

# Accounting Guidance and Bookkeeping Best Practices

Agresta, Storms & O'Leary PC

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[www.asocpa.com](http://www.asocpa.com)



# Agenda

- Office of Accounting Staff
- Archdiocesan Website
- Budget Preparation
- Monthly Assessment
- Archdiocesan Deposit & Loan Fund
- Tax Forms and Annual Reports
- Parish Internal Controls



# Office of Accounting Staff

Brian Burkert – *Chief Financial Officer/Executive Director*  
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Mike Witka – *Director of Parish Financial Services/Director of Property Insurance*  
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Stacy Harris – *Director of Financial Analysis*  
email: sharris@archindy.org

Tracy Lockwood – *Controller*  
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Julie Laughlin – *Director of Catholic Charities and Agency Reporting*  
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Nancy Hildwein – *Catholic Charities Accounting Supervisor*  
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Melinda Buckler – *Payroll Specialist*  
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Sandi Jackson – *Accounts Payable Specialist*  
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Chris Bramble – *Accountant*  
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Carey Kendall – *Parish and Agency Services*  
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Sr. Dina Bato – *Accountant*  
email: dbato@archindy.org

Patti Gotway – *Billing Specialist*  
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[Centralpayroll@archindy.org](mailto:Centralpayroll@archindy.org)

[HR@archindy.org](mailto:HR@archindy.org)



# Archdiocesan Website

Home Archbishop Staff Parishes Offices Education Newspaper Charities Support Us

The Catholic Church  
in Central and Southern Indiana

Archdiocese of Indianapolis



New Benedictine prioress looks forward to being spiritual leader



- All agencies and offices
- Archdiocesan archives
- Ep Bruté College Seminary
- Catholic Cemeteries
- Causes of Canonization
- CCF Endowments
- Child Safety / Misconduct Reporting
- Clergy and PLCs
- Crisis Resource Center
- CYO
- Deacon Formation
- Fatima Retreat House
- Finance
- Human Resources
- Indiana Catholic Conference
- Insurance
- Intercultural Ministry
- Lay Ministry
- Mission Office
- Pilgrimages
- Pro-Life and Family Life
- Planned Giving
- Purchasing
- Stewardship
- St. Mary's Child Center
- Tribunal
- Vocations
- Worship

The Roman Catholic Archdiocese of Indianapolis comprises 133 parishes, Catholic Charities agency, and ministry across central and southern Indiana. This site is intended to draw the Gospel of Jesus Christ to the people of the Archdiocese.

Home Archbishop Staff Parishes Offices Education Newspaper Charities Support Us

Archdiocese of Indianapolis

## Finance and Administrative Services

- Browse our
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- Support our Mission
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- Homepage
- Archdiocesan Finances
- Parish, school and agency finances
- Policies and Forms
- Building construction
- Insurance Forms & Info
- Employee benefits
- Payroll
- Staff

### Welcome!

This secretariat is responsible for coordinating the financial, accounting, cemetery services, and management services of the archdiocese to promote generous sharing and responsible use of all human and material resources, including the property, liability, vehicular and workers compensation program for the archdiocese.



Click below on any of the categories to the left to get more information or download forms. Or, click on the icons below for specific information.

### Featured

- [Register for the 2015 Fiscal Management and Discipleship Conference](#) | [See Flyer](#)
- [Parish Merger Guidance Document](#)
- [Grant Opportunities](#)
- [Incorporation Information](#)
- [Go to our Archdiocesan Finances page to see the CCF Annual Report](#)
- [Paycor Perform Migration](#)

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E-MAIL EMPLOYEE

PAYROLL EMPLOYEE

Featured items

JUNE 21 to JULY 4, 2013  
**FORTNIGHT FOR FREEDOM**  
Religious

Annual Seminar  
Appeal INDY

Indiana's bishops address  
Poverty at the

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AGRESTA, STORMS  
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CERTIFIED PUBLIC ACCOUNTANTS

