Bell Jar 4490-4499									
	4490	.10, .20	Bingo	227			418.2		Expenditures related to bingo operations. Receipts should be recorded in acct. #3190 <i>Bingo</i> .
	4495	.10, .20	Bell Jar	227.2			418.5		Expenditures related to bell jar operations. Receipts should be recorded in acct. #3195 <i>Bell Jar</i> .
Fundraising - Raffles 4500-4509									
	4500	.10, .20	Raffles	228.1			418.3		Expenditures related to raffles and games of chance. Receipts should be recorded in acct. #3230 <i>Raffles</i> .
Merged Parish 4510-4519									
	4510	.10	Merged Parish Property Taxes	376.8					Payments made for property taxes paid on buildings acquired as the result of a merger. Buildings not used for religious purposes are subject to property taxes.
	4511	.10	Merged Parish Building Insurance	376.8					Payments made for property insurance premiums covering items such as fire, theft, storms, floods, liability, boilers, etc. on property acquired as the result of a merger.
	4512	.10	Merged Parish Contract Services	376.8					Payments made for services rendered by outside companies for items such as lawn care, snow removal, janitorial, refuse, etc. for property acquired as the result of a merger.
	4513	.10	Merged Parish Utilities	376.8					Payments made for utilities paid on buildings acquired as a result of a merger.
	4519	.10	Other Merged Parish Expenses	376.8					Payments made for merged parish expenses not recorded

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									separately.
Ministries - Parish 4520-4539									Ministry expenses excluding salary.
	4520	.10	Liturgy	376.9					Payments made for expenses related to liturgical ministries including Eucharistic Ministers, Sacristans, lectors, altar servers, ushers, etc.
	4521	.10	Music	376.9					Payments made for expenses related to the music ministry excluding the salary of the organist or choir director which is recorded in acct. #4050 <i>Regular Help</i> .
	4522	.10	Bereavement	376.9					Payments made for expenses related to the bereavement ministry.
	4523	.10	Evangelization	376.9					Payments made for expenses related to the evangelization ministry.
	4524	.10	Social Concerns / Outreach	376.9					Payments made for expenses related to the social concerns or outreach ministries.
	4525	.10	Family Life	376.9					Payments made for expenses related to the family life ministry including Pre-Cana and Pre-Baptismal programs.
	4526	.10	Parish Council	376.9					Payments made for expenses related to the parish council such as training, retreats, etc.
	4527	.10	Justice & Peace	376.9					Payments made for expenses related to the justice and peace ministry such as letter-writing campaign, seminars, etc.
	4528	.10	Hospitality	376.9					Payments made for expenses related to the hospitality ministry such as food, beverages, etc.
	4539	.10	Other Parish Ministries	376.9					Payments made for expenses related to other parish ministries not recorded separately.
Ministries- Faith Formation 4540-4549									
	4540	.40	Adult Faith		387.9				Payments made for expenses related to the adult faith formation ministry.

Diocese of Buffalo
Standard Chart of Accounts

PDS Account				(.10)	(.40)	(.30)	(.20)	(.50)	Account Description
Acct Range	Number	Departments	Account Name	Parish Alt #	Rel. Ed Alt #	Cemetery Alt #	School Alt #	Cafeteria Alt #	
	4541	.40	R.C.I.A.		387.9				Payments made for expenses related to the R.C.I.A. ministry.
	4542	.40	Youth Ministry		387.9				Payments made for expenses related to the youth ministry including youth group expenses.
	4549	.40	Other Faith Formation Ministries		387.9				Payments made for expenses related to other faith formation ministries not recorded separately.
Refunds									
4550-4559									
	4550	.20, .40	Tuition Refunds (Parishioner)		387.9		601.1		Payments made for the refund of tuition for parishioners for overpayment, student transfer, etc.
	4551	.20	Tuition Refunds (Non-Parishioner)				601.1		Payments made for the refund of tuition for non-parishioners for overpayment, student transfer, etc.
	4552	.10, .20	Tuition Refunds (Pre-K)	206.5			601.1		Payments made for the refund of tuition for Pre-K for overpayment, student transfer, etc.
	4553	.20	Tuition Refunds (Montessori)				601.1		Payments made for the refund of tuition for Montessori for overpayment, student transfer, etc.
	4559	.30	Grave/Crypt Returns			834			Payments made for the refund of grave or crypt deposits.
Student Related									
4560-4569									
	4560	.20	Student Insurance				609.7		Payments made for student accident insurance billed annually by the Diocese of Buffalo.
	4561	.20	Student Testing Fees				516		Payments made for fees related to mandated student testing.
	4562	.20, .40	Field Trips		387.9		601		Payments made for student field trips. The trips may be paid directly by the school or reimbursed by parents, HSA, etc.
	4563	.20	Sports Programs				603.7		Payments made for expenses related to the sports program such as league fees, referee fees, uniforms, tournaments, etc. The expenses may be paid directly by the school or reimbursed by parents, HSA, sports boosters, etc.
	4569	.10, .20, .40	Other Student Activities	206.5	387.9		601		Payments related to the cost of extracurricular activities not recorded separately such as school play, entertainment, etc.

Diocese of Buffalo
Standard Chart of Accounts

<u>Acct Range</u>	<u>PDS Account Number</u>	<u>Departments</u>	<u>Account Name</u>	<u>(.10) Parish Alt #</u>	<u>(.40) Rel. Ed Alt #</u>	<u>(.30) Cemetery Alt #</u>	<u>(.20) School Alt #</u>	<u>(.50) Cafeteria Alt #</u>	<u>Account Description</u>
Transportation 4570-4579									
	4570	.10,.20,.30,.40	Motor Vehicle Insurance	376.9	387.9	838	523		Payments made for insurance on leased or owned motor vehicles.
	4571	.10, .20, .40	Bus Rental	376.9	387.9		524		Payments made for the rental of buses for field trips, retreats, etc.
Other 4580-4599									
	4580	.20, .40	Library		387.9		514		Payments made for library items such as books, magazines, etc.
	4581	.10, .20	Legal Fees	376.9			612		Payments made for legal serviced rendered on behalf of the parish or school.
	4582	.10, .20, .40	Background Checks	376.9	387.9		609		Payments made for background checks performed by third parties for current or prospective employees, volunteers, etc.
	4583	.10, .20	Social Events	376.9			609		Payments made for expenses related to social events which are not intended to be fundraisers such as pot luck dinners, picnics, etc.
	4584	.20, .40	Miscellaneous - Administration		387.9		509		Payments made for non-recurring or minor administrative expenses not recorded separately.
	4585	.20, .40	Miscellaneous - Instruction		387.9		519		Payments made for non-recurring or minor instruction related expenses not recorded separately.
	4586	all	Miscellaneous General	376.9	387.9	838	609	549	Payments made for non-recurring or minor general expenses not recorded separately.
	4587	all	Other Misc. Operating/Maint Exp	376.9	387.9	829	539	549	Payments made for non-recurring or minor operating and maintenance expenses not recorded separately.
	4588	.10	Admin Fees - Vicariate Financial Hub	376.9					Payments made for administration of the Vicariate Financial Hub, per the vicariate invoice.
4600-4699			Reserved for future use						

Capital Expenditures:

All capital expenditures exceeding \$10,000 require the

Diocese of Buffalo
Standard Chart of Accounts

<u>Acct Range</u>	<u>PDS Account Number</u>	<u>Departments</u>	<u>Account Name</u>	<u>(.10) Parish Alt #</u>	<u>(.40) Rel. Ed Alt #</u>	<u>(.30) Cemetery Alt #</u>	<u>(.20) School Alt #</u>	<u>(.50) Cafeteria Alt #</u>	<u>Account Description</u>
4700-4719									approval of the Bishop of the Diocese of Buffalo.
	4700	.10, .20, .30	Real Estate Purchases	378		837	539.4		Payments made for the purchase of real estate.
	4701	.10, .20, .30	New Buildings & Extensions	350		837	539.4		Payments made for new buildings or the extension of existing buildings.
	4702	.10, .20, .30	Remodeling	350.1		837	539.4		Payments made for building remodeling.
	4703	.10, .20, .30	Equipment & Furnishings	332		837	650		Payments made for the purchase of equipment and furnishings.
	4704	.10, .20, .30	Bldg. Repairs / Renovations	350.2		837	539.4		Payments made for building repairs and renovations.
	4705	.10	Organ	332					Payments made for the purchase of an organ.
	4706	.10, .20, .30	Parking Lot & Ground Improvements	350.1		837	539.4		Payments made for parking lot and ground improvements.
	4707	.10, .20, .30	Architectural Fees	350		837	539.4		Payments made for architectural fees on new building or remodeling.
	4708	.30	Merged Parish Capital Expenses			837			Payments made for capital expenditures on buildings acquired as the result of a merger.
4720-4799			Reserved for future use						
4800-4899			Reserved for future use						

E. Chart of Accounts Groups

Written instructions are being developed by Computer Services

When revenue (3000's) or expense (4000's) accounts are added to or deleted from the chart of accounts they should also be added to or deleted from the COA Groups – All Groups

When going into the COA Groups – Group Details for All Groups or when printing an All Groups Income Statement a warning will appear that states “Some accounts have been added to the Chart of Accounts since the last time that you used this Group. They are probably not included in this group. They include these accounts.” The message then lists the accounts, with a choice to repeat the warning for those accounts or not.

