FINANCIAL POLICIES AND PROCEDURES

FOR PARISHES

DIOCESE OF PATERNON – NEW JERSEY

777 VALLEY ROAD

CLIFTON, NJ 07013

973-777-8818

February 2020
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Parish Financial and Administrative Responsibilities</td>
<td></td>
</tr>
<tr>
<td>• Acts of Ordinary Administration</td>
<td>5</td>
</tr>
<tr>
<td>• Acts of Extraordinary Administration</td>
<td>6</td>
</tr>
<tr>
<td>2. Parish Corporations and Parish Trustees</td>
<td>8</td>
</tr>
<tr>
<td>3. Parish Finance Councils</td>
<td>9</td>
</tr>
<tr>
<td>4. Parish Annual Report</td>
<td>10</td>
</tr>
<tr>
<td>5. Parish Standard Chart of Accounts</td>
<td>11</td>
</tr>
<tr>
<td>6. Parish Accounting Period</td>
<td>12</td>
</tr>
<tr>
<td>7. Record Retention</td>
<td>12</td>
</tr>
<tr>
<td>8. Diocesan Reporting</td>
<td>13</td>
</tr>
<tr>
<td>9. Parish Bank Accounts</td>
<td></td>
</tr>
<tr>
<td>• Central Bank Account</td>
<td>14</td>
</tr>
<tr>
<td>• Auxiliary Bank Accounts</td>
<td>16</td>
</tr>
<tr>
<td>10. Parish Cash Receipts</td>
<td></td>
</tr>
<tr>
<td>• Offertory Collections</td>
<td>17</td>
</tr>
<tr>
<td>• Cash Receipts</td>
<td>19</td>
</tr>
<tr>
<td>11. Parish Disbursement System</td>
<td></td>
</tr>
<tr>
<td>• Cash Disbursements</td>
<td>20</td>
</tr>
<tr>
<td>12. Parish Income</td>
<td></td>
</tr>
<tr>
<td>• Donations: Offertory Collections/Bequests</td>
<td>21</td>
</tr>
<tr>
<td>• Mass Stipends and Other Priestly Ministrations</td>
<td>22</td>
</tr>
<tr>
<td>• Rental Income/License Fees</td>
<td>23</td>
</tr>
</tbody>
</table>
13. Donor Acknowledgements

- Determination of Value 24
- Written Acknowledgement 24
- Donations Greater than $5,000 25
- Form 8283 25
- Form 8282 25
- Quid Pro Quo Donations 26
- Examples 26

14. Spending Transaction Approval 27

15. Capital Expenditures 28

16. Parish Contracts 29

17. Real Property

- Sale of Real Estate or Interest Therein 30
- Purchase of Real Estate 31
- Donation of Real Estate 32

18. Compensation and Reporting

- Employees vs. Independent Contractors 33
- Clergy 34
- Compensation 35
- Food and Housing Allowances 35
- Payroll Tax Returns 36

19. Employee Personnel and Volunteer Files 37

20. Diocesan Central Investment & Lending Agency (CILA)

- Loans 39
- Deposits 39

21. Diocesan Assessment 40

22. Parish Payment of Taxes

- Federal Tax Obligations 41
- State and Local Obligations 43
23. Self-Insurance Program
24. Diocese of Paterson Pension Plan
25. 403(b) Employee Retirement Savings Plan
26. Parish Financial Reviews

APPENDICES

1. Uniform Chart of Accounts
2. Record Retention Policy
3. Annual Financial Report Submittal Form & Attestation
4. Credit Card Usage Policy Sample
5. Collection Log Sample, Collection Procedures, Bishop’s Decree on Offertory, Background Checks
6. Form 8283, Non-cash Charitable Contributions
7. Form 8282, Donee Information Return
8. Applications for Permission to Conduct a Capital Campaign, Borrow/Spend, Construct a Building, Renovate/Repair a Building
9. Application for Permission to Sell
10. Application for Permission to Purchase
11. Form W-4, Exempt vs. Non-Exempt Overview, Employee vs. Independent Contractor Overview
12. Form I-9
13. Parish Promissory Note Samples
15. Parish Financial Risk Review Checklist
PARISH FINANCIAL ADMINISTRATIVE RESPONSIBILITIES

STATEMENT OF POLICY

The Pastor/Parish Administrator, with the assistance and advice of the Parish Finance Council, is financially responsible for the administration of parish goods. He is to exercise sound stewardship and management of the financial and physical resources entrusted to him and is bound by the parameters of Canon and Civil law, particularly those aspects of civil law relating to tax exempt organizations. He is to employ sound business practices in conducting all financial and administrative matters of the parish within the limits of ordinary administration. A Pastor/Parish Administrator acts invalidly if he goes beyond the limits of ordinary administration without first obtaining the written permission of the Bishop.

PROVISIONS

1. Acts of Ordinary Administration ** - Those acts which occur regularly in the operation, maintenance, and administration of parish property and activities. The limits of ordinary administration are determined not by universal law, but by particular law enacted by the Diocesan Bishop (c. 1281, par. 2). The following are examples of ordinary administration:

a. The collection and banking of Parish’s money;

b. Employment of parish personnel and payment of their wages and salaries;

c. The purchase of what is required for the day to day operations of the parish plant and ordinary repairs such as roof and air conditioner repairs that do not exceed the financial limits of the ordinary administration (i.e. $29,000 or 5% of operational income, whichever is lower);

d. Replacement of standard equipment, i.e. office supplies, text books, audio and visual equipment, liturgical and religious supplies, etc.

e. Acceptance of donations which are free from any stipulation or requirement for service or advantageous preferences to be performed/granted by the parish on behalf of the donor;

f. The reparation of damages done to real estate;

g. Execution of vendor or service contract necessary to the maintenance of the parish to the extent not limited by other provisions or policies herein.

** If doubt exists as to whether a matter is one of ordinary or extraordinary administration, the Vicar General should be consulted and/or permission obtained from the Bishop.

** Policies for Pastors include Parish Administrators unless limited by the Bishop.

February 2020
2. Acts of Extraordinary Administration - Those acts that go beyond the limits of ordinary administration that are reserved to the competency of the diocesan Bishop. The Pastor / Administrator must receive the written approval of the diocesan Bishop for the transfer or rights over the stable patrimony of the public juridic person or the parish from one person to another, in order to be valid. The follow are examples of extraordinary administration:

   a. To buy, sell, exchange, mortgage or lease real or immovable property, or enter into contracts involving more than a total of $29,000 over the life of the contract;

   b. To sell, exchange, mortgage objects of art, historical documents or other movable property of material importance and monetary value;

   c. To accept or renounce an inheritance, legacy or foundation;

   d. To borrow any money, except from the diocesan deposit and loan program;

   e. To build, raze, or rebuild in a new form a parish building or to make extraordinary repairs to such buildings;

   f. To accept any gift of real property;

   g. To enter as a party to a lawsuit on behalf of the parish in civil court;

   h. To donate, spend or obligate the parish by contract for an amount over and above that specified as being ordinary administration for the parish, i.e. an amount greater than 5% of total parish operational income as of the last complete fiscal year financial report or $29,000 whichever is lower;

   i. To establish a cemetery, columbarium or below ground crypt;

   j. To create or be a party to the creation of a civil corporation, partnership, trust, foundation, endowment, or other legal entity, for purposes other than personal management.
3. Cooperative decision making between Pastor and Parish Finance Council –

a. The Pastor, as administrator of the parish, shall coordinate the implementation of policies adopted by the Parish Finance Council and ratified by him. He shall be responsible for the day to day supervision and administration of parish life.

b. No action or recommendation of the Parish Finance Council can take effect until the Pastor has explicitly ratified it.
PARISH CORPORATIONS AND PARISH TRUSTEES

STATEMENT OF POLICY

In the Diocese of Paterson, all parishes are separately incorporated as Title 16 religious corporations pursuant to the laws of the State of New Jersey, and are 501c3 tax exempt organizations pursuant to the IRS Group Ruling determination letter of March 1946 (renewed annually). For all civil corporations of the Diocese of Paterson, the Bishop shall serve as President, the Vicar General shall serve as Vice President, and the Pastor / Administrator as Secretary / Treasurer. In addition, every parish is to have three Parish trustees, including Pastor / Administrator.

a. The Pastor / Administrator shall serve as Secretary / Treasurer and Parish Trustee.

b. The remaining two trustees shall be appointed by the Bishop, after consultation with the Pastor / Administrator. (See Appendix 11 for Guidelines for Parish Trustees)

c. Trustees must be active members of the parish community.

d. Each appointed trustee shall serve for a term of no less than one year. Terms may be renewed. However, no trustee shall serve for more than three consecutive terms.

e. All Parish trustees shall serve on the Parish Finance Council.

f. Each parish must meet the legal obligation of such corporations. Corporations must hold at a minimum one annual meeting. The minutes of the meeting are to be signed by the Pastor / Administrator, two Parish trustees, and the Vicar General. The annual meeting may or may not be held as part of a regularly scheduled Parish Finance Council meeting.

g. No trustee or any family member shall derive any financial benefit whatsoever as a result of service to the parish. In the event that a trustee or any member of his / her family is receiving such a benefit, they shall be dismissed from their service as a trustee. If a Pastor / Administrator has substantive reasons for seeking an exception, they shall make such a written request to the Vicar General’s Office.
PARISH FINANCE COUNCIL

STATEMENT OF POLICY

A Finance Council is mandated by the Diocese, as established under Canon 537. Canon 537 states – in each parish there is to be a finance council which is governed, in addition to universal law, by norms issued by the diocesan Bishop and in which the Christian faithful, selected according to these same norms, are to assist the pastor in the administration of the goods of the parish, without prejudice to the prescript of Canon 532. In all juridic affairs the pastor represents the parish according to the norms of Canon law. The Finance Council shall operate under the provisions identified herein. (See Appendix 14 for the Parish Finance Council Charter and Guidelines for Parish Finance Councils)

PROVISIONS:

a. It shall be called the Parish Finance Council of “Parish Name”

b. The Parish Finance Council is to be a separate entity from the Parish Pastoral Council, but work in collaboration with it and be responsible directly to the pastor.

c. Its role is advisory and consultative to the pastor.

The Diocese of Paterson has established the Parish Finance Council Charter. The charter includes the following articles related to the Council:

I. Name and Purpose
II. Structure, Membership and Officers
III. Voting
IV. Meetings
V. Duties / Responsibilities
VI. Communication
VII. Confidentiality
VIII. Charter Review and Change

February 2020
PARISH ANNUAL REPORT

On an annual basis, each parish should produce an annual report to the parish community to provide financial transparency about the current state of financial affairs. This report should be made on a fiscal year. Typically this report may be made in parish bulletins or by inserting a separate document. The following items shall be included:

1. Current year income and expenses summarized, noting net income for all sources;
2. Total assets of the parish by classification, such as cash and cash equivalents, fixed assets, and other assets;
3. Total liabilities by classification, such as current liabilities, outstanding Diocesan invoices, parish loans detailed to each borrower, such as a third party bank, Diocesan CILA, or others (as applicable);
4. Date of last parish Financial Review

Recommended items to include:

1. Contributions to Catholic Schools
2. Number of registered households;
3. Average contributions per family
4. Total parish contributions to Diocesan Collections
PARISH STANDARD CHART OF ACCOUNTS

STATEMENT OF POLICY

All parishes and parish organizations shall use the diocesan approved Parish Standard Chart of Accounts in classifying their financial transactions. See Appendix 1.
PARISH ACCOUNTING PERIOD

STATEMENT OF POLICY

The parish account period for recording financial transactions shall be on a 12 month fiscal year basis beginning on July 1 and ending on June 30.

PROVISIONS

The operating units of the parish, as well as parish organizations, shall observe the same accounting period for recording financial transactions.

For parishes that also have schools and/or cemeteries, it is encouraged that the accounting records for the parish, school and cemetery be maintained separately with their own operating cash account.

PARISH RECORD RETENTION

See Appendix 2 for the Diocesan approved Record Retention Policy. Every effort shall be made to insure compliance with the respective provisions of this document.
DIOCESAN REPORTING

STATEMENT OF POLICY

On an annual basis, all Diocesan parishes shall complete an annual report. The annual report shall consist of financial statements from the most recently completed fiscal year and the final budget for the next fiscal year. For instance, in September 2018, all parishes will produce financial statements for the fiscal year ending June 30, 2018 and also a budget for the 2018/2019 fiscal year. All annual reports shall comply with the following provisions:

1. Annual financial reports should consist of a Balance Sheet and Profit and Loss Statement from your reporting system/package. Some packages may refer to the Profit and Loss statement as an Income Statement. These terms are interchangeable. The reported Profit and Loss should be for the current fiscal year.

2. All Financial reports are due to the Finance Department before the first day of the 3rd month following the close of the year (October 1st).

3. No handwritten reports will be accepted. All reports should be printed from the financial accounting package utilized by the entity.

4. All reports must comply with the current Diocesan Parish Standard Chart of Accounts (See Appendix 1). If the Chart of Accounts is not current, the reports will be returned for correction.

5. All reports should include a complete attestation form (See Appendix #3), signed as indicated.

6. All bank accounts, brokerage accounts and any other financial accounts must be included on the printed version of the financial reports. Any discrepancies to this should be explained in writing along with the report.

7. For parishes whose QuickBooks transaction detail data is not maintained in the “Cloud”, a backup of your QuickBooks June 30th data should be saved in a secure place.

Effective July 1, 2011, parishes with outstanding debt to the Diocese of Paterson CILA program are required to submit quarterly financial statements. As with the provisions above, quarterly financial statements must be printed from the parish accounting package, include all bank, savings, investment and brokerage accounts, and include all parish income and expenses. Reports for the quarters ending September, December and March, are due to the Finance Department 2 weeks after the close of the quarter. Every effort should be made to meet this deadline.

February 2020
PARISH BANK ACCOUNTS

STATEMENT OF POLICY

For better management, supervision, accounting and utilization of financial resources, each parish shall maintain only one bank account through which all the financial transactions of the parish and parish organizations shall pass (Central Bank Account) except that auxiliary accounts may be established upon written request identifying the need for such an account, and written approval of the Diocesan Finance Department.

Each parish is to have its own employer identification number. No separate incorporated organizations, such as Knights of Columbus, or St. Vincent de Paul Society shall maintain an account using the parish employer identification number. No parish bank accounts may be maintained in the name of any person.

PROVISIONS – CENTRAL BANK ACCOUNT

1. The parish central bank account shall be established and maintained with the Pastor as the primary authorized signatory. Two of the three persons: Bishop, Vicar General, and Chancellor, shall be included on all parish bank accounts as authorized signers along with the Pastor. There may be additional authorized signatories, which, however, shall be limited to any two of the following:
   a. Parochial Vicar(s)
   b. Neighboring Pastor
   c. Parish Trustee
   d. Chairperson of the Parish Finance Council
   e. Parish Business Manager/Administrator (if that person is NOT involved in the bookkeeping and check issuing process)

Specific written approval has to be obtained from the Diocesan Finance Department for other persons to act as a signatory and only under exceptional circumstances. The parish bookkeeper or accountant should NOT be a signatory on the bank account.

2. The parish central bank account shall be established in the name of the parish and maintained as an interest earning checking account whenever advantageous to enable unused funds to produce additional income through interest earned while at the same time being readily available for disbursement.

3. Any single check in excess of $15,000 shall require the signature of two signors on the account.

4. Facsimile signatures are prohibited. No signature stamps are allowed.
5. Bank statements must be reconciled to the accounting records each month in a timely manner. This includes all parish accounts, including auxiliary accounts and investment accounts. The individual responsible for reconciling the account should receive the bank statement unopened and should not be a signor on the account. The actual reconciliation should be compared with the financial statements by the Finance Council at least annually. Detailed reconciliation reports should be maintained along with the appropriate bank statement.

6. Debit cards are not allowed for parish accounts.

7. Credit Cards -- parish employees may have access to parish credit cards, although the use of such cards is strongly discouraged. The parish should maintain a list of employees who have been issued cards and the credit limit on each card and acceptable usage policy, which includes the requirement to submit adequate documentation (receipts) for each transaction. When the employee leaves the employment of the parish, the card must be cancelled immediately and returned to a designated authorized employee who will document the return by signed receipt of the card. (Refer to Appendix #4. C.C. Usage Policy.)
PARISH BANK ACCOUNTS - Continued

PROVISION – Auxiliary Bank Accounts

1. Each auxiliary bank account’s activity shall be reported to the Pastor on a quarterly basis in a statement of income and expenses. All receipts and disbursements shall be adequately documented and accounted for.

2. The parish auxiliary account shall be established in the name of the parish with the particular organization referenced, i.e. St. Mary’s Women’s Guild or St. Mary’s Catholic Church – Women’s Guild.

3. A Parish Auxiliary account shall be established and maintained with the Pastor as the primary authorized signatory. Two of the three persons: Bishop, Vicar General, and Chancellor, shall be included on all parish bank accounts as authorized signers along with the Pastor. Additional authorized signatories, which shall be limited to an two, may be chosen by the Pastor from the following:
   a. Organization President;
   b. Organization Treasurer.

4. Two signatures shall be required on each auxiliary account check.

5. Parish auxiliary accounts shall be subject to #2 and #5 above pertaining to the Central Bank Account.

6. At the end of the fiscal year, financial and accounting records such as check stubs, paid and canceled checks, voided checks, bank statements, books of account, bills, invoices, etc. of each parish organization shall be turned over to the parish rectory or business office for permanent safekeeping.
PARISH CASH RECEIPTS

STATEMENT OF POLICY:

The parish is required to follow the diocesan system for the handling of cash receipts. All receipts, regardless of the source, must be deposited into the central banking account for proper accounting. Parishes are prohibited from using cash/currency for the direct payment of bills or wages, etc. Cash receipts include cash and checks. The basic feature of the cash receipt system is to provide a segregation of duties between the actual handling/counting of cash receipts and the recording of receipts in the parish records.

PROVISIONS – OFFERTORY COLLECTIONS

Each parish shall adopt a written offertory collection process that is utilized on a weekly basis which must strictly meet all requirements of the Diocesan guidelines for offertory collection controls (See Appendix 5 for Collection Procedures and the Bishop’s Decree on Offertory dated 7/26/10). The written policy shall include at least the following criteria:

a. Offertory collections is to be secured immediately following the completion of the collection.
   1. Pre-numbered tamper-proof bags are to be used; bags are then sealed, using separate bags for different collections (ex: SECUR-PAK).
   2. A member of the parish usher team should be appointed as the responsible party to secure the funds and should be accompanied by a second member during such a process.
   3. The envelopes are initialed in pen by both, with mass time and date. Parishes should utilize safes with limited access where the collections can be stored until counted.
   4. Access can be limited by either restricting access to the combination/key or having a drop safe, where bags can be deposited without actually opening the safe.
   5. The collections or keys are not to be left unsecured in the possession of any one person.

b. If more than one collection is held, the funds should be segregated for adequate counting and reporting.

c. Each mass to have a separate secure bag.

d. Each parish shall establish teams of counters who are responsible for the counting of the offertory collection on a rotating basis. Background checks should be performed on all counters (See Appendix 5 for policy on Background Checks dated 1/31/12). Each team should include, at a minimum, two members and no parish employees.

February 2020
e. The parish bookkeeper is to have no part in the offertory collection counting process.

f. In addition to counting of the offertory collection, a volunteer counter shall complete the appropriate deposit slip and accompany the offertory collection to the bank for depositing. Count teams shall have rotating members over the course of the year.

g. The volunteer count team shall complete an offertory count sheet(s) which should be used to account for each type of cash (different denominations of coin and paper monies) and determine the total collection received. This sheet shall be compared to the deposit ticket to insure completeness and be signed by two members of the count team upon completion. These sheets shall be maintained as part of the parish records (refer to Appendix 5 for Collection Log Sample).

h. All checks shall be restrictively endorsed immediately upon opening of envelopes or counting of checks.

i. No cash shall ever be used from the offertory collections for any purpose, including petty cash.

j. A copy of the counting sheet and duplicate deposit slip is sent to the bookkeeper before going to the bank. The parish bookkeeper shall be responsible for recording all receipts in the parish financial records. Counters will ensure the information that appears on the envelopes agrees with the contribution check-name, amount, etc.

k. The parish bookkeeper or another designated parish employee shall record contributions to the individual donor’s account.
PARISH CASH RECEIPTS - Continued

PROVISIONS – CASH RECEIPTS

1. Cash receipts received outside of the offertory collection process should also be secured as soon as possible. This can be accomplished by either placing the funds inside the parish safe or making deposits intact as soon as possible. If possible, given the makeup of the parish employees, the responsibility of other cash receipts should be handled by someone other than the parish bookkeeper or party responsible for the recording of such receipts. Copies should be made of these checks as support for the deposit.

2. Checks shall be restrictively endorsed for deposit as soon as received.

3. Deposits of other cash receipts should be performed at a minimum once per week, depending on the dollar amount. The collection, counting and depositing of ancillary funds shall follow similar procedures as mentioned above. Such funds should never be in the possession of only one person, with necessary precautions taken to protect such funds. Examples would include candle money, poor box income, etc.
PARISH DISBURSEMENT SYSTEM

PROVISIONS – CASH DISBURSEMENTS

1. All cash disbursements should be made with pre-numbered checks. No pre-signed checks are allowed.

2. If a mistake is made when preparing a check, the check should be voided before preparing a new one, the voided check should be altered to prevent its use.

3. All voided checks shall be retained to insure all pre-numbered checks are included in the parish financial records.

4. All disbursements should be properly documented including:
   a. an original invoice;
   b. evidence that the goods or services were received; and
   c. evidence that the purchase transaction was properly authorized.

5. If no invoice is available, a Check Request form shall be completed including the name of the payee, the amount, the purpose, proper approval and receipts attached when provided. This form shall be retained as part of the parish financial records.

6. All supporting documents should be cancelled or marked “paid” once a disbursement is made to avoid double payments, along with the date and check number.

7. No checks may be made payable to cash.

8. Bank accounts should be reconciled on a monthly basis. In addition, all reconciliation reports should be retained along with the bank statements. If the parish bank does not return cancelled checks, each entity shall request copies of checks, front and back. Images of the checks are sufficient for the parish needs.

9. Petty Cash – An imprest petty cash fund, not to exceed $500, with one custodian should be used. The imprest fund involves the replenishing petty cash only when properly approved vouchers/detailed receipts are presented justifying all expenditures (date, purpose, person making purchase, authorized). Checks to replenish cash can only be made payable as: to the parish/staff member, i.e. “St. John Cathedral, John Doe”
PARISH INCOME

STATEMENT OF POLICY

All income received by the parish is considered parish income. Distinctions made for income for the parish and parish organizations are for purposes of accounting only and are not to be construed as a segregation of income / funds.

PROVISIONS – DONATIONS: OFFERTORY COLLECTIONS/BEEKUESTS

1. The components of parish income are identified on the diocesan approved chart of accounts.

2. The following items pertain to the treatment of offertory collections, donations, and bequests:

   a. The parish shall maintain on a calendar year basis a detailed list of contributions made by each parishioner. A detailed statement of annual contributions shall be made available to each contributing parishioner. Acknowledgement of all gifts shall be provided to each parishioner at the end of the year, no later than January 31st;

   b. Bequest/donations are to be received by the parish free of any stipulations or requirements for any service or advantageous preferences to be performed or granted by the parish in behalf of the donor (i.e. a donation may not be used for school tuition.);

   c. Offertory collections, bequests or donations in the form of stock certificates, bonds, and real estate are treated as follows:
      i. Stock certificates or bonds shall be received, registered or endorsed in the parish name. If assistance is needed with stock certificates received, please contact the Diocesan Development Office;
      ii. Any donation of real property or an interest therein requires the written approval of the Bishop prior to acceptance of the gift. Please contact the Diocesan legal department for assistance with real estate donations. These shall be recorded as non-cash offertory collections at the time of sale using the fair market value of the said real property;

   d. See “Donor Acknowledgement” for requirements of acknowledging gifts (Section 10);

   e. All national and diocesan collections are to be remitted to the Diocesan Finance Department within 20 days following the date on which the collection is taken.
PARISH INCOME - Continued

PROVISIONS – MASS STIPENDS AND OTHER PRIESTLY MINISTRATIONS

The following provisions pertain to the treatment of mass stipends and priestly ministrations:

1. Mass Stipends:
   a. The parish shall maintain a permanent and detailed record of all mass offerings and the fulfillment of these offerings. The required record includes among others the date the stipend was received, the amount of the stipend and the date of the fulfillment;
   b. Mass Stipends are considered parish income and must be deposited in the parish central bank account.

2. Stole Fees:
   a. Monies received for priestly ministrations within the priest’s assigned parish, such as baptisms, funerals, and marriages are considered parish income* (Canon 531) and must be deposited in the parish central bank account.
PARISH INCOME - Continued

PROVISIONS – RENTAL INCOME / LICENSE FEES

Parish or diocesan sponsored groups/events are permitted to use parish/diocesan property without charge. There are no written agreements or additional insurance requirements.

When presented with requests from non-diocesan /non-parish sponsored groups to use parish property, please refer to the following:

1. Leases – to be utilized in cases of residences or unimproved real property, usually for a term not to exceed three (3) years.

The decision to lease parish property shall be made by the Pastor with the approval of the Diocesan legal counsel. All agreements to lease diocesan or parish property shall be signed by the Bishop. The Pastor or Parish/Finance Council Presidents may not sign lease contracts.

2. Licenses – to be utilized in case of one day or short term events such as wedding receptions, civic group meetings, summer camps, etc.
   a. Permission to use parish/diocesan buildings, facilities, and equipment shall be covered with an appropriate license agreement and Comprehensive General Liability Insurance with a minimum of $1,000,000 per occurrence, $3,000,000 aggregate bodily injury and property damage coverage. This insurance may be procured through the Diocesan Insurance Department, Facilities Use Program.
   b. A copy of the duly executed and signed license shall be retained by the parish and one copy to the licensee. Generally, only the Pastor, but in his absence, any person authorized to sign parish checks, may sign a license agreement on behalf of the parish;

3. An appropriate record shall be kept of all payments received;

4. The parish may be obligated for Unrelated Business Income tax (UBIT) for any rental/license income. Any questions should be referred to the Diocesan Finance Department.
DONOR ACKNOWLEDGEMENTS

PROVISIONS

Certain substantiation and disclosure requirements on all nonprofit organizations, including churches, have been imposed by the Internal Revenue Service. These requirements include written acknowledgement of gifts to support the donor's tax deductions.

DETERMINATION OF VALUE

A determination of the value or fair market value of non-cash donation (i.e. used clothing, household goods, cars, etc.) is the responsibility of the DONOR, not the recipient organization. Written acknowledgments of non-cash donations should include items #1-4 below, but no value of the donation made. This determination is the responsibility of the donor.

WRITTEN ACKNOWLEDGEMENT

Internal Revenue Service guidelines allow for charitable deductions of greater than $250 only if a written acknowledgement of the donation is obtained from the recipient organization by the earlier of the date the taxpayer's return for the year of the donation is due or filed. The IRS rules do not require the recipient organization to provide such written acknowledgment. However, the support of such donor's would continue only with the cooperation of the recipients, by providing such written acknowledgements.

Such written acknowledgements must include the following:

1. The name of the donor;
2. The amount of cash and/or a description of any other property or services contributed;
3. A statement about whether the organization provided any goods or services in return for the contribution;
4. If the organization provided something in return for the contribution, a description and good faith estimate of the value of the item(s) provided. If the only benefit provided consists of "intangible religious benefits," a statement to that effect is required. Intangible religious benefits are those items provided by a church or other religious organization that generally are not sold in a commercial transaction outside of a donative context.
DONOR ACKNOWLEDGEMENTS - Continued

NON – CASH DONATIONS GREATER THAN $5,000

Special rules apply for non-cash donations greater than $5,000. In order to substantiate a deduction of greater than $5,000 for non-cash items, a qualified appraisal must be secured. This appraisal must be prepared no more than 60 days before the donation is made and no later than the due date for the return for the year in which the donation occurred. **THE APPRAISAL MUST BE PAID FOR BY THE DONOR.** The recipient organization may not pay for the appraisal. If the donor fails to obtain the necessary appraisal, the charitable donation may be limited or denied entirely.

Exceptions to donations over $5,000 do exist. The following types of donations are exceptions to this rule:

1. Contributions of publicly traded stocks;
2. Contributions of non-publicly traded stock valued at less than $10,000 or less;
3. Contributions made by C Corporations, other than closely held corporations or personal service corporations;
4. Certain contributions of inventory or other property made by closely held corporations or personal service corporations that are for the care of the ill, the needy, or infants.

**FORM 8283 – NONCASH CHARITABLE CONTRIBUTIONS**

This form is an Internal Revenue Service requirement for donors to receive charitable tax deductions for total non-cash donations greater than $500. This form is **NOT** the responsibility of the church or recipient organization. However, donors may ask the church to complete Part IV of Form 8283. (See Appendix #6 for Form 8283 and Page 4 of the Instructions related to Part IV). This section is simply an acknowledgement of receipt from the donee. Once Part IV is completed, the donor must provide the donee (the church) with a copy of Section B, or page 2 of Form 8283.

**FORM 8282 – DONEE INFORMATION RETURN**

Form 8282 is required to be filed if a tax-exempt organization (church) receives donated property which is valued at more than $5,000 and disposes of such property within two years of the date the property was received. This form must be completed by the **DONEE OR CHURCH**, not the donor. See Appendix #7 for Form 8282 and instructions. Any questions about this form should be directed to the Internal Financial Services department.