# Archdiocese Website

Archdiocese of Indianapolis

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### Policies & Forms

#### Policies

- [ADLF Policy Statement](#)
- [Expense Reimbursement Policy](#)
- [Mobile Phone Discount and Expense Reimbursement Policy](#)
- [Mobile Phone FAQ](#)
- [Mobile Phone Reimbursement Template \(Example\)](#)
- [SECA Reimbursement Policy \(REVISED\)](#)
- [Conflict of Interest Disclosure Policy](#)
- [Whistleblower Policy](#)
- [How to book with Enterprise Rent-a-Car](#)
- [Enterprise FAQ](#)
- [Financial Committee Norms](#)
- [Parish Finance Council By Laws \(Word\)](#)
- [Financial Cycle](#)
- [Internal Control Policy](#)
- [Records Retention Policy](#)
- [Professional Development Request](#)
- [Scrip Policy Recommendation](#)
- [Example Scrip Participant Agreement](#)

#### Other Important Information

- [Proliance Gas Savings Opportunity](#)

#### General Forms

- **Archdiocesan Deposit and Loan Funds**
  - [Deposit form](#)
  - [Withdrawal form](#)
  - [ADLF Loan Request Worksheet](#) (Excel Document)

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Archdiocese of Indianapolis

## Finance and Administrative Services

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### Parish, school and agency finances

Click on the links below to view the different pages relating to parish finances:

- [2015-16 Budget Guidelines](#)
- [Policies and Forms](#)
- [OAS Monthly Newsletter](#)
- [Parish Annual Financial Report](#)
- [ADLF - Deposit and Loan Funds](#)
- [Parish Incorporation Information](#)
- [2013 Fiscal Management and Discipleship Conference Resources](#)



# Budget Preparation

The screenshot shows the website for the Archdiocese of Indianapolis, Finance and Administrative Services. The navigation bar includes links for Home, Archbishop, Staff, Parishes, Offices, Education, Newspaper, Charities, and Support Us. The main content area is titled "2015-16 Budget Guidelines" and contains the following text:

Attached below are the guidelines and all related appendices to be used in the preparation of parish and school budgets for the 2015-2016 fiscal year, which commences July 1, 2015. Please click on the individual links below to access the specified documents. General budget instructions, property insurance rates, health insurance rates, etc. are included in the document "Parish and School Budget Guidelines 2015-2016".

**Budgets should be completed and forwarded to the Office of Accounting Services via mail, e-mail or fax for review on or before June 15, 2015. Please also submit the completed and signed Budget Approval Form found in Appendix B.**

**Budget Guidelines and Appendices**

- [Parish and School Budget Guidelines 2015-2016](#)
- [Appendix A: Priest Compensation](#)
- [Appendix B: Budget Approval Form](#)
- [Appendix C: Cathedralicum and Clergy Health Assessment](#)
- [Appendix D: Permanent Deacon Compensation](#)
- [Appendix E: The Indianapolis Deanery High School Assessment](#)
- [Appendix F: Indianapolis Deaneries School Salary Scale](#)
- [Appendix G: Mother Theodore Catholic Academies Assessment](#)
- [Appendix H: Safe and Sacred Program Assessment](#)
- [Appendix I: PICA Schedule](#)
- [Appendix J: Lay Equivalency \(blank form\), example, IRS Table 7](#)
- [Appendix K: 3 Year Capital Expenditure Budget](#)

**If you have any questions or require assistance with budget preparation, please contact the Office of Accounting Services at our e-mail address [accountingservices@archindy.org](mailto:accountingservices@archindy.org) or call 1-800-382-9836 ext. 1410 or 317-236-1410.**