All Group Integrity test

Section 10 – Recommended Bookkeeping Procedures

A. Accounting Procedures

1. Backup

- See Section 3, Daily/Weekly Processing, F - Backing up Your Data

2. Cash Accounts

- Include bank account number in account name field for cash G/L accounts.
- All cash accounts should be recorded in PDS Ledger.

3. Cash Receipts

- Sunday counters should use the “Receipts Tally Sheet” to document the offertory collection. Transfer the amounts to the “PDS Ledger Receipt Input Document.”
- Receipts received during the week should be recorded to the PDS Ledger Receipt Input Document.”
- Prepare the bank deposit ticket using the PDS Ledger Receipt Input Document” and promptly record in PDS Ledger.
- The pastor should sign the “Receipts Tally Sheet” after comparing it to the bank deposit and the “PDS Census/Contribution Quick Financial Entry Report.”

4. Invoices

- Deliver unopened directly to the pastor. The pastor should open, review and forward to the bookkeeper.
- Bookkeeper promptly enters the invoices into PDS upon receipt after reviewing for accuracy.

5. Checks

- Pay invoices on a weekly basis.
- The bookkeeper should print a “Cash Requirements Report” and the pastor should check off the invoices to be paid.
- Maintain “Check Utilization Log.”
- Record voided checks in the “Voided Check Log”.

6. Bank Reconciliation

- Reconcile bank statements on a monthly basis within seven days upon receipt. Properly document the reconciliation process.

7. Journal Entries

- Record on a Journal Entry Sheet and promptly record to PDS Ledger.

8. Payroll

- Record each payroll using a journal entry sheet and promptly record to PDS Ledger.

9. File System

- All batch reports, tally sheets, check registers, journal entry sheets, etc., should be retained and placed into the file system.

10. Month-End Close

- Close within seven business days from month-end using the month-end processing check list.
- Print financial statements: trial balance, balance sheet, and income statements (i.e. all departments, school and debt/investment statement).
- Test the integrity of the income statements and the chart of accounts by comparing the income statement and debt/investment statement versus the balance sheet.
- Pastor and bookkeeper should review financial statements and keep a copy on file.

B. PDS Software User Name/Password Protocols

Computer Services will incorporate material in appropriate classes conducted at the Catholic Center that will discuss diocesan policy and rationale for utilizing user names and passwords to access PDS Church Office and PDS Ledger. References will be made to Bishop Kmiec's letter dated January 29, 2010.

It will be emphasized that one individual at the parish should be assigned the "administrator" password and that all other users should be provided with unique user names and passwords. Each user should be set up so that they may only access areas within PDS that they are responsible for. The concept of segregation of duties will be discussed.

Actual implementation and maintenance of user names and protocols will remain the responsibility of the parish.

C. Parish Bookkeeper Job Description for PDS Ledger System

Job Summary

An understanding of basic bookkeeping principles, and a willingness to become familiar with computer equipment and PDS software.

Major Tasks

Daily

- Enter to the receipts entry screen all cash receipts.
- Input and maintain to the vendor maintenance screen various information concerning all parish vendors.
- Update invoice maintenance screen for all authorized parish invoices.
- Review the select invoices for payment screen and select those invoices required for payment.
- Print checks and check register for invoices selected for payment by utilizing the check register printing screen.
- Enter any manually prepared checks to the disbursement entries screen for any items that were not paid through the Ledger program of the PDS system.
- Cancel any voided checks on the disbursement entry screen.

Weekly

- Enter to the receipts entry screen all cash receipts.

Monthly

- Enter any necessary adjustments for items such as NSF checks, bank charges, or interest income to the journal entry screen.
- Run trial balance report to post all transactions to bookkeeping accounts.
- Reconcile check register balance to monthly bank statement balance.
- Prepare periodic financial reports as required for the pastor.
- Maintain monthly backups of all data and programs residing on the hard drive.
- Print and retain the reports necessary to maintain an audit trail
- Generate financial statements and review for reasonableness.
- Close the prior month's accounting period within five business days from the end of that month.

Annually

- Prepare annual reports and reorganize system for new fiscal year.

It should be understood that the above items are for general reference only and do not include the many other required tasks related to this position.

D. Business Manager Job Description

POSITION TITLE: Business Administrator

REPORTS TO: Pastor

GENERAL POSITION DESCRIPTION

Responsible for administration of the financial, human resources, administration and facilities functions of the parish. Conduct all tasks within the framework of shared ministry in Christian and Catholic values.

PRINCIPAL RESPONSIBILITIES

FINANCIAL

- Maintain an accurate filing, record keeping and reporting system for all parish financial matters. Prepare monthly, quarterly and year-end reports for the parish and diocese as required.
- Administer a cash flow management system incorporating purchasing and accounts payable.
- Prepare, administer and review the budget process in collaboration with the pastor, Finance Committee and other committees as appropriate.
- Monitor the collection, counting, recording and depositing of parish revenue from all sources.
- Serve as a resource to parish organizations in all financial matters from planning to audit.
- Serve as a parish contact with financial institutions and the diocese in collaboration with the pastor and trustees.
- Assist in the planning of financial stewardship and long range planning.

HUMAN RESOURCES

- Supervise the parish office staff.
- Select, hire, evaluate and supervise staff, and other parish personnel, as required in collaboration with the pastor.
- Administer parish (including school) salary and benefit policies.

ADMINISTRATION

- Maintain parish business records.
- Develop and oversee information technology equipment, systems and other office equipment.
- Attend staff meetings, Parish Council, committee meetings, other organizational and diocesan meetings appropriate to the position.
- Administer parish liability and legal matters in collaboration and cooperation with the Diocese.
- Maintain excellent vendor relations for purchasing of goods and services and establishing contracts.

FACILITIES

- Supervise the maintenance of all parish buildings and equipment, new construction and the maintenance staff.
- Negotiate contracts with suppliers to include liability issues.
- Coordinate all parish maintenance and construction projects.
- Develop and collaborate with a Buildings and Grounds Committee as needed.
- Develop and maintain a parish security system.

PARISH MINISTRY

- Administer parish business operations according to the parish mission statement.
- Participate in spiritual programs and activities to assist the pastor with the parish mission.
- Maintain appropriate level of confidentiality in all areas of responsibility.

Responsibilities include other duties as assigned by the pastor.

QUALIFICATIONS

College degree or equivalent, preferably in business administration/accounting.

Computer skills with specific ability in MS Word and MS Excel.

Experience as a volunteer in some aspect of parish ministry.

Experience in facilitating, counseling, listening and leadership skills.

Experience in the administration and development of programs to meet parish needs.

Must remain current on pastoral, spiritual, psychological, Ecclesiastical and management techniques through reading, attending workshops and doing research in order to provide appropriate direction to the various ministries.

E. Maintenance of Financial Records

Many pieces of information are necessary to maintain a proper audit trail. Here are some general guidelines that may help you to keep financial records in order.