February 2020
DONOR ACKNOWLEDGEMENTS - Continued

QUID PRO QUO DONATIONS

This is a common term used to describe a certain type of contribution. Quid Pro Quo contribution consists of part charity contribution and partial payment for some type of goods or services received. A common example of this type of contribution is a fundraiser dinner, where part of the ticket price is a contribution to raise funds and part is the price of the dinner received. For Quid Pro Quo donations, the Internal Revenue Service requires a disclosure statement be provided to all donors that should include:

a. An explanation that the amount of the deductible contribution for federal income tax purposes is the excess of the amount of money contributed over the value of the goods or services provided by the religious organization;

b. Provide the organization’s good faith estimate of the value of the goods or services furnished to the donor. This disclosure should be made in a reasonable manner to be noticed by the donor.

EXAMPLES:

Sam Smith donated $25 per week for 52 weeks in the offertory plate. Since the individual contributions are less than $250, no written acknowledgement is required to substantiate each individual donation, rather an annual statement would suffice.

Sam Smith makes two separate contributions of $200 during the year. Since the individual contributions are less than $250, no written acknowledgement is required to substantiate his deduction.

Sam’s brother, Steve, makes a contribution of $400. Steve’s contribution would require a written acknowledgement to substantiate his charitable deduction.

Steve Smith also makes contributions of $250 each week in the offertory plate for 52 weeks. Since the contributions are on an ongoing basis, each contribution of $250 does not require separate acknowledgement. In order to reduce administrative costs, the church can acknowledge Steve’s total contributions in a single letter at the end of the year.

* For additional information, Publication 1771, “Charitable Contributions – Substantiation and Disclosure Requirements” can be obtained online at www.irs.gov, search for Publication 1771 under Forms and Publications. Any questions should be directed to the Internal Financial Services Department.
SPENDING TRANSACTION APPROVAL

STATEMENT OF POLICY

For parish expenditures, including capital expenses, the following levels of approval are required:

1. Less than $29,000 or 5% of the parish operational budget -
   
   Must be approved by the Pastor, after consultation with the Parish Finance Council, provided that such project is financed through internally raised funds and/or with parish funds on hand. If any project is to be financed with borrowed funds, authorization must be obtained in accordance with the provisions of this policy.

   **Total project or initiative expenditures must be included and may not be broken down into smaller components to avoid such provisions. If a project is to be financed with borrowed funds, authorization must be obtained in accordance with the provisions of this policy in advance.**

2. More than $29,000 but less than $100,000 -
   
   Must be approved by the Bishop, after agreement between the Pastor and the Parish Finance Council.

3. More than $100,000 but less than $571,000 –
   
   Must be approved by the Diocesan College of Consultors, after agreement between the Pastor and the Parish Finance Council.

4. More than $571,000 but less than $5,705,000 million –
   
   Must be approved by the Diocesan Finance Council, after approval of Diocesan College of Consultors, and after agreement between the Pastor and the Parish Finance Council.

5. Request more than $5,705,000 million –
   
   Please contact the Diocesan Finance Department.

The above approval process includes ancillary contracts for the purchase of goods or services related to a construction project that are not included in the contract with general contractors (i.e. organ, altar, bell, etc.). See Appendix #6 for forms that shall be submitted to the Diocesan Center.
CAPITAL EXPENDITURES

PROVISIONS

Requests and approvals for capital expenditures are established in the earlier policy for approvals. If at all possible, it is necessary to plan in advance for such needs, as each project may require multiple levels for approval.

Approval of the capital improvements/expenditures shall cover the total project cost regardless of the length of time required for completion. Therefore, approval need not be secured from year to year on previously approved projects, provided the approved amounts are not exceeded.
PARISH CONTRACTS

STATEMENT OF POLICY

In conjunction with the ordinary administration of the parish, the Pastor is authorized to enter into a contract that binds the parish assets and this authority may not be delegated to another. Any contract executed by a third party or in the Pastor’s absence shall be of no force and effect until signed by the Pastor. Any contract with an employee or vendor, except related to business equipment, may not exceed a term of one year and must be terminable on 60 days written notice by either party without cause. Any exceptions of this policy must be approved by the Bishop in writing.

Additionally, any contract or series of related contracts that purports to obligate the parish or Diocese for a sum of money in excess of 5% of the total parish operational income as of the last complete fiscal year financial report or $29,000, whichever is lower, is not valid unless signed by the Bishop or Vicar General.

PROVISIONS

1. A contract for a period not to exceed three years may be required in some cases related to business equipment utilized in day to day operations of the parish, such as copy machines, vending machines, postage meters, telephones, computers/typewriters, etc.

2. Any contract pertaining to real property or capital improvements is subject to the limitations identified in other policies/provisions of this Manual.

3. Contracts with service companies are subject to additional insurance obligations identified in the policy on the self-insurance program.

4. Consult the Diocesan legal department if there is any question on the contract’s conformity with these identified limitations.

NOTE: It is Diocesan policy to maintain “employment at will.” However, written employment contracts may be permitted for those professional positions in which continuity is necessary (i.e. principals and teachers).
REAL PROPERTY

STATEMENT OF POLICY

Under New Jersey law and Diocesan policy, only the Bishop can agree to buy, sell, lease, mortgage, or encumber real property in any way. All real estate matters must be approved by the Bishop of the Diocese of Paterson.

PROVISIONS – SALE OF REAL ESTATE OR INTEREST THEREIN

The following requirements shall be followed when the parish SELLS real estate:

a. After the discussion to sell parish property is made at the parish level, additional approval may be necessary. Approval must be obtained as established in the prior Approval section. (See Appendix #9 for the necessary form that shall be submitted to the Diocesan Center). The necessary steps are to be established based on the value of the project;

b. The parish should consider legitimate offers only as presented by the buyer in contract form;

c. The deed must be submitted in triplicate to the Legal Department for review and signature by the Bishop;

d. The deed is given to the buyer upon receipt of a certified check;

e. The parish is to pay what are generally regarded as seller’s expenses, which typically only include broker’s commissions. (5% is commonly accepted as broker’s commissions for the church but may be negotiated lower or waived).

Following the closing, the Legal Department should promptly receive the following:

i. Closing Statement;

ii. Copy of recorded deed to purchaser (showing purchaser’s address);

iii. Original Promissory Note and recorded mortgage, if not a cash transaction.
REAL PROPERTY - Continued

PROVISIONS – PURCHASE OF REAL ESTATE

The following provisions shall be followed when the parish PURCHASES real estate:

a. After the decision to purchase property is made at the parish level, additional approval may be necessary. Approval must be obtained as established in the prior Approval section. The necessary steps are to be established based on the value of the project. (See Appendix #8 for the form that shall be submitted to the Diocesan Center);

b. Broker's fees for both the selling and purchasing broker are to be the responsibility of the seller;

c. Prepare a Contract for the Sale of Real Estate for the signature of the Bishop;

d. Have an attorney examine the abstract or title policy and give a written opinion that the seller can give good marketable title, free of encumbrances, and that the existing zoning will not prevent the use of the property for the purpose for which it is being purchased;

e. When the contract is accepted, it should be submitted in triplicate to the Legal Department for review and Signature by the Bishop;

f. Following the closing, copies of the following documents should be promptly forwarded to the Legal Department:
   a. Recorded Deed;
   b. Title Insurance Policy;
   c. Survey;
   d. Appraisal;
   e. Copy of Note or Mortgage, if not a cash transaction.
REAL PROPERTY - Continued

PROVISIONS – DONATION OF REAL ESTATE

Any donation or bequest of real property, or an interest therein, requires the explicit written approval of the Bishop prior to acceptance of the gift.

PROVISIONS – LEASING OF DIOCESAN PROPERTY

1. Prior to leasing of ecclesiastical goods owned by a diocese, the diocesan Bishop must hear the Diocesan Finance Council and the College of Consultors, when the market value of the goods to be leased exceeds $400,000.

2. Prior to leasing of ecclesiastical goods owned by a diocese, the diocesan Bishop must consult the Diocesan Finance Council and the College of Consultors when the market value of the property to be leased exceeds $1,000,000 or the lease is to be for 3 years or longer.

3. The valid leasing of ecclesiastical goods owned by a parish or other public juridic person subject to the governance of the diocesan bishop requires consent of the diocesan bishop when the market value of the goods to be leased exceeds $100,000 or the lease is to be for 1 year or longer.

4. The valid leasing of ecclesiastical goods owned by a pontifical institute of consecrated life or society of apostolic life requires, in addition to the consent of the competent major superior and council, the nihil obstat of the diocesan bishop when the market value of the property to be leased exceeds $1,000,000 or the lease is to be for 3 years or longer.

5. The valid leasing of ecclesiastical goods by any public juridic person requires the consent of the Holy See when the market value of the goods exceeds $5,000,000.
COMPENSATION AND REPORTING

Compensation and payroll reporting is one of the most complicated and unique financial aspects of Catholic churches. The income taxation of Catholic priests is unique in every aspect to compensation reporting for statutory employees.

PROVISIONS

EMPLOYEES VS. INDEPENDENT CONTRACTORS

The determination of an individual as an independent contractor or employee is a gray area. It is neither black nor white. The facts and circumstances in each situation determine the appropriate classification. The Internal Revenue Service has viewed this determination as a focus of audits over previous years. It is imperative that the classification of an employee be reviewed in advance of their engagement with the parish, mission or school. Failure to do so could result in significant financial impact for your entity. The Diocesan Human Resources Department should be consulted in advance, with any classification issues of employees vs. independent contractors. The following is a brief definition of both classifications:

- **EMPLOYEES** – Employees, if eligible, may have benefits made available to them. Benefits may include paid time off, paid holidays, retirement benefits, medical insurance, workers compensation, etc. Employees are also eligible for unemployment benefits in certain situations. Employers may also be held accountable for the action of employees while on duty;

- **INDEPENDENT CONTRACTORS** – Are not eligible for any benefits, unemployment compensation, worker’s compensation and are responsible for their own actions. The terms of their responsibilities should be clearly spelled out in a formal, written agreement. The Diocesan Human Resources Department should be consulted with any issues related to who should be considered an independent contractor, rather than an employee.

Differences between the classification of individuals as employees or independent contractors also exist for tax purposes. Employees are paid either on an hourly or a salaried basis. Social Security, Medicare taxes, and federal income taxes are withheld from their paychecks unless specifically exempt, such as Catholic Priests. Employee’s compensation is reported on Form W-2. Independent contractors, or non-employees paid for services are paid on Form 1099. Any individual who is paid more than $600 in a calendar year and is not incorporated the business activity should receive Form 1099. Information is required by the entity paying such individuals prior to the end of the year. Some planning and preparation is necessary for Form 1099 reporting. (See Appendix 11 for Employee vs. Independent Contractor Overview)
COMPENSATION AND REPORTING - Continued

Employees are also classified as exempt or non-exempt based on the Fair Labor Standards Act and NJ Wage and Hour laws. Exempt employees are paid a salary and are “exempt” from overtime compensation. Non-exempt employees are paid for actual hours worked, which may result in overtime for any hours in excess of forty (40) in a work week. (Overtime is 1 and ½ times their hourly rate).

The process for determining whether or not a person is an independent contractor vs. an employee and the classification of exempt vs. nonexempt is complex and requires a substantial analysis on a case by case basis. The consequences of incorrectly applying these two areas can be costly to each parish. Any penalties and costs associated with employee classification issues will be the responsibility of the employer / entity. Please contact the Diocesan Human Resources department with any questions in these areas. (See Appendix 11 for Exempt vs. Non-Exempt Overview)

CLERGY

There are 10 primary differences between Priests and Laity for tax purposes. See the annual Income Taxes for Priests memo distributed to the Diocesan priests for additional detail. Listed below are the 5 most common differences to be considered.

1. Priests are self-employed for Social Security tax purposes (self-employment tax);

2. Priests may receive tax free housing;

3. Priests are exempt from payroll withholding;

4. Priests, who receive Form W-2, may request payroll tax withholding;

5. Priests receive various allowances.

Priest’s wages are not subject to Social Security and Medicare withholding under any circumstances.

Priest’s wages are subject to Federal Income Tax withholding only when the priest elects to have income tax withheld. This is elected on Form W-4 issued by the Internal Revenue Service (See Appendix 11).

Priests should not receive Form W-2 and Form 1099 in the same tax year unless the priest receives different sources of income. Examples of such would be a priest who is paid a salary for his ministerial services, stipends, and holiday gifts which would be reported on Form W-2.

Questions should be directed to the Finance Department.

February 2020
COMPENSATION AND REPORTING - Continued

COMPENSATION

In order to insure adequate reporting of income, it is necessary for all Diocesan entities to review any payments made during the year to individuals, whether as an independent contractor or as an employee.

The following is a list of items that should be reported as compensation on the appropriate form at the end of the calendar year:

1. Remuneration for services performed, whether on an hourly basis or on as a salary;
2. Bonuses, cash gifts, gift certificates, or cash equivalents paid to employees;
3. Cash allowances for food paid monthly to clergy (See Food Allowances below);
4. Cash allowances paid for various purposes, including cell phone, vehicle insurance, etc.;
5. Other cash allowances paid without required documentation or invoices (i.e. fuel for priest’s personal vehicle, vehicle expenses such as repairs and maintenance, clothing allowances).

Please note that amounts paid to parish employees as a reimbursement of expenses, such as mileage, or business related expenses, are not taxable compensation to the recipient. Documentation is important for such a determination. Employees should be reimbursed only when a properly completed expenses report is provided to the parish or school and is approved by the appropriate party. This list of compensation items is not an all-inclusive. If you are unsure the correct treatment of such amounts, please contact Finance Department with any questions in advance of the end of the year.

FOOD AND HOUSING ALLOWANCES

Housing allowances for clergy are almost always tax-free for income tax purposes to the recipient. This is one of the differences between clergy and other regular employees. However, clergy should consult with their tax preparer for proper treatment on the clergy’s personal income tax return. There are tax consequences of receiving a housing allowance. Food or “board” allowances are treated differently. In order for food allowances to be treated as income tax-free to the recipient/clergy, the following requirements must be met:

1. Meals, which means meals not groceries or cash allowances for food, must be consumed on the premises of the parish or rectory, not in a private residence;
COMPENSATION AND REPORTING - Continued

2. The meals are for the convenience of the parish. Meaning the priests dines at the parish or in the rectory on the parish grounds because he is “on call”. The priest must be available to handle calls made by parishioners in person or on the phone and he must be expected to do so in the future;

3. The meals are expected as part of the priest’s assignment to the parish. The priest residing and dining in the rectory is part of his working conditions and not optional.

These three criteria will exclude most food allowances from being handled in an income tax-free manner. If you have questions or concerns please contact the Diocesan Finance Department.

PAYROLL TAX RETURNS

Form 941, Employers Quarterly Federal Tax Return (Federal Payroll Taxes) – Due April 30th, July 31st, October 31st, and January 31st of each year (filed by Paylocity).

Form W-2, Tax Statement – Due to employees before January 31st of each year (produced by Paylocity and distributed by the parishes).

Form W-3, Transmittal of Wage and Tax Statement – Due to the Social Security Administration prior to February 28th of each year (filed by Paylocity).

Form 1099, Miscellaneous Income – Due to recipient prior to February 28th of each year.

Form 1096, Transmittal of Information Returns – Due to the Internal Revenue Service prior to March 31st of each year.

Other forms may be necessary if you have gambling or bingo activities (Form W-2 G) at your entity or if you have foreign individuals for services performed in the United States. If you have questions or need information about either of these areas, please contact the Internal Financial Services Department.
EMPLOYEE PERSONNEL AND VOLUNTEER FILES

All Parishes need to maintain certain files for all employees and volunteers working with children. In some cases, different types of files can be combined. In other instances, separate files need to be maintained for compliance purposes.

Employee Personnel Files

Each parish should maintain an employee file in which important information about the employee’s employment history is maintained. This file should contain such items as application for employment, resume, policy acknowledgements, performance documentation such as warnings, promotions, salary increases, etc. For more information about all documents that need to be included in a personnel file, please contact the Diocesan Human Resources Department.

Payroll related forms such as IRS W-4 and State Employee Withholding allowance forms, TDA (403(b)) payroll authorizations, etc. must be kept on file and may be included in an Employee’s Personnel File.

Medical Information

In order to assure the strictest of confidentiality standards relative to an employee’s medical and genetic information, any documentation of an employee’s medical or genetic information needs to be maintained separate from an employee’s personnel file. The sharing of medical and genetic information should generally be limited to those who have an absolute need to know such as the Pastor, Human Resources or the Diocesan Legal Department.

Employment Verification File

Properly completed Form I-9’s (see Appendix #8) must be maintained for all employees as required by law in a separate file.

I-9 Forms must be maintained for all current employees (hired after 11/6/1986). For former employees, I-9 Forms must be retained for three (3) years from the date of hire or one (1) year from the date of termination, if longer.
EMPLOYEE PERSONNEL AND VOLUNTEER FILES - Continued

Protecting God's Children File

In order to protect the children and vulnerable adults of the Diocese of Paterson, numerous steps have been taken to educate and screen employees and volunteers who have regular contact with children and vulnerable adults while working or volunteering within the Diocese. For each volunteer or employee who regularly works with children, the parish needs to maintain a separate file for each individual which contains the following items:

1. Documentation of a satisfactory criminal background check within the last 3 years for all such parish employees and volunteers and all school volunteers. School employees must have documentation of the State Department of Education required fingerprint clearance letter;
2. Copy of a signed acknowledgement of the Diocesan Pastoral Code of Conduct;
3. Copy of a Certificate of Attendance for “Protecting God’s Children” training session.
DIOCESE OF PATERSON
FINANCIAL POLICIES AND
PROCEDURES FOR PARISHES

DIOCESAN CENTRAL INVESTMENT & LENDING AGENCY (CILA)

STATEMENT OF POLICY

The Diocesan Central Investment & Lending Agency (CILA) enables parishes to be mutually supportive in our common mission. It is designed to pool the common material goods of the church in this diocese for carrying on the ministry of Christ. Therefore, Parishes may not have a commercial savings account or other investment account, nor borrow public funds.

All parishes, schools, and agencies with annual income of less than $1,000,000 and having liquid assets for more than one month in excess of $100,000 are required to deposit 75% of the excess with the CILA. All parishes, schools, and agencies with annual income over $1,000,000 and having liquid assets for more than one month in excess of $200,000 are required to deposit 75% of the excess with the CILA.

If parishes, schools, and agencies presently have excess monies in certificates of deposit, they are to deposit 75% of those monies in the CILA when the certificates expire. Parishes, schools and agencies should send a copy of the certificate(s) to the Chief Financial Officer within 30 days. Any other investments should be cashed within 30 days and 75% deposited in the CILA. Special exceptions to this policy must be approved in writing by the Chief Financial Officer and Vicar General.

Our Central Investment & Lending Agency (CILA) exists as a way for parishes and Diocesan entities to deposit money for savings and to loan money. The interest being paid for depositing money is usually higher than what would be commercially available.

PROVISIONS – LOANS

1. The interest rate for loans is currently 3.31%.

2. Parishes borrowing funds for new construction or capital programs/projects will sign a Parish Promissory Note (See Appendix 14) for a determined period, not to exceed ten years, with a debt retirement schedule including principal and interest.

3. Repayment schedule will be payable on the first day of each month with the option to renegotiate the monthly payment should the parish circumstances change.

PROVISIONS – DEPOSITS

1. The interest rate is currently 1.31%

2. Interest will be computed daily.

February 2020
DIOCESE OF PATERNON  
FINANCIAL POLICIES AND PROCEDURES FOR PARISHES

DIOCESAN ASSESSMENT

STATEMENT OF POLICY

The administrative expenses of the Diocese, as well as the programs and services provided parishes from the Diocesan Center, are supported by a diocesan assessment. The assessment base is total assessable income less specifically defined credits, as explained below.

Parish assessments are billed in full to all parishes, regardless of financial condition.

CALCULATIONS

Parish assessments are calculated as follows:

Ordinary Receipts (Ordinary Income plus Extraordinary Income)

Minus:

National Collections
PIF and BAA Rebates
Capital Campaign Income
Pass-throughs, Reimbursements and Restricted Donations
Religious Education & Youth Ministry Expenses
Catholic School Tuition Assistance (subsidy)
Total Assessment Paid
Fundraising Expenses
Expenses related to rental properties
Pre-school Expenses

Equals: Assessable Income

Assessable income multiplied by 8% (if parish has its own school), 10% (if parish is contributing to another school), or 12% (if parish does not contribute to a school).

PAYMENT

Assessments are billed and invoiced over eight consecutive months from October to May. The amount that is calculated by the Finance department is spread evenly over this eight month period.

February 2020
PARISH PAYMENT OF TAXES

STATEMENT OF POLICY
The parish is obligated for all federal, state, and local tax obligations and filing of associated tax forms.

PROVISIONS – FEDERAL TAX OBLIGATIONS

1. EIN Number – Each Parish, whether or not it has employees, is to obtain a federal employer identification number by filing Form SS-4, Application for Employer Identification Number. This application can be completed online or on a written application. Any questions or assistance should be directed to Internal Financial Services.

2. Tax Exemption – All parishes and organizations listed in the Official Catholic Directory are exempt from income taxes on parish income under Internal Revenue Code Section 501(c)(3) as evidenced by the IRS Group Ruling Determination letter of March 1946 (renewed annually). They are eligible to receive tax deductible charitable contributions as evidence by an IRS group ruling letter.

3. Tax on unrelated business activities – Income from unrelated business (UBIT) activities such as advertising, sale of merchandise, are subject to normal business taxes. Any question regarding liability for the unrelated business activities is to be referred to the Internal Financial Services Department. Any church that has gross receipts of $1,000 or more from the conduct of any unrelated trade or business is required to File Form 990-T, Exempt Organizational Business Income Tax Return. This form is due the 15th day of the fifth month following the end of the church’s tax year.

4. Payroll taxes – Under Internal Revenue Guidelines, every lay employee is subject to mandatory payroll tax deductions which may not be waived by the employer. FICA taxes, Social Security and Medicare, must be withheld on each employee’s earnings in accordance with the rates and limits set by the Federal Government. The amount withheld from the lay employees must be matched by the employer and both must be remitted to the Federal Government. Payroll tax deposits are due either on a monthly or bi-weekly basis depending on the total amount of payroll taxes paid over a certain period of time. For monthly depositors, the parish payroll deposit is due to a federal depository, usually the parish bank, by the 15th day of the month following the payroll period. For more information about payroll taxes, see the “Payroll” section.
5. Other reporting—The parish is required to file Form 1099-Misc for each unincorporated individual or entities (including clergy) to whom it pays an aggregate of $600 or more in any calendar year to report:

   a. Gross rents;
   b. Commissions, fees or other compensation paid to non-employees;
   c. Prizes and awards;
   d. Other fixed and determinable gains.

A copy of the 1099 must also be sent to the taxpayer who received the income. **NOTE:** Some benefits provided to employees such as housing or transportation is considered as compensation to the employee, with particular exceptions to clergy, and must be included on the W-2 form at their fair market value.

6. Gambling Taxes—An organization that conducts gambling activities is required to report gambling winnings on Form W-2G if it pays out either of the following:

   a. A wagering transaction of $600 or more. If the winnings exceed $5,000, then the winner is also subject to the regular gambling withholding, which is applied at a rate of 24% to the total amount of the winnings less the amount wagered. For example, a church sells raffle tickets for $2 per ticket with a first prize of a car that has a fair market value of $10,000 and a second prize of $1,500 in cash. Because combined these prizes have a value exceeding $5,000, the church is required to report the total winnings on Form W-2G to each winner and withhold 24% of $9,998 ($10,000 - $2) and 24% of $1,498 ($1,500 - $2), respectively;

   b. $1,200 or more of gambling winnings from bingo.

**NOTE:** The cost of the raffle ticket and other wagers are not tax deductible contributions.
PARISH PAYMENT OF TAXES - Continued

STATE AND LOCAL TAX OBLIGATIONS

1. Real Property Taxes – Real property that is predominantly used for charitable or religious purposes is exempt from real property taxes. Such taxes are based upon the value of the real property owned. Property which is vacant or not used for charitable or religious purposes may not be exempt from such taxation. The parish may be responsible for property taxes. Any questions regarding parish responsibility for real property taxes/assessment should be referred to the Diocesan Finance Department.

2. License and Permits – Churches are not exempt from the payment of most licenses, permits and fees, i.e. automobile license plates, inspection fees, building permits, etc.

3. State Sales Tax Exemption Number – Form REG-1E shall be filed with the New Jersey Division of Taxation. Upon acceptance by the State of New Jersey, each parish will be issued Form ST-5.

   a. The exemption applies to all goods purchased for consumption/use by the parish. The parish should not be charged sales tax on a utility bill and a claim for a refund may be made if paid in the past.
SELF INSURANCE PROGRAM

STATEMENT OF POLICY

The Diocese of Paterson is self-insured and has established the Diocesan Self Insurance Program to provide comprehensive coverage to all of its entities and insurance benefits to its employees. For questions regarding our insurance program, please contact the Insurance Department at the Diocesan Center.

PROVISIONS

The following types of insurance coverage are provided to qualified entities and employees of the Diocese of Paterson:

Insurance Program
   1. Property Insurance
   2. Liability Insurance
   3. Worker’s Compensation Insurance
   4. Student Insurance
   5. Auto Insurance (Only on Diocesan Vehicles)

Employee Benefit Program
   1. Unemployment Insurance
   2. Life Insurance
   3. Disability Insurance
   4. Health Insurance

For more information on the various diocesan insurance plans, contact the Diocesan Risk Management Department.

For information on Employee Benefits, contact the Diocesan Human Resources Department.

February 2020
PENSION PLAN

The Diocese of Paterson provides a defined benefit plan to eligible clergy and lay employees as identified in the Summary Plan Description (SPD). The plan is managed by a Pension Board of Trustees.

In a defined benefit plan, the employee is provided with pension benefits as set forth in the plan. Currently, the cost of this plan is borne by the appropriate entity as the employer. For specific information on the pension plan, please refer to your plan booklet or contact the Diocesan Human Resources Department.
403(B) EMPLOYEE RETIREMENT SAVINGS PLAN

The Diocese of Paterson provides an opportunity for eligible diocesan employees (clergy & laity) to make tax deferred contributions to an IRS qualified 403(b) employee savings plan through a payroll deduction. The Diocese of Paterson does not contribute to the 403(b) plan or match any employee contributions as the Diocese makes a monthly contribution to the pension plan for all eligible employees. There are no minimum hours required for participation in the plan, but the employee must complete and enrollment form and the payroll deduction authorization.

For enrollment forms or questions regarding the plan administration contact the Diocesan Human Resources Department.
PARISH FINANCIAL REVIEWS

Parish Financial Operational Reviews are performed to insure compliance with Diocesan Financial Policies and Procedures and Internal Revenue Service Guidelines. There are several reasons parish financial reviews are performed. The reasons are as follows:

1. At the request of the Bishop’s Office;

2. On a rotational basis, to be completed over a three year time period;

3. During the transition of the Pastor or Parish Administrator.

Prior to the performance of a financial review, the Pastor or Administrator will be notified from the Diocesan Finance Department in writing. The Diocesan Finance Department will then contact the parish to establish a time for such review, provide the bookkeeper/accountant with a list of records that will be necessary, and to answer any questions. Once the review is completed, the Diocesan Finance Department will provide the Diocesan CFO and the Pastor or Administrator with a written report of the review findings and any corrective actions that need to be taken.

