



ROMAN CATHOLIC ARCHDIOCESE OF BOSTON

***Parish Finance and Administration  
Policy and Procedure Manual***

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# ROMAN CATHOLIC ARCHDIOCESE OF BOSTON

## *Parish Finance and Administration Policies*

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# ROMAN CATHOLIC ARCHDIOCESE OF BOSTON

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### I. INTRODUCTION

The purpose of this manual is to assist the parishes of the Archdiocese as they undertake the administrative tasks associated with the mission of the Church and the pastoral care of the faithful. This manual brings together, in one volume, new and existing policies designed to enhance our local church's stewardship of its precious material assets. Through these policies, and a strong cooperative process, any existing or emerging issues should be successfully resolved to the mutual satisfaction of the parishes and the Archdiocese.

Careful stewardship of material goods and the timely and effective dissemination of financial information, compiled in an environment of transparency and prudent internal controls, have many benefits for our local church. Sound financial practices can reduce the administrative burdens on parish leadership, ensure a more uniform manner of reporting data and help the Archdiocese provide more efficient administrative and technical assistance. Standardization of the financial process throughout the Archdiocese will allow for continuity when there is a change in the Pastor/Administrator.

#### A. STEWARDSHIP OBJECTIVES

This Parish Finance and Administration Policies Manual is a useful resource toward achieving the following objectives of sound pastoral stewardship:

- To safeguard the temporal goods of the parish.
- To enable Pastors/Administrators in their responsibility to provide prudent administration of the properties, human resources and monies entrusted to their care.
- To provide adequate and timely information regarding the cash flow needs of the parish and its related entities.
- To ensure that the parish can plan properly to meet financial obligations as they become due.
- To record and report all financial transactions of the parish through a standardized system of accounting.
- To provide accurate, timely and consistent financial reporting to the parish, its parishioners, the Archdiocese and external auditors.



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### **I. INTRODUCTION - Continued**

#### **B. BUSINESS CONDUCT AND MANAGEMENT**

Pastors/Administrators have a responsibility to their parishioners to administer the receipt and disbursement of parish funds with reasonable care. Funds need to be solicited and collected both to support the current programs and operations of the parish and its future capital needs. Prudent management of monies requires the safeguarding of funds received, the conservation of the assets of the parish, and the expenditure of funds within parish means.

Each parish and its Finance Council should be attentive to the regulations of Church law and aware of accepted business practices and civil laws related to business dealings, such as requirements to file tax and other legal forms.

The Parish Finance Council and the Archdiocese are key resources that the Pastor/Administrator has available to assist him in ensuring that applicable laws are complied with and acceptable business practices are followed. To the extent local conditions make compliance impractical with respect to a specific policy or implementation date, a request should be made to the Chancellor for a waiver or extension.



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### **II. INTERNAL CONTROLS**

Internal Controls are designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations
- Reliability of financial reporting
- Compliance with applicable laws and regulations

Parish Internal Controls may include, but are not limited to, the following:

- Whenever possible, segregate duties among different personnel to reduce the risk of error. Ensure that no one person has control over all aspects of any financial transaction.
- Ensure that transactions are authorized by personnel with delegated approval authority.
- Ensure that equipment, cash or other property are secured physically and compared with control records.
- Provide personnel with appropriate training and guidance to ensure that they have the knowledge to carry out their job related duties and provide an appropriate level of supervision.

Parish Internal Controls should be clearly stated, yet encourage the use of common sense and judgment in application.



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#### III. FINANCE COUNCIL

Good management practice provides ample testimony to the benefits of having an active Finance Council. Every parish is required by the Code of Canon Law (canon 537) to have a Finance Council, a consultative body of the faithful to assist the Pastor/Administrator in the administration of the goods of a parish. The same canon indicates that the diocesan bishop may issue local norms. According to Archdiocesan norms, every parish is required to have a Finance Council that meets regularly to review and discuss the budget, management of income and expenditures, actual results compared to budgets, and to consider and consult on operating and capital requirements.

For further information on Parish Finance Councils please refer to the Archdiocesan Parish Finance Council Policies in section four of this manual.

#### **Highlights of the policy are:**

##### **A. ORGANIZATION AND MEMBERSHIP**

- The Council is to be appointed by the Pastor/Administrator and comprised of a minimum of three members.
- Members should be chosen from the faithful of the parish with some experience or expertise in financial matters, whenever possible.
- Members should be appointed for one-year terms, with annual reappointments of up to ten years, staggering membership for purposes of continuity.
- A member may be considered to serve beyond the ten year maximum following a one year break in service.
- Members should not be appointed where there is potential for a conflict of interest.
- Within one year of taking office, a new Pastor/Administrator should formally confirm the Finance Council or create a new one.
- The Pastor/Administrator may remove a member of the Finance Council who incurs a canonical penalty.

##### **B. FINANCE COUNCIL RESPONSIBILITIES**

The role of the Finance Council is Advisory. As such, the Council shall support the Pastor/Administrator by:



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#### **III. FINANCE COUNCIL - Continued**

- Providing counsel on general financial matters of the parish.
- Assisting in the preparation of annual budgets for the parish, school, cemetery or other related entities.
- Assisting in the preparation of the “Annual Report to Parishioners.”
- Reviewing, on a quarterly basis, actual financial results in relation to the annual budget including explanations of material variances.
- Providing counsel concerning the general care and administration of parish property and finances including: the collection, control and expenditure of funds; maintenance, repair and replacement of physical property; and oversight with regard to the payment of salaries for parish employees and related taxes and insurances.

It is recommended that the Finance Council meet at least quarterly. In striving for openness and accountability in its practices, meeting minutes summarizing the items discussed and the decisions reached should be recorded by the Parish Finance Council Secretary and archived in a secure location as part of the parish permanent record and maintain written minutes of each meeting.

The Pastor/Administrator should convene and be present at all meetings. Members of the Finance Council should maintain strict confidentiality regarding all matters discussed at Finance Council meetings or any other information provided to them in confidence. Finance Council members generally should not have access to records that pertain to financial contributions of individual parishioners. The Finance Council members should be named in the “Annual Report to Parishioners.”



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#### IV. AUDIT

According to canon 1276 the Archbishop is obligated to exercise careful vigilance over the administration of goods of public juridic persons subject to him. Parishes are such public juridic persons by virtue of canon 515 §3 and 1276. The Archbishop is able to fulfill this supervisory role by entrusting the Chief Financial Officer of the Archdiocese, the Chancellor, with this function (canon 1278). The Chancellor uses auditors to carry out this supervisory function of the Archbishop by auditing the books of all parishes and related entities (including parish schools, parish cemeteries, etc.).

- Parishes, schools, cemeteries and other related entities will be audited at least once every three years. The audit shall be conducted in accordance with the Manual "Internal Audit Procedures for Parish/School/Cemetery."
- When possible, audit findings should be corrected during the audit and noted in the final audit report.
- Audit personnel will conduct an exit interview at the conclusion of each audit to discuss audit findings and solicit responses from the Pastor/Administrator. A written draft of the report will be delivered to the Pastor/Administrator within 15 business days of the completion of the audit fieldwork and the Pastor/Administrator will have thirty days to submit any written comments to be included in the final report.
- Following the conclusion of the audit, a composite numerical rating will be assigned ranging from "1" to "5". A "1" rating indicates that the entity is in strong compliance with policies and procedures, that audit findings are relatively minor and any weaknesses can be handled in a routine manner. A "5" rating indicates that the entity is essentially noncompliant with policies and procedures may have violations of laws or regulations and does not demonstrate effective internal control over financial operations. This system will help the Archdiocese determine which entities may require additional assistance and support from the Chancellor's office or which may be subject to more frequent follow-up audits. *(A copy of the rating criteria may be found at Appendix 9.)*
- Material findings, noted as such in the final audit report, and not corrected during the audit, or satisfactorily addressed in the entity's written response, may be subject to follow-up visitations. The Chancellor may request a meeting with the Pastor/Administrator and the parish Finance Council to resolve outstanding issues.





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#### **IV. AUDIT - Continued**

- Audit findings relating to Form W-2 Wage and Tax Statements and Form 1099 MISC Miscellaneous Income and related tax forms will require immediate resolution and possibly amended tax filings.
- Copies of final audit reports shall be forwarded to the Regional Vicar, the Regional Bishop or Episcopal Vicar, Vicar General, Chancellor and Chairman of the Archdiocesan Audit Sub-Committee. In the case of parishes staffed by religious order priests, a copy of the final audit report is to be sent to the Provincial of the Order.



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#### **V. REPORTING SOFTWARE APPLICATIONS**

To help ensure that parishes can consistently provide complete, accurate, timely and meaningful financial and demographic information, it is important to have a standardized system in which to record and disseminate this information. As a result, QuickBooks and ParishSoft have been carefully selected as the tools to be used across the Archdiocese. Use of the same software standard throughout the Archdiocese enables more consistent and effective support available to parishes.

##### **A. FINANCIAL REPORTING SOFTWARE - QUICKBOOKS**

The Archdiocesan provided version of QuickBooks, used in conjunction with the standard chart of accounts, is to be implemented by June 30, 2007 and maintained, thereafter, in accordance with the Archdiocesan schedule.

During fiscal 2010, all parishes will be asked to migrate to a hosted QuickBooks environment. This will allow access to the parish accounting records by authorized users from any personal computer through a secured internet connection.

Hosted QuickBooks will eliminate the need to submit monthly financial reports and eventually mitigate much of the annual questionnaire process. This environment allows for more timely preparation of financials for parishes and enhances our ability to provide timely and effective assistance.

##### **B. PARISHIONER INFORMATION - PARISHSOFT**

There is a need for efficient communication concerning financial matters with parishioners. Each parish should have an electronic method in place for tracking its census and membership information by January 1, 2008. The preferred software for parishes that do not already have such a system is ParishSoft, the Archdiocesan standard. While existing membership systems may be utilized over the near term, it is the goal of the Archdiocese to convert all Parishes to ParishSoft by January 1, 2010 to readily track important census and other donation information in a consistent manner across all the parishes.

##### **C. COMMUNICATION – E-MAIL**

To ensure a more efficient and timely means of communication and dissemination of information and reporting, computers with e-mail capability will be required in all parishes and related entities (including parish schools, parish cemeteries, etc.) by June 30, 2007. Parishes may choose email service providers at their own discretion.



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#### **VI. REPORTING**

The primary objective of financial reporting is to accurately summarize the financial activity of the parish on a timely and consistent basis. The financial reports help the Pastor/Administrator understand the sources and uses of funds at the parish level. Financial Reports are also useful references when compiling budgets for future periods and providing information for the preparation of the "Annual Report to Parishioners."

Financial Reports are useful to the Archdiocese in compiling consolidated operating results for all parishes as of a common measurement date in a standardized format. They also assist the Archdiocese identify trends and evaluate parish needs.

This section of the manual sets forth a standardized policy for monthly reporting to the Archdiocese and annual reporting to parishioners of historical operating results and the budget for the ensuing year.

The intent of these policies is to provide an achievable schedule and consistent process that will not unduly burden the parish.

##### **A. MONTHLY FINANCIAL REPORTING**

It is the policy of the Archdiocese that financial information is to be submitted to the Finance Department, Parish Accounting Office by the end of the following month. This schedule should afford the bookkeeper/business manager ample time to complete all account activity for the prior month and complete the necessary account reconciliations. If a parish has difficulty meeting this schedule, the parish should contact the Chancellor to seek an extension and assistance as necessary.

The most efficient method for submitting financial data is electronically in the form prescribed by the Archdiocese. *(See sample trial balance to Archdiocese in Appendix 1).*

Parishes that have migrated to a hosted QuickBooks environment no longer need to submit monthly financial reports. The financial reports will be extracted from your QuickBooks file within the hosted environment.

##### **B. ANNUAL REPORTING**

###### **1. Operating and Capital Budgets**

Preparation of an annual budget and the rendering of an account to the faithful are required under Statute V of the Eighth Synod of the Archdiocese, which became effective on March 26, 1989. Annual Financial and Budget Reports to parishioners and the Archdiocese enables the Pastor/Administrator to report on the current financial status of the parish and related entities (including parish schools, parish cemeteries, etc.).



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#### VI. REPORTING - Continued

The Annual Report/Budget helps the reader understand how the parish operates financially. It also demonstrates the need for continued financial support through collections and contributions that provide funding for parish operations.

Annual Operating and Capital Budgets are essential tools that assist the Pastor/Administrator in the development of a financial plan for the ensuing year. Budgets project revenues and expenditures and serve to indicate whether or not there will be an excess or shortage of funds. If a preliminary budget indicates a deficit (when expenditures exceed revenues) the Pastor/Administrator can take appropriate action to reduce expenditures or develop additional sources of revenue prior to completion of the final budget.

Summarized below are some norms adopted by the Archdiocese with regard to operating and capital budgets:

- The Pastor/Administrator should sign the annual budget. The Chairperson of the parish Finance Council should also sign attesting that the Finance Council has reviewed the budgets, and the names of the Finance Council members reviewing should be listed.
- Operating budgets that have a deficit of more than \$10,000, i.e. when the expenditures exceed the revenues, are to be signed by the Regional Bishop or Episcopal Vicar prior to submission. If the operating deficit is more than \$20,000, the approval of the Chancellor is required.
- Beginning in 2008, the operating and capital budgets are requested by the Finance Department, Parish Accounting Office by May 31<sup>st</sup> for the ensuing fiscal year. *(Sample budget reports to the Archdiocese appear as Appendix 2).*

#### 2. Annual Report to Parishioners

The Annual report to Parishioners should properly inform parishioners of the financial situation of their parish as of the end of the last fiscal year. The Annual Report to Parishioners should include - the activity of all the bank accounts of the parish, school, cemetery, other related entities and associated organizations where applicable; cash balances, any outstanding bills, loan balances and budget to actual comparisons for the prior fiscal year. Additionally, explanations should be provided for significant differences between actual and budgeted amounts. Reports with an operating deficit (that is greater than the planned budget by more than \$10,000) should contain an explanation. *(See sample Annual Reports to parishioners in appendix 3).*



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#### **VI. REPORTING – Continued**

Commencing in 2007, and thereafter, the Annual Report to Parishioners should be presented to parishioners by September 30<sup>th</sup>. The report to be submitted by September 30, 2007, should include actual operating results compared to budget for the year ended June 30, 2007 and the budget for the year ended June 30, 2008. This schedule allows the business/accounting manager three months to finalize the results for the fiscal year ended June 30<sup>th</sup> to which is added the ensuing year budget that would have been completed by May 31<sup>st</sup>. Under this timeline, parishioners are receiving timely operating results for the prior year along with a projection for the current year. It also allows the Pastor/Administrator to demonstrate any financial need in the early months of the current fiscal year.

- Copies of the Annual Report to Parishioners should be made available to all parishioners.
- The Pastor/Administrator is asked to sign this report, and the Finance Council chair should sign, verifying that the report was reviewed by the Finance Council members whose names should also be listed in the report.
- A copy of the Annual Report to Parishioners should be sent to the Regional Bishop or Episcopal Vicar. In the case of religious order parishes, a copy of the Annual Report to Parishioners should also be sent to the Provincial of the Order.
- A copy of the signed Annual Report to Parishioners should be sent to Finance Department, Parish Accounting Office by December 31<sup>st</sup>.

#### **3. Annual Parish Financial Questionnaire**

The annual Parish Financial Questionnaire enables the Archdiocese to complete its annual external audit on time and avoids the potential of additional expense and audit testing at the parish level. It is appreciated if the questionnaire is received by the Finance Department, Parish Accounting Office by July 31<sup>st</sup> of every year.

#### **4. Annual Parish Statistical Survey**

The Annual Parish Statistical Survey form provides a critical planning tool for all of the parishes within the Archdiocese. It is appreciated if the survey is received by the Pastoral Planning Office by October 1<sup>st</sup>.



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#### VI. REPORTING - Continued

##### 5. Annual October Mass Count

The Annual October Mass Count form is another critical planning tool for all of the parishes within the Archdiocese. It is appreciated if the Mass Count form is received by the Pastoral Planning Office by November 8<sup>th</sup>.

#### C. OTHER

A parish (including parish schools, parish cemeteries, etc.) that believes it will have difficulty paying its financial obligations should notify the Chancellor before defaulting on any obligations. This will allow the Chancellor to assist the parish in developing a plan to avoid the potential default.

#### D. INVENTORY

According to canon 1283, when a Pastor/Administrator begins his administrative functions in a parish, he is required to take an inventory of parish assets. While this may be a time consuming administrative task, it is necessary to ensure that parish assets are adequately insured and properly reported on the financial statements. The Archdiocese requires that this inventory be reviewed and amended annually in every parish and related entity (including parish schools, parish cemeteries, etc.).

