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Appendix

Appendix A

PARISH FINANCE COUNCIL

In accordance with Canon Law and Diocesan Statutes, the parish must have a parish finance council. The parish finance council is to have an active and defined role in advising and assisting the pastor in administering the temporal affairs of the parish by utilizing the skills and expertise of the finance council members in monitoring the financial activity of the parish.

RELATIONSHIPS:

A. Pastor and Finance Council

The relationship between the pastor and the finance council is one of support and collaboration. The finance council is an advisory body to the pastor and he should consult them over matters that relate to the temporal goods of the Church.

The pastor serves the parish community entrusted to him by the diocesan bishop. The pastor carries out this role through teaching, sanctifying, and governing with the cooperation of others who share in the pastoral care of the parish and the assistance of the lay members of the Christian faithful (cf. c.519). The role of the pastor cannot be surrendered or diminished. This authority is to be viewed as genuine service to the Christian faithful exercised in a collegial manner. The pastor represents the parish in all juridic affairs and is ultimately responsible for all legal, business, and administrative matters of the parish.

The Code of Canon Law requires the creation of the Parish Finance Council and clearly states that its primary task is to assist the pastor in the administration of the temporalities of the parish. In fulfilling its responsibilities, the finance council must be directed by the values of the Gospel as well as by good business practice. Efficient and effective use and management of parish resources must be measured as much by their contribution to the mission and ministry of the parish as by commonly accepted business standards.

By virtue of his office, the pastor presides over the finance council. As such, he may choose to conduct the meetings himself or appoint a chairperson from among the members to do so. The pastor must be involved with the finance council as it performs and fulfills its various duties and responsibilities, especially those that relate to budgeting and financial planning. In its capacity as a consultative body, the finance council provides the pastor with its recommendations concerning financial plans, controls, policies and other appropriate temporal matters affecting the parish. However, the pastor alone makes the final decisions on these matters and is responsible for their implementation. In those cases where diocesan statutes require the pastor to consult with the finance council, the approval or disapproval of the finance council will not prevent the pastor from proceeding with the proposed act. The signatures on Forms A and B are required as an indication that the finance council has been consulted.

B. Parish Pastoral Council and Parish Finance Council

The Parish Pastoral Council and the Parish Finance Council are advisory to the pastor. They relate to each other only through the pastor.

The pastoral council is responsible in assisting the pastor for the pastoral life and ministry of the parish (worship, ministry, etc.). The finance council is responsible in assisting the pastor for parish financial administration, with the specific mandate to assist the pastor in the administration of parish goods. While the pastoral council is to be representative of the whole parish in its membership, the finance council is to be composed of persons skilled in finances, civil law and business (cf. c.492).

Despite these distinctions, the two councils are both concerned with the life and ministry of the parish. The pastor and the pastoral council looks to the finance council for the advice and resources needed to implement the parish's vision; the pastor and the finance council looks to the pastoral council for the development of that vision.

The finance council assists the pastor and the pastoral council, informing them of administration and fiscal matters in the parish. The pastoral council is thus free to concentrate the greatest majority of its time on assisting the pastor in the pastoral ministry needs of the parish.

The cooperation between the councils may be realized in some of the ways which follow at the discretion of the pastor. Regular reports may be exchanged between the two councils. The pastor may consider appointing a member of the finance council to be a liaison to the pastoral council. The pastor may convene a joint meeting of representatives from both councils to discuss a particular issue of common concern. Both councils can foster cooperative relationships through regular communication. The pastor is to determine how this relationship is best accomplished so that the expertise of each group can be shared.

C. Other Parish Organizations and Parish Finance Council

All parish organizations* are subject to the ultimate fiscal control of the pastor if they are to be regarded as an official part of the parish. Parish organizations* are to submit a record of receipts and expenditures to the pastor. The pastor makes these records available to the finance council. Organizations not complying with this requirement lose their status as bona fide parish groups and thereby may forfeit the tax exemptions afforded to them by virtue of their church affiliation.

*Parish organizations include those organizations that use the parish Federal Tax Identification Number, use the parish name or raise funds in the name of the parish. Organizations that have their own separate standing from the church such as scouting groups and the St. Vincent de Paul Society are not considered parish organizations even though the parish sponsors the organization or lets them have access to parish facilities (including poor boxes).

MEMBERSHIP:

Members should be knowledgeable persons with a sound business sense and a knowledge of the parish operation. The members should be sensitive to spiritual and pastoral issues and keep abreast of church developments.

1. The finance council shall be comprised of the pastor and not less than three and no more than nine reputable and fully initiated practicing Catholic members of the parish who are knowledgeable and skilled in financial matters and known for their prudent judgment. A larger group of five to eight persons may offer more viewpoints and a better sharing of the council's workload.

2. Membership shall be by appointment of the pastor who may consult with the pastoral council in making appointments to the Parish Finance Council. *(See appointment letter at the end of this document)*
3. The parish business manager and bookkeeper or other designated person may serve as staff persons to the finance council, and shall not be a member. His/her attendance at finance council meetings may be helpful and at times required.
4. Persons related by blood or marriage to the pastor or to the parochial vicars assigned to the parish may not serve on the finance council.
5. The names and addresses of the members of the finance council are to be communicated in writing to the chief financial officer of the diocese at the time of their appointment or reappointment.
6. The names of the members of the finance council are to be made known to all parishioners, preferably by publishing the names in the bulletin with the annual report.
7. Being an appointed member of the finance council does not prevent the individual from serving as a member or officer of the parish pastoral council or other committees/boards in the parish. If a persistent conflict of interest situation arises, the member should resign from the finance council or from the parish pastoral council or other committees/boards in the parish.
8. At the discretion of the pastor, a representative from the building and maintenance committee (if one exists) and one from the cemetery board (if one exists) may serve as non-voting members of the finance council. If there is a major building or renovation project being considered or underway in the parish, a representative of the special project committee may also be a non-voting member of the council.

TERM OF OFFICE:

Upon the appointment by the pastor, members of the Parish Finance Council shall serve a four-year term and may be reappointed by him to a second four-year term. To prevent stagnation and burnout, and to create leadership opportunities for others, the term of membership should allow for half of the membership to serve a four-year term beginning on a staggered basis.

1. If a finance council member resigns, dies or is removed from office, the pastor may appoint another member to complete the unexpired term. However, if the membership falls below three members, the pastor must appoint a member to complete the unexpired term.
2. As an appointed member of the finance council to provide consultation to the pastor alone, any person can be dismissed by the pastor at his discretion.
3. Since a finance council cannot act without a pastor/administrator, at the vacancy of the office of pastor/administrator, the finance council ceases to exist. The new pastor/administrator must appoint a new finance council or confirm the previous finance council within one month of taking possession of the parish.

OFFICERS:

1. The parish pastor presides over the finance council and receives the council's proposals.
2. In the event the pastor chooses not to conduct the meetings, he shall appoint a chairperson to do so. The chairperson shall be appointed for one year.
3. There shall be a vice-chairperson and secretary appointed by the pastor.
4. The duties of the officers are:
 - ▲ If a Chairperson is appointed, the Chairperson assures the smooth and timely flow of council business and full participation of all members in the process of consultation and consensus. The chairperson assists the pastor in coordinating the work of the council, in preparing for meetings and in implementing those proposals of the council which have been accepted and ratified by the pastor. The chairperson performs other tasks as may be delegated to him/her, including if the pastor so desires, chairing and conducting the regular meetings of the council.
 - ▲ The Vice-chairperson shall assume the office of the chairperson in the event that the chairperson is vacant from the office for any reason. He/she shall perform other duties as may be delegated by the pastor or the chairperson.
 - ▲ The Secretary shall keep minutes of the meetings of the council and shall perform other duties assigned to him/her by the pastor or chairperson.

MEETINGS:

1. The Parish Finance Council shall meet at least four times a year. The meetings and agenda shall be arranged by the chairperson in consultation and with the approval of the pastor. The pastor and members are expected to attend all meetings.
2. The minutes of the meetings are to be kept on file at the parish office and shared with the diocesan auditors and the parish audit committee. Decisions are to be arrived at by consensus if possible. A quorum shall consist of a majority of the appointed members.
3. Each member is required to maintain confidentiality on those matters designated as confidential.
4. At the meetings of the finance council, those invited by the pastor or by the chairperson with the pastor's permission, may participate where opportune as non-appointed members. Individuals or groups who want to be heard by the council:
 - a. Are to document the issues they want considered by the council;
 - b. Are to present their documentation to the pastor and/or chairperson who will jointly determine whether the issues are appropriate matters for the council's agenda;
 - c. Will be invited by the pastor or chairperson to a council meeting if their issue is being considered and their presence is deemed necessary or appropriate.

FULFILLMENT OF DUTIES:

To be effective in their consultation to the pastor, the pastor must provide to the finance council members access to such records and documents relating to the financial status of the parish, its organizations and its activities, always respecting the confidential nature of the records.

To fulfill its role, the finance council must:

1. Be kept informed by the pastor and/or business manager or bookkeeper of all parish financial matters including bank accounts, investments, endowments, bequests and other funds held by the parish, all indebtedness and payment schedules, diocesan obligations and assessments, recent audit report, parish salaries, income and expenditures;
2. Be provided by the pastor with copies of all diocesan policies and regulations affecting parish administration for their study and assistance in implementation in the parish;
3. Should attend diocesan training sessions held from time to time for members of finance councils and other lay leadership in the parishes;
4. Be familiar with and supportive of diocesan and parish goals and objectives;
5. Be familiar with the general condition of parish property.

DUTIES AND RESPONSIBILITIES:

The pastor represents the parish in all juridic affairs and is ultimately responsible for all legal, business, and administrative matters of the parish. The finance council is an advisory body to the pastor. The functions of the Parish Finance Council shall include, but not be limited to the following:

1. Assist the pastor in implementing applicable diocesan financial policies and guidelines.
2. Advise the pastor on decisions of administration affecting the financial stability and viability of the parish.
3. Review the efficiency of procedures and effectiveness of internal controls in conformity with the policies of the diocese.
4. Determine through observation and document examination, at least quarterly, that the diocesan policy and procedures for the handling of the offertory collection and other parish fund generating activities are being followed. Any policy violations or exceptions should be reported to the pastor on a timely basis. In addition the council should make recommendations to prevent future occurrences.
5. Provide limited assurance that the parish, school and cemetery annual financial reports reflect a reasonably accurate and complete summarization of annual operations (revenues and expenditures), of cash and savings balances (including all parish bank and investment accounts), of indebtedness and capital activities. This is to be evidenced by returning the signed Annual Financial Report Representation Letter provided by the diocesan Office for Financial Services.
6. Assist the pastor and staff in the preparation and publication of the parish, school and cemetery annual financial report to parishioners in accordance with diocesan guidelines. Publication of interim financial reports to parishioners is also encouraged.

7. At least quarterly perform a variance analysis or review the analysis prepared by staff of the parish, school and cemetery on actual operating results (revenues and expenditures) as compared to the approved budget. Analyze items, which reflect a significant variance, and review these with the pastor along with suggestions for corrective action.
8. Assist the pastor and appropriate staff in the preparation of the parish, school and cemetery annual operating and capital budgets in accord with the priorities and directives established by the pastor and pastoral council and in accordance with diocesan guidelines.
9. Integrate the budget mechanism with the goal-setting process to insure that financial resources and parish goals are compatible.
10. Assist the pastor and staff in the preparation of long-range financial plans where appropriate and make recommendations for maintaining or increasing revenues to meet parish and diocesan goals and priorities.
11. Give direction to the parish audit committee, review its findings, assist in the implementation of changes, and remind the pastor to submit an annual copy of the findings to the Diocesan Audit Department.
12. At least quarterly examine the bank reconciliations and supporting documentation for all parish, school, cemetery, and stipend bank accounts.

The bank reconciliations are to be initialed by a finance council member to document the review. It should be verified that someone other than the person who reconciles the account initially opens and reviews the bank statements and contents. Verify that the financial records (bank statements, bank reconciliations, canceled checks, contribution records, etc.) for the parish are on file as required by the diocesan record retention schedule.

13. At least quarterly, examine the financial reports from all parish organizations* and societies, including verification that bank statements are received, opened and reviewed by the parish administration before being given to the organization or society treasurer and are being properly reconciled.

*Parish organizations include those organizations that use the parish Federal Tax Identification Number, use the parish name or raise funds in the name of the parish. Organizations that have their own separate standing from the church such as scouting groups and the St. Vincent de Paul Society are not considered parish organizations even though the parish sponsors the organization or lets them have access to parish facilities (including poor boxes).

14. Assist the pastor and other parish organizations with the coordination of all fundraising programs and activities in accordance with parish priorities and objectives. On an annual basis, the finance council members through the parish audit committee are to determine that adequate records are maintained for all major fundraisers, i.e., bingo, festival, raffle, script/grocery certificate sales, etc. See that the parish organizations are submitting reports to the parish as required by the pastor.

15. Assist the pastor in the development of a plan for systematic payment of parish debt.
16. Assist the pastor in the development of a plan for the financing of necessary repairs, renovations and purchase of equipment and to establish proper procedures to be followed regarding minor maintenance problems and emergencies.
17. Safeguard the physical assets of the parish from loss or damage through appropriate review of safety measures.
18. Sign Form B -Petition for Permission to Expend \$40,000 or More, or Borrow from the Deposit & Loan Program for Any Purpose (except to enter into real property agreements for any purpose)- and sign Form A -Petition for Permission to Enter into Real Property Agreements for Any Purpose, Borrow from Deposit & Loan to Purchase Real Property, Market Real Property for Sale, Alienate Parish Property, or Substantially Alter Parish Real Property dealing with the alienation or purchase of parish property as indication that the finance council members support this action.
19. Determine that any parish borrowing of money is done in accordance with diocesan policy. All borrowing must be done with the Diocese. No parish assets, including those of the school or cemetery may be subjected to a lien, nor may they be used as collateral for any reason. No cemetery perpetual funds may be borrowed by the parish, no pastor or staff may lend money to the parish or commingle their personal funds with parish funds; no parishioner may lend money to the parish, nor may the parish make personal loans to the clergy, parish staff or parishioners.
20. Determine that the required diocesan permission is obtained before the parish accepts any bequests/gifts that have restricted purposes and that bequests/gifts with restricted purposes received are administered according to the donor's wishes (for future reference a permanent file should be kept for records of such restricted gifts and the council should be provided information on the purpose and amount of each gift).
21. Assist the pastor to see that the parish meets all federal (reporting salaries and required legal postings) and state tax (proper use of sales tax exemption) requirements, maintains accurate records as required, submits to appropriate civil authorities tax exempt forms (Form 1099 and Gambling Winnings) as required by law and maintains records for all Church-owned properties.
22. Assist the pastor in the establishment and maintenance of a lay employee job classification (based on the job description) and salary administration program, as well as other appropriate personnel policy matters. Assist the pastor with lay personnel recruitment as necessary.
23. Review the annual cemetery financial results after the close of the fiscal year to determine compliance with the state and diocesan regulations.

AMENDMENTS TO THE PARISH FINANCE COUNCIL POLICY:

These statutes shall be subject to such amendments as the diocesan bishop shall from time to time decide are necessary for the proper functioning of the parishes of the diocese, within the norms of law.

SAMPLE LETTER OF APPOINTMENT TO FINANCE COUNCIL

Date

Name

Address

City, State, Zip

Dear _____ ,

In accordance with the Code of Canon Law and diocesan policy, I hereby appoint you to a _____-year term as a member of the Finance Council of _____ Parish, effective _____.

As a member of the Finance Council you are to aid me in the administration of parish goods and property. To help familiarize you with this important ministry and service to your parish, you will receive a copy of the Statutes of the Parish Finance Council, diocesan policies affecting our parish administration and financial information involving the parish.

I look forward to working with you and welcome you to the Finance Council. I pray that your time on the council will be rewarding for you and the parish.

Sincerely yours,

Name

Title

Parish Name

cc: Diocesan Chief Financial Officer

(Refer to Section 2.03)

Appendix B

PARISH AUDIT COMMITTEE

The parish may establish a Parish Audit Committee to function as a subcommittee of the Finance Council. Audit committee membership is to include at least one finance council member and other appointed parishioners as deemed necessary, all approved by the pastor. The audit committee is to be chaired by a finance council member. The audit is to follow the diocesan provided audit program and should normally be completed within 120 days after fiscal year-end.

Having a Parish Audit Committee is optional. The role of the Parish Audit Committee can for the most part be absorbed by the expanded functions of the Finance Council. However, those parishes that deem an audit committee necessary or useful may establish one. The Parish Audit Committee is an optional tool available as an internally directed committee to assist the Parish Finance Council in carrying out its function.

Attached is information on the duties and responsibilities of the Parish Audit Committee. The diocesan Office for the Auditors/Analysts should be contacted to obtain the detailed audit procedures to be performed by the Parish Audit Committee.

MEMBERSHIP:

The Parish Audit Committee is to function as a subcommittee of the Parish Finance Council. The chairperson of the parish audit committee is to be appointed by the pastor and must be a member of the parish finance council. The other members may be comprised of finance council members or parishioners chosen by the chairperson and approved by the pastor. All members are to be fully initiated practicing Catholic members of the parish. No member of the parish, school, or cemetery staff may serve on this committee who is related by blood or marriage to the pastor or the parochial vicars assigned to the parish.

TERMS OF OFFICE:

Members of the Parish Audit Committee shall serve a four-year term and may be reappointed for a second, four-year term.

FULFILLMENT OF DUTIES:

In order to be effective in their work, the members of the Parish Audit Committee need to have complete access to such records and documents relating to the finances of the parish, its organizations and its activities, always respecting the confidential nature of the records.

To fulfill its role, the audit committee must:

1. Receive from the pastor copies of all diocesan policies and regulations affecting parish administration.
2. Participate in diocesan training sessions held from time to time for members of the audit committee.
3. Be familiar with and supportive of the parish goals and objectives.

SCOPE AND TIMING OF THE REVIEW:

The committee will review the financial records, complete the internal control questions and perform procedures to determine if parish assets are properly safeguarded and if financial transactions are properly reported. The limited audit review program format is provided by the diocesan Office for the Auditors/Analysts, and is not to be considered all-inclusive.

1. The financial review is conducted for the fiscal year July 1 through June 30 to determine if the parish internal control policies are functioning properly to effectively safeguard the assets of the parish.
2. Errors or omissions detected by the committee are to be brought to the attention of the pastor and finance council.
3. The audit committee workpapers and report are to be kept on file and made available for review during the diocesan audits.

DUTIES AND RESPONSIBILITIES

The functions of the Parish Audit Committee shall include, but not be limited to the following:

1. Review the efficiency of procedures and effectiveness of internal controls in conformity with the policies of the diocese.
2. Review security procedures for handling money (counting, transporting, cash-on-hand) and ensure that the offertory collection procedures as recommended by the diocesan Office for Financial Services are being followed.
3. Review for accuracy the annual parish, school and cemetery financial reports that all financial transactions, including all parish related bank accounts, are accounted for and properly reported.
4. Review the fiscal year-end bank reconciliations applicable to all parish, school, cemetery, and stipend bank accounts.
5. Review the financial reports from all organizations and societies, and verify that bank statements are being properly reconciled.
6. Verify that the financial records (bank statements, bank reconciliations, cancelled checks, contribution records, etc.) are maintained on file as required by the diocesan record retention schedule.
7. Determine that the parish meets all requirements of federal and state tax laws, completes and files all appropriate forms as required by civil law, and maintains accurate records as required by civil and canon law for all Church owned properties.
8. Review the cemetery financial records at the end of each fiscal year to ensure compliance with state and diocesan regulations.
9. During a year in which an audit has been performed by the diocese, assist in implementing any recommendations and follow-up with parish personnel to ensure any problems noted are corrected.

10. Advise the pastor and the parish finance council of any exceptions noted during the audit and recommend solutions.

11. Perform other audit functions designated by the pastor and parish finance council.

AMENDMENTS TO THE POLICY:

These statutes shall be subject to such amendments as the diocesan bishop shall from time to time decide are necessary for the proper functioning of the parishes of the diocese, within the norms of law.

(Refer to Section 2.03)

Appendix C

ANNUAL FINANCIAL REPORT REPRESENTATION LETTER

The pastor, business manager, persons responsible for financial recordkeeping and finance council members are to signify that the diocesan financial policies and procedures are being followed through the submission of an annual financial representation letter to the diocesan General Secretary. The letter is also to indicate that where it was not practical or appropriate to follow diocesan procedures, alternative procedures were developed and implemented to conform as closely as possible to the spirit of those of the diocese. The representation letter is to also indicate that the parish, school and cemetery annual financial reports contain an accurate and reasonable summary of revenues and expenses for the fiscal year and that no material transactions have not been recorded nor any checking, savings or investments have been omitted.

The representation letter is intended to raise the level of awareness and responsibility of the pastor, staff, finance council members and other volunteers involved in parish finances.

The annual financial representation letter is to accompany the copies of the parish, school and cemetery annual financial reports sent to the General Secretary by October 31 following the end of the fiscal year (see section in this manual on publishing the Annual Financial Report). A copy of the annual financial representation letter follows. If any requested signatory is unable to sign the annual financial representation letter, that individual should provide a separate letter indicating the reasons why he/she cannot sign. This explanatory letter is to be attached to the annual financial representation letter.

(Refer to Section 2.02)

To: Diocesan General Secretary
 Re: Annual Financial Representation Letter
 Fiscal Year _____ - _____
 Parish: _____
 City: _____
 Location Number: _____
 Check Applicable Reports:
 Parish _____ School _____ Cemetery _____

This signed letter is to accompany the published annual reports to be submitted by October 31.

We, the undersigned members of the parish administration make the following statements concerning the financial information presented in the Annual Financial Report(s) submitted to the Diocese.

▲ We are familiar with the financial policies and procedures established by the Diocese to be followed by its parishes, schools and cemeteries. Where appropriate these policies and procedures have been followed in maintaining accounting records and in the preparation of financial reports. Where it was not practical or appropriate to follow the diocesan policies and procedures, the parish developed and implemented alternatives which conform as closely as possible to the spirit of those of the diocese.

▲ We have met, reviewed and discussed the Annual Financial Report(s) (consisting of the balance sheet and revenues and expenses) released to the parish at large and submitted to the Diocesan General Secretary. These reports contain an adequate and reasonable summary of parish revenues and expenses for the year presented.

▲ We are aware of no material transactions that have not been recorded in nor any checking, savings or investment accounts that have been omitted from the accounting records underlying the Annual Financial Report(s).

Signature	Date
_____	_____
Pastor/Administrator	
_____	_____
Business Manager	
_____	_____
Bookkeeper	
Finance Council Members:	
_____	_____
_____	_____
_____	_____
_____	_____

Appendix D

WORKSHEET TO DETERMINE IF AN INDIVIDUAL IS AN EMPLOYEE OR SELF-EMPLOYED

The following questions are to be answered to determine whether an individual (who is not incorporated) is to be considered an employee or self-employed individual (independent contractor). An employee must be paid through the Diocesan Payroll System. A self-employed individual (independent contractor) who is paid \$600 or more (including materials, parts and services) during the calendar year must be issued a Federal Form 1099. The Internal Revenue Code requires that Form 1099 be issued to self-employed individuals as a record of their remuneration and the Internal Revenue Service be notified of the total amount paid.

Answer questions 1-14 by circling the appropriate response (YES or NO). If most or all of the answers are circled under Column 1 - Employee, the individual is an employee and must be paid through the Diocesan Payroll System. If there are 7 or more answers circled under Column 2 - Independent, continue to answer questions 15-27. If the majority (7 or more) of the answers for questions 15-27 are circled under Column 2 - Independent, then the individual may be considered a self-employed individual (independent contractor). If there is any doubt, it is more conservative to treat the individual as an employee.

Please call the diocesan Office for Financial Services if there are any questions as to whether an individual is to be considered an employee or self-employed.

	Col. 1 Employee	Col. 2 Independent
1. Is the worker required to comply with instructions about when, where and how the work is to be done?	Yes	No
2. Does the parish have the right to change the methods used by the worker or direct that person on how to do the work?	Yes	No
3. Is the worker required to follow a routine or a work schedule established by the parish?	Yes	No
4. Does the worker perform services exclusively for the parish rather than working for a number of companies at the same time?	Yes	No
5. Is the worker provided training by the parish that would enable him or her to perform a job in a particular method or manner?	Yes	No
6. Does the worker represent himself or herself to the public as being in business to perform the same or similar services?	No	Yes

	Col. 1 Employee	Col. 2 Independent
7. Is the work performed under a written agreement between the worker and parish or does the worker provide an invoice when requesting payment?	No	Yes
8. Must the services be rendered personally by the worker?	Yes	No
9. Does the worker have a financial investment in a business or office related to the services performed?	No	Yes
10. Does the parish furnish tools, materials or other equipment to the worker?	Yes	No
11. Can the worker incur a profit or loss in the performance of services?	No	Yes
12. Does the worker advertise or maintain a business listing in the telephone directory, a trade journal, etc?	No	Yes
13. Is approval from the parish necessary for individuals hired by the worker to perform the services?	Yes	No
14. Is the only Form 1099 for services the worker will receive issued by the parish?	Yes	No
15. Are the services of the worker integrated into the overall operations of the parish?	Yes	No
16. Can the worker terminate services at any time without incurring a liability for failure to complete the job?	Yes	No
17. Is the worker subject to dismissal for reasons other than non-performance of job specifications?	Yes	No
18. Can the parish discharge or terminate the worker at any time without incurring a liability?	Yes	No
19. Is the worker paid by lump sum/piecework/ upon completion of the job?	No	Yes
20. Does the worker get paid either on an hourly or salary basis?	Yes	No
21. Does the worker furnish a time record to the parish?	Yes	No
22. Does the parish reimburse the worker for any business or travel expenses?	Yes	No

Appendix D.2

	Col. 1 Employee	Col. 2 Independent
23. Does the worker have his or her own insurance, i.e. worker's compensation, liability, etc.?	No	Yes
24. Does the worker have his or her own shop?	No	Yes
25. Does the parish allow the worker a drawing account or advances against pay?	Yes	No
26. Is the worker eligible for pension, medical benefits, bonuses, worker's compensation, sick pay or vacation to be paid by the parish?	Yes	No
27. Is a license necessary for the work performed?	No	Yes

(Refer to Sections 2.04.F and G)

Appendix E

LAY EMPLOYEE BENEFITS

Mandatory Benefits for all lay employees:

1. *Social Security and Medicare* - All lay employees are participants in the Federal Social Security and Medicare programs. The parish employer must provide a matching contribution for Social Security and Medicare equal to the deduction percentages from the employee payroll.
2. *Workers' Compensation* - All lay employees are covered by workers' compensation in the event of injury during the course and scope of their employment. Benefits are provided and paid for as mandated by Pennsylvania law. The cost is billed monthly to the employer by the diocesan Insurance/Employee Benefits Office.
3. *State Unemployment Compensation Program* - The election to participate in the Pennsylvania Unemployment Compensation Coverage is required by the Diocese for all lay employees of parishes, schools and cemeteries. The cost of the unemployment compensation is billed to the employer semi-annually by the Pennsylvania Catholic Conference (PCC).

Mandatory Benefits available to lay employees working 1000 hours or more per year:

4. *Diocesan Group Life Insurance* - Employer paid group life insurance coverage is provided to eligible lay employees. The cost of this benefit is billed monthly to each employer based on the monthly compensation of the employee. A detailed life insurance benefit booklet is available from the diocesan Insurance/Employee Benefits Office.
5. *Diocesan Group Retirement Plan* - Employer paid retirement benefits administered by the diocese are provided to all eligible lay employees after certain time and age factors are satisfied. The cost of this benefit is billed monthly to each employer based on the monthly compensation of the employee. A detailed pension benefit booklet is available from the diocesan Insurance/Employee Benefits Office.
6. *Diocesan Group Long-Term Disability Program* - Employer paid long-term disability benefits administered by the diocese are provided to all eligible lay employees after certain employment factors are satisfied. The cost of this benefit is billed to each employer based on the monthly compensation of the employee. A detailed long-term disability benefit booklet is available from the diocesan Insurance/Employee Benefits Office.

Optional Benefits available based upon parish personnel policy or contracts:

7. *Diocesan Group Health Insurance* - Health Insurance coverage is available for any eligible employee as defined by the personnel policy established by the parish or the contract. Normally this benefit is reserved only for "regular full-time lay employees" when requested. Coverage provided may be for the employee only or for the employee and family. The cost of this benefit is billed to each employer based upon the coverage requested. A detailed group health insurance booklet is available from the diocesan Insurance/Employee Benefits Office.

An optional cash payment in lieu of health insurance coverage represents taxable income to the employee. The payment is to be made through the diocesan centralized payroll system since this payment is taxable to the employee. This option is normally reserved for teachers.

