

PARISH BOOKKEEPER REFERENCE GUIDE (p. 1 of 2)

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Acknowledging Contributions	IRS requires written acknowledgement letters for all contributions of \$250 or more. These must be sent by January 31. The annual parishioner contribution statement from your contribution software (e.g., ServantKeeper, ParishSoft...) suffices as the acknowledgement. Grain, IRA, Stock and other property donations are not recorded on the contribution statement. Refer to these guidelines for instruction.
Authorized Check Signers	The authorized signers should be approved by the finance council and documented in the corporate resolution. The Bishop and pastor are signers on all accounts. There should be at least one or two additional signers; these may include a parish lay director, finance council chairperson... The bookkeeper cannot sign checks. No blank checks should be signed in advance or signature stamps used.
Background Checks	Required for all new employees and volunteers. Must be completed and approved before the employee starts, preferably before the offer is made.
Bank Reconciliations	Complete monthly in QuickBooks for all bank and investment accounts.
Budget	Annual budget approved by finance committee by June 15 of each year. Key the budget in QuickBooks. Print budget vs. actual reports for the finance committee.
Cathedraticum	Diocese bills quarterly, payment is due in the month billed. There is a \$100 annual discount for paying via ACH.
Contribution Software	Contribution records are required to be maintained electronically in such systems as ServantKeeper, Parishsoft or other systems as your parish elects. Record all tax deductible contributions in your software. Follow the IRS requirements. Reconcile weekly donation amounts recorded in the software to the amount recorded in the profit & loss statement, these should reconcile. Print a report to support this.
DAA	Return DAA pledge card, check, and transmittal sheet to the Diocese. The Diocese tracks and gives contribution credit/acknowledgements to donors. DAA donations should not be recorded in your contribution software or on the annual statements. For parishes that meet the goal, paybacks are deposited into the parish checking account in Dec., March, and June. For parishes that do not meet the goal (aka DAA shortfall), the parish is billed, this is due in the month billed.
Finance Committee Reports	Meet quarterly at a minimum. Bookkeeper prepares balance sheet and profit & loss comparative, budget vs. actual, check register for meeting. Bookkeeper attends meeting to present the financials. Minutes of the meeting are kept in the parish office.
Fixed Assets	Include asset purchases greater than \$5,000 and greater than a three year useful life in the 18000 fixed asset accounts (a larger amount can be used).
401(K) Pension Payment	Upload the 401K summary and detail reports into SmartVault by the 8 th of each month. 401K will be ACH'd from parish checking on the 22 nd of the month. Employee 401K changes can made at any time via the deferral form.
Globe*	The Globe bills for unpaid subscriptions in March. This can be ACH'd from the parish account in three monthly payments (i.e., April, May and June).
Full Time Employee & Eligible Benefits	Full Time Employee = works 30 hours or more per week for at least 8 months of year. Funded Benefits—health & life insurance, 401(k) pension, worker's compensation, long term disability, other benefits (as determined locally). 401(k) contributions are only allowed as whole percentages with contributions being matched up to the first 6% of employee's gross wage (i.e., 1% deduct 1% match, 2-2, 3-3, 4-4, 5-5, 6-6) Voluntary Benefits—dental insurance, Section 125 cafeteria plan (if offered)
Investments	Deposit Savings (2% interest), General Fund, Catholic School Foundation earnings/participation reports are sent quarterly. Update the investment accounts in QuickBooks to the quarterly statements when received.
Lay Health, Dental, and Life Insurance	The Diocese bills monthly for insurance on the first day of the month. This is ACH'd from the parish account on the 15 th . The insurance coverage is for that month.
Med Flex	Pay by the 5 th of each month. Mail the cafeteria report with your check to Diocese of Sioux City (Eagle Ridge), PO Box 2640, Sioux City, IA 51106. Med Flex changes can only be made July 1 or if a change in family status.

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Offertory Counters	Unrelated rotating count teams of 2-4 people. Pastor and bookkeeper cannot be on the count team. Deposits must be made at least weekly.
Parish/School Owned Vehicles	The Diocese bills for insurance on vehicles insured through the Diocese annually in July. Payment are due monthly with final payment due by June 1.
Parish Sponsored Organizations	The bookkeeper is required to manage the accounting for all parish groups (i.e., guild, altar society, fellowship...) in the parish business office, i.e., write checks, make deposits, reconcile. It's recommended that the checking/savings for these groups be a subaccount of parish checking/savings. Refer to the guidelines for further instruction.
Payroll	Churches are not subject to federal and state unemployment. All employees must complete a Form W-4 for federal and state tax withholding. Time-sheets for hourly are signed by the employee and pastor. Hourly receives overtime pay (1 ½ times regular rate) if "work" over 40 hours per workweek. Bookkeeper maintains vacation leave records. Job descriptions must be maintained and signed by the pastor and employee. Refer to the new employee checklist for handling new hires.
Priest Compensation & Mileage	Compensation changes typically take place July 1. Follow the Priest Compensation Schedule issued by the Bishop. The priest may elect Option 1, higher base pay, with the first 500 miles included as compensation, miles over 500 are reimbursed at the IRS mileage rate, or Option 2, lower base pay, with all miles reimbursed at the IRS mileage rate. The pastor provides a mileage log to request mileage reimbursement. Priests do not have Medicare or Social Security withheld from their pay, they can however choose to withhold federal and state taxes. Food & provisions, retreats and continuing education are paid based on receipts (no stipends). See Bishop's schedule.
Priest Health Insurance	Payment is ACH'd from the parish account on the 22 nd of each month.
Property & Liability Insurance	This is typically billed out in the fall. Pay monthly with the final payment due by June 1. There is a \$100 annual discount for paying via ACH.
QuickBooks Updates	Update every 3 years as instructed by the Diocese. Intuit notifies when the payroll subscription is due each year. Tax table updates are made through QuickBooks.
Special Collections	Remit special collections to the Diocese or Propagation of the Faith, as applicable, at least once a month. Use the funds held accounts.
Tax Forms	<p><u>Form 941</u> - due the last day of the month following the end of the quarter. The 4th quarter 941 is due January 31. Before sending, reconcile all quarters to the W-2s and W-3.</p> <p><u>W-2s</u> - mail to employees by January 31. File copy A of each W-2 and W-3 with the Social Security Administration by January 31. File electronic W-2s with the State.</p> <p><u>W-9s</u> – mail to each person and business the performs services for the parish to obtain the correct legal name, SSN/TIN and status (i.e., incorporated or not).</p> <p><u>1099s (Misc)</u> – mail to <u>un</u>-incorporated contractors that receive over \$600 by January 31. File copy A of each 1099 and 1096 with Internal Revenue Service by January 31.</p> <p><u>Annual VSP</u> (Verified Summary of Payments) – due January 31.</p> <p><u>W-2G/1096</u> – required for raffle prizes. Sales tax must also be paid and a gambling report submitted. See the raffle instructions.</p> <p align="center">***This list is not all inclusive***</p>
Taxes Payments	<p><u>Federal</u> – Monthly depositors remit payment by the 15th day of the month after wages are paid. Entities with payrolls over \$52,000 per quarter deposit within 3 business days after payroll is complete. www.eftps.gov</p> <p><u>State</u> – Pay by the last day of the month following the end of the month, quarter or year, as approved. www.iowa.gov/tax.</p>
Virtus Training	Required for all employees and volunteers who have regular contact with minors. Contact Dan Ellis with questions (712-233-7517).
Workers Compensation	The Diocese bills for this annually by February. Pay monthly with final payment due by June 15th. An audit bill is issued in the fall. This can also be paid via ACH.