- **Create a file for audit reports and bookkeeping correspondence.**
- **Create a *PDS Ledger Implementation Folder*.** This file will contain the signed PDS Ledger Implementation Document, a copy of the bank statement and completed reconciliation used to enter the beginning cash balance into PDS, a copy of the day book balance, the Beginning Balances Input Document, the Trial Balance used to post beginning balances to PDS, and the Project Plan and Action Items.
- **Create a hanging file with 12 folders, one for each month of the fiscal year, for daily reports.** Place the reports generated by Ledger on a daily basis in the corresponding month's folder. Daily reports consist of: Invoice Batch Reports, Receipt Batch reports (with Counters' Tally sheets, Receipt Input Documents, and Validated Bank Deposit Tickets attached), Paid Invoice Check Registers, Manual disbursement Batch Reports, and Journal Entry Batch Reports (with Journal Entry Input Documents attached). *(These reports should be maintained in batch number order.)*
- **Create a hanging file with 12 folders, one for each month of the fiscal year, for monthly reports.** Place the monthly reports in the corresponding month's folder. Monthly reports consist of: Trial Balance, the Income Statements (including ALL, SCHOOL and DEBTORIN), the Balance Sheet, the Receipt Report, the check Register Report, the Journal Entry Report, the Ledger Month-End Review Procedures, and the Month-End Checklist.
- The August folder will also contain reports detailing the year's transactions. These **yearly** reports consist of: the Vendor Activity Report, the Receipt Report, the Check Register Report, the Journal Entry Report, the Special Journal Entry Report (showing checks voided through journal entries), a copy of the Annual Financial Report submitted to the Diocese, and the Fiscal-Year-End Checklist.
- **Create a binder with tables for the following logs: Checks Utilization Log, Voided Check Log, Backup Log, File Restoration Log, and Problem/Resolution Log.**
- **Create a file of bank reconciliations by statement date.** Bank reconciliations must be properly performed *and* documented within several business days after the statement is received. File together the Ledger Month-End Bank Reconciliation Procedures, the Ledger Check Reconciliation Report, the reconciled bank statement, and canceled/voided checks.
- **Create a file of vendor invoices in alphabetical order and segregated by fiscal year.** For vendors that do not provide invoices, make a "Print Screen" of their invoices on *the Invoice Maintenance Screen*, and file alphabetically with vendor invoices. Paid invoices should be canceled with the check number, the date paid, and the amount of payment.
- **Create a file for payroll records, including forms W-4 and IT-2104 (Employee Withholding Allowance Certificates) and forms I-9 (Employment Eligibility Verifications).** Payroll records should always be maintained in a separate file, or in employee personnel files.
- **Create a file for IRS forms W-2, W-3, and 1099-Misc.**
- **Create a folder of PDS Census/Contributions *Quick Financial Entry Reports* by date.** These reports are your *official* record of contributions.

- **Maintain appropriate backups: 4 sets of rotating weekly backups, 4 sets of rotating monthly backups, and permanent retention of fiscal year-end backups.** Backups should be kept off-site whenever possible to protect your data from loss due to fires, floods, etc.

To strengthen internal control and safeguard financial records, it is suggested that all financial records be stored in a locked file cabinet or safe.

F. Retention Guidelines for Financial Records

Document	Retention Years
-----------------	------------------------

Daily (or whenever processing occurs)

- | | |
|---|-----------|
| • Receipt batch reports (with tally sheets, receipt input documents, and validated bank deposit tickets) | 7 |
| • Journal entry batch reports (with journal entry input documents), | 7 |
| • Check registers | 7 |
| • Manual disbursement batch reports | 7 |
| • Invoice batch reports | 7 |
| • Canceled vendor invoices | 7 |
| • Regular canceled checks and voided checks | 7 |
| • Canceled checks for important payments (i.e., legal purchase of property, special contracts, etc.) along with the papers pertaining to the underlying transaction | Permanent |
| • Voided check log | 7 |
| • Check utilization log | 7 |
| • PDS Church Office Quick Financial Entry Reports | 7 |
| • Payroll records (see Payroll Records) | |

Monthly

- | | |
|---|---|
| • General Ledger Report | 7 |
| • Income statements | 7 |
| • Balance sheet | 7 |
| • Monthly Receipt Report | 7 |
| • Monthly check register report | 7 |
| • Monthly journal entry report | 7 |
| • Month-End review procedures | 7 |
| • Bank Statement, Ledger check reconciliation report, Ledger month-end bank reconciliation procedures, and canceled/voided checks | 7 |

Yearly

- Yearly general ledger Permanent
- Yearly receipt report Permanent
- Yearly check register report Permanent
- Yearly journal entry report Permanent
- Vendor activity report Permanent
- Annual financial reports (copies)-W/Worksheet & notes used during preparation) Permanent
- Year-end backups Permanent
- Month-End review procedures Permanent

Payroll Records

- ADP register 7
- Government reports 7
- Time sheets 3
- Employee Earnings Record Permanent
- Forms W-2, IT-2104, and I-9 (1 year after employee's departure)
- Forms W-2, W-2G, and 1099-Misc. Permanent
- Employee benefit records 7
- Personnel files (for those terminated) 7
- Retirement and pension records Permanent

G. Accounts That Should Not Be Consolidated

In general, the following account types should **not** be consolidated into the main church checking account:

- 1) State-regulated, such as bingo, bell jar and games of chance.
- 2) State-subsidized, such as school cafeteria or milk program. (**Note:** Some school cafeterias are **not** state-subsidized.)
- 3) Society of organization accounts, such as Altar Rosary and Holy Name.
- 4) Any parish bank account with a separate federal identification number. (Possibly Boy Scouts, Knights of St. John, etc.)
- 5) Cannon law dictates that funds received for unsatisfied Mass intentions be kept separate from all other parish funds.

Transfers from these accounts to the parish should be recorded to income accounts such as “Church Societies” as appropriate.

H. Tuition and Fees

See Section 11 Financial Governance, Reporting and Controls, H - School Tuition

See Section 12 Accounting Policies and Procedures-School, D - Tuition and Fees

I. Accounting for Investments – St. Joseph Fund (SJIF) and Other Securities

Investments in the St. Joseph Investment Fund (SJIF) and Other Securities are considered either short-term or long-term in nature. Short-term investments generally are not subject to market fluctuations while long-term investments are. The attached Journal Entries should be followed when recording activity for both short-term and long-term investments. Each Investment should be recorded in a separate PDS Ledger parish account number.

Parish Chart of Accounts for Investments

<u>Account Number</u>	<u>Account Description</u>
1100 through 1119	SJIF Short Term Investment
1120 through 1139	Other Short Term Securities
1140 through 1159	SJIF Long Term Investment
1160 through 1179	Other Long Term Securities
3120	Interest Income
3130	Dividend Income
3140	Gain (Loss) on Investments
4422	Administrative Fee - Investments

<u>Account Number</u>	<u>Account Description</u>	<u>Debit</u>	<u>Credit</u>
---------------------------	--------------------------------	--------------	---------------

ENTRIES TO RECORD THE PURCHASE OF INVESTMENTS:

	(1)		
1100	SJIF Short Term Investment	xxx	
(Note 1)	Cash		xxx
	To record transfer of cash to short term SJIF		
	(2)		
1120	Other Short Term Securities	xxx	
(Note 1)	Cash		xxx
	To record transfer of cash to other short term securities		
	(3)		
1140	SJIF Long Term Investment	xxx	
(Note 1)	Cash		xxx
	To record transfer of cash to long term SJIF		
	(4)		
1160	Other Long Term Securities	xxx	
(Note 1)	Cash		xxx
	To record transfer of cash to other long term securities		

ENTRIES TO RECORD THE SALE OF INVESTMENTS:

	(1)		
(Note 1)	Cash	xxx	
1100	SJIF Short Term Investment		xxx
	To record withdrawal of funds from SJIF short term account		
	(2)		
(Note 1)	Cash	xxx	
1120	Other Short Term Securities		xxx
	To record withdrawal of funds from other short term securities		
	(3)		
(Note 1)	Cash	xxx	
1140	SJIF Long Term Investment		xxx
	To record withdrawal of funds from SJIF long term account		
	(4)		
(Note 1)	Cash	xxx	
1160	Other Long Term Securities		xxx
	To record withdrawal of funds		

from other long term securities

ENTRIES TO RECORD INTEREST AND/OR DIVIDEND INCOME ON INVESTMENTS:

(1)

1100	SJIF Short Term Investment	XXX	
1120	Other Short Term Securities	XXX	
1160	Other Long Term Securities	XXX	
3120	Interest Income		XXX
	To record interest income on investments.		

