

# UNIFORM CHART OF ACCOUNTS

## **The Accounts**

This Parish/School Uniform Chart of Accounts is established for use by every parish/school in the Diocese of Stockton. It is intended to provide a simple and understandable method of reporting operations of the parish/school that can be used to evaluate the current financial status of the parishes and schools and plan for the future. Its proper use should provide consistent accounting within each parish/school as well as among the various parishes/schools. In addition, its use will provide for continuity in the event of a change in Pastor, Administrator, Principal, accountant and others involved in the financial administration of the parish/school. This Chart of Accounts was developed for use with QuickBooks Pro 2006. However, the use of QuickBooks Pro 2006 is not mandatory.

## **Account Structure**

Depending on the financial information needed, each parish and school has the flexibility to customize the Chart of Accounts as long as the overall summaries can be produced for reporting to the Diocesan Administrative Offices. Therefore the structure is as follows:

### **1. Modifiable**

This Chart of Accounts can be used by parishes and schools which prefer a limited number of accounts or parishes and schools that may need a further breakdown of income and expense.

### **2. Cash or Accrual**

This Chart of Accounts can utilize either the cash or accrual basis of accounting. Although the accrual method is preferred, it can be complicated. If the cash basis is utilized, it is highly recommended to use the accrued accounts at year end to:

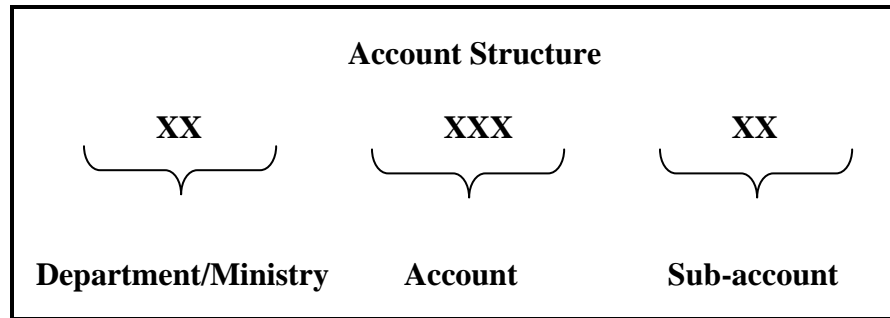
- Recognize goods and/or services received for which no payment has been made
- Recognize cash received for which no services have been recorded

### **3. Familiarity**

Familiarity with the Chart of Accounts is essential for the bookkeeper and accountant. At the outset, these persons must read the department/ministry and account definitions.

#### 4. Chart of Accounts Format

The Chart of Accounts uses a seven-digit account number. A diagram of the account structure is as follows:



#### Department/Ministry

The first two digits identify the department or ministry. There are twelve main departments/ministries – see listing starting on the next page.

#### Account

The middle three digits identify the account. There are eight main accounts:

100 – Assets	500 – Operating Expenses
200 – Liabilities	600 – Non-Operating Revenue
300 – Net Assets	700 – Non-operating Expenses
400 – Operating Revenue	800 – Capital Expenditures

Within the account number, the second two digits identify the type of asset, revenue, expense, etc (i.e. 102 = Checking, 401 = Regular Collections, 501 = Wages and Salaries, 523 = Meals, etc.).

#### Sub-account

The last two digits of the account number are used to create sub-accounts. Sub-accounts are optional and are used to provide for greater detail within the account description and are user defined from 01-99. For example, if a parish or school would like to maintain a breakdown of their electricity and gas bills, it could define additional sub-accounts to the 540 Electricity and Gas account:

54000	Electricity and Gas
54001	Electricity – Meter 1
54002	Electricity – Meter 2
54003	Gas

Please note when assigning sub-account numbers, a systematic approach applied to your entire Chart of Accounts should be utilized.

## Departments/Ministry

### **00 Balance Sheet Accounts**

Balance sheet accounts include assets, liabilities and net assets. Since they do not relate to a specific department/ministry but rather to the parish as a whole, utilize the program code 00. If school books are part of the parish books, its balance sheet account numbers will use 70 so that, if desired, separate balance sheets can be produced for each entity even though there is only one set of books.

### **01-19 Administration**

This section would include all general receipts and disbursements not accounted for in the other departments/ministries listed below. It also should include administrative costs of running the parish, such as secretarial, bookkeeping, clergy, rectory, parish office, parish center, etc.

**01 Offertory** - Funds received from parishioners through envelopes, checks and cash for general parish support for which no repayment, special service or special purpose is specified by the contributor. Accounts 401-409 (accounts 405-409 open)

**02 Sacramental Offerings** - Offerings received from funerals, baptisms, weddings or other parochial functions, unless otherwise specified by the donor. Unsolicited gifts made directly to Clergy are not recorded here. Stipends received by the parish that is paid as compensation to Clergy must be recorded in this account. Accounts 410-419 (accounts 415-418 open).