8. *Dental Insurance* - This benefit is provided to teachers as negotiated in the contract. Non-teaching lay employees may purchase optional dental coverage unless provided at the discretion of the pastor. See Optional Employee Purchasable Benefits below. The cost of this benefit is billed to each employer based upon the coverage requested. A detailed group dental insurance booklet is available from the diocesan Insurance/ Employee Benefits Office.

9. *Vision Insurance* - This benefit is provided to teachers as negotiated in the contract. Non-teaching lay employees may purchase optional vision insurance unless provided at the discretion of the pastor. The cost of this benefit is billed to each employer based upon the coverage requested. A detailed group vision insurance booklet is available from the diocesan Insurance/Employee Benefits Office.

10. *Optional Employee Purchasable Benefits* - Various benefit programs to supplement the employee provided benefits are available for purchase by lay employees at their option and expense. The benefits are purchased through a payroll deduction. Some costs may be deducted before taxes as provided by Federal and state law. A listing of the benefits is available from the diocesan Insurance/Employee Benefits Office. Availability will vary from time to time based on market conditions and offerings.

11. *Other Benefits* - Listed below are other benefits that could be included in a parish personnel policy. For more information regarding these benefits contact the diocesan Insurance/Employee Benefits Office or diocesan Personnel Office. The following list should not be considered all-inclusive:

- ♦ Vacations
- ♦ Maternity Leave
- ♦ Sick Leave
- ♦ Leave of Absence - Medical, Personal or Military
- ♦ Family Medical Leave Act - Required of employers with 50 or more employees
- ♦ Bereavement Leave
- ♦ Jury Duty

(Refer to Section 2.04.F)

Appendix F

FORM 1099 WORKSHEET AND INSTRUCTIONS

A. Instructions for Manually Completing the Form 1099 Worksheet

1. A separate worksheet must be completed for each individual who is not an employee, or is a non-incorporated company, partnership or contractor, but not for corporations, who have received payments from the parish, school or cemetery totaling \$600 or more in the calendar year. Additional worksheets can be reproduced as necessary.
2. The recipients are required by the Internal Revenue Code to provide you with their Social Security Number or their company Federal Employer Identification Number on Form W-9, a copy of which is included in this section. Additional copies can be obtained by reproducing the front side or accessing at www.irs.gov. The Form W-9 is for your use in obtaining the Social Security or Employer Identification Number and need not be submitted with the worksheet provided the SS or EIN is included in Part B of the worksheet.
3. If the recipient fails to furnish the taxpayer identification number (Social Security Number or Employer Identification Number), or furnishes an obvious incorrect number, you are required to withhold 30% of the payment due the recipient. The amount withheld is to be forwarded to the Diocese of Pittsburgh following the end of the calendar year when the worksheet is submitted. The Diocese will forward the withholding to the IRS.
4. The worksheet for each recipient must be received no later than January 8 by the diocesan Office for Financial Services, 111 Boulevard of the Allies, Pittsburgh, Pennsylvania, 15222.

B. Form 1099 Instructions for Quicken for Windows

Locations who used the Quicken class option to track payments to the individuals/companies who are to receive Form 1099 are to follow the instructions below to extract the Form 1099 information from the Quicken accounting program. For locations that did not use the Quicken class option, directions are noted on how to set-up Quicken for the next calendar year.

To obtain a list of all payments coded to the class 1099, do the following:

1. Select the checking account.
2. Once in the register, click **Reports**, from the Main Menu Bar.
3. If using Quicken 99 for Windows, select **Banking**, then **Transaction**. For Quicken 2000, select **Spending**, then **Transaction**; for Quicken 2003, select **Cash Flow**, then **Transaction**.
4. Select **Transaction Report**.
5. Choose the **Customize** button,
 - a. Enter **1099 Report** in the Report Title
 - b. Enter **1/1/-** through **12/31/-** in the report date range (Insert Calendar Year)
 - c. Change **Subtotal by:** to **Payee**
 - d. Change **Sort by:** to **Payee**
 - e. Click on **Split Transaction Detail**
 - f. Click the **Include** tab

- g. Click the **Mark All** button
 - h. Change **Class contains:** to **1099**
(Note: For those locations that used the Memo Field enter ..1099.. in the Memo contains field.)
 - i. Click **Create** and the report will print to the screen, press **<CTRL> + <P>** to print.
6. Return to Step 1 for each checking account
 7. Return to the register before exiting Quicken.
 8. Follow the steps in the next section on how to verify that all 1099 payments are listed in the reports. When verified, transfer the information to the worksheet provided by the Financial Services Office.

To generate a list to verify that all payments to a specific entity (person or company) are included for Form 1099 purposes, do the following:

1. Repeat steps 1 to 5.b. as indicated in the previous section, then do the following:
2. Click on the **Split Transaction Detail**.
3. Click the **Include tab** and do the following:
 - a. **Payee contains:** The 1099 report previously generated will list the entries (persons or companies) that were coded with a 1099 class. In order to verify that all 1099 payments to each entity have been accounted for, follow the procedures in the example below:

Example: Assume the payee from the report is “Mayflower” but it may have been misspelled or not coded to class 1099, so enter ..May.. This will search your register for all checks written to any company or individual that contain May in the name, i.e for Mayflower or Maylower (Mayflower misspelled). Use this method for each payee from the above report to verify that all the checks written to this payee are accounted for and included in the worksheet to be sent to the Financial Services Office.

4. Press **<CTRL>+<P>** to print this report. If names other than 1099 individuals appear, cross them off this printout and correct the total. Put this new total on the worksheet. Attach the printout to the worksheet. Please complete one worksheet per entity (person or company).
5. Go to step #1 and repeat for each individual/company.

C. Directions for Accumulating Form 1099 Information in Quicken for Windows

To track the Form 1099 information to be sent to the Diocese following the end of the calendar year, parishes, schools and cemeteries using Quicken are to follow the procedures noted below.

Set up the Class named 1099 as follows:

1. From the register, press **<CTRL>+< L>** to enter a new class.
2. Press the **New** button.
3. Enter **1099** for the name of the new class, then press **Tab**.
4. Enter **Form 1099** for the description, then click **OK**.
5. Click the register tab on right to return to your checking account.

**Must complete and mail to the Financial Services Office
by January 8th**

PART C DESCRIPTION OF SERVICES _____

CHECK #	CHECK DATE	CHECK AMOUNT
		\$
	TOTAL PAID IN CALENDAR YEAR	\$

Appendix F.3

**Request for Taxpayer
Identification Number and Certification**

**Give form to the
requester. Do not
send to the IRS.**

Print or type See Specific Instructions on page 2.	Name	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/ Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶ _____	
	<input type="checkbox"/> Exempt from backup withholding	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). **However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3.** For other entities, it is your employer identification number (EIN). If you do not have a number, see **How to get a TIN** on page 3.

Note: If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number								
or								
Employer identification number								

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
2. I am not subject to backup withholding because: **(a)** I am exempt from backup withholding, or **(b)** I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or **(c)** the IRS has notified me that I am no longer subject to backup withholding, **and**
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here	Signature of U.S. person ▶	Date ▶
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Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

Note: If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Foreign person. If you are a foreign person, use the appropriate Form W-8 (see **Pub. 515**, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien.

Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

(Refer to Section 2.04.G)

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a **nonresident alien or a foreign entity** not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 30% of such payments (29% **after** December 31, 2003; 28% **after** December 31, 2005). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will **not** be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester, or
2. You do not certify your TIN when required (see the Part II instructions on page 4 for details), or
3. The IRS tells the requester that you furnished an incorrect TIN, or
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate **Instructions for the Requester of Form W-9**.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your **individual** name as shown on your social security card on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, **enter the owner's name on the "Name" line.** Enter the LLC's name on the "Business name" line.

Other entities. Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note: *You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).*

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note: *If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.*

Exempt payees. Backup withholding is **not required** on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2);
 2. The United States or any of its agencies or instrumentalities;
 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities;
 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities; or
 5. An international organization or any of its agencies or instrumentalities.
- Other payees that **may be exempt** from backup withholding include:
6. A corporation;
 7. A foreign central bank of issue;
 8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States;

- 9.** A futures commission merchant registered with the Commodity Futures Trading Commission;
- 10.** A real estate investment trust;
- 11.** An entity registered at all times during the tax year under the Investment Company Act of 1940;
- 12.** A common trust fund operated by a bank under section 584(a);
- 13.** A financial institution;
- 14.** A middleman known in the investment community as a nominee or custodian; or
- 15.** A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, **1** through **15**.

If the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13 . Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt recipients 1 through 7 ²

¹ See **Form 1099-MISC**, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are **not exempt** from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a Federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a **resident alien** and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see **How to get a TIN** below.

If you are a **sole proprietor** and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner **LLC** that is disregarded as an entity separate from its owner (see **Limited liability company (LLC)** on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note: See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get **Form SS-5**, Application for a Social Security Card, from your local Social Security Administration office or get this form on-line at www.ssa.gov/online/ss5.html. You may also get this form by calling 1-800-772-1213. Use **Form W-7**, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or **Form SS-4**, Application for Employer Identification Number, to apply for an EIN. You can get Forms W-7 and SS-4 from the IRS by calling 1-800-TAX-FORM (1-800-829-3676) or from the IRS Web Site at www.irs.gov.

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Writing "Applied For" means that you have already applied for a TIN **or** that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 3, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see **Exempt from backup withholding** on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA or Archer MSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or single-owner LLC	The owner ³
For this type of account:	Give name and EIN of:
6. Sole proprietorship or single-owner LLC	The owner ³
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ **You must show your individual name**, but you may also enter your business or "DBA" name. You may use either your SSN or EIN (if you have one).

⁴ List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Note: *If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.*

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA or Archer MSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, or to Federal and state agencies to enforce Federal nontax criminal laws and to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 30% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

Appendix G

SAMPLE JOB DESCRIPTIONS

Sample job descriptions are included in the appendix for the following:

- ♦ Business Manager
 - ♦ Bookkeeper
 - ♦ Secretary
- ♦ Janitor/Maintenance Person
 - ♦ Housekeeper

These descriptions are not construed to be all inclusive.

SAMPLE JOB DESCRIPTION

JOB TITLE: BUSINESS MANAGER

JOB DESCRIPTION: Specific duties in the area of finance, plant management, human resources, office management and any additional duties and responsibilities as required by and in support of the Pastor's responsibilities to the parish. Additional information is listed in the Institute for Ministries Hiring Handbook.

JOB DUTIES/RESPONSIBILITIES:

Finance:

1. Manages the parish, school and cemetery financial records according to diocesan retention schedules.
2. Prepares, administers and reviews budget process under the direction of the pastor and in collaboration with the finance council.
3. Monitors all spending within the various departments of the parish to comply with the budget and also monitors purchasing.
4. Develops revenue (including wills, donations, grants and fundraising).
5. Supervises and/or monitors all parish fundraising programs to include, but not limited to, offertory collections, festival, parish share and debt reductions.
6. Prepares or oversees the preparation of checks for the Pastor's signature.
Note: The Parish Business Manager is not permitted to sign the check or be an authorized signature.
7. Oversees tabulation, deposit and posting of Offertory collections; collaborates in establishing a system of tuition collection and monitors its effectiveness; pursues uncollected tuition.
8. Prepares or oversees the preparation of the parish, school and cemetery accounting input.
9. Seeks out bids for all expenditures above an approved minimum.
10. Monitors Church Sponsored organization's accounts on a regular basis in compliance with Diocesan policies.
11. Prepares the annual financial report for parishioners and submits a copy to the pastor and finance council.
12. Plans for funding of long-term capital projects.

Property Maintenance:

1. Provides a regular schedule for maintenance for all buildings and grounds.
2. Maintains schedule of building and equipment use.
3. Researches and designs plans for capital improvements.
4. Prepares proposals and gets bids for major maintenance work, and insures inspection of work done by contractor.
5. Oversees security system.
6. Reviews and establishes service contracts.

Human Resources:

1. Develops, implements, and maintains a personnel policy.
2. Develops job descriptions, salary scales, benefits, etc. for applicable employees.
3. Maintains a hiring and termination procedure for all non-ordained personnel.
Note: Only the pastor can hire or terminate an employee.
4. Supervises maintenance people.
5. Manages payment of salaries and benefits.

6. Supervises office staff to include the bookkeeper, secretaries, receptionist, bulletin clerk, census clerk and any other additional office staff.
7. Maintains a confidential personnel record system for all non-ordained parish employees.
8. Helps in preparation of personnel contracts for select positions: Music Director, Youth Minister, DRE, etc.
9. Supervises the rectory household staff.

Liaison/Communication:

1. Interfaces with Diocesan Offices: Legal Office, Insurance, Property Planning and Development, Financial Services, etc.
2. Ex-officio non-voting member of Finance Council and other consultative bodies at the discretion of the pastor.
3. Attends other committee meetings when requested, to discuss problems or offer assistance on a particular item or project.

JOB QUALITIES:

Effective functioning in this position requires that the Business Manager has a good sense of stewardship, is well organized, diplomatic and attentive to details. The Business Manager needs to possess the ability to work collaboratively and to keep confidences when appropriate.

JOB SKILLS:

Competencies and skills which are particularly important for the effective exercise of the role of Business Manager:

1. Familiar with norms of Canon Law regarding parish administration and the temporal goods of the church;
2. Knowledge of scripture, ecclesiology, pastoral theology and ministry, in order to provide a context for decision-making;
3. Knowledge of personnel issues, including policies, procedures, selection, insurance, employee benefits, etc.;
4. Has working knowledge of construction and maintenance according to diocesan policies and procedures;
5. Knowledge of safety and security issues;
6. Knowledge of principles of accounting;
7. Knowledge of the parish, school and cemetery accounting systems according to diocesan policies and procedures;
8. Familiar with pertinent and applicable civil law in all levels of government;
9. Knowledge of the informal networks of communication and influence within the parish and the Diocese;
10. Familiar with supervisory procedures.
11. Able to conduct a needs assessment;
12. Able to work with contractors and sales representatives.
13. Able to do comparative pricing and purchasing techniques.
14. Proficient in the use of computers and knowledge of the common applications;
15. Capable of implementing fundraising techniques;
16. Capable of developing and implementing strategic planning;
17. Able to conduct meetings;
18. Able to demonstrate good interpersonal communication skills;
19. Proficient in writing, editing and public speaking.

SAMPLE JOB DESCRIPTION

JOB TITLE: BOOKKEEPER

JOB DESCRIPTION: Specific duties in the area of financial record keeping for the parish, school and cemetery, if applicable. Involves having knowledge of manual and computer bookkeeping systems, specifically the software program in use by parishes.

JOB DUTIES/RESPONSIBILITIES:

1. Basic computer skills
2. Trained to use office equipment
3. Word processing / typing skills
4. Office procedures, filing, opening mail, handling confidential information, interaction with parishioners regarding parish business
5. Petty cash fund procedures
6. General record retention
7. Trained to submit data / forms to the diocese
 - a. Accounting - manual system - computer software
 - b. Payroll procedures
8. Understand checkbook activity report
9. Reconcile bank statements
10. Reconcile offertory / tuition records

Note: The above items are only some of the suggested duties. This will vary from parish to parish and should be developed accordingly.

JOB QUALITIES:

Effective functioning in this position requires that the bookkeeper is able to follow oral and written instruction, is well organized and is attentive to details. The bookkeeper needs to possess the ability to work collaboratively and to keep confidences when appropriate.

JOB SKILLS:

Note: Standards are to set by the pastor or business manager, in consultation with the parish finance council.

SAMPLE JOB DESCRIPTION

JOB TITLE: SECRETARY

JOB DESCRIPTION: Specific duties in the area of personal and general correspondence of the parish, school and/or cemetery as assigned by the pastor and business manager.

Responsible to the pastor and business manager, or such person designated by the pastor.

JOB DUTIES/RESPONSIBILITIES:

1. Handling correspondence
2. Answering telephone
3. Interaction with parishioners regarding parish business
4. Recording Masses
5. Banking deposits as required for internal control purposes
6. Recording offertory envelopes
7. Maintaining census records

Note: The above items are only some of the suggested duties. This will vary from parish to parish and should be developed accordingly.

JOB QUALITIES:

Effective functioning in this position requires that the parish secretary is able to follow oral and written instructions, is well organized, attentive to details and has command of the rules of grammar. The parish secretary needs to possess the ability to work with parishioners and vendors on an as needed basis as well as the ability to keep confidences when appropriate.

JOB SKILLS:

Note: Standards are to be set by the pastor or business manager, or in consultation with the parish finance council.

SAMPLE JOB DESCRIPTION

JOB TITLE: JANITOR/MAINTENANCE PERSON

JOB DESCRIPTION: Specific duties in the area of maintaining the parish, school and/or cemetery facilities and grounds. Responsible to the pastor and business manager, or such person designated by the pastor.

JOB DUTIES/RESPONSIBILITIES:

1. Clean church, school, hall
2. Snow removal
3. Cut grass/maintain grounds

Note: Duties and responsibilities should be specifically designated where possible and days assigned to these duties if feasible. Availability for work for special occasions should be indicated.

JOB QUALITIES:

Effective functioning in this position requires that the janitor/maintenance person is able to follow oral and written instructions, is well organized and attentive to details. The janitor/maintenance person needs to possess the ability to perform basic electrical, plumbing and general building maintenance.

JOB SKILLS:

Note: Standards are to be set by the pastor or business manager, or in consultation with the parish finance council.

SAMPLE JOB DESCRIPTION

JOB TITLE: HOUSEKEEPER

JOB DESCRIPTION: Specific duties in the area of housekeeping and cooking. Responsible to the pastor and business manager or such person designated by the pastor.

JOB DUTIES/RESPONSIBILITIES:

1. Housekeeping
2. Cooking
3. Washing Clothes/Laundry
4. Grocery Shopping

Note: Duties and responsibilities should be specifically designated where possible and days assigned to these duties if feasible. Availability for work beyond normal procedures should be outlined.

JOB QUALITIES:

Effective functioning in this position requires that the housekeeper is able to follow oral and written instructions, is well organized and attentive to details. The housekeeper should possess the ability to operate standard household appliances and knowledge of home cooking techniques and the ability to create pleasing menus.

JOB SKILLS:

Note: Standards are to be set by the pastor or business manager, or in consultation with the parish council.

Appendix H

EMPLOYMENT APPLICATION FORM

A sample Application for Employment Form is provided in this appendix. It may be adopted by the parish for “AT WILL” (non-contracted) employees. The parish may use other formats provided the same information on background checks for personnel handling money is included.

A copy of the application form can be obtained in hard copy or electronically from the diocesan Office for Insurance/Employee Benefits.

A separate application form used for teaching positions is available from the diocesan Secretariat for Education.

(Refer to Section 2.05.B)

Parish

Application for Employment

PRE-EMPLOYMENT QUESTIONNAIRE

Parish is an equal opportunity employer that considers qualified applicants regardless of race, color, gender, age, national origin, handicap, or veteran status. However, given the religious nature of the Parish, the Parish reserves the right to dismiss an employee for serious public immorality, public scandal, or public rejection of the teachings, doctrine, or laws of the Roman Catholic Church.

PERSONAL INFORMATION

Name (Last, First, Middle Initial)				Social Security No.	
Present Address		Apt.	City		State
Daytime Phone (including area code)		Evening Phone (including area code)		Your Birthday (month and day only)	
				Are you 18 years or older? YES NO Circle One	
If you are under 18 years of age, can you provide proof of your eligibility to work?				YES NO Circle One	
Have you ever filed an application with us before? YES NO Circle One				If YES, give date:	
Have you ever been employed with us before? YES NO Circle One				If YES, give date:	
Are you prevented from lawfully becoming employed in this country because of Visa or Immigration Status? YES NO Circle One					
<i>Proof of citizenship or immigration status will be required upon employment</i>					

DESIRED EMPLOYMENT

Position Applied for		Date You Can Start		Salary Desired	
Are you available to work: Full-Time Part-Time Circle One			Are you on "Layoff" status subject to recall? YES NO Circle One		
Can you travel if the job requires it? YES NO Circle One			Are you able to perform the duties of the job you are applying for? YES NO Circle One		
Are You Employed Now ?		YES NO		Please Circle One	
May We Contact Your Current Employer ?		YES NO		Please Circle One	
Please list all additional addresses for the past seven years					Dates
List Other Names(s) And Dates Used					
Who referred you to this parish? Employment Agency College Placement Service Friend Circle One State Employment Office Newspaper Ad Other					

EDUCATION

School Level	Name / Location	# Years Attend	Date Graduated	Subjects/Degree
HIGH SCHOOL				
COLLEGE				
TRADE, BUSINESS OR CORRESPONDENCE				
Please list other Name(s) and Dates used while attending School or College				

OTHER SPECIAL STUDIES, TRAINING/SKILLS**FORMER EMPLOYERS**

List Below Last Three Employers, Starting With The Most Recent One First

NAME OF PRESENT OR LAST EMPLOYER				
Address		City	State	Zip
Starting Date	Leaving Date		Job Title	
Starting Salary	Final Salary			
Name of Supervisor		Title	Phone	
Description of Work				
Reason for Leaving				

NAME OF PREVIOUS EMPLOYER				
Address		City	State	Zip
Starting Date	Leaving Date		Job Title	
Starting Salary	Final Salary			
Name of Supervisor		Title	Phone	
Description of Work				
Reason for Leaving				

NAME OF PREVIOUS EMPLOYER			
Address		City	State Zip
Starting Date	Leaving Date		Job Title
Starting Salary	Final Salary		
Name of Supervisor		Title	Phone
Description of Work			
Reason for Leaving			

PROFESSIONAL REFERENCES

Below, Give The Names of Three Persons Other Than Friends And Relatives, Whom You Have Known At Least One Year

NAME	ADDRESS AND TELEPHONE NUMBER	BUSINESS	TOTAL YEARS KNOWN
1			
2			
3			

SERVICE RECORD

BRANCH OF SERVICE	DISCHARGE DATE	RANK
Type of education, training or work experience received.		
Are You Able To Provide A Copy of Your DD-214 Upon Request ? YES or NO Please Circle One		

HAVE YOU EVER BEEN CONVICTED OF A CRIME ? YES or NO Please Circle One
If yes, explain and give date, city and state (will not necessarily exclude you from consideration)

APPLICANT'S STATEMENT AND AUTHORIZATION

I CERTIFY THAT THE FACTS CONTAINED IN THIS APPLICATION ARE TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE AND UNDERSTAND THAT, IF EMPLOYED, FALSIFIED OR MISLEADING STATEMENTS ON THIS APPLICATION OR INTERVIEW(S) SHALL BE GROUNDS FOR DISMISSAL. INCOMPLETE APPLICATIONS MAY NOT BE CONSIDERED FOR FURTHER REVIEW. I UNDERSTAND, ALSO, THAT I AM REQUIRED TO ABIDE BY ALL THE RULES AND REGULATIONS OF THE EMPLOYER.

THIS APPLICATION FOR EMPLOYMENT SHALL BE CONSIDERED ACTIVE FOR A PERIOD OF TIME NOT TO EXCEED 45 DAYS. (ANY APPLICANT WISHING TO BE CONSIDERED FOR EMPLOYMENT BEYOND THIS TIME PERIOD SHOULD INQUIRE AS TO WHETHER OR NOT APPLICATIONS ARE BEING ACCEPTED AT THAT TIME.)

I AUTHORIZE INVESTIGATION OF ALL STATEMENTS CONTAINED IN THIS APPLICATION FOR EMPLOYMENT AS MAY BE NECESSARY IN ARRIVING AT AN EMPLOYMENT DECISION. I AUTHORIZE INVESTIGATION OF ALL STATEMENTS CONTAINED HEREIN AND THE REFERENCES AND EMPLOYERS LISTED ABOVE TO GIVE YOU ANY AND ALL PERTINENT INFORMATION CONCERNING MY PREVIOUS EMPLOYMENT. I HEREBY AUTHORIZE YOU TO MAKE ANY INVESTIGATION OF MY PERSONAL HISTORY, EDUCATIONAL BACKGROUND, MILITARY BACKGROUND, CREDIT RECORDS AND CRIMINAL RECORDS THROUGH AN INVESTIGATIVE AGENCY. I HEREBY RELEASE THE PARISH FROM ALL LIABILITY FOR ANY DAMAGE THAT MAY RESULT FROM UTILIZATION OF SUCH INFORMATION.

I HEREBY UNDERSTAND AND ACKNOWLEDGE THAT, UNLESS OTHERWISE DEFINED BY APPLICABLE LAW, ANY EMPLOYMENT RELATIONSHIP WITH THIS ORGANIZATION IS OF AN "AT WILL" NATURE, WHICH MEANS THAT THE EMPLOYEE MAY RESIGN AT ANY TIME AND THE EMPLOYER MAY DISCHARGE THE EMPLOYEE AT ANY TIME WITHOUT CAUSE. IT IS FURTHER UNDERSTOOD THAT THIS "AT WILL" EMPLOYMENT RELATIONSHIP MAY NOT BE CHANGED BY ANY WRITTEN DOCUMENT OR BY CONDUCT UNLESS SUCH CHANGE IS SPECIFICALLY ACKNOWLEDGED BY THE PASTOR IN WRITING.

SIGNATURE OF APPLICANT

DATE**FOR INTERVIEWER'S USE ONLY**

Interviewed By	Date
Comments	

Hired (Date) For Dept.		For Position	
Salary / Wages		Will Report	
Notes:			
APPROVED 1	Pastor	Date	
APPROVED 2	Other:	Date	

Appendix I

EXIT INTERVIEW FORM

A. Employee: _____
Last First M.I.

Job Title: _____

B. Benefit Information:

1. Was employee eligible for retirement plan? _____ Yes _____ No
Was employee vested in retirement plan? _____ Yes _____ No
Was a summary of retirement benefits provided? _____ Yes _____ No
2. Was employee advised of rights and process for
continuation/conversion of medical insurance? _____ Yes _____ No
Was employee advised of rights and process for
conversion of life insurance? _____ Yes _____ No

C. Employee Comments:

1. Reasons for leaving position: _____

2. Favorable aspects of job noted: _____

3. Description of working conditions: _____

4. Were you properly trained and instructed for your job? _____

5. How was your workload? _____

6. Recommendations for improvement/changes on job at work place:

7. Additional comments/concerns about policies: _____

D. Checklist for Property Returned

_____ Keys _____ Employee Handbook
_____ Garage Pass _____ Other (Explain)

E. Money Due to the Parish/School/Cemetery

1. Unearned Vacation Taken \$ _____
2. Unearned Sick Days Taken \$ _____
3. Other _____

F. Money Due the Employee

1. Vacation pay due to employee _____
(days)
2. Other _____

G. Questions/Comments Regarding Job Benefits, Pensions, Pay Checks or Other Employee-Related Issues

H. Employee's Signature

I am in complete understanding of the above information provided. I also agree the information provided is both accurate and honestly stated.

Signature Date

Interviewed by:

Date

Title:

Date:

(Refer to Section 2.05.C)

Appendix J

NOTICE OF EMPLOYEE SEPARATION

This form is provided periodically to the parish by the unemployment compensation consultant.



UNEMPLOYMENT COST
CONTROL PROCEDURES

Pennsylvania Catholic Conference

YOUR I.D. CODE:

P135

**YOUR NATIONAL
ACCOUNT EXECUTIVE:**

Sharon Nowak
PH: (610) 614-9064
Fax: (610) 983-3609
snowak@talx.com

**YOUR CLAIMS
COORDINATOR:**

Diane Gray
PH: (410) 847-6386
Fax: (866) 566-7422
dgray@talx.com

**YOUR CLAIMS
SUPERVISOR:**

Deb Agudelo
PH: (410) 847-6383
Dagudelo@talx.com

Communicating with UC eXpress

Questions regarding unemployment compensation or the UC eXpress program should be directed to your corporate office or to UC eXpress.

UC eXpress Telephone Numbers:

Baltimore Office: (410) 321-8100
St. Louis Office: (314) 997-2100

UC eXpress Mailing Address:

UC eXpress
P.O. Box 19112
Towson, MD 21284

Parcels/Overnight Packages:

UC eXpress
8600 LaSalle Carroll Bldg.
Towson, MD 21286

Basic Separation Procedures

When an employee ceases employment, you should immediately complete a UC eXpress separation form. This form should be forwarded to your Claims Coordinator. Please make sure include you parish name, address; along with the name and telephone number of the person to contact for detailed information regarding the termination. Termination information is relied upon in determining the appropriateness of unemployment claims filed by our former employees.

UC eXpress may contact you to obtain information related to a former employee's termination. It is extremely important that these inquiries are responded to completely and in a timely manner.