(2)

1120	Other Short Term Securities	XXX	
1160	Other Long Term Securities	XXX	
3130	Dividend income		XXX
	To record dividend income on investments		

ENTRIES TO RECORD ADMINISTRATIVE FEES ON INVESTMENTS:

(1)

4422	Administrative Fee - Investments	XXX	
1100	SJIF Short Term Investment		XXX
1120	Other Short Term Securities		XXX
1140	SJIF Long Term Investment		XXX
1160	Other Long Term Securities		XXX
	To record administrative fees on investments		

ENTRIES TO RECORD MARKET FLUCTUATION ON LONG-TERM INVESTMENTS (NOTE 2):

(1)

1140	SJIF Long Term Investment	XXX	
1160	Other Long Term Securities	XXX	
3140	Gain (Loss) on Investments		XXX
	To record gain on investments		

(2)

3140	Gain (Loss) on Investments	XXX	
1140	SJIF Long Term Investment		XXX
1160	Other Long Term Securities		XXX
	To record loss on investments		

Note 1 - The offsetting entry for deposits or withdrawals from the SJIF's will be the cash account designated by the parish for ACH transactions.

Note 2 - The entries for market fluctuation are to record both realized (upon sale) and unrealized gain / (loss) in the same PDS Ledger account.

J. Petty Cash Fund

See Section 11 Financial Governance, Reporting and Controls; M - Petty Cash Fund

See Section 12 Accounting Policies and Procedures-School; B - Petty Cash

Petty Cash Setup and Maintenance

Setup

A petty cash fund should be established to cover small expenses throughout the month. A check is drawn for a fixed amount of money, e.g., \$50.00, payable to the pastor or his designee and noted as "Petty Cash." Do not make the check payable to "Cash" or "Petty Cash." The initial setup should be transfer of cash from another account (balance sheet transaction) and not recorded as a miscellaneous expense. The check is cashed and the proceeds deposited into a locked cash box which is stored in a secure area.

Maintenance

When various payments are needed, the exact cash amount is taken from the cash box (an invoice or cash register tape receipt should be obtained for all purchases). The receipt is completed denoting the following information: date, payee, amount, purpose, and the account to be charged. The receipt is signed by the bookkeeper and placed in the cash box. If an invoice or register tape receipt is not received then a petty cash receipt should be completed denoting the information listed above.

When almost all of the cash is depleted, another check is drawn equal to the total purchases. The total amount of the check is distributed to the various expenses accounts denoted on the receipts. Again, it is very important that the check is made payable to the pastor or his designee and noted as "Petty Cash." Do not make the check payable to "Cash" or "Petty Cash." At all times, the total of cash and signed receipts contained in the cash box should equal the beginning petty cash amount.

You may wish to use a Petty Cash Reimbursement Worksheet to help organize and document the purchases (see attached sample).

Petty Cash Reimbursement Worksheet

Date	Purchase Amount	Rectory Table 4100.10	Rectory Supplies	Office Supplies 4120.10			Total
Total							

Total receipt for purchases \$ _____

Plus petty cash on hand \$ _____

Total petty cash fund \$ _____

Notes:

1. Attach all receipts.
2. The reimbursement check should equal the total receipts for purchases.

Petty Cash Receipt

Date:

Payee:

Amount:

Purpose:

Expense Account:

Signature:

Petty Cash Reimbursement Worksheet

Date	Purchase Amount	Rectory Table 4100.10	Rectory Supplies	Office Supplies 4120.10			Total
Total							

Total receipt for purchases \$ _____

Plus petty cash on hand \$ _____

Total petty cash fund \$ _____

Notes:

1. Attach all receipts.
2. The reimbursement check should equal the total receipts for purchases.

Petty Cash Receipt

Date:

Payee:

Amount:

Purpose:

Expense Account:

Signature:

Section 11 – Financial Governance, Reporting and Controls

This material originates from the ***Business Administration - Best Parish Practices*** Handbook and is current as of October 2010.

A. Legal Structure of the Parish

Parishes of the diocese are established and operated under the Code of Canon Law (church law) and the law of the State of New York (civil law). Each parish is separately incorporated under the Religious Corporations Law of the State of New York and is operated at all times as a separate and distinct corporate entity with its own certificate of incorporation, by-laws and Board of Trustees. The original certificate of incorporation is on file with the County Clerk's Office in which the corporation is located. A copy of the Certificate and the original by-laws are filed with the Chancery and copies are kept at the parish.

Board of Trustees

Under New York law, the Board of Trustees consists of the Bishop of Buffalo, the Vicar General of the diocese, the Pastor of the parish and two lay Trustees nominated by the Pastor and appointed by the Bishop, Vicar General and Pastor for a term of one year.

Officers

The corporate by-laws designate the Bishop as president, the Vicar General as vice president and the Pastor as secretary/treasurer ex-officio of each parish corporation.

Meetings of the Board of Trustees

The Board of Trustees must hold an annual meeting. This is typically accomplished, at a minimum, by a meeting of the Pastor and two lay Trustees. Minutes of all meetings must be prepared. Formal notice of this annual meeting should be given to all on the Board (including the Bishop and Vicar General) at least 5 days prior to the meeting.

Resolutions adopted at that meeting are reduced to writing and adopted and signed by all five Trustees. All actions of the Trustees by law are subject to the Bishop's approval.

Responsibilities of the Board of Trustees

The Board of Trustees oversees the Pastor's management of the parish. All major decisions about the funds and property of the parish must have approval of the Board of Trustees and the Bishop as Bishop including the following actions:

- Mortgage, lease, sell, convey or otherwise dispose of any of its real property;
- Acquire by lease or purchase or accept by gift or devise, in trust or otherwise, any real property or interest therein;
- Accept by gift or bequest any money or other personal property that is subject to a trust or any other restriction or condition, excluding Mass stipends;
- Commence, or abandon any legal action or proceeding and the settlement or compromise of any legal action or claim that exceeds insurance coverage; or
- Incur any expense in making repairs to the property of, or in purchasing/leasing of equipment for the parish in an amount greater than \$10,000; (even if awarded under multiple contracts).

In Canon Law, the above acts are all considered to be acts of extraordinary administration referred to in Canon 1281.

B. Pastor

The Pastor is the civil law secretary-treasurer and the administrative officer of the parish and has the following duties. Under the supervision of the president and vice president, the Pastor:

- is responsible for all of the funds and property of the parish;
- keeps the funds in the name of the parish corporation at a bank (or banks) chosen by the Board of Trustees;
- keeps an accurate account of the receipts and disbursements of the corporation;
- makes a detailed financial report of the preceding fiscal year to the Board of Trustees at its annual meeting;
- conducts all the official correspondence of the corporation and keeps a record of its meetings; and
- performs other duties and makes other reports as required by the Board of Trustees.
- is responsible for all acts of ordinary administration in accord with cc. 532, 1281-1288.

C. Lay Trustees

Lay Trustees are active, responsible members of the parish who serve unsalaried one-year terms. They are nominated by the Pastor and approved by the Bishop, the Vicar General and the pastor.

D. Parish Finance Council

Establishment

The parish Finance Council is a consultative group of lay parishioners who help the Pastor exercise proper stewardship by giving him advice about financial planning, analysis and compliance with policy. Canon law requires each parish to have a parish Finance Council. Good management practice provides ample testimony to the benefits of having an active parish Finance Council. The parish Finance Council is advisory to the Pastor and its recommendations are valid only when accepted and ratified by the Pastor and, where necessary, the Board of Trustees.

Membership and Terms of Office

The parish Finance Council includes the Pastor and at least three, but not more than eight, reputable and practicing members of the parish who are knowledgeable and skilled in financial matters and are known for their prudent judgment. The Pastor is an ex-officio member of the Council. The parish bookkeeper or business manager may not be a member of the Council, but may be invited to attend meetings. Members of the parish Finance Council cannot be related to the Pastor or to any of the parochial vicars assigned to the parish. (May not be related by blood or marriage in the 4th degree or less of the collateral line or any degree of the direct line.) Members of the parish Finance Council serve a three-year term and may be appointed to a

second three-year term. Terms should be staggered so that some Council members change each year. Council members are not eligible to serve again until one year after the completion of their last term.

Regular Meetings

The parish Finance Council should meet once every quarter. The Pastor appoints a chairperson to assist him in coordinating the work of the Council, including preparing for meetings and implementing proposals which have been accepted and ratified by the Pastor. Each meeting should include a review of a current financial report in relation to the budget.