Also, prior to the performance of a financial review, the parish should complete the Parish Financial Risk Review Checklist (See Appendix #15). This checklist is a self-evaluation tool that Pastors, Administrators, Business Managers, Parish Accountants and Bookkeepers, Parish Trustees and Parish Finance Council members will find helpful to review the parish’s internal controls.
APPENDIX 1

PARISH STANDARD CHART OF ACCOUNTS
<table>
<thead>
<tr>
<th>Acct #</th>
<th>Acct Name</th>
<th>Description</th>
<th>Parent</th>
<th>Acct Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>1001</td>
<td>Cash - Operating</td>
<td>Should reflect the checkbook balance of the operating account.</td>
<td>1.</td>
<td>Bank</td>
</tr>
<tr>
<td>1002</td>
<td>Cash - Other Accounts</td>
<td>Other checking accounts must be approved by Diocesan Finance</td>
<td>1.</td>
<td>Bank</td>
</tr>
<tr>
<td>1003</td>
<td>Petty Cash Fund</td>
<td>A minimal cash fund ($50 or $100) to pay small immediate expenses; the</td>
<td>1.</td>
<td>Bank</td>
</tr>
<tr>
<td></td>
<td></td>
<td>balance should not change; periodically reimbursed to replenish the fund.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>at that time, the appropriate expense accounts are charged.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1006</td>
<td>CILA Savings Account</td>
<td>Savings account that the parish maintains with the Diocesan Central</td>
<td>1.</td>
<td>Bank</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Investing &amp; Lending Agency (CILA).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1100</td>
<td>Savings Accounts</td>
<td>Other bank saving accounts (sub-accounts should be set up for each bank</td>
<td>1.</td>
<td>Bank</td>
</tr>
<tr>
<td></td>
<td></td>
<td>account).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1106</td>
<td>Cash Investment Accounts</td>
<td>Investments, Money Market accounts, CD’s, etc. (sub-accounts should be</td>
<td>1.</td>
<td>Bank</td>
</tr>
<tr>
<td></td>
<td></td>
<td>setup for each bank, broker, financial institution).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1120</td>
<td>Mass Stipend Checking</td>
<td>Auxiliary checking account; Diocesan Finance approval needed.</td>
<td>1.</td>
<td>Bank</td>
</tr>
<tr>
<td>1130</td>
<td>Women’s Club Checking</td>
<td>Auxiliary checking account; Diocesan Finance approval needed.</td>
<td>1.</td>
<td>Bank</td>
</tr>
<tr>
<td>1140</td>
<td>Men’s Club Checking</td>
<td>Auxiliary checking account; Diocesan Finance approval needed.</td>
<td>1.</td>
<td>Bank</td>
</tr>
<tr>
<td>1150</td>
<td>Other Auxiliary Program bank</td>
<td>Auxiliary checking account; Diocesan Finance approval needed.</td>
<td>1.</td>
<td>Bank</td>
</tr>
<tr>
<td></td>
<td>account</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1200</td>
<td>Accounts / Pledge receivable</td>
<td>Amounts due from other entities, pledges due from donors, etc.</td>
<td>2.</td>
<td>Accounts</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Receivable</td>
</tr>
<tr>
<td>1300</td>
<td>Inventory-Gift Shop</td>
<td>The original cost of any items purchased for resale that are still unsold at</td>
<td>3.</td>
<td>Other</td>
</tr>
<tr>
<td></td>
<td></td>
<td>the end of the fiscal year.</td>
<td></td>
<td>Current</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Asset</td>
</tr>
<tr>
<td>1310</td>
<td>Prepaid Expenses</td>
<td>Amounts paid in one fiscal period that are truly expenses of the next fiscal</td>
<td>3.</td>
<td>Other</td>
</tr>
<tr>
<td></td>
<td></td>
<td>period</td>
<td></td>
<td>Current</td>
</tr>
<tr>
<td>1350</td>
<td>Exchange</td>
<td>Can be used as a clearing account. It should be zero at the end of any</td>
<td>3.</td>
<td>Other</td>
</tr>
<tr>
<td></td>
<td></td>
<td>month.</td>
<td></td>
<td>Current</td>
</tr>
<tr>
<td>1360</td>
<td>Undeposited Funds</td>
<td>Funds received but not yet deposited at the end of an accounting period</td>
<td>3.</td>
<td>Other</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(disposable-in-transit)</td>
<td></td>
<td>Current</td>
</tr>
<tr>
<td>1370</td>
<td>Other Current Assets</td>
<td>Sub-accounts should be used for any material amounts</td>
<td>3.</td>
<td>Other</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Current</td>
</tr>
<tr>
<td>1400</td>
<td>Land</td>
<td>Cost of the land on which the parish is located.</td>
<td>4.</td>
<td>Fixed</td>
</tr>
<tr>
<td>1401</td>
<td>Church</td>
<td>Cost of the Church building.</td>
<td>4.</td>
<td>Fixed</td>
</tr>
<tr>
<td>1402</td>
<td>Parish Hall</td>
<td>Cost of the parish hall.</td>
<td>4.</td>
<td>Fixed</td>
</tr>
<tr>
<td>1403</td>
<td>Reoebey</td>
<td>Cost of the rectory.</td>
<td>4.</td>
<td>Fixed</td>
</tr>
<tr>
<td>1404</td>
<td>Convent</td>
<td>Cost of the convent.</td>
<td>4.</td>
<td>Fixed</td>
</tr>
<tr>
<td>1405</td>
<td>Other buildings</td>
<td>Cost of other buildings.</td>
<td>4.</td>
<td>Fixed</td>
</tr>
<tr>
<td>1410</td>
<td>Furniture and fixtures</td>
<td>Cost of furniture and fixtures.</td>
<td>4.</td>
<td>Fixed</td>
</tr>
<tr>
<td>1420</td>
<td>Other Fixed Assets</td>
<td>Cost of other fixed assets (vehicles, major equipment, etc.)</td>
<td>4.</td>
<td>Fixed</td>
</tr>
<tr>
<td>1490</td>
<td>Accumulated Depreciation</td>
<td>Accumulated Depreciation on all fixed assets (excluding Land)</td>
<td>4.</td>
<td>Fixed</td>
</tr>
<tr>
<td>1500</td>
<td>Other assets</td>
<td>Sub-accounts should be set up for any material amounts</td>
<td>6.</td>
<td>Other</td>
</tr>
<tr>
<td>1500</td>
<td>Investments</td>
<td>Stocks, Bonds, Mutual Funds, etc. (set-up sub-accounts for each).</td>
<td>5.</td>
<td>Other</td>
</tr>
<tr>
<td>2010</td>
<td>Accounts Payable</td>
<td>Record balances owed to vendors.</td>
<td>7.</td>
<td>Accounts</td>
</tr>
<tr>
<td>2012</td>
<td>Credit Card Payables</td>
<td>Record balances owed to credit card companies</td>
<td>7.A.</td>
<td>Credit Card</td>
</tr>
<tr>
<td>2015</td>
<td>Accrued Expense - Payroll</td>
<td>Record the month and payroll accrual if needed.</td>
<td>8.</td>
<td>Other</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Current</td>
</tr>
<tr>
<td>2020</td>
<td>Payroll Taxes Payable</td>
<td>FICA, Medicare, Federal &amp; State - This account is used for employees’ tax</td>
<td>8.</td>
<td>Other</td>
</tr>
<tr>
<td></td>
<td></td>
<td>withholdings and the employee’s FICA liability.</td>
<td></td>
<td>Current</td>
</tr>
<tr>
<td>2023</td>
<td>Payroll Withholdings - Liens and</td>
<td>Account is used to record automatic payroll deductions for child support,</td>
<td>8.</td>
<td>Other</td>
</tr>
<tr>
<td></td>
<td>Garnishments</td>
<td>etc.</td>
<td></td>
<td>Current</td>
</tr>
<tr>
<td>2030</td>
<td>Payroll Withholdings - 4038 plan</td>
<td>Payroll Withholdings - 4038 plan - This account is used to record the</td>
<td>8.</td>
<td>Other</td>
</tr>
<tr>
<td></td>
<td></td>
<td>employee’s 4038 deductions</td>
<td></td>
<td>Current</td>
</tr>
<tr>
<td>2050</td>
<td>Assessments due Diocese</td>
<td>Unpaid monthly assessment billing from the Diocese.</td>
<td>8.</td>
<td>Other</td>
</tr>
<tr>
<td>2055</td>
<td>Unpaid Diocesan Billing</td>
<td>Unpaid monthly billing (benefits, property insurance, etc.) from the Diocese.</td>
<td>8.</td>
<td>Other</td>
</tr>
<tr>
<td>2060</td>
<td>Diocesan/National Collections</td>
<td>Amounts collected from Diocesan and National Collections to be remitted</td>
<td>8.</td>
<td>Other</td>
</tr>
<tr>
<td></td>
<td>due to Diocese</td>
<td>to the Diocese.</td>
<td></td>
<td>Current</td>
</tr>
<tr>
<td>2070</td>
<td>Other Current Liabilities</td>
<td>Other amounts due to be paid within 12 months of expenses that need to</td>
<td>8.</td>
<td>Other</td>
</tr>
<tr>
<td></td>
<td></td>
<td>accrued into the current fiscal period</td>
<td></td>
<td>Current</td>
</tr>
<tr>
<td>2080</td>
<td>Prepaid (Deferred) Income</td>
<td>Amounts and fees collected in advance for programs occurring in the</td>
<td>8.</td>
<td>Other</td>
</tr>
<tr>
<td></td>
<td></td>
<td>subsequent fiscal period</td>
<td></td>
<td>Current</td>
</tr>
<tr>
<td>2100</td>
<td>CILA Debt</td>
<td>Amounts borrowed from the Diocesan CILA, which accrue interest. Should</td>
<td>9.</td>
<td>Long term</td>
</tr>
<tr>
<td></td>
<td></td>
<td>agree to the monthly statements received.</td>
<td></td>
<td>Liability</td>
</tr>
<tr>
<td>2105</td>
<td>Accrued Mortgages</td>
<td>Set up sub-account for each lending institution.</td>
<td>10.</td>
<td>Long term</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Liability</td>
</tr>
<tr>
<td>2200</td>
<td>Notes Payable - Due to Others</td>
<td>Set up sub-account for each lending institution.</td>
<td>10.</td>
<td>Long term</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Liability</td>
</tr>
<tr>
<td>2300</td>
<td>Other Liabilities</td>
<td>Set up sub-account for any large amounts.</td>
<td>11.</td>
<td>Long term</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Liability</td>
</tr>
<tr>
<td>3010</td>
<td>Retained Earnings / Fund Balance</td>
<td>Accumulated net income (loss) recorded by QuickBooks</td>
<td>12.</td>
<td>Equity</td>
</tr>
<tr>
<td>3011</td>
<td>Equity - Other</td>
<td>Opening Equity balances, prior period restatements, etc.</td>
<td>12.</td>
<td>Equity</td>
</tr>
<tr>
<td>3020</td>
<td>Fund Balance - Restricted</td>
<td>Used for Fund Accounting purposes only</td>
<td>12.</td>
<td>Equity</td>
</tr>
<tr>
<td>3030</td>
<td>Fund Balance - Unrestricted</td>
<td>Used for Fund Accounting purposes only</td>
<td>12.</td>
<td>Equity</td>
</tr>
<tr>
<td>3040</td>
<td>Prior Year Adjustments</td>
<td>Used for making adjustments due to prior years events (use must be</td>
<td>12.</td>
<td>Equity</td>
</tr>
<tr>
<td></td>
<td></td>
<td>approved by Diocesan Finance Dept.).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acct #</td>
<td>Account Name</td>
<td>Account Description</td>
<td>Parent</td>
<td>Acct Type</td>
</tr>
<tr>
<td>-------</td>
<td>--------------------------------------</td>
<td>--------------------------------------------------------------------------------------</td>
<td>--------</td>
<td>-----------</td>
</tr>
<tr>
<td>4010</td>
<td>Offertory Collections</td>
<td>Daily and weekly offerings by parishioners and visitors (cash, checks and electronic giving)</td>
<td>A.</td>
<td>Income</td>
</tr>
<tr>
<td>4011</td>
<td>Christmas Collections</td>
<td>Offerings all the Christmas Masses including the Christmas envelopes and electronic giving</td>
<td>A.</td>
<td>Income</td>
</tr>
<tr>
<td>4012</td>
<td>Easter Collections</td>
<td>Offerings at the Easter Masses including the Easter envelopes and electronic giving</td>
<td>A.</td>
<td>Income</td>
</tr>
<tr>
<td>4013</td>
<td>Holyday Collections</td>
<td>Offerings at the Holyday Masses including the Holyday envelopes and electronic giving</td>
<td>A.</td>
<td>Income</td>
</tr>
<tr>
<td>4020</td>
<td>Debt Reduction Collections</td>
<td>Special parish collections for the purpose of reducing parish loan balances and other debt.</td>
<td>A.</td>
<td>Income</td>
</tr>
<tr>
<td>4040</td>
<td>Building Fund Collections</td>
<td>Collections received for a parish construction project which has been authorized by the Diocese.</td>
<td>A.</td>
<td>Income</td>
</tr>
<tr>
<td>4050</td>
<td>Special Parish Collections</td>
<td>Special collections taken to be used for a particular purpose as requested by the pastor with prior written approval of the Bishop</td>
<td>A.</td>
<td>Income</td>
</tr>
<tr>
<td>4080</td>
<td>Bequests (unrestricted)</td>
<td>A cash or non-cash inheritance given to the parish with no restriction as to its use.</td>
<td>C.</td>
<td>Income</td>
</tr>
<tr>
<td>4085</td>
<td>Bequests (Restricted)</td>
<td>A cash or non-cash inheritance given to the parish with a restriction as to its use. The restriction must be adhered to.</td>
<td>KK.</td>
<td>Income</td>
</tr>
<tr>
<td>4070</td>
<td>Gifts and Donations (unrestricted)</td>
<td>A cash or non-cash donation or gift with no restriction as to its use. The donation of vehicles, property, stock, etc. should be included at the current market value.</td>
<td>C.</td>
<td>Income</td>
</tr>
<tr>
<td>4075</td>
<td>Gifts and Donations (Restricted)</td>
<td>A cash or non-cash gift or donation with a restriction as to its use. The restriction must be adhered to. The donation of vehicles, property, stock, etc. should be included at the current market value.</td>
<td>KK.</td>
<td>Income</td>
</tr>
<tr>
<td>4100</td>
<td>Church Society Income</td>
<td>Amounts received from church societies such as Women’s Guild, Men’s Club, Knights of Columbus, etc.</td>
<td>KK.</td>
<td>Income</td>
</tr>
<tr>
<td>4110</td>
<td>Rental Income</td>
<td>Amounts received for rental of church hall, parish school and facilities for social and educational functions.</td>
<td>G.</td>
<td>Income</td>
</tr>
<tr>
<td>4120</td>
<td>Gain from Sale of Assets</td>
<td>Amounts received from sale of parish assets.</td>
<td>K.</td>
<td>Income</td>
</tr>
<tr>
<td>4180</td>
<td>Interest on CILA Savings</td>
<td>Interest earned on the CILA Savings account per the monthly statement from the Diocese</td>
<td>K.</td>
<td>Income</td>
</tr>
<tr>
<td>4190</td>
<td>Investment Income</td>
<td>Interest and Dividend income from Banks, Investments, etc.</td>
<td>K.</td>
<td>Income</td>
</tr>
<tr>
<td>4200</td>
<td>Advertising</td>
<td>Proceeds from the sale of advertising in the parish bulletin.</td>
<td>K.</td>
<td>Income</td>
</tr>
<tr>
<td>4300</td>
<td>National Collections Income</td>
<td>National collections taken up at all Masses in all parishes as mandated by the Bishop. The amount reported should agree with the money forwarded to the Diocese.</td>
<td>K.</td>
<td>Income</td>
</tr>
<tr>
<td>4310</td>
<td>Project Faith (assessment) Collections</td>
<td>Collections to help pay the parish’s Diocesan assessment.</td>
<td>A.</td>
<td>Income</td>
</tr>
<tr>
<td>4430</td>
<td>Subsidies - DOP</td>
<td>Financial support received from the Diocese for any reason or to support any program.</td>
<td>KK.</td>
<td>Income</td>
</tr>
<tr>
<td>4500</td>
<td>Subsidies - Other Diocesan Entities</td>
<td>Financial support received from other Diocesan entities to support programs.</td>
<td>KK.</td>
<td>Income</td>
</tr>
<tr>
<td>4600</td>
<td>Catholic Publication Income</td>
<td>Receipts from the sale of Catholic literature, publications, etc.</td>
<td>K.</td>
<td>Income</td>
</tr>
<tr>
<td>4620</td>
<td>Pastoral Income</td>
<td>Income received from DOP for work done outside the parish by priests assigned to the parish whose salaries are paid by the parish.</td>
<td>KK.</td>
<td>Income</td>
</tr>
<tr>
<td>4630</td>
<td>Religious Education Income</td>
<td>Fees received for the Religious Education programs (CCD, 1st Eucharist, Confirmation, RCIA, etc.).</td>
<td>H.</td>
<td>Income</td>
</tr>
<tr>
<td>4640</td>
<td>Youth Ministry Income</td>
<td>Fees received for youth ministry program.</td>
<td>H.</td>
<td>Income</td>
</tr>
<tr>
<td>4700</td>
<td>School Assistance / Adopt a Student</td>
<td>School Assistance / Adopt a Student Income - Contributions received from parishioners who have financially &quot;adopted&quot; a student needing assistance with Catholic educational costs.</td>
<td>K.</td>
<td>Income</td>
</tr>
<tr>
<td>4710</td>
<td>Mass Stipend Income</td>
<td>Offerings from parishioners for Mass intentions for deceased or sick family members and friends.</td>
<td>B.</td>
<td>Income</td>
</tr>
<tr>
<td>4720</td>
<td>Stole Fee Income</td>
<td>All stolen fees are considered parish income (Canon 531) and include baptisms, funerals, marriages.</td>
<td>B.</td>
<td>Income</td>
</tr>
<tr>
<td>4730</td>
<td>Poor Box Income</td>
<td>Funds received in the poor boxes in Church</td>
<td>K.</td>
<td>Income</td>
</tr>
<tr>
<td>4740</td>
<td>Evangelization Income</td>
<td>Funds received relating to the evangelization program</td>
<td>K.</td>
<td>Income</td>
</tr>
<tr>
<td>4800</td>
<td>PIF Rebate Income</td>
<td>PIF Rebate Income</td>
<td>F.</td>
<td>Income</td>
</tr>
<tr>
<td>4810</td>
<td>BAA Rebate Income</td>
<td>BAA Rebate Income</td>
<td>F.</td>
<td>Income</td>
</tr>
<tr>
<td>4850</td>
<td>Reimbursement Income</td>
<td>Reimbursement of parish costs incurred. This includes utility reimbursements from tenants, insurance recoveries, etc.</td>
<td>KK.</td>
<td>Income</td>
</tr>
<tr>
<td>4900</td>
<td>Miscellaneous Income</td>
<td>Other sources of income for which there is no specific account (add a sub-account with detailed description for large amounts)</td>
<td>K.</td>
<td>Income</td>
</tr>
<tr>
<td>4910</td>
<td>Food Pantry</td>
<td>Donations made in funds or goods to the Food Pantry</td>
<td>KK.</td>
<td>Income</td>
</tr>
<tr>
<td>4925</td>
<td>Fundraising Income</td>
<td>Receipts from fundraising activities including bingo, raffles, bazaars, carnivals, festivals, social functions etc.</td>
<td>K.</td>
<td>Income</td>
</tr>
<tr>
<td>Acct #</td>
<td>Account Name</td>
<td>Account Description</td>
<td>Parent</td>
<td>Acct Type</td>
</tr>
<tr>
<td>-------</td>
<td>--------------------------------------</td>
<td>-------------------------------------------------------------------------------------</td>
<td>--------</td>
<td>-----------</td>
</tr>
<tr>
<td>4950</td>
<td>Capital Campaign Income</td>
<td>Funds raised for major parish construction and renovation projects (see Financial Policies and Procedures for the Diocesan approval process and needed approvals)</td>
<td>J.</td>
<td>Income</td>
</tr>
<tr>
<td>4965</td>
<td>Pre-school Incomes</td>
<td>Pre-school Incomes in a parish that has no elementary school (only a Pre-school)</td>
<td>K.</td>
<td>Income</td>
</tr>
<tr>
<td>4975</td>
<td>Cemetery Incomes</td>
<td>Incomes from Cemetery operations for Cemeteries whose books are combined with the parish</td>
<td>KK.</td>
<td>Income</td>
</tr>
<tr>
<td>5010</td>
<td>Salaries - Clergy</td>
<td>Monthly salaries paid to resident pastors and parochial vicars.</td>
<td>L.</td>
<td>Expense</td>
</tr>
<tr>
<td>5016</td>
<td>Salaries - Lay</td>
<td>Wages paid to all lay employees, such as office staff, housekeepers, maintenance staff, janitors, organists, choir directors and others who perform a function for the parish. Includes overtime pay, holiday and vacation pay and bonuses.</td>
<td>L.</td>
<td>Expense</td>
</tr>
<tr>
<td>5016</td>
<td>Salaries - Religious Education</td>
<td>Wages paid to the DRE, religious education teachers and others who work in the Religious Education Program.</td>
<td>P.</td>
<td>Expense</td>
</tr>
<tr>
<td>5020</td>
<td>Stipends to Religious</td>
<td>Amounts paid to Priests, sisters and/or brothers of a religious order whereby payments are made out to the order.</td>
<td>L.</td>
<td>Expense</td>
</tr>
<tr>
<td>5025</td>
<td>Subsistence Payments to Seminarians</td>
<td>Non-taxable payments to seminarians who have not yet completed who have not yet completed their pastoral training and formation. This is not earnings. It is a reimbursement for daily living expenses.</td>
<td>V.</td>
<td>Expense</td>
</tr>
<tr>
<td>5030</td>
<td>Extra Clergy</td>
<td>Amounts paid for extra clergy who help at the parish periodically during vacations, illness, retreats and other absences.</td>
<td>N.</td>
<td>Expense</td>
</tr>
<tr>
<td>5100</td>
<td>Benefits</td>
<td>Benefits paid to the Diocese for employee health &amp; welfare, dental, life and disability coverage.</td>
<td>M.</td>
<td>Expense</td>
</tr>
<tr>
<td>5116</td>
<td>Benefits - Religious Ed</td>
<td>Benefits paid to the Diocese for employee health &amp; welfare, dental, life and disability coverage of religious education staff.</td>
<td>P.</td>
<td>Expense</td>
</tr>
<tr>
<td>5120</td>
<td>Pension Benefits</td>
<td>Pension payments remitted to the Diocese.</td>
<td>M.</td>
<td>Expense</td>
</tr>
<tr>
<td>5125</td>
<td>Retirement Savings Plan</td>
<td>Payments remitted to the Diocese for the 403(b) plan.</td>
<td>M.</td>
<td>Expense</td>
</tr>
<tr>
<td>5130</td>
<td>Workmen's Compensation</td>
<td>Premiums paid to the Diocese for workers compensation per the benefit bills.</td>
<td>M.</td>
<td>Expense</td>
</tr>
<tr>
<td>5140</td>
<td>FICA</td>
<td>Employee's portion for Social Security and Medicare (FICA).</td>
<td>M.</td>
<td>Expense</td>
</tr>
<tr>
<td>5160</td>
<td>Unemployment Tax</td>
<td>Unemployment taxes remitted to the Diocese.</td>
<td>M.</td>
<td>Expense</td>
</tr>
<tr>
<td>5200</td>
<td>Priest Continuing Education and Retreat</td>
<td>Reimbursements to priests for attendance at retreats and educational seminars.</td>
<td>V.</td>
<td>Expense</td>
</tr>
<tr>
<td>5205</td>
<td>Deacon Expenses</td>
<td>Costs associated with Deacons: tuition, retreats, DOP billing, etc.</td>
<td>V.</td>
<td>Expense</td>
</tr>
<tr>
<td>5210</td>
<td>Miscellaneous Personnel</td>
<td>For other personnel costs which do not have a specific account. Please use sub-accounts for material amounts.</td>
<td>V.</td>
<td>Expense</td>
</tr>
<tr>
<td>6010</td>
<td>Table Expenses / Provisions</td>
<td>Amounts paid to purchase groceries for the rectory, reimburse priests for meals and/or weekly food allowances for priests.</td>
<td>O.</td>
<td>Expense</td>
</tr>
<tr>
<td>6020</td>
<td>Household Expenses</td>
<td>Amounts expended for household supplies at the rectory.</td>
<td>V.</td>
<td>Expense</td>
</tr>
<tr>
<td>6030</td>
<td>Miscellaneous Rectory Expenses</td>
<td>Amounts expended for other rectory costs which do not have a specific account.</td>
<td>V.</td>
<td>Expense</td>
</tr>
<tr>
<td>6100</td>
<td>Expenses related to rental properties</td>
<td>Amounts paid to maintain properties that are rented to 3rd parties.</td>
<td>VV.</td>
<td>Expense</td>
</tr>
<tr>
<td>6110</td>
<td>Building Repairs, Maintenance, and Cleaning</td>
<td>Amounts paid for routine minor repairs as required to the Church, rectory, parish hall, parking lot, etc. Includes cleaning supplies, lawn service, etc.</td>
<td>T.</td>
<td>Expense</td>
</tr>
<tr>
<td>6115</td>
<td>Extraordinary Building Repairs</td>
<td>Amounts paid for MAJOR repairs as required to the furnace, HVAC, church, rectory, parish hall, parking lots, etc.</td>
<td>T.</td>
<td>Expense</td>
</tr>
<tr>
<td>6120</td>
<td>Utilities</td>
<td>Electricity, gas, water, sewer, trash collection, etc. for all parish buildings</td>
<td>S.</td>
<td>Expense</td>
</tr>
<tr>
<td>6130</td>
<td>Snow Removal</td>
<td>Amounts paid for snow removal</td>
<td>T.</td>
<td>Expense</td>
</tr>
<tr>
<td>6136</td>
<td>Landscaping</td>
<td>Amounts paid for landscaping, lawn service, etc.</td>
<td>T.</td>
<td>Expense</td>
</tr>
<tr>
<td>6140</td>
<td>Telephone / Internet</td>
<td>Telephone charges for local and long-distance, pagers, cell phones and internet costs.</td>
<td>S.</td>
<td>Expense</td>
</tr>
<tr>
<td>6150</td>
<td>Property and Liability Insurance</td>
<td>Premiums paid to the Diocese for proper insurance on all buildings and their contents and general liability insurance.</td>
<td>T.</td>
<td>Expense</td>
</tr>
<tr>
<td>6160</td>
<td>Rent Expense</td>
<td>Rental fees paid, including expenses to house religious personnel in non-parish buildings.</td>
<td>V.</td>
<td>Expense</td>
</tr>
<tr>
<td>6170</td>
<td>Miscellaneous Equipment</td>
<td>For equipment leases and rentals, and small equipment purchases.</td>
<td>T.</td>
<td>Expense</td>
</tr>
<tr>
<td>6190</td>
<td>Miscellaneous Building and Grounds</td>
<td>For other building and grounds related costs which do not have a specific account. Please use sub-accounts for material items.</td>
<td>T.</td>
<td>Expense</td>
</tr>
</tbody>
</table>
## DIOCESE OF PATERNOSTER
### PARISH CHART OF ACCOUNTS (numerical order)

<table>
<thead>
<tr>
<th>Acct #</th>
<th>Account Name</th>
<th>Account Description</th>
<th>Parent</th>
<th>Acct Type</th>
<th>Assessable</th>
</tr>
</thead>
<tbody>
<tr>
<td>6195</td>
<td>Security-related costs</td>
<td>For costs related to building and personal security and safety in the parish.</td>
<td>T.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6210</td>
<td>Vehicle Repairs and Maintenance</td>
<td>Operating and maintenance costs of parish vehicles including repairs, auto tags, gas, oil, etc.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6220</td>
<td>Mileage Reimbursement</td>
<td>Reimbursement of mileage on personal vehicles used for parish business.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6240</td>
<td>Bus Expense</td>
<td>Bus Expense</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6260</td>
<td>Vehicle Insurance</td>
<td>Premiums paid to the Diocese for auto insurance.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6270</td>
<td>Miscellaneous Vehicle Expense</td>
<td>Other vehicle costs which do not have a specific account number. Please provide a detailed description for amounts coded to this account.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6280</td>
<td>Miscellaneous Other Facility Expense</td>
<td>For other facility costs which do not have a specific account. Please use sub-accounts for material amounts.</td>
<td>T.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6290</td>
<td>Depreciation</td>
<td>Recording of depreciation on parish buildings and equipment.</td>
<td>T.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7010</td>
<td>Religious Education</td>
<td>Functions, supplies, aids and other expenses associated with the Religious Education program.</td>
<td>P.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>7020</td>
<td>Music</td>
<td>Expenses associated with parish music programs.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7030</td>
<td>Pastoral</td>
<td>Pastoral</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7040</td>
<td>Evangelization</td>
<td>Costs associated with Evangelization.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7050</td>
<td>Homebound</td>
<td>Homebound</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7060</td>
<td>Family Life</td>
<td>Costs associated with the Family Life ministry.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7070</td>
<td>Social</td>
<td>Social</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7080</td>
<td>Respect Life</td>
<td>Costs associated with the Respect Life program.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7090</td>
<td>Library</td>
<td>Library</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7100</td>
<td>Liturgical Expenses</td>
<td>Costs for missalettes, vestments, candles, hosts, wine and items which are essential to parish activities.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7110</td>
<td>Spiritual Life</td>
<td>Expenses related to Spiritual Life functions.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7120</td>
<td>Hospitality</td>
<td>Expenses related to parish social functions.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7130</td>
<td>Scholarship</td>
<td>Scholarship</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7140</td>
<td>Adult Education</td>
<td>Adult Education</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7150</td>
<td>Religious Publications</td>
<td>Religious Publications</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7160</td>
<td>Peace &amp; Justice</td>
<td>Peace &amp; Justice</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7170</td>
<td>Youth Ministry Expenses</td>
<td>Parish youth group, CYO, etc.</td>
<td>P.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>7200</td>
<td>Parish Retreats &amp; Missions</td>
<td>Costs of retreats and missions conducted at the parish.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7300</td>
<td>Charity / Caritas</td>
<td>Amounts of contributions and gifts given to qualified charitable organizations or needy individuals.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7310</td>
<td>Miscellaneous Ministry Expense</td>
<td>Amounts paid for various ministries which do not have a specific account. Please use sub-accounts for material amounts.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7410</td>
<td>Food Pantry</td>
<td>Costs associated with the Food Pantry</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8010</td>
<td>Diocesan Assessment</td>
<td>Total amount of assessment paid to the Diocese.</td>
<td>R.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>8020</td>
<td>Diocesan National Collections</td>
<td>Amount of National Collections forwarded to the Diocese.</td>
<td>R.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>8030</td>
<td>Support to Catholic Entities Outside the Diocese</td>
<td>Any contributions to Catholic entities outside the Diocese.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8040</td>
<td>Support to Parish Schools</td>
<td>Financial support given DIRECTLY to Parish schools.</td>
<td>Q.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>8045</td>
<td>Support to Diocesan High Schools</td>
<td>Financial support given DIRECTLY to Diocesan High Schools.</td>
<td>Q.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>8050</td>
<td>Tuition Assistance - Elementary Schools</td>
<td>Payments made to other Catholic elementary schools to: obtain parishioner discount for parishioner families, assist students who cannot afford their tuition, to help the school with operating costs. Please use sub-accounts for each school.</td>
<td>Q.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>8050</td>
<td>Tuition Assistance - High Schools</td>
<td>Payments made to support Diocesan Catholic high schools, to assist students who cannot afford their tuition, to help the school with operating costs. Please use sub-accounts for each school.</td>
<td>Q.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>8100</td>
<td>Church Society Expense</td>
<td>Amounts paid out for church societies such as Women's Guild, Men's Club, Knights of Columbus, etc.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8200</td>
<td>Office Expense</td>
<td>Cost of operating the parish office - supplies, copy paper, postage, printing, bank fees, etc.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8220</td>
<td>Contracted Services</td>
<td>Costs of outside professional services, such as legal, accounting and payments for traffic control services.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8240</td>
<td>Stewardship</td>
<td>Costs associated with stewardship programs.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8260</td>
<td>Advertising</td>
<td>All parish advertising costs - newspaper, radio, etc.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8270</td>
<td>Bulletin</td>
<td>Costs associated with the weekly parish bulletin, net of rebates.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8280</td>
<td>Envelopes</td>
<td>Costs associated with the weekly offering envelopes (mailing, postage, tracking, annual statements).</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8290</td>
<td>Electronic Giving</td>
<td>Costs associated with electronic giving (OSV, Faith Direct, ParishPay, eCatholic, etc.)</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8300</td>
<td>Continuing Education</td>
<td>Costs for employees continuing education classes.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8400</td>
<td>Real Estate Taxes</td>
<td>Quarterly payments of Real Estate taxes on parish property not used for parish purposes.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>Acct #</td>
<td>Account Name</td>
<td>Account Description</td>
<td>Parent</td>
<td>Acct Type</td>
<td>Assessable</td>
</tr>
<tr>
<td>-------</td>
<td>------------------------------------</td>
<td>-------------------------------------------------------------------------------------</td>
<td>--------</td>
<td>-----------</td>
<td>------------</td>
</tr>
<tr>
<td>8410</td>
<td>Intestate Expense - DOP</td>
<td>Interest on Diocesan payments and CILA Loans.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8420</td>
<td>Interest Expense</td>
<td>Interest Expense paid to other financial institutions</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8430</td>
<td>(Gains) Losses on Investments</td>
<td>Recording of (gains) losses on investments per broker statements</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8500</td>
<td>Fundraising Costs</td>
<td>Costs associated with fundraising activities including bingo, raffles, bazaars, carnivals, festivals, social functions etc.</td>
<td>U.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>8900</td>
<td>Misc. General and Admin</td>
<td>Amounts for other general and admin expenses. Please use sub-accounts for material amounts.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8965</td>
<td>Pre-school Expenses</td>
<td>Pre-school Expenses In a parish that has no elementary school (only a Pre-school)</td>
<td>VV.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>8975</td>
<td>Cemetery Expenses</td>
<td>Expenses from Cemetery operations for Cemeteries whose books are combined with the parish</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
</tbody>
</table>