- **Parish Property**

An inventory of furniture, fixture and equipment with a cost of \$1,500 or more is requested to be completed for a parish and related entity (including parish schools, parish cemeteries, etc.) by September 30<sup>th</sup>, beginning September 2007. This inventory should be updated annually for additions or deletions. A copy of this inventory will be reviewed during the parish audit. *(See sample inventory form for church administrators in appendix 4).*

- **Priest Personal Inventory**

As a general presumption, it is considered that all goods in a parish rectory belong to the parish unless the priest has declared personal goods in a special inventory. It is strongly recommended that a priest keep on file at his parish, and in an off-site location in the event of a fire or other catastrophe, an inventory of his personal items that have significant monetary or sentimental value. A copy of this inventory should also be sent to the Canonical Affairs Office. This will assist the parish in the proper transfer of personal items to a priest's family in the event of his death or disability.



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#### **VII. FINANCIAL RESOURCES OF THE PARISH: MANAGEMENT AND INTERNAL CONTROL**

The primary source of funding for a parish to provide for its programs and operate its facilities is offertory collections and other forms of donations. It is important to create a reasonable control environment and provide an appropriate level of supervision to safeguard parish monies.

This section of the manual sets forth a number of controls proven effective based on historical application. As stated earlier, parish internal controls should be clearly stated and encourage the use of common sense and judgment in application. The adequacy of internal controls will be reviewed during parish audits with recommendations for improvement when material weaknesses are noted.

##### **A. MANAGEMENT OF SUNDAY AND OTHER COLLECTIONS**

Each parish and related entity should implement procedures to ensure that all collections are safeguarded until turned over to the counters. Some practices include the regular rotation of ushers at all masses, the use of locked or sealed bags and the placement of funds in a locked safe until counted. These practices have proven to enhance the integrity of the counting process. Pastors/Administrators are asked to enforce these practices, making reasonable adaptations in accord with good judgment, as they manage the particular counting process in their own parishes.

No persons should be left alone with the collections. This is for the protection of the individual as well as a sound practice of cash control.

The Pastor/Administrator or a representative needs to oversee the counting process. This may include being present on a random/unplanned basis to ensure proper counting procedures. The Parochial Vicar may observe the counting process as well.

The individuals counting the funds should not have access to the financial accounting system.

An effective internal control is to assign counters so that there will be at least two unrelated people performing the count. The Pastor/Administrator is encouraged to recruit a group of counters large enough to allow for rotation of counters on a regular basis.

A count form is to be filled out for each Mass and signed by the individuals involved in the count. This form should be retained for seven years. *(See sample mass collection and deposit worksheet in appendix 5).*



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#### **VII. FINANCIAL RESOURCES OF THE PARISH: MANAGEMENT AND INTERNAL CONTROL - Continued**

When all the collections for the day have been counted, a bank deposit form is to be prepared in duplicate and initialed by the counters.

All funds, including loose cash and coins, are to be deposited on a timely basis. For the protection of the clergy, funds should not be left in the rectory overnight. If funds are retained overnight, we recommend that they be secured in a safe.

To assure accuracy, the parish secretary, bookkeeper, or parish accountant should reconcile count forms and bank deposit slips to bank statements monthly.

#### **B. CONTRIBUTION REPORTING REQUIREMENTS**

In 2006, the income tax code was amended to change the way that cash contributions are to be substantiated. It requires that all cash contributions, regardless of amount, be substantiated by either a bank record (such as a cancelled check) *or a written communication from the donee* showing the name, date and the amount of the contribution.

- If the parish uses an envelope system for contributions, a record should be maintained for each parishioner showing the date and amount of each contribution. This facilitates parishioner requests for written communication when preparing their taxes.
- Pursuant to the Internal Revenue Code, single contributions of \$250 or more are to be acknowledged in writing including the amount of cash or a description of any non-cash contribution. Although there is no prescribed format for the written acknowledgment, it should provide sufficient information for the donor (taxpayer) to substantiate the amount of the contribution. *(See sample letter in Appendix 6)* As an alternative, when a single contribution of \$250 is included as part of the envelope system for contributions, the detailed year end statement issued for tax purposes can be used to substantiate the donation of \$250 or more. A separate letter is not needed.
- For cash contributions, donor recordkeeping requirements are no longer satisfied by the taxpayer by maintaining "other written records" if no cancelled check or receipt was available. Accordingly, cash contributions should be acknowledged in writing.





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#### **VII. FINANCIAL RESOURCES OF THE PARISH: MANAGEMENT AND INTERNAL CONTROL - Continued**

- The Internal Revenue Code requires that when a donor receives goods or services in exchange for a contribution in excess of \$75 and receives goods or services in return, a statement should be issued to the donor describing what portion of the donation represents consideration for goods or services. If the goods or services are intangible religious benefits, token benefits or not distributed at the donor's request or consent, the donation is fully deductible. *(See sample letter in Appendix 6)*
- The 2006 tax code amendments also addressed donations of tangible personal property. Tangible personal property is any property, other than land or buildings, which can be seen or touched. Examples include furniture, antiques, books, jewelry, vehicles, works of art, equipment, etc.
- There are certain rules that apply to the taxpayer and donee depending on the value and subsequent use or disposition of the property. When receiving donations of this type, you may contact The Catholic Foundation for technical assistance.
- There are specific IRS forms to be filed by both the donor and donee and financial penalties that may be imposed for noncompliance.

#### **C. OTHER FUNDRAISING ACTIVITIES**

Certain other fundraising activities require compliance with Massachusetts Law and the Tax Code. The requirements vary depending on the type of activity and are summarized herein.

##### **1. Raffles and Bazaars**

Parishes conducting a raffle, bazaar or similar activity that entitles ticket holders to prizes should apply for a local permit. Permits may be obtained from the clerk of the city or town in which the raffle or bazaar is held.

Any parish conducting a raffle or bazaar is to file a Raffle and/or Bazaar Tax Return, Form RBT, and pay a tax of 5% of the gross proceeds within ten days after each raffle or bazaar to the Massachusetts State Lottery Commission.

Records should be maintained to substantiate compliance with the 5% gross proceeds tax. For tax auditing purposes, such books and records should be maintained for a period of three years after each return is filed. Controls need to exist surrounding the distribution and sale of tickets or chances in order to substantiate the sales proceeds.



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#### **VII. FINANCIAL RESOURCES OF THE PARISH: MANAGEMENT AND INTERNAL CONTROL - Continued**

For “gambling” winnings (such as raffles, 50/50 drawings, 1000 club drawings) of \$600 or more and beano/bingo winnings of \$1,200 or more, each winner is to be furnished with Form W-2G by January 31<sup>st</sup> with copies to taxing authorities no later than February 28<sup>th</sup>. (*Instructions and Forms are available at [www.IRS.gov](http://www.IRS.gov)*)

##### **2. Grants**

Parishes that have been awarded grants are to comply with the criteria stipulated in the grant. When an independent audit is required, it is the parish’s responsibility to obtain and pay for that service.

No parish may apply for or accept a grant for historic preservation without prior written approval of the Chancellor.

#### **D. HANDLING SPECIFIC TYPES OF CONTRIBUTIONS**

##### **1. Accepting Gifts and Offerings on Behalf of Others**

All gifts and offerings at Masses and on other liturgical occasions belong *to the parish*, except:

- Special collections ordered and authorized by the Archbishop are to be returned *to the Pastoral Center* or other agency in accord with his instructions.
- Stipends for Masses belong to the celebrant.
- Personal gifts, individually given, belong *to the recipient* when the intention of the donor is clearly expressed.

According to canon 951.1, a priest may retain for himself one Mass offering each day. The stipend to the priest for the celebration of any requested Mass, including Funeral Mass or Nuptial Mass, is \$5. On the occasion of an announced intention Mass, the customary offering is \$10, of which \$5 is the stipend for the celebrating priest. This policy was adopted by the bishops of the Boston Province (Maine, Massachusetts, New Hampshire and Vermont) and became effective on January 1, 1987.



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#### **VII. FINANCIAL RESOURCES OF THE PARISH: MANAGEMENT AND INTERNAL CONTROL – Continued**

##### **2. Pious Foundations**

A pious foundation is property given to a parish, designated for a specific charitable or religious purpose, so that the capital is preserved and the income is spent for the specified purpose. For validity, it is necessary that the Archbishop grant prior written approval for the parish to accept a pious foundation (canons 1303-1304).

##### **3. Bequests**

Whenever a Pastor/Administrator receives notice that a bequest has been made to the parish, he should notify the Archbishop and refrain from signing any legal document concerning the bequest. All documentation should be forwarded to the office of the Archdiocesan General Counsel. The same action is to be taken when a significant donation has been made for designated purposes or when these same persons have been named as a trustee for a pious cause.

##### **4. Donated Securities**

There are tax advantages to donating appreciated securities to a tax-exempt organization. The donor can deduct the fair value of the gift and the recipient can convert that value to cash. The Finance Department of the Pastoral Center can assist the parish to assure that proper documentation is completed and should be contacted when such a donation is contemplated. It is Archdiocesan policy to sell donated securities as soon as practicable to realize the approximate value on the date of the donation. The Finance Department is responsible for ensuring that the necessary stock powers are executed and for sending letters to the donors with appropriate values and disclosure for the donor's tax reporting purposes.

##### **5. Donor Restricted Funds**

Whenever a parish or related entity receives a contribution that is restricted with respect to how the funds are to be spent, additional tracking and internal controls are necessary to ensure the funds are expended for their specified purpose. Such donations can be the result of a capital campaign or other fundraising activity for a specific cause as well as instructions communicated by the donor when the contribution is made. Donor specified restrictions should be communicated in writing.



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#### **VII. FINANCIAL RESOURCES OF THE PARISH: MANAGEMENT AND INTERNAL CONTROL – Continued**

Donor specified restrictions should not be accepted unless the restriction can reasonably be satisfied in the normal course of the services provided by the parish.

Donor specified restrictions can take the form of a permanent endowment or a temporary restriction. In a permanent endowment, the donation becomes the principal balance on which the earnings are distributed for the restricted purpose. A temporary restriction is one in which the donation itself is expended for the restricted purpose.

Due to the additional requirements in the management of restricted funds as well as the longer-term nature of the funds invested for permanent endowment funds, the Archdiocese has implemented customized tracking and cash management systems to assist in these requirements. This restriction handling is part of both the RCAB Revolving Loan Fund and the RCAB Common Investment Fund.

All capital campaign and restricted funds that are anticipated to be used for their intended purpose within a year are to be sent for deposit into the RCAB Revolving Loan Fund. All endowment and other restricted funds that are not anticipated to be expended for their intended purpose for more than a year are to be sent in for deposit into the RCAB Common Investment Fund.

Deposits to either the RCAB Revolving Loan Fund or the RCAB Common Investment Fund should include all documentation and correspondence evidencing the terms of the restriction.

Separate accounts are to be maintained for each specified purpose.

The Pastor/Administrator should ensure that the proper procedures are in place at the parish to ensure that the funds are expended for their specified purpose in a timely manner. There should be clear schedules in place to ensure that the earnings on endowment funds are distributed at regular intervals, in accordance with the donor's restrictions.

#### **E. PROCEDURES FOR SPECIAL COLLECTIONS**

All special collections should be taken up on the specified collection date per the Special Collections Schedule. Exceptions cannot be granted to eliminate a special collection for a particular parish.



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#### **VII. FINANCIAL RESOURCES OF THE PARISH: MANAGEMENT AND INTERNAL CONTROL – Continued**

To request an alternate date for the special collection, the parish should contact the Vicar General's office.

A separate envelope and collection should be used for the special collection.

All collection proceeds should be remitted as soon as possible after the collection. In most cases, this occurs within two weeks of the collection and should not exceed 30 days.

Collection proceeds should be remitted per instructions provided on the special collections schedule.



## ROMAN CATHOLIC ARCHDIOCESE OF BOSTON

### *Parish Finance and Administration Policies*

#### VIII. PAYROLL: COMPENSATION AND INTERNAL CONTROL

Wage and salary administration is a complex and often difficult undertaking. Complex payroll regulations and filing requirements create additional burdens at the parish level. The Pastoral Center Human Resources Director is available to provide assistance in all areas of personnel administration, from hiring an employee to involuntary separations, to the mutual benefit of the Archdiocese and the parishes. Accordingly, parishes are encouraged to comply with the following policy:

Consult with the Human Resources Director prior to any involuntary terminations. This will allow for the coordination of supporting documentation and correspondence contained in the personnel file. In some cases it may be appropriate for the Human Resources Director to seek legal counsel and advice. Involuntary termination of a parish employee should take place only after any and all potential liability issues have been identified and resolved.

##### **A. PAYROLL SERVICE**

Properly recording and maintaining payroll records is essential not only in determining the results of parish operations, but also for Federal and State tax reporting purposes. The Internal Revenue Service and local taxing authorities require employers to maintain records of the compensation paid to each employee performing services for the parish. They also require various payroll reports to be prepared and submitted according to specific filing schedules. Compensation is usually the largest single expense of a parish. Because of these reasons, parishes should exercise an especially high level of care in payroll reporting. A third-party payroll service provider offers the necessary expertise and discipline to help ensure compliance with Federal and State requirements.

***IMPORTANT NOTE:*** All compensation to lay and clergy personnel are to be processed through the parish's payroll service. Religious orders/communities are to be paid as explained below. Failure to do so not only subjects the parish to potential government action and excess costs, it also can do a disservice to the employee in their receipt of benefits, including social security and pension, to which they are entitled.

Effective January 1, 2008, all parishes and related entities (including parish schools, parish cemeteries, etc.) are required to use a payroll service from the Archdiocesan approved list. (*See Appendix 8*)



## **ROMAN CATHOLIC ARCHDIOCESE OF BOSTON**

### ***Parish Finance and Administration Policies***

#### **VIII. PAYROLL: COMPENSATION AND INTERNAL CONTROL - Continued**

It is a longer-term goal of the Archdiocese to have one payroll service provider to improve efficiency and reduce cost.

##### **B. EMPLOYEE BENEFITS**

The Archdiocese provides Long-Term Disability Insurance, Life Insurance and Pension Plans to all regular staff members following completion of one year of service and at least 1,000 hours of work. To ensure that employees receive the benefits to which they are entitled, new hires should be reported to the Archdiocesan Employee Benefits Office before the first anniversary date of their employment.

To ensure that the appropriate levels of benefits are maintained, salary change information and notification of when an employee no longer works at the parish should be provided promptly to the Archdiocesan Employee Benefits Office in the same month in which the change is made.

##### **C. INDEPENDENT REVIEW**

The Pastor/Administrator should appoint a qualified member of the Finance Council to review the payroll and the related tax returns for accuracy at least twice per year. This review should include the cancelled payroll checks and tracing of wire payments to the bank statements.

##### **D. PERSONNEL FILES AND REQUIRED DOCUMENTS**

- Parishes should account for vacation and sick time.
- Time sheets/cards are to be completed and approved for all non-exempt employees.
- Employees are to complete an Employee's Withholding Allowance Certificate Form W-4 and Form M-4 Massachusetts Employee's Withholding Exemption Certificate annually or when an employee's tax situation changes.
- Employees hired after November 1986 are to complete an Employment Eligibility Verification Form I-9. The Employment Eligibility Verification Form I-9 should be filed separately.



## **ROMAN CATHOLIC ARCHDIOCESE OF BOSTON**

### ***Parish Finance and Administration Policies***

#### **VIII. PAYROLL: COMPENSATION AND INTERNAL CONTROL – Continued**

- The Employment Eligibility Verification Form I-9 should be kept on file for three years after the date of hire or one year after employment ends, whichever is later.
- In addition to employee benefits for pension, life insurance, and long-term disability, other employment benefits, programs and services are provided. Please call the Employee Benefits Office for eligibility and other requirements.
- All full and part-time employees, clergy and volunteers (17 years and older) who minister to or have the potential for unmonitored access to children, youth, elderly and the disabled are to complete an annual CORI (Criminal Offender Record Information) background check. Please refer to the Archdiocese of Boston CORI Policy or contact the Office for Background Screening for particulars.
- Personnel files should be maintained for all employees. The files should contain at a minimum:
  - Employee's Withholding Allowance Certificate Form W-4
  - M-4 Massachusetts Employees Withholding Exemption Certificate (only if exemptions differ from W-4 exemptions)
  - Documentation of employee name, address, date of birth, job title, rate of pay and start date. This information may be contained in a written offer of employment or employee data sheet or other format.
  - Any existing employment contracts Note: Except for employees of parish schools, the Archdiocese does not recommend the creation of written contracts of employment.
  - Direct deposit forms (*if any*)
  - Benefits application forms
  - Signed Ministerial Code of Conduct
  - Work permits for minors
  - HIRD Form (Health Insurance Responsibility Disclosure Form) for eligible employees not enrolled in the Archdiocesan Health Plan
  - Record of vacation and sick time

#### **E. INDEPENDENT CONTRACTORS**

Federal and state guidelines differentiating independent contractors from employees can be quite complex. There are severe penalties for treating an employee as an independent contractor.