Record of Meetings

Minutes of the parish Finance Council meetings should be kept on file permanently. They should include all significant actions taken at the meeting.

Topics Discussed

Review and evaluate the internal controls concerning the accounting function, define specific practices, procedures, and techniques. Review and discuss the parish annual report. Monitor actual results to budgeted comparisons on a regular basis (at least quarterly); discuss reasons for variances. Assess the condition of the buildings and plan for improvements. Determine the effectiveness of fundraising campaigns.

Responsibilities of the Parish Finance Council

The parish Finance Council's mission and responsibilities are to assist the Pastor as follows:

- create an annual budget for the parish;
- ensure that the Annual Financial Report is prepared and submitted to diocese in a timely manner, i.e. before the second Wednesday of November;
- provide the Parish Council with regular, periodic reports on the financial status of the parish;
- prepare and publish an Annual Financial Report for the Parish Council and members of the parish community;
- develop procedures for the deposit of church funds in an interest-bearing checking account, when available, and/or savings account;
- monitor the investment of liquid assets in accord with diocesan financial policies;
- evaluate and make recommendations about the parish's support through the offertory collections and other fundraising initiatives;
- develop a plan for financing necessary repairs, renovations and purchase of equipment;
- develop a plan for systematic repayment of any parish debt;
- provide assistance in the oversight of all fund-raising programs;
- ensure that the parish complies with all requirements of federal, state and local laws;
- safeguard the assets of the parish from loss or damage;
- help the parish implement financial internal controls to minimize the risk of fraud; and
- implement all diocesan financial policies.

Communication of Financial Results

Communicate regularly, but not less than annually, the financial condition of the parish, including sources and amounts of income, parish indebtedness, unpaid bills, and parish savings and investments. A comprehensive report is an important element of accountability. Accountability completes the circle of stewardship and directly impacts people's willingness to give of their time, talent, and treasures.

E. Financial Reporting

Record Financial Transactions and Prepare Financial Statements

Financial transactions should be recorded daily and monthly financial statements prepared using a standard chart of accounts on the Parish Data System (PDS) Ledger/Payables financial software.

Financial Records

All financial records documenting transactions should be available to the parish for seven years. Records should not be kept offsite at the residence of employees or other locations where access to the records is limited. Financial records are the property of the parish and should be kept on the parish premises at all times.

Parish Financial Reports

The parish budget and annual report should be approved at the annual meeting of the Trustees and signed by the Pastor, and reviewed and signed by the Finance Council, and lay Trustees prior to submitting to the Chancery.

Regular Report Preparation

Financial reporting should be done regularly and timely to the Trustees and Finance Council to facilitate control and corrective action.

Communication of Results

An annual letter should be submitted to the Bishop by the Pastor before the second Wednesday of November. The annual letter should contain the following:

- the names and professional titles of the parish Finance Council members.
- dates when the Council met in the preceding fiscal year and since the end of the fiscal year.
- date(s) when the approved (i.e. by the parish Finance Council) parish financial statements/budgets were made available to the parishioners during the preceding fiscal year and since the end of the fiscal year. A copy of the published financial statements/budgets should be provided to the Bishop.
- a statement signed by the parish Pastor and the Finance Council members that they have met, developed, and discussed the financial statements and budget of the parish.

F. Sunday and Holy Day Collections

Tamper-Evident Bags

The ushers should immediately place collections in pre-numbered tamper-evident bags. The bag should be sealed and the bag number documented on a log sheet. Ushers should sign the log sheet after each Mass.

Adequate Physical Safeguards

All cash receipts should be deposited intact daily, or locked in a safe, in a pre-numbered tamper-evident bag under dual control (access by two people). Limit entry to the safe to only those people requiring such access. The safe combination and/or key should be adequately safeguarded.

Count Teams

At least two people should be present when the tamper-evident bags are opened and the collections are counted. No one should ever sort and organize money prior to the arrival of the count team. The counters should sign the log sheet to verify the proper tamper-evident bag is intact.

Proper Rotation of Count Team Duties and Members

Collections should be counted by multiple count teams, which are rotated periodically. Count teams should not be comprised of members related to each other.

Proper Handling of Collections

Checks should be restrictively endorsed during counting procedures. A tally sheet report should be compiled and signed by count team members. It is helpful to establish written cash handling guidelines for the count teams. The cashing of checks out of the offertory collection is prohibited.

Tracking Parishioner Contributions

Develop written procedures to instruct the person completing the data entry. Do not back date envelopes to the Sunday date printed on the envelope, use the date of the collection. For instance, families submitting multiple envelopes (for previous Sundays on one Sunday). These should be entered with the Sunday date the multiple envelopes were received, not the day the data was entered, or the Sunday dates printed on the envelopes.

Reviewing Parishioner Contribution Summary Report

Periodically (quarterly) someone who is independent of the counting, depositing, and recording of collections should print the PDS "Summary of Grand Totals by Fund" report and compare it to the Sunday collection tally sheets. The amount contributed on the "Summary of Grand Totals by Fund" report should equal the amount on the Sunday collection tally sheets. Differences should be researched and resolved.

Adequate Segregation of Duties

Ideally, different individuals should complete the receiving, processing, recording, and bank reconciliation functions. This option is not always possible, especially if there are only one or two individuals available to perform these duties. Separate these duties between the available people as much as possible. Perhaps the Pastor, or a volunteer parishioner with the proper background, can perform one of these functions on a monthly basis.

Parishioner Contribution Statements

Someone who is independent of the counting, depositing, and recording of collections should prepare and distribute year-end parishioner statements. Reported variances between the donation and collection should be investigated and resolved.

G. Other Church Revenue

Proper Handling of Other Church Revenue

Ideally, different individuals should complete the receiving, processing and recording functions. Gift acknowledgement forms should be issued when donations of \$250 or more are received. Reported differences between the donation and collections should be investigated and resolved.

H. School Tuition Collections

Proper Handling of School Tuition

Checks received for tuition and fees should be restrictively endorsed. Pre-numbered duplicate copy receipts should be issued for cash payments of tuition and fees. Parents should be discouraged from paying by cash. The tuition collections should be recorded and reconciled to the student accounts. Tuition collections are reconciled to total tuition revenue recorded on the parish financial records. Separate individuals should be responsible for the custody and recording of tuition collections.

Adequate Physical Safeguards

Tuition collections should be deposited as soon as possible. Until a timely deposit can be made, tuition collections should be locked in a safe under dual control.

Administration of Student Accounts

Document a standard policy for recording tuition and any school fees. Ensure that late fees are applied to the appropriate student account. Establish fees and guidelines for processing NSF checks. Monitor to enforce that all appropriate fees are applied and collected. Discontinue fundraising, offertory requirements, and tuition credits for family fundraising work.

Tuition Collection Plan

On a monthly basis, outstanding tuition balances should be identified and reviewed to determine if they are collectible. Establish a plan for the collection of past due tuition. Payment plans and reminder notices should be utilized to collect past due tuition. To identify past due tuition, document all students registered under different tuition plans to monitor the accuracy of revenue collected on an on-going basis. Uncollected tuition should be written off after review and approval of the Pastor and the Finance Council. Tuition waivers should be documented and approved by the Pastor and the principal.

Segregation of Tuition Payments

Payments received should be separately recorded by type, such as tuition (current year and previous year, pre-k, kindergarten through eighth grade), fees, books, and scholarships. Separating income by type will aid in reconciling and reporting actual tuition received.

Monitoring Tuition Received, Deposited and Reported

Regular comparisons using records of tuition receipts to bank deposit information should be completed by someone independent of the tuition collections and recordkeeping. Discrepancies should be documented, investigated, and resolved. Depending on the results of the comparison, recording procedures should be modified to reduce the discrepancies between funds received and deposited. This will provide accessible information and support for tuition-related questions and correct information for reporting purposes. Sending monthly tuition statements to each family will also strengthen internal controls.

I. Other School Revenue

Proper Handling of Other School Revenue

Pre-numbered duplicate copy receipts should be issued for all other school revenue. Receiving, processing, and recording other revenue should be completed by different individuals.

Adequate Physical Safeguards

Revenue should be deposited as soon as possible. Until a timely deposit can be made, other school revenue should be locked in a safe under dual control with limited access.

J. Cafeteria

Bank Account

Maintain a separate bank account dedicated exclusively to cafeteria funds. The bank account information should be disclosed on the annual report.