Determining Due Dates

Each unemployment claim, determination and decision has a due date by which a response or appeal must be returned to the state. If you receive any unemployment correspondence directly from a state agency, forward it immediately to UC eXpress. **If a response is due that day, please call your service coordinator for instructions.** If the due date is not clearly indicated, it can be calculated by adding the number of days allowed for a response (as specified on the form) to the mailing date posted on the notice. Time limits must be observed or your company could lose its right to contest payments or appeal decisions. In addition, a penalty could be assessed for failure to respond timely.

Hearing Procedures

If a decision is appealed, the state schedules a hearing in which your company and the claimant may present facts regarding the case to a state referee. Alert UC eXpress immediately when you receive a hearing notice. After UC eXpress receives notice of the hearing, a hearing consultant will contact your location personnel to review the issues and documentation, assist you in compiling any information needed for the hearing and determine the witnesses who will best represent your company's interests with firsthand knowledge of the case. If you feel you require personal assistance in the presentation of your case before the appeals examiner, you may request that a representative accompany the your witness and assist in the presentation of your case.

(Refer to Section 2.05.C)

EMPLOYEE SEPARATION FORM
MAIL OR FAX IMMEDIATELY TO UC EXPRESS

UC2BCA-Rev. 8/96

P.O. Box 19112 Towson, MD 21284 Tel: (410) 847-6386 Fax: (866) 566-7422

Employee Name _____		SOCIAL SECURITY NO. _____	
State In _____	First Day _____	Last Day _____	Hourly _____
Which Employed <u>PA</u>	Worked _____	Worked _____	Rate of Pay\$ _____
Parish Name _____		Diocese _____	
Address _____		City _____	State _____ Zip _____
Completed By _____		Phone (____) _____	Date _____
INHOUSE # P135		Location Number _____	
REASON FOR SEPARATION			
*****QUIT***** () 0100 - Did not return, no notice/reason given () 0300 - No reason given () 0410 - Mutual agreement (not protestable) () 0500 - Quit during temporary assignment, no notice () 0800 - Failed to return from leave of absence () 0900 - Refused offer of work (explain) () 1100 - Three days unreported absence (give dates) () 1200 - Accepted better job () 1400 - Accepted another job () 1410 - Accepted another job - own business () 1420 - Accepted another job - military () 1500 - To leave area () 1600 - Personal () 1610 - Personal - marriage () 1630 - Personal - school hours conflict () 1700 - Transportation Problem () 1800 - Babysitter Problem () 1900 - Due to medical reasons () 2100 - Dissatisfied () 2110 - Dissatisfied - work hours () 2120 - Dissatisfied - salary () 2130 - Dissatisfied - working conditions () 2140 - Dissatisfied - performance review () 2160 - Dissatisfied - career opportunities () 2170 - Dissatisfied - company policies () 2180 - Dissatisfied - co-workers () 2190 - Dissatisfied - supervisor () 2200 - Walked off job () 2300 - To stay at home () 2400 - Assignment completed, failed to contact for new assignment () 2500 - Attend school () 2600 - Quit, Other (explain)	*****DISCHARGE - Must give details***** () 3200 - Using intoxicant on the job () 3300 - Intoxicated on the job () 3700 - Excessive tardiness (give dates) () 3900 - Left work without permission () 4000 - Excessive absences (give dates) () 4100 - Excessive unreported absences (dates) () 4200 - Excessive absences & tardiness (dates) () 4300 - Fighting on company property () 4400 - Refused to perform job duties () 4500 - Misuse of equipment () 4600 - Destruction of company property (give property value) () 4800 - Violation of company policy () 4900 - Insubordination () 5000 - Sleeping on job () 5100 - Inability to perform job (not protestable) () 5300 - Unauthorized removal of company property () 5400 - Violation of safety rules () 5500 - Cash shortages () 5700 - Improper conduct () 5800 - Falsification () 5900 - Failed to report to work (give dates) () 5200 - Discharge, Other (explain) *****RETIREMENT***** () 1000 - Voluntary (if pension, give amount) () 1030 - Disability - job related () 1040 - Disability - not job related () 7400 - Involuntary (if pension, give amount) ****LEAVE OF ABSENCE - Must give return date**** () 6300 - Family & Medical Leave Act - 1993 () 7200 - Leave of absence (explain) () 7300 - Military leave	*****LACK OF WORK***** () 7000 - Vacation/holiday pay given (give amount) () 7600 - Lack of work () 7610 - Temporary lack of work (give return date) () 7620 - Job eliminated () 7630 - Seasonal employment () 7640 - Location closed () 8700 - Assignment completed () 8900 - Vacation shutdown (give pay & return date) *****MISCELLANEOUS***** () 8600 - Transfer to new location () 8900 - Disciplinary action - suspension () 8000 - Returned to work (give date) () 8100 - Refused new job offer or recall (Give specific details of offer) () 8500 - Deceased () 8600 - Not available for work (explain) () 9100 - No protest per employer () 9200 - Independent contractor () 9300 - Records not available () 9800 - On worker's compensation	
REMUNERATION PAID UPON OR AFTER SEPARATION			
Pension \$ _____ Paid: () Lump Sum () Monthly		Check One: () Financed Wholly By Employer () Financed In Part By Employer - Over 50% () Financed In Part By Employer - Under 50%	
REMARKS (Attach additional sheets, if needed)			

Please note, if you receive an unemployment claim form and have not previously completed and submitted this form. A completed termination form should accompany the claim form to UC eXpress. Both documents should be faxed to your Claims Service Coordinator.

Appendix K

BUDGET FORMS AND INSTRUCTIONS

K-1 PARISH BUDGET FORMS AND INSTRUCTIONS

- K-1.A Directions for Preparing the Parish Budget
- K-1.B Personnel Schedule for Parish Lay Employees
- K-1.C Personnel Schedule Instructions for Lay Employees
- K-1.D Budget Instructions for Religious Personnel
- K-1.E School Subsidy and Tuition Assistance Worksheet

K-2 SCHOOL BUDGET FORMS AND INSTRUCTIONS

- K-2.A Directions for Preparing the School Budget
- K-2.B Personnel Schedule for School Lay Employees
- K-2.C Personnel Schedule Instructions for Lay Employees
- K-2.D Budget Instructions for Religious Personnel
- K-2.E Salary & FICA Distribution Worksheet
- K-2.F School Budget Summary (detailed pages available upon request)
- K-2.G Tuition Calculation Worksheet and Instructions

Note: The instructions for inputting the parish and school budgets using the Quicken software program are contained in the Financial Administration Manual under Section 8.04.

(Refer to Section 2.06 and 2.12.P)

DIRECTIONS FOR PREPARING THE PARISH BUDGET

Follow these directions to prepare the parish budget.

1. Contact the Financial Services Office at 412-456-3024 if you have questions.
2. The parish budget is due in the Financial Services Office on May 1. All parishes are required to submit a budget.
3. The budget package consists of the following:

A. Parish Budget Worksheet Printout

Use this printout as a worksheet to determine the annual budget amounts. This printout contains all account number codes in the parish accounting system and is to be kept at the parish.

- (1) Parishes using Quicken are to input the budget figures into the Quicken software program and submit the data to the Financial Services Office on disk or email.
- (2) Parishes not on the Quicken software program are to transfer the final figures from the parish budget worksheet to the parish budget input form and mail the budget input form to the Financial Services Office.

B. Parish Budget Personnel Schedule

The Parish Budget Personnel Schedule is to be completed to determine the correct allocation of salary and benefits for priests, religious and lay personnel. Separate instructions for completing the schedules are included. This schedule is for parish use and is not to be submitted with the projected budget.

C. Parish Budget Worksheet for School Subsidy and Tuition Assistance

The School Subsidy and Tuition Assistance Worksheet is to be completed as follows:

- (1) If the parish operates an elementary school or belongs to a jointure, budget the monthly subsidy in either account number code 5610 Parish Elementary School Subsidy or 5630 Jointure Subsidy. The subsidy amounts **MUST** agree with the completed school budget.
- (2) If the parish does not operate an elementary school, budget the 10% contribution (2% for some locations) to the Elementary Education Grant Fund in account code 5660 - Elementary Education Subsidy for the months of July, October, January and April.
- (3) If the parish offers tuition assistance through an approved program, budget the assistance payments in the appropriate months.

D. Rate Schedule

Refer to this schedule for the appropriate rates to use in the budgeting process.

E. School Capital Funding Program

The Policies for Financing Elementary Schools, approved May 1995, advises each elementary school to establish a school capital funding program. Refer to Appendix U.

4. *Do not use cents when estimating budget figures.* Use whole dollar amounts only.
5. Review each account code on the Parish Budget Worksheet and estimate the projected budget amounts for next year in the column provided. Comparing the columns listed for earlier years will help in estimating next year's budget.
6. Complete the Salary and Fringe Benefits Schedules. Separate directions are enclosed. This schedule is for use at the parish and is not to be submitted.

If an individual is classified to more than one salary account number or sub-account number, list that individual under both account number codes along with the appropriate allocation of salary and fringe benefits.

7. Input the final budget figures from the Parish Budget Worksheet Printout to the Quicken Accounting Program and transmit the data to the Financial Services Office. Be sure to verify that the budget totals correctly.
8. The budget will be spread evenly over the twelve months of the fiscal year for those not using Quicken unless indicated otherwise.
9. *Complete and submit* the Parish Budget Worksheet for School Subsidy and Tuition Assistance indicating the distribution of the amount budgeted to specific months. Example: Subsidy to the elementary school will vary monthly, and therefore, should not be distributed evenly over the twelve months.
10. It is not necessary to budget diocesan collections.
11. Budget the Parish Share Account Code 8120 only for the anticipated PSP excess to be collected over the PSP Goal and subcode by the goal year. If expecting a deficiency, budget this amount in Account Code 8115, subcoded by the goal year.
12. For those parishes not using Quicken, the non-operating section of the budget, such as investment deposits and withdrawals, debt borrowings and payments, purchase of property, etc., is to be budgeted at the net amount only and may require the use of brackets ().

NOTE: Brackets () mean that the cash is flowing out of the checking account when used in the non-operating section of the budget. Do not use brackets in the operating section of the budget.

13. When the budget process is completed, transfer the data by e-mail to **parishaccounting@diopitt.org** or disk to the Financial Services Office, 111 Boulevard of the Allies, Pittsburgh, PA 15222. This office will process the information and send back the printed budget distributed over the months of the fiscal year indicated by you. You can then review this and notify the Financial Services Office of any adjustments. The printout should provide you with the anticipated cash flow by month for the fiscal year.

PARISH BUDGET PERSONNEL SCHEDULE
FOR LAY EMPLOYEES

BUDGET YEAR: _____

Parish _____
Location No. _____

A	B	C	D	E	F	G	H	I	J	K	L	M	N
Employee Name	Salary/Compensation Sub-Account Number	Lay Employee	FICA for Lay Employee	Workers' Comp.	Payroll Service Charge	Pension	Life Insurance	Long- Term Disability Insurance	Health Insurance	Dental Insurance	Vision Insurance	Total (Add Columns E thru L)	Unemp. Comp.
5005/5010 LITURGICAL	A/C 5005	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTAL LITURGICAL:			\$ <u>5010.001</u>									\$ <u>5010.003</u>	\$ <u>5010.011</u>
5205/5210 ADMINISTRATION:	A/C 5205	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTAL ADMINISTRATION:			\$ <u>5210.001</u>									\$ <u>5210.003</u>	\$ <u>5210.011</u>

**PARISH BUDGET PERSONNEL SCHEDULE
FOR LAY EMPLOYEES**

Parish _____

Location No. _____

BUDGET YEAR: _____

A	B	C	D	E	F	G	H	I	J	K	L	M	N
Employee Name	Sub-Account Number	Salary/Compensation Lay Employee	FICA for Lay Employee	Workers' Comp.	Payroll Service Charge	Pension	Life Insurance	Long-Term Disability Insurance	Health Insurance	Dental Insurance	Vision Insurance	Total (Add Columns E thru L)	Unemp. Comp.
<u>5305/5310 OPERATION & MAINTENANCE</u>	<u>A/C 5305</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTAL OPERATION & MAINTENANCE:			<u>\$ 5310.001</u>									<u>\$ 5310.003</u>	<u>\$ 5310.011</u>
<u>5405/5410 RECTORY:</u>	<u>A/C 5405</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTAL RECTORY:			<u>\$ 5410.001</u>									<u>\$ 5410.003</u>	<u>\$ 5410.011</u>
<u>6005/6010 RELIGIOUS EDUCATION</u>	<u>A/C 6005</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTAL RELIGIOUS EDUCATION:			<u>\$ 6010.001</u>									<u>\$ 6010.003</u>	<u>\$ 6010.011</u>

**PARISH BUDGET PERSONNEL SCHEDULE
FOR LAY EMPLOYEES**

Parish _____
Location No. _____

BUDGET YEAR: _____

A	B	C	D	E	F	G	H	I	J	K	L	M	N
Employee Name	Salary/Compensation Sub-Account Number	Lay Employee	FICA for Lay Employee	Workers' Comp.	Payroll Service Charge	Pension	Life Insurance	Long-Term Disability Insurance	Health Insurance	Dental Insurance	Vision Insurance	Total (Add Columns E thru L)	Unemp. Comp.
<u>6105/6110 YOUTH MINISTRY:</u>	<u>A/C 6105</u>	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
_____	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTAL YOUTH MINISTRY:			\$ <u>6110.001</u>									\$ <u>6110.003</u>	\$ <u>6110.011</u>
<u>6205/6210 ADULT EDUCATION:</u>	<u>A/C 6205</u>	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
_____	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTAL ADULT EDUCATION:			\$ <u>6210.001</u>									\$ <u>6210.003</u>	\$ <u>6210.011</u>
<u>6305/6310 SOCIAL SERVICE:</u>	<u>A/C 6305</u>	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
_____	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTAL SOCIAL SERVICE:			\$ <u>6310.001</u>									\$ <u>6310.003</u>	\$ <u>6310.011</u>

**PARISH BUDGET PERSONNEL SCHEDULE
FOR LAY EMPLOYEES**

Parish _____

Location No. _____

BUDGET YEAR: _____

A	B	C	D	E	F	G	H	I	J	K	L	M	N
Employee Name	Sub-Account Number	Salary/Compensation Lay Employee	FICA for Lay Employee	Workers' Comp.	Payroll Service Charge	Pension	Life Insurance	Long-Term Disability Insurance	Health Insurance	Dental Insurance	Vision Insurance	Total (Add Columns E thru L)	Unem. Comp.
<u>7605/7610 PRESCHOOL:</u>	<u>A/C 7605</u>	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
TOTAL PRESCHOOL:			<u>\$ 7610.001</u>									<u>\$ 7610.003</u>	<u>\$ 7610.011</u>
<u>7705/7710 DAY CARE:</u>	<u>A/C 7705</u>	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
TOTAL DAY CARE:			<u>\$ 7710.001</u>									<u>\$ 7710.003</u>	<u>\$ 7710.011</u>
<u>7805/7810 EXTENDED DAY SERVICE:</u>	<u>A/C 7805</u>	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
TOTAL EXTENDED DAY SERVICE:			<u>\$ 7810.001</u>									<u>\$ 7810.003</u>	<u>\$ 7810.011</u>

BUDGET/Psch-100

PARISH PERSONNEL SCHEDULE INSTRUCTIONS FOR LAY EMPLOYEES

The Personnel Schedule is to be used to project salary/compensation and fringe benefits for all lay parish personnel by completing each salary/compensation and fringe benefit major account number codes (i.e., 5005/5010, 5205/5210, etc.) to which personnel are assigned.

Salaries/Compensation and FICA will be distributed evenly by the computer over the twelve months for the fiscal year. If the distribution is to be allocated differently, indicate this in writing to the Financial Services Office. The Personnel Schedule *is to be retained at the parish* and *not* submitted with the budget.

Column	Instructions
A	Employee's Name – list the employee's name. If the employee functions in more than one account number code category, list the employee in each account number code category that is applicable.
B	Salary/Compensation Sub-Account Number – be sure to enter the appropriate salary/compensation sub-account number. Consult the parish Chart of Account Number Codes for the sub-account numbers within each major salary/compensation account number code.
C	Salary/Compensation – enter the projected salary/compensation (exclusive of benefits) for each lay employee. Consult the rate schedule where appropriate. Transfer the salary/compensation amounts to the appropriate code on the Parish Budget Worksheet Printout.
D	FICA for Lay Employees Only – multiply the amount in Column C by the FICA rate for lay employees indicated on page 3 of the rate schedule under Lay Employee Benefits. When completed, total Column D and insert this total in the appropriate code on the Parish Budget Worksheet Printout.
E	Workers' Compensation for Lay Employees – multiply the amount in Column C by the Workers' Compensation rate indicated in the rate schedule on page 3 for Lay Employees.
F	Payroll Service Charge – enter the amount applicable for each lay employee as indicated in the rate schedule.
G	Pension for Lay Employees – multiply the amount in Column C by the pension rate indicated in the rate schedule where applicable.
H	Life Insurance for Lay Employees – multiply the amount in Column C by the life insurance rate indicated in the rate schedule where applicable.
I	Long-Term Disability Insurance for Lay Employees – multiply the amount in Column C by the Long-Term Disability (LTD) rate indicated in the rate schedule where applicable.

Column	Instructions
J	Health Insurance for Lay Employees if applicable – consult the rate schedule for the appropriate amount for each.
K	Dental Insurance for Lay Employees if applicable – consult the rate schedule for the appropriate amount for each.
L	Vision Insurance for Lay Employees if applicable – consult the rate schedule for the appropriate amount for each.
M	Total Column – add Columns E through L across for each lay employee, then total Column M down. Insert this total in the appropriate code on the Parish Budget Worksheet Printout.
N.	Unemployment Compensation for Lay Employees – enter the amount applicable for each lay employee as indicated in the rate schedule. Total Column N down, then insert this total in the appropriate code on the Parish Budget Worksheet Printout.

PARISH BUDGET INSTRUCTIONS FOR RELIGIOUS PERSONNEL

Refer to the Religious Compensation Handbook in determining this cost.

Complete the *Religious Compensation Worksheet* following the instructions in the Handbook. The worksheet and instructions are distributed in the spring to the pastor by the Department for Consecrated Life.

The *Religious Compensation (Ministry Services Agreement) Worksheet* for religious personnel is to be completed to project religious compensation and to distribute cost to each major account number code (i.e., 5005, 5205, etc.) to which personnel are assigned.

Compensation will be distributed over the fiscal year based on the allocation indicated in the budget.

Parish _____

**PARISH BUDGET WORKSHEET for
SCHOOL SUBSIDY AND TUITION ASSISTANCE**

Location Number _____

Parishes with schools are to complete and submit this worksheet for subsidy to the elementary school.

Parishes without schools are to complete and submit this worksheet for the 10% (2%) Elementary Education Subsidy funding contributed to the Diocesan Elementary Education Fund.

This worksheet is also to be used by all parishes issuing tuition assistance to elementary and high schools.

Budget the subsidy in the month(s) anticipated to be paid.

DO NOT USE CENTS.

	Parish Subsidy Elementary School <u>5610</u>	High School Tuition Assistance <u>5620</u>	High School Location Number	Jointure Subsidy <u>5630</u>	Subsidy Paid to Other Schools <u>5640</u>	* School Location Number	Elementary School Tuition Assistance <u>5650</u>	Elementary Education Subsidy <u>5660</u>
July	_____	_____	# _____	_____	_____	# _____	_____	_____
August	_____	_____	# _____	_____	_____	# _____	_____	_____
September	_____	_____	# _____	_____	_____	# _____	_____	_____
October	_____	_____	# _____	_____	_____	# _____	_____	_____
November	_____	_____	# _____	_____	_____	# _____	_____	_____
December	_____	_____	# _____	_____	_____	# _____	_____	_____
January	_____	_____	# _____	_____	_____	# _____	_____	_____
February	_____	_____	# _____	_____	_____	# _____	_____	_____
March	_____	_____	# _____	_____	_____	# _____	_____	_____
April	_____	_____	# _____	_____	_____	# _____	_____	_____
May	_____	_____	# _____	_____	_____	# _____	_____	_____
June	_____	_____	# _____	_____	_____	# _____	_____	_____
TOTAL	<u>5610</u>	<u>5620</u>		<u>5630</u>	<u>5640</u>		<u>5650</u>	<u>5660</u>

* Account 5640 must be sub-coded by the **location** number of the school receiving the aid.

DIRECTIONS FOR PREPARING THE SCHOOL BUDGET

Follow these directions to prepare the school budget.

1. Contact the Financial Services Office at 412-456-3024 if you have questions.
2. The school budget is due in the Financial Services Office on May 1. All schools are required to submit a budget.
3. The school budget package consists of the following:

A. School Budget Worksheet Printout

Use this printout as a worksheet to determine the annual budget amounts. This printout contains all account number codes in the school accounting system and is to be kept at the school.

- (1) Schools using Quicken are to input the budget figures into the Quicken software program and submit the data to the Financial Services Office by disk or email.
- (2) Schools not on the Quicken software program are to transfer the final figures from the school budget worksheet to the school budget input form which is identical to the worksheet and mail the budget input form to the Financial Services Office.

B. School Budget Input Forms

The School Budget Input Forms are to be used if not using Quicken. The input forms will be sent to the school if requested. The summary page is presented in Appendix K-2.F.1. It summarizes the budget detail and *is to be completed* as each account number section of the budget is finished by recapping the detail budget pages (pages 2 -34) and listing the grand totals on the summary page (page 1) and by recapping the salary and fringe benefit totals from the School Personnel Schedules. The summary page provides a capsule look at the budget for next year *and is to be submitted with the other budget worksheets to the Financial Services Office.*

C. Tuition Calculation Worksheet

The Tuition Calculation Worksheet is to be completed to determine the amount of tuition expected for next year. Budget the net tuition expected to be collected based on past experience. Instructions for completion of this form are stated on the back of the form. *This form is to be submitted with the other budget worksheets to the Financial Services Office.*

D. School Budget Lay Personnel Schedule

The School Budget Lay Personnel Schedule is to be completed to determine the correct allocation of salary and benefits.

Separate instructions for completing the Lay Personnel Schedule are included. *This schedule is to be submitted with the projected budget.* When this schedule is finished, complete the following steps:

1. Transfer the combined totals of salary, FICA and fringe benefits by category (for Instruction, for Administration, etc.) to the School Budget Summary Worksheet.

2. Complete the Salary and FICA Distribution Worksheet.
3. Submit the completed School Budget Lay Personnel Schedule to the Financial Services Office.

E. Salary and FICA Distribution Worksheet

The Salary and FICA Distribution Worksheet must be completed and submitted to the Financial Services Office along with the School Lay Personnel Schedule. It is most important that this form be submitted since it is the only source for the distribution of salary and FICA by month. It is necessary to distinguish whether salaries are paid over a 10-month or 12-month period and what amounts are applicable to July, August, etc. Complete the following steps:

1. Carry-over the salary totals from the Personnel Schedule by sub-code total within the major account number.
2. Carry-over the FICA total (Column D) to the Total Column on the Distribution Worksheet to the appropriate FICA account number indicated at the bottom of Column D.
3. Distribute the salary and FICA totals to the appropriate month.
4. Budget for religious compensation, under the appropriate 5105 or 5205 school account code. The religious individual's salary and fringe benefits should be added together to arrive at the total compensation due. The combined compensation for each school category is to be transferred to the appropriate account code on the Salary and FICA Distribution Worksheet.

F. Rate Schedule

Refer to this schedule for the appropriate rates to use in the budgeting process.

G. Elementary School Profile Report

Use the Comparative Elementary School Profile Report printout as a guide in projecting the budget by comparing the columns listed. Retain this printout. Do not send it to the Financial Services Office.

This printout should be reviewed carefully in order to project the financial activity to be budgeted in the appropriate account number code categories.

H. School Capital Funding Program

The Policies for Financing Elementary Schools, approved May 1995, advises each elementary school to establish a school capital funding program. Refer to Appendix U.

4. Use whole dollar amounts when estimating budget figures.
5. Be sure to transfer all budget figures from the Detail Budget Worksheets to the Budget Summary Worksheet and submit the Summary Page and only those Detail Worksheets reflecting activity to the Financial Services Office. *Be sure to verify that the budget totals add correctly and be sure to also submit the Salary and FICA Distribution Worksheet.* The budget amounts will be spread over the months indicated.

6. If your parish operates the elementary school, the monthly parish subsidy budgeted for the elementary school must be in agreement with the school's budgeted monthly subsidy. *Complete and submit Page 9 of the Detailed School Budget Worksheet for subsidy.*

7. The non-operating section of the budget, such as investment deposits and withdrawals, debt borrowings and payments, and the purchase of vehicles, is to be budgeted at the net amount only and may require the use of brackets ().

NOTE: Brackets () means that the cash is flowing out of the checking account when used in the non-operating section of the budget. Do not use brackets in the operating section of the budget.

8. If the school has savings investments, determine in what months savings will increase (deposit to savings) and budget the amount *in brackets* () on the Detail Budget Worksheet. If savings withdrawals are anticipated, budget the amount *without* brackets. Insert the net total for the fiscal year on the School Detail Budget Worksheet indicating a net increase by using brackets () or a net withdrawal by excluding brackets.

9. Debt Payments and Borrowings (this is only applicable to certain special schools): When preparing the budget, determine when *debt payments* will be made. Budget this amount in *brackets* () on the Detail Budget Worksheet.

If a *borrowing* is projected, budget the amount *without* brackets. Insert the net total for the fiscal year on the School Detail Budget Worksheet indicating a net payment of debt by using brackets () or a net borrowing by excluding brackets.

10. Purchase/Improvement of Property is a non-operating item and is to be budgeted in brackets (). This is only applicable to certain schools. (For most elementary schools, the purchase or improvement of property is handled through the parish budget only.)

11. Be sure that the individual sections of the budget total correctly and agrees to the summary page (Page 1).

12. When the budget process is completed, send the appropriate worksheets to the Financial Services Office, 111 Boulevard of the Allies, Pittsburgh, PA 15222. This office will enter the information in the diocesan computer and send back the printed budget distributed over the months of the fiscal year indicated by you. You can then review this and notify the Financial Services Office of any adjustments. The printout should provide you with the anticipated cash flow by month for the fiscal year.

School	<hr/>
Location No.	<hr/>

Appendix K-2.B.1

SCHOOL BUDGET PERSONNEL SCHEDULE FOR LAY EMPLOYEES

School _____
Location No. _____

BUDGET YEAR: _____

A	B	C	D	E	F	G	H	I	J	K	L	M	N
Employee Name	Sub-Account Number	Salary/Compensation Lay Employee	FICA for Lay Employee	Workers' Comp.	Payroll Service Charge	Pension	Life Insurance	Long-Term Disability Insurance	Health Insurance	Dental Insurance	Vision Insurance	Total (Add Columns E thru L)	Unemp. Comp.
<u>5205/5210 ADMINISTRATION:</u>	<u>A/C 5205</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTAL ADMINISTRATION:		\$ _____	\$ <u>5210.001</u>									\$ <u>5210.003</u>	\$ <u>5210.011</u>
<u>5305/5310 MAINTENANCE:</u>	<u>A/C 5305</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTAL MAINTENANCE:		\$ _____	\$ <u>5310.001</u>									\$ <u>5310.003</u>	\$ <u>5310.011</u>
<u>5805/5810 FACULTY RESIDENCE:</u>	<u>A/C 5805</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTAL FACULTY RESIDENCE:		\$ _____	\$ <u>5810.001</u>									\$ <u>5810.003</u>	\$ <u>5810.011</u>

BUDGETSCHS-100.DOC

SCHOOL BUDGET PERSONNEL SCHEDULE

School_____K-2.

FOR LAY EMPLOYEES

Location No. _____

BUDGET YEAR: _____

A	B	C	D	E	F	G	H	I	J	K	L	M	N
Employee Name	Sub-Account Number	Salary/Compensation Lay Employee	FICA for Lay Employee	Workers' Comp.	Payroll Service Charge	Pension	Life Insurance	Long-Term Disability Insurance	Health Insurance	Dental Insurance	Vision Insurance	Total (Add Columns E thru L)	Unemp. Comp.
7005/7010 FOOD SERVICE:	A/C 7005	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
TOTAL FOOD SERVICE :		\$	\$ 7010.001									\$ 7010.003	\$ 7010.011
7105/7110 STUDENT ACTIVITIES:	A/C 7105	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		\$
TOTAL STUDENT ACTIVITIES:		\$	\$ 7110.001									\$ 7110.003	\$ 7110.011
7305/7310 ATHLETIC:	A/C 7305	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
TOTAL ATHLETIC:		\$	\$ 7310.001									\$ 7310.003	\$ 7310.011

School _____
Location No. _____

[illegible]

School _____

Location No. _____

Appendix K-2.B.1

SCHOOL BUDGET PERSONNEL SCHEDULE FOR LAY EMPLOYEES

School _____
Location No. _____

BUDGET YEAR: _____

A	B	C	D	E	F	G	H	I	J	K	L	M	N
Employee Name	Sub-Account Number	Salary/Compensation Lay Employee	FICA for Lay Employee	Workers' Comp.	Payroll Service Charge	Pension	Life Insurance	Long-Term Disability Insurance	Health Insurance	Dental Insurance	Vision Insurance	Total (Add Columns E thru L)	Unemp. Comp.
<u>5205/5210 ADMINISTRATION:</u>	<u>A/C 5205</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTAL ADMINISTRATION:		\$ _____	\$ <u>5210.001</u>									\$ <u>5210.003</u>	\$ <u>5210.011</u>
<u>5305/5310 MAINTENANCE:</u>	<u>A/C 5305</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTAL MAINTENANCE:		\$ _____	\$ <u>5310.001</u>									\$ <u>5310.003</u>	\$ <u>5310.011</u>
<u>5805/5810 FACULTY RESIDENCE:</u>	<u>A/C 5805</u>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTAL FACULTY RESIDENCE:		\$ _____	\$ <u>5810.001</u>									\$ <u>5810.003</u>	\$ <u>5810.011</u>

BUDGETSCHS-100.DOC

SCHOOL BUDGET PERSONNEL SCHEDULE

School _____

K-2.