## ROMAN CATHOLIC ARCHDIOCESE OF BOSTON

### *Parish Finance and Administration Policies*

#### VIII. PAYROLL: COMPENSATION AND INTERNAL CONTROL – Continued

To simplify this issue, individuals that perform services for the parish and any of its related entities are to be considered employees unless they perform the same service for other customers. If the individual does perform services for other customers, then they are independent contractors subject to 1099 reporting unless they have an incorporated business. If they are an incorporated business, the payee name for the disbursement should contain "Inc."

- Independent contractors are required to prepare a Form W-9 "Request for Taxpayer Identification Number and Certification". This form should be kept in the parish files. (As an incentive for providing this information, it is often advisable to require that Form W-9 be provided before payment is made.)
- Guidelines drafted in response to the Commonwealth of Massachusetts law regarding CORI (Criminal Offender Record Information) requirements for independent contractors in schools are available from the Office for Background Screening.
- The parish should require independent contractors to submit invoices for their services. These invoices should be kept in the parish's invoice files as evidence of work performed or service provided.
- A Form 1099-MISC Miscellaneous Income should be issued to all independent contractors when payments exceed \$600 or more in a calendar year. This includes payments to individuals and visiting priests.
- Form 1096 Annual Summary and Transmittal of U.S. Information Returns should be prepared and submitted by the parish by February 28th.

#### **F. MEMBERS OF RELIGIOUS ORDERS/COMMUNITIES**

Members of religious orders/communities who have taken a vow of poverty are not subject to income tax on stipends paid to the community for their services. Checks for stipend payments should be made payable directly to the religious order. The IRS will consider payments made to an individual taxable income even if he or she is a member of a religious community. Payments to visiting priests who are members of religious orders *should be made to the order, not the priest*.

The parish should not prepare Form W-2 or Form 1099 for religious order personnel. Additionally, taxes *should not* be withheld and payments to the order *should not* be included on Form 941 or the state form WR -1.



## ROMAN CATHOLIC ARCHDIOCESE OF BOSTON

### *Parish Finance and Administration Policies*

#### **IX. FINANCIAL OBLIGATIONS OF THE PARISH: MANAGEMENT AND INTERNAL CONTROL**

Book V of the “Statutes of the Eighth Synod of the Archdiocese of Boston” provides that “... The pastor or other administrators of Church property are to provide careful and responsible administration of the properties and monies entrusted to them in accord with the general norms of the *Code of Canon Law*, instructions given by the Archbishop and applicable provisions of the civil law.”

This section establishes a number of policies and control procedures designed to provide careful and responsible administration of parish goods.

##### **A. DISBURSEMENTS**

All expenditures are to be approved by the Pastor/Administrator or person with the duly authorized Power of Attorney.

When an invoice is received, it should be verified by the person who ordered the goods or services to confirm the proper quantity, price, and total.

Payments and disbursements are to be made by check or electronic payment.

##### **1. Checks**

- Checks should not be pre-signed nor should a stamped facsimile signature be used.
- Checks are to be signed personally by the Pastor/Administrator, or person with the duly authorized Power of Attorney only when he or she has before him the invoice or request for payment.
- After payment invoices should be properly cancelled (i.e. marked paid).
- Checks are to be pre-numbered and issued in numerical order.

##### **2. Electronic Payments**

- Persons authorized to use electronic payments should be limited to the Pastor/Administrator, Certified Business Managers, and/or individuals in the process of completing the business manager’s certification program.
- Electronic payments should be authorized by the Pastor/Administrator, or person with the duly authorized Power of Attorney, before the payment is made.



## ROMAN CATHOLIC ARCHDIOCESE OF BOSTON

### *Parish Finance and Administration Policies*

#### IX. FINANCIAL OBLIGATIONS OF THE PARISH: MANAGEMENT AND INTERNAL CONTROL - Continued

- Electronic payment documentation should be attached to the invoice(s) and retained as part of the financial records.
- No electronic payments should be made without supporting documentation. Unsubstantiated electronic payments may require a refund to the parish by the individual who authorized the payment.

##### 3. Expense Reimbursement

Members of the Clergy and Lay employees may incur certain out-of-pocket costs in the performance of their duties that qualify for reimbursement. Such costs include travel expense, mileage reimbursement, meals, entertainment and other costs. To provide guidance in the processing of such expenditures, the Archdiocese has provided a "Parish Expense Reimbursement Policy".

The reimbursement of expenditures that conform to the policy (business purpose and documentation) are generally held to be non-taxable.

Reimbursed expenses to Clergy and Lay employees that do not meet the criteria of the policy may represent taxable income, reportable on Form W-2, and subject to all applicable taxes and withholdings.

A special exception applies to Clergy meals. Meals *provided by the parish* to Clergy are not taxable earnings to the priest when all three of the following conditions are met – i.e.- the meals are: (1) for the convenience of the parish; (2) required as part of the priest's working conditions; and (3) consumed on the premises of the parish.

There may be instances where Clergy meals are consumed off premises. These meals would be subject to reimbursement under the "Expense Reimbursement Policy" and would be deemed non-taxable provided that the business purpose, documentation and reasonableness tests are satisfied.

*(The "Parish Expense Reimbursement Policy" appears in Appendix 10)*

#### **B. CENTRALLY PROVIDED BENEFITS AND INSURANCE PROGRAM PAYMENTS**

At the direction of the Benefit Trustees, beginning January 1, 2006, the Archdiocese phased in the process of electronically charging all parish accounts monthly for all centrally provided benefits and insurance program payments.



## ROMAN CATHOLIC ARCHDIOCESE OF BOSTON

### *Parish Finance and Administration Policies*

#### **IX. FINANCIAL OBLIGATIONS OF THE PARISH: MANAGEMENT AND INTERNAL CONTROL - Continued**

All parishes and related entities (including parish schools, parish cemeteries, etc.) will be on electronic bill payment. Also, beginning in January of 2007, by vote of the Benefit Trustees, a Parish or Institution's failure to make its payments within 60 days of the due date may have their employees notified that their benefits have been discontinued. Please contact the Chancellor if you are unable to pay your bills as they become due.

Please note that this process does not give the Archdiocese access to the parish bank account without the Pastor's/Administrator's knowledge or permission.

#### **C. PETTY CASH**

A petty cash fund should be used for small cash payments or reimbursements. To limit this activity, we suggest charge accounts be established with regular vendors.

Procedures for establishing a Petty Cash Fund may be found in *Appendix 7, "Petty Cash Fund"*.

For control purposes, Petty Cash Funds should be kept in a locked box and stored in a secure location.

One individual is to be designated as the custodian responsible for maintaining the petty cash.

The custodian will disburse petty cash funds only upon receiving an approved receipt, invoice or a written request for cash advance.

A petty cash slip is to be completed by the custodian and signed by the individual receiving the cash.

The receipt, invoice or request for a cash advance is to be attached to the petty cash slip and retained.

For petty cash contributions to needy individuals, the receipt should include a description, date and amount given. The petty cash receipt is to be signed by the individual who disbursed the funds.

When petty cash funds have been depleted, the amount replenished should agree to the total of the petty cash slips.



## ROMAN CATHOLIC ARCHDIOCESE OF BOSTON

### *Parish Finance and Administration Policies*

#### **IX. FINANCIAL OBLIGATIONS OF THE PARISH: MANAGEMENT AND INTERNAL CONTROL - Continued**

The fund is required to be counted and reconciled by the fund custodian. It is recommended that the custodian perform this procedure on a weekly basis. *Using cash collected to replenish the petty cash fund is not permitted.*

Payments to individuals for services provided are not to be made through the use of petty cash. All such payments should go through either payroll or accounts payable to ensure proper tax reporting.

Cashing of personal or payroll checks is not permitted.

#### **D. USE OF TAX EXEMPTION LETTER**

Due to the tax exemption status of the church, goods purchased by the parishes and its related entities are not subject to sales tax. This benefit is received by providing vendors with a copy of the tax exemption letter.

Use of the tax exemption letter should be reserved for purchases for the church and its related entities only. Parish personnel, friends or relatives may not use the tax exemption letter for personal purchases. The letter should be secured so that access is limited to authorized individuals.

#### **E. FINANCING OPTIONS**

##### **1. Credit and Charge Card Accounts**

Credit cards and local charge accounts are permitted only in the name of the parish. No personal charges are permitted.

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. Cards should be returned when an employee or other person leaves their job or position.

While parishes may use credit, debit and charge cards to facilitate purchases, adequate controls should be established governing access, signoff, and documentation of type and purpose of the purchase. Specific controls include:

- Only a limited number of persons should be authorized to use the parish credit card or charge account such as the Pastor/Administrator, parochial vicar, school principal, business manager, or secretary.



## **ROMAN CATHOLIC ARCHDIOCESE OF BOSTON**

### ***Parish Finance and Administration Policies***

#### **IX. FINANCIAL OBLIGATIONS OF THE PARISH: MANAGEMENT AND INTERNAL CONTROL - Continued**

- The Pastor/Administrator, or person with the duly authorized Power of Attorney should authorize purchases, before the purchase is made.
- Receipts should be turned in to the parish office or business manager after the purchase is made and signed by the purchaser.
- Receipts should be attached and agreed to the monthly credit card statement and should be retained as part of the financial records.
- Unsubstantiated charges, without supporting receipts, may require a refund to the parish by the individual who made the purchase.

##### **2. Leasing and Other Contract Agreements**

Leases and other contract agreements, except bank credit lines and loans, are generally permissible at the parish level. The underlying agreements and contracts, however, can be quite complex. It is necessary to ensure that the Archdiocese has, where applicable, appropriate levels of liability and property insurance. It is also necessary that Archdiocesan legal counsel review underlying documents to assure that the Archdiocese is properly protected. Accordingly, the following policies have been adopted with regard to leases and other material contracts.

Leasing arrangements should be forwarded to the Chancellor for signature when the total amount of lease payments over the term of the lease exceeds \$15,000.

- All leases for motor vehicles, regardless of payments, should be forwarded to the Chancellor for signature.
- Lease agreements for the lease of real property should be processed through the Real Estate Department at the Archdiocese.
- Contracts for services over \$15,000 are to be forwarded to the Chancellor's Office at the Archdiocese prior to signing for review by the Archdiocesan Legal Counsel.

##### **3. Loans and Credit Lines**

Lines-of-credit and loans at banks are not permitted. Parish loans are only through the Archdiocese Revolving Loan Fund or as may be negotiated by the Archdiocese for capital projects or acquisitions.



## **ROMAN CATHOLIC ARCHDIOCESE OF BOSTON**

### ***Parish Finance and Administration Policies***

#### **X. BANKING AND INVESTMENT**

Prudent management of cash and effective control over bank accounts has many benefits to the local parish. This section of the manual sets forth both policies and procedures for the administration and oversight of these funds.

Each parish should maintain a local operating (checking) account to cover operating expenses. Funds in excess of current needs should be transferred/deposited into interest bearing (savings/money market) accounts. It is the policy of the Archdiocese that parishes may maintain three months operating cash in their local account. Funds in excess of this limit are to be deposited into the RCAB Revolving Loan Fund or a savings/money market account at a local bank.

Capital Campaign funds are to be segregated and sent to the Revolving Loan Fund where interest will be earned by the parish pending disbursement.

Brokerage accounts and mutual fund accounts are not permitted

##### **A. NUMBER OF BANK ACCOUNTS**

Bank accounts maintained by a parish and related entities (including parish schools, parish cemeteries, etc.) should be kept to a minimum. The use of multiple bank accounts increases the risk of errors in recording transactions and the financial activity of the parish becomes more difficult to monitor. A local checking account, savings account or money market, and a clearing account for Central Billing should be sufficient.

Separate bank accounts are required for federally funded school lunch and/or milk programs and State Lottery bingo/beano accounts.

##### **B. BANK ACCOUNT NAMES AND FEDERAL IDENTIFICATION**

All parish and related entity (including parish schools, parish cemeteries, etc.) funds are to be deposited to accounts that bear the parish name and Federal Identification number. The bank account's name should be "Roman Catholic Archbishop of Boston, A Corporation Sole" followed by the name of the parish.

No priest, deacon or layperson or groups of either are to hold church properties or funds in their own names. This practice could subject the individual to unintended tax consequences and leaves the parish at risk of not being able to access their own funds should the individual become sick or disabled.



## **ROMAN CATHOLIC ARCHDIOCESE OF BOSTON**

### ***Parish Finance and Administration Policies***

#### **X. BANKING AND INVESTMENT - Continued**

##### **C. BANK ACCOUNT SIGNATURES**

The Pastor/Administrator, or person with the duly authorized Power of Attorney is required to be the authorized signor on all parish and related entity bank accounts.

Dual signature (two signatures on a check) is permissible as long as the Pastor/Administrator is the primary signor on the parish and related entity bank accounts.

##### **D. SIGNATURE STAMPS**

*Signature stamps are not permitted for use on checks.* They are very difficult to control even when they are carefully safeguarded. There is a risk that someone could gain access to the stamp and use it to sign checks without the Pastor's/Administrator's knowledge.

##### **E. BANK STATEMENTS**

In smaller parishes where there is little segregation of duties among office personnel, it is strongly suggested that the Pastor/Administrator obtain the unopened bank statements each month. In larger parishes where there is segregation of duties, it is suggested that the Pastor/Administrator periodically obtain the unopened bank statements. The Pastor/Administrator should review cancelled checks for reasonableness and determine that all payments represent approved parish expenditures. Deposits and any bank charges should also be reviewed for reasonableness. Any questions should be promptly brought to the attention of the parish bookkeeper, business manager or other responsible individual for satisfactory resolution.

Bank statements should be dated as of the last day of the month to be consistent with monthly reporting and in order to avoid unnecessary reconciliations due to timing differences. (Banks will usually place accounts on a "month end" cycle on request.)

Parishes should have checks returned with the bank statements or, alternatively, copies of all checks showing both the front and back of the check.

##### **F. RECONCILIATION OF BANK ACCOUNTS**

All bank accounts should be reconciled monthly. The reconciliation is to be signed by the person who performs the reconciliation.





## ROMAN CATHOLIC ARCHDIOCESE OF BOSTON

### *Parish Finance and Administration Policies*

#### **X. BANKING AND INVESTMENT - Continued**

For control purposes, when possible, a person independent of the cash receipt and cash disbursement processes should review and sign the bank reconciliation.

A person independent of the accounting process (e.g., a member of the Finance Council) should periodically review the bank reconciliations and monthly bank statements, as well as all disbursements, on a random basis. We suggest this procedure be performed for all parish, school, and cemetery and related entity bank accounts at least four times per year.

#### **G. REPORTING**

Parish and associated organization accounts are required to be disclosed on the annual Parish Financial Questionnaire. Failure to do so delays the audit process and potentially subjects the parish to additional audit procedures.

All parish, school, cemetery, other related entities and associated organizations' bank accounts are to be included in the parish monthly financial report. This helps ensure that financial information for the parish is complete and minimizes unnecessary inquiries from the recipients of the information.

St. Vincent de Paul accounts should not be included in the parish financial reports. These accounts are reported under the St. Vincent de Paul Society Federal Identification number and are not the property of the parish.

Groups, organizations, and clubs that utilize the parish Federal Identification number should account for all cash receipts and disbursements through the corresponding bank accounts.



## **ROMAN CATHOLIC ARCHDIOCESE OF BOSTON**

### ***Parish Finance and Administration Policies***

#### **XI. RECORD RETENTION**

Responsible financial management dictates that parishes maintain complete records of parish finances. These records provide the information the Pastor/Administrator needs to make well-informed financial decisions.

All financial records documenting transactions should be available to the parish as needed. Records may 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.

- Financial records are to be maintained in an appropriate filing system.
- Weekly backups should be made of all computer files with a duplicate backup copy maintained at an off-site location. If possible, daily backups are recommended. Access to QuickBooks files should be password protected.
- Financial accounting and contribution records should be maintained and stored at the parish office for a period of seven years. This would include:
  - parish bank statements with related bank reconciliations, cancelled checks should be filed numerically and kept with the original copy of the bank statement
  - vendor invoices, reimbursement forms and receipts
  - correspondence with parishioners concerning their donations including acknowledgments and statements
- The fiscal year general ledger for parish and related entities (including parish schools, parish cemeteries, etc.) should be printed annually after final adjustments are made and should be retained permanently.
- Payroll records should be retained for seven years. This would include employees' Forms W-4, M-4, time sheets, worksheets, and copies of payroll tax deposit information, Form 941, Form WR-1, Forms W-2, and Form W-3. Please note however, that payroll registers should be retained permanently.
- Parish Annual Report to Parishioners, legal documents, vehicle titles, cemetery interment and lot sales records should be maintained in perpetuity.
- Documentation should be maintained for all contracts, lease agreements and service agreements and retained for the length of the term.
- Financial records containing sensitive or confidential information should be stored in a locked fireproof filing cabinet or safe. Records that are no longer needed should be destroyed or shredded.