## ▶ Archdiocesan process

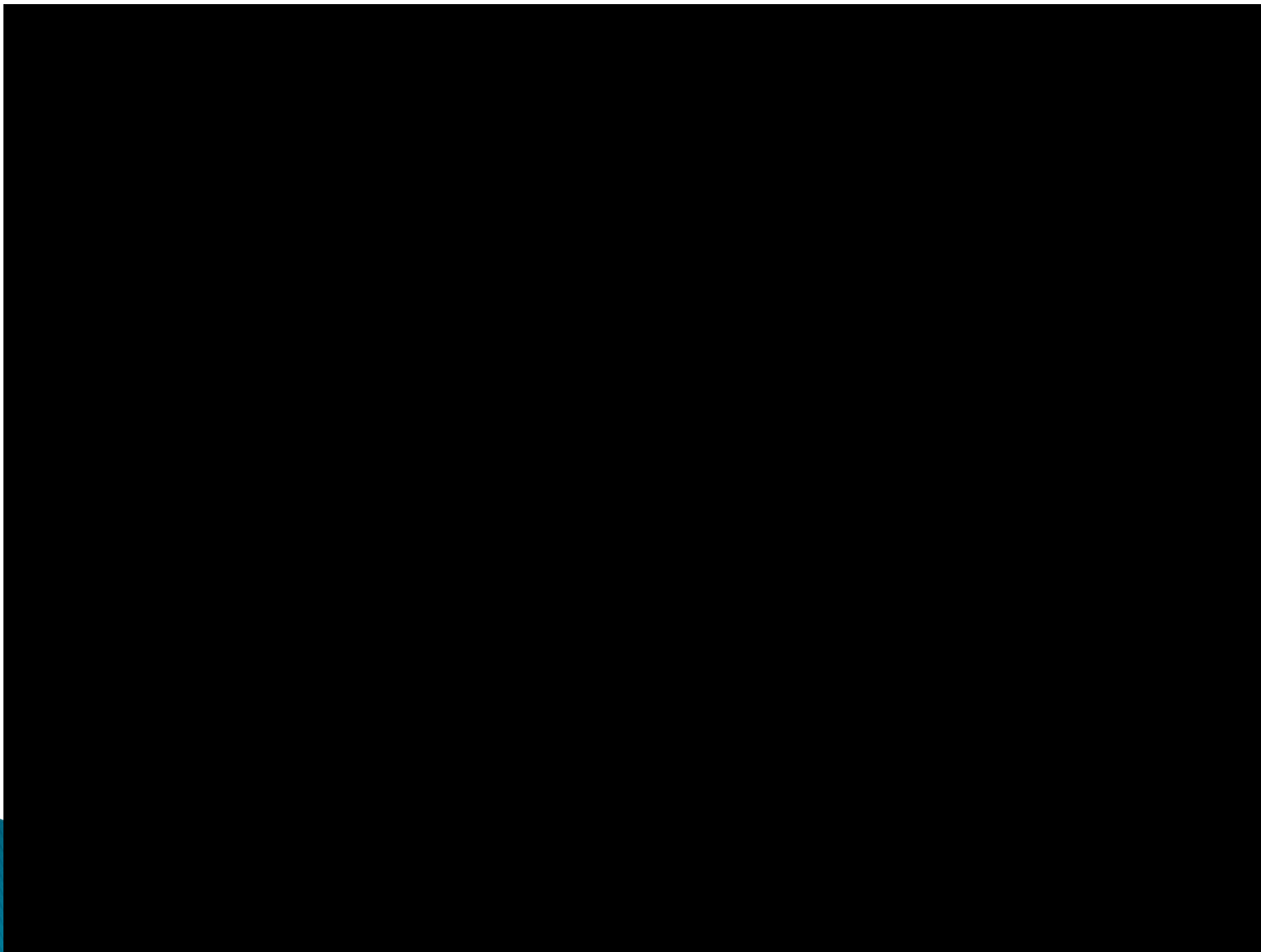
- Budget guidelines are published annually by the first business day of March
- Budgets due to OAS from parish & agencies by June 15<sup>th</sup>
- ADLF loan constraints exist when budgets are not filed with OAS or balanced

## ▶ Parish resources

- Contact Carey Kendall with questions regarding budgeting: [ckendall@archindy.org](mailto:ckendall@archindy.org)
- Contact Mike Witka with help creating or balancing a budget: [mwitka@archindy.org](mailto:mwitka@archindy.org)
- Guidelines can be found at:

[www.archindy.org/finance/parish/guidelines.html](http://www.archindy.org/finance/parish/guidelines.html)





# Monthly Assessment

- ▶ Assessments are derived from budgeted figures
  - Priest Compensation
  - Cathedraticum & Clergy Health Assessments
  - Deanery & High School Assessments
  - Education Costs
  - Deacon Costs
  - Property & Liability Insurance
  - Property Assessment
  - Criterion Subscriptions
  - Worker's Compensation
  - Protecting God's Children
- ▶ Fees assessed per occurrence
  - Parish Internal Control Audit Fee
  - Legal Fees
  - Lay Health Insurance
  - Archdiocesan Purchasing Charges
  - Short Term Interest

ARCHDIOCESE OF INDIANAPOLIS  
OFFICE OF ACCOUNTING SERVICES  
P.O. BOX 1410  
INDIANAPOLIS IN 46206

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Parish Name Parish Address	Sctm date ----- 05/01/13	Customer # ----- <b>Parish#</b>
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Direct Withdrawal