Monthly Bank Account Reconciliation

Bank accounts should be reconciled each month and reviewed by an individual independent of the handling and recording of cash. Reconciling items should be investigated and resolved.

Depositing of Cash Receipts

Accept daily deposits for lunch order payments and a la carte sales. Verify the accuracy of the cafeteria deposits.

Adequate Physical Safeguards

Monies should be deposited daily. Until a timely deposit can be made, receipts should be locked in a safe under dual control with limited access.

Sales Tax Collection

Cafeterias are required by New York State law to collect sales tax on adult lunch sales. Daily sales tax collections should be documented on the cash sheets. Tax remittance and reporting must be done annually, at a minimum.

K. Religious Education Revenue Collection

Proper Handling of Revenue Collection

Pre-numbered duplicate receipts should be issued for all registration and sacramental fees. Fees should be deposited on a regular basis and secured under dual control.

Administration of Student Accounts

Document all students registered under different rate plans to determine the accuracy of revenue collected on an on-going basis.

Fee Collection Plan

On a regular basis, outstanding balances should be reviewed to determine if they are collectible. Establish a plan for the collection of past due fees. Payments plans and reminder notices should be utilized to collect past due fees. To aid in identifying past due fees, document all students registered under different plans to determine the accuracy of revenue collected on an on-going basis. Uncollected fees should be written off only upon review and approval of the Pastor and the Finance Council. Document unpaid fees and tuition waivers.

L. Cash Disbursements

Approval of Disbursements

Original supporting documentation should be reviewed and approved by the Pastor or someone (other than the bookkeeper) assigned by the Pastor. The supporting documentation should include invoices or receipts that provide evidence of the transaction and the expense account debited. Invoice approval should be recorded by signature or initials and dated. *Be watchful for bogus invoices sent by companies who have provided no goods or services.*

Supporting Documentation for Disbursements

Verify all items were received prior to presenting for payment. Check items received against documents for description, quantity, and prices. Checks should not be issued without an invoice or check requisition form. Check amounts should be compared to the list of disbursements (PDS Paid Invoice Batch Report) accompanying the checks; this documentation (initialed to prevent reuse) must be retained as proof of the disbursement. Invoices should include certain minimum information such as vendor, date of service or purchase, description of service provided or goods purchased.

Prevention of Duplicate Payments

Invoices should be cancelled upon payment to prevent duplicate payments. The check number, date, and amount should be recorded on the invoice.

Proper Controls Over Checks

Access to unused check stock must be restricted; voided checks should be defaced and retained in numerical order with the cancelled checks so as to maintain proper sequential integrity. If an account is closed, remaining check stock should be shredded prior to disposal.

Checks Payable to Cash, Cash Payments and Reimbursements

Checks should be made payable to a vendor (person or organization). Checks should not be made payable to “cash.” All expenses should be paid by check; never from undeposited funds. Reimbursement checks should be minimized.

Authorized Check Signers

Invoices should be attached to all checks presented for signatures. All checks should be signed by the Pastor. ***The parish business manager and/or bookkeeper should never be an authorized signer on parish accounts.*** A Trustee or Finance Council member should be designated as an authorized signer when the Pastor is on vacation.

Use of Credit Cards

While parishes may elect to use credit or debit cards to facilitate purchases, it is imperative that adequate controls governing access, signoff, and documentation of type and purpose of purchase be monitored. Parishes should avoid incurring finance charges on a credit card and are obligated to pay any outstanding balances at the end of each billing cycle. Invoices should be retained for each purchase and reconciled to the monthly statement. If a major purchase is necessary, obtain the appropriate pre-authorization before purchasing the item. Statements should be mailed to the parish address.

A list of the cardholders should be maintained. The list should detail the name of the cardholder, the account number, credit limit, and expiration date. This list should be periodically reviewed and updated to reflect changes. Credit cards should be returned when an employee or other person leaves their job or position.

Use of Tax Exemption Number

Use of the tax exempt number should be reserved for purchases for the church and the school. Employees, friends or relatives should not use the tax exemption number for personal purchases. The number should be secured so that access is limited to authorized individuals.

M. Petty Cash Fund

Petty Cash Transactions

Record all petty cash transactions in a Petty Cash Register to maintain a clear record of the payment of expenses with a small amount of cash. A record of each petty cash payment should be maintained to identify the person paid, the reason, the amount, and the date of payment.

Replenishment of the Petty Cash Fund

Write a check from the parish operating account to “Petty Cash.” Never take cash directly from the Sunday collections or other income. Determine the total for the petty cash fund (see below) and periodically make the replenishments necessary to maintain this pre-determined total.

Fund Limit

Keep the limit at a minimum to cover incidental expenses, such as postage. Depending on local needs, \$100 or \$200 is generally adequate. At any point in time, cash and receipts should equal the total of the fund.

Supporting Documentation

Petty cash receipts should be retained to document the types of expenses, the payee, and number of transactions to determine that petty cash is appropriately used.

Authorized Custodian

Assign a primary person and a secondary person responsible for processing transactions and serving as a custodian.

Adequate Physical Safeguards

Ideally, store funds in a secure and locked drawer, box or office.

Designating Funds to Petty Cash

Petty cash funds should be designated for small expenses of the parish which are of an immediate need.

N. Bank Accounts and Reconciliation

Identification of Parish Accounts at Financial Institutions

The Pastor must be a signer and a receiver of information for all parish accounts. The parish should periodically verify the existence of all parish accounts, including those for auxiliary organizations, by surveying its various organizations. Another alternative is to request from local financial institutions a list of accounts using the parish federal identification number.

Accounts at Financial Institutions Should be Reported Accurately and Timely

All parish accounts must be reported in the annual report submitted to the Chancery and to the parishioners. Bank accounts with zero balances – such as sweep accounts and lines of credit should also be included because these accounts still reference the parish tax identification numbers and transactions are processed through these accounts.

Monitoring All Parish Bank Accounts

All original bank statements must be mailed to the parish where they should be opened and reviewed by the Pastor or his designee. A copy should be maintained and the original then distributed to the auxiliary group and/or school. This will ensure that the Pastor is aware of all parish bank accounts utilizing the parish tax identification number.

Bank Account Signature Cards

As personnel change in the parish, the approved signers on each parish bank account should be periodically reviewed. Include the accounts where few transactions occur since these accounts are often overlooked. Signers that have left the parish or relinquished responsibilities for the account should be removed as authorized signers.

Monthly Bank Reconciliations

Bank accounts should be reconciled each month and reviewed by an individual independent of the handling and recording of cash. All checks that remain outstanding for more than two months should be investigated and resolved. Contact the payee if necessary, checks may need to be voided and reissued.

Excess Operating and Other Funds

In the interest of earning competitive rates of return on excess operating funds (those over 90 days) and funds collected for capital campaigns or building funds, it is recommended these funds should be deposited in the St. Joseph Investment Fund. In addition, bank accounts owned by the parish but designated for different purposes, are not separately insured by the FDIC. Instead, such accounts are added together and insured up to \$250,000 in the aggregate.

Safeguarding the Use of the Parish Tax Identification Number

The parish tax identification number should be issued only after the approval of the Pastor. Identify the reason for the use of the parish tax identification number: establish parish (church, school, and auxiliary groups) accounts, etc. The Pastor should receive copies of the resulting documents, (e.g. bank statements). The parish should maintain a log identifying the recipient of the tax identification number and the purpose for the request.

National organizations (e.g. Knights of Columbus, St. Vincent de Paul Society) should not ask for or be given the parish tax identification number for use for their bank accounts or for their activities.

The exception to this is scouting units chartered by the Boy Scouts of America, as scouting is youth ministry. The parish tax identification number is issued to the Scout unit: Cub Scouts, Boy Scouts, Varsity Scouts, or Venture Scouts and referenced on the bank account. The parish then receives the banking documents to maintain on file. All Boy Scouts of America units are subject to all of the policy and best practices related to parish auxiliary groups.

Closing Bank Accounts

Access to unused check stock should be restricted. When a decision is made to close an account, inventory the remaining check stock. The remaining check stock should be shredded to prevent fraudulent use of the checks. Blank checks from a closed account can be presented for payment resulting in a loss for local currency exchanges, banks, or merchants. Local merchants as a member of the community will often honor a parish check unaware of the consequences.