## **ROMAN CATHOLIC ARCHDIOCESE OF BOSTON**

### ***Parish Finance and Administration Policies***

#### **XII. FRAUD POLICY**

Fraud is any theft or misappropriation of parish assets for another's gain. Examples of fraud are:

- Forgery or alteration of policy related items, such as bank documents, checks, financial reports or annual questionnaires
- Any irregularity in the handling or reporting of monetary transactions
- Any other dishonest or fraudulent act involving funds, furniture, fixtures and equipment, supplies or any other parish asset

The Pastor/Administrator, with the assistance of the Finance Council, should be aware of the potential for fraud in their parish, and for maintaining a reasonable control environment that will detect or prevent fraud. Whenever any fraudulent activity is suspected or detected, the Chancellor is to be notified. The Archdiocese will assist with the investigation of any suspected fraud.



## ROMAN CATHOLIC ARCHDIOCESE OF BOSTON

### *Parish Finance and Administration Policies*

#### **XIII. CAPITAL CAMPAIGN POLICY**

A capital campaign is a parish-wide solicitation of pledges to be paid over a period of one year or more in conjunction with a specific case statement and/or fundraising effort seeking to raise more than 100% of the parish's last fiscal year's offertory. A capital campaign is a significant event in the life of a parish community and a sign of the vibrancy of a faith community. It has implications for the present and well into the future of a parish's life. It also has implications in terms of pastoral planning.

The purpose of the policy on parish capital campaigns seeks to recognize these dimensions, ensure the ultimate success of capital campaigns, and make sure that the goals of parish capital campaigns complement broader regional and Archdiocesan goals.

Prior to investing significant time planning for a capital campaign, it is recommended that parishes take advantage of a quick *preliminary evaluation* by key Pastoral Center offices. The purpose of this *preliminary evaluation* is to identify any significant issues or concerns with a potential capital campaign that would need to be addressed before the capital campaign could be approved. It is also meant to provide an opportunity to review the evaluation & approval process so that a detailed evaluation and approval would proceed efficiently.

The required steps for seeking formal approval to begin a capital campaign are as follows:

1. After consulting with Parish Councils (e.g. Finance, Pastoral, Stewardship), the Pastor should obtain a written endorsement/approval from the Vicar Forane and Regional Bishop or Episcopal Vicar. A copy of the written approval is to be forwarded with the written request outlined below.
2. Once the parish has the endorsement and/or approval from the Vicar Forane and the Regional Bishop or Episcopal Vicar, a written request is to be submitted to the Chancellor with copies to the Secretary for Institutional Advancement and the Director of Parish Financial Services. The following information should be included in the request:
  - What the parish would like to accomplish with the capital campaign.
  - The amount of funds that the parish would like or think they can raise with the capital campaign.
  - A copy of the feasibility study completed by an approved professional fundraising counsel.



## ROMAN CATHOLIC ARCHDIOCESE OF BOSTON

### *Parish Finance and Administration Policies*

#### **XIII. CAPITAL CAMPAIGN POLICY – CONTINUED**

3. If the project involves renovating the existing physical plant, or new construction, the parish will need to consult the Office of Facilities Management.
4. The feasibility analysis will include the following:
  - Input and recommendation from the Vicar Forane.
  - Input and recommendation from the Regional Bishop or Episcopal Vicar.
  - Review and assessment, by the Director of Finance, of the parish financial situation, including determining if the parish is currently meeting its expenses and has long-term financial viability.
  - Probability of financial support for the project, etc.
  - Statement on the necessity of the project.
  - Implications for pastoral planning among cluster parishes, if any, and surrounding parishes.
5. When completed, the feasibility analysis and the written request will be reviewed by a committee of Pastoral Center staff members who will make a recommendation to the Chancellor and to the Moderator of the Curia. *(Refer to the process flowchart at Appendix 11)*
6. Upon receiving the recommendations of the Pastoral Center Parish Capital Campaign Committee and the Chancellor, the Moderator of the Curia will make a final determination regarding the approval or disapproval of the proposed parish capital campaign. If approval is granted for the parish to proceed, and it involves the utilization of outside fundraising consultants, The Catholic Foundation will participate in the selection and approval process of such consultants and have certifying authority.
7. **NO PARISH CAPITAL CAMPAIGNS WILL BE INITIATED IN MARCH, APRIL, MAY OR JUNE.**



# **ROMAN CATHOLIC ARCHDIOCESE OF BOSTON**

## ***Parish Finance and Administration Policies***

### **XIV. APPENDIX**

**A. Appendix 1 Sample Trial Balance to the Archdiocese**

**B. Appendix 2 Sample Parish Budget Overview to Archdiocese**

**C. Appendix 2 Sample School Budget Overview to Archdiocese**

**D. Appendix 3 Sample Annual Reports to Parishioners**

- Sample Parish Annual Report to Parishioners
- Sample Parish Annual Report to Parishioners – Capital Acquisitions & Improvements
- Sample School Annual Report to Parishioners
- Sample School Annual Report to Parishioners - Capital Acquisitions & Improvements
- Sample Cemetery Annual Report to Parishioners
- Sample Cemetery Annual Report to Parishioners – Capital Acquisitions & Improvements

**E. Appendix 4 Inventory Form for Church Administrators**

**F. Appendix 5 Mass Collection & Deposit Worksheet**

**G. Appendix 6 Sample Contribution Acknowledgement Letters**

- Sample for \$250 or more Single Contributions
- Sample Quid Pro Quo Gift of Merchandise Value over \$75

**H. Appendix 7 Petty Cash Fund**

- Setting up a Petty Cash Fund
- Petty Cash Approval Form
- Petty Cash Reconciliation Sheet

**I. Appendix 8 Payroll Service Providers**

**J. Appendix 9 Audit Rating Criteria**

**L. Appendix 10 Expense Reimbursement Policy**

**M. Appendix 11 Capital Campaign Flowchart**

**St. Dominic Parish**  
**Trial Balance**  
**As of June 30, 2006**

	Jun 30, 06	
	Debit	Credit
1000-00 · Cash - Checking #1	3,458.60	
1010-00 · Century Bank Checking	4,783.86	
1020-00 · Maintenance Fund Checking	16,965.01	
1040-00 · Memorial Fund Checking	5,262.78	
1050-00 · Depository at RCAB	2,131.22	
1051-00 · Depository PFT	5,795.43	
1052-00 · Depository - Reil Estate	94,903.63	
2000-00 · Accounts Payable		63,237.98
2060-00 · Missions		2,032.00
3900-00 · Fund Balance		119,147.51
4101-00 · Offertory		163,402.03
4102-00 · Offertory Monthly		24,848.00
4103-00 · Grand Annual		45,502.47
4105-00 · Sacramental Offerings		14,840.00
4110-00 · Pamphlets		13.05
4165-04 · Religious Education		11,865.00
4196-00 · Parish Sharing		1,234.50
4198-00 · Other Donations		45,324.33
4310-00 · Interest Income		7,131.46
4398-00 · Other Income		8,372.50
4410-00 · Fundraising Activities		16,670.36
4592-00 · School Tax Income		4,313.00
5001-01 · CHR Exempt Salaries	25,039.20	
5002-01 · CHR Non Exempt Salaries	40,231.75	
5002-04 · R.Ed Non Exempt Salaries	3,327.50	
5004-01 · CHR Non Employee Compensation	22,806.00	
5101-01 · CHR Employer's FICA	4,991.95	
5101-04 · R.Ed Employer's FICA	254.56	
5102-01 · CHR Lay Health Insurance	3,201.00	
5103-01 · CHR Worker Compensation	75.00	
5103-02 · REC Worker Compensation	657.00	
5104-01 · CHR Group Life Insurance	485.45	
5105-01 · CHR Long Term Disability	395.98	
5106-01 · CHR Group Pension	5,664.40	
5201-01 · CHR Clergy Stipend	22,655.04	
5202-01 · CHR Clergy Stipend Unassigned	27,095.00	
5202-04 · R.Ed Clergy Stipend Unassigned	800.00	
5203-01 · CHR Clergy Health Insurance	3,249.96	
5301-01 · CHR Religious Stipend	5,502.00	
5301-04 · R.Ed Religious Stipend	18,333.37	
5302-04 · R.Ed Religious Health Insurance	2,546.50	
6001-01 · CHR Data Processing Fees	135.00	
6002-01 · CHR Professional Fees	2,350.00	
6003-01 · CHR Bank Service Charges	1,775.19	
6201-01 · CHR Office Supplies	1,741.89	
6201-04 · R.Ed Office Supplies	4,544.01	

	Jun 30, 06	
	Debit	Credit
6202-02 · REC Telephone	5,972.24	
6202-04 · R.Ed Telephone	782.57	
6203-01 · CHR Equip Repair & Contracts	234.05	
6203-02 · REC Equip Repair & Contracts	2,215.92	
6203-04 · R.Ed Equip Repair & Contracts	82.24	
6204-01 · CHR Books & Pamphlets	1,771.12	
6204-04 · R.Ed Books & Pamphlets	5,983.56	
6205-04 · R.Ed Audio Visual	35.98	
6206-01 · CHR Printing	101.70	
6207-01 · CHR Postage	902.00	
6207-04 · R.Ed Postage	160.60	
6208-01 · CHR Dues & Subscriptions	19.90	
6208-02 · REC Dues & Subscriptions	40.00	
6208-04 · R.Ed Dues & Subscriptions	23.95	
6209-02 · REC Equipment Rental	1,024.00	
6210-01 · CHR Missalettes	2,895.15	
6211-01 · CHR Weekly Envelopes	4,415.73	
6261-04 · Rel Ed Food for Functions	37.00	
6260-02 · REC Supplies	553.77	
6261-01 · CHR Food for Church functions	477.24	
6261-02 · REC Food	4,058.40	
6301-01 · CHR Utilities	6,722.30	
6301-02 · REC Utilities	2,243.47	
6302-01 · CHR Heat	13,407.97	
6302-02 · REC Heat	2,723.18	
6303-01 · CHR Water & Sewer	170.77	
6303-02 · REC Water & Sewer	1,383.53	
6305-01 · CHR Property Ins. & Liability	13,969.00	
6305-02 · REC Property Ins. & Liability	870.00	
6305-03 · CTR Property Ins. & Liability	4,044.00	
6306-01 · CHR Maint. Equipment Contracts	1,670.20	
6306-02 · REC Maint. Equipment Contracts	1,234.09	
6307-01 · CHR Maintenance Supplies	4,649.06	
6307-02 · REC Maintenance Supplies	1,329.15	
6308-01 · CHR Maintenance Grounds	2,783.15	
6308-02 · REC Maintenance Grounds	868.50	
6309-01 · CHR Maintenance Building	30,421.80	
6309-02 · REC Maintenance Building	8,167.36	
6501-01 · CHR Altar Supplies	13,084.45	
6503-01 · CHR Charitable Works	5,661.04	
6504-01 · CHR Music	2,820.37	
6505-01 · CHR Youth / Athletics	40.00	
6506-01 · CHR Entertainment Hospitality	882.00	
6508-01 · CHR Hospital Chaplain	4,784.15	
6509-01 · CHR Flowers	6,740.00	
6601-01 · CHR Meetings & Workshops	175.00	



**St. Dominic Parish**  
**Trial Balance**  
**As of June 30, 2006**

	<b>Jun 30, 06</b>	
	<b>Debit</b>	<b>Credit</b>
6701-01 · CHR Fund Raising	10,503.86	
7002-02 · REC Acq/Improv - Furn & Equip	484.50	
7002-04 · R.Ed Acq/Improv - Furn & Equip	355.56	
7003-02 · REC Acq/Improv - Building	10,295.00	
8450-01 · CHR Transfer to School	12,393.33	
8495-04 · R.Ed Miscellaneous	112.00	
<b>TOTAL</b>	<b>527,934.19</b>	<b>527,934.19</b>

**St. Dominic Parish**  
**Profit & Loss Budget Overview**  
 July 2005 through June 2006

	<u>Jul '05 - Jun 06</u>
<b>Income</b>	
4101-00 · Offertory	408,000.00
4102-00 · Offertory - Monthly	26,400.00
4103-00 · Grand Annual	93,500.00
4104-00 · Shrines, Candles, & Flowers	5,000.00
4105-00 · Sacramental Offerings	45,550.00
4108-00 · Gifts and Bequests	45,400.00
4165-04 · Religious Education	24,700.00
4196-00 · Parish Sharing	1,200.00
4198-00 · Donations - Other	2,500.00
4310-00 · Interest/Dividend Income	12,000.00
4315-00 · Rental Income	4,800.00
4398-00 · Other Income	3,800.00
4410-00 · Fundraising Activities	40,250.00
<b>Total Income</b>	<u>713,100.00</u>
<b>Expense</b>	
5001-00 · EXEMPT SALARIES	
5001-01 · CHR Exempt Salaries	99,700.00
5001-04 · R.Ed Exempt Salaries	38,510.00
<b>Total 5001-00 · EXEMPT SALARIES</b>	<u>138,210.00</u>
5002-00 · NON EXEMPT SALARIES	
5002-01 · CHR Non Exempt Salaries	47,124.00
5002-02 · REC Non Exempt Salaries	20,004.00
5002-03 · CTR Non Exempt Salaries	5,304.00
<b>Total 5002-00 · NON EXEMPT SALARIES</b>	<u>72,432.00</u>
5004-00 · NON EMPLOYEE COMPENSATION	
5004-02 · REC Non Employee Compensation	975.00
<b>Total 5004-00 · NON EMPLOYEE COMPENSATION</b>	<u>975.00</u>
5101-00 · EMPLOYER'S FICA	
5101-01 · CHR Employer's FICA	15,312.00
5101-02 · REC Employer's FICA	1,536.00
5101-03 · CTR Employer's FICA	420.00
5101-04 · R.Ed Employer's FICA	3,048.00
<b>Total 5101-00 · EMPLOYER'S FICA</b>	<u>20,316.00</u>
5102-00 · LAY HEALTH INSURANCE	
5102-01 · CHR Lay Health Insurance	16,560.00
5102-02 · REC Lay Health Insurance	3,396.00

**St. Dominic Parish**  
**Profit & Loss Budget Overview**  
 July 2005 through June 2006

	<b>Jul '05 - Jun 06</b>
<b>Total 5102-00 · LAY HEALTH INSURANCE</b>	<b>19,956.00</b>
<b>5103-00 · WORKER COMPENSATION</b>	
5103-01 · CHR Worker Compensation	1,500.00
<b>Total 5103-00 · WORKER COMPENSATION</b>	<b>1,500.00</b>
<b>5104-00 · GROUP LIFE INSURANCE</b>	
5104-01 · CHR Group Life Insurance	648.00
5104-02 · REC Group Life Insurance	360.00
5104-04 · R.Ed Group Life Insurance	204.00
<b>Total 5104-00 · GROUP LIFE INSURANCE</b>	<b>1,212.00</b>
<b>5105-00 · LONG TERM DISABILITY</b>	
5105-01 · CHR Long Term Disability	1,200.00
5105-02 · REC Long Term Disability	96.00
5105-04 · R.Ed Long Term Disability	132.00
<b>Total 5105-00 · LONG TERM DISABILITY</b>	<b>1,428.00</b>
<b>5106-00 · GROUP PENSION</b>	
5106-01 · CHR Group Pension	9,420.00
5106-02 · REC Group Pension	1,020.00
5106-04 · R.Ed Group Pension	1,800.00
<b>Total 5106-00 · GROUP PENSION</b>	<b>12,240.00</b>
<b>5201-00 · CLERGY STIPEND</b>	
5201-01 · CHR Clergy Stipend	49,200.00
<b>Total 5201-00 · CLERGY STIPEND</b>	<b>49,200.00</b>
<b>5202-00 · CLERGY STIPEND UNASSIGNED</b>	
5202-01 · CHR Clergy Stipend Unassigned	17,400.00
5202-04 · R.Ed Clergy Stipend Unassigned	800.00
<b>Total 5202-00 · CLERGY STIPEND UNASSIGNED</b>	<b>18,200.00</b>
<b>5203-00 · CLERGY HEALTH INSURANCE</b>	
5203-01 · CHR Clergy Health Insurance	11,200.00
<b>Total 5203-00 · CLERGY HEALTH INSURANCE</b>	<b>11,200.00</b>
<b>5206-00 · CLERGY AUTO INS. REIMBURSE</b>	
5206-01 · CHR Clergy Auto Ins. Reimburse	1,400.00
<b>Total 5206-00 · CLERGY AUTO INS. REIMBURSE</b>	<b>1,400.00</b>
<b>5301-00 · RELIGIOUS STIPEND</b>	
5301-04 · R.Ed Religious Stipend	13,020.00
<b>Total 5301-00 · RELIGIOUS STIPEND</b>	<b>13,020.00</b>
<b>5302-00 · RELIGIOUS HEALTH INSURANCE</b>	
5302-04 · R.Ed Religious Health Insurance	2,784.00
<b>Total 5302-00 · RELIGIOUS HEALTH INSURANCE</b>	<b>2,784.00</b>