**03 Clergy** - Costs associated with clergy.

**04 Administration** - Administrative costs of running the parish, such as, secretarial, bookkeeping, rectory, parish office, parish center, etc.

**05 Payroll Tax Expense** - Cost of payroll taxes (FICA, SUI, Employee Training Tax) for all employees. An allocation of payroll tax expense by department is not required. If the schools are reported on separately, these costs will be coded to Ministry number 70 – Schools.

**06 Employee Benefits** - Cost of providing benefits to all employees. An allocation of employee tax expense by department is not required. If the schools are reported on separately, these costs will be coded to Ministry number 70 – Schools.

**07 Property & Facilities** - Cost of maintaining your property and facilities which include wages, repairs & maintenance, equipment rental, security, pest control, property taxes, etc. If the schools are reported on separately, these costs will be coded to Ministry number 70 – Schools.

**08 Utilities** - Includes items such as electricity & gas, water & sewer, cable TV, refuse, etc. If the schools are reported on separately, these costs will be coded to Ministry number 70 – Schools.

**09 Fees** - Diocesan Service Fee

**10 Development** - Costs associated with running a Development department

**11-19** Open Administrative Departments

## **20-29 Faith Formation**

**20 Religious Education – Children** - All training including class room instruction, sacramental preparation and retreats for children of elementary school age.

**21 Adult Education and Formation** - Revenue and expenses related to the education and formation of adults. Examples include Bible Study, Whole Community Catechists, and lecture series.

**22 RCIA** - Formation of individuals to become fully integrated into the Catholic Church

**23 Special Education** - Assistance to individuals with special needs and their families through religious education and liturgical formation.

**24-29** Open Faith Formation Ministries

## **30-39 Liturgy/Devotions**

**30 Liturgy** - all matters concerning all the Sacraments for clergy and laity

**31 Music** - all matters concerning the liturgy including Director of Music, the choir, accompanists, etc.

**32 Devotions** - the costs of movements such as Divine Mercy, Our Lady of Perpetual Help, Cursillo, Charismatic, Legion of Mary, Guadalupanas, etc.

**33-39** Open Liturgy/Devotions Ministries

## **40-49 Charity/Social Ministry**

**40 Social Justice** - All the charitable work in the parish including Catholic Social Teaching Seminars, direct service to the poor, peace making, environmental justice, advocacy, restorative (prison) justice and community organizing.

If the parish is involved extensively in particular works of charity, it may be wise to separate out the following ministries in social justice:

- 1) **Respect Life:** the enhancement of human dignity and the respect for life from conception to natural death;
- 2) **Parish Health:** the work of parish visiting nurses;
- 3) **Migrant Farm Worker Ministry:** Response to the migrant community in the parish, identifying needs and supporting parish leaders who implement this work.

**41-49** Open Charity/Social Ministry Ministries

## **50-69 Pastoral Ministries**

**50 Early Childhood** - Leadership development and program support for the faith development of children with the exception of the cost of the parish preschool which has its own ministry

**51 Youth and Young Adult Ministry** - The work of pastoral leaders who offer retreats, missions, Bible Study, weekly sessions or seminars and other events for young persons ages 14-35. The ministry may be separated by language groups, i.e. English, Spanish, Vietnamese, and Portuguese or by age cohorts, i.e., 14-18 and 19-35.

**52 Marriage & Family Life** - All work, seminars and services to care for and support married life and the family including Sacramental preparation, troubled marriages through Retroville, Engaged and Marriage Encounter, etc.

**53 Senior Ministry** - The work of parish leaders who serve parishioners over 55 years of age.

**55 Hispanic Ministry** - Activities specifically for the Latino community including apostolic movements, organizations, seminars and leadership training, etc.

**56 Filipino Ministry** - Activities specifically for the Filipino community including apostolic movements, organizations, seminars and leadership training, etc.

**57-69** Open Pastoral Ministries

**70-75 Schools**

**70 Schools** - All revenue and costs associated with the operation of the elementary school

**71 Preschool** - All revenue and costs associated with the operation of a preschool

**72-75** Open School Ministries

**76-80 Missions**

**76 Missions** - All revenue and costs for a congregation part of but specifically separated from the main parish church

**77-80** Open Mission Ministries

**81-85 Cemeteries**

**81 Cemeteries** - All revenue and costs for the operation of a parish cemetery

**82-85** Open Cemetery Ministries

**86-95 Other**

**86 CYO** - Revenue and costs associated with the parish sports program

**87-95** Open Other Ministries

**96 Non-Operating Inc/Expense** - Funds received or paid that are not part of your ordinary operations (i.e. certain gifts or bequests, gain on sale of an asset, etc)

**99 Capital Expenditures** - Costs associated with purchasing land, buildings (including improvements), equipment, furniture & fixtures, vehicles, liturgical appointments, etc. in excess of \$1,000.

**Accounts**

See Chart of Accounts Description for a description of each specific account

**Sub-accounts**

If desired, each entity may establish sub-accounts to provide greater detail to a specific account.