**PARENT ACCOUNTS**

- A. Offertory and Regular Receipts
- B. Stipends and Stole Fees
- C. Bequests & Donations
- D. National Collections
- E. BAA Rebate
- F. F. PIF Rebate
- G. G. Rental Income
- H. H. Religious Ed Income:Faith Formation/Youth Ministry
- I. I. Fundraising Income
- J. J. Capital Campaign Income
- K. K. Other Income
- KK. Rack through/Reimbursements/Non-Assessable
- L. L. Personnel
- M. M. Benefit Costs
- N. N. Extra Clergy
- P. P. Religious Ed Expense (Youth Ministry)
- Q. Q. School Tuition Assistance (subsidy)
- R. R. Assessment Paid (Project Faith)
- S. S. Utilities
- T. T. Building or Repair Costs
- U. U. Fundraising Expenses
- V. V. Other Expenses
- WV. WV. Expenses deducted from assessment calculation
## ASSETS

1. **Total Cash (including CILA Savings)**
   - **1001 Cash - Operating**
     - Description: Should reflect the checkbook balance of the operating account.
     - Parent: 1. Bank
   - **1002 Cash - Other Accounts**
     - Description: Other checking accounts must be approved by Diocesan Finance.
     - Parent: 1. Bank
   - **1005 Petty Cash Fund**
     - Description: A minimal cash fund ($50 or $100) to pay small immediate expenses; the balance should not change; periodically reimbursed to replenish the fund; at that time, the appropriate expense accounts are charged.
     - Parent: 1. Bank
   - **1007 CILA Savings Account**
     - Description: Savings account that the parish maintains with the Diocesan Central Investing & Lending Agency (CILA).
     - Parent: 1. Bank
   - **1100 Savings Accounts**
     - Description: Other bank savings accounts (sub-accounts should be set up for each bank account).
     - Parent: 1. Bank
   - **1101 Cash Investment Accounts**
     - Description: Investments, Money-Market accounts, CDs, etc. (sub-accounts should be setup for each bank, broker, financial institution).
     - Parent: 1. Bank
   - **1120 Mass Stipend Checking**
     - Description: Auxiliary checking account; Diocesan Finance approval needed.
     - Parent: 1. Bank
   - **1130 Women's Club Checking**
     - Description: Auxiliary checking account; Diocesan Finance approval needed.
     - Parent: 1. Bank
   - **1140 Men's Club Checking**
     - Description: Auxiliary checking account; Diocesan Finance approval needed.
     - Parent: 1. Bank
   - **1150 Other Auxiliary Program bank account**
     - Description: Auxiliary checking account; Diocesan Finance approval needed.
     - Parent: 1. Bank

2. **Receivables**
   - **1200 Accounts / Pledge receivable**
     - Description: Amounts due from other entities, pledges due from donors, etc.
     - Parent: 2. Accounts Receivable

3. **Other Current Assets**
   - **1300 Inventory - Gift Shop**
     - Description: The original cost of any items purchased for resale that are still unsold at the end of the fiscal year.
     - Parent: 3. Other Current Asset
   - **1310 Prepaid Expenses**
     - Description: Amounts paid in one fiscal period that are truly expenses of the next fiscal period.
     - Parent: 3. Other Current Asset
   - **1350 Exchange**
     - Description: Can be used as a clearing account. It should be zero at the end of any month.
     - Parent: 3. Other Current Asset
   - **1360 Undeposited Funds**
     - Description: Funds received but not yet deposited at the end of an accounting period (deposits-in-transit).
     - Parent: 3. Other Current Asset
   - **1370 Other Current Assets**
     - Description: Subaccounts should be used for any material amounts.
     - Parent: 3. Other Current Asset

4. **Fixed Assets**
   - **1400 Land**
     - Description: Cost of the land on which the parish is located.
     - Parent: 4. Fixed Asset
   - **1401 Church**
     - Description: Cost of the Church building.
     - Parent: 4. Fixed Asset
   - **1402 Parish Hall**
     - Description: Cost of the parish hall.
     - Parent: 4. Fixed Asset
   - **1403 Rectory**
     - Description: Cost of the rectory.
     - Parent: 4. Fixed Asset
   - **1404 Convent**
     - Description: Cost of the convent.
     - Parent: 4. Fixed Asset
   - **1405 Other Buildings**
     - Description: Cost of other buildings.
     - Parent: 4. Fixed Asset
   - **1410 Furniture and Fixtures**
     - Description: Cost of furniture and fixtures.
     - Parent: 4. Fixed Asset
   - **1420 Other Fixed Assets**
     - Description: Cost of other fixed assets (vehicles, major equipment, etc.)
     - Parent: 4. Fixed Asset
   - **1499 Accumulated Depreciation**
     - Description: Accumulated Depreciation on all fixed assets (excluding Land).
     - Parent: 4. Fixed Asset

5. **Investments**
   - **1500 Investments**
     - Description: Stocks, Bonds, Mutual Funds, etc. (set-up sub-accounts for each).
     - Parent: 5. Other Asset

6. **Other Assets**
   - **1600 Other assets**
     - Description: Sub-accounts should be set up for any material amounts.
     - Parent: 6. Other Asset
<table>
<thead>
<tr>
<th>Acct #</th>
<th>Acct Name</th>
<th>Description</th>
<th>Parent</th>
<th>Acct Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>Accounts Payable</td>
<td>Record balances owed to vendors.</td>
<td>7</td>
<td>Accounts Payable</td>
</tr>
<tr>
<td>7.A</td>
<td>Credit Cards Payable</td>
<td>Record balances owed to credit card companies</td>
<td>7.A.</td>
<td>Credit Card</td>
</tr>
<tr>
<td>8</td>
<td>Accrued Expenses</td>
<td></td>
<td>8</td>
<td>Other Current Liability</td>
</tr>
<tr>
<td>2015</td>
<td>Accrued Expense - Payroll</td>
<td>Record the month and payroll accrual if needed.</td>
<td>8</td>
<td>Other Current Liability</td>
</tr>
<tr>
<td>2020</td>
<td>Payroll Taxes Payable</td>
<td>FICA, Medicare, Federal &amp; State - This account is used for employees' tax</td>
<td>8</td>
<td>Other Current Liability</td>
</tr>
<tr>
<td></td>
<td>Withholdings and the employer's</td>
<td>withholdings and the employer's FICA liability.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2030</td>
<td>Payroll Withholdings - 403b plan</td>
<td>Payroll Withholdings - 403b plan - This account is used to record the employee's 403b deductions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2023</td>
<td>Payroll Withholdings - Liens and</td>
<td>Account is used to record automatic payroll deductions for child support,</td>
<td>8</td>
<td>Other Current Liability</td>
</tr>
<tr>
<td></td>
<td>Garnishments</td>
<td>etc.</td>
<td>8</td>
<td>Other Current Liability</td>
</tr>
<tr>
<td>2050</td>
<td>Assessments due Diocese</td>
<td>Unpaid monthly assessment billing from the Diocese.</td>
<td>8</td>
<td>Other Current Liability</td>
</tr>
<tr>
<td>2055</td>
<td>Unpaid Diocesan Billing</td>
<td>Unpaid monthly billing (benefits, property insurance, etc.) from the Diocese.</td>
<td>8</td>
<td>Other Current Liability</td>
</tr>
<tr>
<td>2060</td>
<td>Diocesan/National Collections due</td>
<td>Amounts collected from Diocesan and National Collections to be remitted</td>
<td>8</td>
<td>Other Current Liability</td>
</tr>
<tr>
<td></td>
<td>to Diocese</td>
<td>to the Diocese.</td>
<td>8</td>
<td>Other Current Liability</td>
</tr>
<tr>
<td>2070</td>
<td>Other Current Liabilities</td>
<td>Other amounts due to be paid within 12 months or expenses that need to</td>
<td>8</td>
<td>Other Current Liability</td>
</tr>
<tr>
<td></td>
<td></td>
<td>accrued into the current fiscal period</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2080</td>
<td>Prepaid (Deferred) income</td>
<td>Amounts and fees collected in advance for programs occurring in the</td>
<td>8</td>
<td>Other Current Liability</td>
</tr>
<tr>
<td></td>
<td></td>
<td>subsequent fiscal period</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>CILA Debt</td>
<td>Amounts borrowed from the Diocesan CILA, which accrue interest. Should</td>
<td>9</td>
<td>Long Term Liability</td>
</tr>
<tr>
<td>2100</td>
<td>CILA Debt</td>
<td>agree to the monthly statements received.</td>
<td>9</td>
<td>Long Term Liability</td>
</tr>
<tr>
<td>10</td>
<td>Bank Debt</td>
<td></td>
<td>10</td>
<td>Long Term Liability</td>
</tr>
<tr>
<td>2105</td>
<td>Accrued Mortgages</td>
<td>Set up sub-account for each lending institution.</td>
<td>10</td>
<td>Long Term Liability</td>
</tr>
<tr>
<td>2200</td>
<td>Notes Payable - Due to Others</td>
<td>Set up sub-account for each lending institution.</td>
<td>10</td>
<td>Long Term Liability</td>
</tr>
<tr>
<td>11</td>
<td>Other Liabilities</td>
<td>Set up sub-account for any large amounts.</td>
<td>11</td>
<td>Long Term Liability</td>
</tr>
<tr>
<td>12</td>
<td>Equity</td>
<td></td>
<td>12</td>
<td>Equity</td>
</tr>
<tr>
<td>3310</td>
<td>Retained Earnings / Fund Balance</td>
<td>Accumulated net income (losses) recorded by QuickBooks</td>
<td>12</td>
<td>Equity</td>
</tr>
<tr>
<td>3311</td>
<td>Equity - Other</td>
<td>Opening Equity balances, prior period restatements, etc.</td>
<td>12</td>
<td>Equity</td>
</tr>
<tr>
<td>3320</td>
<td>Fund Balance - Restricted</td>
<td>Used for Fund Accounting purposes only</td>
<td>12</td>
<td>Equity</td>
</tr>
<tr>
<td>3330</td>
<td>Fund Balance - Unrestricted</td>
<td>Used for Fund Accounting purposes only</td>
<td>12</td>
<td>Equity</td>
</tr>
<tr>
<td>3340</td>
<td>Prior Year Adjustments</td>
<td>Used for making adjustments due to prior years events (use must be</td>
<td>12</td>
<td>Equity</td>
</tr>
<tr>
<td></td>
<td></td>
<td>approved by Diocesan Finance Dept.).</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**EQUITY**
## Dioce of Paterson

### Parish Chart of Accounts (sorted by parent)

<table>
<thead>
<tr>
<th>Acct #</th>
<th>Account Name</th>
<th>Account Description</th>
<th>Parent</th>
<th>Acct Type</th>
<th>Assessable</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A.</strong></td>
<td>Offertory and Regular Receipts</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4010</td>
<td>Offertory Collections</td>
<td>Daily and weekly offerings by parishioners and visitors (cash, checks and electronic giving)</td>
<td>A.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4011</td>
<td>Christmas Collections</td>
<td>Offerings at the Christmas Masses including the Christmas envelopes and electronic giving</td>
<td>A.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4012</td>
<td>Easter Collections</td>
<td>Offerings at the Easter Masses including the Easter envelopes and electronic giving</td>
<td>A.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4013</td>
<td>Holyday Collections</td>
<td>Offerings at the Holyday Masses including the Holyday envelopes and electronic giving</td>
<td>A.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4020</td>
<td>Debt Reduction Collections</td>
<td>Special parish collections for the purpose of reducing parish loan balances and other debt.</td>
<td>A.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4040</td>
<td>Building Fund Collections</td>
<td>Collections received for a parish construction project which has been authorized by the DIOCESE.</td>
<td>A.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4050</td>
<td>Special Parish Collections</td>
<td>Special collections taken to be used for a particular purpose as requested by the pastor with prior written approval of the Bishop.</td>
<td>A.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4310</td>
<td>Project Faith (assessment) Collections</td>
<td>Collections to help pay the parish's Diocesan assessment.</td>
<td>A.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>B.</strong></td>
<td>Stipends and Stole Fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4710</td>
<td>Mass Stipend Income</td>
<td>Offerings from parishioners for Mass intentions for deceased or sick family members and friends.</td>
<td>B.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4720</td>
<td>Stole Fee Income</td>
<td>All stole fees are considered parish income (Canon 531) and include baptisms, funerals, marriages.</td>
<td>B.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>C.</strong></td>
<td>Bequests &amp; Donations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4600</td>
<td>Bequests (unrestricted)</td>
<td>A cash or non-cash inheritance given to the parish with no restriction as to its use.</td>
<td>C.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4670</td>
<td>Gifts and Donations (unrestricted)</td>
<td>A cash or non-cash donation or gift with no restriction as to its use. The donation of vehicles, property, stock, etc. should be included at the current market value.</td>
<td>C.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>D.</strong></td>
<td>National Collections</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4300</td>
<td>National Collections Income</td>
<td>National collections taken up at all Masses in all parishes as mandated by the Bishop. The amount reported should agree with the monies forwarded to the DIOCESE.</td>
<td>D.</td>
<td>Income</td>
<td></td>
</tr>
<tr>
<td><strong>E.</strong></td>
<td>BAA Rebate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4610</td>
<td>BAA Rebate Income</td>
<td>BAA Rebate Income</td>
<td>E.</td>
<td>Income</td>
<td></td>
</tr>
<tr>
<td><strong>F.</strong></td>
<td>PIF Rebate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4600</td>
<td>PIF Rebate Income</td>
<td>PIF Rebate Income</td>
<td>F.</td>
<td>Income</td>
<td></td>
</tr>
<tr>
<td><strong>G.</strong></td>
<td>Rental Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4110</td>
<td>Rental Income</td>
<td>Amounts received for rental of church hall, parish school and facilities for social and educational functions.</td>
<td>G.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>H.</strong></td>
<td>Religious Ed Income - Youth Formation</td>
<td>Fees received for the Religious Education programs (CCD, 1st Eucharist, Confirmation, RCIA, etc.).</td>
<td>H.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4630</td>
<td>Religious Education Income</td>
<td></td>
<td>H.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4640</td>
<td>Youth Ministry Income</td>
<td>Fees received for youth ministry program.</td>
<td>H.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>I.</strong></td>
<td>Fundraising Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4925</td>
<td>Fundraising Income</td>
<td>Receipts from fundraising activities including bingo, raffles, bazaars, carnivals, festivals, social functions etc.</td>
<td>I.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>J.</strong></td>
<td>Capital Campaign Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4950</td>
<td>Capital Campaign Income</td>
<td>Funds raised for major parish construction and renovation projects (see Financial Policies and Procedures for the Diocesan approval process and needed approvals)</td>
<td>J.</td>
<td>Income</td>
<td></td>
</tr>
<tr>
<td>Acct #</td>
<td>Account Name</td>
<td>Account Description</td>
<td>Parent</td>
<td>Acct Type</td>
<td>Assessable</td>
</tr>
<tr>
<td>--------</td>
<td>------------------------------</td>
<td>--------------------------------------------------------------------------------------</td>
<td>--------</td>
<td>-----------</td>
<td>------------</td>
</tr>
<tr>
<td>K.</td>
<td>Other Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4120</td>
<td>Gain from Sale of Assets</td>
<td>Amounts received from sale of parish assets.</td>
<td>K.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4180</td>
<td>Interest on CILA Savings</td>
<td>Interest earned on the CILA Savings account per the monthly statement from the Diocese</td>
<td>K.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4190</td>
<td>Investment Income</td>
<td>Interest and Dividend Income from Banks, Investments, etc.</td>
<td>K.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4200</td>
<td>Advertising</td>
<td>Proceeds from the sale of advertising in the parish bulletin.</td>
<td>K.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4600</td>
<td>Catholic Publication Income</td>
<td>Receipts from the sale of Catholic literature, publications, etc.</td>
<td>K.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4700</td>
<td>School Assistance / Adopt a Student</td>
<td>School Assistance / Adopt a Student Income - Contributions received from parishioners who have financially &quot;adopted&quot; a student needing assistance with Catholic educational costs.</td>
<td>K.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4730</td>
<td>Poor Box Income</td>
<td>Funds received in the poor boxes in Church</td>
<td>K.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4740</td>
<td>Evangelization Income</td>
<td>Funds received relating to the evangelization program</td>
<td>K.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4900</td>
<td>Miscellaneous Income</td>
<td>Other sources of income for which there is no specific account (add a sub-account with detailed description for large amounts)</td>
<td>K.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>4965</td>
<td>Pre-school Incomes</td>
<td>Pre-school Incomes in a parish that has no elementary school (only a Pre-school)</td>
<td>K.</td>
<td>Income</td>
<td>Yes</td>
</tr>
<tr>
<td>KK.</td>
<td>Pass through/Reimbursements/Non-Assessable</td>
<td>A cash or non-cash inheritance given to the parish with a restriction as to its use. The restriction must be adhered to.</td>
<td>KK.</td>
<td>Income</td>
<td></td>
</tr>
<tr>
<td>4075</td>
<td>Bequests (Restricted)</td>
<td>A cash or non-cash gift or donation with a restriction as to its use. The restriction must be adhered to. The donation of vehicles, property, stock, etc. should be included at the current market value.</td>
<td>KK.</td>
<td>Income</td>
<td></td>
</tr>
<tr>
<td>4100</td>
<td>Church Society Income</td>
<td>Amounts received from church societies such as Women's Guild, Men's Club, Knights of Columbus, etc.</td>
<td>KK.</td>
<td>Income</td>
<td></td>
</tr>
<tr>
<td>4400</td>
<td>Subsidies - DOP</td>
<td>Financial support received from the Diocese for any reason or to support any program.</td>
<td>KK.</td>
<td>Income</td>
<td></td>
</tr>
<tr>
<td>4500</td>
<td>Subsidies - Other Diocesan Entities</td>
<td>Financial support received from other Diocesan entities to support programs.</td>
<td>KK.</td>
<td>Income</td>
<td></td>
</tr>
<tr>
<td>4620</td>
<td>Pastoral Income</td>
<td>Income received from DOP for work done outside the parish by priests assigned to the parish whose salaries are paid by the parish.</td>
<td>KK.</td>
<td>Income</td>
<td></td>
</tr>
<tr>
<td>4950</td>
<td>Reimbursement Income</td>
<td>Reimbursement of parish costs incurred. This includes utility reimbursements from tenants, insurance recoveries, etc.</td>
<td>KK.</td>
<td>Income</td>
<td></td>
</tr>
<tr>
<td>4975</td>
<td>Cemetery Incomes</td>
<td>Incomes from Cemetery operations for Cemeteries whose books are combined with the parish</td>
<td>KK.</td>
<td>Income</td>
<td></td>
</tr>
<tr>
<td>L.</td>
<td>Personnel</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5010</td>
<td>Salaries - Clergy</td>
<td>Monthly salaries paid to resident pastors and parochial vicars.</td>
<td>L.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>5015</td>
<td>Salaries - Lay</td>
<td>Wages paid to all lay employees, such as office staff, housekeepers, maintenance staff, janitors, organists, choir directors and others who perform a function for the parish. Includes overtime pay, holiday and vacation pay and bonuses.</td>
<td>L.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>5020</td>
<td>Stipends to Religious</td>
<td>Amounts paid to Priests, sisters and/or brothers of a religious order whereby payments are made out to the order.</td>
<td>L.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>M.</td>
<td>Benefit Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5100</td>
<td>Benefits</td>
<td>Benefits paid to the Diocese for employee health &amp; welfare, dental, life and disability coverage.</td>
<td>M.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>5120</td>
<td>Pension Benefits</td>
<td>Pension payments remitted to the Diocese.</td>
<td>M.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>5125</td>
<td>Retirement Savings Plan</td>
<td>Payments remitted to the Diocese for the 403(b) plan.</td>
<td>M.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>5130</td>
<td>Workmen's Compensation</td>
<td>Premiums paid to the Diocese for workers compensation per the benefit bills.</td>
<td>M.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>5140</td>
<td>FICA</td>
<td>Employer's portion for Social Security and Medicare (FICA).</td>
<td>M.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>5150</td>
<td>Unemployment Tax</td>
<td>Unemployment taxes remitted to the Diocese.</td>
<td>M.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>N.</td>
<td>Extra Clergy</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5030</td>
<td>Extra Clergy</td>
<td>Amounts paid for extra clergy who help at the parish periodically during vacations, illness, retreats and other absences.</td>
<td>N.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>Acct #</td>
<td>Account Name</td>
<td>Account Description</td>
<td>Parent</td>
<td>Acct Type</td>
<td>Assessable</td>
</tr>
<tr>
<td>-------</td>
<td>------------------------------------</td>
<td>-------------------------------------------------------------------------------------</td>
<td>--------</td>
<td>-----------</td>
<td>------------</td>
</tr>
<tr>
<td>O.</td>
<td>Cost of Provisions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6010</td>
<td>Table Expenses / Provisions</td>
<td>Amounts paid to purchase groceries for the rectory, reimburse priests for meals and/or weekly food allowances for priests.</td>
<td>O.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>P.</td>
<td>Religious Ed Expense (Youth Ministry)</td>
<td></td>
<td></td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>5018</td>
<td>Salaries - Religious Education</td>
<td>Wages paid to the DRE, religious education teachers and others who work in the Religious Education Program.</td>
<td>P.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>5116</td>
<td>Benefits - Religious Ed</td>
<td>Benefits paid to the Diocese for employee health &amp; welfare, dental, life and disability coverage of religious education staff.</td>
<td>P.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>7010</td>
<td>Religious Education</td>
<td>Functions, supplies, aids and other expenses associated with the Religious Education program.</td>
<td>P.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>7170</td>
<td>Youth Ministry Expenses</td>
<td>Parish youth group, CYO, etc.</td>
<td>P.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>Q.</td>
<td>School Tuition Assistance (subsidy)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8040</td>
<td>Support to Parish Schools</td>
<td>Financial support given DIRECTLY to Parish schools.</td>
<td>Q.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>8045</td>
<td>Support to Diocesan High Schools</td>
<td>Financial support given DIRECTLY to Diocesan High Schools.</td>
<td>Q.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>8050</td>
<td>Tuition Assistance - Elementary Schools</td>
<td></td>
<td>Q.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>8050</td>
<td>Tuition Assistance - High Schools</td>
<td>Payments made to support Diocesan Catholic high schools, to assist students who cannot afford their tuition, help the school with operating costs. Please use sub-accounts for each school.</td>
<td>Q.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>R.</td>
<td>Assessment Paid (Project Faith)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8010</td>
<td>Diocesan Assessment</td>
<td>Total amount of assessment paid to the Diocese.</td>
<td>R.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>S.</td>
<td>Utilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6120</td>
<td>Utilities</td>
<td>Electricity, gas, water, sewer, trash collection, etc. for all parish buildings</td>
<td>S.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6140</td>
<td>Telephone / Internet</td>
<td>Telephone charges for local and long-distance, pagers, cell phones and internet costs.</td>
<td>S.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>T.</td>
<td>Building or Repair Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6110</td>
<td>Building Repairs, Maintenance, and Cleaning</td>
<td>Amounts paid for routine minor repairs as required to the Church, rectory, parish hall, parking lot, etc. Includes cleaning supplies, lawn service, etc.</td>
<td>T.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6115</td>
<td>Extraordinary Building Repairs</td>
<td>Amounts paid for MAJOR repairs as required to the furnace, HVAC, church, rectory, parish hall, parking lots, etc.</td>
<td>T.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6130</td>
<td>Snow Removal</td>
<td>Amounts paid for snow removal</td>
<td>T.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6130</td>
<td>Landscaping</td>
<td>Amounts paid for landscaping, lawn service, etc.</td>
<td>T.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6150</td>
<td>Property and Liability Insurance</td>
<td>Premiums paid to the Diocese for property insurance on all buildings and their contents and general liability insurance.</td>
<td>T.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6170</td>
<td>Miscellaneous Equipment</td>
<td>For equipment leases and rentals, and small equipment purchases.</td>
<td>T.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6190</td>
<td>Miscellaneous Building and Grounds</td>
<td>For other building and grounds related costs which do not have a specific account. Please use sub-accounts for material items.</td>
<td>T.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6195</td>
<td>Security-related costs</td>
<td>For costs related to building and personal security and safety in the parish</td>
<td>T.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6280</td>
<td>Miscellaneous Other Facility Expense</td>
<td>For other facility costs which do not have a specific account. Please use sub-accounts for material amounts.</td>
<td>T.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6290</td>
<td>Depreciation</td>
<td>Recording of depreciation on parish buildings and equipment.</td>
<td>T.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>U.</td>
<td>Fundraising Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8500</td>
<td>Fundraising Costs</td>
<td>Costs associated with fundraising activities including bingo, raffles, bazaars, carnivals, festivals, social functions etc.</td>
<td>U.</td>
<td>Expense</td>
<td>Yes</td>
</tr>
<tr>
<td>V.</td>
<td>Other Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5020</td>
<td>Subsistence Payments to Seminarians</td>
<td>Non-taxable payments to seminarians who have not yet completed who have not yet completed their priestly training and formation. This is not earnings. It is a reimbursement for daily living expenses.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>5200</td>
<td>Priest Continuing Education and Retreat</td>
<td>Reimbursements to priests for attendance at retreats and educational seminars.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>5205</td>
<td>Deacon Expenses</td>
<td>Costs associated with Deacons: tuition, retreats, DOP billing, etc.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>Acct #</td>
<td>Account Name</td>
<td>Account Description</td>
<td>Parent</td>
<td>Acct Type</td>
<td>Assessable</td>
</tr>
<tr>
<td>--------</td>
<td>-----------------------------------</td>
<td>-------------------------------------------------------------------------------------</td>
<td>--------</td>
<td>-----------</td>
<td>------------</td>
</tr>
<tr>
<td>5210</td>
<td>Miscellaneous Personnel</td>
<td>For other personnel costs which do not have a specific account. Please use sub-accounts for material amounts.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6020</td>
<td>Household Expenses</td>
<td>Amounts expended for household supplies at the rectory.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6030</td>
<td>Miscellaneous Rectory Expenses</td>
<td>Amounts expended for other rectory costs which do not have a specific account.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6160</td>
<td>Rent Expense</td>
<td>Rental fees paid, including expenses to house religious personnel in non-parish buildings.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6210</td>
<td>Vehicle Repairs and Maintenance</td>
<td>Operating and maintenance costs of parish vehicles including repairs, auto tags, gas, oil, etc.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6220</td>
<td>Mileage Reimbursement</td>
<td>Reimbursement of mileage on personal vehicles used for parish business.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6240</td>
<td>Bus Expense</td>
<td>Bus Expense</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6260</td>
<td>Vehicle Insurance</td>
<td>Premiums paid to the Diocese for auto insurance.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>6270</td>
<td>Miscellaneous Vehicle Expense</td>
<td>Other vehicle costs which do not have a specific account number. Please provide a detailed description for amounts coded to this account.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7020</td>
<td>Music</td>
<td>Expenses associated with parish music programs.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7030</td>
<td>Pastoral</td>
<td>Pastoral</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7040</td>
<td>Evangelization</td>
<td>Costs associated with Evangelization.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7050</td>
<td>Homebound</td>
<td>Homebound</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7060</td>
<td>Family Life</td>
<td>Costs associated with the Family Life ministry.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7070</td>
<td>Social</td>
<td>Social</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7080</td>
<td>Respect Life</td>
<td>Costs associated with the Respect Life program.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7080</td>
<td>Library</td>
<td>Library</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7100</td>
<td>Liturgical Expenses</td>
<td>Costs for misalettes, vestments, candles, hosts, wine and items which are essential to parish activities.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7110</td>
<td>Spiritual Life</td>
<td>Expenses related to Spiritual Life functions.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7120</td>
<td>Hospitality</td>
<td>Expenses related to parish social functions.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7130</td>
<td>Scholarship</td>
<td>Scholarship</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7140</td>
<td>Adult Education</td>
<td>Adult Education</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7150</td>
<td>Religious Publications</td>
<td>Religious Publications</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7160</td>
<td>Peace &amp; Justice</td>
<td>Peace &amp; Justice</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7200</td>
<td>Parish Retreats &amp; Missions</td>
<td>Costs of retreats and missions conducted at the parish.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7300</td>
<td>Charity / Cantas</td>
<td>Amounts of contributions and gifts given to qualified charitable organizations or needy individuals.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7310</td>
<td>Miscellaneous Ministry Expense</td>
<td>Amounts paid for various ministries which do not have a specific account. Please use sub-accounts for material amounts.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>7410</td>
<td>Food Pantry</td>
<td>Costs associated with the Food Pantry</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8020</td>
<td>Diocesan National Collections</td>
<td>Amount of National Collections forwarded to the Diocese.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8030</td>
<td>Support to Catholic Entities Outside the Diocese</td>
<td>Any contributions to Catholic entities outside the Diocese,</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8100</td>
<td>Church Society Expense</td>
<td>Amounts paid out for church societies such as Women's Guild, Men's Club, Knights of Columbus, etc.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8200</td>
<td>Office Expense</td>
<td>Cost of operating the parish office - supplies, copy paper, postage, printing, bank fees, etc.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8220</td>
<td>Contracted Services</td>
<td>Costs of outside professional services, such as legal, accounting and payments for traffic control services.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8240</td>
<td>Stewardship</td>
<td>Costs associated with stewardship programs.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8260</td>
<td>Advertising</td>
<td>All parish advertising costs - newspaper, radio, etc.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8270</td>
<td>Bulletin</td>
<td>Bulletin costs associated with the weekly parish bulletin, net of rebates.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8280</td>
<td>Envelopes</td>
<td>Costs associated with the weekly offertory envelopes (mailing, postage, tracking, annual statements).</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8290</td>
<td>Electronic Giving</td>
<td>Costs associated with electronic giving (OSV, Faith Direct, ParishPay, eCatholic, etc.)</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8300</td>
<td>Continuing Education</td>
<td>Costs for employee continuing education classes.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8400</td>
<td>Real Estate Taxes</td>
<td>Quarterly payments of Real Estate taxes on parish property not used for parish purposes.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8410</td>
<td>Interest Expense - DOP</td>
<td>Interest on Diocesan payments and CILA Loans.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8420</td>
<td>Interest Expense</td>
<td>Interest Expense paid to other financial institutions</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8430</td>
<td>(Gains) Losses on Investments</td>
<td>Recording of (gains) losses on investments per broker statements</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8900</td>
<td>Misc. General and Admin</td>
<td>Amounts for other general and admin expenses. Please use sub-accounts for material amounts.</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
<tr>
<td>8975</td>
<td>Cemetery Expenses</td>
<td>Expenses from Cemetery operations for Cemeteries whose books are combined with the parish</td>
<td>V.</td>
<td>Expense</td>
<td></td>
</tr>
</tbody>
</table>