**St. Dominic Parish**  
**Profit & Loss Budget Overview**  
 July 2005 through June 2006

	<u>Jul '05 - Jun 06</u>
<b>5303-00 · RELIGIOUS RETIREMENT</b>	
5303-04 · R.Ed Religious Retirement	1,860.00
<b>Total 5303-00 · RELIGIOUS RETIREMENT</b>	<u>1,860.00</u>
<b>6001-00 · DATA PROCESSING FEES</b>	
6001-01 · CHR Data Processing Fees	100.00
<b>Total 6001-00 · DATA PROCESSING FEES</b>	<u>100.00</u>
<b>6002-00 · PROFESSIONAL FEES</b>	
6002-01 · CHR Professional Fees	2,400.00
6002-04 · R.Ed Professional Fees	1,200.00
<b>Total 6002-00 · PROFESSIONAL FEES</b>	<u>3,600.00</u>
<b>6003-00 · BANK SERVICE CHARGES</b>	
6003-01 · CHR Bank Service Charges	28.00
<b>Total 6003-00 · BANK SERVICE CHARGES</b>	<u>28.00</u>
<b>6201-00 · OFFICE SUPPLIES</b>	
6201-01 · CHR Office Supplies	500.00
6201-03 · CTR Office Supplies	10,925.00
6201-04 · R.Ed Office Supplies	2,400.00
6201-45 · ETH Office Supplies	372.00
<b>Total 6201-00 · OFFICE SUPPLIES</b>	<u>14,197.00</u>
<b>6202-00 · TELEPHONE</b>	
6202-01 · CHR Telephone	5,940.00
6202-02 · REC Telephone	780.00
6202-03 · CTR Telephone	1,080.00
<b>Total 6202-00 · TELEPHONE</b>	<u>7,800.00</u>
<b>6203-00 · EQUIPMENT REPAIR &amp; CONTRACTS</b>	
6203-01 · CHR Equip Repair & Contracts	2,400.00
6203-02 · REC Equip Repair & Contracts	0.00
6203-03 · CTR Equip Repair & Contracts	2,400.00
<b>Total 6203-00 · EQUIPMENT REPAIR &amp; CONTRACTS</b>	<u>4,800.00</u>
<b>6204-00 · BOOKS &amp; PAMPHLETS</b>	
6204-01 · CHR Books & Pamphlets	3,000.00
6204-04 · R.Ed Books & Pamphlets	10,020.00
6204-05 · Spanish Books & Pamphlets	2,700.00
<b>Total 6204-00 · BOOKS &amp; PAMPHLETS</b>	<u>15,720.00</u>
<b>6206-00 · PRINTING</b>	
6206-01 · CHR Printing	975.00
<b>Total 6206-00 · PRINTING</b>	<u>975.00</u>

**St. Dominic Parish**  
**Profit & Loss Budget Overview**  
 July 2005 through June 2006

	<u>Jul '05 - Jun 06</u>
<b>6207-00 · POSTAGE</b>	
6207-01 · CHR Postage	2,400.00
6207-03 · CTR Postage	4,020.00
6207-04 · R.Ed Postage	840.00
<b>Total 6207-00 · POSTAGE</b>	<u>7,260.00</u>
<b>6208-00 · DUES &amp; SUBSCRIPTIONS</b>	
6208-01 · CHR Dues & Subscriptions	2,400.00
6208-02 · REC Dues & Subscriptions	1,320.00
6208-03 · CTR Dues & Subscriptions	300.00
6208-04 · R.Ed Dues & Subscriptions	300.00
<b>Total 6208-00 · DUES &amp; SUBSCRIPTIONS</b>	<u>4,320.00</u>
<b>6209-00 · EQUIPMENT RENTAL</b>	
6209-02 · REC Equipment Rental	840.00
6209-03 · CTR Equipment Rental	180.00
<b>Total 6209-00 · EQUIPMENT RENTAL</b>	<u>1,020.00</u>
<b>6210-00 · MISSALETTES</b>	
6210-01 · CHR Missalettes	1,200.00
<b>Total 6210-00 · MISSALETTES</b>	<u>1,200.00</u>
<b>6211-00 · WEEKLY ENVELOPES</b>	
6211-01 · CHR Weekly Envelopes	18,900.00
6211-45 · Hispanic Weekly Envelopes	1,260.00
<b>Total 6211-00 · WEEKLY ENVELOPES</b>	<u>20,160.00</u>
<b>6250-00 · HOUSEHOLD</b>	
6255-02 · REC Laundry	180.00
6260-02 · REC Supplies	1,704.00
6261-01 · CHR Food for Church functions	360.00
6261-02 · REC Food	15,000.00
<b>Total 6250-00 · HOUSEHOLD</b>	<u>17,244.00</u>
<b>6301-00 · UTILITIES</b>	
6301-01 · CHR Utilities - Electricity	4,500.00
6301-02 · REC Utilities - Electricity	2,520.00
6301-03 · CTR Utilities - Electricity	1,680.00
6301-05 · CTR Utilities - Gas	480.00
<b>Total 6301-00 · UTILITIES</b>	<u>9,180.00</u>
<b>6302-00 · HEAT</b>	
6302-01 · CHR Heat	7,000.00
6302-02 · REC Heat	5,040.00
6302-03 · CTR Heat	7,150.00
<b>Total 6302-00 · HEAT</b>	<u>19,190.00</u>

**St. Dominic Parish**  
**Profit & Loss Budget Overview**  
 July 2005 through June 2006

	<u>Jul '05 - Jun 06</u>
<b>6303-00 · WATER &amp; SEWER</b>	
6303-01 · CHR Water & Sewer	540.00
6303-02 · REC Water & Sewer	1,320.00
6303-03 · CTR Water & Sewer	360.00
<b>Total 6303-00 · WATER &amp; SEWER</b>	<u>2,220.00</u>
 <b>6305-00 · PROPERTY INSURANCE &amp; LIABILITY</b>	
6305-01 · CHR Property Ins. & Liability	21,000.00
<b>Total 6305-00 · PROPERTY INSURANCE &amp; LIABILITY</b>	<u>21,000.00</u>
 <b>6306-00 · MAINT. EQUIPMENT CONTRACTS</b>	
6306-01 · CHR Maint. Equipment Contracts	960.00
6306-02 · REC Maint. Equipment Contracts	180.00
6306-03 · CTR Maint. Equipment Contracts	1,500.00
<b>Total 6306-00 · MAINT. EQUIPMENT CONTRACTS</b>	<u>2,640.00</u>
 <b>6307-00 · MAINTENANCE SUPPLIES</b>	
6307-01 · CHR Maintenance Supplies	2,400.00
6307-02 · REC Maintenance Supplies	300.00
6307-03 · CTR Maintenance Supplies	180.00
<b>Total 6307-00 · MAINTENANCE SUPPLIES</b>	<u>2,880.00</u>
 <b>6308-00 · MAINTENANCE GROUNDS</b>	
6308-01 · CHR Maintenance Grounds	4,575.00
6308-02 · REC Maintenance Grounds	1,200.00
<b>Total 6308-00 · MAINTENANCE GROUNDS</b>	<u>5,775.00</u>
 <b>6309-00 · MAINTENANCE BUILDINGS</b>	
6309-01 · CHR Maintenance Building	
6310-01 · CHR Dumpster	4,500.00
6309-01 · CHR Maintenance Building - Other	1,800.00
<b>Total 6309-01 · CHR Maintenance Building</b>	<u>6,300.00</u>
6309-02 · REC Maintenance Building	900.00
6309-03 · CTR Maintenance Building	360.00
<b>Total 6309-00 · MAINTENANCE BUILDINGS</b>	<u>7,560.00</u>
 <b>6401-00 · VEHICLE FUEL &amp; MAINTENANCE</b>	
6401-01 · CHR Vehicle Fuel & Maintenance	750.00
6401-02 · REC Mileage	240.00
<b>Total 6401-00 · VEHICLE FUEL &amp; MAINTENANCE</b>	<u>990.00</u>
 <b>6402-00 · VEHICLE INSURANCE &amp; REGISTRATN</b>	
6402-01 · CHR Vehicle Insurance & Regis.	1,700.00
<b>Total 6402-00 · VEHICLE INSURANCE &amp; REGISTRATN</b>	<u>1,700.00</u>

**St. Dominic Parish**  
**Profit & Loss Budget Overview**  
 July 2005 through June 2006

	<u>Jul '05 - Jun 06</u>
<b>6500-00 · PASTORAL / LITURGICAL</b>	
6501-01 · CHR Altar Supplies	9,420.00
6502-01 · CHR Societies	300.00
6503-01 · CHR Charitable Works	10,000.00
6504-01 · CHR Music Ministry	8,580.00
6505-01 · CHR Youth / Athletics	1,000.00
6506-01 · CHR Entertainment Hospitality	2,100.00
6507-01 · CHR Parish Sharing	250.00
6508-01 · CHR Hospital Chaplain	1,800.00
6509-01 · CHR Flowers	4,500.00
6510-01 · CHR Marriage Preparation	800.00
6511-01 · Propagation of Faith Memorials	350.00
<b>Total 6500-00 · PASTORAL / LITURGICAL</b>	<u>39,100.00</u>
<b>6601-00 · MEETINGS &amp; WORKSHOPS</b>	
6601-01 · CHR Meetings & Workshops	1,800.00
6601-04 · R.Ed Meetings & Workshops	1,800.00
<b>Total 6601-00 · MEETINGS &amp; WORKSHOPS</b>	<u>3,600.00</u>
<b>6602-00 · CONFERENCE TRANSPORTATION</b>	
6602-01 · CHR Conference Transportation	720.00
6602-02 · Peabody Collaborative	1,800.00
6602-04 · R.Ed Conference Transportation	180.00
<b>Total 6602-00 · CONFERENCE TRANSPORTATION</b>	<u>2,700.00</u>
<b>6603-00 · CONFERENCE HOSPITALITY</b>	
6603-01 · CHR Conference Hospitality	350.00
<b>Total 6603-00 · CONFERENCE HOSPITALITY</b>	<u>350.00</u>
<b>6701-00 · FUND RAISING</b>	
6701-01 · CHR Fund Raising	7,500.00
6701-05 · Parish Fair	5,500.00
6701-06 · Social Commission Expenses	6,925.00
<b>Total 6701-00 · FUND RAISING</b>	<u>19,925.00</u>
<b>7001-00 · ACQ/IMPROV - SITE</b>	
7001-01 · CHR Acq/Improv - Site	12,000.00
7001-04 · Acq/Improv-Parking Lot	12,000.00
<b>Total 7001-00 · ACQ/IMPROV - SITE</b>	<u>24,000.00</u>
<b>7002-00 · ACQ/IMPROV - FURN &amp; EQUIP</b>	
7002-01 · CHR Acq/Improv - Furn & Equip	2,520.00
7002-02 · REC Acq/Improv - Furn & Equip	760.00
7002-03 · CTR Acq/Improv - Furn & Equip	900.00
7002-04 · R.Ed Acq/Improv - Furn & Equip	500.00
<b>Total 7002-00 · ACQ/IMPROV - FURN &amp; EQUIP</b>	<u>4,680.00</u>

**St. Dominic Parish**  
**Profit & Loss Budget Overview**  
July 2005 through June 2006

**Appendix 2**  
**SAMPLE**

	<u>Jul '05 - Jun 06</u>
<b>7003-00 · ACQ/IMPROV - BUILDING</b>	
7003-01 · CHR Acq/Improv - Building	6,000.00
7003-02 · REC Acq/Improv - Building	600.00
7003-03 · CTR Acq/Improv - Building	500.00
<b>Total 7003-00 · ACQ/IMPROV - BUILDING</b>	<u>7,100.00</u>
<b>8450-00 · OTHER EXPENSES</b>	
8450-01 · CHR Transfer to School	60,000.00
8480-01 · CHR Pilot Newspaper	1,700.00
8490-01 · CHR Cathedraticum	4,000.00
<b>Total 8450-00 · OTHER EXPENSES</b>	<u>65,700.00</u>
<b>Total Expense</b>	<u>704,647.00</u>
<b>Net Income</b>	<u><u>8,453.00</u></u>



**St. Dominic Elementary School  
Profit & Loss Budget Overview  
July 2005 through June 2006**

	<u>Jul '05 - Jun 06</u>
<b>Income</b>	
4120-00 · Tuition and Fees	
4120-00 · Tuition and Fees - Other	1,100,000.00
<b>Total 4120-00 · Tuition and Fees</b>	<u>1,100,000.00</u>
4130-00 · Fees- Athletics	25,000.00
4149-00 · Fees -Other	
4149-01 · Application Fee	30,300.00
4149-02 · Volunteer Hours	10,000.00
4149-03 · Enrichment	9,000.00
<b>Total 4149-00 · Fees -Other</b>	<u>49,300.00</u>
4198-00 · Donations - Other	
4198-01 · Donation - 500 Club	7,000.00
4198-00 · Donations - Other - Other	9,000.00
<b>Total 4198-00 · Donations - Other</b>	<u>16,000.00</u>
4308-00 · Gifts and Bequests-Restricted	
4308-01 · Endowment	500.00
4308-04 · Education Fund	1,050.00
4308-05 · Library Memorial Fund	500.00
4308-06 · Art Fund	200.00
4308-00 · Gifts and Bequests-Restricted	1,340.00
<b>Total 4308-00 · Gifts and Bequests-Restricted</b>	<u>3,590.00</u>
4310-00 · Interest/Dividend Income	2,700.00
4320-00 · Market Value Change	1,575.00
4401-00 · Cafeteria Sales	28,000.00
4402-00 · Bookstore Sales	300.00
4405-01 · Class Trips - School Events	25,000.00
<b>Total 4405-00 · School Event</b>	<u>25,000.00</u>
4410-00 · Fundraising Activities	
4410-01 · 500 Club Bank Account	25,000.00
4410-20 · DEVELOPMENT	
4410-03 · Musical	38,000.00
4410-04 · Walk-A- Thon	29,000.00
4410-06 · Calendar Fundraising	21,000.00
4410-23 · Auction	65,000.00
4410-24 · Golf Tournament	25,000.00
<b>Total 4410-20 · DEVELOPMENT</b>	<u>178,000.00</u>
4410-21 · Annual Fund	22,000.00
4410-30 · Student Activity/Principal	50,000.00
4410-40 · PTO	40,000.00
<b>Total 4410-00 · Fundraising Activities</b>	<u>315,000.00</u>

**St. Dominic Elementary School  
Profit & Loss Budget Overview  
July 2005 through June 2006**

	<u>Jul '05 - Jun 06</u>
<b>4530-00 · Transfer from Parish to School</b>	<u>75,000.00</u>
<b>4547-00 · RCAB Support</b>	<u>40,000.00</u>
<b>Total Income</b>	<u>1,681,465.00</u>
<b>Expenses</b>	
<b>5001-00 · EXEMPT SALARIES</b>	
5001-11 · ADM Exempt Salaries	102,000.00
5001-12 · INS Exempt Salaries	795,000.00
5001-15 · FAC Exempt Salaries	<u>18,000.00</u>
<b>Total 5001-00 · EXEMPT SALARIES</b>	<u>915,000.00</u>
<b>5002-00 · NON EXEMPT SALARIES</b>	
5002-11 · ADM Non Exempt Salaries	33,000.00
5002-12 · INS Non Exempt Salaries	48,000.00
5002-15 · FAC Non Exempt Salaries	<u>60,000.00</u>
<b>Total 5002-00 · NON EXEMPT SALARIES</b>	<u>141,000.00</u>
<b>5004-00 · NON EMPLOYEE COMPENSATION</b>	
5004-12 · INS Non Employee Compensation	84,000.00
5004-15 · FAC Non Employee Compensation	<u>100.00</u>
<b>Total 5004-00 · NON EMPLOYEE COMPENSATION</b>	<u>84,100.00</u>
<b>5101-00 · EMPLOYER'S FICA</b>	
5101-11 · ADM Employer's FICA	7,900.00
5101-12 · INS Employer's FICA	65,300.00
5101-15 · FAC Employer's FICA	1,300.00
5101-00 · EMPLOYER'S FICA - Other	<u>22,500.00</u>
<b>Total 5101-00 · EMPLOYER'S FICA</b>	<u>97,000.00</u>
<b>5102-00 · LAY HEALTH INSURANCE</b>	
5102-11 · ADM Lay Health Insurance	3,700.00
5102-12 · INS Lay Health Insurance	50,000.00
5102-15 · FAC Lay Health Insurance	<u>3,800.00</u>
<b>Total 5102-00 · LAY HEALTH INSURANCE</b>	<u>57,500.00</u>
<b>5103-00 · WORKER COMPENSATION</b>	
5103-11 · ADM Worker Compensation	<u>8,400.00</u>
<b>Total 5103-00 · WORKER COMPENSATION</b>	<u>8,400.00</u>
<b>5104-00 · GROUP LIFE INSURANCE</b>	
5104-11 · ADM Group Life Insurance	900.00
5104-12 · INS Group Life Insurance	<u>5,400.00</u>
<b>Total 5104-00 · GROUP LIFE INSURANCE</b>	<u>6,300.00</u>
<b>5105-00 · LONG TERM DISABILITY</b>	
5105-11 · ADM Long Term Disability	600.00