FOR LAY EMPLOYEES

Location No. _____

BUDGET YEAR: _____

A	B	C	D	E	F	G	H	I	J	K	L	M	N
Employee Name	Sub-Account Number	Salary/Compensation Lay Employee	FICA for Lay Employee	Workers' Comp.	Payroll Service Charge	Pension	Life Insurance	Long-Term Disability Insurance	Health Insurance	Dental Insurance	Vision Insurance	Total (Add Columns E thru L)	Unemp. Comp.
7005/7010 FOOD SERVICE:	A/C 7005	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
TOTAL FOOD SERVICE :		\$	\$ 7010.001									\$ 7010.003	\$ 7010.011
7105/7110 STUDENT ACTIVITIES:	A/C 7105	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		\$
TOTAL STUDENT ACTIVITIES:		\$	\$ 7110.001									\$ 7110.003	\$ 7110.011
7305/7310 ATHLETIC:	A/C 7305	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
TOTAL ATHLETIC:		\$	\$ 7310.001									\$ 7310.003	\$ 7310.011

**SCHOOL BUDGET PERSONNEL SCHEDULE
FOR LAY EMPLOYEES
BUDGET YEAR: _____**

School _____
Location No. _____

A	B	C	D	E	F	G	H	I	J	K	L	M	N
Employee Name	Sub-Account Number	Salary/Compensation Lay Employee	FICA for Lay Employee	Workers' Comp.		Pension	Life Insurance	Long-Term Disability Insurance	Health Insurance	Dental Insurance	Vision Insurance	Total (Add Columns E thru L)	Unemp. Comp.
7405/7410 BOOKSTORE :	A/C 7405	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTAL BOOKSTORE:		\$ _____	\$ 7410.001	_____	_____	_____	_____	_____	_____	_____	_____	\$ 7410.003	\$ 7410.011
7605/7610 PRESCHOOL :	A/C 7605	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTAL PRESCHOOL:		\$ _____	\$ 7610.001	_____	_____	_____	_____	_____	_____	_____	_____	\$ 7610.003	\$ 7610.011
7705/7710 DAY CARE:	A/C 7705	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTAL DAY CARE:		\$ _____	\$ 7710.001	_____	_____	_____	_____	_____	_____	_____	_____	\$ 7710.003	\$ 7710.011
7805/7810 EXTENDED DAY SERVICE:	A/C 7805	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
	.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
TOTAL EXTENDED DAY SERVICE:		\$ _____	\$ 7810.001	_____	_____	_____	_____	_____	_____	_____	_____	\$ 7810.003	\$ 7810.011

SCHOOL PERSONNEL SCHEDULE INSTRUCTIONS FOR LAY EMPLOYEES

The Personnel Schedule is to be used to project salary/compensation and fringe benefits for all lay school personnel by completing each salary/compensation and fringe benefit major account number codes (i.e., 5105/5110, 5205/5210, etc.) to which personnel are assigned.

Salaries/Compensation and FICA will be distributed over the fiscal year based on the allocation provided by the school through the Salary and FICA Distribution Worksheet. The Personnel Schedule and the Salary and FICA Distribution Worksheet *are to be submitted with the budget*.

Column	Instructions
A	Employee's Name – list the employee's name. If the employee functions in more than one account number code category, list the employee in each account number code category that is applicable.
B	Salary/Compensation Sub-Account Number – enter the appropriate salary/compensation sub-account number to which that employee would be classified. Consult the School Chart of Account Number Codes for the sub-account numbers. List together all personnel charged to the same sub-account number code within a major salary category (.001, .002, etc.).
C	Salary/Compensation – enter the projected salary/compensation (exclusive of benefits) for each lay employee. Consult the rate schedule where appropriate. Complete the following steps: 1. Total each sub-account section for salaries only (add all 5105.001, 5105.002, etc.). Carry the sub-account totals to the Salary and FICA Distribution Worksheet and distribute the totals to the appropriate month of payment. In allocating by month, be sure to distinguish whether salaries are paid over a 9-month, 10-month, 12-month period, etc. 2. Total each major salary/compensation account code by category (Column C) and carry that total to page 1 of the School Budget Summary.
D	FICA for Lay Employees Only - multiply the amount in Column C by the FICA rate for lay employees indicated on page 2 of the rate schedule under Lay Employee Benefits. When completed, total Column D and insert this total on page 1 of the School Budget Summary. Also, carry the total to the appropriate line on the Salary and FICA Distribution Worksheet.
E	Workers' Compensation for Lay Employees – multiply the amount in Column C by the Workers' Compensation rate indicated in the rate schedule for Lay Employees.
F	Payroll Service Charge – enter the amount applicable for each lay employee as indicated in the rate schedule.
G	Pension for Lay Employees – multiply the amount in Column C by the pension rate indicated in the rate schedule where applicable.

- H Life Insurance for Lay Employees – multiply the amount in Column C by the life insurance rate indicated in the rate schedule where applicable.
- I Long-Term Disability Insurance for Lay Employees – multiply the amount in Column C by the Long-Term Disability (LTD) rate indicated in the rate schedule where applicable.
- J Health Insurance for Lay Employees if applicable – consult the rate schedule for the appropriate amount for each.
- K Dental Insurance for Lay Employees if applicable – consult the rate schedule for the appropriate amount for each.
- L Vision Insurance for Lay Employees if applicable – consult the rate schedule for the appropriate amount for each.
- M Total Column – add Columns E through L across for each lay employee, then total Column M down. Insert this total in the appropriate code on the School Budget Summary.
- N Unemployment Compensation for Lay Employees – enter the amount applicable for each lay employee as indicated in the rate schedule. Total Column N down then insert this total in the appropriate code on the School Budget Summary.

SCHOOL BUDGET INSTRUCTIONS FOR RELIGIOUS PERSONNEL

Refer to the Religious Compensation Handbook in determining this cost.

Complete the *Religious Compensation Worksheet* following the instructions in the Handbook. The worksheet and instructions are distributed in the spring to the pastor by the Department for Consecrated Life.

The *Religious Compensation (Ministry Services Agreement) Worksheet* for religious personnel is to be completed to project religious compensation and to distribute cost to each major account number code (i.e., 5105, 5205, etc.) to which personnel are assigned.

Compensation will be distributed over the fiscal year based on the allocation indicated when completing the Salary and FICA Distribution Worksheet. The (Ministry Services Agreement) Worksheet and the Salary and FICA Distribution Worksheet *are to be submitted with the budget*.

School _____
Location No. _____

[illegible]

SCHOOL BUDGET SUMMARY

FISCAL YEAR _____

OPERATING REVENUE

Page	2 - 3	<u>4100</u>	TUITION & FEES	\$ _____
	4	<u>4200</u>	DONATIONS & BEQUESTS	\$ _____
	5 - 7	<u>4300</u>	GENERAL FUNDRAISING	\$ _____
	8	<u>4400</u>	INVESTMENT INCOME	\$ _____
	8	<u>4800</u>	OTHER OPERATING INCOME	\$ _____
TOTAL OPERATING REVENUE				<u><u>\$ _____</u></u>

OPERATING EXPENSE

		<u>5100</u>	INSTRUCTION EXPENSE:		
			Salaries & Benefits	\$ _____	
	10 - 11		Other Instructional	_____	\$ _____
		<u>5200</u>	ADMINISTRATION EXPENSE:		
			Salaries & Benefits	\$ _____	
	12 - 13		Other Administration	_____	\$ _____
		<u>5300</u>	OPERATIONS & MAINTENANCE:		
			Salaries & Benefits	\$ _____	
	14 - 17		Other Maintenance	_____	\$ _____
		<u>5800</u>	FACULTY RESIDENCE EXPENSE:		
			Salaries & Benefits	\$ _____	
	18 - 21		Other Faculty Residence	_____	\$ _____
	22	<u>5900</u>	PROPERTY & LIABILITY INSURANCE		\$ _____
		<u>7000</u>	FOOD SERVICE PROGRAM:		
	23		Food Service Income	\$ _____	
			Salaries & Benefits	_____	
	24 - 25		Other Food Service	_____	\$ _____
		<u>7100</u>	STUDENT ACTIVITIES PROGRAM:		
	26		Student Activities Inc.	\$ _____	
			Salaries & Benefits	_____	
	26		Other Student Activities	_____	\$ _____

27	<u>7300</u>	ATHLETIC PROGRAM:		
		Athletic Income	\$ _____	
		Salaries & Benefits	_____	
28		Other Athletics	_____	\$ _____
29	<u>7400</u>	BOOKSTORE OPERATION:		
		Bookstore Income	\$ _____	
		Salaries & Benefits	_____	
30		Other Bookstore	_____	\$ _____
31	<u>7600</u>	PRESCHOOL PROGRAM:		
		Preschool Income	\$ _____	
		Salaries & Benefits	_____	
31		Other Preschool	_____	\$ _____
32	<u>7700</u>	DAY CARE PROGRAM:		
		Day Care Income	\$ _____	
		Salaries & Benefits	_____	
32		Other Day Care	_____	\$ _____
33	<u>7800</u>	EXTENDED DAY SERVICE:		
		Extended Day Income	\$ _____	
		Salaries & Benefits	_____	
33		Other Extended Day	_____	\$ _____
		TOTAL OPERATING EXPENSE		\$ _____
		DEFICIT BEFORE SUBSIDY		\$ (_____)
9	<u>4900</u>	PARISH & OTHER SUBSIDY		\$ _____
		NET OPERATING SURPLUS / (DEFICIT)		\$ _____
34	<u>1300</u>	INVESTMENTS		\$ _____
34	<u>1600</u>	PURCHASE OF VEHICLES		\$ _____
—	—	_____		\$ _____
—	—	_____		\$ _____
		PROJECTED TOTAL CASH FLOW		\$ _____

(Detail pages available upon request to Office for Financial Services)

School: _____

Elementary School Tuition Calculation Worksheet

Loc #: _____

K to 8 Tuition Calculation Detail by Category				# Students
Tuition Categories	# Families	Family Rate	Tuition Yield	
Catholic 1 Child	_____	\$ _____	\$ _____	_____
Catholic 2 Child	_____	\$ _____	\$ _____	_____
Catholic 3 Child	_____	\$ _____	\$ _____	_____
Catholic 4 Child	_____	\$ _____	\$ _____	_____
Catholic 5 Child	_____	\$ _____	\$ _____	_____
Non-Catholic 1 Child	_____	\$ _____	\$ _____	_____
Non-Catholic 2 Child	_____	\$ _____	\$ _____	_____
Non-Catholic 3 Child	_____	\$ _____	\$ _____	_____
Kindergarten (Half Day)	_____	\$ _____	\$ _____	_____
Other: _____	_____	\$ _____	\$ _____	_____
Other: _____	_____	\$ _____	\$ _____	_____
Other: _____	_____	\$ _____	\$ _____	_____
<Allowance for Uncollected>		< \$ _____	< \$ _____	>
<Free Tuition>		< \$ _____	< \$ _____	>
<Enrollment Attrition Allowance>		< \$ _____	< \$ _____	>
<Tuition Aid> +		< \$ _____	< \$ _____	>
Prior Year Tuition		\$ _____	\$ _____	
Fees		\$ _____	\$ _____	
K-8 Tuition & Fee Yield		\$ _____	\$ _____	*

* The amount under K-8 "Tuition & Fee Yield" must equal the amount under "Allocation".

+ Reduce tuition income by any aid funded through the school budget that is not reimbursed by an outside fund (e.g. BEF, SOS, Angel Fund).
Do not add and double-count monies received from outside aid funds (e.g. BEF, SOS) since these transfers are in lieu of parent payments calculated above.

Allocation of Tuition by Account	
4105.001 - Own Parish Students	\$ _____
4105.003 - Out of Parish Tuition	\$ _____
4105.005 - Non-Catholic Tuition	\$ _____
4105.011 - Kindergarten Tuition	\$ _____
4105.025 - Tuition Aid +	Note
4105.027 - Bishop Education Fund +	Note
4105.029 - Scholastic Opportunity Scholarship +	Note
4105.095 - Other Student Tuition	\$ _____
Net Current Year Tuition	\$ _____
4150 Endowment Fund Aid	\$ _____
4155 Prior Year's Tuition	\$ _____
4170 Registration Fees	\$ _____
4175 Incidental Fees	\$ _____
4180 Subject Fees	\$ _____
4190 Pupil Transportation Fees	\$ _____
K-8 Tuition & Fee Allocation	\$ _____

* _____

Pre-School Tuition Calculation			
Tuition Categories	# Students	Student Rate	Tuition Yield
3 Year Old	_____	\$ _____	\$ _____
4 Year Old	_____	\$ _____	\$ _____
Other: _____	_____	\$ _____	\$ _____
<Uncollected/Aid/Attrition>		< \$ _____	< \$ _____
Pre School Tuition ++	_____		\$ _____

++ Budget to account 7601.

See directions on back.

DIRECTIONS FOR COMPLETING ELEMENTARY SCHOOL TUITION CALCULATION WORKSHEET

Step 1: Complete the “K to 8 Tuition Calculation Detail by Category” Section

- a. Indicate number of families, family rate and tuition yield (i.e. number of families x family rate). For each category also indicate the number of students (i.e. one child families x 1, two child families x 2, etc.). Total Number of students
- b. Deduct an appropriate amount of uncollected (based on history), free tuition (if applicable), a provision for enrollment attrition over the summer and throughout the year (if applicable) and any tuition aid given through the budget that is not reimbursed by an outside fund (e.g. BEF, SOS, Angel Fund, etc.). Do not add and therefore double-count monies received from outside aid funds since these transfers are in lieu of parent payments calculated above.
- c. Add any prior year tuition expected and fees that are not credited to next year's tuition.
- d. Complete the Pre-School Tuition Calculation section (if applicable).
- e. Total the “Tuition Yield” columns.

Step 2: Complete the Allocation of Tuition by Account section

- a. Allocate the total amount of “K-8 Tuition & Fee Yield” to the appropriate account codes.
- b. Make sure that the total allocated to the account codes agrees with the total derived from the “K to 8 Calculation Detail by Category” section.

Appendix L

PETTY CASH FUND PROCEDURES

A petty cash fund may be maintained to pay minor expenses. The petty cash fund should be for a reasonable amount. The employee who maintains the fund (fund custodian) should have limited access to accounting records. The cash should be accounted for by using one of the following methods:

A. Cash on Hand

If cash from the offertory collection is kept on hand instead of being deposited in the operating account, the amount of cash not deposited must be reported each month to the appropriate receipt code. The cash disbursed out of the cash on hand must be reported under the appropriate expenditure code. The income and expense are to be reported through cash account 1001.90 - Cash on Hand. Unspent funds will show as an asset on the balance sheet.

B. Imprest Petty Cash Fund

An Imprest Petty Cash Fund is initially established by cashing a check from the operating account. The initial check should be coded to account number 1001.50 - Petty Cash. When the petty cash fund is nearly depleted, a reimbursement check should be issued from the operating account equal to the total of the expenditures made from the Petty Cash Fund. The check should be coded to the various expense account codes for which disbursements were paid out of the petty cash fund. The petty cash fund will show as an asset on the balance sheet.

C. Petty Cash Expense

The initial check and all subsequent checks are to be coded to 5630 - Petty Cash Expense. The petty cash fund will not be reported as an asset on the balance sheet.

The duties of maintaining and reconciling the petty cash fund should be segregated as follows, regardless of which method is used:

Fund Custodian

1. Ensures that the cash is kept in a secure location both at night and during the day.
2. Obtains documentation from the employees when expenses are paid or reimbursed out of the petty cash fund and prepares a cash disbursement voucher (prenumbered form) or a running list (ledger) in ink indicating the following:
 - a. Date.
 - b. The amount disbursed noted in numeral form as well as the written amount.
 - c. The reason for the disbursement and the related expense account code.
 - d. The person receiving cash should sign the form or initial the list (ledger).
3. Marks CANCELLED on the supporting documentation submitted by the employees once the employee has been reimbursed.
4. Does not accept IOU's or postdated checks. Any checks cashed through the fund are to be promptly deposited in the operating account.

5. Forwards the cash disbursement vouchers and other documentation at the end of each month or when the fund is to be replenished, to the person responsible in the Business Office for reviewing the account.

Fund Supervisor

Someone other than the fund custodian should perform the following procedures at the end of each month or when the fund is to be replenished:

1. Review the cash disbursement vouchers and other documentation.
2. Count the cash which has not been disbursed and prepare a petty cash fund reconciliation.
3. Compare the amount in the petty cash fund to the amount reported on the balance sheet (if any) and investigate any large shortages or differences.

D. Petty Cash Fund Reconciliation

Refer to the reconciliation form on the next page.

(Refer to Section 2.07.K)

PETTY CASH FUND RECONCILIATION

Section 1 : Amount To Be Accounted For

Part A – Applies to Cash on Hand Only

Cash on Hand beginning of period ____ / ____ / ____ \$ _____
Add: Cash received this period _____
Less: Cash disbursed this period (_____)
Total cash to be accounted for as of ____ / ____ / ____ \$ _____

Part B - Applies to an Imprest Petty Cash Fund or Petty Cash Expense Method Only

Authorized amount of the fund \$ _____

Section 2 : Cash Count

A) <u>Currency Denomination</u>		<u>Number</u>	<u>Amount</u>
\$20.00	x	_____	\$ _____
10.00	x	_____	_____
5.00	x	_____	_____
1.00	x	_____	_____
.50	x	_____	_____
.25	x	_____	_____
.10	x	_____	_____
.05	x	_____	_____
.01	x	_____	_____
			\$ _____

B) <u>Check Date</u>	<u>Maker</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	\$ _____

C) Approved Disbursement Voucher or Expense Support

<u>Voucher #</u>	<u>Date</u>	<u>Description</u>	<u>Amount</u>
_____	_____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	\$ _____

Total Cash Count (should equal Section 1, Part A or B above) \$ _____

Reason for any difference: _____

Signature of Custodian _____ Date _____

Signature of Supervisor _____ Date _____

Appendix M

OFFERTORY COLLECTION PROCEDURES

Offertory Collection Procedures

The parish offertory collection procedures are designed to strengthen internal control over offertory receipts, which are the primary source of income for most parishes. The procedures restrict the handling or control of funds by a single individual and establish controls over the count and deposit of funds and the maintenance of contributions records. With three or more individuals handling or controlling the receipts, the risk is substantially lowered that the receipts will be improperly diverted or inadvertently left at an unsecured location. This also serves as a defense to unwarranted accusations regarding the handling of the receipts as a single individual is more vulnerable to criticism. The controls also minimize the possibility that undeposited offertory receipts and the related documentation are tampered with.

The required procedures for collecting, securing, counting, depositing and recording offertory receipts are listed below. These procedures treat as an option and not as a requirement the taking of the offertory to the altar, having a priest present during counting and the mailing of year end contribution statements to all parishioners.

Offertory Collection Procedures

The following are the required offertory collection procedures using pre-numbered tamper evident plastic bags:

1. The ushers for each Mass are to be documented, i.e., a roster or a written schedule for the ushers indicating the Mass date, Mass time and the names of the ushers. Where possible, the ushers are to be rotated to different Mass times and rotated between groups.
2. The ushers take up the collection by passing the offertory baskets. The ushers are to be in plain view at all times.
3. In the back of the church, but in plain view, the smaller offertory baskets are emptied into one or more pre-numbered tamper evident plastic bags. Other collection receipts such as second collections are to be appropriately segregated with- in the plastic bags or in separate bags. The procedures for regular collections are to be followed for second or special collections.
4. The head or designated usher before or during Mass is to update the Bag Control List for each bag used. The head or designated usher is to remove and keep the detachable pre-numbered tag from the bag for verification purposes in case he is later contacted by the money counters.
5. The offertory in the pre-numbered plastic bags may be taken to the altar with the gifts by a designated usher. During or after Mass the offertory is placed in a safe or taken directly to the counting room to be immediately counted.

6. If the money counters do not contact the head or designated usher within one week, then the tags may be discarded. If the head usher is contacted by the money counters and there is a discrepancy, the tags are to be turned over to a designated Finance Council or Audit Committee member.
7. For parishes with multiple worship sites, the priest saying the Mass along with at least one usher is responsible for taking the offertory immediately after Mass to the parish administrative center to be counted or secured. The offertory is not to be left in an adjoining rectory, at a worship site or in the vehicle of the priest or any other individual.
8. Only the parish priests should have the combination to the safe or a key to the secured location. The safe combination should be changed when there is a turnover in parish personnel who know the combination.

Counting the Offertory

The number of counters must be at least three but not more than four unrelated persons per week to increase accountability. It is desirable that a parish priest from time to time should be present along with at least three unrelated lay persons. Where possible, lay persons should be grouped into teams and are to be rotated weekly to different Mass times and different groups based on a written schedule. The parish bookkeeper and the person who posts the offertory to the parishioner contribution records are not to be money counters. A separate Money Counter's Report is to be prepared for each Mass. The following procedures are to be used:

1. The collection is to be counted in a secure location, i.e., limited access and interruptions. The collection is to be counted on the day received, preferably after each mass. The offertory should also be balanced by mass for comparison by the finance council for any unusual trends. The money counters are to examine the plastic tamper evident bags and verify the bag numbers with the Bag Control List. All or at least a sample of the bag numbers are to be verified by contacting the head usher(s). The money counters are to report to the Pastor and the Finance Council any apparent tampering with the bags or if the bag numbers do not match those used by the ushers. The bag numbers are recorded on the money counter report and the bags are then opened to begin the counting process. If there is a discrepancy with the bag numbers, the bags are to be turned over to a designated Finance Council or Audit Committee member, otherwise the bags are discarded.
2. The envelopes are opened and the money inside is taken out and compared to the amount listed on the envelope. Envelopes with no amounts or envelopes with incorrect amounts are to be marked with the correct amounts. An envelope or a list is to be prepared for loose checks since the check indicates the contributor.
3. The envelope amounts are totaled and the money from the envelopes (currency, coin and checks) is counted and both totals are compared and reconciled. The confirmed envelope total is recorded on the Money Counter's Report in the envelope section along with the number of envelopes.

4. The loose cash is counted and the total is recorded on the Money Counter's Report loose cash section. Loose cash is the currency and coins that are put into the collection basket without an envelope to indicate the contributor.
NOTE: The loose checks are treated as envelope contributions and not as loose cash.
5. Any other receipts from votive lights, flower donations, sacramental offerings, etc., are counted and the totals are recorded on the Money Counter's Report "other" column.
6. The summary section of the Money Counter's Report is completed by adding the envelope and loose cash sections. The currency, coin and checks are to be bundled and/or wrapped and a second count taken to confirm the amount to be deposited. Any discrepancies are to be reconciled. The counters are to indicate the date of the count, what was done with the collection and sign the report. A copy of the report (summary only-no detail by parishioner) is kept by at least one of the counters off site of the parish premises for three (3) years, a copy is given to the person preparing the deposit and the original is given to the parish bookkeeper.

Depositing the Offertory

The collections are to be deposited on the day received via the use of a night deposit if necessary. Someone other than the bookkeeper is to prepare and make the actual bank deposit. The following procedures are to be followed:

1. A Collection Deposit Summary is prepared by combining the information from the separate Money Counter's Reports for each Mass. The envelopes, loose currency, coins and check totals along with the totals for each type of receipt are carried forward from the Money Counter's Report to the Collection Deposit Summary.
2. The amount to be deposited is verified by a count of the bundled currency, wrapped coin and an adding machine tape run on the checks. All checks are to be endorsed with proper endorsement stamps indicating the account name, bank name and account number.
3. A two-part deposit slip is to be prepared with one part kept on file at the parish.
4. Those who prepare the Collection Deposit Summary, prepare the deposit slip, take the deposit to the bank, confirm and record deposit information are to sign and date the appropriate section at the bottom of the Collection Deposit Summary.
5. The Collection Deposit Summary and deposit slip are given to the parish bookkeeper and these documents, along with the Money Counter's Reports, are kept on file with the other parish financial records for at least three (3) years. The parish bookkeeper is to make sure the deposit, Money Counter Reports, bag numbers and the Collection Deposit Summary are in agreement. Any discrepancies are to be reconciled or explained at the bottom of the form.
6. The bank is to be directed by the pastor to initially contact a designated person not directly involved in the collection process regarding significant deposit discrepancies.

Offertory Contribution Records

The person who posts the contribution envelopes to the individual contribution records is not to be a money counter or the parish bookkeeper. The following procedures are to be used:

1. The amount contributed is posted to the week (block) in the contribution record in which the money was received and deposited. The week indicated on the contribution envelope is ignored for envelopes turned in late or ahead of time.
2. On a monthly or quarterly basis, someone not directly involved in the collection process, i.e., collecting, counting, depositing, posting or recording collections is to verify a sample of the contribution records.

Those parishes with a manual system are to periodically verify a sample of the collections by adding up the amounts in the week (block) selected for review and by adding up the collection envelopes for that week. These totals must agree with the Collection Deposit Summary, the bank statement deposit and the deposit slip for that week. Periodically a sample of the Money Counter's Reports are to be reviewed.

Those parishes with computer systems are to verify the amount posted each week with the Collection Deposit Summary and the amount deposited. This can be done by generating collection reports and reviewing the deposit slips and bank statements. Periodically a sample of the Money Counter's Reports are to be reviewed.

If an individual gives by check but does not use an envelope, a separate posting record should be used for this individual. It is also recommended that a separate posting record be maintained for loose offertory change in order to tie to the deposit slip.

3. The collection envelopes are to be maintained in accordance with diocesan guidelines.
4. Ideally at the end of the calendar year, a copy of the individual's contribution record is to be mailed to each contributor or to a sample of the contributors. The parishioners are to be notified via the parish bulletin that they may request a statement. Any complaints or discrepancies noted by the contributor (parishioner) are to be thoroughly investigated by someone not directly connected with the collection process or record keeping.

(Refer to Section 2.08.B)

MONEY COUNTERS REPORT

Parish/Worship Site: _____

Date of Collection: ____/____/____ Mass Time: ____:____

	Regular Offerory	Second Collection	Parish Share	Other Votive/Flower/ Sacramental*	Total
Envelope:	A/C 4005	A/C	8110.	See Below	
# of Envelopes:	#	#	#	#	#
Currency	\$	\$	\$	\$	\$
Coin					
Checks					
Sub-total					
Loose Cash:					
Currency					
Coin					
Sub-total					
Summary:					
Currency					
Coin					
Checks					
Total	\$	\$	\$	\$	\$

= These amounts
 are to be carried
 forward to the
 Collection Deposit
 Summary Sheet
 by the person
 preparing the actual
 bank deposit.

* Other Receipts Detail

4205.001 Flower Donation	
4205.003 Altar Candle Donation	
4215.001 Baptismal Offering	
4215.003 Funeral Offering	
4215.005 Wedding Offering	
4805 Votive lights	
Other: _____	
Other: _____	
Total Other	\$

We the undersigned money counters verify to the best of our ability that the above collection amounts are true and correct based on our count as of ____/____/____.

Collection was: ____ Deposited ____ Night Deposit ____ Placed in Safe ____ Given to: _____

LIST OF LOOSE CHECKS

Parish/Site: _____

Date: ____/____/____

Mass Time: _____

[illegible]

The above checks are included on the line for checks under the envelope section of the money counter's report.