V. Expenses deducted from assessment calculation

6100 Expenses related to rental properties

8865 Pre-school Expenses

Amounts paid to maintain properties that are rented to 3rd parties.

Pre-school Expenses in a parish that has no elementary school (only a Pre-school)
APPENDIX 2

RECORD RETENTION POLICY
DIOCESE OF PATERNON

RECORDS RETENTION/DESTRUCTION POLICY

April 20, 2007

Introduction
The records retention/destruction guidelines for diocesan/parish and related diocesan organizations records were prepared to assist you in establishing control over routine records and to preserve records of permanent value. The list of records included is lengthy but not all inclusive. Retention periods were devised based on canon law, state and federal statutes, and practical diocesan/parish/organizational realities. If questions arise regarding records-retention issues, please contact the appropriate office at the Diocese for additional information.

Records Retention Schedules
Records retention schedules represent the period of time that records must be kept according to legal and/or organizational requirements.

This document covers retention schedules for seven different groups of diocesan/parish records:

- Administrative
- Personnel
- Financial
- Property
- Cemetery
- Publications
- Sacramental

Within each group, different series are listed followed by a retention period. Records older than the retention period should be destroyed. Those of permanent value should be stored appropriately.

A. Administrative Records
These records are produced in the course of the management of the affairs of the diocese/parish/organization.

<table>
<thead>
<tr>
<th>Records Type</th>
<th>Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abstracts, deeds (property)</td>
<td>Permanent</td>
</tr>
<tr>
<td>Annual reports to Chancery (Status Animerum)</td>
<td>Permanent</td>
</tr>
<tr>
<td>Annual reports to the diocese/parish/organization</td>
<td>Permanent</td>
</tr>
<tr>
<td>Articles of incorporation and bylaws</td>
<td>Permanent</td>
</tr>
<tr>
<td>Bequest and estate papers (wills)</td>
<td>Permanent</td>
</tr>
<tr>
<td>Census records</td>
<td>Permanent</td>
</tr>
<tr>
<td>Contracts, inactive</td>
<td>7 years after end of contract</td>
</tr>
<tr>
<td>Correspondence, legal</td>
<td>Permanent</td>
</tr>
</tbody>
</table>
Correspondence, official (regarding diocesan/Parish policies, diocesan/parish directive, etc.)
Correspondence, routine
Donor lists
Endowment decrees
Finance Council minutes
Historical file (newspaper clippings, photos etc. Related to diocese/parish)
Insurance policies
Inventories of property and equipment
Leases
Liturgical minister’s schedules (altar servers, Ushers, lectors, etc.)
Mass intention books
Office files, subject

Parish council constitutions
Parish council minutes
Diocese/parish/organization records (minutes, correspondence, publications, etc.)
Photographs (relating to diocesan/parish history, Clergy, parishioners)
Policy statements
Religious education reports (for the diocesan offices)
Rosters of parishioners
Subject files (correspondence, memos, rules, schedules, etc.)
Will, testaments, codicils

B. Personnel Records
A personnel file should be maintained for each active diocesan/parish employee. That file should contain the following:

- Employee application
- Resume
- Salary information
- Job description
- Sick leave taken and accrued
- Vacation record
- Employee handbook- employee sign off form
- Performance evaluations
- W-4 form and state withholding forms
- Results of background checks/references
- Benefits – disclosure of what benefits were offered to the employee and which were accepted or refused
- State of New Jersey New Hire form
A completed Eligibility Verification form (I-9) must be on file for each employee. It is recommended that these forms be maintained in a file separate from the employee's personnel file.

These records are confidential and should be made available only to diocesan/parish/organizational representatives with a legitimate right to know, unless their disclosure is compelled by some legal action. Employees and former employees have the right to inspect their own personnel files. The diocese/parish/organization/employer has the right to require that the request be in writing and has a stated number of working days to comply with the request.

<table>
<thead>
<tr>
<th>Records Type</th>
<th>Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefits</td>
<td>Permanent</td>
</tr>
<tr>
<td>Disability records</td>
<td>Permanent</td>
</tr>
<tr>
<td>Pension vesting files</td>
<td>Permanent</td>
</tr>
<tr>
<td>Retirement benefits</td>
<td>Permanent</td>
</tr>
<tr>
<td>Service records</td>
<td>Permanent</td>
</tr>
<tr>
<td>General</td>
<td>7 years after benefit termination</td>
</tr>
<tr>
<td>Permanent earnings and records</td>
<td>7 years after benefit termination</td>
</tr>
<tr>
<td>Attendance records</td>
<td>7 years after benefit termination</td>
</tr>
<tr>
<td>Employee contracts</td>
<td>7 years after benefit termination</td>
</tr>
<tr>
<td>Employee salary schedules</td>
<td>7 years after benefit termination</td>
</tr>
<tr>
<td>Health and safety</td>
<td>7 years</td>
</tr>
<tr>
<td>Accident/injury reports</td>
<td>7 years</td>
</tr>
<tr>
<td>Employee medical complaints</td>
<td>30 years from termination</td>
</tr>
<tr>
<td>Employee medical records</td>
<td>7 years</td>
</tr>
<tr>
<td>Environmental test records/reports</td>
<td>Permanent</td>
</tr>
<tr>
<td>Hazardous exposure records</td>
<td>7 years</td>
</tr>
<tr>
<td>Toxic substance explore reports</td>
<td>7 years</td>
</tr>
<tr>
<td>Workers' compensation</td>
<td>12 years after injury (filing), death, or last compensation payment</td>
</tr>
<tr>
<td>Lay Personnel actions</td>
<td>1 year</td>
</tr>
<tr>
<td>Applications rejected</td>
<td>2 years after termination</td>
</tr>
<tr>
<td>Employee evaluations</td>
<td>7 years</td>
</tr>
<tr>
<td>Personnel files, terminated</td>
<td>7 years</td>
</tr>
<tr>
<td>Termination records</td>
<td>7 years</td>
</tr>
<tr>
<td>Salary administration</td>
<td>7 years from time of filing</td>
</tr>
<tr>
<td>W-2 forms</td>
<td>7 years from time of filing</td>
</tr>
<tr>
<td>W-4 forms</td>
<td>3 years from time of filing</td>
</tr>
<tr>
<td>Time cards</td>
<td>3 years from time of filing</td>
</tr>
<tr>
<td>Time sheets</td>
<td>7 years after termination</td>
</tr>
<tr>
<td>I-9 form</td>
<td>7 years after termination</td>
</tr>
<tr>
<td>State of New Jersey New Hire Form</td>
<td>7 years after termination</td>
</tr>
</tbody>
</table>
### C. Financial and Accounting Records

<table>
<thead>
<tr>
<th>Records Type</th>
<th>Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Banking</strong></td>
<td></td>
</tr>
<tr>
<td>Bank deposits</td>
<td>7 years</td>
</tr>
<tr>
<td>Bank statements</td>
<td>7 years</td>
</tr>
<tr>
<td>Cancelled checks</td>
<td>7 years</td>
</tr>
<tr>
<td>Check registers/stubs</td>
<td>7 years</td>
</tr>
<tr>
<td><strong>General</strong></td>
<td></td>
</tr>
<tr>
<td>Audit reports</td>
<td>Permanent</td>
</tr>
<tr>
<td>Balance sheets, annual</td>
<td>Permanent</td>
</tr>
<tr>
<td>Balance sheets, monthly/quarterly</td>
<td>Destroy after 1 year</td>
</tr>
<tr>
<td>Budgets, approved, revised</td>
<td>7 years</td>
</tr>
<tr>
<td>Financial reports, annual</td>
<td>Permanent</td>
</tr>
<tr>
<td>Financial reports, monthly</td>
<td>Destroy after 1 year</td>
</tr>
<tr>
<td>Financial statements</td>
<td>Permanent</td>
</tr>
<tr>
<td><strong>Investment/Insurance</strong></td>
<td></td>
</tr>
<tr>
<td>Bonds, cancelled</td>
<td>7 years from date of cancellation</td>
</tr>
<tr>
<td>Certificates of deposit, cancelled</td>
<td>3 years after redemption</td>
</tr>
<tr>
<td>Insurance policies/active</td>
<td>Permanent</td>
</tr>
<tr>
<td>Insurance policies/cancelled</td>
<td>Permanent</td>
</tr>
<tr>
<td>Letters of credit</td>
<td></td>
</tr>
<tr>
<td>Mortgage records</td>
<td>7 years</td>
</tr>
<tr>
<td>Securities sales</td>
<td>Permanent</td>
</tr>
<tr>
<td>Stock investment</td>
<td>7 years</td>
</tr>
<tr>
<td><strong>Accounting</strong></td>
<td></td>
</tr>
<tr>
<td>Accounts payable invoices</td>
<td>7 years</td>
</tr>
<tr>
<td>Accounts payable ledgers</td>
<td>7 years</td>
</tr>
<tr>
<td>Accounts receivable ledgers</td>
<td>7 years</td>
</tr>
<tr>
<td>Credit card statements/charge slips</td>
<td>7 years</td>
</tr>
<tr>
<td>Invoices and paid bills, major building construction</td>
<td>Permanent</td>
</tr>
<tr>
<td>Invoices and paid bills, general accts.</td>
<td>7 years</td>
</tr>
<tr>
<td>Cash books</td>
<td>7 years</td>
</tr>
<tr>
<td>Cash journals</td>
<td>7 years</td>
</tr>
<tr>
<td>Cash journal, receipts on offerings and pledges</td>
<td>7 years</td>
</tr>
<tr>
<td>Receipts</td>
<td>7 years</td>
</tr>
<tr>
<td>Mortgage payments</td>
<td>7 years</td>
</tr>
<tr>
<td><strong>Other Records</strong></td>
<td></td>
</tr>
<tr>
<td>General ledger/annual</td>
<td>Permanent</td>
</tr>
<tr>
<td>Journals, general and specific funds</td>
<td>Permanent</td>
</tr>
<tr>
<td>Journal entry sheets</td>
<td>7 years</td>
</tr>
<tr>
<td>Ledgers, subsidiary</td>
<td>7 years</td>
</tr>
<tr>
<td>Payroll journals</td>
<td>7 years</td>
</tr>
<tr>
<td>Payroll registers, summary schedule of earnings,</td>
<td>7 years</td>
</tr>
</tbody>
</table>
deductions and accrued leave
Pension records
Pledge registers/ledgers
Permanently restricted gift documents
Temporarily restricted gift documents

**Tax Records**
Employment taxes, contributions, and payments, Including taxes withheld, FICA
W-2 forms
W-4 forms
IRS exemption determination letters, for organizations Other than those listed in *The Official Catholic Directory* Form 990
State tax exemption certificates (*income, excise, property, sales/use, etc.*)

7 years from date of filing
Permanent
7 years from date of filing
Permanent
7 years from date of filing
Permanent

**D. Property Records**

**Records Type**
Architectural records, blueprints, building designs, specification
Architectural drawings
Deed files
Mortgage documents
Property appraisals
Real estate survey/plots, Plans
Title search papers and certificates

Retention Period
Permanent
Permanent
Permanent
Permanent
Permanent
Permanent

**E. Cemetery Records**

**Records Type**
Account cards (*record of lot ownership and payments*)
Annual report
Bank Statements
Board minutes
Burial cards (*record of interred’s name, date of burial, etc. alphabetically*)
Contracts documenting lot ownership
Correspondence

General ledger
Lot maps

Retention Period
Permanent
Permanent
7 years
Permanent
Permanent

Selective retention: keep if item has historical, legal, fiscal value
Permanent
Permanent
F. Publications

<table>
<thead>
<tr>
<th>Records Type</th>
<th>Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anniversary books</td>
<td>Permanent</td>
</tr>
<tr>
<td>Annual reports to the diocese/parish</td>
<td>Permanent</td>
</tr>
<tr>
<td>Newsletters of the diocese/parish or affiliated</td>
<td>Permanent</td>
</tr>
<tr>
<td>organizations</td>
<td></td>
</tr>
<tr>
<td>Other diocese/parish-related publications</td>
<td>Permanent</td>
</tr>
<tr>
<td>Parish bulletins</td>
<td>Permanent</td>
</tr>
</tbody>
</table>

G. Sacramental Records

<table>
<thead>
<tr>
<th>Records Type</th>
<th>Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baptism register</td>
<td>Permanent</td>
</tr>
<tr>
<td>Confirmation register</td>
<td>Permanent</td>
</tr>
<tr>
<td>First Communion register</td>
<td>Permanent</td>
</tr>
<tr>
<td>Death register</td>
<td>Permanent</td>
</tr>
<tr>
<td>Marriage register</td>
<td>Permanent</td>
</tr>
<tr>
<td>Marriage case files</td>
<td>Permanent</td>
</tr>
</tbody>
</table>

General Note: Document Destruction
It is unlawful for an organization to knowingly alter, destroy, mutilate, conceal, cover up, falsify or make a false entry in any record, document, or tangible object with the intent to impede, obstruct or influence any official proceeding.
APPENDIX 3

ANNUAL PARISH FINANCIAL STATEMENT

ATTESTATION FORM
(DATE)

Most Reverend Arthur J. Serratelli  
R.C. Diocese of Paterson  
777 Valley Road  
Paterson, NJ 07013-1064

RE: __________________________________________ Parish

Dear Bishop Serratelli:

In connection with the Annual Financial Report of this Parish, I make the following representations:

1. I am responsible for the internal financial controls and accounting records of this Parish.

2. The enclosed Annual Budget report submitted by the Parish for the fiscal year ended June 30, 20xx accurately reflects our expectations for revenue and expenses to be incurred during this fiscal year. The Annual Budget was reviewed and approved by the Parish Finance Council on _____________ (date of meeting).

3. The enclosed parish financial statements accurately reflect all checking, savings, investment, brokerage and assets of the parish. All income and expenses, including ancillary programs and ministries of the parish have been included to reflect the true and complete financial picture of the parish for the fiscal year ended June 30, 20xx.

4. All real estate and vehicles have been included on the financial report, have been compared with the property insurance report and are titled in the name of the parish.

5. All loans and unpaid invoices to the Diocese are reflected on the enclosed financial report. Total unpaid amounts to the Diocese at June 30, 20xx for all loans and invoices is $___________.

6. I am not aware of any "employees" who:
   a. Are being paid outside of the payroll system,
   b. Qualify for health & welfare or other benefits but are excluded from enrollment, or
   c. Receive paid compensation which is not included in the parish payroll records.

7. All vehicles, buildings, and other property (assets) of the parish are reported to the Diocesan Insurance office for insurance coverage.
8. I am not aware of any lawsuits, legal actions, or any unasserted claims against the parish or school, or the Pastor/Administrator or Principal, except as follows:

9. There are no significant unpaid bills that have not been disclosed.

Finally, I acknowledge, as Pastor/Administrator, with respect to the care and use of parish funds, that any and all material decisions have been and will be made in accordance with applicable universal Church laws as well as Internal Revenue Service regulations, Diocesan laws, norms, and policies.

Signed:

_________________________________________  Date: ______________
Pastor/Administrator  Print Name

Acknowledged by:

_________________________________________  Date: ______________
Parish Trustee  Print Name

_________________________________________  Date: ______________
Chair – Finance Council  Print Name

_________________________________________  Date: ______________
Bus. Mgr./Accountant/Bookkeeper  Print Name

Bus. Mgr./Accountant/Bookkeeper E-mail address

Any exceptions to the above are noted below:
APPENDIX 4

CREDIT CARD USAGE POLICY SAMPLE
The policy of The Diocese of Paterson regarding diocesan credit card usage is as follows:

1. The Diocesan credit card shall only be used for Diocesan business purposes. Any personal expenses that are inadvertently charged to the diocesan credit card should be reported to the Finance department and should be reimbursed to the Diocese immediately. Frequent “inadvertent use” will result in the loss of credit card privileges.

2. The employee shall provide receipts to the Finance department, prior to the statement billing cycle, for all charges. Upon receipt of the credit card statement, a copy of the statement will be provided to the employee. The employee shall then be responsible to obtain the receipt to account for the business expense.

3. If the employee is unable to obtain a receipt, the expense should be documented with an explanation of the charge and the reason a receipt was not obtained. The employee may be required to reimburse the Diocese for expenses that have missing receipts or that lack appropriate business purpose documentation. Consistent failure to provide receipts will result in the loss of credit card privileges.

4. When using the credit card for online purchases, a printout of the confirmation for the purchase is acceptable as a receipt. For other purchases original receipts, rather than photocopies, are expected to be provided whenever possible.

5. When the credit card is used for business meals, diners’ names and the purpose of the business meal should be written on the receipt or otherwise documented.

6. In the event of a lost or stolen credit card, it is the card user’s responsibility to call and cancel the card immediately and contact the Diocesan Finance office.

7. Possession of a Diocesan credit card is a privilege and misuse may result in the revocation of card privileges, disciplinary actions, up to and including termination of employment.

8. Upon termination or leave of absence, all credit cards are to be surrendered immediately to your Supervisor or other appropriate Diocesan representative, who will acknowledge the card was returned and notify the Diocesan Finance Department. Cancellation date should be effective on discharge date.

9. The following agreement must be signed and returned to the Diocesan Finance department.
Credit Card Agreement:

I, ____________________________, as an employee of the Diocese of Paterson, have read and understand the policy for credit card usage. By signing this form, I agree to all of the provisions of the above Credit Card Policy.

I have received the following credit card:

_____________________________ Card number __________________________

On this date: ____________________________

Signed: ____________________________ Date: __________________________

Name: ______________________________

Credit Card Return:

I, ____________________________, as an employee of the Diocese of Paterson, have returned the above credit card: # ____________________________

Employee Signature: ____________________________

Employee Name: ____________________________

Returned card received by:

Name: ____________________________ Title: __________________________

Signature: ____________________________ Date of return: ________________
APPENDIX 5

OFFERTORY COLLECTION LOG SAMPLE

COLLECTION PROCEDURES

BISHOP’S DECREE ON OFFERTORY

BACKGROUND CHECKS
### OFFERTORY COLLECTION LOG

<table>
<thead>
<tr>
<th>CURRENCY</th>
<th>QUANTITY</th>
<th>AMOUNT</th>
<th>CURRENCY</th>
<th>QUANTITY</th>
<th>AMOUNT</th>
<th>CURRENCY</th>
<th>QUANTITY</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$100.00</td>
<td></td>
<td></td>
<td>$50.00</td>
<td></td>
<td></td>
<td>$20.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$50.00</td>
<td></td>
<td></td>
<td>$25.00</td>
<td>$5.00</td>
<td></td>
<td>$10.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$20.00</td>
<td></td>
<td></td>
<td>$10.00</td>
<td></td>
<td></td>
<td>$5.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$10.00</td>
<td></td>
<td></td>
<td>$5.00</td>
<td></td>
<td></td>
<td>$2.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$5.00</td>
<td></td>
<td></td>
<td>$2.00</td>
<td></td>
<td></td>
<td>$1.00</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL CURRENCY** $\ldots$ **TOTAL COINS** $\ldots$

**TOTAL CASH** (currency + coins) **TOTAL CHECKS** (add backs, attach here)

---

**GRAND TOTAL (COMBINE CASH AND CHECKS):** $\ldots$

**Print Name**

**Cash Sorted by:**

**Cash Counted by:**

**Sign Name:**

---

"*Only complete this section when used as the Summary Sheet for all mass collections.*

**Date**

**Depositary Signature**

**Total Cash & Check Deposit**
July 1, 2012

The following procedures should be followed for every collection:

- For each Mass and each collection, the ushers (ideally two ushers) are to place all collection receipts in the new Security bags and seal them. The ushers should label the bags with the date and time of the Mass, specify first or second collection and sign the bags. These sealed bags should then be placed in the Church safe immediately.

- A new Security bag should be used for each Mass and each collection. If for any reason a bag must be voided, the bag needs to be saved and placed in the safe. This will ensure that all bags are accounted for.

- A member of the count team should gather all the sealed bags and take them to the counting place.

- There should be at least two counters, preferably unrelated to each other.

- The counters open the bags and separate envelopes and cash and loose checks. All loose cash must be counted and recorded on the collection sheets. All loose checks must be counted and recorded on the collection sheets. A listing of the checks should be kept so the checks may be recorded for tax purposes. The envelopes should be opened and the amount in the envelope marked on the envelope. This will facilitate recording of donations for tax purposes. Please use pens for completing the collection sheets.

- A deposit slip for all cash and checks must be prepared. Both members of the count team must sign the deposit slip.

- An adding machine tape may be made for all checks and the total of the tape put on the deposit slip. The tape should be stapled to the deposit slip. It is not necessary to record every check amount on the deposit slip.

- The total on the deposit slip should equal the total on the collection sheets.

- The back of all checks should be restrictively endorsed.

- It is not permissible for anyone to cash a check versus the cash in the collection.

- The deposit slip, cash and all checks should then be placed in another security bag, sealed and taken to the bank by the count team.

- If the count team cannot take the deposit to the bank, the sealed bag(s) should be placed in the rectory safe overnight, and then taken to the bank first thing the next morning by a member of the count team.

- If the deposit is placed in the night depository, the deposit slip will be mailed back to the parish office. If the deposit is taken to the bank on Monday morning, please wait for the deposit slip.
• The deposit slips should be given to the parish bookkeeper after they are stamped by the bank. The collection sheets should also be given to the bookkeeper.
• The bookkeeper may not open the sealed bags or make the deposits. This is a separation of duties.
• The bookkeeper should note any differences between the bank-stamped deposit slips and the collection sheets.
• The bookkeeper then records the deposits into Quickbooks (or other parish software program).
DECREE

By the Grace of God and the Favor of the Apostolic See,

I, Arthur Joseph Serratelli, Bishop of Paterson,

hereby promulgate the following directives as particular law

for the Diocese of Paterson

Policy on Handling and Control of Collections

In accordance with Canons 7 & 8, paragraph 2, the following is now particular law for all parishes of the Diocese of Paterson:

- All parishes are to have written policies and procedures for the collecting, counting, recording and depositing of collections, stipends, and all other monies received by the parish. (Effective September 30, 2010)

- Each collection must be accounted for on the parish books in its entirety. No money can ever be taken from the offertory for any purpose, including petty cash. (Effective immediately)

- The offertory collections must be in the custody of at least two independent persons at all times from the point of collection to securing in a safe, then from the safe to the conclusion of the counting. It is acceptable for one person to take the sealed security bag to make the deposit in the bank. There should be a system of rotating teams and members such that the same people are not always doing the same collections. Overseen by rotation is the specific responsibility of the pastor. The person making the deposit should not be the bookkeeper. (Effective September 30, 2010)

- Sequentially numbered, tamper evident security bags must be used to hold offertory collections. The sealed bags must be signed by at least two ushers immediately after each Mass. The funds must be locked securely. (Effective September 30, 2010)

- The count team must prepare collection sheet documents, deposit slips and the deposit. These documents must be retained with the accounting records. When the collection sheets and deposit slips are prepared, they should be placed into a tamper evident security bag, signed by two persons, and given to the person making the deposit. The parish’s bank should be notified of this new procedure and asked to notify the pastor if they observe any tampering with the security bag. (Effective September 30, 2010)

- The collection and its custody must be totally separated from the bookkeeping for those assets. It is of critical importance that there be a complete separation of duties around the collections. (Effective immediately)

- Priests, deacons, and the bookkeeping staff should never be involved in counting or depositing the collection. The pastor’s primary function is one of oversight of the process to ensure that proper procedures are followed. The bookkeeper’s role is purely one of recording collections in the parish books. (Effective September 30, 2010)

- A review of the implementation of this particular law shall take place every six months.

- All to the contrary notwithstanding.

Given at the Pastoral Center of the Diocese of Paterson on the feast of Saints Joachim and Anne, Monday, the 26th of July, 2010.

+ Arthur J. Serratelli
Bishop of Paterson

Sister Mary Edward Spohrer, S.C.C.
Chancellor / Delegate for Religious
To Pastors and Administrators:

Several have raised a good question: do collection counters and money counters have to be included in the new criminal background checks?

The simple answer is Yes. Here's why: each of us have to show that we have taken proper precautions in our parishes, agencies, schools with the monies entrusted to our stewardship. Having people go through this very simple and quick process gives you peace of mind about people handling money and also lets our parishioners and other groups know that this is another type of financial control that you have in place.

I know that this is an inconvenience to do this. However, once it is done, then it should be very easy to handle in the future with any new people.

The attention being given to thefts and embezzlements from dioceses and churches is growing. This helps to protect you and to safeguard your funds. No system is perfect. But if there should be a theft, then it would be clear that you have taken every possible step to prevent this.

Rev. Msgr. James T. Mahoney, Ph.D.
Vicar General and Moderator of the Curia
APPENDIX 6

FORM 8283, NON CASH CHARITABLE CONTRIBUTIONS
Form 8283

Noncash Charitable Contributions

(form should be read in your income tax return)

Name(s) shown on your income tax return

Note: Figure the amount of your contribution deduction before completing this form. See your tax return instructions.

Section A. Donated Property of $5,000 or Less and Publicly Traded Securities—List in this section only an item (or groups of similar items) for which you claimed a deduction of $5,000 or less. Also list publicly traded securities and certain other property even if the deduction is more than $5,000 (see instructions).