**St. Dominic Elementary School**  
**Profit & Loss Budget Overview**  
**July 2005 through June 2006**

	<u>Jul '05 - Jun '06</u>
5105-12 · INS Long Term Disability	4,300.00
<b>Total 5105-00 · LONG TERM DISABILITY</b>	<u>4,900.00</u>
<b>5106-00 · GROUP PENSION</b>	
5106-11 · ADM Group Pension	7,000.00
5106-12 · INS Group Pension	51,000.00
5106-15 · FAC Group Pension	2,000.00
<b>Total 5106-00 · GROUP PENSION</b>	<u>60,000.00</u>
<b>5301-00 · RELIGIOUS STIPEND</b>	
5301-12 · INS Religious Stipend	26,000.00
<b>Total 5301-00 · RELIGIOUS STIPEND</b>	<u>26,000.00</u>
<b>5302-00 · RELIGIOUS HEALTH INSURANCE</b>	
5302-12 · INS Religious Health Insur.	6,000.00
<b>Total 5302-00 · RELIGIOUS HEALTH INSURANCE</b>	<u>6,000.00</u>
<b>5303-00 · RELIGIOUS RETIREMENT</b>	
5303-12 · INS Religious Retirement	3,000.00
<b>Total 5303-00 · RELIGIOUS RETIREMENT</b>	<u>3,000.00</u>
<b>6001-00 · DATA PROCESSING FEES</b>	
6001-11 · ADM Data Processing Fees	90.00
<b>Total 6001-00 · DATA PROCESSING FEES</b>	<u>90.00</u>
<b>6002-00 · PROFESSIONAL FEES</b>	
6002-11 · ADM Professional Fees	500.00
<b>Total 6002-00 · PROFESSIONAL FEES</b>	<u>500.00</u>
<b>6003-00 · BANK SERVICE CHARGES</b>	
6003-01 · Bank Service Fees - 500 Club	100.00
6003-11 · ADM Bank Service Charges	60.00
<b>Total 6003-00 · BANK SERVICE CHARGES</b>	<u>160.00</u>
<b>6201-00 · OFFICE SUPPLIES</b>	
6201-11 · ADM Office Supplies	7,200.00
<b>Total 6201-00 · OFFICE SUPPLIES</b>	<u>7,200.00</u>
<b>6202-00 · TELEPHONE</b>	
6202-11 · ADM Telephone	7,600.00
6202-15 · FAC Telephone	1,100.00
<b>Total 6202-00 · TELEPHONE</b>	<u>8,700.00</u>
<b>6203-00 · EQUIPMENT REPAIR &amp; CONTRACTS</b>	
6203-11 · ADM Equip Repair & Contracts	3,600.00
<b>Total 6203-00 · EQUIPMENT REPAIR &amp; CONTRACTS</b>	<u>3,600.00</u>

**St. Dominic Elementary School**  
**Profit & Loss Budget Overview**  
**July 2005 through June 2006**

	<u>Jul '05 - Jun 06</u>
<b>6204-00 · BOOKS &amp; PAMPHLETS</b>	
6204-05 · Library Memorial	1,000.00
6204-12 · INS Books & Pamphlets	1,400.00
<b>Total 6204-00 · BOOKS &amp; PAMPHLETS</b>	<u>2,400.00</u>
<b>6206-00 · PRINTING</b>	
6206-11 · ADM Printing	3,000.00
6206-12 · INS Printing	4,000.00
<b>Total 6206-00 · PRINTING</b>	<u>7,000.00</u>
<b>6207-00 · POSTAGE</b>	
6207-11 · ADM Postage	1,000.00
<b>Total 6207-00 · POSTAGE</b>	<u>1,000.00</u>
<b>6208-00 · DUES &amp; SUBSCRIPTIONS</b>	
6208-11 · ADM Dues & Subscriptions	1,650.00
6208-12 · INS Dues & Subscriptions	2,400.00
<b>Total 6208-00 · DUES &amp; SUBSCRIPTIONS</b>	<u>4,050.00</u>
<b>6212-00 · Instructional Materials</b>	
6212-12 · INS Teaching Supplies	21,000.00
6212-40 · PTO Supplies	640.00
<b>Total 6212-00 · Instructional Materials</b>	<u>21,640.00</u>
<b>6213-00 · TEXTBOOKS</b>	
6213-12 · INS Textbooks	17,900.00
<b>Total 6213-00 · TEXTBOOKS</b>	<u>17,900.00</u>
<b>6214-00 · DEVELOPMENT EXPENSES</b>	
6214-11 · ADM Development Expenses	1,000.00
6214-21 · Annual Fund Expenses	2,000.00
6214-22 · Legacy Dinner Expenses	5,000.00
6214-23 · Auction Expenses	5,000.00
6214-24 · Golf Tournament	10,000.00
6214-40 · PTO Development	500.00
<b>Total 6214-00 · DEVELOPMENT EXPENSES</b>	<u>23,500.00</u>
<b>6260-00 · CAFETERIA SUPPLIES</b>	
6260-11 · ADM Cafeteria Food	100.00
<b>Total 6260-00 · CAFETERIA SUPPLIES</b>	<u>100.00</u>
<b>6261-00 · FOOD</b>	
6261-11 · ADM Food	35,000.00
6261-40 · PTO Food	10,000.00
<b>Total 6261-00 · FOOD</b>	<u>45,000.00</u>

**St. Dominic Elementary School  
Profit & Loss Budget Overview  
July 2005 through June 2006**

	<u>Jul '05 - Jun 06</u>
<b>6301-00 · UTILITIES</b>	
6301-15 · FAC -Utilities	10,000.00
<b>Total 6301-00 · UTILITIES</b>	<u>10,000.00</u>
<b>6302-00 · HEAT</b>	
6302-15 · FAC Heat	18,000.00
<b>Total 6302-00 · HEAT</b>	<u>18,000.00</u>
<b>6303-00 · WATER &amp; SEWER</b>	
6303-15 · FAC Water & Sewer	2,000.00
<b>Total 6303-00 · WATER &amp; SEWER</b>	<u>2,000.00</u>
<b>6305-00 · PROPERTY INSURANCE &amp; LIABILITY</b>	
6305-15 · FAC Property Ins. & Liability	13,800.00
<b>Total 6305-00 · PROPERTY INSURANCE &amp; LIABILITY</b>	<u>13,800.00</u>
<b>6306-00 · MAINT. EQUIPMENT CONTRACTS</b>	
6306-15 · FAC Maint Equipment Contracts	4,000.00
<b>Total 6306-00 · MAINT. EQUIPMENT CONTRACTS</b>	<u>4,000.00</u>
<b>6307-00 · MAINTENANCE SUPPLIES</b>	
6307-15 · FAC Maintenance Supplies	11,000.00
<b>Total 6307-00 · MAINTENANCE SUPPLIES</b>	<u>11,000.00</u>
<b>6308-00 · MAINTENANCE GROUNDS</b>	
6308-15 · FAC Maintenance Grounds	3,000.00
<b>Total 6308-00 · MAINTENANCE GROUNDS</b>	<u>3,000.00</u>
<b>6309-00 · MAINTENANCE BUILDINGS</b>	
6309-15 · FAC Maintenance Buildings	3,000.00
<b>Total 6309-00 · MAINTENANCE BUILDINGS</b>	<u>3,000.00</u>
<b>6500-00 · ATHLETIC PROGRAM</b>	
6540-11 · ADM Athletic - Equipment	1,000.00
6550-11 · ADM Athletc - Coaches Stipends	3,000.00
<b>Total 6500-00 · ATHLETIC PROGRAM</b>	<u>4,000.00</u>
<b>6601-00 · MEETINGS &amp; WORKSHOPS</b>	
6601-11 · ADM Meetings & Workshops	600.00
6601-40 · PTO Meeting & Workshops	3,000.00
<b>Total 6601-00 · MEETINGS &amp; WORKSHOPS</b>	<u>3,600.00</u>
<b>6602-00 · CONFERENCE TRANSPORTATION</b>	
6602-40 · PTO Conference & Transportation	3,925.00
<b>Total 6602-00 · CONFERENCE TRANSPORTATION</b>	<u>3,925.00</u>

**St. Dominic Elementary School  
Profit & Loss Budget Overview  
July 2005 through June 2006**

	<u>Jul '05 - Jun '06</u>
<b>6605-00 · PROFESSIONAL MEMBERSHIPS</b>	
6605-11 · ADM Professional Memberships	900.00
6605-12 · INS Professional Memberships	100.00
<b>Total 6605-00 · PROFESSIONAL MEMBERSHIPS</b>	<u>1,000.00</u>
 <b>6701-00 · FUND RAISING</b>	
6701-01 · 500 Club	10,000.00
6701-11 · ADM Fund Raising	1,500.00
6701-40 · PTO Fundraising	1,000.00
6701-50 · Athletic Fundraising	6,400.00
6701-60 · Student Council	200.00
6703-13 · Musical	1,000.00
6704-14 · Walk-A-Thon	400.00
<b>Total 6701-00 · FUND RAISING</b>	<u>20,500.00</u>
 <b>7001-00 · ACQ/IMPROV - SITE</b>	
7001-15 · FAC Acq/Improv - Site	450.00
<b>Total 7001-00 · ACQ/IMPROV - SITE</b>	<u>450.00</u>
 <b>7002-00 · ACQ/IMPROV - FURN &amp; EQUIP</b>	
7002-11 · ADM Acq/Improv - Furn & Equip	1,000.00
7002-12 · INS Acq/Improv - Furn & Equip	2,500.00
<b>Total 7002-00 · ACQ/IMPROV - FURN &amp; EQUIP</b>	<u>3,500.00</u>
 <b>7003-00 · ACQ/IMPROV - BUILDING</b>	
7003-15 · FAC Acq/Improv - Building	4,000.00
<b>Total 7003-00 · ACQ/IMPROV - BUILDING</b>	<u>4,000.00</u>
 <b>8450-00 · OTHER TRANSFER ACCOUNTS</b>	
8450-11 · ADM Transfer to Parish	10,000.00
8450-12 · Tuition Aid	7,500.00
8450-13 · Lois Eggleston Fund	600.00
8450-14 · Barbara Ballard Scholarship	3,850.00
8450-40 · Transfer from School to PTO	1,700.00
<b>Total 8450-00 · OTHER TRANSFER ACCOUNTS</b>	<u>23,650.00</u>
 <b>Total Expense</b>	<u>1,681,465.00</u>
 <b>Net Income</b>	<u>0.00</u>

**ST. DOMINIC PARISH  
ANNUAL REPORT TO PARISHIONERS  
FISCAL YEAR ENDED JUNE 30, 2006**

		FISCAL YEAR 2006	VARIANCE	FISCAL YEAR
	ACTUALS	BUDGET	TO BUDGET	2007 BUDGET
<b><u>PARISH REVENUE</u></b>				
Offertory	\$ 224,200	\$ 228,290	\$ (4,090)	\$ 230,000
Grand Annual	47,190	46,000	1,190	48,000
Religious Education Fees	14,860	15,060	(200)	16,000
Gifts, Bequests, Donations	71,158	43,000	28,158	40,000
Sacramental Offerings	17,720	19,500	(1,780)	20,000
Fundraising & Bingo	27,350	26,600	750	27,000
Rental Income	25,000	30,000	(5,000)	30,000
Support from RCAB	15,000	15,000	-	15,000
Interest, Dividend and Investment Income	3,500	3,000	500	3,000
Other Parish Revenue	26,791	30,000	(3,209)	30,000
<b>TOTAL PARISH INCOME</b>	<b>472,769</b>	<b>456,449</b>	<b>16,320</b>	<b>459,000</b>
<b><u>PARISH EXPENSES</u></b>				
Compensation	90,580	90,000	580	95,000
Employee Benefits	37,445	35,000	2,445	38,000
Clergy Stipend & Related	8,625	9,000	(375)	10,000
Religious Stipend & Related	17,509	16,000	1,509	16,000
Professional Services	35,418	37,000	(1,582)	44,000
Office & Related	31,382	43,000	(11,618)	44,030
Household	85,728	74,000	11,728	54,000
Utilities & Maintenance	75,860	63,900	11,960	63,880
Vehicle & Related	22,639	27,550	(4,911)	27,550
Pastoral/Religious/Liturgical	12,125	12,000	125	12,000
Professional Development	2,300	2,000	300	2,000
Fundraising and Bingo	16,000	16,000	-	16,000
Other Expenses	4,500	1,000	3,500	1,000
Capital Acquisitions/Improvements (see attached)	30,000	30,000	-	25,000
<b>TOTAL PARISH EXPENSES</b>	<b>470,111</b>	<b>456,449</b>	<b>13,662</b>	<b>448,460</b>
<b>NET INCOME</b>	<b>\$ 2,657</b>	<b>\$ (0)</b>	<b>\$ 2,657</b>	<b>\$ 10,540</b>

**Recap Other Financial Information:  
(as of June 30, 2006)**

Cash balances	\$ 75,500
Outstanding operating debt	\$ 14,580
Loan payable to RCAB Revolving Loan Fund (monthly payment of principal and interest \$750)	\$ 9,000

**Note: This report is due to parishioners on or before September 30th.**

**(Minimum Reporting Requirements to Parishioners)**

**Appendix 3**  
**SAMPLE**

**ST. DOMINIC PARISH**  
**ANNUAL REPORT TO PARISHIONERS**  
**CAPITAL ACQUISITIONS & IMPROVEMENTS**  
**FISCAL YEAR ENDED JUNE 30, 2006**

		FISCAL YEAR 2006	VARIANCE TO BUDGET	FISCAL YEAR 2007
<b><u>Capital Acquisitions/Improvements:</u></b>	<b><u>ACTUALS</u></b>	<b><u>BUDGET</u></b>		<b><u>BUDGET</u></b>
Acquisition of Vehicle	\$ 10,500	\$ 10,000	\$ 500	\$ 10,000
Acquisition of Parish Furniture	3,500	5,000	(1,500)	5,000
Acquisition of Office Equipment	6,500	5,000	1,500	5,000
Repairs to Church Roof	6,500	5,000	1,500	5,000
Repairs to Rectory	3,000	5,000	(2,000)	-
<b><i>Total Capital Acquisitions/Improvements</i></b>	<b><u>\$ 30,000</u></b>	<b><u>\$ 30,000</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 25,000</u></b>

**Note: This report is due to parishioners on or before September 30th.**



**ST. DOMINIC ELEMENTARY SCHOOL  
ANNUAL REPORT TO PARISHIONERS  
FISCAL YEAR ENDED JUNE 30, 2006**

		FISCAL YEAR 2006	VARIANCE TO BUDGET	FISCAL YEAR 2007
<b><u>SCHOOL REVENUE</u></b>	<b><u>ACTUALS</u></b>	<b><u>BUDGET</u></b>		<b><u>BUDGET</u></b>
Tuition and Fees	\$ 425,525	\$ 400,000	\$ 25,525	\$ 450,000
Gifts, Bequests, Donations	35,989	25,000	10,989	25,000
Fundraising and Bingo	45,025	40,000	5,025	40,000
Cafeteria Sales	18,500	20,000	(1,500)	20,000
Bookstore Sales and Fees	17,720	15,000	2,720	15,000
Rental Income	15,000	15,000	-	15,000
Support from RCAB	25,000	25,000	-	25,000
Support from Parish	2,000	5,000	(3,000)	5,000
Interest, Dividend and Investment Income	1,525	1,500	25	2,000
Other School Revenue	12,595	13,000	(405)	13,000
<b>TOTAL SCHOOL INCOME</b>	<b>598,879</b>	<b>559,500</b>	<b>39,379</b>	<b>610,000</b>
<b><u>SCHOOL EXPENSES</u></b>				
Compensation	345,798	340,000	5,798	350,000
Employee Benefits	121,029	110,000	11,029	124,000
Clergy Stipend & Related	1,200	-	1,200	1,200
Religious Stipend & Related	12,000	12,000	-	12,500
Professional Services	2,013	2,000	13	2,000
Office & Related	13,512	12,000	1,512	14,000
School Supplies	11,215	12,000	(785)	12,000
Utilities & Maintenance	24,895	20,000	4,895	28,000
Vehicle & Related	1,875	2,000	(125)	2,000
Pastoral/Liturgical/Program Fees	1,500	1,500	-	5,000
Professional Development	1,975	2,000	(25)	1,500
Fundraising and Bingo	44,950	35,000	9,950	42,000
Other Expenses	4,500	1,000	3,500	4,500
Capital Acquisitions/Improvements (see attached)	10,000	10,000	-	10,000
<b>TOTAL SCHOOL EXPENSES</b>	<b>596,462</b>	<b>559,500</b>	<b>36,962</b>	<b>608,700</b>
<b>NET INCOME</b>	<b>\$ 2,417</b>	<b>\$ -</b>	<b>\$ 2,417</b>	<b>\$ 1,300</b>