Automatic Account Debit

Automatic debit arrangement should be utilized sparingly. If the business relationship is ended, make sure the bank is instructed not to honor debits from the company. Determine what is required by the bank to cease this activity - complete bank forms, write a letter, and/or close the account. Make sure the requirements are satisfied. Maintain a file documenting any such arrangements.

Choice of Banking Institution

Consider maintaining parish accounts (operating, auxiliary group accounts) at one financial institution. Higher account balances may enable the parish to negotiate better terms and/or rates with the bank. Cancelled checks must be returned to the parish. Otherwise, a purchase order system should be established whereby all purchases are pre-approved.

O. Auxiliary Organizations Other Than Schools, Such as Women's and Men's Clubs

Proper Accountability

Auxiliary organizations are accountable to the Pastor; therefore, a quarterly report should be submitted to the Pastor. The quarterly report to the Pastor should include both the activities as well as the financial results of the auxiliary organization.

Signature of Pastor

The Pastor should be a signatory and receiver of information on all bank accounts held by these organizations.

Bank Accounts

The auxiliary organization bank accounts must be reported in the parish annual report submitted to the Chancery. The original bank statements should be mailed to the parish where it is opened and reviewed by the Pastor or his designee. It is recommended that a copy be retained and the original forwarded on to the group.

Funds Remaining at the End of the Year

Excess funds (those more than the amount needed to begin the next year's activities) in auxiliary bank accounts should be transferred to the parish to be used for ministerial purposes.

Recommended Banking Institution

The Pastor should recommend a bank of choice for the auxiliary groups' bank accounts. All parish bank accounts (church and school) maintained at one banking institution may result in better interest rates and more favorable fees.

Use of the Parish Tax ID Number

Groups, organizations, and clubs that utilize the parish tax ID number (i.e. federal identification number) must account for all cash receipts and expenditures through the corresponding bank accounts.

Charters to Parishes Using the Scouting Program

If the parish has one or more charters with one or more scouting programs, such as Cub Scouts, Boy Scouts, Varsity Scouts, and Venture Scouts, then all of the above apply since the organization becomes a parish organization. When signing the annual charter, distribute the Auxiliary Organizations Best Practices to the scouting unit's leaders. This will inform them of their responsibilities to the Pastor and parish. A copy of the signed charter should be retained on file in the parish office.

P. Other Parish Programs and Events, Including Scrip

Adequate Segregation of Duties

Ideally, one person should be responsible for sales and safekeeping of cards. A second person should be responsible for treasury duties. Also, periodic inventory of cards should be completed.

Signature of Pastor

The Pastor should be a signatory and receiver of information on any bank accounts held by these organizations. The original bank statement should be mailed to the parish where it is opened and reviewed by the Pastor or his designee. A copy is retained and the original is then forwarded on to the group. Depending on the available resources, the authorized signers and reconcilers of the bank account should be administered by the parish business office, with payment requests submitted by the group. Remember, whoever reconciles the bank account should not be an authorized signer on the bank account.

Adequate Physical Safeguards

These cards should be considered as cash and handled appropriately. The inventory of cards on hand should be kept to a minimum based on sales activity. Under no circumstances should cards ever be taken off parish property to a personal residence.

Regular Reconciliation of Inventory

Inventory should be reconciled on a regular basis (at least monthly) to calculate the actual inventory on hand. The reconciliation form should include inventory of cards, purchases of additional cards (by merchant), adjustments + or – for back orders, sales errors, etc., and sales deposits by date to determine the calculated inventory. This should be compared to the physical inventory count. Any differences should be researched, documented, and resolved. This reconciliation form should be distributed to the program moderator and the parish business office with the appropriate signatures.

Reporting of Results

Regular income and expense statements should be submitted to the parish business office. The statements should reflect cash in accounts, an inventory of cards, adjustments for prepaid cards, and the program profits.

Written Procedures and Guidelines

Written procedures and guidelines should be developed and distributed to the program volunteers. Emphasis should be on segregating duties to distribute the responsibilities. Written procedures and guidelines will aid volunteers in carrying out their duties.

Accounting for Events

Revenue should be counted and deposited intact, never take cash generated from an event prior to deposit to pay for event-related expenses. Receipts should be retained to document any reimbursable expense.

Q. Retention/Safekeeping of Records

Sacramental Records

All sacramental records should be stored in a secure area where these records are safeguarded against physical damage and deterioration: the best choice is a fireproof safe.

Financial Records

All financial records documenting transactions should be available to the parish as needed. Records should be retained for at least seven years. Records should not be kept offsite at the residence of employees or other locations where access to the records is limited.

Records should be filed/boxed by year – all records that are seven years old are boxed together, six year old records are boxed together, etc. All boxes should be labeled as to fiscal year – Year End 8/31/07; 8/31/05, etc. An inventory sheet should be prepared listing all items located in each particular box. A separate box should contain all permanent records and be marked as such.

Many pastors have asked how long various financial documents should be retained. The following guidelines are included for your reference.

<u>Item</u>	<u>Retention Period</u>		
	<u>3 Years</u>	<u>7 Years</u>	<u>Perm.</u>
<u>General:</u>			
Accident Reports, Claims (settled cases).....			X
Contracts, Mortgages, Notes, and Leases:			
Expired.....		X	
Current.....			X
Correspondence (legal and important matters only)			X
Deeds, Mortgages, and Bills of Sale			X
Insurance Policies (expired).....	X		
Insurance Records (current accident reports, claims, policies, etc.)			X
Property Appraisals by Outside Appraisers			X
<u>Financial Records:</u>			
Audit Reports			X
Bank Reconciliations	X		
Bank Statements	X		
Checks (cancelled – see exception to follow).....	X		
Checks (cancelled for important payments, i.e. purchases of property, special contracts, etc. Checks can be filed with the papers pertaining to the underlying transaction)			X
Check Registers or Stubs	X		
Financial Statements (annual reports).....			X
Parish Organization Financial Reports.....	X		
Parishioner Contribution Records:			
Weekly Detail	X		
Annual Summaries.....	X		
Gift Substantiation Letters	X		
Offertory Tally sheets	X		
Year-end Computer Back-up			X
(PDS Church Office Management users – should contact Adam Berry (847-5591) on the transfer of parishioner information to the merger parish.)			
Invoices:			
Legal			X
Capital Repair			X
All Others		X	
Journals:			
Cash Disbursements.....	X		
Cash Receipts	X		
Mass Stipend Cash.....	X		
Savings.....	X		
Payroll Records:			
Automated Payroll Registers	X		
Government Reports.....	X		
Time Sheets	X		
Employee Earnings Record			X
Forms W-2, W-2G and 1099-Misc.			X
Forms W-4, IT-2104, and I-9 (current employees).....			X
Employee Benefit Records	X		
Personnel Files (for terminated employees).....	X		
Retirement and Pension Records			X
<u>Item</u>	<u>Retention Period</u>		

Tuition Records:

Weekly Detail X
 Annual Summaries.....X
 Year-end Computer Back-upX

Computerized Bookkeeping Systems: (1)

Month-end ReportsX
 Year-end ReportsX

Bingo, Bell Jar, Games of Chance, and Raffles:

Bank StatementsX
 Cancelled Checks.....X
 Check RegistersX
 Paid Invoices.....X
 JournalsX
 Documentation necessary to substantiate
 raffle ticket sales (2)X

Records to be Retained 1 Year or Less:

Retention Period

Bell Jar Tickets:
 Unsold..... 1 Year
 Winners..... 6 months
 Fund-Raising Reports and Detailed Documentation..... 1 Year
 (See [2] below for exception)
 Input Sheets and Daily “Batch” Reports for Computerized Bookkeeping Systems 1 Year
 Forms W-4, IT-2104, and I-9 for Terminated Employees 1 Year

- (1) If using Parish Data System (PDS) Ledger/Payables, refer to the PDS Operations Manual for more specific guidelines.
 (2) Includes listings of tickets distributed, returned, and sold.

Section 12 - Accounting Policies and Procedures – Schools

This material originates from the Diocese of Buffalo's Finance Office and is current as of October 2010.

Accounting policies and procedures are necessary to ensure the effective financial management of your school. The goals of these policies and procedures are to provide consistent and accurate financial information about your school as well as to aid in the safeguarding of the assets of your school.