Part I  Information on Donated Property—If you need more space, attach a statement.

<table>
<thead>
<tr>
<th>(a) Name and address of the donee organization</th>
<th>(b) If donated property is a vehicle (see instructions), check the box. Also enter the vehicle identification number (unless Form 1098-C is attached)</th>
<th>(c) Description and condition of donated property (For a vehicle, enter the year, make, model, and mileage. For securities and other property, see instructions.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D</td>
<td></td>
<td></td>
</tr>
<tr>
<td>E</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: If the amount you claimed as a deduction for an item is $500 or less, you do not have to complete columns (e), (f), and (g).

<table>
<thead>
<tr>
<th>(d) Date of the contribution</th>
<th>(e) Date acquired by donor (mo, yr)</th>
<th>(f) How acquired by donor</th>
<th>(g) Donor's cost or adjusted basis</th>
<th>(h) Fair market value (see instructions)</th>
<th>(i) Method used to determine the fair market value</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B</td>
<td></td>
<td></td>
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<tr>
<td>C</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>D</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>E</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Part II  Partial Interests and Restricted Use Property—Complete lines 2a through 2e if you gave less than an entire interest in a property listed in Part I. Complete lines 3a through 3c if conditions were placed on a contribution listed in Part I; also attach the required statement (see instructions).

2a Enter the letter from Part I that identifies the property for which you gave less than an entire interest

b Total amount claimed as a deduction for the property listed in Part I: (1) For this tax year (2) For any prior tax years

c Name and address of each organization to which any such contribution was made in a prior year (complete only if different from the donee organization above):

Name of charitable organization (donee)

Address (number, street, and room or suite no.)

City or town, state, and ZIP code

d For tangible property, enter the place where the property is located or kept

e Name of any person, other than the donee organization, having actual possession of the property

3a Is there a restriction, either temporary or permanent, on the donee's right to use or dispose of the donated property?

b Did you give to anyone (other than the donee organization or another organization participating with the donee organization in cooperative fundraising) the right to the income from the donated property or to the possession of the property, including the right to vote donated securities, to acquire the property by purchase or otherwise, or to designate the person having such income, possession, or right to acquire?

c Is there a restriction limiting the donated property for a particular use?

Yes  No

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 62209J  Form 8283 (Rev. 11-2019)
**Part I  Information on Donated Property**

4. Check the box that describes the type of property donated.

- a. Art* (contribution of $20,000 or more)
- b. Qualified Conservation Contribution
- c. Equipment
- d. Art* (contribution of less than $20,000)
- e. Other Real Estate
- f. Securities
- g. Collectibles**
- h. Intellectual Property
- i. Vehicles
- j. Other

*Art includes paintings, sculptures, watercolors, prints, drawings, ceramics, antiques, decorative arts, textiles, carpets, silver, rare manuscripts, historical memorabilia, and other similar objects.

**Collectibles include coins, stamps, books, gems, jewelry, sports memorabilia, dolls, etc., but not art as defined above.

**Note:** In certain cases, you must attach a qualified appraisal of the property. See instructions.

---

**Part II Taxpayer (Donor) Statement**—List each item included in Part I above that the appraisal identifies as having a value of $500 or less. See instructions.

I declare that the following item(s) included in Part I above has to the best of my knowledge and belief an appraised value of not more than $500 (per item). Enter identifying letter from Part I and describe the specific item. See instructions.

---

**Part III Declaration of Appraiser**

I declare that I am not the donor, the donee, a party to the transaction in which the donor acquired the property, employed by, or related to any of the foregoing persons, or married to any person who is related to any of the foregoing persons. And, if regularly used by the donor, donee, or party to the transaction, I performed the majority of my appraisals during my tax year for other persons.

Also, I declare that I perform appraisals on a regular basis, and that because of my qualifications as described in the appraisal, I am qualified to make an appraisal of the type of property being valued. I certify that the appraisal fees were not based on a percentage of the appraised property value. Furthermore, I understand that a false or fraudulent overstatement of the property value as described in the qualified appraisal of this Form 8283 may subject me to the penalty under section 6701(a) (aiding and abetting the understatement of tax liability). I understand that my appraisal will be used in connection with a return or claim for refund, I also understand that, if there is a substantial or gross valuation misstatement of the value of the property claimed on the return or claim for refund that is based on my appraisal, I may be subject to a penalty under section 6662A of the Internal Revenue Code, as well as any applicable civil penalties. I affirm that I have not been at any time in the three-year period ending on the date of the appraisal barred from presenting evidence or testifying before the Department of the Treasury or the Internal Revenue Service pursuant to 31 U.S.C. 330(e).

---

**Part IV Donee Acknowledgment**—To be completed by the charitable organization.

This charitable organization acknowledges that it is a qualified organization under section 170(c) and it received the donated property as described in Section B, Part I, above on the following date.

Furthermore, this organization affirms that in the event it sells, exchanges, or otherwise disposes of the property described in Section B, Part I (or any portion thereof) within 3 years after the date of receipt, it will file Form 8283, Donee Information Return, with the IRS and give the donor a copy of that form. This acknowledgment does not represent agreement with the claimed fair market value.

Does the organization intend to use the property for an unrelated use? 

- [ ] Yes
- [ ] No

**Name of charitable organization (donee)**

**Address (number, street, and room or suite no.)**

**City or town, state, and ZIP code**

**Authorized signature**

**Date**

---

**Form 8283 (Rev. 11-2019)**
Instructions for Form 8283
(Rev. November 2019)
Noncash Charitable Contributions

Section references are to the Internal Revenue Code unless otherwise noted.

General Instructions

Future Developments
Information about any future developments affecting Form 8283 (such as legislation enacted after we release it) will be posted at IRS.gov/Form8283.

Purpose of Form
Use Form 8283 to report information about noncash charitable contributions.

Do not use Form 8283 to report out-of-pocket expenses for volunteer work or amounts you gave by check or credit card. Treat these items as cash contributions. Also, do not use Form 8283 to figure your charitable contribution deduction. For details on how to figure the amount of the deduction, see your tax return instructions and Pub. 526, Charitable Contributions.

Who Must File
You must file one or more Forms 8283 if the amount of your deduction for each noncash contribution is more than $500. You must also file Form 8283 if you have a group of similar items for which a total deduction of over $500 is claimed. See Similar Items of Property, later. For this purpose, "amount of your deduction" means your deduction before applying any income limits that could result in a carryover. The carryover rules are explained in Pub. 526. Make any required reductions to fair market value (FMV) before you determine if you must file Form 8283. See Fair Market Value (FMV), later.

Form 8283 is filed by individuals, partnerships, and corporations.

Business Entities

Corporations. C corporations, other than personal service corporations and closely held corporations, must file Form 8283 only if the amount claimed as a deduction is more than $5,000 per item or group of similar items.

Partnerships and S corporations. A partnership or S corporation that claims a deduction for noncash gifts of more than $500 must file Form 8283 with Form 1065, 1065-B, or 1120S.

If the total deduction for any item or group of similar items is more than $5,000, the partnership or S corporation must complete Section B of Form 8283 even if the amount allocated to each partner or shareholder is $5,000 or less.

The partnership or S corporation must give a completed copy of Form 8283 to each partner or shareholder receiving an allocation of the contribution deduction shown in Section B of the Form 8283 of the partnership or S corporation.

Partners and shareholders. The partnership or S corporation will provide information about your share of the contribution on your Schedule K-1 (Form 1065 or 1120S). If you received a copy of Form 8283 from the partnership or S corporation, attach a copy to your tax return. Use the amount shown on your Schedule K-1, not the amount shown on the Form 8283, to figure your deduction.

If the partnership or S corporation is not required to give you a copy of its Form 8283, combine the amount of noncash contributions shown on your Schedule K-1 with your other noncash contributions to see if you must file Form 8283. If you need to file Form 8283, you do not have to complete all the information requested in Section A for your share of the partnership's or S corporation's contributions. Complete only column (h) of line 1 with your share of the contribution and enter "From Schedule K-1 (Form 1065 or 1120S)" across columns (d)–(g).

When To File
File Form 8283 with your tax return for the year you contribute the property and first claim a deduction.

Which Sections To Complete
Form 8283 has two sections. If you must file Form 8283, you must complete either Section A or Section B depending on the type of property donated and the amount claimed as a deduction.

Use Section A to report donations of property for which you claimed a deduction of $5,000 or less per item or group of similar items (defined later). Also use Section A to report donations of publicly traded securities; certain intellectual property described in section 170(e)(1)(B)(iii); a qualified vehicle described in section 170(f)(12)(A)(ii) for which an acknowledgement under section 170(f)(12)(B)(iii) is provided; and inventory and other similar property described in section 1221(a)(1). Use Section B to report donations of property for which you claimed a deduction of more than $5,000 per item or group of similar items.

In figuring whether your deduction for a group of similar items was more than $5,000, consider all items in the group, even if items in the group were donated to more than one donee organization. However, you must file a separate Form 8283, Section B, for each donee organization.

Example. You claimed a deduction of $2,000 for books you gave to College A, $2,500 for books you gave to College B, and $900 for books you gave to College C. You must report these donations in Section B because the total deduction was more than $5,000. You must file a separate Form 8283, Section B, for the donation to each of the three colleges.
Section A. Include in Section A only the following items.

1. Items (or groups of similar items as defined later) for which you claimed a deduction of more than $500 but not more than $5,000 per item (or group of similar items).

2. The following items even if the claimed value was more than $5,000 per item (or group of similar items):
   a. Securities listed on an exchange in which quotations are published daily.
   b. Securities regularly traded in national or regional over-the-counter markets for which published quotations are available.
   c. Securities that are shares of a mutual fund for which quotations are published on a daily basis in a newspaper of general circulation throughout the United States.
   d. Certain other securities even though the securities do not meet any of the criteria described in paragraphs 2.a through 2.c above (for more information, see Treasury Regulation 1.170A-13(c)(7)(xi)(B)).
   e. A vehicle (including a car, boat, or airplane) if your deduction for the vehicle is limited to the gross proceeds from its sale and you obtained a contemporaneous written acknowledgment.
   f. Intellectual property (as defined later), or
   g. Inventory or property held primarily for sale to customers in the ordinary course of your trade or business.

Section B. Include in Section B only items (or groups of similar items) for which you claimed a deduction of more than $5,000. Do not include items reportable in Section A. Items reportable in Section B require a written appraisal by a qualified appraiser. You must file a separate Form 8283, Section B, for each donee organization and each item of property (or group of similar items).

You must also file Form 8283, Section B if you are contributing a single article of clothing or household item over $500 that is not in good used condition.

Similar Items of Property

Similar items of property are items of the same generic category or type, such as coin collections, paintings, books, clothing, jewelry, nonpublicly traded stock, land, or buildings.

Example. You claimed a deduction of $400 for clothing, $7,000 for publicly traded securities (quotations published daily), and $6,000 for a collection of 15 books ($400 each). Report the clothing and securities in Section A and the books (a group of similar items) in Section B.

Special Rule for Certain C Corporations

A special rule applies for deductions taken by certain C corporations under section 170(e)(3) or (4) for certain contributions of inventory or scientific equipment.

To determine if you must file Form 8283, use the difference between the amount you claimed as a deduction and the amount you would have claimed as cost of goods sold (COGS) had you sold the property instead. This rule is only for purposes of Form 8283. It does not change the amount or method of figuring your contribution deduction.

If you do not have to file Form 8283 because of this rule, you must attach a statement to your tax return (similar to the one in the example below).

Example. You donated clothing from your inventory for the care of the needy. The clothing cost you $500 and your claimed charitable deduction is $800. Complete Section A instead of Section B because the difference between the amount you claimed as a charitable deduction and the amount that would have been your COGS deduction is $300 ($800 – $500). Because the difference between the charitable deduction and the cost of goods sold is less than $500, Form 8283 does not have to be filed:

<table>
<thead>
<tr>
<th>Deduction for Donation of Inventory</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution deduction:</td>
</tr>
<tr>
<td>COGS (if sold, not donated):</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

Fair Market Value (FMV)

Although the amount of your deduction determines if you have to file Form 8283, you also need to have information about the FMV of your contribution to complete the form.

FMV is the price a willing, knowledgeable buyer would pay a willing, knowledgeable seller when neither has to buy or sell.

You may not always be able to deduct the FMV of your contribution. Depending on the type of property donated, you may have to reduce the FMV to figure the deductible amount, as explained next.

Reductions to FMV. The amount of the reduction (if any) depends on whether the property is ordinary income property or capital gain property. Attach a statement to your tax return showing how you figured the reduction.

Ordinary income property. Ordinary income property is property that would result in ordinary income or short-term capital gain if it were sold at its FMV on the date it was contributed. Examples of ordinary income property are inventory, works of art created by the donor, and capital assets held for 1 year or less. The deduction for a gift of ordinary income property is limited to the FMV minus the amount that would be ordinary income or short-term capital gain if the property were sold.

Capital gain property. Capital gain property is property that would result in long-term capital gain if it were sold at its FMV on the date it was contributed. For purposes of figuring your charitable contribution, capital gain property also includes certain real property and depreciable property used in your trade or business and, generally, held more than 1 year. However, to the extent of any gain from the property that must be recaptured as ordinary income under section 1245, section 1250, or any other Code provision, the property is treated as ordinary income property.
You usually may deduct gifts of capital gain property at their FMV. However, you must reduce the FMV by the amount of any appreciation if any of the following apply:

- The capital gain property is contributed to certain private nonoperating foundations. This rule does not apply to qualified appreciated stock.
- You choose the 50% limit instead of the special 30% limit for capital gain property given to 50% limit organizations.
- The contributed property is intellectual property (as defined later).
- The contributed property is certain taxidermy property.
- The contributed property is tangible personal property that is put to an unrelated use (as defined in Pub. 526) by the charity.
- The contributed property is certain tangible personal property with a claimed value of more than $5,000 and is sold, exchanged, or otherwise disposed of by the charity during the year in which you made the contribution, and the charity has not made the required certification of exempt use (such as on Form 8282, Part IV).

Qualified conservation contribution. A qualified conservation contribution is a donation of a qualified real property interest, such as an easement, exclusively for certain conservation purposes. The donee must be a qualified organization as defined in section 170(h)(3) and must have the resources to be able to monitor and enforce the conservation easement or other conservation restrictions. To enable the organization to do this, you must give it documents, such as maps and photographs, that establish the condition of the property at the time of the gift.

If the donation has no material effect on the real property's FMV, or enhances rather than reduces its FMV, no deduction is allowable. For example, little or no deduction may be allowed if the property's use is already restricted, such as by zoning or other law or contract, and the donation does not further restrict how the property can be used.

The FMV of a conservation easement cannot be determined by applying a standard percentage to the FMV of the underlying property. The best evidence of the FMV of an easement is the sales price of a comparable easement. If there are no comparable sales, the before and after method may be used.

Attach a statement that:
- Identifies the conservation purposes furthered by your donation,
- Shows, if before and after valuation is used, the FMV of the underlying property before and after the gift,
- States whether you made the donation in order to get a permit or other approval from a local or other governing authority and whether the donation was required by a contract, and
- If you or a related person has any interest in other property nearby, describes that interest.

If an appraisal is required, it must be made by a qualified appraiser. See Appraisal Requirements, later.

Easements on buildings in historic districts. You cannot claim a deduction for this type of contribution unless the contributed interest includes restrictions preserving the entire exterior of the building (including front, sides, rear, and height) and prohibiting any change to the exterior of the building inconsistent with its historical character. If you claim a deduction for this type of contribution, you must include with your return:
- A signed copy of a qualified appraisal,
- Photographs of the entire exterior of the building, and
- A description of all restrictions on the development of the building. The description of the restrictions can be made by attaching a copy of the easement deed.

If you donate this type of property and claim a deduction of more than $10,000, your deduction will not be allowed unless you pay a $500 filing fee. See Form 8283-V and its instructions.


Intellectual property. The FMV of intellectual property must be reduced to figure the amount of your deduction, as explained earlier. Intellectual property means a patent, copyright (other than a copyright described in section 1221(a)(3) or 1231(b)(1)(C)), trademark, trade name, trade secret, know-how, software (other than software described in section 197(e)(3)(A)(i)), or similar property, or applications or registrations of such property.

However, you may be able to claim additional charitable contribution deductions in the year of the contribution and later years based on a percentage of the donee's net income, if any, from the property. The amount of the donee's net income from the property will be reported to you on Form 8899, Notice of Income From Donated Intellectual Property. See Pub. 526 for details.

Clothing and household items. The FMV of used household items and clothing is usually much lower than when new. A good measure of value might be the price that buyers of these used items actually pay in consignment or thrift shops. You can also review classified ads in the newspaper or on the Internet to see what similar products sell for.

Generally, you cannot claim a deduction for clothing or household items you donate unless the clothing or household items are in good used condition or better. However, you can claim a deduction for a contribution of an item of clothing or household item that is not in good used condition or better if you deduct more than $500 for it and include a qualified appraisal and Form 8283, Section B with your return.

Qualified Vehicle Donations

A qualified vehicle is any motor vehicle manufactured primarily for use on public streets, roads, and highways: a boat; or an airplane. However, property held by the donor primarily for sale to customers, such as inventory of a car dealer, is not a qualified vehicle.

If you donate a qualified vehicle with a claimed value of more than $500, you cannot claim a deduction unless you attach to Form 8283 a copy of the contemporaneous written acknowledgment you received from the donee.
organization. The donee organization may use Copy B of Form 1098-C as the acknowledgment. An acknowledgment is considered contemporaneous if the donee organization furnishes it to you no later than 30 days after the:
- Date of the sale, if the donee organization sold the vehicle in an arm's length transaction to an unrelated party; or
- Date of the contribution, if the donee organization will not sell the vehicle before completion of a material improvement or significant intervening use, or the donee organization will give or sell the vehicle to a needy individual for a price significantly below FMV to directly further the organization's charitable purpose of relieving the poor and distressed or underprivileged who need a means of transportation.

For a donated vehicle with a claimed value of more than $500, you can deduct the smaller of the vehicle's FMV on the date of the contribution or the gross proceeds received from the sale of the vehicle, unless an exception applies as explained below. Form 1098-C (or other acknowledgment) will show the gross proceeds from the sale if no exception applies. If the FMV of the vehicle was more than your cost or other basis, you may have to reduce the FMV to figure the deductible amount, as described under Reductions to FMV, earlier.

If any of the following exceptions apply, your deduction is not limited to the gross proceeds received from the sale. Instead, you generally can deduct the vehicle's FMV on the date of the contribution if the donee organization:
- Makes a significant intervening use of the vehicle before transferring it,
- Makes a material improvement to the vehicle before transferring it, or
- Gives or sells the vehicle to a needy individual for a price significantly below FMV to directly further the organization's charitable purpose of relieving the poor and distressed or underprivileged who need a means of transportation.

Form 1098-C (or other acknowledgment) will show if any of these exceptions apply. If the FMV of the vehicle was more than your cost or other basis, you may have to reduce the FMV to figure the deductible amount, as described under Reductions to FMV, earlier.

Determining FMV. A used car guide may be a good starting point for finding the FMV of your vehicle. These guides, published by commercial firms and trade organizations, contain vehicle sale prices for recent model years. The guides are sometimes available from public libraries or from a loan officer at a bank, credit union, or finance company. You can also find used car pricing information on the Internet.

An acceptable measure of the FMV of a donated vehicle is an amount not in excess of the price listed in a used vehicle pricing guide for a private party sale of a similar vehicle. However, the FMV may be less than that amount if the vehicle has engine trouble, body damage, high mileage, or any type of excessive wear. The FMV of a donated vehicle is the same as the price listed in a used vehicle pricing guide for a private party sale only if the guide lists a sales price for a vehicle that is the same make, model, and year, sold in the same area, in the same condition, with the same or similar options or accessories, and with the same or similar warranties as the donated vehicle.

Example. Neal donates his car, which he bought new in 2008 for $20,000. A used vehicle pricing guide shows the FMV for his car is $9,000. Neal receives a Form 1098-C showing the car was sold for $7,000. Neal can deduct $7,000 and must attach Form 1098-C to his return.


Additional Information

You may want to see Pub. 526 and Pub. 561. If you contributed depreciable property, see Pub. 544, Sales and Other Disposition of Assets.

Specific Instructions

Identifying number. Individuals must enter their social security number. All other filers should enter their employer identification number.

Section A

Part I, Information on Donated Property

Line 1

Column (b). Check the box if the donated property is a qualified vehicle (defined earlier). If you are not attaching Form 1098-C (or other acknowledgment) to your return, enter the vehicle identification number (VIN) in the spaces provided below the checkbox.

You can find the VIN on the vehicle registration, the title, the proof of insurance, or the vehicle itself. Generally, the VIN is 17 characters made up of numbers and letters.

If the VIN has fewer than 17 characters, enter a zero in each of the remaining entry spaces to the left of the VIN. For example, if the VIN is "555555X555555," enter "000055555X555555.

Column (c). Give a description of the property as well as its condition in sufficient detail. The greater the value of the property, the more detail you must provide. For example, a personal computer should be described in more detail than pots and pans.

If the donated property is a vehicle, give the year, make, model, condition, and mileage at the time of the donation (for example, "1983 Studebaker Lark, fair condition, 135,000 miles") regardless of whether you attach a Form 1098-C or other acknowledgment. If you do not know the actual mileage, use a good faith estimate based on car repair records or similar evidence.

For securities, include the following:

- Company name,
- Number of shares,
- Kind of security,
- Whether a share of a mutual fund, and
- Whether regularly traded on a stock exchange or in an over-the-counter market.
For tangible personal property, include the condition of the property and whether the donee has certified the tangible personal property for its own use as an exempt organization.

**Column (d).** Enter the date you contributed the property. If you made contributions on various dates, enter each contribution and its date on a separate row.

**Note.** If the amount you claimed as a deduction for the item is $500 or less, you do not have to complete columns (e), (f), and (g).

**Column (e).** Enter the approximate date you acquired the property. If it was created, produced, or manufactured by or for you, enter the date it was substantially completed.

If you are donating a group of similar items and you acquired the items on various dates (but have held all the items for at least 12 months), you can enter "Various."

For publicly traded securities, enter only if you held the securities for more than 12 months.

If the property was created, produced, or manufactured by or for the donor, enter the date the property was substantially completed.

**Column (f).** State how you acquired the property. This could be by purchase, gift, inheritance, or exchange.

**Column (g).** Do not complete this column for publicly traded securities held more than 12 months, unless you elect to limit your deduction cost basis. See section 170(b)(1)(C)(iii). Keep records on cost or other basis.

**Note.** If you must complete columns (e), (f), and (g) but have reasonable cause for not providing the information required, attach an explanation.

**Column (h).** Enter the FMV of the property on the date you donated it. You must attach a statement if:
- You were required to reduce the FMV to figure the amount of your deduction, or
- You gave a qualified conservation contribution for which you claimed a deduction of $5,000 or less. See *Fair Market Value (FMV)*, earlier, for the type of statement to attach.

**Column (i).** Enter the method(s) you used to determine the FMV.

Examples of entries to make include "Appraisal," "Thrift shop value" (for clothing or household items), "Catalog" (for stamp or coin collections), or "Comparable sales" (for real estate and other kinds of assets). See Pub. 551.

**Part II, Partial Interests and Restricted Use Property**

If Part II applies to more than one property, attach a separate statement. Give the required information for each property separately. Identify which property listed in Part I the information relates to.

**Lines 2a Through 2e**

Complete lines 2a–2e only if you contributed less than the entire interest in the donated property during the tax year and claimed a deduction for it of $5,000 or less. On line 2b, enter the amount claimed as a deduction for this tax year and in any prior tax years for gifts of a partial interest in the same property.

**Lines 3a Through 3c**

Complete lines 3a–3c only if you attached restrictions to the right to the income, use, or disposition of the donated property. An example of a "restricted use" is furniture that you gave only to be used in the reading room of an organization's library. Attach a statement explaining (1) the terms of any agreement or understanding regarding the restriction, and (2) whether the property is designated for a particular use.

**Section B**

Include in Section B only items (or groups of similar items) for which you claimed a deduction of more than $5,000. You must also file Form 8283, Section B if you are contributing a single article of clothing or household item over $500 that is not in good used condition. Do not include property reported in Section A. File a separate Form 8283, Section B, for:
- Each donee, and
- Each item of property, except for an item that is part of a group of similar items.

**Part I, Information on Donated Property**

You must get a written appraisal from a qualified appraiser before completing Part I. However, see *Exceptions*, below.

Generally, you do not need to attach the appraisals to your return but you should keep them for your records. But see *Art valued at $20,000 or more, Clothing and household items not in good used condition, Easements on buildings in historic districts, and Deduction of more than $500,000*, later.

**Exceptions.** You do not need a written appraisal if the property is:

1. A qualified vehicle (including a car, boat, or airplane) if your deduction for the vehicle is limited to the gross proceeds from its sale and you obtained a contemporaneous written acknowledgment;
2. Intellectual property (as defined earlier);
3. Publicly traded securities and certain securities considered to be publicly traded (as defined in *Which Sections To Complete*, earlier); or
4. Inventory or property held primarily for sale to customers in the ordinary course of your trade or business.

**Art valued at $20,000 or more.** If your total deduction for art is $20,000 or more, you must attach a complete copy of the signed appraisal to your return. For individual objects valued at $20,000 or more, a photograph must be provided upon request. The photograph must be of sufficient quality and size (preferably an 8 x 10 inch color photograph) or a high-resolution digital image to fully show the object.

**Clothing and household items not in good used condition.** You must include with your return a qualified
appraisal of any single item of clothing or any household item that is not in good used condition or better for which you deduct more than $500. Attach the appraisal and Section B to your return. See Clothing and household items, earlier.

Easements on buildings in historic districts. If you claim a deduction for a qualified conservation contribution of an easement on the exterior of a building in a registered historic district, you must include a signed copy of a qualified appraisal, photographs, and certain other information with your return. See Easements on buildings in historic districts, under Fair Market Value (FMV), earlier.

Deduction of more than $500,000. If you claim a deduction of more than $500,000 for an item (or group of similar items) donated to one or more donees, you must attach a signed copy of a qualified appraisal of the property to your return unless an exception applies. See Exceptions, earlier.

Appraisal Requirements
The appraisal must be signed and dated by a qualified appraiser (defined later) in accordance with generally accepted appraisal standards. It also must meet the relevant requirements of Regulations section 1.170A-17(a).

The appraisal must be signed and dated by a qualified appraiser not earlier than 60 days before the date you contribute the property. You must receive the appraisal before the due date (including extensions) of the return on which you first claim a deduction for the property. For a deduction first claimed on an amended return, the appraisal must be received before the date the amended return was filed. See Regulations section 1.170A-17(a)(4), (a)(6).

A separate qualified appraisal and a separate Form 8283 are required for each item of property except for an item that is part of a group of similar items. Only one appraisal is required for a group of similar items contributed in the same tax year, if it includes all the required information for each item. The appraiser may group similar items with a collective value appraised at $100 or less.

If you gave similar items to more than one donee for which you claimed a total deduction of more than $5,000, you must attach a separate form for each donee.

Example. You claimed a deduction of $2,000 for books given to College A, $2,500 for books given to College B, and $900 for books given to a public library. You must attach a separate Form 8283 for each donee.

Line 4
Check only one box on line 4 of each Form 8283. Complete as many separate Forms 8283 as necessary so that only one box has to be checked on line 4 of each Form 8283.

Vehicles. If you check box “I” to indicate the donated property is a vehicle and the claimed value for your donated vehicle is more than $500, you must attach to your return a copy of Form 1098-C (or other contemporaneous written acknowledgment) you received from the donee organization. Do not include donated vehicles reportable in Section A.

Line 5
You must complete at least column (a) of line 5 (and column (b) if applicable) before submitting Form 8283 to the donee. You may then complete the remaining columns.

Column (a). Provide a detailed description so a person unfamiliar with the property could be sure the property that was appraised is the property that was contributed. The greater the value of the property, the more detail you must provide.

For a qualified conservation contribution, describe the easement terms in detail, or attach a copy of the easement deed.

A description of donated securities should include the company name and number of shares donated. Do not include donated securities reportable in Section A.

Column (b). If any tangible personal property or real property was donated, give a brief summary of the overall physical condition of the property at the time of the gift.

Column (c). Include the FMV from the appraisal.

Column (d). If you are donating a group of similar items and you acquired the items on various dates (but have held all the items for at least 12 months), you can enter “Various.”

Columns (d)-(f). If you have reasonable cause for not providing the information in column (d), (e), or (f), attach an explanation so your deduction will not automatically be disallowed.

For a qualified conservation contribution, indicate whether you are providing information about the underlying property or about the easement.

Column (g). A bargain sale is a transfer of property that is in part a sale or exchange and in part a contribution. Enter the amount received for bargain sales.

Column (h). Complete column (h) only if you were not required to get an appraisal, as explained earlier.

Column (i). Complete column (i) only if you were not required to get an appraisal, as explained earlier.

Part II, Taxpayer (Donor) Statement
Complete Section B, Part II, for each item included in Section B, Part I, that has an appraised value of $500 or less. Because you do not have to show the value of these items in Section B, Part I, of the donee’s copy of Form 8283, clearly identify them for the donee in Section B, Part II. Then, the donee does not have to file Form 8282, Donee Information Return, for the items valued at $500 or less. See the Note under Part IV, Donee Acknowledgment, for more details about filing Form 8282.