**Recap Other Financial Information:  
(as of June 30, 2006)**

Cash balances	\$ 65,000
Outstanding operating debt	\$ 25,000
Loan payable to RCAB Revolving Loan Fund (monthly payment of principal and interest \$500)	\$ 15,000

**Note: This report is due to parishioners on or before September 30th.**

**ST. DOMINIC ELEMENTARY SCHOOL  
ANNUAL REPORT TO PARISHIONERS  
CAPITAL ACQUISITIONS & IMPROVEMENTS  
FISCAL YEAR ENDED JUNE 30, 2006**

<b><u>Capital Acquisitions/Improvements:</u></b>	<b><u>ACTUALS</u></b>	<b>FISCAL YEAR 2006 <u>BUDGET</u></b>	<b>VARIANCE <u>TO BUDGET</u></b>	<b>FISCAL YEAR 2007 <u>BUDGET</u></b>
Acquisition of Furniture	\$ 5,000	\$ 5,000	\$ -	\$ 2,500
Acquisition of Office Equipment	-	-	-	2,500
Repairs to School	5,000	5,000	-	5,000
<b><i>Total Capital Acquisitions/Improvements</i></b>	<b><u>10,000</u></b>	<b><u>10,000</u></b>	<b><u>-</u></b>	<b><u>10,000</u></b>

**Note:** This report is due to parishioners on or before September 30th.

**ST. DOMINIC CEMETERY  
ANNUAL REPORT TO PARISHIONERS  
FISCAL YEAR ENDED JUNE 30, 2006**

		FISCAL YEAR 2006	VARIANCE TO BUDGET	FISCAL YEAR 2007
<b><u>CEMETERY REVENUE</u></b>	<b><u>ACTUALS</u></b>	<b><u>BUDGET</u></b>		<b><u>BUDGET</u></b>
Sale of Lots	\$ 144,360	\$ 145,000	\$ (640)	\$ 148,000
Openings	84,540	85,000	(460)	87,500
Concrete Burial Units	10,000	10,000	-	10,000
Foundations	13,883	20,000	(6,117)	20,000
Mausoleum Sales	1,000	1,000	-	1,500
Support from RCAB	1,500	1,500	-	-
Interest, Dividend and Investment Income	930	900	30	1,000
Other Cemetery Revenue	2,621	3,000	(379)	1,000
<b><u>TOTAL CEMETERY INCOME</u></b>	<b><u>258,834</u></b>	<b><u>266,400</u></b>	<b><u>(7,566)</u></b>	<b><u>269,000</u></b>
<b><u>CEMETERY EXPENSES</u></b>				
Compensation	101,040	100,000	1,040	108,000
Employee Benefits	26,018	25,000	1,018	30,000
Professional Services	3,563	2,000	1,563	4,500
Office & Related	3,385	4,000	(615)	4,000
Utilities & Maintenance	61,935	58,000	3,935	64,000
Vehicle & Related	9,223	9,000	223	12,500
Other Expenses	1,327	1,500	(173)	1,500
Capital Acquisitions/Improvements (see attached)	6,692	10,000	(3,308)	28,000
<b><u>TOTAL CEMETERY EXPENSES</u></b>	<b><u>213,183</u></b>	<b><u>209,500</u></b>	<b><u>3,683</u></b>	<b><u>252,500</u></b>
<b><u>NET INCOME</u></b>	<b><u>\$ 45,651</u></b>	<b><u>\$ 56,900</u></b>	<b><u>\$ (11,249)</u></b>	<b><u>\$ 16,500</u></b>

**Recap Other Financial Information:  
(as of June 30, 2006)**

Cash balances	\$ 125,000
Outstanding operating debt	\$ 35,000
Loan payable to RCAB Revolving Loan Fund (monthly payment of principal and interest \$500)	\$ 35,000

**Note: This report is due to parishioners on or before September 30th.**

**(Minimum Reporting Requirements to Parishioners)**

**Appendix 3  
SAMPLE**

**ST. DOMINIC CEMETERY  
ANNUAL REPORT TO PARISHIONERS  
CAPITAL ACQUISITIONS & IMPROVEMENTS  
FISCAL YEAR ENDED JUNE 30, 2006**

<b><u>Capital Acquisitions/Improvements:</u></b>	<b><u>ACTUALS</u></b>	<b>FISCAL YEAR 2006 <u>BUDGET</u></b>	<b><u>VARIANCE TO BUDGET</u></b>	<b>FISCAL YEAR 2007 <u>BUDGET</u></b>
Acquisition of Vehicle	\$ 6,692	\$ 10,000	\$ (3,308)	\$ 28,000
<b><i>Total Capital Acquisitions/Improvements</i></b>	<b><u>\$ 6,692</u></b>	<b><u>\$ 10,000</u></b>	<b><u>\$ (3,308)</u></b>	<b><u>\$ 28,000</u></b>

***Note: This report is due to parishioners on or before September 30th.***



***Inventory Form for Church Administrators***

**Pastor/Administrator :** \_\_\_\_\_

**Parish Name:** \_\_\_\_\_ **Parish Number:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**City/Town:** \_\_\_\_\_

Parish Name: \_\_\_\_\_ Parish Number: \_\_\_\_\_

<u>Church/ Sanctuary</u>	<u>Control Number</u>	<u>Quantity</u>	<u>Condition</u> (Excellent, Good, Fair, Poor)	<u>Make</u>	<u>Model</u>	<u>Estimated Value</u>	<u>Comments</u>
Advent Wreath							
Altar							
Altar Clothes							
Altar Linens							
Ambo							
Banner Standard							
Boat							
Candle Holder/Stand							
Chair							
Chair							
Chalices							
Choir Vestments							
Cibora							
Crib set							
Cruets							
Free Standing Kneeler							
Holy Water Sprinkler							
Hymnal							
Liturgical Books							

Parish Name: \_\_\_\_\_ Parish Number: \_\_\_\_\_

Church/ Sanctuary	Control Number	Quantity	Condition (Excellent, Good, Fair, Poor)	Make	Model	Estimated Value	Comments
Monstrance							
Musical Instruments							
Oil stock							
Paintings							
Paten							
Pew/Chair Kneelers							
Processional Cross							
Pyx							
Rack							
Rug							
Sanctuary Cross							
Sanctuary Lamp							
Server Vestments							
Sound System							
Stations of the Cross							
Statue							
Tabernacle							
Thurible							
Vestments							



Parish Name: \_\_\_\_\_ Parish Number: \_\_\_\_\_

**Parish Office**

<b><u>Parish Office</u></b>	<b><u>Control Number</u></b>	<b><u>Quantity</u></b>	<b><u>Condition</u></b> (Excellent, Good, Fair, Poor)	<b><u>Make</u></b>	<b><u>Model</u></b>	<b><u>Estimated Value</u></b>	<b><u>Comments</u></b>
Bookcase							
Calculator							
Chair							
Computer							
Copy Machine							
Desk							
Fax Machine							
File Cabinets							
Lamp							
Mimeograph							
Other							
Printer							
Scanner							
Table							
Tape Recorder							
Telephone							
Typewriter							

Parish Name: \_\_\_\_\_ Parish Number: \_\_\_\_\_

Clergy Office

Clergy Name: \_\_\_\_\_

<u>Clergy Office</u>	<u>Control Number</u>	<u>Quantity</u>	<u>Condition</u> (Excellent, Good, Fair, Poor)	<u>Make</u>	<u>Model</u>	<u>Estimated Value</u>	<u>Comments</u>
Bookcase							
Calculator							
Chair							
Computer							
Copy Machine							
Desk							
Fax Machine							
File Cabinets							
Lamp							
Mimeograph							
Other							
Printer							
Scanner							
Table							
Tape Recorder							
Telephone							
Typewriter							

**Parish Name:** \_\_\_\_\_

**Clergy Office**

**Clergy Name:** \_\_\_\_\_

<u>Clergy Office</u>	<u>Control Number</u>	<u>Quantity</u>	<u>Condition</u> (Excellent, Good, Fair, Poor)

Bookcase							
Calculator							
Chair							
Computer							
Copy Machine							
Desk							
Fax Machine							
File Cabinets							
Lamp							
Mimeograph							
Other							
Printer							
Scanner							
Table							
Tape Recorder							
Telephone							
Typewriter							

Parish Name: \_\_\_\_\_ Parish Number: \_\_\_\_\_

**Spare Office**

<b><u>Spare Office</u></b>	<b><u>Control Number</u></b>	<b><u>Quantity</u></b>	<b><u>Condition</u></b> (Excellent, Good, Fair, Poor)	<b><u>Make</u></b>	<b><u>Model</u></b>	<b><u>Estimated Value</u></b>	<b><u>Comments</u></b>
Bookcase							
Calculator							
Chair							
Computer							
Copy Machine							
Desk							
Fax Machine							
File Cabinets							
Lamp							
Mimeograph							
Other							
Printer							
Scanner							
Table							
Tape Recorder							
Telephone							
Typewriter							

**Parish Name:** \_\_\_\_\_

**Religious Education Office**

**Religious Education Office**

<u>Control Number</u>	<u>Quantity</u>	<u>Condition</u> (Excellent, Good, Fair, Poor)
-----------------------	-----------------	---

### Comments

Bookcase							
Calculator							
Chair							
Computer							
Copy Machine							
Desk							
Fax Machine							
File Cabinets							
Lamp							
Mimeograph							
Other							
Printer							
Scanner							
Table							
Tape Recorder							
Telephone							
Television							
Typewriter							
VCR							

Parish Name: \_\_\_\_\_ Parish Number: \_\_\_\_\_

**Spare Office**

<b><u>Spare Office</u></b>	<b><u>Control Number</u></b>	<b><u>Quantity</u></b>	<b><u>Condition</u></b> (Excellent, Good, Fair, Poor)	<b><u>Make</u></b>	<b><u>Model</u></b>	<b><u>Estimated Value</u></b>	<b><u>Comments</u></b>
Bookcase							
Calculator							
Chair							
Computer							
Copy Machine							
Desk							
Fax Machine							
File Cabinets							
Lamp							
Mimeograph							
Other							
Printer							
Scanner							
Table							
Tape Recorder							
Telephone							
Typewriter							

**Parish Name:** \_\_\_\_\_ **Parish Number:** \_\_\_\_\_

### Bedroom

**Clergy Name:** \_\_\_\_\_

<u>Bedroom</u>	<u>Control Number</u>	<u>Quantity</u>	<u>Condition</u> (Excellent, Good, Fair, Poor)	<u>Make</u>	<u>Model</u>	<u>Estimated Value</u>	<u>Comments</u>
Bed							
Bookcase							
Chair							
Chest							
Desk							
Dresser							
Lamp							
Linens							
Other							
Rug							
Table							
Telephone							
Television							

Parish Name: \_\_\_\_\_ Parish Number: \_\_\_\_\_

Bedroom

Clergy Name: \_\_\_\_\_

<u>Bedroom</u>	<u>Control Number</u>	<u>Quantity</u>	<u>Condition</u> (Excellent, Good, Fair, Poor)	<u>Make</u>	<u>Model</u>	<u>Estimated Value</u>	<u>Comments</u>
Bed							
Bookcase							
Chair							
Chest							
Desk							
Dresser							
Lamp							
Linens							
Other							
Rug							
Table							
Telephone							
Television							



Parish Name: \_\_\_\_\_ Parish Number: \_\_\_\_\_

**Bedroom**

Clergy Name: \_\_\_\_\_

<u>Bedroom</u>	<u>Control Number</u>	<u>Quantity</u>	<u>Condition</u> (Excellent, Good, Fair, Poor)	<u>Make</u>	<u>Model</u>	<u>Estimated Value</u>	<u>Comments</u>
Bed							
Bookcase							
Chair							
Chest							
Desk							
Dresser							
Lamp							
Linens							
Other							
Rug							
Table							
Telephone							
Television							

Parish Name: \_\_\_\_\_ Parish Number: \_\_\_\_\_

**Bedroom**

Clergy Name: \_\_\_\_\_

<u>Bedroom</u>	<u>Control Number</u>	<u>Quantity</u>	<u>Condition</u> (Excellent, Good, Fair, Poor)	<u>Make</u>	<u>Model</u>	<u>Estimated Value</u>	<u>Comments</u>
Bed							
Bookcase							
Chair							
Chest							
Desk							
Dresser							
Lamp							
Linens							
Other							
Rug							
Table							
Telephone							
Television							

Parish Name: \_\_\_\_\_ Parish Number: \_\_\_\_\_

**Kitchen**

<u>Kitchen</u>	<u>Control Number</u>	<u>Quantity</u>	<u>Condition</u> (Excellent, Good, Fair, Poor)	<u>Make</u>	<u>Model</u>	<u>Estimated Value</u>	<u>Comments</u>
Appliances							
Cutlery							
Dishes							
Dishwasher							
Freezer							
Microwave Oven							
Other							
Place Settings							
Refrigerator							
Silverware							
Stove/Range							
Telephone							

Parish Name: \_\_\_\_\_ Parish Number: \_\_\_\_\_

Dining Room

<u>Dining Room</u>	<u>Control Number</u>	<u>Quantity</u>	<u>Condition</u> (Excellent, Good, Fair, Poor)	<u>Make</u>	<u>Model</u>	<u>Estimated Value</u>	<u>Comments</u>
Buffet							
Chair							
China							
China Closet							
Dining Table							
Glasses							
Pictures							
Place Settings							
Rug Other							
Silverware							
Vases							

Parish Name: \_\_\_\_\_ Parish Number: \_\_\_\_\_

Living Room

Living Room	Control Number	Quantity	Condition (Excellent, Good, Fair, Poor)	Make	Model	Estimated Value	Comments
Bookcase							
Chair							
DVD							
Fireplace Fixtures							
Lamp Rug							
Other							
Radio							
Sofa							
Table							
Telephone							
Television							
VCR							

Parish Name: \_\_\_\_\_ Parish Number: \_\_\_\_\_

**Bathrooms**

<u>Bathroom</u>	<u>Control Number</u>	<u>Quantity</u>	<u>Condition</u> (Excellent, Good, Fair, Poor)	<u>Make</u>	<u>Model</u>	<u>Estimated Value</u>	<u>Comments</u>
-----------------	-----------------------	-----------------	---	-------------	--------------	------------------------	-----------------

Towels							
Other							

**Miscellaneous**

<u>Miscellaneous</u>	<u>Control Number</u>	<u>Quantity</u>	<u>Condition</u> (Excellent, Good, Fair, Poor)	<u>Make</u>	<u>Model</u>	<u>Estimated Value</u>	<u>Comments</u>
----------------------	-----------------------	-----------------	---	-------------	--------------	------------------------	-----------------

Bench							
Chair							
Dryer							
Floor Polisher							
Furniture							
Lamp							
Other							
Patio/Porch							
Table							
Vacuum Sweeper							
Washing Machine							

Parish Name: \_\_\_\_\_ Parish Number: \_\_\_\_\_

Parish Hall

<u>Parish Hall</u>	<u>Control Number</u>	<u>Quantity</u>	<u>Condition</u> (Excellent, Good, Fair, Poor)	<u>Make</u>	<u>Model</u>	<u>Estimated Value</u>	<u>Comments</u>
Bingo Equipment							
Chairs							
Chairs							
Classroom Items							
Dinnerware							
Dishwasher							
Musical Instruments							
Other							
Ovens							
Refrigerator							
Silverware							
Sound System							
Table Cloths							
Tables							
Tables							
Teacher's Desk							
Utensils							

Parish Name: \_\_\_\_\_ Parish Number: \_\_\_\_\_

School \_\_\_\_\_

<u>School</u>	<u>Control Number</u>	<u>Quantity</u>	<u>Condition</u> (Excellent, Good, Fair, Poor)	<u>Make</u>	<u>Model</u>	<u>Estimated Value</u>	<u>Comments</u>
Appliances							
Cafeteria Chairs							
Cafeteria Tables							
Cash Register							
Chairs							
Computers							
Desk							
Freezer							
Microwave							
Oven							
Refrigerator							
Teacher's Desk							
Telephone							
Television							
VCR							