Payment is due on May 31, 2013

Date	Code	Description	Units	Unit price	Amount
=====					<b>Previous Balance</b>
04/01/13		Previous balance			Previous Balance
04/30/13	6	ADI Payment - CK#			-6,378.15
00/00/00	500	** WAGES, FICA, FEES			
04/15/13	5120	WAGES			1,089.00
04/15/13	5120	WAGES			1,145.89
04/30/13	5120	WAGES			1,009.00
04/30/13	5120	WAGES			1,145.89
00/00/00	500	** Subtotal - WAGES, FICA, FEE			4,469.68
00/00/00	1000	** PARISH			
04/30/13	3120	APD PURCHASES---PARISH			352.99
04/30/13	5260	LAY RETIREMENT - PARISH			411.50
05/01/13	5230	WORKERS COMP			43.03
05/01/13	5560	MAIL SERVICES			333.80
05/01/13	5240	CLERGY HEALTH			530.88
05/01/13	5310	Cathedraticum			1,252.35
05/01/13	5311	E1 Sch-Parish Operating Supp			1,252.35
05/01/13	6500	BS -Parish Operating Schedules			1,409.67
05/01/13	8160	Criterion Subscriptions	147		195.51
05/01/13	5870	SHORT TERM INTEREST			680.60

Current	30 Days	60 Days	90 & over	Interest	Balance due
=====					

# Archdiocesan Deposit & Loan Fund (ADLF)

- ▶ Established to provide parishes and agencies favorable banking terms on deposits and loans received
- ▶ ADLF is a low-cost funding source for capital and technology projects
- ▶ Bond & debt transactions partially support fund
- ▶ Parish, schools & agencies fund ADLF by depositing cash in excess of 90 days of operating funds
- ▶ Monthly statements can be accessed at <http://archindy.info/DLS/authenticate.asp>
  - User ID and Password can be obtained from OAS
- ▶ To view entire ADLF policy, see [http://www.archindy.org/finance/files/parish/general/current\\_adlf\\_policy.pdf](http://www.archindy.org/finance/files/parish/general/current_adlf_policy.pdf)

# ADLF Deposits and Withdrawals

- All deposits earn interest monthly
- Interest rates are reviewed and set quarterly by ADLF Committee
- Interest is earned and credited to each account on a monthly basis
- Deposits can be made via check or ACH
- Requests for withdrawal are processed by the next operating business day
  
- Contact Sr. Dina Bato with any questions related to ADLF deposits and withdrawals

To view deposit form visit:

<http://www.archindy.org/finance/files/parish/general/ACH%20ADLF%20deposit%20form.pdf>

To view withdrawal form visit:

<http://www.archindy.org/finance/files/parish/general/ADLF%20withdrawal%20request%20form.pdf>



# ADLF Loans

- ▶ Parishes and agencies are prohibited from borrowing funds from any lender other than ADLF with express, written consent of Archbishop.
  - ▶ Parishes eligible for capital improvement & technology loans adhere to 50/50 policy
  - ▶ Interest rates are reviewed and set on quarterly basis by ADLF Committee
  - ▶ Rates are set at a rate more favorable than current market rates.
- 
- ▶ Contact Carey Kendall at [ckendall@archindy.org](mailto:ckendall@archindy.org) with any questions regarding policy, processes, and loan inquiries.

# ADLF Loan Application

- Existing Loans detail
- Project cost
- Interest calculation
- ADLF deposit account balances
- Parish cash balances available for project
- Construction cost paid to date
- Pledges
- Allowance for uncollectable
- 50/50 Policy
  - Requires 50% in cash & equivalents
  - Requires 50 % of Total Project Cost to be funded through available CCF Funds, Cash, and Net Pledges

### ADLF Loan Request Worksheet

Parish #: \_\_\_\_\_  
 Parish Name: \_\_\_\_\_  
 Date Submitted: \_\_\_\_\_  
 Desired start date: \_\_\_\_\_

Existing loans:		
Loan Number:	Amount (P&I):	Purpose of loan
#	N/A	\$ -
#	\$ -	
#	\$ -	
#	\$ -	