The amount of information you give in Section B, Part II, depends on the description of the donated property you enter in Section B, Part I. If you show a single item as “Property A” in Part I and that item is appraised at $500 or
less, then the entry "Property A" in Part II is enough. However, if "Property A" consists of several items and the total appraised value is over $500, list in Part II any item(s) you gave that is valued at $500 or less.

All shares of nonpublicly traded stock or items in a set are considered one item. For example, a book collection by the same author, components of a stereo system, or six place settings of a pattern of silverware are one item for the $500 test.

Example. You donated books valued at $6,000. The appraisal states that one of the items, a collection of books by author "X," is worth $400. On the Form 8283 that you are required to give the donee, you decide not to show the appraised value of all of the books. But you also do not want the donee to have to file Form 8282 if the collection of books is sold within 3 years after the donation. If your description of Property A on line 5 includes all the books, then specify in Part II the "collection of books by X included in Property A." But if your Property A description is "collection of books by X," the only required entry in Part II is "Property A."

In the above example, you may have chosen instead to give a completed copy of Form 8283 to the donee. The donee would then be aware of the value. If you include all the books as Property A on line 5, and enter $6,000 in column (c), you may still want to describe the specific collection in Part II so the donee can sell it without filing Form 8282.

Part III, Declaration of Appraiser

If you had to get an appraisal, you must get it from a qualified appraiser. A qualified appraiser is an individual who meets all the following requirements as of the date the individual completes and signs the appraisal.

1. The individual either:
   a. Has earned a recognized appraiser designation from a generally recognized professional appraiser organization for demonstrated competency in valuing the type of property being appraised, or
   b. Has met certain minimum education requirements and has two or more years of experience in valuing the type of property being appraised. To meet the minimum education requirements the individual must have successfully completed professional or college-level coursework in valuing the type of property obtained from:
      i. a professional or college-level educational organization,
      ii. a generally recognized professional trade or appraiser organization that regularly offers educational programs, or
      iii. an employer as part of an employee apprenticeship or education program similar to professional or college-level courses.

2. The individual regularly prepares appraisals for which he or she is paid.

3. The appraiser makes a declaration in the appraisal that, because of his or her experience and education, he or she is qualified to make appraisals of the type of property being valued.

In addition, the appraiser must complete Part III of Form 8283. See section 170(f)(11)(E) and Regulations section 1.170A-16(d)(4) for details.

If you use appraisals by more than one appraiser, or if two or more appraisers contribute to a single appraisal, all the appraisers must sign the appraisal and Part III of Form 8283.

Persons who cannot be qualified appraisers are listed in Part III of Section B- the Declaration of Appraiser. Generally, a party to the transaction in which you acquired the property being appraised will not qualify to sign the declaration. But a person who sold, exchanged, or gave the property to you may sign the declaration if the property was donated within 2 months of the date you acquired it and the property's appraised value did not exceed its acquisition price.

An appraiser may not be considered qualified if you had knowledge of facts that would cause a reasonable person to expect the appraiser to falsely overstate the value of the property. An example of this is an agreement between you and the appraiser about the property value when you know that the appraised amount exceeds the actual FMV.

Appraisal fees cannot be based on a percentage of the appraised value. See Regulations section 1.170A-17(a)(9).

Identifying number. The appraiser's taxpayer identification number (social security number or employer identification number) must be entered in Part III.

Part IV, Donee Acknowledgment

The donee organization that received the property described in Part I of Section B must complete Part IV. Before submitting page 2 of Form 8283 to the donee for acknowledgment, complete at least your name, identifying number, and description of the donated property (line 5, column (a)). If real property or tangible personal property is donated, also describes its physical condition (line 5, column (b)) at the time of the gift. Complete Part II, if applicable, before submitting the form to the donee. See the instructions for Part II.

The person acknowledging the gift must be an official authorized to sign the tax returns of the organization, or a person specifically designated to sign Form 8283. When you ask the donee to fill out Part IV, you should also ask the donee to provide you with a contemporaneous written acknowledgment required by section 170(f)(8).

After completing Part IV, the organization must return Form 8283 to you, the donor. You must give a copy of Section B of this form to the donee organization. You may then complete any remaining information required in Part 1. Also, the qualified appraiser can complete Part III at this time.

In some cases, it may be impossible to get the donee's signature on Form 8283. The deduction will not be disallowed for that reason if you attach a detailed explanation of why it was impossible.

Note. If it is reasonable to expect that donated tangible personal property will be used for a purpose unrelated to
the purpose or function of the donee, the donee should check the "Yes" box in Part IV. In this situation, your deduction will be limited. In addition, if the donee (or a successor donee) organization disposes of the property within 3 years after the date the original donee received it, the organization must file Form 8282 with the IRS and send a copy to the donor. (As a result of the sale by the donee, the donor's contribution deduction may be limited or part of the prior year contribution deduction may have to be recaptured. See Pub. 526.) An exception applies to items having a value of $500 or less if the donor identified the items and signed the statement in Section B, Part II, of Form 8283. See the instructions for Part II.

**Failure To File Form 8283**

Your deduction generally will be disallowed if you fail to:

- Attach a required Form 8283 to your return,
- Get a required appraisal and complete Section B of Form 8283, or
- Attach to your return a required appraisal of clothing or household items not in good used condition, an easement on a building in a registered historic district, or property for which you claimed a deduction of more than $500,000.

Your deduction will not be disallowed if your failure was due to reasonable cause and not willful neglect or was due to a good-faith omission. However your deduction will not be allowed if you did not get a required appraisal within the required period.

**Noncash Contributions Carried Over to Later Year**

If your noncash contribution was subject to one or more limits based on your adjusted gross income, and your unused deduction is eligible to be carried over and claimed as a charitable contribution in the current year, you must attach a completed Form 8283 and qualified appraisal, if required, to your return.

---

**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.

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 section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated burden for individual taxpayers filing this form is approved under OMB control number 1545-0074 and is included in the estimates shown in the instructions for their individual income tax return. The estimated burden for all other taxpayers who file this form is shown below.

<table>
<thead>
<tr>
<th>Task</th>
<th>Minutes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recordkeeping</td>
<td>19 min.</td>
</tr>
<tr>
<td>Learning about the law or the form</td>
<td>29 min.</td>
</tr>
<tr>
<td>Preparing the form</td>
<td>1 hr 4 min.</td>
</tr>
<tr>
<td>Copying, assembling, and sending the form to the IRS</td>
<td>34 min.</td>
</tr>
</tbody>
</table>

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the instructions for the tax return with which this form is filed.
APPENDIX 7

FORM 8282, DONEE INFORMATION RETURN
## Parts To Complete
- If the organization is an original donee, complete **Identifying Information**, Part I (lines 1a–1d and, if applicable, lines 2a–2d), and Part III.
- If the organization is a successor donee, complete **Identifying Information**, Part I, Part II, and Part III.

### Identifying Information

<table>
<thead>
<tr>
<th>Print or Type</th>
<th>Name of charitable organization (donee)</th>
<th>Employer identification number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Address (number, street, and room or suite no.) (or P.O. box no. if mail is not delivered to the street address)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>City or town, state, and ZIP code</td>
<td></td>
</tr>
</tbody>
</table>

#### Part I
**Information on ORIGINAL DONOR and SUCCESSOR DONEE Receiving the Property**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1a</td>
<td>Name of original donor of the property</td>
</tr>
<tr>
<td>1b</td>
<td>Identifying number(s)</td>
</tr>
<tr>
<td>1c</td>
<td>Address (number, street, and room or suite no.) (or P.O. box no. if mail is not delivered to the street address)</td>
</tr>
<tr>
<td>1d</td>
<td>City or town, state, and ZIP code</td>
</tr>
</tbody>
</table>

**Note.** Complete lines 2a–2d only if the organization gave this property to another charitable organization (successor donee).

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2a</td>
<td>Name of charitable organization</td>
</tr>
<tr>
<td>2b</td>
<td>Employer identification number</td>
</tr>
<tr>
<td>2c</td>
<td>Address (number, street, and room or suite no.) (or P.O. box no. if mail is not delivered to the street address)</td>
</tr>
<tr>
<td>2d</td>
<td>City or town, state, and ZIP code</td>
</tr>
</tbody>
</table>

#### Part II
**Information on PREVIOUS DONEES. Complete this part only if the organization was not the first donee to receive the property. See the instructions before completing lines 3a through 4d.**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>3a</td>
<td>Name of original donee</td>
</tr>
<tr>
<td>3b</td>
<td>Employer identification number</td>
</tr>
<tr>
<td>3c</td>
<td>Address (number, street, and room or suite no.) (or P.O. box no. if mail is not delivered to the street address)</td>
</tr>
<tr>
<td>3d</td>
<td>City or town, state, and ZIP code</td>
</tr>
</tbody>
</table>

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>4a</td>
<td>Name of preceding donee</td>
</tr>
<tr>
<td>4b</td>
<td>Employer identification number</td>
</tr>
<tr>
<td>4c</td>
<td>Address (number, street, and room or suite no.) (or P.O. box no. if mail is not delivered to the street address)</td>
</tr>
<tr>
<td>4d</td>
<td>City or town, state, and ZIP code</td>
</tr>
</tbody>
</table>

---

**For Paperwork Reduction Act Notice, see page 4.**
### Part III  Information on DONATED PROPERTY

| 1. Description of the donated property sold, exchanged, or otherwise disposed of and how the organization used the property (if you need more space, attach a separate statement) | 2. Did the disposition involve the organization's entire interest in the property? | 3. Was the use related to the organization's exempt purpose or function? | 4. Information on use of property.  
- If you answered "Yes" to question 3 and the property was tangible personal property, describe how the organization's use of the property furthered its exempt purpose or function. Also complete Part IV below.  
- If you answered "No" to question 3 and the property was tangible personal property, describe the organization's intended use (if any) at the time of the contribution. Also complete Part IV below, if the intended use at the time of the contribution was related to the organization's exempt purpose or function and it became impossible or infeasible to implement. |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>B</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Donated Property

<table>
<thead>
<tr>
<th>5 Date the organization received the donated property (MM/DD/YY)</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 Date the original donee received the property (MM/DD/YY)</td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>D</td>
</tr>
<tr>
<td>7 Date the property was sold, exchanged, or otherwise disposed of (MM/DD/YY)</td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>D</td>
</tr>
<tr>
<td>8 Amount received upon disposition $</td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>D</td>
</tr>
</tbody>
</table>

### Part IV  Certification

You must sign the certification below if any property described in Part III above is tangible personal property and:
- You answered "Yes" to question 3 above, or
- You answered "No" to question 3 above and the intended use of the property became impossible or infeasible to implement.

Under penalties of perjury and the penalty under section 6720B, I certify that either: (1) the use of the property that meets the above requirements, and is described above in Part III, was substantial and related to the donee organization's exempt purpose or function; or (2) the donee organization intended to use the property for its exempt purpose or function, but the intended use has become impossible or infeasible to implement.

Signature of officer  
Title  
Date

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of officer  
Title  
Date

Type or print name
General Instructions
Section references are to the Internal Revenue Code.

Purpose of Form
Donee organizations use Form 8282 to report information to the IRS and donors about dispositions of certain charitable deduction property made within 3 years after the donor contributed the property.

Definitions

For Form 8282 and these instructions, the term "donee" includes all donees, unless specific reference is made to "original" or "successor" donees.

Original donee. The first donee to or for which the donor gave the property. The original donee is required to sign Form 8283, Noncash Charitable Contributions, Section B. Donated Property Over $5,000 (Except Certain Publicly Traded Securities), presented by the donor for charitable deduction property.

Successor donee. Any donee of property other than the original donee. Charitable deduction property. Any donated property (other than money and publicly traded securities) if the claimed value exceeds $10,000 per item or group of similar items donated by the donor to one or more donee organizations. This is the property listed in Section B on Form 8283.

Who Must File
Original and successor donee organizations must file Form 8282 if they sell, exchange, consume, or otherwise dispose of (with or without consideration) charitable deduction property (or any portion) within 3 years after the date the original donee received the property. See Charitable deduction property above.

If the organization sold, exchanged, or otherwise disposed of motor vehicles, airplanes, or boats, see Pub. 526, Charitable Contributions.

Exceptions. There are two situations where Form 8282 does not have to be filed.

1. Items valued at $500 or less. The organization does not have to file Form 8282 if, at the time the original donee signed Section B of Form 8283, the donor had signed a statement on Form 8283 that the appraised value of the specific item was not more than $500. If Form 8283 contains more than one item, this exception applies only to those items that are clearly identified as having a value of $500 or less. However, for purposes of the donor's determination of whether the appraised value of the item exceeds $500, all shares of nonpublicly traded stock, or items that form a set, are considered one item. For example, a collection of books written by the same author, components of a stereo system, or six place settings of a pattern of silverware are considered one item.

2. Items consumed or distributed for charitable purpose. The organization does not have to file Form 8282 if an item is consumed or distributed, without consideration, in fulfilling your purpose or function as a tax-exempt organization. For example, no reporting is required for medical supplies consumed or distributed by a tax-exempt relief organization in aiding disaster victims.

When To File
If the organization disposes of charitable deduction property within 3 years of the date the original donee received it and the organization does not meet exception 1 or 2 above, the organization must file Form 8282 within 125 days after the date of disposition.

Exception. If the organization did not file because it had no reason to believe the substantiation requirements applied to the donor, but the organization later becomes aware that the substantiation requirements did apply, the organization must file Form 8282 within 60 days after the date it becomes aware it was liable. For example, this exception would apply where Section B of Form 8283 is furnished to a successor donee after the date that donee disposes of the charitable deduction property.

Missing information. If Form 8282 is filed by the due date, enter the organization's name, address, and employer identification number (EIN) and complete at least Part III, columns 1, 2, 3, and 4; and Part IV. The organization does not have to complete the remaining items if the information is not available. For example, the organization may not have the information necessary to complete all entries if the donor did not make Section B of Form 8283 available.

Where To File
Send Form 8282 to the Department of Treasury, Internal Revenue Service Center, Ogden, UT 84201-0027.

Other Requirements
Information the organization must give a successor donee. If the property is transferred to another charitable organization within the 3-year period discussed earlier, the organization must give the successor donee all of the following information.

1. The name, address, and EIN of the organization.

2. A copy of Section B of Form 8283 that the organization received from the donee or a preceding donee. The preceding donee is the one who gave the organization the property.

3. A copy of this Form 8282, within 15 days after the organization files it.

The organization must furnish items 1 and 2 above within 15 days after the latest of the date:

- The organization transferred the property,
- The original donee signed Section B of Form 8283, or
- The organization received a copy of Section B of Form 8283 from the preceding donee if the organization is also a successor donee.

Information the successor donee must give the organization. The successor donee organization to whom the organization transferred this property is required to give the organization its name, address, and EIN within 15 days after the later of:

- The date the organization transferred the property, or
- The date the successor donee received a copy of Section B of Form 8283.

Information the organization must give the donor. The organization must give a copy of Form 8282 to the original donor of the property.

Recordkeeping. The organization must keep a copy of Section B of Form 8283 in its records.

Penalties
Failure to file penalty. The organization may be subject to a penalty if it fails to file this form by the due date, fails to include all of the information required to be shown on the filed form, or includes incorrect information on the filed form. The penalty is generally $50 per form. For more details, see section 6721 and 6724.

Fraudulent identification of exempt use property. A $10,000 penalty may apply to any person who identifies in Part III tangible personal property the organization sold, exchanged, or otherwise disposed of, as having a use that is related to a purpose or function knowing that such property was not intended for such a use. For more details, see section 6720B.

Specific Instructions
Part I
Line 1a. Enter the name of the original donee.

Line 1b. The donor's identifying number may be either an employer identification number or a social security number, and should be the same number provided on page 2 of Form 8283.

Line 1c and 1d. Enter the last known address of the original donee.

Lines 2a–2d. Complete these lines if the organization gave the property to another charitable organization successor donee (defined earlier). If the organization is an original donee, skip Part II and go to Part III.
Part II
Complete Part II only if the organization is a successor donee. If the organization is the original donee, do not complete any lines in Part II; go directly to Part III.
If the organization is the second donee, complete lines 3a through 3d. If the organization is the third or later donee, complete lines 3a through 4d. On lines 4a through 4d, give information on the preceding donee.

Part III

Column 1. For charitable deduction property that the organization sold, exchanged, or otherwise disposed of within 3 years of the original contribution, describe each item in detail. For a motor vehicle, include the vehicle identification number. For a boat, include the hull identification number. For an airplane, include the aircraft identification number. Additionally, for the period of time the organization owned the property, explain how it was used. If additional space is needed, attach a statement.

Column 3. Check “Yes” if the organization’s use of the charitable deduction property was related to its exempt purpose or function. Check “No” if the organization sold, exchanged, or otherwise disposed of the property without using it.

Signature
Form 8282 is not valid unless it is signed by an officer of the organization. Be sure to include the title of the person signing the form and the date the form was signed.

How To Get Tax Help

Internet
You can access the IRS website 24 hours a day, 7 days a week at www.irs.gov/eo to:
• View Internal Revenue Bulletins (IRBs) published in the last few years; and
• Sign up to receive local and national tax news by email. To subscribe, visit www.irs.gov/eo.

DVD
You can order Publication 1796, IRS Tax Products DVD, and obtain:
• Current-year forms, instructions, and publications.
• Prior-year forms, instructions, and publications.
• Tax Map: an electronic research tool and finding aid.
• Tax law frequently asked questions.
• Tax topics from the IRS telephone response system.
• Fill-in, print, and save features for most tax forms.
• IRBs.
• Toll-free and email technical support.
• Two releases during the year.

Purchase the DVD from National Technical Information Service (NTIS) at www.irs.gov/cdorders for $30 (no handling fee) or call 1-877-CDFORMS (1-877-233-6767) toll-free to buy the DVD for $30 (plus a $6 handling fee). Price is subject to change.

By Phone
You can order forms and publications by calling 1-800-TAX-FORM (1-800-829-3676). You can also get most forms and publications at your local IRS office. If you have questions and/or need help completing this form, please call 1-877-829-5500. This toll-free telephone service is available Monday thru Friday.

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.

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 section 6103.

The time needed to complete this form will vary depending on individual circumstances. The estimated average time is:
Recordkeeping . . . . 3 hr., 35 min.
Learning about the law or the form . . . . . . 12 min.
Preparing and sending the form to the IRS . . . . 15 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the form to this address. Instead, see Where To File on page 3.
APPENDIX 8

PERMISSION TO CONDUCT A CAPITAL CAMPAIGN

PERMISSION TO BORROW/SPEND

PERMISSION TO CONSTRUCT A BUILDING

PERMISSION TO RENOVATE/REPAIR A BUILDING
APPLICATION FOR PERMISSION TO CONDUCT A CAPITAL FUND RAISING CAMPAIGN

PARISH/INSTITUTION ___________________________ TOWN ___________________________

PASTOR/DIRECTOR ___________________________ DATE __________________________

The Pastor/Director will kindly complete this application and submit it to the Vice Chancellor’s Office for presentation to the Bishop and the College of Consultants.

1. Purpose of the Campaign: ________________________________________________

2. Goal of Campaign: $ _____________________________________________________

3. Has the Diocesan Development Office been contacted to assist with your fund raising plans?  ____ Yes  ____ No, we plan to contract with a fund raising firm but we will contact the Development Office now to review our fund raising plans. Campaign Consultant: _______________________________________________

4. Campaign Timeline:
   Start: __________________ Finish: __________________
   Pledge Redemption Period: __________________

5. Cost of Campaign: $ _____________________________________________________

6. Method of Campaign: (Please check all appropriate boxes)
   ____ Major Gifts  ____ Door-to-Door Solicitation
   ____ Direct Mail  ____ Other (Please explain) __________________________________

7. Does the campaign have the support of all appropriate parish/agency advisory groups? Please Explain: _____________________________________________________________

Please turn over this form to complete the application.
8. Please include with this application any proposed or official campaign materials or other information that you think would be helpful:____________________________________________________________________________________

____________________________________________________________________________________

Please note that once you have the results of your completed fund raising campaign and have prepared a specific project budget, it will be necessary for the parish/institution to return to the Bishop, the College of Consultors and/or the Diocesan Finance Council for formal approval of the actual expenditure.
*A minimum of three bids must be submitted in writing with each request.

FOR CHANCERY USE
Application received (date): ______________________
Application approved (date): ______________________

APPLICATION FOR PERMISSION TO BORROW/SPEND

PARISH/INSTITUTION ___________________________ TOWN ___________________________

PASTOR/DIRECTOR ___________________________ DATE ___________________________

The Pastor/Director will kindly complete this application and submit it to the Vice Chancellor’s Office for presentation to the Bishop and the College of Consultants.

Total Cost of the Project: $________________________

Funds presently available: $________________________

Amount to be raised: $________________________

Amount to be borrowed: $________________________

Bank/Institution making loan or mortgage: ___________________________

Interest per year: ________ % Terms of amortization: ___________________________

Total Ordinary Income for the Past 3 Years (Not Chancery accounts)

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>20___</td>
<td>$</td>
</tr>
<tr>
<td>20___</td>
<td>$</td>
</tr>
<tr>
<td>20___</td>
<td>$</td>
</tr>
</tbody>
</table>

Total Ordinary Expenditures for the Past 3 Years:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>20___</td>
<td>$</td>
</tr>
<tr>
<td>20___</td>
<td>$</td>
</tr>
<tr>
<td>20___</td>
<td>$</td>
</tr>
</tbody>
</table>

Present debt of Church:

Funded debt $_________________ Final Payment Due Date: ____________

Current unpaid bills $_________________ Total $_________________

If a parish campaign has been/will be held to raise funds for this project:

When was it held? ___________________/or when will it be held? ____________________

How much is now pledged? _________ How much more anticipated in pledges? _________

Period of pledge payments (years) _________ From: ____________ To: ____________ date date

What do you estimate the parish debt will be at the termination of the pledge payment period (allowing a 20% loss in pledge payments)? $_________________
APPLICATION FOR PERMISSION TO CONSTRUCT BUILDING

PARISH/INSTITUTION ___________________________________________ TOWN ____________________________

PASTOR/DIRECTOR __________________________________________ DATE ________________________________

The Pastor/Director will kindly complete this application and submit it to the Vice Chancellor’s Office for presentation to the Bishop and the College of Consultants.

1. Nature of project (give sizes and capacities): ________________________________

2. Need for project: ______________________________________________________

3. Anticipated starting date: __________________________

4. Proposed architect: ___________________________________________

5. Reason for this choice: __________________________________________

6. Proposed contractor: ___________________________________________

7. Reason for this choice: __________________________________________

8. Site and neighborhood description: ________________________________

9. Does the project have the approval of municipal building and zoning officials?
Explain: __________________________________________________________

10. Will this project affect liturgical celebration, and if so, how? __________

11. Please describe the participation of the Parish Council, other lay parish leadership groups/or the parishioners in planning for this project. ________________________________________________________________

______________________________________________________________

Please turn over this form to complete the application.
PROJECT COST(S)

PURCHASE PRICE OF LAND                        Total $__________________

I. BUILDING
   General Contracting $__________________
   Electric $__________________
   Plumbing $__________________
   Carpentry $__________________
   Masonry $__________________
   Finishes $__________________
   Other $__________________
                       Total $__________________

II. FURNISHINGS                           Total $__________________

III. SITE WORK                       Total $__________________
    Clearing $__________________
    Paving $__________________
    Grading $__________________
    Curbing $__________________
    Sidewalks $__________________
    Site Lighting $__________________
    Other $__________________
                       Total $__________________

IV. PROFESSIONAL                        Total $__________________
    Architect $__________________
    Site Engineer $__________________
    Construction Manager $__________________
    Liturgical Consultant $__________________
    Other $__________________
                       Total $__________________

12. Total Estimated Cost of Project: __________________________________________

13. Means of financing project. Explain: ____________________________________

14. Amount to be borrowed, of any: _________________________________________

15. Additional information/comments: ________________________________________
APPLICATION FOR PERMISSION TO RENOVATE OR REPAIR BUILDING

PARISH/INSTITUTION ____________________________________ TOWN ____________________________

PASTOR/DIRECTOR ___________________________________ DATE _____________________________

The Pastor/Director will kindly complete this application and submit it to the Vice Chancellor’s Office for presentation to the Bishop and the College of Consultors.

1. Nature of project (give sizes and capacities): _____________________________________________

2. Need for project: ___________________________________________________________________

3. Anticipated starting date: __________________________________________________________________

4. Estimate cost of project: __________________________________________________________________

5. Means of financing project. Explain: __________________________________________________________________

6. Amount to be borrowed, if any: __________________________________________________________________

7. Proposed architect: __________________________________________________________________

8. Reason for this choice: __________________________________________________________________

9. Proposed contractor: __________________________________________________________________

10. Reason for this choice: __________________________________________________________________

11. Site and neighborhood description: __________________________________________________________________

12. Does the project have the approval of municipal building and zoning officials? Explain: __________________________________________________________________

13. Will this project affect liturgical celebration? __________________________________________________________________

Please turn over this form to complete the application.
14. Please describe the participation of the Parish Council, other lay parish leadership groups/or the parishioners in planning for this project.

<table>
<thead>
<tr>
<th>PROJECT COST(S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PURCHASE PRICE OF LAND</td>
</tr>
<tr>
<td>I. BUILDING</td>
</tr>
<tr>
<td>General Contracting</td>
</tr>
<tr>
<td>Electric</td>
</tr>
<tr>
<td>Plumbing</td>
</tr>
<tr>
<td>Carpentry</td>
</tr>
<tr>
<td>Masonry</td>
</tr>
<tr>
<td>Finishes</td>
</tr>
<tr>
<td>Other</td>
</tr>
<tr>
<td>Total $________</td>
</tr>
<tr>
<td>II. FURNISHINGS</td>
</tr>
<tr>
<td>III. SITE WORK</td>
</tr>
<tr>
<td>Clearing</td>
</tr>
<tr>
<td>Paving</td>
</tr>
<tr>
<td>Grading</td>
</tr>
<tr>
<td>Curbing</td>
</tr>
<tr>
<td>Sidewalks</td>
</tr>
<tr>
<td>Site Lighting</td>
</tr>
<tr>
<td>Other</td>
</tr>
<tr>
<td>Total $________</td>
</tr>
<tr>
<td>IV. PROFESSIONAL</td>
</tr>
<tr>
<td>Architect</td>
</tr>
<tr>
<td>Site Engineer</td>
</tr>
<tr>
<td>Construction Manager</td>
</tr>
<tr>
<td>Liturgical Consultant</td>
</tr>
<tr>
<td>Other</td>
</tr>
<tr>
<td>Total $________</td>
</tr>
</tbody>
</table>

15. Total Estimated Cost of Project: ________________________________

16. Additional information/comments: ________________________________
APPENDIX 9

APPLICATION FOR PERMISSION TO SELL
APPLICATION FOR PERMISSION TO SELL PROPERTY

PARISH/INSTITUTION ___________________________ TOWN ___________________________

PASTOR/DIRECTOR ___________________________ DATE ___________________________

The Pastor/Director will kindly complete this application and submit it to the Vice Chancellor’s Office for presentation to the Bishop and the College of Consultants.

1. Address/location of property: _______________________________________________________

2. Dimensions of property: __________________________________________________________

3. Size of property (acreage): _______________________________________________________

4. Is property improved? Yes ____ No ____

If yes, please describe improvements: _________________________________________________

5. Reason for sale: _________________________________________________________________

6. Estimated or Exact Sale Price: $______________ Appraised amounts: ____________, _________

Please attach two certified appraisals to this application.

7. Does the sale have the support of appropriate parish/agency advisory groups? Explain: ____________________________

8. Do you expect to have a realtor involved in this transaction? Yes ____ No ____

If yes, please provide the following:

NAME: _____________________________________________________________

ADDRESS: ___________________________________________________________

CITY, STATE, ZIP: _______________________________________________________

COMMISSION RATE/AMOUNT: _____________________________________________

Please attach a drawing presenting the dimensions of the property for sale, its location, and its relationship to the overall parish/school/agency property.

NOTE: According to NJ civil law, only the President (Bishop) and Vice President (Msgr. Mahoney) of the parish corporation can execute a contract selling parish property. The pastor is the Secretary of the parish corporation and cannot sign a contract for the sale of parish property.
APPENDIX 10

APPLICATION FOR PERMISSION TO PURCHASE
APPLICATION FOR PERMISSION TO PURCHASE PROPERTY

PARISH/INSTITUTION ___________________________ TOWN ___________________________

PASTOR/DIRECTOR ___________________________ DATE ___________________________

The Pastor/Director will kindly complete this application and submit it to the Vice Chancellor’s Office for presentation to the Bishop and the College of Consultants.

1. Address/location of property: ________________________________________________

2. Dimensions of property: ____________________________________________________

3. Size of property (acreage): _________________________________________________

4. Is property improved? ___ Yes _______ No
   If yes, please describe improvements. __________________________________________

5. Reason for purchase: _______________________________________________________

6. Purchase price $ __________________

7. Does the purchase have the support of appropriate parish/agency advisory groups? Explain: ______

8. Do you expect to have a realtor involved in this transaction? _____ Yes ___ No
   If yes, please provide the following:
   
   NAME: __________________________________________
   ADDRESS: _______________________________________
   CITY, STATE, ZIP: ________________________________
   COMMISSION RATE/AMOUNT: ______________________

   Please attach a drawing presenting the dimensions of the property for purchase, its location, and its relationship to the overall parish/school/agency property.