A. Bank Accounts and Reconciliation

- All school receipts and disbursements should flow through one interest bearing checking account. Schools with more than one campus should forward all receipts and disbursement requests to the centralized school bookkeeper or business manager. A petty cash fund (approximately \$75) may be used for minor expenditures (see below).
- The Pastor or Canonical Administrator (for regional schools) must be an authorized signer on all school accounts. In addition, the Pastor or Canonical Administrator may appoint another individual to be an authorized signer on the account. We recommend that the school Principal be listed as an authorized signer on the operating account of the school. The business manager or bookkeeper should not be an authorized signer on the account. A Trustee or Finance Council member may also be designated as an authorized signer on the account when the Pastor is on vacation.
- All original, unopened bank statements must be sent to the Pastor or Canonical Administrator for their review. A copy of the bank statement should be maintained and the original sent to the proper person for reconciliation.
- Bank accounts should be reconciled on a monthly basis by a person independent of the handling and recording of cash.

B. Petty Cash

- Petty cash accounts may be established to cover incidental expenses. For schools with more than one campus, separate petty cash accounts may be maintained at each campus.
- A primary and a secondary person should be assigned to be responsible for the processing of transactions and serving as custodian.
- Funds should be stored in a secure and locked area with limited access.
- All transactions should be recorded in a Petty Cash Register to maintain a clear record of the expenses. The register should include the date, person paid, reason and amount. Receipts must be submitted with the petty cash reimbursement request.
- Periodically, the petty cash fund should be replenished to its original balance by submitting detail of the expenditures and receipts to the school bookkeeper who will record the expenditures in the general ledger and issue a check to replenish the account.

C. Cash Receipts

- Cash receipts should be deposited daily or as soon as possible. Until a deposit can be made, cash receipts should be secured in a locked safe with limited access.
- In no instances should cash receipts leave the premises other than for deposit in the bank.
- Pre-numbered duplicate copy receipts should be issued for all cash receipts. The receiving, processing and recording of these receipts should be completed by different individuals.

- A cash receipts form should be prepared and submitted along with the deposit ticket to the bookkeeper or business manager.

D. Tuition and Fees

- Tuition and fee receipts should be recorded upon receipt and deposited as soon as possible. Checks should be restrictively endorsed and receipts issued for cash payments.
- Payments received should be segregated in the general ledger by type such as tuition (current year and previous year, pre-k, kindergarten through eighth grade), fees, tuition assistance and scholarships.
- Tuition collections should be reconciled to the student accounts, bank deposit information and to the general ledger on a monthly basis. This should be done by someone independent of the tuition collections and recordkeeping.
- Tuition and fees received for the subsequent school year should be recorded as a deferred liability. The funds associated with the deferral should not be used to fund the operations of the school until the subsequent school year. At that time, tuition and fee revenue should be recorded and the deferral relieved.
- A standard tuition policy should be established for items such as late fees, NSF fees and the collection of past due tuition.
- A schedule of anticipated tuition collections should be maintained based upon the tuition agreements signed by the school families. This schedule should be compared to actual collections on a monthly basis and differences investigated and documented. This process will help to identify past due accounts and the results should be forwarded to the Pastor, Canonical Administrator or their designee for evaluation as outlined below.
- Tuition receipts, as they provide the primary source of revenue for the school, should be closely monitored by the Pastor, Canonical Administrator or their designee – possibly a member of the School Finance Council. Past due amounts should be analyzed to determine their collectability. Uncollectable tuition should be written-off after review and approval of the Pastor, Canonical Administrator and the Finance Council.
- Schools should consider contracting with third party collection agents to enhance tuition collection and reduce the administrative burden on school personnel.

E. Cafeteria

- A separate bank account should be dedicated exclusively to cafeteria funds.
- Funds should be deposited daily in the bank, or if not possible, secured in a locked safe with limited access until a deposit can be made.
- Daily receipts should be reconciled to the daily sales.
- New York State law requires collection of sales tax on adult lunch sales. Daily sales tax collections should be documented on cash sheets and remitted to the state annually at a minimum.
- Bank accounts should be reconciled monthly and reviewed by an individual independent of the handling and recording of cash.

F. Cash Disbursements

- Invoices and supporting documentation, including a check request form, should be reviewed by the Pastor, Canonical Administrator or their designee (other than the bookkeeper). The supporting documentation should include invoices or receipts that provide evidence of the transaction and the expense account to be debited. Invoice approval should be recorded by signature or initials and dated.
- Approved invoices should be sent to the bookkeeper for review and entry into the payables system. This review should include verification that goods or services were received prior to payment and checking items received against documents for description, quantity and prices. Checks should never be issued without an invoice or check requisition form.

- Payment checks, along with the supporting documentation, should be sent to the Pastor or Canonical Administrator or their designee, such as the Principal, for their signature. The business manager or bookkeeper should never be an authorized signer on the school account. The signed checks should be mailed by an individual independent of the bookkeeping function.
- Dual signatures are required for all disbursements of \$5,000 or more. These checks require the signature of the designee as well as the signature of the Pastor or Canonical Administrator.
- Invoices should be cancelled upon payment to prevent duplicate payment. The check number, date and amount should be recorded on the invoice.
- Access to unused checks must be restricted; voided checks should be defaced and retained in numerical order with the cancelled checks so as to maintain proper sequential integrity. If an account is closed, remaining checks should be shredded.
- In no circumstances should checks be pre-signed.

G. Capital Repairs & Improvements

- Capital repairs and improvements are extraordinary in nature and often require a substantial financial commitment from both the school and the host parish.
- Capital repairs and improvements should be included in the 3 year strategic budget of the school to ensure the availability of funds for the project.
- Pre-approval from the Bishop of the Diocese of Buffalo is required for all projects exceeding \$10,000. This approval must be obtained by the pastor of the host parish prior to commencement of the project.
- The Diocese of Buffalo “Parish Building and Renovation Guidelines” provide additional guidance on diocesan policy. These policies must be strictly adhered to.
- The cost of capital repairs and improvements should be shared by the school and the host parish, with each organization paying 50% of the cost.

H. School Societies (Home School Association, Sports Booster Clubs, etc.)

- Fundraising is an integral part in the success of Catholic schools. Much hard work and dedication goes into the planning and execution of successful fundraisers. In recognition of this hard work, it is vital that adequate safeguards are in place to properly account for these fundraising revenues and ensure that they are used in a manner beneficial to the school community.
- Diocesan guidelines call for 15% of revenues to be derived from fundraising, mandated services, and other local sources. These revenues play a vital role in the operating budget of your school.
- The Pastor or Canonical Administrator, working in conjunction with the Principal and Board of Directors of the association, has the authority to approve or disapprove fundraising events and the expenditures related to the funds raised.
- All revenues and expenditures for the various associations should flow through the operating account of the school.
- Revenue projections, based upon historical information and trends, should be included in the operating budget of the school. Similarly, targeted expenditures related to fundraising should be included in the operating budget of the school.
- Receipts related to the various fundraisers should be recorded and deposited. At no time should these receipts leave the school premises other than for deposit. Adequate security should be maintained for these receipts as outlined above.
- Disbursements should be made through the school bookkeeper. Invoices and supporting documentation should be sent to the bookkeeper as outlined above.

- Reimbursement of personal expenditures related to the fundraisers should be kept to a minimum. If reimbursement is required, receipts must accompany any reimbursement request.
- The chairpersons of the various fundraisers should prepare a summary report listing the revenues, expenditures and net profit for the fundraiser, along with any other pertinent information.

I. Account Reconciliations

- All balance sheet accounts (assets and liabilities) should be reconciled on a monthly basis by comparing the general ledger total to supporting documentation.
- Income statement accounts should be reviewed monthly. This review should include comparison to prior years and budget as well as to supporting documentation if available.

J. Budgeting

- Budgets should be prepared in conjunction with the setting of the tuition and fee rates for each school year. Current Diocesan guidelines call for tuition, tuition aid and fee income to equal 60% of the per pupil cost, parish or regional school subsidy to equal 25% of the per pupil cost and other revenue sources such as fundraising and mandated services to equal 15% of the per pupil cost.
- Budgets should be prepared based upon the prior year actual revenues and expenses, prior year budget, enrollment trends and projections, as well as current economic conditions.
- The budgeting process should be inclusive, including input from the Principal, Pastor or Canonical Administrator and the school or parish Finance Council.
- Actual to budget comparisons should be made throughout the year and submitted to the Diocese on a quarterly basis. Variances from budget should be investigated and corrective action taken if warranted.