Parish: _____ **COLLECTION DEPOSIT SUMMARY**

Site and Bag#:						Total for Deposit
Date of Collection:	/ /	/ /	/ /	/ /	/ /	
Mass Time:	:	:	:	:	:	
Envelope/Loose:						
# of Envelopes:	#	#	#	#	#	#
Envelope Amount	\$	\$	\$	\$	\$	\$
Loose						
Total						
Money Count:						
Currency						
Coin						
Checks						
Total						
Accounting:						
4005 Offertory Collection						
_____ 2nd Collection						
8110 _____ PSP Receipts						
4205.001 Flower						
4205.003 Altar Candle						
4215.001 Baptismal						
4215.003 Funeral						
4215.005 Wedding						
4805 Votive lights						
Total	\$	\$	\$	\$	\$	\$

Procedure	Performed by (Signature)	Date	Amount
Prepared collection summary. (above)	_____	/ /	
Prepared deposit slip.	_____	/ /	
Deposit taken to the bank.	_____	/ /	
Bank deposit confirmation/advice reviewed.	_____	/ /	
Recorded in parish accounting records.	_____	/ /	
Posted contributions to parishioner records.	_____	/ /	

* These totals should all agree. If they do not agree indicate the reason below:

_____ / /

** These amounts should agree. If they do not agree indicate the reason below:

_____ / /

BAG CONTROL LIST

[illegible]

Appendix N

VOTIVE LIGHT COLLECTION FORM

Votive Light Collection Form

Parish Name: _____ Location #: _____

Instructions:

Votive receipts are to be collected from the votive boxes on a regular basis by at least two individuals. If applicable, record below the number of candles replaced/used at the time the money is collected and multiply by the requested donation to estimate the income that should be in the box. Count the funds, then record and compare the estimated income to the actual income. Any difference is to be noted and explained. The collectors/counters are to sign the form. Multiple columns are provided for instances where votive receipts are collected several times during the week but deposited only once.

Date: _____

Candles Used

Requested Donation per Candle

Estimated Income

Actual Collected/Counted

Difference

Notes:

Signature Collector/ Counter #1

Signature Collector/ Counter #2

_____ / ____ / ____	_____ / ____ / ____	_____ / ____ / ____	Total
\$	\$	\$	\$
\$	\$	\$	\$
\$	\$	\$	\$
\$	\$	\$	\$

Date Deposited: _____

Amount Deposited: _____

Deposited By: _____

Appendix O

STOCK AND BOND SALES PROCEDURES

All stock and bond sales are to be handled through the diocesan Office for Financial Services, 412-456-3028, Fax 412-456-3139. The following procedures are to be followed for the sale of stock and bond donations. The parish may publish all or part of this information annually in the bulletin to make parishioners aware of the procedures to be followed.

If the stock or bond certificate received at the parish is in the name of the donor:

the parish upon receipt of the certificate must have the donor sign an Irrevocable Stock or Bond Power Form and a Letter of Intent donating the stock or bond. The back of the stock certificate is to be left unsigned. The Irrevocable Stock or Bond Power Form will be completed by the diocesan Office for Financial Services. The stock or bond certificate, Irrevocable Stock or Bond Power Form and the Letter of Intent are to be sent by registered mail or hand delivered to the diocesan Office for Financial Services for forwarding to the broker used by the Diocese. When sent by registered mail, the stock or bond certificate must be sent separate from the other documents for security purposes.

If the stock or bond certificate received at the parish has the parish name already changed on the certificate:

The back of the stock certificate is to be left unsigned. The certificate is to be sent by registered mail or hand delivered to the diocesan Office for Financial Services for forwarding to the broker used by the Diocese.

If the stock or bond donation is wire transferred by the donor to the Diocesan Broker:

the donor can wire transfer the stock or bond to the diocesan broker instead of delivering the certificate to the parish. The donor has to let his/her broker know the following information:

- ♦ the Diocesan broker is **Parker/Hunter**
- ♦ the DTC Number is **0493**
- ♦ the Diocese of Pittsburgh Account Number is **2633-8322**

The person making the donation must send a letter of notification of the transfer to the pastor and send or fax a copy to the diocesan Office for Financial Services (412) 456-3139 in a timely manner to allow notification of the broker to expect the wire transfer. The letter must indicate the following:

- ♦ the name of the parish receiving the donation
- ♦ a description of the security donated and the number of shares
- ♦ the purpose for which the proceeds are intended
- ♦ the donor's date of intention to give.

If the stock or bond donation comes directly to the diocesan Office for Financial Services from the donor:

the donor may send the stock or bond certificate directly to the diocesan Office for Financial Services for sale. The donor must be aware that a letter must accompany the certificate indicating the following:

- ♦ the parish receiving the donation.
- ♦ a description of the security donated and the number of shares.
- ♦ the purpose for which the sale proceeds are intended.
- ♦ the donor's date of intention to give.

The donor will be contacted to sign an Irrevocable Stock or Bond Power Form and a Letter of Intent donating the stock or bond if the certificate is in the name of the donor. Upon receipt of the information from the donor or the parish, the diocesan Office for Financial Services will complete the necessary paperwork and forward with the stock to the broker.

Proceeds From Sale of Securities

The proceeds from the sale and information regarding the donation will be sent to the parish unless indicated in writing to deposit to a parish account in the Deposit & Loan Program.

(Refer to Section 2.08.D and 2.11.B)

(Type this information on parish letterhead)

LETTER OF INTENT

We, Mr. and Mrs. John Doe donate herewith ten (10) shares of XYZ Corp. common stock to
St. _____ Parish.

Signed: _____ Date: _____

Mr. John Doe

_____ Date: _____

Mrs. John Doe

Irrevocable Stock or Bond Power

Account # _____

FOR VALUE RECEIVED, the undersigned does (do) hereby sell, assign and transfer to _____

_____ Social Security Number

If Stock, Complete This Portion:

_____ shares of the _____ stock of _____

represented by Certificate(s) No(s). _____ inclusive,

standing in the name of the undersigned on the books of said Company.

If Bonds, Complete This Portion:

_____ bonds of _____

in the principal amount of \$_____. No(s). _____ inclusive,

standing in the name of the undersigned on the books of said Company.

The undersigned does (do), hereby, irrevocably constitute and appoint _____ attorney to transfer the said stock or bond(s), as the case may be, on the books of said Company, with full power of substitution in the premises.

Dated _____

Sign Here: _____

IMPORTANT – READ CAREFULLY

The signature(s) to this Power must correspond with the name(s) as written upon the face of the certificate(s) or bond(s) in every particular without alteration or enlargement or any change whatever. Signature guarantee should be made by a member or member organization of the New York Stock Exchange, members of other Exchanges having signatures on file with transfer agent or by a commercial bank or trust company having its principal office or correspondent in the City of New York.

(Person(s) Executing This Power Sign(s) Line Above Name)

SIGNATURE GUARANTEED

SAMPLE GIFT ACKNOWLEDGEMENT LETTER

DATE

DONOR ADDRESS

Dear _____:

Thank you for the generous donation of _____ shares of _____ Corp. common stock to St. _____ Parish. These funds will be used in accordance with your instructions. Please know that your support and generosity is very much appreciated.

This letter should be kept as an acknowledgment of your contribution to St. _____ Parish for income tax purposes pursuant to Section 170(f)(8) of the Internal Revenue Code. It is further acknowledged that St. _____ Parish did not provide any goods or services in full or partial consideration for the above contribution.

Sincerely yours,

Reverend _____
Pastor

Appendix P

FEDERAL TAX REQUIREMENTS FOR CHARITABLE CONTRIBUTIONS

Effective since July 1, 1994 church and religious organizations must comply with the Omnibus Revenue Reconciliation Act of 1993 regarding acknowledging to the donor the receipt of contributions of \$250 or more and the acknowledgement required for certain fundraising activities.

The general portion of this law pertains to the gifts received that are \$250 or greater. The gifts can be in any form such as offertory gifts, payments to the Parish Share Program, payments on pledges for specific capital programs of the parish, or gifts to the parish school. The ruling applies to gifts paid by check or cash.

A cancelled check is not adequate for donors to claim a charitable deduction for any cash gift of \$250 or more given at one time without proper acknowledgement from the parish or school.

To comply with this law, the following options are available:

- ♦ Issue an acknowledgment form letter each time a gift of \$250 or more is given. (See sample form in Appendix P)
- ♦ Notify the contributor annually of the aggregate annual giving amount, but modify the form to itemize those gifts that are \$250 or more. This itemization must include the date of each gift of \$250 or more.

By providing proper acknowledgment forms, donors will have the necessary forms to substantiate gifts that qualify for a charitable deduction.

A second facet of this law is to acknowledge donors when they make a gift of \$75 or more and the gift has tangible return benefits such as dinners, golf outings, dances and similar events where part of the payment constitutes a contribution. Any time this happens (\$75 or more) the donors must be advised that only a portion of the gift is tax deductible. The deductible portion of the gift is the excess of any “goods or services” provided by the church or the school. An example of this is if a parish charges \$100 for a dinner dance and the actual cost of the dinner to the parish is \$40, the donors must be notified that only \$60 would qualify for a charitable deduction. According to the law, notification statements may be made in any reasonable manner likely to come to the attention of the donor. This disclosure may be placed on solicitation materials, event programs, tickets, etc.

The above substantiation and disclosure rules do not alter charitable deductions but place an added obligation for the parish and school to provide the necessary acknowledgements. These acknowledgements must be provided prior to the donor actually filing their tax return or the due date of the return. A copy of the Acknowledgement Letter should be kept by the parish for seven (7) years.

(Refer to Section 2.08.E and 2.09.C)

SAMPLE GIFT ACKNOWLEDGEMENT LETTER

DATE

NAME AND ADDRESS

Dear _____:

Thank you for the generous donation to Saint _____ Parish. The donation of \$_____ check #_____ dated _____ will be used in accordance with your instructions. Your valuable support and generosity is much appreciated.

This letter should be kept as an acknowledgment of your contribution to Saint _____ Parish for income tax purposes pursuant to Section 170(f)(8) of the Internal Revenue Code. It is further acknowledged that the Saint _____ Parish did not provide any goods or services in full or partial consideration for the above contribution.

Sincerely yours,

Appendix Q

INTERNAL CONTROL AND OTHER PROCEDURES FOR:

A. MERCHANDISE DISCOUNT PROGRAM CONTROLS

B. BINGO CONTROLS

C. RAFFLE CONTROLS

D. OTHER FUNDRAISERS INVOLVING GAMBLING

E. OTHER FUNDRAISERS NOT INVOLVING GAMBLING

A. MERCHANDISE DISCOUNT PROGRAM *(Refer to Section 2.09.J)*

Many parishes and schools sell store gift certificates/cards as a fundraising activity. They purchase the certificates/cards at a discount, generally paying 90% to 96% of the face value. The parishioners then purchase and use them at face value and the parish earns an amount equal to the discount. The net proceeds earned will not be assessed under the Parish Share Program or for other assessments levied by the diocese.

Some parishes and schools conduct their own programs, but to do so, they must have the financial resources available to purchase the starting inventory. Others purchase their certificates/cards through a purchasing agent who buys and delivers them to the parish or school. This eliminates the parish or school having to pay up front for the certificates/cards since it orders and collects payment in advance. In return, the agent keeps a portion of the discount.

Volunteers

Since this is a resale program, it must be run by volunteers. This keeps the parish or school from earning income which the IRS might decide is taxable (technically, it's called "unrelated business income"). Often, Home & School Associations or other parish organizations oversee the merchandise discount program by providing volunteers.

Record Keeping

1. Unsold certificates must be kept in the parish safe or a secure location.
2. An inventory of certificates is to be maintained on a control sheet matching certificate amounts and certificate numbers. This control sheet is to be reconciled at least weekly to sold and unsold certificates. The inventory list is to be initialed by the person responsible for the reconciliation.
3. Cash and checks received for the purchase of certificates are to be deposited at least every other day and kept in a safe or secured location until deposited.
4. The pastor is to appoint at least one individual, independent of those selling the certificates, to reconcile the amount of certificates sold to the deposit slips and to the inventory of certificates on hand. This is to be done at least weekly.

When certificates/cards are sold there should be several people involved. They should keep an inventory sheet that tells how many of each type of certificate/card they have. They must record how many certificates/cards were sold, how much money they collected, and how many certificates/cards they handed on to the next seller. When the money and certificates/cards are returned to the person in charge of the program, he or she should be able to reconcile the

starting inventory, money collected and ending inventory.

Certificates/cards should be kept in a manner that makes inventory control easy. For instance, each type could be kept in a separate envelope. When a seller receives the certificates/cards, he or she should then be able to easily count how many of each certificate/card he or she received. Each new seller must count the certificates/cards and cash he or she receives. This is essential to protect the inventory and cash receipts, and to protect the interests of the volunteers selling certificates/cards.

Paying for Certificates/Cards

When dealing with purchasing agents keep in mind that they work on a very small profit margin, typically 1% of the certificate/card face value. They must sell a large volume of certificates/cards to make money, and this may cause them some cash flow problems. Checks must be made payable to the vendor with which the parish or school does business. If there were a question about a particular purchase, the parish or school could not prove it paid for certificates if it did not have a cancelled check made payable to the organizational name of the agent.

Processing Options

There are three options for processing the scrip certificate fundraising activity:

Option A

Separate checking account not on the accounting system - transfer net proceeds to parish or school main checking account.

Establish a separate checking account exclusively for this program. The net proceeds are to be transferred either to the parish or school main checking account, whichever was designated, at least quarterly if not more often.

The initial disbursement of money from the parish or school main checking account to a separate checking account is to be coded to Account Number Code 1195 - Other Accounts Receivable. If the program is terminated, transfer the same amount back to the parish or school checking account using the same Account Number Code 1195.

When recording the transfer of the net proceeds from the scrip checking account to the parish or school, use the Account Number Code 4350 - Scrip Fund Raising Income.

The title of the new checking account is to include the parish name and the name of the program, such as "Saint _____ Scrip Program." The account is to be opened under the parish's Federal Identification Number.

Option B

Separate checking account on parish or school accounting system.

Use Account Number Code 4350 - Scrip Fund Raising Income to record the gross receipts from scrip sales on the parish or school financial statements.

Use Account Number Code 4355 - Scrip Fund Raising Expense to record the purchase of the scrip certificates on the parish or school financial statements.

Code the initial transfer of funds from the main parish or school checking account to Account Number Code 2905 - Transfers to Other Checking Accounts. Record the deposit in the new

checking account to Account Number Code 2905. If the program were to terminate, transfer the same amount back to the parish or school main checking account using the same Account Number Code 2905.

Record the initial purchase of scrip certificates/cards through the Scrip checking account. Use Account Number Code 4355 - Scrip Certificate Fund Raising Expense to record the purchase.

The title of the new checking account must include the name of the parish or school, such as “Saint _____ Scrip Program.” The account is to be opened under the parish’s Federal Identification Number.

Option C

Do not open separate checking account, but use parish or school main checking account.

Use Account Number Code 4350 - Scrip Fund Raising Income to record the gross receipts from scrip sales through the parish or school checking account.

Use Account Number Code 4355 - Scrip Fund Raising Expense to record the purchase of the scrip certificates through the parish or school checking account.

MERCHANDISE DISCOUNT PROGRAM CODING SUMMARY:

Transaction	Option A Separate Checking Account Not on System	Option B Separate Checking Account On System	Option C Through Parish or School Operating Checking Account
Transfer start-up funds to new checking account	A/C #1195	A/C #2905	N/A
Purchase certificates	N/A	A/C #4355	A/C #4355
Deposit of certificate sale proceeds	N/A	A/C #4350	A/C #4350
Transfer of proceeds to the parish/school operating account	A/C #4350	A/C #2905	N/A
Repayment of start-up funds upon termination of program	A/C #1195	A/C #2905	N/A

Possible Problems

There are many risks and potential problems associated with this program and the following are some examples:

Safeguarding Certificates and Cash

Certificates are just like cash. Whoever has them can use them at the store for their face value.

They must be safeguarded. Unsold certificates/cards should be put in a safe or secured location as soon as sales are concluded. Money collected should be put in the safe or a secured location and remain there until deposited in the bank. Other guidelines are as follows:

Cash/Certificate Box: Limit cash and certificates in the box to no more than needed. Boxes should be stored in the rectory/school at all times. Boxes should never be taken home by an employee or volunteer.

Balance cash/certificate transactions daily. Be sure that cash and certificates balance accurately.

Limit the number of people involved in balancing transactions. Balance transactions in a secure location.

Know your purchasers! Be sure the check received has an address and phone number and/or envelope number placed on it. Do not accept out of town or third party checks.

Do not accept cash higher than \$50 bills.

Eliminate possibility of grab-and-run situations. Conduct all transactions in a controlled environment. Do not sell near exits. Try to conduct sales in a separate room or location other than front entrance of rectory and/or church.

Size of Inventory

Certificate/card sales involve very large sums of money, especially if the parish or school keeps an inventory on hand. Most places seem to find it convenient to have at least some certificates on hand all the time. When buying certificates for inventory, remember that the parish or school is working on a small profit margin. In other words, if the parish only makes 4% on certificate sales, it's relatively easy to invest more in inventory than the parish ever sees in net proceeds.

Know the Purchaser

Some individuals purchase certificates/cards using bad checks. Be wary of selling large quantities to someone who is not well known or you have not dealt with in the past.

Acceptance of Credit Cards

Some places allow individuals to purchase certificates/cards using credit cards. A percentage of the transaction is paid to the credit card company which can significantly reduce or eliminate the net proceeds on certain types of certificates/cards.

Other Concerns

Companies can go out of business and any related certificates/cards on hand can become worthless. Therefore buy from reputable companies and keep inventories to a minimum.

Shift from Certificates to Cards

Several stores have shifted away from the use of paper certificates to cards with magnetic strips. The cards pose additional problems as follows:

Unmarked Cards - Some of the stores do not print the card value on the face of the card. There is no way to determine whether the card is worth \$10, \$25, \$50 or \$100

without special equipment. The cards could easily be mixed up and sold for the wrong amount.

Valuation of Cards - Even with cards that are marked as to the amount, there is no way to know whether the card has been removed, used and returned to inventory. A card could be included in inventory that is actually worthless.

Exchange of Cards - Some parishes have exchanged cards returned by individuals who wanted a different store card only to find out the card they received was already used and virtually worthless.

Handling Fee - Some stores charge a \$1.50 handling fee for each card issued but may waive the fee for non-profits.

Inactivity Fee - Some cards, if not used within six months or so, incur a fee per month for non-use which reduces the value of the card. Also, the date that a parish or school purchased the card for the merchandise discount program becomes the card's issue date. The fee charged after six months of non-use begins with that date regardless when an individual buys the card. It becomes important how long the card is maintained in the parish's inventory because of the fee. (Example, if the parish purchases a card on January 1 and does not sell it until April 1 of the same year, a monthly fee would be charged in July if the card was not used by that date.)

Balance Reserves - When some cards are used at a restaurant, the card company issuer may automatically add a 20 percent tip to the total bill. Also, when some cards are used at certain gas stations, the company issuing the card assumes you are going to fill up your gas tank and withholds \$30 even if you only charge \$20. The remaining \$10 may not be available for three business days.

Balance Inquiry Fee - A fee may also be charged to the card each time you do a telephone balance inquiry. The first inquiry is usually free.

Workload

The number of volunteers/employees and time required to purchase, sell, deposit, track, inventory and reconcile the certificates/cards is considerable.

Notice to Participants

It is important to limit Scrip credits/rebates to only those cases where the scrip will be used to purchase items for the individual's personal use. The following notice should be distributed to all participants and posted where sales are conducted:

[On Parish Letterhead]

Notice to:

Merchandise Discount (Scrip/Gift/Grocery Certificate) and Market Day Program Participants

In order for our parish/school to continue providing you with the opportunity to participate in the Merchandise Discount (Scrip/Gift/Grocery Certificate) and Market Day Program and earn tuition credits, the following policies must be observed:

- ☐ Scrip and Market Day purchases are not tax deductible as charitable contributions.
- ☐ If you are designating that the proceeds from your scrip/food purchases be credited to the benefit of a specific student then all scrip/items purchased through these programs must be for your own personal use and not for resale to others.
- ☐ The Merchandise Discount (Scrip/Gift/Grocery Certificate) and Market Day programs are the only fundraising events approved by the Diocese of Pittsburgh for tuition credits.

Your understanding of and compliance with the above policies will help us to continue these successful programs.

Control Forms and Instructions

The following are explanations and instructions for the recommended forms to be used in tracking and reconciling the financial activity of a merchandise discount program. These forms and instructions may need to be modified and are available in electronic (Excel) format for easy modification to fit the particular circumstances of each parish.

Daily Sales Log

Each seller or team of sellers completes a separate Daily Sales Log each day. Normally the certificates should be sold in teams of at least two individuals. The following are specific instructions for the form:

Column	Instructions
A	List the name/type of certificate/card on a separate line for each type in inventory.
B	List the face value of the certificate/card listed in Column A.
C	Use this section to tally mark sales of this particular certificate type.
D	At the end of the sale period, enter the total of the tally sales from column C.
E	At the end of the sale period, multiply the Face Value in Column B by the number sold in Column D and record the result here. Enter the total for this column.
F	Optionally, record the beginning inventory for each type of certificate before the sale period began. Enter the total for this column.
G	Optionally, calculate the expected ending inventory by subtracting Column E from Column F. Enter the total for this column. The actual certificates may then be counted and reconciled to the ending inventory total of this column.

The Daily Sales Log is to be signed by the sellers and kept on file to support the amount deposited into the checking account. The amount deposited should agree to the total of Column E.

Daily Control Account

The Daily Control Account is a continuous form that is filled out daily by the organization treasurer and includes running balances for payables, checking balance and inventory on hand. The following are general instructions for the form:

Column	Instructions
C, D, E & F	These columns are only used for orders placed with vendors for scrip. Complete these columns at the time the order is placed. Leave Column F blank until the scrip is actually received and placed into inventory for sale.
G, H & I	These columns are only used for check disbursements. Record all checks when issued.
J & K	These columns are used only for Deposits. Record all deposits taken to the bank.
L, M & N	The first line of the form includes beginning balances from the previous form for the last three columns (L-Payables, M-Checking and N-Inventory). If this is the first use of the forms, record the beginning values based on the current detail available (L-add up unpaid invoices, M-record the current checkbook balance, N-take an initial inventory).

The following are specific instructions for the Daily Control Account form:

Column	Instructions
A	Enter a date for each transaction (vendor order placed, check issued, deposit made, etc.).
B	Enter the name of the payee for vendor orders or checks. If this is a deposit, write "Deposit." For any other type of transaction, write a brief explanation (bank fee, interest, etc.).
C	Record the vendor order number or invoice number whenever scrip is ordered.
D	Enter the cost of the scrip order at the time the order is placed.
E	Enter the face value of the order.
F	This column is left blank until the scrip is actually received into inventory. When the scrip is actually received, place a checkmark in this column.
G	Enter the check number or write, "Debit", "EFT", etc. for non-check reductions.
H	Enter the total amount of the check or debit.
I	Enter only the amount pertaining to scrip purchases at cost. If this is a non-scrip transaction (transfer to school, bank fee, etc.), enter zero in this column.
J	Enter the deposit or credit amount for all increases in the checking balance.
K	Enter only the amount pertaining to scrip sales (as indicated on the Daily Sales Log) taken to the bank for deposit. Do not include undeposited receipts or cash on hand.
L	This column is a running balance for payables to vendors for scrip purchases. Update the running balance starting with the prior balance and add any scrip purchases at cost (Col. D) and subtracting any payment to scrip vendors (Col. I). Record the updated balance here.

Column	Instructions
M	This column is a running balance for the checking account. Update the running balance by starting with the prior balance, subtracting any check/debit amount (Col. H) and adding any deposit/credit amount (Col. J). Record the updated balance here.
N	This column is a running balance for scrip inventory. Update the running balance by starting with the prior balance, adding any new scrip order face value (Col. E even if the scrip is not yet received) and subtracting any scrip face value deposits (Col. K). Record the updated balance here.

Once each line of the form is used, begin a new form by carrying the ending balances for columns L, M & N to the new form as beginning balances. Keep all Daily Control Account forms on file.

Weekly Inventory Sheet

A separate Weekly Inventory Sheet is to be completed at the end of each week by at least two individuals who take the inventory count. The following are specific instructions for the form:

Column	Instructions
A	List the name or type of certificate/card on a separate line for each type in inventory.
B	List the face value of the certificate/card listed in Column A.
C	Enter the number of certificates/cards on hand.
D	Multiply the Face Value in Column B by the number on hand in Column C and record the result here. Enter the total for this column.

The Weekly Inventory Sheet is to be signed by the counters and kept on file.

Weekly Reconciliation Sheet

A separate Weekly Reconciliation Sheet is prepared each week by someone independent of those selling the scrip. The purpose of the form is to reconcile the detail records to the Daily Control Account totals as of a specific date. All amounts entered on the form are to be as of the date the reconciliation is being performed. The following are specific instructions for the form:

Line#	Instructions
1	Enter the running payables total from the Daily Control Account (Col. L).
2	List all unpaid scrip vendor invoices.
3	Subtract Line 2 from Line 1. Enter the result. Any difference is to be investigated and explained at the bottom of the form.
4	Enter the running checking balance from the Daily Control Account (Col. M).
5	Enter the checkbook balance from the check stubs or enter the reconciled bank balance if available.
6	Subtract Line 5 from Line 4. Enter the result. Any difference is to be investigated and explained at the bottom of the form.
7	Enter the running inventory total from the Daily Control Account (Col. N).
8	List all scrip orders in which the scrip has not yet been received. This would include all scrip orders listed on the Daily Control Account that do not have a checkmark in the received column (Col. F). List these orders regardless of whether or not the scrip has been paid for.

Line#	Instructions
9	List the total sales from any Daily Sales Logs in which the funds (total of Col. E) have not yet been deposited in checking.
10	Calculate the adjusted inventory by subtracting the scrip orders in transit and by subtracting the undeposited scrip sales from the inventory running balance on the Daily Control Account.
11	Enter the actual inventory count from the Weekly Inventory Sheet (total of Col. D).
12	Subtract Line 11 from Line 10. Enter the result. Any difference is to be investigated and explained at the bottom of the form.

The individual performing the reconciliation is to sign and date the form. The form is to be kept on file.

Following this page are the Daily Sales Log, Daily Control Account, Weekly Inventory and Weekly Reconciliation forms that can be used by the organization. Questions regarding the use of these forms should be directed to the Office for Financial Services (412-456-3025) or the Office for the Auditors/Analysts (412-456-3028).

Date of Sales: ____/____/____

Appendix Q.10

Date of Sales: ____/____/____

Sales made by:

_____/_____/_____
Signature Date

Daily Control Account

[illegible]

Weekly Inventory Sheet

Date of Inventory: ____/____/____

[illegible]

[illegible]

Inventory taken by:

Witness:

Weekly Reconciliation Sheet

Week Ending: ____/____/____

Payables Reconciliation:

1. Payables per Daily Control Account (Column L) ____/____/____ \$

2. List: Unpaid Orders/Invoices from Vendors:

	Payee	Invoice#	Date	Cost	
A.			____/____/____		
B.			____/____/____		
C.			____/____/____		
D.			____/____/____		
					Line 2A+2B+2C+2D ()
3.	Difference in Payables Amount			(Line 1 - 2)	\$

Checking Reconciliation:

4. Checking Balance per Daily Control Account (Column M) ____/____/____ \$

5. Checking Book Balance per Check Stub/Reconciled Balance per Bank ____/____/____ ()

6. Difference in Checking Balances (Line 4 - 5) \$

Inventory Reconciliation:

7. Inventory per Daily Control Account (Column N) ____/____/____ \$

8. Less: Orders paid but not received from Vendor (Daily control Account Col. E no checkmark in Col. F)

	Payee	Invoice#	Date	Face Amount	
A.			____/____/____		
B.			____/____/____		
C.			____/____/____		
D.			____/____/____		
					Line 8A+8B+8C+8D ()
9.	Less: Undeposited Sales per Daily Sales Log (Column E)			____/____/____	()
10.	Adjusted Inventory Control Account Balance			(Line 7 - 8 - 9)	\$
11.	Inventory per Weekly Inventory Sheet (Column D)			____/____/____	()
12.	Difference in Inventory Amounts			(Line 10 - 11)	\$

Explanation of Differences:

Reconciled by: _____ ____/____/____
Signature Date

B. BINGO CONTROLS *(Refer to Section 2.09.K)*

The parish should establish written bingo procedures which include the number of workers required to run a bingo game, detailed procedures for collecting, counting, and depositing cash, and preparation of bingo activity reports. Those supervising bingo should be familiar with the procedures. The procedures should be reviewed on a periodic basis to ensure the parish is conducting the bingo within its stated guidelines.

There should be enough workers to adequately monitor door and floor sales. The people collecting admissions and selling cards should not be counting money and preparing reports.

It is important to rotate the bingo workers regularly. Any recurring errors or irregularities in counting and recording cash will be evident immediately if workers rotate jobs periodically. Floor workers should be rotated to different parts of the hall or to other tasks on a weekly basis.