**\$ 402,000** loan request for **3** year term

Project:	Cost:
Church HVAC	99,550
Church Interior Restoration (plaster, painting, flooring, sanctuary updates)	720,000
Church Handcapped Entrance Addition	245,000
<b>Total Project Cost</b>	<b>1,064,550</b>

Estimated interest expense based on Total Project Cost less Cash & Cash Equivalents

**Interest Calculation:**  
 Input current ADLF interest rate and term below to calculate estimated interest:

Current Interest Rate:	3.75%
Loan Term (in months):	36
Total Project Cost less Cash:	A-J 402,475

**B 23,691**

\*Assumes equal payments and constant rate for the term of the loan

**REQUIRED FUNDS FOR PROJECT: C 1,088,241**  
A+B

**1 CCF FUNDS FOR PROJECT:**

CCF Endowment distributions (available for loan repayment):  
 \$ \_\_\_\_\_ /year X \_\_\_\_\_ years **D -**  
(loan duration 3-5 yrs)

**Amount of Project to be Funded through Cash & Pledges: E 1,064,550**  
A-D

Parish/School/Agency Authorization:

Signatures _____	Date _____
_____ Pastor/Administrator/Parish Life Coordinator/Principal/Director Signature	
_____ Finance Council Chairperson Signature	

(Revised 11/10) Page 1 of 2

### ADLF Loan Request Worksheet Continued

**FINANCING:**

**ADLF Deposit Accounts Available for Project:**

a/c #	10101	\$ 71,878	<b>F 613,668</b>
a/c #	20202	\$ 366,208	
a/c #	10102	\$ 918	
a/c #	20203	\$ 184,664	

**2 Cash in Parish External Bank Account Available for Project: G 33,549**  
(Cash receipts from parish capital campaigns must be on deposit in ADLF before loan is approved)

**Construction Costs previously paid from parish accounts H 14,858**  
(cost included in line A and not included in line F and line G)

**SUBTOTAL OF CASH AND CASH EQUIVALENTS: I 662,075 62%**  
F+G+H I/E

**Gross Pledges - Parish Capital Campaign 943,868**

Portion collected through start date of project (included in F above) ( 181,760 )

**3 Allowance for uncollectibles (8% of outstanding pledges receivable) ( 60,968 )**

Amount of pledges designated for repayment of a different project ( )

**Total Net Pledges Available to Support Construction Costs J 701,130**  
(please describe campaign and provide support for pledges)

**TOTAL PROJECT FINANCED \$ 1,363,205 must be greater than or equal to \$ 1,088,241 125%**  
D+I+J C 274,964

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2-Yr Capital Budget Received from Parish With the following conditions:  
 Annual Report Received from Parish 1.) \_\_\_\_\_  
 ABC Approval Received 2.) \_\_\_\_\_  
 Parish Current on Archdiocesan Billing Statement 3.) \_\_\_\_\_  
 Parish Current on any Archdiocesan Loans \_\_\_\_\_

Loan Subcommittee Committee Approval / Denial \_\_\_\_\_  
(print name)  
 Date to present to FC: \_\_\_\_ / \_\_\_\_ / \_\_\_\_ (print date) Comments: \_\_\_\_\_  
 Archdiocesan Finance Council Approval / Denial \_\_\_\_\_  
(print name)

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To access the ADLF Loan Application Worksheet, go to <http://www.archindy.org/finance/parish/forms.html> and look under General Forms.

# Tax Forms & Reports

## ▶ **IRS 1099 Forms**

- Required to file forms for any payments of \$600 or more in a calendar year. Forms are due by January 31.