Parish Name: \_\_\_\_\_ Parish Number: \_\_\_\_\_

Principal Office

<u>Principal Office</u>	<u>Control Number</u>	<u>Quantity</u>	<u>Condition</u> (Excellent, Good, Fair, Poor)	<u>Make</u>	<u>Model</u>	<u>Estimated Value</u>	<u>Comments</u>
Bookcase							
Calculator							
Chair							
Computer							
Copy Machine							
Desk							
Fax Machine							
File Cabinets							
Lamp							
Mimeograph							
Other							
Printer							
Scanner							
Table							
Tape Recorder							
Telephone							
Typewriter							

Parish Name: \_\_\_\_\_ Parish Number: \_\_\_\_\_

Secretary Office

<u>Secretary Office</u>	<u>Control Number</u>	<u>Quantity</u>	<u>Condition</u> (Excellent, Good, Fair, Poor)	<u>Make</u>	<u>Model</u>	<u>Estimated Value</u>	<u>Comments</u>
Bookcase							
Calculator							
Chair							
Computer							
Copy Machine							
Desk							
Fax Machine							
File Cabinets							
Lamp							
Mimeograph							
Other							
Printer							
Scanner							
Table							
Tape Recorder							
Telephone							
Typewriter							

## DATE # \_\_\_\_\_

CODE	ACCOUNT NAME	MASS 1	MASS 2	MASS 3	MASS 4	MASS 5	MASS 6
4101	OFFERTORY						
4102	OFFERTORY MONTHLY						
4103	GRAND ANNUAL						
4104	SHRINES, CANDLES & FLOWERS						
4105	SACRAMENTAL OFFERINGS						
4108	GIFTS & BEQUESTS						
4110	PAMPHLETS						
4165	RELIGIOUS EDUCATION						
4198	DONATIONS/OTHER						
4410	ENTERTAINMENT/FUNDRAISING						
	SPECIAL COLLECTION NAME:						
TOTALS							

<b>DEPOSIT SUMMARY:</b>						
<b>CHANGE</b>						
<b>BILLS</b>						
<b>CHECKS</b>						
<b>TOTAL</b>						

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

5. \_\_\_\_\_

6. \_\_\_\_\_

**CONTRIBUTION ACKNOWLEDGMENT LETTER**

---

**Sample Quid Pro Quo Gift of Merchandise Value over \$75**

*(To donors who receive goods or services in exchange for a single payment in excess of \$75, where part of the contribution is for goods and/or services provided by the parish, parish school, parish cemetery etc.)*

**St. Dominic's Parish  
2121 Commonwealth Avenue  
Brighton, Massachusetts 02135**

December 31, 2006

Dear Mr. Smith:

Thank you for your cash contribution of \$135 to St. Dominic's Parish received on December 12, 2006. In exchange for your contribution, we gave you a cookbook with an estimated fair market value of \$60.

Sincerely,

Father.....

**CONTRIBUTION ACKNOWLEDGMENT LETTER**

---

**Sample for \$250 or more Single Contributions**

*(To donors who make single contributions of \$250 or more to the parish, parish school,  
parish cemetery, etc.)*

**St. Dominic's Parish  
2121 Commonwealth Avenue  
Brighton, Massachusetts 02135**

December 31, 2006

Dear Mr. Smith:

Thank you for your contribution of \$300 that St. Dominic's Parish received on December 12, 2006. No goods or services were provided in exchange for your contribution.

Sincerely,

Father.....

**SETTING UP A PETTY CASH FUND**

1. An imprest or set value for your petty cash fund should be established and approved by the Pastor/Administrator. A Petty Cash Approval Form has been provided. This form designates the imprest amount as well as the custodian of the fund.
2. Once the Petty Cash Approval Form has been prepared and signed by the Pastor/Administrator, a check should be issued payable to the order of "Cash". This should be recorded as a credit to the bank account drawn from and a debit to Petty Cash account number 1030-00 .
3. After the check is cashed, the petty cash should be kept in a locked box and stored in a secure location.
4. The custodian should disburse petty cash funds to individuals only upon receiving an approved receipt, invoice or request for a cash advance.
5. A petty cash slip should be completed by the custodian and signed by the individual receiving the cash.
6. The receipt, invoice or request for funds should be attached to the petty cash slip and retained.
7. When the petty cash funds are close to being depleted, the fund should be reconciled by the custodian utilizing the Petty Cash Reconciliation Sheet provided.
8. Once reconciled, the fund should be replenished by issuing a check made payable to the order of "Cash". The amount of the check should be equal to the total of the invoices/receipts. This should be recorded as a credit to the bank account drawn from and a debit to the expense accounts notated on the Petty Cash Reconciliation Sheet.

PETTY CASH  
APPROVAL FORM

DATE:

IMPREST AMOUNT:

PURPOSE OF ACCOUNT:

DESIGNATED CUSTODIAN:

Print Name

Signature

PASTOR APPROVAL:

Print Name

Signature

**PETTY CASH RECONCILIATION SHEET**

Appendix 7

**A. Cash on Hand:**

	<u>Units</u>	<u>Total</u>
<b>Coin:</b>		
Pennies	_____	_____
Nickels	_____	_____
Dimes	_____	_____
Quarters	_____	_____
<b>Bills:</b>		
\$1	_____	_____
\$5	_____	_____
\$10	_____	_____
\$20	_____	_____
Other \$	_____	_____
<b>Total Cash on Hand</b>		=====

**B. Invoices/Receipts:**

<u>Date</u>	<u>Description</u>	<u>Chart of Account #</u>	<u>Amount</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**Total Invoices/Receipts Amount**

\_\_\_\_\_

**C. Total Cash and Invoices/Receipts Amount (Totals from A and B)**

\_\_\_\_\_

**D. Petty Cash Imprest Value**

\_\_\_\_\_

**E. Variance (Should be zero) (C-D)**

=====

\_\_\_\_\_  
Reconciled By\_\_\_\_\_  
Date



**APPROVED PAYROLL SERVICE PROVIDERS**

---

1. ADP  
Brad Reepmeyer  
(781) 622-3402
2. Paychex  
Nancy Soule  
(617) 610-1204
3. Advantage Payroll  
Nancy Donahue  
(617) 620-8206
4. PayChoice  
Jim Cooke  
(781) 223-7143

**AUDIT RATING CRITERIA****One (1)**

A [Parish/School/Cemetery] with this Rating is in strong compliance with the policies and procedures of the Archdiocese. Very minor compliance or other issues have been noted. Personnel demonstrate that they are well trained in policies, procedures and compliance. Findings are relatively minor and any weaknesses noted can be handled in a routine manner. Prior audit findings and recommendations have been implemented.

***[Parishes/Schools/Cemeteries] with this Rating are classified "Outstanding."***

**Two (2)**

A [Parish/School/Cemetery] with this Rating is in general compliance with the policies and procedures of the Archdiocese. Although the Archdiocese has established a system of operating procedures and controls, exceptions have been noted. Only moderate weaknesses have been noted and are well within the {Parish's/School's/Cemetery's} capabilities and willingness to correct. ***[Parishes/Schools/Cemeteries] with this Rating are classified "Satisfactory."***

**Three (3)**

A [Parish/School/Cemetery] with this Rating demonstrates some degree of weakness in compliance with the policies and procedures of the Archdiocese. There is evidence of numerous audit findings and previous findings may remain unresolved. Although personnel may have the ability to effectuate compliance, increased efforts may be necessary. Internal procedures and controls may not be effective or may require strengthening. Additional measures may be required to reduce or eliminate noncompliance and prevent further deterioration. ***[Parishes/Schools/Cemeteries] with this Rating are classified "Needs Improvement."***

**Four (4)**

A [Parish/School/Cemetery] with this Rating requires close attention and monitoring to promptly correct the serious compliance problems disclosed. Numerous violations of the policies and procedures of the Archdiocese exist and findings cited in previous audits may remain unresolved. Internal controls and procedures may not be followed or may be ineffective or deficient. There are serious financial or personnel deficiencies and the problems are not being satisfactorily addressed or resolved. Prompt remedial action on the part of the [Parish/School/Cemetery] is required to correct the deficiencies and improve these unsatisfactory conditions. ***[Parishes/Schools/Cemeteries] with this Rating are classified "Unsatisfactory."***

**Five (5)**

A [Parish/School/Cemetery] with this Rating is in need of the strongest attention from the Archdiocese. It is in substantial noncompliance with policies and procedures issued by the Archdiocese. Personnel have demonstrated an unwillingness or inability to operate within the guidelines the Archdiocese has uniformly adopted. Findings may include violations of law or other serious exceptions to Archdiocesan policies and procedures. Previous efforts of the Archdiocese to obtain compliance have been unproductive and repeat violations are present. ***[Parishes/Schools/Cemeteries] with this Rating require immediate attention and consultation and are classified "Noncompliant."***

**ARCHDIOCESE OF BOSTON  
PARISH EXPENSE REIMBURSEMENT POLICY**

**Purpose**

Members of the Clergy and Lay employees may incur certain out-of-pocket costs in the performance of their duties that qualify for reimbursement. The purpose of this Policy is to state the formal policies of the Archdiocese and to provide guidance to individuals requesting reimbursement. Compliance with this policy should reduce exposure to possible disallowance by the Internal Revenue Service (and taxable income to the individual) due to inadequate documentation.

**General**

Costs incurred in the performance of Archdiocesan duties have to meet the “ordinary and necessary” test imposed by the Internal Revenue Service. That is, reasonable (not lavish or extravagant) business expenses, meals, entertainment or travel expenses. It is expected that everyone will regard the expenditure of parish funds with the same care as that given to his or her personal expenditures.

**Expense Reimbursement Forms** *(Sample attached)*

- All requests for expense reimbursement are to be submitted on Expense Reimbursement Forms. Original receipts should be obtained and attached to the Forms.
- Expense Reimbursement Forms should be submitted monthly.
- Expenses more than ninety (90) days old are not eligible for reimbursement unless approved by the Pastor.
- Expense Reimbursement Forms not prepared in accordance with this policy should be returned with an explanation of exceptions. Exceptions may only be resolved by resubmitting the Form with the exceptions corrected.

**Approvals**

- A responsible party should approve Expense Reimbursement Forms. Lay personnel approval should come from the Pastor or Direct Supervisor of the function being charged. No one may approve his or her own expenses.
- When approving Expense Reimbursement Forms, be certain that the payment is:
  - Justified in the business purpose to which it relates
  - Proper in character
  - Reasonable in amount
  - In compliance with policy
- Approvals should be indicated on vouchers or invoices by signature and date
- Expense Reimbursement Forms of the Pastor should be reviewed by a member of the Finance Council.
- All reimbursements should be made via check.

## **PARISH EXPENSE REIMBURSEMENT POLICY - CONTINUED**

### **Travel Expense**

Travel Expense are to be reported on the Expense Reimbursement Form with sufficient information as to the business purpose in order to document that the expenditures represent ordinary and necessary business expenses. Travel expenses may be paid out-of-pocket, from cash advances, or with credit cards, reimbursed as follows:

- Mileage to and from the meeting site (see “Mileage Reimbursement Policy” below)
- Airfare at the coach rate
- Airport parking
- Transportation to and from the airport and hotel
- Hotel and meal expenses for the night before and during the Seminar, Conference or Business Meeting and on the return trip
- Expenditures for personal entertainment (movies, etc) are deemed personal expense and are thereby not eligible for reimbursement

### **Mileage Reimbursement**

- Individuals who are required to use their automobile in the performance of their duties are entitled to mileage reimbursement and any tolls or parking fees. Note, however, that parking tickets are not considered an ordinary and necessary business expense and will not be reimbursed except in unusual circumstances.
- Requests for mileage reimbursement should indicate the number of miles claimed, mileage rate and business purpose.
- Total mileage to and from the business destination is to be reduced by the mileage to and from the normal workplace. That is, if an automobile is used to commute from your residence to a business destination, the reimbursable business mileage does not include the roundtrip mileage to commute from your residence to your normal workplace.
- Reimbursement for mileage will be at the maximum rate allowed by the Internal Revenue Service, currently 48.5 cents per mile (for 2007).

### **Please Note:**

- As of July 1, 2007 a professional allotment has been included in the clergy stipend amount to cover such professional ministry expenses as mileage, parking, tolls, and public transportation related to ministry. However, extraordinary travel for parish related programs, such as transportation to out of state conferences or workshops, would be eligible for reimbursement.

### **Entertainment**

- Costs for entertainment need to meet strict Internal Revenue tests. The rule of thumb is the “Five W’s” – Who, What, Where, When and Why. At a minimum, documentation should include the name(s) of the person(s) entertained, business relationship, date, and location and business purpose. There should be a specific indication of the existing or potential relationship with the Archdiocese and a notation of the issues or business matters discussed.
- A statement, which includes only the guest name and no stated business purpose, will not be accepted and the costs will not be reimbursed.

**PARISH EXPENSE REIMBURSEMENT POLICY - CONTINUED**

**Credit Cards**

- The Pastor is to approve the authorized holders of Parish credit cards. Only credit card statements with original supporting documentation will be processed for payment.
- Within ten (10) days of purchase, the cardholder should forward to the Parish Office original supporting documentation for each credit card purchase made. This time requirement is necessary to allow for normal processing and avoidance of any late fees and/or penalties.
- The credit cards should not be used for personal items. If a statement contains charges for any personal items, they are the responsibility of the individual and are to be reimbursed to the Parish.

**All Other Expenditures**

- Payment for program advertisements, tables or other charitable donations requires the approval of the Pastor.
- All invoices or expenditures not covered by the above policy are to be approved by the Pastor before payment may be made to the vendor or reimbursement to an individual.

**Please note:**

- Effective July 1, 2007 the \$4,000 annual reimbursement amount for clergy has been added to the base stipend as a \$5,000 Professional Allotment (\$4,000 professional reimbursement and \$1,000 for added tax expense).
- Clergy will no longer be reimbursed for professional reimbursable expenses with the exception of an annual retreat. The parish/institution will provide funds for an annual retreat as a separate institution expense, not including transportation, up to the amount of \$500, payable directly to the retreat center.
- Examples of Clergy expenses previously reimbursed as a professional reimbursable expense, that is now included in the \$5,000 professional allotment added to the clergy stipend, are; mileage, parking, tolls, public transportation, spiritual study, educational expenses, publications, professional dues, books, clerical clothing and vestments. Prior to July 1, 2007, these expenses are reimbursable as part of the \$4,000 annual reimbursement amount.

# PARISH EXPENSE REIMBURSEMENT FORM

NAME: \_\_\_\_\_ OFFICE: \_\_\_\_\_ DATE: \_\_\_\_\_

[illegible]

Approved By \_\_\_\_\_ Employee Signature \_\_\_\_\_

**\* Please attach the supporting receipts.**

# Parish Capital Campaign Evaluation Process – Summary

## Preliminary Evaluation

*Pastoral Center Staff will respond within 2 weeks after parish contacts Archdiocese's Development Office*

### Parish

Requests to begin detailed evaluation for a Capital Campaign

- Pastor
- Parish Finance Council Chair
- Parish Pastoral Council Chair

### Pastoral Center\*

Determines if any major issues exist with plans for a parish campaign

- Development – Strong case, approach and strategy?
- Parish Financial Services – Parish debt and finances ok?
- Pastoral Planning – Any conflict with P.P. for that area?
- Clergy Personnel – Does pastor's term cover entire campaign?
- Property Mgmt – Should we renovate or build?

### Purpose of Preliminary Evaluation:

Before spending much time at the parish & archdiocesan levels, identify any large issues/concerns that should be addressed before a lot of time is invested in a detailed evaluation of the potential parish capital campaign.

## Detailed Evaluation

*Pastoral Center staff will respond within 4 weeks after parish provides written formal request (request may often be written by fundraising counsel)*

### Parish

Supports Campaign Case, Approach, Goal and Timeline

- Pastor
- Parish Finance Council
- Parish Pastoral Council
- Stewardship Committee
- Vicar Forane
- Regional Bishop
- Fundraising Counsel

### Pastoral Center\*

Evaluates parish plan in light of best practices and RCAB standards

- Development – Case, approach, strategy, consultant choice
- Parish Financial Services – Overall parish financial picture to support campaign and carry its debt
- Facilities – Architect, contractors, codes, timeline, etc.
- Pastoral Planning – Fit with P.P. for the area
- Clergy Personnel – Term of clergy members, fundraising experiences
- Real Estate – Plan & assumptions related to real estate purchase, sale or lease
- Worship – Review of plans for any worship areas
- Catholic Schools Office – Review of any plans that involve a parish school

### Chancellor

Reviews recommendation of Pastoral Center PCC Committee

### Vicar General

Reviews Chancellor's Recommendation  
Authorizes Parish Capital Campaign

**\*Pastoral Center Parish Capital Campaign Committee:**  
Development, Parish Financial Services, Facilities, Pastoral Planning, Clergy Personnel, Real Estate, Worship, Schools Office