Accurate attendance records should be kept for each bingo and compared to the door receipts. This will help those running the bingo to determine if attendance records are inaccurate or if players are being admitted free. A record should be kept of floor sales and significant fluctuations from game to game or from week to week should be investigated and resolved.

Cash should be collected regularly from floor workers and from the door. Collections should be counted and recorded promptly and locked in a safe until deposited. Floor workers, in particular, should not keep large amounts of cash. Removing cash from the bingo playing area will help prevent loss due to careless record keeping or theft.

A bingo report should be prepared each night bingo is played. At the end of the evening, the money should be counted, the net income for the evening calculated, and the money deposited, in tact, in the bank. Money should not be removed from the proceeds except to pay prizes. Jackpot prizes should be paid by check. This will ensure they are properly recorded and will help in preparing Form W-2G to report gambling winnings to the Internal Revenue Service.

If money is not deposited the night it is collected, it should be locked in the parish safe. The count should be verified the next morning and the money should be deposited the same day.

Each night that bingo is played a report should be prepared that shows the activity for the night. Bingo reports should indicate the attendance, entry fees collected, sales per game at the door and from the floor, prizes per game, total sold for other games, kitchen income and expenses, miscellaneous income and expense, net income, signature of person in charge, names of all bingo workers, any starting and ending bingo cash, etc.

Because bingo involves large amounts of cash and a large number of transactions, a bingo operation may have its own checking account. All bingo expenses should be paid by check including security guards and reimbursements for kitchen operations. If the parish pays its bingo workers for services rendered, the parish could be subject to unrelated business income tax. The net profit from the bingo is to be transferred to the parish during the fiscal year earned.

The parish must report bingo prizes as indicated in the section of the Appendix on “Rules and Regulations for Reporting and Withholding on Gambling Winnings”

Bingo Salaries/Wages

Bingo workers can be compensated and the parish not be subject to Unrelated Business Income Tax (UBIT) nor the bingo license jeopardized if you comply with the following:

1. According to Federal Tax Regulations, a bingo is not subject to Unrelated Business Income Tax (UBIT) if there are no commercial bingos in the state. Since Pennsylvania does not currently allow commercial bingos, compensating bingo workers would not subject the bingo to UBIT. The operation would have to be strictly bingo and not include other small games of chance, raffles or even the sale of food as paying compensation to individuals to conduct these activities may cause the entire fundraiser to be subject to UBIT.
2. According to Pennsylvania Law you may pay a bingo worker compensation up to \$50 per day. Forms of compensation include payment by cash, check and giving an individual credit against tuition or fundraising fees that are owed to the school. The individual must be on the parish payroll and taxes withheld. If you pay more than \$50 per day you could have your bingo license revoked for an indeterminate period.
3. All forms of compensation, including payment by cash, check or tuition credit, must be reported through the payroll system and taxes must be withheld just like any other employee. The parish would also incur the other required insurance costs for the bingo employees. Failure to report the compensation could result in fines and penalties from the IRS.

C. RAFFLE CONTROLS *(Refer to Section 2.09.L)*

The parish should use only pre-numbered tickets for raffles and lotteries. This will provide the best control over tickets and proceeds and will also make accounting for the raffle easier. It is important to control access to tickets to prevent theft and improprieties. Tickets should be locked in the parish safe until they are issued to sellers.

Those in charge of the raffle should keep a record, by ticket number, of how many tickets were issued, to whom they were issued, how much money and how many tickets each seller has returned, and how many unsold tickets are outstanding. This will provide assurance all tickets sold are included in the drawing, will help prevent lost tickets and money, and will guard against sellers giving away tickets.

If raffle tickets are sold during an event, for example, for a door prize drawing, it may not be practical to perform all the control procedures that should be present when tickets are sold over a longer period of time. However, pre-numbered tickets should still be used, the number of people selling tickets should be limited, and a strict accounting should be made of tickets sold, money collected, and tickets returned.

In larger-scale raffles and raffles which are conducted over a period of time, parishes should keep a formal record of tickets issued and cash received. At a minimum, the parish should be able to reconcile the tickets issued to sellers, the cash deposited, the tickets entered in the drawing, and unsold tickets which have been returned.

After the raffle has concluded, the pastor should receive a report that includes the gross receipts from tickets sales, number and amount of prizes, names of prize winners, other expenses (e.g., cost of printing), net income, etc.

The parish must report raffle prizes as indicated in the section of the Appendix on “Rules and Regulations for Reporting and Withholding on Gambling Winnings.”

Raffle Salaries/Wages

Raffle workers are not to be paid compensation or commissions for selling raffle tickets. Compensation includes giving an individual credit against tuition or fundraising fees that are owed to the school. According to Pennsylvania Law no compensation is permitted for raffles or small games of chance. If compensation is paid for these types of fundraisers, your license for small games of chance may be revoked for an indeterminate period.

D. OTHER FUNDRAISING INVOLVING GAMBLING

Individuals that work events such as festivals, night at the races, etc. that involve raffles, small games of chance or other gambling activities, are not permitted to be paid any compensation according to Pennsylvania Law. Compensation includes giving an individual credit against tuition or fundraising fees that are owed to the school. If compensation is paid for these types of fundraisers your license for small games of chance may be revoked for an indeterminate period.

E. OTHER FUNDRAISING NOT INVOLVING GAMBLING

Individuals that work events such as dinners, dances, fish fries, etc. that do not involve raffles, small games of chance or other gambling activities, may be paid compensation up to 15% of their time according to Federal Tax Law. Forms of compensation include payments by cash, check and giving an individual credit against tuition or fundraising fees that are owed to the school. The compensation must be reported through the payroll system and taxes must be withheld just like any other employee. The parish would also incur the other required insurance costs. Failure to report the compensation could result in fines and penalties from the IRS. If you pay compensation of more than 15% you may subject the fundraiser to unrelated business income tax. Volunteers must perform at least 85% of the work.

Appendix R

RULES AND REGULATIONS FOR REPORTING AND WITHHOLDING ON GAMBLING WINNINGS

The Internal Revenue Code requires that certain gambling winnings be reported by the payer of the prize. The purpose of this document is to inform you of Federal Tax Law requirements regarding the reporting and withholding of certain gambling winnings, including bingos, church/school raffles and similar games of chance. This document may be distributed to the parish and school organizations conducting the above mentioned activities.

I. Reporting and Withholding Requirements

The requirements for gambling winnings reporting and withholding generally depend upon the type of gambling and the amount won. In some cases other factors will need to be considered, i.e. the ratio of winnings to the wager, who is paying the tax and whether the winner provides a taxpayer identification number. The following chart summarizes the requirements for typical gambling activities:

Type of Gambling	Report if amount won is...	Withhold taxes if...
Bingo	\$1,200 or more	the winner fails to provide a taxpayer identification number, withhold at a rate of 30% (Backup-withholding).
Raffle, Lottery, Drawing	\$600 to \$5,000 (net of wager) and the amt. won is at least 300 times the wager	the winner fails to provide a taxpayer identification number, withhold at a rate of 30% (Backup-withholding).
Raffle, Lottery, Drawing	More than \$5,000 (net of wager)	always withhold at least 27%. If this is a non-cash prize, i.e car, trip, etc. and the payer (not the winner) pays the tax, withhold 36.98%.

When using the above chart, the amount won is based on the original prize amount, not each individual's share of a jointly owned ticket or wager. If multiple prizes are won on a single ticket/wager, the winnings are combined to determine if withholding or reporting requirements apply. In the case of one wager for multiple tickets, such as five tickets for \$1.00, the wager is considered \$.20 for each ticket. If the winnings are of a non-cash nature, i.e., the fair market value of the item won (net of the wager) is considered the amount of winnings.

II. Reporting and Withholding Procedures

If, according to the requirements outlined in Section I, you must report gambling winnings to the IRS, then prepare Form 5754 as follows:

Form 5754 is normally used when the person receiving the winnings is not the actual winner or is a member of a group of two or more winners on the same winning ticket. However, this Form is used by the diocesan Payroll Office as a source document for the preparation of the W-2G Form which is filed with the IRS. If federal taxes are required to be withheld the person receiving the winnings must sign the Form.

SPECIFIC INSTRUCTIONS FOR PREPARING FORM 5754

Follow the instructions below to complete Form 5754 listed at the end of this appendix.

<u>Block</u>	<u>Information to be Provided</u>
--------------	-----------------------------------

- | | |
|-----|--|
| 1. | Date on which winnings were won. |
| 2. | Type of winnings, such as bingo, 50-50 drawing, etc. |
| 3. | Not applicable |
| 4. | Not applicable |
| 5. | Not applicable |
| 6. | The name of the person to whom the winnings are paid. If there are multiple winners on one ticket the prize must be paid to one person. The respective share for each winner is listed in Section II if there are multiple winners. |
| 7. | The address of the person to whom the winnings are paid. |
| 8. | The social security number of the person to whom the winnings are paid. |
| 9. | Other identification - the driver's license number or credit card number of the person to whom the winnings are paid. |
| 10. | The amount paid to the person who is receiving the winnings. For non-cash prizes use the fair market value of the item won. |
| 11. | The Amount of Income Tax Withheld: the amount to be withheld is calculated as follows: <ul style="list-style-type: none">a. Net Winnings: Gross winnings paid out less the cost of the wager equals the net winnings paid out.b. Withholding Calculation: If regular withholding applies, then withhold 27% * for federal income taxes as calculated below: |

$$\begin{array}{r} \text{Net winnings paid out} \\ \times \qquad \qquad \qquad .27* \\ \hline \text{Federal Income Tax to be withheld} \end{array}$$

**Use .30 if this is backup withholding for failure by the winner to provide a taxpayer identification number.
Use .3698 if this is a non-cash prize and the payer (not the winner) is paying the tax.*

Part II of Form 5754 is for multiple winners who share in a single prize. The person receiving the winnings must provide this information.

- | | |
|-----|--|
| 12. | The name(s) of the person(s) to whom the winnings are taxable. List here any individuals who share in the prize. |
| 13. | Each winner's social security number. |

14. Each winner's address.
15. The respective share of the winnings taxable to each winner.
16. The additional winnings from identical wagers for each of the winners. This would be other winnings from an identical wager that are reported on a separate Form 5754/W-2G. For purposes of determining whether reporting and withholding apply you would combine these winnings from the identical wagers.
17. The person receiving the payment/prize must sign the Form if any taxes are withheld.
18. The date the Form is signed.

You must forward a copy of the completed Form 5754 to the diocesan Payroll Office along with a check payable to the Diocese of Pittsburgh for any withholdings. The diocesan Payroll Office will then handle the actual filing of the form and the remitting of any withholdings to the IRS. The Form should be forwarded to the Payroll Office promptly since there are filing deadlines and requirements which must be met in order to avoid possible penalties. Form 5754 can be obtained from the diocesan Payroll Office or Office for Financial Services.

(Refer to Section 2.09.M)

Statement by Person(s) Receiving Gambling Winnings

► Recipients of gambling winnings should see the instructions on the back of this form.

► Payers of gambling winnings should see the separate Instructions for Forms W-2G and 5754.

OMB No. 1545-0239

**Return to payer. Do not
send to the IRS.**

Date won	Type of winnings	Game number	Machine number	Race number
1	2	3	4	5

Part I Person to Whom Winnings Are Paid

Name		Address	
6		7	
Taxpayer identification number	Other I.D.	Amount received	Federal income tax withheld
8	9	10	11

Part II **Persons to Whom Winnings Are Taxable** (continued on page 2)[illegible]

Under penalties of perjury, I declare that, to the best of my knowledge and belief, the names, addresses, and taxpayer identification numbers that I have furnished correctly identify me as the recipient of this payment and correctly identify each person entitled to any part of this payment and any payments from identical wagers.

Signature ► 17

Date ► 18

For Privacy Act and Paperwork Reduction Act Notice, see back of form.

Cat. No. 12100R

Form **5754** (Rev. 7-2000)

Part II Persons to Whom Winnings Are Taxable (continued from page 1)

(a) Name	(b) Taxpayer identification number	(c) Address	(d) Amount won	(e) Winnings from identical wagers

Instructions for Recipient of Gambling Winnings

Purpose of form. You must complete Form 5754 if you receive gambling winnings either for someone else or as a member of a group of winners on the same winning ticket. The information you provide on the form enables the payer of the winnings to prepare **Form W-2G**, Certain Gambling Winnings, for each winner to show the winnings taxable to each.

Completing the form. If you are the person to whom gambling winnings are paid, enter your name, address, and taxpayer identification number in Part I. If the winnings are from state-conducted lotteries, the box labeled "Other I.D." may be left blank. The total amount received and the total Federal income tax withheld must be entered in the remaining columns.

Complete Part II to identify each winner and each winner's share of the winnings. If you are also one of the winners, enter your information first in Part II by entering "Same as above" in columns (a), (b), and (c) and the applicable amounts in columns (d) and (e). Then complete columns (a) through (e) for each of the other winners. Return the form to the payer.

Taxpayer identification number. The taxpayer identification number for an individual is the social security number or individual taxpayer identification number. For all others, it is the employer identification number.

Signature. If Federal income tax is withheld, the person who receives the winnings must sign and date the form. If no Federal income tax is withheld, no signature is required.

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax. Regulations section 31.3402(q) requires you to furnish an information return to the payer if you receive gambling winnings either for someone else or as a member of a group of winners on the same winning ticket. Section 6109 and its regulations require you to show your taxpayer identification number to persons who must file information returns with the IRS to report certain information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia for use in administering their tax laws. If you fail to provide this information in a timely manner, you may be subject to penalties.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Code section 6103.

The time needed to complete this form will vary depending on individual circumstances. The estimated average time is 12 minutes.

If you have comments concerning the accuracy of this time estimate or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **Do not** send this form to this address. Instead, return it to the payer.

Appendix S

PARISH ENDOWMENT FUND GUIDELINES

1.0 ESTABLISHING THE FUND

1.1. The Parish Endowment Fund can only be established by the Pastor following review by the Diocesan Development Board (Board's Executive Committee) and acceptance of the Adoption Agreement (see sample) by the Catholic Institute of Pittsburgh, Pa., Inc. as Trustee. The Adoption Agreement shall be submitted by the Pastor to the Diocesan Development Board, in care of the Director of Development, 111 Boulevard of the Allies, Pittsburgh, PA 15222. As part of the process, the Adoption Agreement will be reviewed and approved by the diocesan Office for Legal Services and accepted by the Catholic Institute Board (Executive Committee).

1.2. The effective date of the Fund shall be the date upon which the Adoption Agreement is accepted by Catholic Institute as Trustee, as will be set forth in the Adoption Agreement.

1.3. The Parish may not formally announce the establishment of a Fund or begin soliciting funds for it until the Parish has received the Adoption Agreement duly executed.

2.0 ADMINISTRATOR OF THE FUND

2.1 The Pastor of the Parish, and all successor pastors, shall be deemed the Administrator of the Fund.

3.0 PURPOSE OF THE FUND

3.1 The general purpose of the Fund shall be to support the educational, social, and pastoral mission of the Parish by stabilizing existing programs; improving and expanding these programs; and initiating and developing new programs to meet the changing educational, social, and pastoral needs of the Parish. A parish may not establish an endowment fund for purposes outside of parish use.

3.2 Within the scope of the general purpose described in Section 3.1, the Fund may be restricted to one or more specific purposes identified in the Adoption Agreement, in which event the Fund shall be administered for such specific purpose(s).

3.3 A parish may establish additional endowment funds when a donor(s) gives for a purpose other than what is indicated in the existing Adoption Agreement. Such Funds may be established only within the scope of Section 3.1 provided, however, that the minimum funding requirement of \$25,000, as set forth in Section 4.1 below, shall be met and a separate Adoption Agreement established.

3.4 If the specific purpose(s) for which the Fund is created later become impossible or impractical of fulfillment, as determined in good faith by the Pastor, the Pastor shall follow the Diocesan Form A procedures to use the Fund for other purposes. Form A requires consultation with the Parish Finance Council and approval of the diocesan General Secretary. If the Fund is in excess of \$100,000, the approval of the Diocesan Consultors is also required.

3.5 If the Parish should later merge or be consolidated with another parish of the Diocese of Pittsburgh, the Fund shall not terminate, but shall continue in effect for the same purposes as are set forth herein, provided, however, that in such event all references in the Adoption Agreement to the "Parish" will be deemed to refer and apply to the canonical successor. If a

Fund is established for the support of the elementary school, and the school closes or becomes a regional school, the parish must follow the Form A procedure in Section 3.4 regarding the disposition of the Fund. The Adoption Agreement may indicate the preferred disposition should this event occur and will be regarded in the Form A process.

4.0 INITIAL & ADDITIONAL CONTRIBUTION TO THE FUND

4.1 The initial deposit required to establish the Fund is \$25,000.00. Only deposits of \$1,000.00 or more will be accepted as an addition to an existing Fund. Principal may be accumulated in the Deposit & Loan Program (D&L) until this requirement is met. The diocesan Office for Financial Services must be notified in writing to transfer the accumulated monies from the D&L Program to the Common Fund and will record the appropriate entries in the parish accounting records.

4.2 The Pastor will be authorized to accept all gifts, grants, devises, or bequests so designated by an individual donor or funding event, as the initial deposit for a Parish Endowment Fund, or as an addition to an existing Fund which in his judgment will appropriately aid, assist, or promote the purposes of such Fund as set forth herein.

4.3 Only monies received through a specific campaign that is publicized for endowment purposes, or that are specifically designated in writing for an endowment by a donor may be deposited in a Parish Endowment Fund. Monies received from general parish fundraising events (e.g., raffles, bingo, festivals) may not be placed in the Fund unless it is a new source of funding that was publicly advertised as an endowment solicitation. A bequest shall not be used for the funding of the Fund unless the decedent's will or other distributive document specifically provides that the bequest is to be used as an endowment fund, or substantially evidences such an intent (e.g., the bequest is to be held and only the income is to be used for charitable purposes.) Requests for exemptions to this provision may be addressed to the diocesan General Secretary.

4.4 As used herein, the "Parish Endowment Fund" consists of all the assets contributed by the Parish or a specific donor to the Fund from time to time, and all the accumulations, accruals, earnings, and income earned or realized with respect to the investment of such property.

4.5 Individual donations of \$250.00 or more shall be acknowledged in writing by the Pastor for income tax purposes pursuant to Section 170(f)(8) of the Internal Revenue Code, indicating that the Parish did not provide any goods or services in whole or partial consideration for the gift.

4.6 Once assets are added to the Fund they shall belong exclusively to the Fund. Any donor will be deemed to have irrevocably transferred, conveyed, and assigned to the Fund all right, title, and interest to such property and the income therefrom, including any gain or incremental value that may be realized by the Fund on the later sale or exchange of such property.

4.7 Monies raised for the Fund are free and exempt from the Parish Share Program assessment at the time of collection, provided the monies are immediately transferred to the Common Fund investment or accumulated in the D&L Program.

5.0 DISTRIBUTIONS FROM THE FUND

5.1 INCOME

5.1.1 Except as otherwise provided in Section 5.1.2 below, the entire semiannual dividend declared by the Common Fund on February 28 and August 31 will be distributed to the Fund. Payment will be made by check delivered to the Parish. The Pastor shall apply such income distributions for the purposes stated in the Adoption Agreement and in Section 3 above.

5.1.2 Notwithstanding Section 5.1.1 above, the Pastor may elect from time to time by notice to the Common Fund to have any portion or all of a dividend income payment otherwise distributable hereunder held and reinvested in the Common Fund. Such reinvestment shall be considered additional contribution to the Fund and subject to the provisions of Section 5.2.1.

5.1.3 Dividend income distributed from the Fund is subject to PSP assessment at the existing rate. The income is to be recorded in the parish bookkeeping in Account Code 4470 - Parish Endowment Income. (If the Parish designates the income for school operations, the distribution must pass through the Parish books and be given to the school as subsidy.) If the income is reinvested under Section 5.1.2 above, the bookkeeping entry to record the reinvestment will be made by the diocesan Office for Financial Services to Account Code 4470 - Parish Endowment Fund Investment Income. A copy of the Journal Entry will be sent to the parish. Reinvestment income will not be subject to PSP assessment until withdrawn.

5.1.4 Dividend income does not include realized and unrealized gains from the sale or change in the market value of the Common Fund investments. See Section 5.2.3 and 5.2.4.

5.2 PRINCIPAL

5.2.1 The principal contributed to the fund may be withdrawn, if such withdrawal is warranted, provided, however, that no more than five percent (5%) in the aggregate of the market value of the principal of the Fund, as determined as of the last day of the previous calendar year, may be disbursed over the course of any calendar year. Any principal distributed hereunder shall be used and applied for the same purposes as referred to in Section 5.1.1 above. Before a withdrawal of principal is made, the pastor must follow the diocesan Form A process previously defined in Section 3.4.

5.2.2 Withdrawal of principal from the Common Fund is subject to PSP assessment at the existing rate. Withdrawals are priced as of the end of the month market value.

5.2.3 Realized gains and losses on the sale of investments by the Common Fund affect the principal value of units held and are subject to the provisions of Section 5.2.1 for distribution.

5.2.4 Unrealized appreciation or depreciation in the market value of the Common Fund investments affect the principal value of units held, and is subject to the provisions of Section 5.2.1 for distribution.

6.0 INVESTMENT OF THE FUND'S ASSETS

6.1 The assets of the Fund shall be invested with the Common Fund of the Catholic Institute of Pittsburgh (the "Institute"). The Common Fund investments consist of various marketable securities, including government and corporate bonds, stocks and commercial paper. Each Fund will be issued units whose value will fluctuate depending on market conditions. No fees will be charged to purchase or redeem units in the Common Fund.

6.2 The purchase of units in the Common Fund consists of a principal value and a value for the accumulated income. The accumulated income will be returned in subsequent income distributions. New deposits into the Common Fund must be made by the last day of the month and will be valued at the unit market principal and accumulated income value for that month.

6.3 As trustee of the Common Fund the Institute shall have investment management responsibility over the Fund. In discharging its fiduciary responsibilities, the Institute agrees to exercise the care, skill, prudence, and diligence, under the circumstances prevailing at the time of their actions that a prudent person would exercise when acting as a trustee of a trust with charitable purposes and objectives similar to those of the Fund.

6.4 Notwithstanding any other provision herein, the Institute shall engage independent investment companies to act as investment managers of the Common Fund. The investment managers appointed by the Institute will be considered the agents of the Institute as trustee, and themselves a trustee. The Institute may replace one such investment manager with a successor manager from time to time. The Institute is authorized to delegate to such investment manager all or any part of its fiduciary responsibilities concerning the investment and management of the Common Fund. The investment manager shall undertake to invest the assets of the Common Fund in such a manner that will reasonably fulfill the objective of providing a reasonable return of income and growth of principal, and shall maintain the books, records, and accounts regarding such investments.

6.5 The Institute will have the power and duty to supervise the actions of the investment managers, but it will not be individually liable to any person for any loss in value sustained by a Parish Endowment Fund on account of any investment decision made by the investment manager. The Institute may pay the investment managers such reasonable compensation as will be agreed to by the parties.

6.6 The Common Fund shall be audited at least annually by a certified public accounting firm.

7.0 MISCELLANEOUS PROVISIONS

7.1 No assets in the Fund will be liable for or subject to any claim, demand, attachment, execution, sequestration, or other process in connection with any judgment, action, liability, debt, contract, or tort of any person or entity, including the Diocese or the Parish. The Institute is empowered to disregard and defeat any such act in any manner provided by law.

7.2 Notwithstanding any provision herein to the contrary, no party hereto, or the Institute, will conduct or carry on any activities related to the Fund that are not permitted to be conducted or carried on by an organization exempt from taxation or to which donations are deductible from taxable income to the extent allowed by the Revenue Code or any other applicable legislation or regulations which now exist or may be later amended, including such activities as the carrying on of propaganda or otherwise attempting to influence legislation, or participating or intervening in any political campaign on behalf of any candidate for public office, including the publishing or distributing of statements. No part of the Fund will inure to the benefit of any individual.

7.3 All financial activity of the Fund is subject to the routine Parish audit conducted by the Diocese. Supporting documentation must be maintained in accordance with the diocesan record retention guidelines.

7.4 Recording the Activity:

7.4.1 DONATION TO THE FUND: Account Code 4270 - Parish Endowment Fund

Donation is to be used to record the receipt of donations and fundraising specifically designated by the donor for the Fund

7.4.2 TRANSFERS TO AND FROM THE FUND: Account Code 1370 - Parish Endowment Fund Investment is to be used to record the transfer of the principal funds donated (that were recorded in A/C 4270) to the Common Fund for investment. The transfer amount must be \$1,000.00 or greater, otherwise donations are to be transferred to the D & L Program, Account Code 1305.060 until the \$1,000.00 amount is met.

7.4.3 INCOME EARNED BY THE FUND: Account Code 4470 - Endowment Fund

Investment Income is to be used to record the distribution check received by the parish. All income distribution checks must be deposited into the parish checking account.

7.5 The Pastor must consult with the diocesan Office for Legal Services and the Office for Canonical Services about civil and canon law concerning any matter affecting the Fund, including but not limited to the construction of the terms of the Adoption Agreement. As to all civil law matters, the parties intend that the laws of the Commonwealth of Pennsylvania, as amended from time to time, will govern and control.

7.6 It is recommended that the Pastor publish in the parish bulletin an annual report on the activity of the Fund. It is further suggested that major donors to the Fund be appraised of the activity.

PARISH ENDOWMENT FUND ADOPTION AGREEMENT

WHEREAS, _____ Parish (herein “the Parish”) desires to support the educational, social, and pastoral mission of the Parish; and

WHEREAS, the establishment of an endowment fund will be helpful to attain this purpose:

NOW THEREFORE, I, _____, Pastor of the Parish, do hereby establish a Parish Endowment Fund, to be known as:

NAME OF FUND: _____ Parish Endowment Fund (“the Fund”)

This Fund shall be established and administered in accordance with the Parish Endowment Fund Guidelines approved by the Diocese of Pittsburgh, including any amendments, the terms of which are deemed accepted and incorporated herein by reference.

AMOUNT OF INITIAL CONTRIBUTION: \$ _____
(minimum \$25,000)

STATEMENT OF PURPOSE(S) FOR THE FUND:

IN WITNESS WHEREOF, and intending to be legally bound, this Adoption Agreement is executed on the date set forth below.

By: _____ Date: _____
Pastor

By: _____ Date: _____
Trustee
Catholic Institute of Pittsburgh, Pa., Inc.

(Refer to Section 2.11.C)

Appendix T

TUITION ASSISTANCE FUND GUIDELINES

Purpose

A Tuition Assistance Fund, also known as a Scholarship Aid, Tuition Aid or Angel Fund, can be created by a parish to provide a source of income to help pay the tuition for needy students attending a Catholic elementary or secondary school.

Title

The fund will be titled “(parish name) Tuition Assistance Fund.”

Where Held

The Tuition Assistance Fund must be deposited and administered in the Deposit & Loan Program and be recorded on the Parish Balance Sheet.

Funding Requirements

There is no minimum deposit to establish a Tuition Assistance Fund. Additions to the Fund can be made in any amount and at any time.

Source of Funds

Monies raised must be limited by the donor or fundraising event specifically for the Tuition Assistance Fund. Adequate records shall be maintained regarding the source of these funds.

Example: A gift from an individual must have been received with the condition that the money be for the Tuition Assistance Fund. The condition must be imposed by the individual and not the parish administrator.

Example: A fundraising event may be held specifically for the benefit of the Tuition Assistance Fund. At the time the event is held the parish must publicize that the proceeds are for the Tuition Assistance Fund.

Assessability

Contributions to the Tuition Assistance Fund and the income generated by the Fund are not assessable.

Withdrawal

Monies deposited into the Tuition Assistance Fund can be withdrawn, along with the interest earned, at any time. Withdrawals must be used for tuition assistance for needy students attending the parish elementary school, another Catholic elementary school or a Catholic secondary school. Adequate records must be maintained regarding the recipient of the tuition assistance.

Example: The individual Student Tuition Records must indicate that tuition assistance has been received and reflect the reduction from tuition owed.

Account Number Codes to be Used on Parish Accounting System

1. Use Account Code 4275 - Tuition Assistance Fund Donation to record the receipt of a donation as a contribution to the Fund.
2. Use Account Code 1305.025 - Tuition Assistance Fund Savings Account to record the deposit and withdrawal of money into or from the Deposit & Loan Program.
3. Use Account Code 4405.025 - Tuition Assistance Fund Interest to record the income earned on money in the Deposit & Loan Program.
4. Use Account Code 5650 - Elementary School Tuition Aid when disbursing funds to the parish school or consolidated elementary school.
5. Use Account 5620 - High School Tuition Aid when disbursing to a local Catholic high school. Sub-code this expenditure by the high school location number to which the tuition assistance is sent.