## ▶ **NP-20**

- Filed annually and is due November 15

## ▶ **Business Entity Report – do not file**

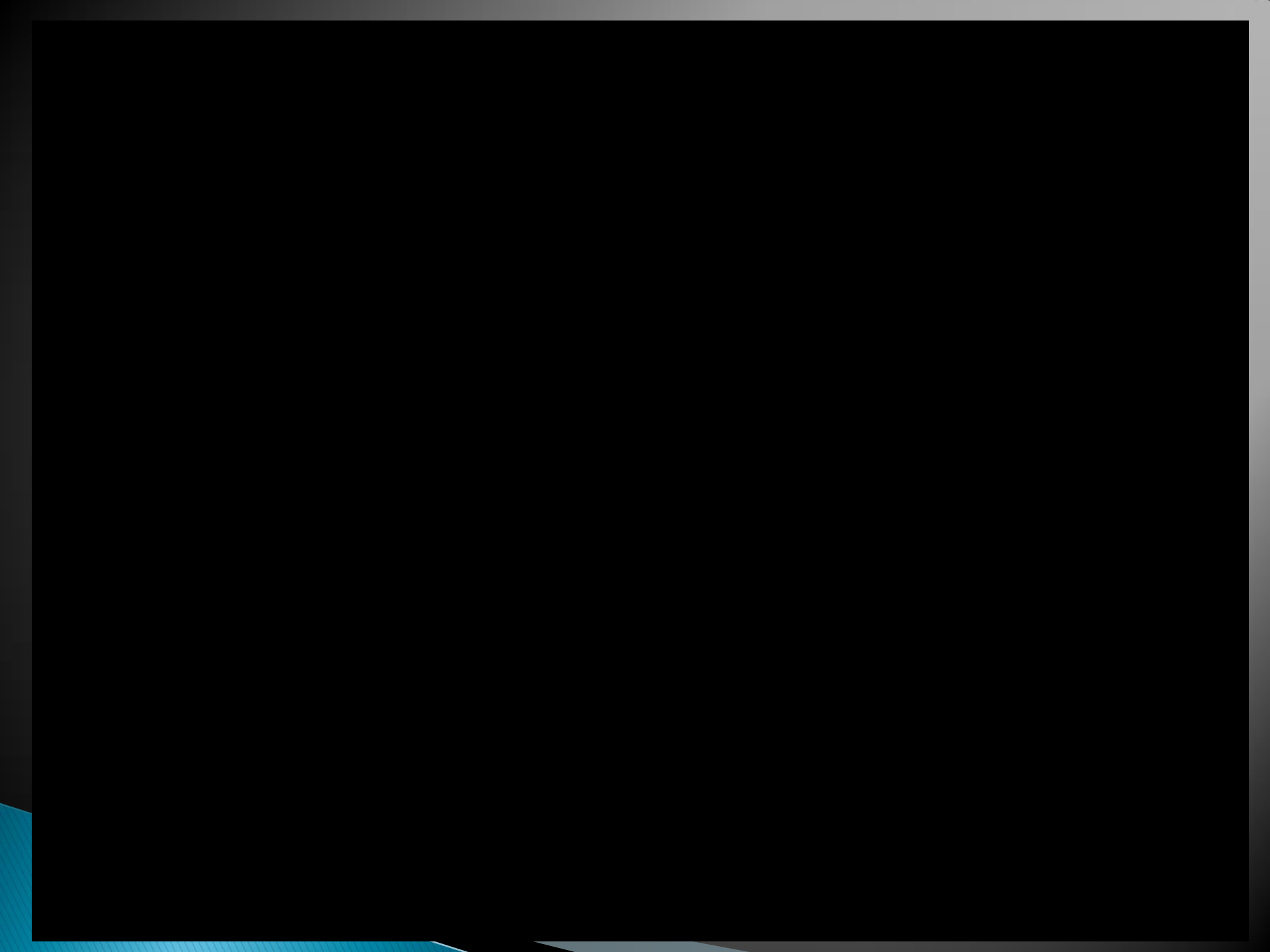
- Annual report to Secretary of State completed by OAS

## ▶ **Annual Financial Report**

- Filed annually and is due to OAS by September 15

## ▶ **E-1 Annual Entity Report – electronically**

- To be completed by parishes with schools. Due 60 days after the close of the fiscal year.
  - Audit Threshold
    - Revenue from gov't greater than \$200,000
    - Gov't proceeds cover entity expenditures greater than 50%
    - Contact Person – Jennifer Marshall – 317-233-8818





# Parish Internal Controls

## Parish Internal Control Assessments (PICA)

- Performed by independent CPA firms
- Parishes are on a three year review cycle
  - Schedule announces in Budget Appendix I
- Critical review areas:
  - Cash Receipts – General
  - Cash Receipts – Sunday and Holy Day Collections
  - Mass Offerings (Stipends)
  - Fundraising
  - Cash Disbursements
  - Budgets & reporting
  - Finance Committee
- CPA firm will request an action plan from the parish in response to any findings
- Action plans are shared, reviewed, & recorded with OAS

# Thank You!

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