Account Number Code Used On School Accounting System

1. Use Account Code - 4105-025 - Tuition Aid to record the receipt of tuition assistance from the parish.

(Refer to Section 2.11.D)

Appendix U

SCHOOL CAPITAL FUNDING PROGRAM

Budgeting for School Capital Funding

When preparing the school budget and setting tuition and other revenue goals, the steps noted below should be followed to determine the amount to be budgeted for school capital funding:

1. Determine the school operating costs exclusive of the capital fund expense, then calculate the tuition, subsidy and fundraising income anticipated to fund these costs.
2. Calculate the capital fund expense by multiplying total school operating costs by 3%.
3. Enter the capital fund expense amount in the school budget in account code 5998 - School Capital Fund Expense. Add this amount to the tuition amount calculated in Step 1 in order to arrive at the total tuition goal. (The remaining portion of the capital expense funding [2%] is to be contributed by the parish at the time the expense is incurred. The parish portion is not to be included in the school budget.)

Recording the “Actual” Funding

The actual transfer of the School Capital Funding expense to parish savings must take place before the end of the fiscal year. A check is to be issued from the school checking account for the portion collected through tuition (the 3% portion) and deposited in a savings account called (parish name) School Capital Fund with the Deposit & Loan Program. This check is to be charged to Account Code 5998 - School Capital Funding Expense to show that the monies have been collected and segregated.

Accumulated Savings for School Capital Funding

At the time of deposit of the school check into the Deposit & Loan School Capital Fund savings account which appears on the parish balance sheet, an entry must be made in Quicken on the parish financial records to record a debit to Account Code 1305.015 - School Capital Improvement Fund Savings and a credit to Account Code 3005 - General Fund Balance. The School Capital Improvement Fund Savings account balance reflects unspent monies that have come through the school's financial records. The parish's portion of the school capital funding program will be recorded at the time the actual expenditure is incurred for school capital needs by charging the appropriate balance sheet fixed assets account (1400's, 1500's, 1600's) or by a transfer from regular parish savings to this restricted school capital savings account.

School Program Capital Expenditure

All school capital expenditures (improvements, major capital replacements, purchase of equipment, etc.) are to be paid from the parish checking account and charged to the appropriate account code in the 1400, 1500 and 1600 series of account codes. These expenditures will appear only on the parish financial statement. The funding of the expenditure is to come first from withdrawal from the School Capital Fund savings account and the balance from parish funds.

Definition of a School Capital Expenditure

The expenditure for the purchase of equipment used in school education or operations, school vehicles and school building improvements (windows, roof, etc.) costing \$4,000 or more is to be recorded as a capital item when the aggregate cost, either through a single payment or several related payments, is \$4,000 or more. Capital expenditures can only be paid from and recorded on the parish accounting system.

(Refer to Section 2.12.P)

Appendix V

DIOCESE OF PITTSBURGH FORM A

PETITION FOR PERMISSION TO:



- Enter into Real Property Agreements for any Purpose
- Borrow from the Deposit & Loan Program to Purchase Real Property
- Market Real Property for Sale
- Purchase Real Property
- Alienate Parish Property (including to sell, lease, option, accept, license, assign, give right of way, transfer, barter, donate or raze) or
- Substantially Alter Parish Real Property

PARISH NAME _____

DATE OF SUBMISSION _____

This petition must be submitted at least six (6) weeks prior to the anticipated date of occurrence to the OFFICE OF THE GENERAL SECRETARY, DIOCESE OF PITTSBURGH, 111 BOULEVARD OF THE ALLIES, PITTSBURGH, PA 15222-1618. Additional time may be required if the petition requires the counsel or consent of the College of Consultors.

(Refer to Section 2.14 and 2.15)

Form A: Commentary and Instructions

Purpose

The purpose of the Form A petition is to seek permission to enter into real property agreements, to borrow from the Deposit & Loan Program for real property transactions, to market real property for sale, to purchase real property, to alienate parish property, or to substantially alter parish real property. Permission is required to lease, market for sale, sell, purchase, option, accept, license, assign, give right of way, transfer, barter, donate, raze, or otherwise alienate any real property. This is in accordance with canons 1291 and 1292 of the Code of Canon Law and diocesan statute #2.

Form A requests in excess of \$100,000 as well as any request involving the marketing and/or sale of a church building must be taken to the College of Consultors for recommendation to the Diocesan Bishop. Requests in excess of \$500,000 must also be taken to the Diocesan Finance Council.

Glossary of Terms

ALIENATION: The conveyance to another party of property or the encumbrance of property (debt or lien) or the loss of any financial interest in the stable patrimony (real property, fixtures or personal property) of the parish, including demolition.

REAL PROPERTY: All immovable property, such as land and buildings, as well as improvements or fixtures attached to the land or buildings (e.g., fixed altars, plumbing, electrical fixtures, pews, etc.). Real property is distinct from parish personal property which is described below.

PERSONAL PROPERTY: Parish goods that can be moved (e.g., furniture, church furnishings or supplies). Personal property can be either sacred or profane and either precious or non-precious.

SACRED GOODS: Personal property designated for divine worship or a sacred purpose through dedication or a blessing (e.g., movable altars, candlesticks, chalices, statues).

PRECIOUS GOODS: Objects of special worth which have artistic, cultural or historical value (e.g., murals, paintings).

OPERATING EQUIPMENT: Either office equipment (e.g., copiers, computers, telephone systems) or motor vehicles (e.g., cars, vans, trucks).

Canonical Limitations

Sacred objects, including sacred art such as stained glass windows, cannot be disposed of, leased, or auctioned to private persons. These goods must be donated or transferred to other ecclesiastical institutions (e.g., parishes, oratories, and chapels). (Confer with the diocesan Property Disposition Guidelines.)

Financial Limitations

1. Regardless of the cost or value, permission is required to lease, option, purchase, accept, license, assign, give right of way, transfer, barter, donate, or raze all real property.
2. Permission is required to dispose of sacred or precious goods in accord with the diocesan Property Disposition Guidelines.
3. Permission is required to sell or dispose of non-precious or profane personal property of the parish which has an aggregate value in excess of \$40,000.
4. The sale of normal operating equipment is exempt from the Form A process.

Form A: Instructions for Completing

Page 1

1. Print the parish name, the city, township, etc. where the parish is located, the parish telephone number, and the parish's five-digit location number. Give as complete a description as possible of the proposed transaction as well as the terms of the transaction. If this transaction pertains to school or cemetery programs, indicate this in the description and justification section.
2. Complete the OPERATING CASH AND SAVINGS INFORMATION requested by using the most recent monthly financial report provided by the Financial Services Office.

Page 2

3. The signatures of at least three (3) members of the parish finance council are required. (Please also print or type the names of the signers.) The petition cannot be considered if the signature of the pastor/moderator/administrator and at least three members of the finance council are not affixed.

Additional Information

4. It is important that the information requested be submitted with the petition. Specifically:
 - a. Either the proposed legal documents should be attached for review, or a request should be made that the diocesan Office for Civil Legal Services prepare the legal documents for the transaction.
 - b. If the parish intends to demolish real property, it is important that an inspection for hazardous material be completed by the Office for Property Planning and Development before the Form A petition is submitted.
 - c. Form A permission is required if the parish intends to lease property from others for parish use (e.g., school building, gymnasium, parking facilities).

Form A: Application

To the Most Reverend Bishop of Pittsburgh, Trustee for _____ Parish,
_____, PA, telephone # _____, Location # _____,

We, the undersigned pastor/moderator/administrator and parish finance council, request permission to [Identify the type of transaction (lease, purchase, market for sale, sell, raze, etc.) along with a brief description, justification, and location of the property. Attach detailed information about the proposed transaction in a separate document, including the information requested on Pages 2 and 3 of this form.]:

In connection with the above, we anticipate [receiving/expending] the sum of \$ _____.
(circle one)

1. With respect to the real property purchase, we need to borrow from the Deposit & Loan

Program the amount of \$ _____ proposed to be repaid in [monthly/quarterly]
(circle one)
installments over _____ years beginning _____. (The diocesan Finance

Office will calculate the repayment amount based on the approved loan terms.)

2. If contracting to lease, the monthly rental is \$ _____ for the period
_____ to _____.

3. If requesting to lease or license real property to others, the property [is/is not] currently exempt
(circle one)
from real estate tax.

Operating Cash and Savings Information

BALANCES as of / / :	Parish	School ¹	Cemetery ¹
Operating Checking	\$	\$	\$
Operating Savings	\$	\$	\$
Campaign Savings	\$	\$	\$
Perpetual Care	\$ N/A	\$ N/A	\$
Other Savings	\$	\$	\$
Deposit & Loan Debt	\$	\$ N/A	\$ N/A

¹In addition to the parish information, always provide school and cemetery financial data.

Signature of Pastor/Moderator/Administrator		Date
Signatures of Finance Council	Printed Names of Signers	Date

For General Secretariat Use Only	
_____ Finance Office Report _____ Civil Legal Services Office Report _____ Property Planning Office Report _____ Other Report	Decisions: _____ Date: _____ Form: A- _____

To expedite this Form A petition, please complete this page before returning this Form A request. This information, if available, needs to be submitted at this time.

_____ The proposed legal documents for this transaction are attached for review.

_____ The diocesan Office for Legal Services is requested to prepare the legal documents for this transaction. The necessary information accompanies this form.

IF THE PARISH INTENDS TO MARKET FOR SALE, SELL, OR PURCHASE REAL PROPERTY OR GRANT OR ACCEPT AN OPTION ON REAL PROPERTY:

1. Describe the reason for this request.
2. Describe the property and give the street address, lot and block number, and the deed book volume and page number of this property.
3. Give the name, address and telephone number of the listing agent, buyer, or optionee.
4. If selling or purchasing real property, attach documentation demonstrating the fair market value. (A certified appraisal is preferred when selling parish property.)
5. If selling property, give the expected closing date.
6. Describe any conditions or contingencies related to this transaction.
7. Describe the buyer's intended use if a church building is being sold.

Appendix V.5

_____ IF THE PARISH INTENDS TO GRANT A RIGHT OF WAY OR EASEMENT:

1. Describe the reason for this request.
2. Describe the property. Give the street address, lot and block number, and the deed book volume and page number of this property.
3. Give the name, address and telephone number of the party seeking the right of way or easement.
4. Attach a map, drawing or survey of the proposed right of way.

_____ IF THE PARISH INTENDS TO DEMOLISH REAL PROPERTY:

1. Describe the reason for this request.
2. Give the street address and identification of the building to be demolished.
3. Give the name, address and telephone number of the demolition contractor.
4. Describe the amount of time that will be given to the contractor for the demolition.
5. Indicate the estimated cost of the demolition and the cost of removal of hazardous materials and if the parish has sufficient funds to cover the cost or will need to borrow.

_____ IF THE PARISH INTENDS TO LEASE OR LICENSE PARISH OWNED REAL PROPERTY TO OTHERS; OR LEASE OR LICENSE REAL PROPERTY FROM OTHERS:

1. Describe the reason for this request.
2. Describe the property. Give the street address, lot and block number, and the deed book volume and page number of this property, if applicable.
3. If only a part of the premises is to be leased/licensed, identify the same specifically, e.g., room number(s).
4. Give the name, address and telephone number of the lessee/licensee.
5. Give the starting and ending dates of the lease/license and indicate if this is a new lease or a renewal.
6. Describe the use to which the leased/licensed premises will be put.
7. List the days and hours of operation of the leased/licensed activity.
8. Describe any special provisions regarding the payment of utilities or the maintenance of the property.

_____ IF THE PARISH INTENDS TO ACCEPT REAL PROPERTY GIVEN AS A DONATION:

1. Describe the property to be accepted and give the street address, lot and block number, and the deed book volume and page number.
2. Give the name, address and telephone number of the donor.
3. Describe any special conditions or contingencies on this gift.
4. Give the assessed value of this property.

**DIOCESE OF PITTSBURGH
FORM B**

PETITION FOR PERMISSION TO:



- Expend \$40,000 or More or
- Borrow from the Deposit & Loan Program For Any Purpose
(except to enter into real property agreements for any purpose)

PARISH NAME _____

DATE OF SUBMISSION _____

This petition must be submitted at least six (6) weeks prior to the anticipated date of occurrence to the OFFICE OF THE GENERAL SECRETARY, DIOCESE OF PITTSBURGH, 111 BOULEVARD OF THE ALLIES, PITTSBURGH, PA 15222-1618. Additional time may be required if the petition requires the counsel or consent of the College of Consultors.

(Refer to Section 2.14 and 2.15)

Form B: Commentary and Instructions

Purpose

The purpose of the Form B petition is to seek permission to expend \$40,000 or more by the parish, school, cemetery and related organizations, or to borrow from the Deposit & Loan Program for any purpose except real property transactions. Form B permission is required for new construction, capital improvements, major alterations to facilities, the lease of personal property (anything other than land or buildings) from others, the purchase of equipment, and for extraordinary operating expenditures. Form B is to be used for all requests to borrow from the Deposit & Loan Program except to borrow or expend funds in any amount for real property transactions. Approval for real property transactions is to be sought through use of a Form A.

Form B requests in excess of \$100,000 must be taken to the College of Consultors for recommendation to the Diocesan Bishop. Requests in excess of \$500,000 must also be taken to the Diocesan Finance Council. For new construction and major improvements or renovation, parishes are required to have at least 50% of the approved project budget plus one-half of any additional project contingency amount required by the Diocese. These funds must be on deposit in the Deposit & Loan Program before approval to commence construction will be granted. Only under extraordinary circumstances will exceptions to this policy be considered.

Regardless of the expenditure, all legal contracts must be prepared or reviewed by the diocesan Office for Civil and Legal Services.

Glossary of Terms

PERSONAL PROPERTY: Parish goods that can be moved (e.g., furniture, church furnishings, or supplies).

OPERATING EQUIPMENT: Either office equipment (e.g., copiers, computers, telephone systems) or motor vehicles (e.g., cars, vans, trucks).

EXTRAORDINARY OPERATING EXPENDITURES: Those expenses which are not recurring (e.g., repair of a roof, replacement of a sidewalk).

Financial Limitations

1. Permission is required when the aggregate of cost, either through a single payment or several payments, is in excess of \$40,000.
2. Permission is required when the cost of a project, taken as a whole, is in excess of \$40,000.
3. Permission is required when the leasing of personal property or operating equipment from others has an aggregate cost in excess of \$40,000 over the life of the lease.

Form B: Instructions for Completing

Page 1

1. Print the parish name, the city, township, etc. where the parish is located, the parish telephone number and the parish's five-digit location number.
2. Indicate the amount to be spent and give as complete a description and justification of the project as possible. If borrowing for the school or cemetery programs, indicate this in the description and justification section. All borrowing with the Deposit & Loan Program must be done in the name of the parish. Schools and cemeteries are programs of the parish, thus the parish is responsible for the expense.
3. Enter the amount to be funded from savings currently on hand and/or the requested amount to be borrowed from the Deposit & Loan Program. Indicate whether the parish proposes to repay monthly or quarterly and the suggested term of the loan.
4. If a capital campaign is underway or anticipated for this project, complete the information requested.

Note: Before undertaking a campaign, and to request consideration for Parish Share exemption for the campaign contributions, separate approval from the Diocese is required. Address your parish's request to the OFFICE OF THE GENERAL SECRETARY, DIOCESE OF PITTSBURGH, 111 BOULEVARD OF THE ALLIES, PITTSBURGH, PA 15222-1618, providing reference to the project, a description of the fund raising campaign, the period during which the funds will be raised (3 to 5 years for a major capital campaign), and the amount expected to be raised.

Page 2

5. Complete the OPERATING CASH AND SAVINGS INFORMATION requested by using the most recent monthly financial report provided by the Financial Services Office.
6. The signatures of at least three (3) members of the parish finance council are required. (Please print or type the names of the signers.) The petition cannot be considered if the signature of the pastor/moderator/administrator and at least three members of the finance council are not affixed.

Additional Information

7. It is important that the appropriate information requested be submitted with the petition. Specifically, either the proposed legal documents should be attached for review or a request should be made that the diocesan Office for Civil Legal Services prepare the legal documents for the transaction.

Form B: Application

To the Most Reverend Bishop of Pittsburgh, Trustee for _____ Parish,
_____, PA., telephone # _____, Location # _____

We, the undersigned pastor/moderator/administrator and parish finance council, request permission to expend the sum of \$_____ for the following purpose(s): (Provide a brief description. If necessary or appropriate, attach detailed information about the expenditure as well as the information requested on Page 3 of this form in a separate document attached to the Form B.)

_____.

The amount to be paid from parish funds on hand or in savings is \$_____. We need to borrow from the Deposit & Loan Program the amount of \$_____, proposed to be repaid in [monthly/quarterly] installments over _____ years beginning _____. (The diocesan *(circle one)* Finance Office will calculate the repayment amount based on the approved loan terms.) We are in a _____-year capital campaign to raise \$_____ that began _____. We have collected to date \$_____ and have outstanding pledges of \$_____.

The permission amount requested includes the total cost of this phase of the project or purchase of personal property/equipment. Every anticipated expenditure is contained in the estimate, including the cost of all interior decoration, furnishings (such as pews, altars, etc.), heating, plumbing, electrical and lighting fixtures, stained glass windows, all exterior improvements, paving, landscaping, architect's fees and all other attendant items. (Attach an itemized summary if applicable.)

Operating Cash and Savings Information

BALANCES as of / / :	Parish	School ¹	Cemetery ¹
Operating Checking	\$	\$	\$
Operating Savings	\$	\$	\$
Campaign Savings	\$	\$	\$
Perpetual Care	\$ N/A	\$ N/A	\$
Other Savings	\$	\$	\$
Deposit & Loan Debt	\$	\$ N/A	\$ N/A
¹ In addition to the parish information, always provide school and cemetery financial data.			

By virtue of canons 537 and 1280 and diocesan statute, it is necessary that the pastor/moderator/administrator and at least three members of the parish finance council sign this request.

Signature of Pastor/Moderator/Administrator	Date
Signatures of Finance Council	Date
Printed Names of Signers	

For General Secretariat Use Only	
<input type="checkbox"/> Finance Office Report <input type="checkbox"/> Civil Legal Services Office Report <input type="checkbox"/> Property Planning Office Report <input type="checkbox"/> Other Report	Decisions: _____ Date: _____ Form: B-_____

Form B: Additional Information

To expedite this Form B petition, please complete this page before returning this Form B request.

All legal documents for this transaction must be approved by the diocesan Office for Legal Services before they are signed. Please check which line is applicable.

_____ The proposed legal documents for this transaction are attached for review.

_____ The diocesan Office for Legal Services is requested to prepare the legal documents for this transaction. The necessary information accompanies this form.

Please check which of the following types of transactions is involved. On a separate sheet, supply the information requested, using the numerical order indicated, and attach the itemized summary of all costs.

_____ IF THE PARISH INTENDS TO PURCHASE ANY PERSONAL PROPERTY OR ANY EQUIPMENT AT A TOTAL VALUE OF \$40,000 OR MORE:

1. Describe the property or equipment to be purchased.
2. Give the name, address and telephone number of the seller.
3. Give the expected date of purchase.
4. Describe any conditions or contingencies on this purchase.

_____ IF THE PARISH INTENDS TO LEASE PERSONAL PROPERTY OR EQUIPMENT FROM OTHERS WITH A TOTAL VALUE OF \$40,000 OR MORE:

1. Describe what is being leased and the purpose for which it will be used.
2. Give the name, address and telephone number of the owner.
3. Give the length of the lease.
4. Describe the schedule of lease payments and the interest rate.

_____ IF THE PARISH INTENDS TO CONSTRUCT, REMODEL OR REPAIR PROPERTY:

1. Give the name, address and telephone number of the architect.
2. Give the name, address and telephone number of the builder.
3. Give the anticipated construction date and length of time.
4. Describe the construction site within the parish plant, using street address and building identification.
5. Attach any and all documents, including proposals, bids, construction specifications, etc., as prepared by the parish, architect, contractor, engineer, and/or Office for Property Planning and Development.

Appendix W

ST. VINCENT dePAUL SOCIETY

Organization on the Diocesan Level

Diocesan Council

This is the governing body within the Diocese. It consists of District Councils who report monthly to the Diocesan Council and Parish Conferences who report annually to the Diocesan Council. (The Diocesan Council reports annually to the Diocesan Bishop and to the Council of the United States National Office.)

District Council

This exists within a diocese to direct activities and provide guidance and organization to the parish St. Vincent de Paul Conferences located within its district and to implement programs of the Diocesan Council.

There are eleven District Councils within the Diocese of Pittsburgh:

- | | |
|---------------------------------------|------------------------|
| 1. Central District | 6. Southeast District |
| 2. Butler District | 7. Southwest District |
| 3. Northeast District | 8. McKeesport District |
| 4. Central District, Allegheny County | 9. Beaver County |
| 5. Northwest District | 10. Lawrence County |
| 11. Washington & Greene County | |

Two District Councils, Northeast and Butler, operate stores which are governed by their Council and give annual reports of store finances to the Diocesan Council. The property in which the stores operate may be owned by others. All finances related to the stores are under the direction, responsibility and governance of the District Council. The warehouse and stores in Allegheny County are not governed by a district council and are under the jurisdiction of the Diocesan Council. It supplies materials to Parish Conferences for the poor for a nominal fee, and operates thrift shops for the marginal poor.

Organization on the Parish Level

Parish Conference

Consists generally of parishioners to promote the work of the Society. The local parish is a channel through which a Conference operates.

1. A Parish Conference cannot be established without the pastor's consent and approval (American Manual of Society of St. Vincent de Paul) since members are generally recruited from the parishioners of a parish, use parish facilities and operate within parish boundaries.
2. A Parish Conference generally uses the name of the local parish, however, the Conference is not a parish organization.
3. The Parish Conference is separate and distinct from the parish and is to have its own Federal Employer Identification Number.
4. The Parish Conference is to maintain its own financial records and is accountable to the Diocesan Council.

5. The priests and religious of the parish serve as spiritual advisors and are not to be signors on the checking accounts or investments.
6. Since the Parish Conference is separate of the parish, the parish assumes no legal liability for the actions of the Conference or its members.
7. No parish operating or capital expenditures are to be paid by or from the finances of the Parish Conference. However, the Conference is free to support the Social Ministry Program and other worthy programs of the parish that fall within the realm of the work of the Society.
8. The Parish Conference may solicit financial support through the parish with the permission of the pastor. This can take the form of Poor Boxes, the distribution of Catholic papers and literature (except the Diocese of Pittsburgh Catholic Newspaper), parish collections or other approved means.
9. In the United States, a Parish Conference cannot be started or exist if a parish does not exist or continue to exist.
10. When parishes are closed or merged, the assets of the defunct Parish Conference are to be given to the Conference of the successor parish, if one is erected, or to the Diocesan Council if no conference exists in the successor parish.

(Refer to Section 2.18.E)

Appendix X

PUBLICATION OF ANNUAL FINANCIAL INFORMATION

Distribution of the annual parish and school financial report to parishioners is important for financial accountability. The annual report is the primary means by which the parishioners are informed as to how their donations and profits from fundraisers were accounted for and used by the parish. The information can be distributed through the Sunday Bulletin or by other means. Many parishes provide information monthly.

The parishes may design the format for publishing. It must present at a minimum the information on the June 30 financial statement summary page of operating revenue and expenditures. Sample copies of the summary pages are contained in this section of the appendix. For programs where only the net income or expense appears on the summary page, such as CCD, Social Activities and Rental Property, further explanation should be provided if the amount of income and expense of these programs is significant to the total operation.

The Non-Operating Receipts/(Disbursements) section of the summary page need not be included in the published financial statement format. However, an explanation of significant items such as capital expenditures, parish debt and fund-raising campaigns must be addressed. Footnotes can be used to explain these significant happenings.

SUGGESTED FOOTNOTES

The following suggested footnotes can be used as an aid in explaining the financial statement.

Footnote A -Population Statistics

The following statistics reflect the size of our parish:

1. Number of Families
2. Number of Parishioners
3. Number of Parish Elementary School Students
4. Number of Religious Education Students

Footnote B -Purchase or Improvement of Property

Explain in this footnote a description of the major capital expenditures incurred in the fiscal year, the amount spent, and how the expenditure was financed, such as from savings, from current year operation, or from borrowing.

Footnote C -Parish Debt Balance (Loan)

Explain in this footnote the amount of parish debt owed as of June 30, the amount borrowed during the fiscal year and why it was necessary to borrow (meet the operating deficit, finance the capital expenditure program, etc.) If debt payments were made during the fiscal year, indicate the total amount of debt paid and whether the required principal payments were met.

Footnote D-Fund-Raising Campaign

If the parish had a fund-raising campaign for capital purposes, debt reduction, etc., indicate the amount raised and other information deemed appropriate.

(Refer to Section 2.20)

PARISH FINANCIAL REPORT
For the Fiscal Year Ended June 30, XXXX

OPERATING INCOME:

Collections at Offertory	\$
Donations & Bequests	
General Fundraising	
Investment Income	
Other Operating Income	_____
TOTAL OPERATING INCOME	_____

OPERATING EXPENSES:

Liturgical Expense	
Administration Expense	
Operation & Maintenance Expense	
Rectory Expense	
Interest & Assessment Expense	
Property & Liability Insurance	
Religious Education Program - Net	
Social Activities - Net	
Other Parish Programs - Net	
Rental Property Operation - Net	
School Subsidy	_____
TOTAL OPERATING EXPENSES	_____

NET OPERATING SURPLUS/(DEFICIT) _____

During the fiscal year that ended June 30, XXXX , our parish operated at a surplus of \$_____. This surplus (verbally explain how the surplus was used to pay on the parish debt, increased the parish savings, used for capital expenditures, etc. or explain how the deficit operation, if that be the case, was funded through withdrawal from savings, excess PSP, or borrowing. To help in the explanation, refer to the "Suggested Footnotes" on the preceeding page).

SCHOOL FINANCIAL REPORT
For the Fiscal Year Ended June 30, XXXX

OPERATING INCOME:

Tuition & Fees	\$	
Donations & Bequests		
Investment Income		_____
TOTAL OPERATING INCOME		_____

OPERATING EXPENSES:

Instructional Expense		
Administration Expense		
Operation & Maintenance Expense		
Faculty Residence Expense		
Property & Liability Insurance		_____
TOTAL OPERATING EXPENSES		_____

NET SURPLUS/(DEFICIT) BEFORE SUBSIDY ()

PARISH SUBSIDY

SUBSIDY FROM OTHER PARISHES _____

NET OPERATING SURPLUS/(DEFICIT) _____

SUGGESTED FOOTNOTES

Footnote A -Enrollment

____Students were enrolled: ____ were from our parish and ____ were from other parishes.

Footnote B -Teachers/Personnel

Number of Religious Personnel	_____
Number of Lay Teachers	_____
Number of Other Lay Personnel	_____
Number of Volunteers	_____

Footnote C -Tuition Charged

Own Parish Students - First Child	\$	_____
Own Parish Students - Second Child	\$	_____
Non-Parish Students	\$	_____

Footnote D - Cost per Student \$ _____

Appendix Y

MAINTAINING A TUITION CONTROL ACCOUNT

A control account should be established with a beginning balance at the start of the school year which is equal to the total tuition billed on July 1, and equal to the total of the tuition charges posted to the individual student tuition records.

EXAMPLE:

Assumptions: 1) Billed out July 1 (2 x \$2,500) \$5,000
 2) Collections July 10

Able	\$250
Baker	\$300
	\$550

Tuition Control Account

Date	Note	Add to Billing	WD	Cash Rec.	Other	Bal.
7/1		\$5,000				\$5,000
7/10				\$550		\$4,450

Individual Student Records

ABLE

Add to Billing	WD	Cash Rec.	Other	Balance
\$2,500				\$2,500
		\$250		\$2,250

BAKER

Add to Billing	WD	Cash Rec.	Other	Balance
\$2,500				\$2,500
		\$300		\$2,200

EXPLANATION OF SAMPLE TRANSACTIONS

July 1st, the individual tuition billing amounts are posted to each student tuition record card. The total billing is posted to the Control Account.

July 10th, the amount paid for each student is posted to the student's individual tuition record card. The total tuition deposit is posted to the Tuition Control Account. The running balance for each tuition card and the Control Account are updated.

A report or tape is run on the individual student card balances and is compared to the Control Account balance. (\$2,500 + \$2,200 = \$4,450).

TUITION OUTSTANDING CONTROL ACCOUNT

The Tuition Outstanding Control Account should be set up as follows:

		A	B	C	D	E
		Tuition	Billing	Tuition		
<u>Date</u>	<u>Notes</u>	<u>Additions</u>	<u>Withdrawals</u>	<u>Payments</u>	<u>Other</u>	
<u>Balance</u>						
7/1		\$5,000				\$5,000
7/10	Able			\$250		\$4,750
7/10	Baker			\$300		\$4,450

COLUMN INSTRUCTIONS

Date - Date of the transaction.

Notes - Indicate student's name and/or other notes as needed.

A-Use this column to record the following:

Initial Billing - Total tuition billed on July 1 must equal the total of the tuition charges posted to the individual student's tuition record.

Additions to Billing - For students that enter school after July 1 list in this column the prorata portion of tuition to be paid as calculated below.

B - *Withdrawals* - For students that withdraw from school after July 1 list in this column the prorata portion of tuition to be deducted as calculated below.

Recommended Method for Calculating the Adjustments for Additions and Withdrawals

$$\begin{array}{rcl}
 \text{Adjustment} & & \text{Student's} \\
 \text{to tuition} & = & \text{total tuition} \quad \times \quad \frac{\text{Number of days remaining in}}{\text{the school year}} \\
 & & \text{for the year} \quad \quad \quad \frac{180 \text{ days}}{180 \text{ days}}
 \end{array}$$

C - Tuition payments - Payments received during the school year including cash, checks, etc. received from parents, parishes or other sources for specific students are listed here.

D - Other (Adjustments) - Deduct from the billing Free Tuition and other non-cash or non-check adjustments. Add to the billing any fees charged to students, NSF payments and refunds. Show additions to the amount owed as positive numbers and reduction in the amount owed as negative numbers. These adjustments should also be recorded on the individual student's record.

E - Balance – This is the Control Account balance as of a particular date. The balance is updated daily for any activity which has occurred. This total is calculated as follows:

$$Col A - Col B - Col C +/- Col D = Col E.$$

Reconciling the Control Account to the Student's Records

At the end of each month, a report summarizing tuition outstanding is to be run for records maintained on computer or an adding machine tape should be run on the outstanding balances on the student's tuition cards if maintained manually. The total of the report or adding machine tape is to be compared to the balance in the Tuition Control Account. Any difference should be reconciled. The report or adding machine tape should be dated and kept on file in the business office.

Reconciling the Control Account to the Diocesan Financial Report

At the end of each month the Control Account should also be reconciled to the Financial Statement as follows:

Financial Statement - The Tuition Outstanding Control Account is to be reconciled to the total tuition collected per the financial statement under the Tuition Accounts (4105.001, 4105.003, 4105.005, etc.) by comparing the total of tuition payments in Column C to the combined total of the tuition accounts on the financial statement.

(Refer to Section 2.19)

School Name: _____ School Year: _____ Page ____ of ____

[illegible]

Appendix Z

CODE OF CONDUCT

Parishes are required to follow the Code of Pastoral Conduct promulgated by the Diocese of Pittsburgh. It deals with non-financial matters and can be obtained from the diocesan General Secretary. In addition, it is suggested that parishes adopt an organizational code of conduct similar to that listed below. This was taken from the “CPA’s Handbook of Fraud and Commercial Crime Prevention.” It has been adapted to apply to the parish and its related organizations. It includes definitions of what is considered unacceptable, and the consequences of any breaches thereof.

Code of Conduct

The parish and its employees must, at all times, comply with all applicable laws and regulations. The parish will not condone the activities of employees who achieve results through violation of the law or unethical business dealings. This includes any payments for illegal acts, indirect contributions, rebates, and bribery. The parish does not permit any activity that fails to stand the closest possible public scrutiny.

All business conduct should be well above the minimum standards required by law. Accordingly, employees must ensure that their actions cannot be interpreted as being, in any way, in contravention of the laws and regulations governing the parish.

Employees uncertain about the application or interpretation of any legal requirements should refer the matter to their superior, who, if necessary, should seek the advice of the appropriate diocesan office.

General Employee Conduct

The parish expects its employees to conduct themselves in a businesslike manner. Drinking, gambling, fighting, swearing, and similar unprofessional activities are strictly prohibited while on the job.

Employees must not engage in sexual harassment, or conduct themselves in a way that could be construed as such, for example, by using inappropriate language, keeping or posting inappropriate materials in their work area, or accessing inappropriate materials on their computer.

Conflicts of Interest

The parish expects that employees will perform their duties conscientiously, honestly, and in accordance with the best interests of the parish. Employees must not use their position or the knowledge gained as a result of their position for private or personal advantage. Regardless of the circumstances, if employees sense that a course of action they have pursued, are presently pursuing, or are contemplating pursuing may involve them in a conflict of interest with their employer, they should immediately communicate all the facts to their superior.

Outside Activities, Employment and Directorships

All employees share a serious responsibility for the parish’s good public relations, especially at the community level. Their readiness to help with religious, charitable, educational, and civic activities brings credit to the parish and is encouraged. Employees must, however, avoid acquiring any business interest or participating in any other activity outside the parish that would, or would appear to:

- ♦ Create an excessive demand upon their time and attention, thus depriving the parish of their best efforts on the job.
- ♦ Create a conflict of interest – an obligation, interest, or distraction – that may interfere with the independent exercise of judgment in the parish's best interest.

Relationships With Suppliers

Employees should avoid investing in or acquiring a financial interest for their own in any business organization that has a contractual relationship with the parish, or that provides goods or services, or both to the parish, if such investment or interest could influence or create the impression of influencing their decisions in the performance of their duties on behalf of the parish.

Gifts, Entertainment, and Favors

Employees must not accept entertainment, gifts, or personal favors that could, in any way, influence, or appear to influence, business decisions in favor of any person or organization with whom or with which the parish has, or is likely to have, business dealings. Similarly, employees must not accept any other preferential treatment under these circumstances because their position with the parish might be inclined to, or be perceived to, place them under obligation.

Kickbacks and Secret Commissions

Regarding the parish's business activities, employees may not receive payment or compensation of any kind, except as authorized under the parish's remuneration policies. In particular, the parish strictly prohibits the acceptance of kickbacks and secret commissions from suppliers or others. Any breach of this rule will result in immediate termination and prosecution to the fullest extent of the law.

Parish Funds and Other Assets

Employees who have access to parish funds in any form must follow the prescribed procedures for recording, handling, and protecting money as detailed in the parish's instructional manuals or other explanatory materials, or both. The parish imposes strict standards to prevent fraud and dishonesty. If employees become aware of any evidence of fraud and dishonesty, they should immediately advise their superior or the diocesan Office for Financial Services so that the parish can promptly investigate further.

When an employee's position requires spending parish funds or incurring any reimbursable personal expenses, that individual must use good judgment on the parish's behalf to ensure that good value is received for every expenditure.

Parish funds and all other assets of the parish are for parish purposes only and not for personal benefit. This includes the personal use of assets, such as computers.

Parish Records and Communications

Accurate and reliable records of many kinds are necessary to meet the parish's legal and financial obligations and to manage the affairs of the parish. The parish's books and records must reflect in an accurate and timely manner all business transactions. The employees responsible for accounting and recordkeeping must fully disclose and record all assets, liabilities, or both, and must exercise diligence in enforcing these requirements. Employees must not make or engage in any false record or communication of any kind, whether internal or external, including but not limited to:

- ♦ False expense, attendance, production, financial, or similar reports and statements
- ♦ False advertising, or other misleading representations

Dealing With Outside People and Organizations

Employees must take care to separate their personal roles from their parish positions when communicating on matters not involving parish business. Employees must not use organization identification, stationery, supplies, and equipment for personal or political matters. When communicating publicly on matters that involve parish business, employees must not presume to speak for the parish on any topic, unless they are certain that the views they express are those of the parish, and it is the parish's desire that such views be publicly disseminated.

When dealing with anyone outside the parish, including public officials, employees must take care not to compromise the integrity or damage the reputation of either the parish, or any outside individual, business, or government body.

Prompt Communications

In all matters relevant to customers, suppliers, government authorities, the public and others in the parish, all employees must make every effort to achieve complete, accurate, and timely communications – responding promptly and courteously to all proper requests for information and to all complaints.

Privacy and Confidentiality

When handling financial and personal information about parishioners or others with whom the parish has dealings, observe the following principles:

1. Collect, use, and retain only the personal information necessary for the parish's business. Whenever possible, obtain any relevant information directly from the person concerned. Use only reputable and reliable sources to supplement this information.
2. Retain information only for as long as necessary or as required by law. Protect the physical security of this information.
3. Limit internal access to personal information to those with a legitimate business reason for seeking that information. Use only personal information for the purposes for which it was originally obtained. Obtain the consent of the person concerned before externally disclosing any personal information, unless legal process or contractual obligation provides otherwise.

(Refer to Section 2.07.A)

Appendix AA

RECORD RETENTION SCHEDULE

The following Diocesan General Retention Schedule for parishes was prepared by the diocesan Archives and Records Center and should be consulted when questions arise concerning retention time.

RECORD TITLE	RETENTION PERIOD	DISPOSITION
<i>Administrative Records</i>		
1. Administrative Records (correspondence, memoranda, rules and regulations, etc.):		
a. Records originating in the parish that document parish policy, procedure, rules or regulations	Permanent	—
b. Records that document routine parish activities	2 years	Destroy
2. Announcement Book (daily or weekly record of parish activities)	Permanent	—
3. Annual Reports	25 years	Transfer to diocesan Archives
4. Articles of Incorporation (of the church corporation, parish organizations, etc.)	Until organization dissolved	Transfer to diocesan Archives
5. Census Records	Until record updated	Destroy
6. Communications from the Bishop regarding the parish	Permanent	—
7. Confraternity of Christian Doctrine Minutes	Permanent	—
8. Constitution & By-Laws (all parish organizations)	Until organization dissolved	Transfer to diocesan Archives
9. Correspondence:		
a. Correspondence concerning parish policy and procedures, administration and activities	Permanent	—
b. Routine Correspondence	2 years	Destroy
10. Election Ballots (parish council)	Until next election	Destroy
11. Parish Finance Council Minutes	Permanent	—
12. Lector's Notes	Until superseded	Destroy
13. Liturgical minister's Schedules (ushers, altar servers, lectors, Eucharistic ministers, etc.)	1 year	Destroy

RECORD TITLE	RETENTION PERIOD	DISPOSITION
14. Mass Record (record of daily mass requests and intentions, offerings, etc.)	Permanent	—
15. Parish Pastoral Council Minutes	Permanent	—
16. Parish Organizations Records	Permanent	—
17. Pastor's & Parochial Vicar's Records	Permanent	—
18. Photographs	15 years	Transfer to diocesan Archives
19. Records Disposition Forms	Permanent	—
20. Records Retention Schedule	Until superseded	Destroy
<i>Cemetery Records</i>		
21. Account Cards (records of lot ownership and payments)	Permanent	—
22. Board of Trustees Minutes	25 years	Transfer to diocesan Archives
23. Burial Cards (record of interments, including name, date of burial lot number & place of death)	Permanent	—
24. Burial Log	Until superseded	Destroy
25. Burial Record (record of interments, including name, date of burial, lot number & place of death)	Permanent	—
26. Lot Cards (listing of lot owners and interments)	Permanent	—
27. Lot Maps	Permanent	—
28. Quarterly Report:		
a. If Annual Report prepared	1 year	Destroy
b. If Annual Report not prepared	Permanent	—
29. Rules & Regulations	Permanent	—
<i>Financial Records</i>		
30. Annual Budget	1 year	Destroy
31. Audit Recommendations	Permanent	—
32. Bank Deposit Register	7 years	Destroy

RECORD TITLE	RETENTION PERIOD	DISPOSITION
33. Bank Statements and Reconciliations	3 years	Destroy
34. Building Fund Account Book	Permanent	—
35. Cancelled Checks and Check Stubs	7 years	Destroy
36. Cash Book	3 years	Destroy
37. Charitable Gaming Records	2 years	Destroy
38. Charitable Gaming Permits	2 years	Destroy
39. Check Register	7 years	Destroy
40. Contributions Records	7 years	Destroy
41. Deposit Slips	3 years	Destroy
42. Federal Employer Identification Number	Permanent	—
43. Financial Statements:		
a. Annual Financial Statements	Permanent	—
b. Monthly Financial Statements	3 years	Destroy
44. Fund Raising Records	3 years	Destroy
45. General Ledger	Permanent	—
46. Investment Records	10 years	Destroy
47. Loan Files	7 years after paid	Destroy
48. Paid Bills	7 years	Destroy
49. Parish Tax Records	7 years	Destroy
50. Pastor's Account Book (record of contributions)	7 years	Destroy
51. Pennsylvania Sales & Use Tax Exemption Number	Permanent	—
52. Purchase Orders	3 years	Destroy
53. Receipts	7 years	Destroy
54. Special Collections Record	7 years	Destroy
55. Tax Exemption Records	Permanent	—

RECORD TITLE	RETENTION PERIOD	DISPOSITION
56. Trust Fund/Estate Contribution/Pious Foundations Records	Permanent	—
57. Unrelated Business Income Tax Form 990-T	Permanent	—
<i>Personnel Records</i>		
58. Application for Employment (not hired)	2 years	Destroy
59. Job Description	Until superceded	Destroy
60. Payroll Journal or Register:		
a. If payroll data is posted to an individual employee's earning record & maintained with personnel files	3 years	Destroy
b. If an individual employee's earning record is not maintained	75 years	Destroy
61. Personnel Files	50 years after termination	Destroy
62. Social Security Withholding Record	4 years	Destroy
63. Time Cards	3 years	Destroy
64. Vacation and Sick Leave Records	3 years	Destroy
65. W-2 Forms	4 years	Destroy
66. W-4 Forms	4 years after superseded or employment ends	Destroy
<i>Property Records</i>		
67. Architectural Drawings, Specifications and signed contracts	Until building is torn down	Transfer to diocesan archives
68. Construction Files (bids, correspondence)	12 years after construction completed	Destroy
69. Deeds and Surveyor's Plans	Permanent	—
70. Equipment Files (manuals, warranties, instructions)	Until related equipment is disposed of	Destroy
71. Insurance Claims	6 years after settlement	Destroy
72. Insurance Policies	6 years after expiation	Destroy

RECORD TITLE	RETENTION PERIOD	DISPOSITION
73. Property Appraisals	Until superseded	Destroy
74. Property Inventory	Until superseded	Destroy
<i>Publications</i>		
75. Anniversary Booklets	Permanent	1 copy to Archives
76. Newsletters	25 years	Transfer to diocesan Archives
77. Parish Bulletins	25 years	Transfer to diocesan Archives
78. Parish Histories and Other Special Publications	Permanent	Transfer to diocesan Archives
79. Promotional or Information Pamphlets or Books	Permanent	1 copy to Archives
<i>Religious Educations Records</i>		
80. Class Lists	5 years	Destroy
81. Family Record	Until superseded	Destroy
82. Registration Forms	5 years	Destroy
83. Religious Education Files (lesson plans, instructional materials, etc.)	Until superseded	Destroy
84. Schedule of Classes or Teachers	1 year	Destroy
85. Student Card (provides name, birth date, sacramental history, etc.)	5 years	Destroy
86. Student Files	5 years	Destroy
<i>Sacramental Records</i>		
87. Baptism Register	70 years	Transfer to diocesan Archives
88. Confirmation Register	70 years	Transfer to diocesan Archives
89. Death Register	70 years	Transfer to diocesan Archives
90. Dispensations	70 years	Transfer to diocesan Archives

RECORD TITLE	RETENTION PERIOD	DISPOSITION
91. First Communion Register	70 years	Transfer to diocesan Archives
92. Marriage Register	70 years	Transfer to diocesan Archives
93. Pre-Nuptial Papers	70 years	Transfer to diocesan Archives
94. Professions of Faith	70 years	Transfer to diocesan Archives
95. Record of Anointing	70 years	Transfer to diocesan Archives
<i>Electronic Records</i>		
96. Manuals (software and hardware)	Retain as long as long as software is kept	Destroy
97. Quicken Accounting System Back-up Diskettes [Note: be sure to review the section on Managing Electronic Records in the instructions for preserving Electronic records]	Permanent	—
<i>Student Records at Elementary School</i>		
98. Refer to the Principal's Handbook (These records are governed by state law and are generally permanent)	Permanent	—

CONTRIBUTION RECORDS RETENTION SCHEDULE

Record Retention Period for Contribution Envelopes

Collection envelopes are to be maintained a minimum of three months to a maximum of three years or more depending on how often the contribution records are reviewed by either the Parish Finance Council or the Diocesan Auditor.

If Review Performed By
Parish Finance Council

Envelope Retention Period
Envelopes may be discarded following the review provided no problems are noted. If a review is performed every three months, the envelopes may be discarded every three months.

Diocesan Auditor

If there is no review by the Parish Finance Council, envelopes may be discarded following the diocesan audit provided no problems are noted. If a diocesan audit is performed every three years, the envelopes may be discarded every three years.

Other Contribution Records

All other contribution records are to be maintained as follows:

Type of Record
Money Counter Reports,
bag # lists, list of loose checks
and collection deposit summaries

Retention Period
Until next diocesan audit is completed.
(Approximately every three years)

Daily/weekly computer posting
reports

Until next diocesan audit is completed.
(Approximately every three years)

Finance Council documentation
of contribution records review

Until next diocesan audit is completed.
(Approximately every three years)

Individual parishioner
contribution record including
manual cards, computers files
and/or printouts

Seven Years.

Acknowledgement letters for
donations over \$250

Seven Years.

Appendix BB

PROPERTY DISPOSITION GUIDELINES

Background

Canon 1254 §1 of the 1983 Code of Canon Law makes the fundamental point that “the Catholic Church has the innate right, independently of any secular power, to acquire, retain, administer and alienate temporal goods, in pursuance of its proper objectives.” These objectives “are principally the regulation of divine worship, the provision of fitting support for the clergy and other ministers, and the carrying out of the works of the sacred apostolate and of charity, especially for the needy.” (c. 1254 §2) Alienation is the traditional and technical term used to indicate any act by which ecclesiastical property or rights over property are transferred from its present ownership to some other.

Purpose of These Norms

To protect the Church’s interests in this regard, specifically with a view to ensuring its ability to pursue its “proper objectives” as referred to above, canon law has always laid down certain conditions to govern any act of alienation. One of these conditions is the requirement of prior permission by the competent ecclesiastical authority. These norms are provided to clarify when permissions are required prior to the alienation of ecclesiastical goods, whether those goods are movable or immovable, precious or mundane, sacred or profane. These norms are guidelines and are not intended to be a complete statement of all the issues raised in canon and civil law. It is important to recognize that, without the permission of the competent authority, the alienation would be invalid (cf. c. 1291).

Operating Norms

1. In accord with canon 1283 of the Code of Canon Law, the pastor/administrator must complete an inventory of all immovable and movable goods located in the buildings, including the rectory and convent, that are part of the parish.
2. A copy of the completed inventory as well as the annual updates is to be kept in the parish office. As part of his triennial extended visit, the Dean will review the annual updates completed by the pastor to insure that the updates are current, accurate and complete.
3. All ecclesiastical goods including real estate, buildings, furnishings, equipment, etc. are part of the assets (patrimony) of the parish. The pastor/administrator, as the canonical steward of the ecclesiastical goods of the parish, is responsible for determining the needs of the parish and for disposing of parish property in accord with Diocesan norms. The pastor/administrator should consult with his Finance Council over matters relating to the disposition of parish property.
4. The pastor/administrator may use discretion (with the appropriate counsel of the Parish Finance Council) in disposing of movable property that is neither precious, sacred, nor of significant cultural value and whose value is less than the amount permitted by the Diocese through the Form A process.
 - ♦ Disposition of all movable property is to follow the Form A process (obtained from the General Secretariat Office) if any sale is more than the amount permitted by the Diocese.

- ♦ All real estate transactions (renting, selling, leasing, etc.) are acts of alienation that can only be sanctioned upon observance of the formalities of law and therefore are to follow the Form A process (obtained from the General Secretariat Office).

5. Sacred goods, that is, goods that have been blessed or dedicated for worship (e.g., chalices, ciboria, tabernacles, monstrances, and, in certain cases, statues, religious articles, candlesticks, etc.), may be donated or transferred only to another parish, religious institute, or the diocese. Sacred goods may not be donated or transferred to private persons, religious goods dealers, or any other person.

- ♦ Items, such as statuary, that are (a) small enough for a home, (b) of ordinary rather than precious materials, (c) manufactured rather than handcrafted and/or (d) that were not the object of particular public veneration, may fall outside of the definition of “sacred goods.” The pastor/administrator should consult the diocesan Office for Worship regarding such items before disposing of them.
- ♦ Goods transferred to the Diocese also grants ownership of the goods to the Diocese. These goods are to be transferred to the Office for Property Planning and Development.

6. Sacred goods destined for the missions must be approved by, and the transfer facilitated by, the diocesan Missions Office. Donations cannot be made to the missions without this authorization.

7. Sacred goods may be donated to another parish (not private persons) only when the prescriptions of both canon and civil law or those imposed at the time of donation by the founder, donor, or legitimate authority are observed. The pastor/administrator is to consult with the Vicar for Canonical Services who will, in turn, consult with diocesan legal personnel, regarding the disposition of sacred goods. Records must be kept of what is given and to whom, and a copy sent to the Office for the Chancellor.

8. Some documents, artifacts, furnishings, equipment, etc., are rather valuable, for example, old photographs, church bulletins, minutes and documents of various parish organizations, newspaper clippings, antiques, artwork, oriental carpets, etc. Disposition of these movable precious goods (objects that have historical or artistic value), regardless of the monetary value of these materials, must be approved by the Director of the Diocesan Archives and Records Center.

Endnotes

An inventory of all parish property valued above \$500 was completed by Industrial Appraisal Company in 2002. The inventory reports form the base for all future parish inventories. This base will be updated by the parish every year using a form that will be sent by Industrial Appraisal to each parish. The Office for Insurance, the Office for Property Planning and Development, and the Diocesan Records Center will also keep a copy of the initial inventory as well as all annual updates.

Since the cultural value of an item is not always apparent, parishes should seek a professional opinion with the assistance of the Office for Property Planning and Development before disposing of movable property which may be of significant cultural value.

(Refer to Section 2.12.A)

Appendix CC

CHARITABLE GIFT ANNUITY PROGRAM

A gift annuity is expected to generate income to the charity of approximately 50% of the gift principal by the end of the annuitant's life.

There are assumptions built into the Gift Annuity Program which almost certainly result in generating income to the parish. The assumptions inherent in the tables used for the Gift Annuity Program are issued and controlled by the American Council on Gift Annuities. They take into account factors including the mortality rate, the rate at which the gift amount is invested for the duration of the annuity, the amount of the principal presumed to be left over at the end of the annuitant's lifetime, administrative costs and frequency of payments.

The payout rates to each donor vary by age and are structured in line with a standard mortality table. The payout rate is based on the life expectancy of females since they have the tendency to live longer. This allows a greater possibility of the annuity being more profitable when taken out by a male.

The frequency in which payments are made to the annuitant are generally semiannual, which allows for the buildup of income and reinvestment of that income, thus adding to the earning power of the annuity principal.

The annuity payout rates assume a certain investment yield on the gift amount over the life of the annuitant. When it is possible to generate a greater investment yield, the amount of principal available to the parish at the end of the annuitant's expectant life may even be greater than the 50% of principal inherent in the tables. If the investment yield is less, it is very unlikely that the principal and income being generated could be exhausted.

The following example may help to demonstrate the assumptions mentioned above:

A male donor, age 70, contributes \$5,000 for a gift annuity and the rate in effect for a single-life annuity at age 70 is 7.5%.

In the above example, the program receives the \$5,000 naming the parish as the beneficiary. The program agrees to pay the individual an annual annuity of \$375 (\$187 semi-annually) for the life of the 70 year old man. Since the tables are based on longer female life expectancies, the parish is already ahead since the annuitant is a male. Since the pay-out is semi-annual, the return is increased. Assuming that the charity can invest the \$5,000 at 6.75%, at the end of 16 years, the life expectancy of a 70 year old man, approximately 50% of the original gift or \$2,500 should remain as an income gift to the parish. The semiannual payments to the annuitant come primarily from the portion of the annuity principal being returned and the buildup of the invested income earned. When you combine the cumulative effect of all the assumptions, the intent of the Committee's rates should be met in providing a remainder of approximately 50% of the value of the gift at the end of the annuitant's life.

SUMMARY: Taking all of the above into consideration, it would be very difficult to exhaust the principal amount unless the annuitant outlived his/her life expectancy beyond a reasonable number of years and the spread between the pay-out rate and the invested rate was considerable. Since neither is likely, some or all of the expected annuity principal should be in tact upon the death of the annuitant. Keep in mind that there are donors who outlive their life expectancy and there are those who die sooner than expected, which average out the overall return. A Charitable Gift Annuity can be a valuable source of future income to the parish.

(Refer to Section 2.09.O)

Appendix DD
REQUEST TO CONDUCT A CAPITAL CAMPAIGN
WITH EXEMPTION FROM PSP ASSESSMENT

DIOCESE OF PITTSBURGH
FORM C



REQUEST TO CONDUCT A CAPITAL CAMPAIGN
WITH EXEMPTION FROM PARISH SHARE PROGRAM ASSESSMENT

Commentary and Instructions

Purpose of Form

Parishes are to use this form: (1) to seek permission to conduct a capital campaign and (2) to have any funds that are raised exempt from Parish Share assessment. Examples of reasons for capital campaigns include:

- Construction of a new facility or building;
- Major maintenance, improvements, renovation to existing facilities (e.g., replace roof, add air conditioning, replace boiler[s], replace windows, etc.);
- Major capital purchase of equipment (e.g., purchase of an organ, etc.);
- Debt reduction campaign (*Note*: permission is granted only in those cases where the parish is paying down a sizeable debt); and/or,
- Special debt workout programs for financially distressed parishes.

Procedure

Before any fundraising activity for a capital campaign begins, permission by the Diocese by completing and submitting this application to the General Secretary is required.

Prerequisites

- The parish is to consult with the Diocesan Office for Stewardship and Development both to establish a realistic goal for the capital campaign and to determine the most efficacious methodology for raising those funds.
- The appropriate Form A and/or Form B petition(s) must be submitted for any construction and/or expenditures required.
- Major capital projects in excess of \$100,000 require approval of the College of Consultors.

Exclusions

- Routine repairs, replacements, and maintenance due to normal wear are generally covered by operating funds and will not be exempted.
- Any funds collected prior to receiving permission may not be exempted from Parish Share Program assessment.
- The following types of income would not normally be included in the exemption:
 1. Ordinary offertory income, including loose currency and coins;
 2. Already existing and routine fundraising such as festivals, bingo, raffles, etc.;
 3. Donations and bequests, unless specifically restricted by the donor in writing for the exempt campaign;
 4. Parish organization donations and fundraising; and,
 5. Income raised or donated for routine repair and maintenance projects.
- The use of outside fundraising vendors is not permitted without the expressed written permission of the General Secretary. If permission is granted, all contracts must be reviewed and approved by the Diocesan Office for Legal Services.

Duration

Capital campaigns and the accompanying exemptions are normally three (3) to five (5) years in duration.

Amount

In establishing the amount requested for the campaign and for exemption, the parish needs to consider ***both*** the ability of the parish to raise the proposed goal ***and*** the anticipated total cost of the project, including interest expense (if borrowing), decorations, furnishings, heating, plumbing, electrical, and lighting fixtures, stained glass windows, exterior improvements, paving, landscaping, architect's fees, and all other attendant items.

Questions

- Questions regarding FUNDRAISING should be directed to the Office for Stewardship and Development.
- Questions regarding EXEMPTION should be directed to the Office for Financial Services.

Request to Conduct a Capital Campaign

To the General Secretary of the Diocese of Pittsburgh, on behalf of _____
Parish, _____, PA, telephone number (_____) _____
Location # _____:

After consulting the parish finance council, I, the undersigned pastor/administrator/moderator, request permission to conduct a capital campaign as described below and to have the monies raised exempt from Parish Share Program assessment.

The funds are being raised for the following purpose(s): (Provide a brief description. If necessary or appropriate, attached detailed information about the project[s].) _____

*The goal of the campaign and the amount to be exempted from Parish Share assessment is \$*_____.

The campaign to raise this amount will commence on _____ *and conclude on*
(insert date)

(insert date)

The parish plans to raise these funds using the following method(s). (Provide a brief description of each method planned.)

I am requesting permission to use an outside fundraising vendor. Yes _____ No _____

If yes, provide the following:

Name of Outside Vendor: _____

Address: _____

Phone: (_____) _____

Contact Person: _____

By virtue of Diocesan policy and procedure, it is necessary that the pastor/administrator/moderator sign this request.

Signature of Pastor/Administrator/Moderator Date

The signatures of the members of the parish finance council indicate that they have been consulted regarding the proposed campaign, its purpose, goal, duration, and methodology.

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Signatures of Finance Council	Printed Names of Signers	Date

For General Secretariat Use Only

_____ Stewardship and Development Review Decisions: _____
_____ Financial Services Review
_____ Legal Services Review
_____ Property Planning Review
_____ Other Review _____ Date: _____