NOTE: According to NJ civil law, only the President (Bishop) and Vice President (Msgr. Mahoney) of the parish corporation can execute a contract purchasing property for the parish corporation. The pastor is the Secretary of the parish corporation and cannot sign a contract for the purchase of property for the parish corporation.
APPENDIX 11

FORM W-4, EMPLOYEE WITHHOLDING CERTIFICATE

EXEMPT VS. NON-EXEMPT EMPLOYEE OVERVIEW

EMPLOYEE VS. INDEPENDENT CONTRACTOR OVERVIEW
Employee’s Withholding Certificate

Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay. Give Form W-4 to your employer. Your withholding is subject to review by the IRS.

2020

Step 1: Enter Personal Information

- [a] First name and middle initial
- Last name
- Social security number
- Address
- City or town, state, and ZIP code
- Single or Married filing separately
- Married filing jointly (or Qualifying widow(er))
- Head of household (Check only if you’re unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual)

Complete Steps 2-4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who can claim exemption from withholding, when to use the online estimator, and privacy.

Step 2: Multiple Jobs or Spouse Works

Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs.

Do only one of the following.

(a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3-4); or
(b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; or
(c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs similar in pay; otherwise, more tax than necessary may be withheld.

TIP: To be accurate, submit a 2020 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an Independent contractor, use the estimator.

Complete Steps 3-4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3-4(b) on the Form W-4 for the highest paying job.)

Step 3: Claim Dependents

If your income will be $200,000 or less ($400,000 or less if married filing jointly):

Multiply the number of qualifying children under age 17 by $2,000 ▶ $

Multiply the number of other dependents by $500 ▶ $

Add the amounts above and enter the total here 3 $

Step 4 (optional): Other Adjustments

(a) Other income (not from jobs). If you want tax withheld for other income you expect this year that won’t have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income

4(a) $

(b) Deductions. If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here

4(b) $

(c) Extra withholding. Enter any additional tax you want withheld each pay period

4(c) $

Step 5: Sign Here

Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete.

Employee’s signature (This form is not valid unless you sign it.)

Date

Employers Only

Employer’s name and address

First date of employment

Employer identification number (EIN)

For Privacy Act and Paperwork Reduction Act Notice, see page 3.
General Instructions

Future Developments
For the latest information about developments related to Form W-4, such as legislation enacted after it was published, go to www.irs.gov/FormW4.

Purpose of Form
Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay. If too little is withheld, you will generally owe tax when you file your tax return and may owe a penalty. If too much is withheld, you will generally be due a refund. Complete a new Form W-4 when changes to your personal or financial situation would change the entries on the form. For more information on withholding and when you must furnish a new Form W-4, see Pub. 505.

Exemption from withholding. You may claim exemption from withholding for 2020 if you meet both of the following conditions: you had no federal income tax liability in 2019 and you expect to have no federal income tax liability in 2020. You had no federal income tax liability in 2019 if (1) your total tax on line 16 on your 2019 Form 1040 or 1040-SR is zero or less than the sum of lines 18a, 18b, and 18c, or (2) you were not required to file a return because your income was below the filing threshold for your filing status. If you claim exemption, you will have no income tax withheld from your paycheck and may owe taxes and penalties when you file your 2020 tax return. To claim exemption from withholding, certify that you meet both of the conditions above by writing “Exempt” on Form W-4 in the space below Step 4(c). Then, complete Steps 1(a), 1(b), and 5. Do not complete any other steps. You will need to submit a new Form W-4 by February 16, 2021.

Your privacy. If you prefer to limit information provided in Steps 2 through 4, use the online estimator, which will also increase accuracy.

As an alternative to the estimator: If you have concerns with Step 2(c), you may choose Step 2(b); if you have concerns with Step 4(a), you may enter an additional amount you want withheld per pay period in Step 4(c). If this is the only job in your household, you may instead check the box in Step 2(c), which will increase your withholding and significantly reduce your paycheck (often by thousands of dollars over the year).

When to use the estimator. Consider using the estimator at www.irs.gov/W4App if you:
1. Expect to work only part of the year;
2. Have dividend or capital gain income, or are subject to additional taxes, such as the additional Medicare tax;
3. Have self-employment income (see below); or
4. Prefer the most accurate withholding for multiple job situations.

Self-employment. Generally, you will owe both income and self-employment taxes on any self-employment income you receive separate from the wages you receive as an employee. If you want to pay these taxes through withholding from your wages, use the estimator at www.irs.gov/W4App to figure the amount to have withheld.

Nonresident alien. If you’re a nonresident alien, see Notice 1392, Supplemental Form W-4 Instructions for Nonresident Aliens, before completing this form.

Specific Instructions

Step 1(c). Check your anticipated filing status. This will determine the standard deduction and tax rates used to compute your withholding.

Step 2. Use this step if you (1) have more than one job at the same time, or (2) are married filing jointly and you and your spouse both work.

Option (a) most accurately calculates the additional tax you need to have withheld, while option (b) does so with a little less accuracy.

If you (and your spouse) have a total of only two jobs, you may instead check the box in option (c). The box must also be checked on the Form W-4 for the other job. If the box is checked, the standard deduction and tax brackets will be cut in half for each job to calculate withholding. This option is roughly accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld, and this extra amount will be larger the greater the difference in pay is between the two jobs.

Multiple jobs. Complete Steps 3 through 4(b) on only one Form W-4. Withholding will be most accurate if you do this on the Form W-4 for the highest paying job.

Step 3. Step 3 of Form W-4 provides instructions for determining the amount of the child tax credit and the credit for other dependents that you may be able to claim when you file your tax return. To qualify for the child tax credit, the child must be under age 17 as of December 31, must be your dependent who generally lives with you for more than half the year, and must have the required social security number. You may be able to claim a credit for other dependents for whom a child tax credit can’t be claimed, such as an older child or a qualifying relative. For additional eligibility requirements for these credits, see Pub. 972, Child Tax Credit and Credit for Other Dependents. You can also include other tax credits in this step, such as education tax credits and the foreign tax credit. To do so, add an estimate of the amount for the year to your credits for dependents and enter the total amount in Step 8. Including these credits will increase your paycheck and reduce the amount of any refund you may receive when you file your tax return.

Step 4 (optional).

Step 4(a). Enter in this step the total of your other estimated income for the year, if any. You shouldn’t include income from any jobs or self-employment. If you complete Step 4(a), you likely won’t have to make estimated tax payments for that income. If you prefer to pay estimated tax rather than having tax on other income withheld from your paycheck, see Form 1040-ES, Estimated Tax for Individuals.

Step 4(b). Enter in this step the amount from the Deductions Worksheet, line 5, if you expect to claim deductions other than the basic standard deduction on your 2020 tax return and want to reduce your withholding to account for these deductions. This includes both itemized deductions and other deductions such as for student loan interest and IRAs.

Step 4(c). Enter in this step any additional tax you want withheld from your pay each pay period, including any amounts from the Multiple Jobs Worksheet, line 4. Entering an amount here will reduce your paycheck and will either increase your refund or reduce any amount of tax that you owe.
Step 2(b)—Multiple Jobs Worksheet  *(Keep for your records.)*

If you choose the option in Step 2(b) on Form W-4, complete this worksheet (which calculates the total extra tax for all jobs) on only ONE Form W-4. Withholding will be most accurate if you complete the worksheet and enter the result on the Form W-4 for the highest paying job.

**Note:** If more than one job has annual wages of more than $120,000 or there are more than three jobs, see Pub. 505 for additional tables; or you can use the online withholding estimator at www.irs.gov/W4App.

1 **Two jobs.** If you have two jobs or you’re married filing jointly and you and your spouse each have one job, find the amount from the appropriate table on page 4. Using the “Higher Paying Job” row and the “Lower Paying Job” column, find the value at the intersection of the two household salaries and enter that value on line 1. Then, skip to line 3.

   1 $  

2 **Three jobs.** If you and/or your spouse have three jobs at the same time, complete lines 2a, 2b, and 2c below. Otherwise, skip to line 3.

   a. Find the amount from the appropriate table on page 4 using the annual wages from the highest paying job in the “Higher Paying Job” row and the annual wages for your next highest paying job in the “Lower Paying Job” column. Find the value at the intersection of the two household salaries and enter that value on line 2a.

   2a $  

   b. Add the annual wages of the two highest paying jobs from line 2a together and use the total as the wages in the “Higher Paying Job” row and use the annual wages for your third job in the “Lower Paying Job” column to find the amount from the appropriate table on page 4 and enter this amount on line 2b.

   2b $  

   c. Add the amounts from lines 2a and 2b and enter the result on line 2c.

   2c $  

3 Enter the number of pay periods per year for the highest paying job. For example, if that job pays weekly, enter 52; if it pays every other week, enter 26; if it pays monthly, enter 12, etc.

   3  

4 Divide the annual amount on line 1 or line 2c by the number of pay periods on line 3. Enter this amount here and in Step 4(c) of Form W-4 for the highest paying job (along with any other additional amount you want withheld).

   4 $  

---

**Step 4(b)—Deductions Worksheet  *(Keep for your records.)*

1 Enter an estimate of your 2020 itemized deductions (from Schedule A (Form 1040 or 1040-SR)). Such deductions may include qualifying home mortgage interest, charitable contributions, state and local taxes (up to $10,000), and medical expenses in excess of 7.5% of your income.

   1 $  

2 Enter:
   - $24,800 if you’re married filing jointly or qualifying widow(er)
   - $16,650 if you’re head of household
   - $12,400 if you’re single or married filing separately

   2 $  

3 If line 1 is greater than line 2, subtract line 2 from line 1. If line 2 is greater than line 1, enter “-0-”.

   3 $  

4 Enter an estimate of your student loan interest, deductible IRA contributions, and certain other adjustments (from Part II of Schedule 1 (Form 1040 or 1040-SR)). See Pub. 505 for more information.

   4 $  

5 Add lines 3 and 4. Enter the result here and in Step 4(b) of Form W-4.

   5 $  

---

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. Internal Revenue Code sections 6109 and 6103 and their regulations require you to provide this information; your employer uses it to determine your federal income tax withholding. Failure to provide a properly completed form will result in your being treated as a single person with no other entries on the form; providing fraudulent information may subject you to penalties. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation; to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws; and to the Department of Health and Human Services for use in the National Directory of New Hires. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal non-tax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

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 average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.
### Married Filing Jointly or Qualifying Widow(er)

<table>
<thead>
<tr>
<th>Higher Paying Job</th>
<th>Lower Paying Job Annual Taxable Wage &amp; Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 - 9,999</td>
<td>$0 - 9,999</td>
</tr>
<tr>
<td>$10,000 - 19,999</td>
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<tr>
<td>$20,000 - 29,999</td>
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</tr>
<tr>
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<td>$30,000 - 39,999</td>
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<tr>
<td>$40,000 - 49,999</td>
<td>$40,000 - 49,999</td>
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<tr>
<td>$50,000 - 59,999</td>
<td>$50,000 - 59,999</td>
</tr>
<tr>
<td>$60,000 - 69,999</td>
<td>$60,000 - 69,999</td>
</tr>
<tr>
<td>$70,000 - 79,999</td>
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</tr>
<tr>
<td>$80,000 - 89,999</td>
<td>$80,000 - 89,999</td>
</tr>
<tr>
<td>$90,000 and over</td>
<td>$90,000 and over</td>
</tr>
</tbody>
</table>

### Single or Married Filing Separately

<table>
<thead>
<tr>
<th>Higher Paying Job</th>
<th>Lower Paying Job Annual Taxable Wage &amp; Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 - 9,999</td>
<td>$0 - 9,999</td>
</tr>
<tr>
<td>$10,000 - 19,999</td>
<td>$10,000 - 19,999</td>
</tr>
<tr>
<td>$20,000 - 29,999</td>
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</tr>
<tr>
<td>$30,000 - 39,999</td>
<td>$30,000 - 39,999</td>
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<tr>
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<tr>
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<td>$80,000 - 89,999</td>
</tr>
<tr>
<td>$90,000 and over</td>
<td>$90,000 and over</td>
</tr>
</tbody>
</table>

### Head of Household

<table>
<thead>
<tr>
<th>Higher Paying Job</th>
<th>Lower Paying Job Annual Taxable Wage &amp; Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 - 9,999</td>
<td>$0 - 9,999</td>
</tr>
<tr>
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<td>$80,000 - 89,999</td>
</tr>
<tr>
<td>$90,000 and over</td>
<td>$90,000 and over</td>
</tr>
</tbody>
</table>

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**Form W-4 (2020)**

Page 4
FLSA Exempt and Non-Exempt Overview – What Parishes Need to Know

The Fair Labor Standards Act (FLSA) is a US Department of Labor law that applies to all employers, including churches.

The FLSA puts standards in place that may require an employer to track the exact hours worked by employees and pay overtime if weekly hours exceed 40, depending on the job duties of the employee.

There are very specific rules and tests to determine if an employee is “Exempt” from the FLSA Rules or “Non-Exempt” from the FLSA Rules.

The Salary Threshold Test is the first test and requires that all employees paid under $23,600 annually (or $464/weekly) must be considered “Non-Exempt.”

If an employee’s pay exceeds the $23.6K Salary Threshold test, then employers must also apply the three Duties tests (Executive, Professional, or Administrative) to determine if an employee is “Exempt” from FSLA overtime rules (see Decision Tree on next page.)

The new Paylocity Web-Time software is intended to simplify and streamline the requirement that the exact hours worked be tracked for every employee who is determined to be “Non-Exempt.”

Paylocity Web-Time eliminates paper timekeeping and tracks “Non-Exempt” employee hours worked from multiple sources including a desktop computer, a tablet at the entrance to the work areas, or directly from an employee smartphone. All electronic time records automatically require supervisor approval before becoming official.
Decision Tree for FLSA Exempt and Non-Exempt Classifications

**Note:** This is for general information only, refer to the FLSA laws and/or consult with Diocese HR or General Counsel with specific questions on the applying the FLSA rules.

- **Salary level test:** Employees who are paid less than $23,660 per year ($455 per week) are, by definition within the statute, considered nonexempt employees.

- **Salary basis test:** Employees must be paid on a salary basis to be considered "exempt." Generally, an employee is paid on a salary basis if s/he has a "guaranteed minimum" amount of money s/he can count on receiving for any work week in which s/he performs "any" work.

- **Executive Duties Exemption:** Job duties are exempt executive job duties if the employee: 1. Regularly supervises two or more employees, and 2. Has management as the primary duty of the position, and 3. Has genuine input into the job status of other employees (such as hiring, firing, promotions, or assignments).

- **Professional Duties Exemption:** The job duties of the traditional "learned professions" are exempt. These include lawyers, doctors, dentists, teachers, architects, and clergymen. Also included are accountants (but not bookkeepers), and other employees who perform work requiring "advanced knowledge" similar to that historically associated with the traditional learned professions.

- **Administrative Duties Exemption:** The most elusive and imprecise of the definitions of exempt job duties is for exempt "administrative" job duties. The regulatory definition provides that exempt administrative job duties are: office or non-manual work which is directly related to the management or the general business operations of the employer or the employer’s customers, and that contain a primary component which involves the exercise of independent judgment and discretion about matters of significance.

**Non-Exempt Employee**
- Must be paid hourly
- Must be paid OT for all "overtime" hours > 40/week

**Exempt Employee**
- Can be paid salary
- Not eligible for OT pay
## Illustrative Exempt and Non-Exempt Classifications for Common Parish Roles

<table>
<thead>
<tr>
<th>Frequency (1-High, 2-Medium, 3-Low)</th>
<th>Typical Parish Job</th>
<th>Similar Titles</th>
<th>Exempt/Non-Exempt</th>
<th>Rationale</th>
<th>Exemptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Pastor</td>
<td>Administrator, Associate Pastor, Sacramental Minister</td>
<td>Exempt</td>
<td>Ordained Clergy</td>
<td>None</td>
</tr>
<tr>
<td>1</td>
<td>Parochial Vicar</td>
<td>PV</td>
<td>Exempt</td>
<td>Ordained Clergy</td>
<td>None</td>
</tr>
<tr>
<td>1</td>
<td>Deacon</td>
<td>Transitional Deacon, Permanent Deacon</td>
<td>Not Applicable</td>
<td>Unpaid Role</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>DRE: Director of Religious Ed</td>
<td>Faith Formation Director, Assistant DRE, Dir. Of Evangelization, RCIA Director</td>
<td>Exempt</td>
<td>Administrative Exemption</td>
<td>Role must include independent judgment and discretion on significant matters</td>
</tr>
<tr>
<td>1</td>
<td>Youth Minister</td>
<td>Dir. Of Youth Ministry, Assoc. Director of Youth Ministry</td>
<td>Exempt</td>
<td>Administrative Exemption</td>
<td>Role must include independent judgment and discretion on significant matters</td>
</tr>
<tr>
<td>1</td>
<td>Director of Music</td>
<td>Dir. of Music and Liturgy, Dir. Of Liturgy, Choir Director</td>
<td>Exempt</td>
<td>Administrative Exemption</td>
<td>Role must include independent judgment and discretion on significant matters</td>
</tr>
<tr>
<td>1</td>
<td>Liturgical Musician</td>
<td></td>
<td>Exempt</td>
<td>Professional Exemption</td>
<td>Parish musicians whose work requires exercise of discretion and judgment and advanced musical knowledge acquired through specialized instruction are considered exempt</td>
</tr>
<tr>
<td>1</td>
<td>Cantor</td>
<td></td>
<td>Non-Exempt</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Sacristan</td>
<td></td>
<td>Non-Exempt</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Maintenance Worker</td>
<td>Custodian, Buildings &amp; Grounds Worker, Facilities Assistant, Groundskeeper</td>
<td>Non-Exempt</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Parish Secretary</td>
<td>Receptionist, Administrative Assistant, Bulletin Editor</td>
<td>Non-Exempt</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Office Manager</td>
<td>Head Parish Secretary</td>
<td>Non-Exempt</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Bookkeeper and Employee Benefits Coordinator</td>
<td>Assistant to Business Manager</td>
<td>Non-Exempt</td>
<td></td>
<td>If degree accountant or CPA, the bookkeeper is an Accountant and therefore Exempt</td>
</tr>
</tbody>
</table>

*NB: exemptions considered only if employee makes more than $23.6K/year or $455/week, otherwise automatically non-exempt.*
Illustrative Exempt and Non-Exempt Classifications for Less Frequent Parish Roles

Note: This is for general information only. Refer to the FLSA laws and/or consult with Diocese HR or General Counsel with specific questions on the applying the FLSA rules.

<table>
<thead>
<tr>
<th>Frequency (1-High, 2-Medium, 3-Low)</th>
<th>Parish Job</th>
<th>Similarities</th>
<th>Exempt/Non-Exempt</th>
<th>Rationale</th>
<th>Caveats</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Parish Administrator</td>
<td>Parish Director</td>
<td>Exempt</td>
<td>Administrative Exemption</td>
<td>Role must include independent judgement and discretion on significant matters</td>
</tr>
<tr>
<td>2</td>
<td>Pastoral Associate</td>
<td>Pastoral Minister, Pastoral Outreach Coordinator</td>
<td>Exempt</td>
<td>Administrative Exemption</td>
<td>Role must include independent judgement and discretion on significant matters</td>
</tr>
<tr>
<td>2</td>
<td>Family Ministries Director</td>
<td>Family Life Director, Social Concerns Minister</td>
<td>Exempt</td>
<td>Administrative Exemption</td>
<td>Role must include independent judgement and discretion on significant matters</td>
</tr>
<tr>
<td>2</td>
<td>Parish Business Manager</td>
<td>Director of Administrative Services, Parish Administration Manager</td>
<td>Exempt</td>
<td>Administrative Exemption</td>
<td>Role must include independent judgement and discretion on significant matters</td>
</tr>
<tr>
<td>2</td>
<td>Development Director</td>
<td>Time &amp; Talent Steward</td>
<td>Exempt</td>
<td>Administrative Exemption</td>
<td>Role must include independent judgement and discretion on significant matters</td>
</tr>
<tr>
<td>2</td>
<td>Volunteer Coordinator</td>
<td>Exempt</td>
<td>Administrative Exemption</td>
<td>Role must include independent judgement and discretion on significant matters</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Director of Maintenance</td>
<td>Buildings and Grounds Manager</td>
<td>Exempt</td>
<td>Administrative Exemption</td>
<td>Role must include independent judgement and discretion on significant matters</td>
</tr>
<tr>
<td>2</td>
<td>Executive Assistant To Pastor</td>
<td>Chief of Parish Staff</td>
<td>Exempt</td>
<td>Administrative Exemption</td>
<td>Role must include independent judgement and discretion on significant matters</td>
</tr>
<tr>
<td>3</td>
<td>Sound Technician</td>
<td>Exempt</td>
<td>Non-Exempt</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Accountant (not Bookkeeper)</td>
<td>Finance Manager</td>
<td>Exempt</td>
<td>Professional Exemption</td>
<td>Must be degree in Accounting or Finance and have significant professional experience</td>
</tr>
</tbody>
</table>

NB: exemptions considered only if employee makes more than $23.6K/year or $455/week, otherwise automatically non-exempt
New Rules Affect Status, Pay and Classification of Musicians

For many years administrators and pastors have struggled with determining the appropriate employment status, compensation and classification of parish musicians. It is not an easy task to decide if a parish musician should be considered exempt or non-exempt; paid a fee or a salary, or classified as an employee or an independent contractor. The intent of this communication is to address these key issues, set standards and guidelines for pastors and administrators to follow and avoid IRS penalties and legal risk by inappropriately classifying employees as independent contractors.

Sometimes, pay practices for parish musicians have been “assigned” for years or have been handled in certain ways as a matter of long and unquestioned condition. These new guidelines for determining the employment status and compensation for parish musicians should be forthrightly explained to each parish musician. Some non-exempt parish musicians may question why they are being asked to record time worked when they are accustomed to getting a fee or a stipend for their work. Parish musicians must know what the basis for their pay is, and the best way to avoid misunderstanding and later disputes, is to put it in writing.

EXEMPT
Parish musicians who are employed in leadership positions such as a Director of Liturgy and Music and other professional parish musicians whose work requires exercise of discretion and judgment and advanced knowledge acquired through specialized instruction, are considered exempt and may be paid a salary rather than on a fee or hourly basis. A parish musician’s salary must meet the minimum requirements of the Fair Labor Standards Act (FLSA) of $455 per week ($23,660 per year). If the parish musician’s salary falls below the minimum standard, the parish musician loses their exempt status.

NON-EXEMPT
If a parish musician’s job duties, responsibilities and salary are below the (FLSA) standards for an Executive, Administrative or Professional exemption, then the parish musician must be paid on an hourly basis. Many parish music positions such as cantors and part-time organists are considered to be non-exempt and must be paid for each hour worked as well as overtime if they exceed 40 hours per week. Remember, the classification of any job depends on its substance, not on its title.

If you are not sure which category a parish musician (or any other employee) falls into, the safe course and rule of thumb is that unless clearly exempt, an employee should be considered non-exempt.

FEE BASIS
Non-exempt parish musicians are sometimes paid on a fee basis for their work (i.e., $75.00 per Mass). If a non-exempt parish musician is paid a fee, it must include compensation for time spent at obligations such as choir rehearsals and staff meetings since the employee is reimbursed on an hourly basis. In that case, the fee must be greater than the minimum federal and state wage requirements when divided by the actual number of hours worked. Parish musicians should be compensated fairly when one considers the specialized knowledge required to fulfill the job. Non-exempt parish musicians must fill out a time sheet like other hourly employees. All compensation paid, flat fee or otherwise, is subject to withholdings, payroll tax, and leave accrual (if benefits eligible).
W-2
Regardless of the type of function at which the parish musician performs (weddings, funerals, prayer services, etc.), the work is part of that employee's parish employment; all money received by the employee for all these services should be paid by the parish and reported as income to the IRS with appropriate deductions. All income paid to a parish musician must be included in the parish records with the appropriate deductions taken.

EXCEPTION
An exception to the above guidelines would be when an outside party engages the use of the parish church but is free to hire any outside musician they want. If the outside party chooses an individual who is an employee at another parish in the archdiocese, then the outside party may pay whatever fee is agreed upon directly to the musician, and the parish need not report it as income. This "moonlighting" income would not be run through the parish payroll.

EMPLOYEE OR INDEPENDENT CONTRACTOR
A recent ruling by the IRS indicated that parish musicians who are paid to perform at weekly services are generally considered employees of the church and not as an independent contractor. The IRS noted several conditions that, when answered in the affirmative, influenced their decision on the status of parish musicians as employees.

1. If the worker is required to comply with another person’s instructions about when, where, and how he or she is to do the work.
2. If the worker’s services are integrated into the business operations.
3. If there is a continuing relationship between the worker and the person for whom the services are performed.
4. If set hours are established, or, if the nature of the work makes fixed hours impractical, workers are required to be at the job at certain times.
5. If the work is performed on the premises of the person for whom the services are performed.
6. If payment is made by the hour, week, or month. A guaranteed minimum salary also indicates an employee.
7. If the person for whom services are performed furnishes significant tools, materials and other equipment.

Our legal counsel has recommended that parishes should classify parish musicians as employees. This recommendation is based on the recent rulings by the IRS, the guidelines listed above and the employment arrangements of our parish musicians. Parish musicians may ask you to classify them as independent contractors. It is the parish that carries most of the risk if an employee is misclassified as an independent contractor. If a parish musician is misclassified, the IRS can assess severe penalties on a parish for failure to pay and failure to file and withhold mandated federal and state taxes. Parishes should be aware that the risk for wrongly classifying an employee as an independent contractor belongs to the parish.

If you need further assistance in interpreting the above guidelines and information presented, please contact Bill Hancock in the Office of Human Resources, Barb Walsh or Steve Burger in the Department of Financial Services.
APPENDIX 12

FORM I-9, EMPLOYMENT ELIGIBILITY VERIFICATION
Employment Eligibility Verification
Department of Homeland Security
U.S. Citizenship and Immigration Services

START HERE: Read instructions carefully before completing this form. The instructions must be available, either in paper or electronically, during completion of this form. Employers are liable for errors in the completion of this form.

ANTI-DISCRIMINATION NOTICE: It is illegal to discriminate against work-authorized individuals. Employers CANNOT specify which document(s) an employee may present to establish employment authorization and identity. The refusal to hire or continue to employ an individual because the documentation presented has a future expiration date may also constitute illegal discrimination.

Section 1: Employee Information and Attestation. (Employees must complete and sign Section 1 of Form I-9 no later than the first day of employment, but not before accepting a job offer.)

Last Name (Family Name)  First Name (Given Name)  Middle Initial  Other Last Names Used (if any)

Address (Street Number and Name)  Apt. Number  City or Town  State  ZIP Code

Date of Birth (mm/dd/yyyy)  U.S. Social Security Number  Employee's E-mail Address  Employee's Telephone Number

I am aware that federal law provides for imprisonment and/or fines for false statements or use of false documents in connection with the completion of this form.

I attest, under penalty of perjury, that I am (check one of the following boxes):

☐ 1. A citizen of the United States
☐ 2. A noncitizen national of the United States (See instructions)
☐ 3. A lawful permanent resident (Alien Registration Number/USCIS Number):

☐ 4. An alien authorized to work until (expiration date, if applicable, mm/dd/yyyy):

Some aliens may write "N/A" in the expiration date field. (See instructions)

Aliens authorized to work must provide only one of the following document numbers to complete Form I-9:

An Alien Registration Number/USCIS Number OR Form I-94 Admission Number OR Foreign Passport Number.

1. Alien Registration Number/USCIS Number:

OR

2. Form I-94 Admission Number:

OR

3. Foreign Passport Number:

Country of Issuance:

Signature of Employee

Today's Date (mm/dd/yyyy)

Preparer and/or Translator Certification (check one):

☐ I did not use a preparer or translator. ☐ A preparer(s) and/or translator(s) assisted the employee in completing Section 1.

(Fields below must be completed and signed when preparers and/or translators assist an employee in completing Section 1.)

I attest, under penalty of perjury, that I have assisted in the completion of Section 1 of this form and that to the best of my knowledge the information is true and correct.

Signature of Preparer or Translator

Today's Date (mm/dd/yyyy)

Last Name (Family Name)  First Name (Given Name)

Address (Street Number and Name)  City or Town  State  ZIP Code
Section 2: Employer or Authorized Representative Review and Verification

Employee Info from Section 1

<table>
<thead>
<tr>
<th>Last Name (Family Name)</th>
<th>First Name (Given Name)</th>
<th>M.I.</th>
<th>Citizenship/Immigration Status</th>
</tr>
</thead>
</table>

List A: Identity and Employment Authorization

<table>
<thead>
<tr>
<th>Document Title</th>
<th>Issuing Authority</th>
<th>Document Number</th>
<th>Expiration Date (if any) (mm/dd/yyyy)</th>
</tr>
</thead>
</table>

List B: Identity

<table>
<thead>
<tr>
<th>Document Title</th>
<th>Issuing Authority</th>
<th>Document Number</th>
<th>Expiration Date (if any) (mm/dd/yyyy)</th>
</tr>
</thead>
</table>

List C: Employment Authorization

<table>
<thead>
<tr>
<th>Document Title</th>
<th>Issuing Authority</th>
<th>Document Number</th>
<th>Expiration Date (if any) (mm/dd/yyyy)</th>
</tr>
</thead>
</table>

Additional Information

Certification: I attest, under penalty of perjury, that (1) I have examined the document(s) presented by the above-named employee, (2) the above-listed document(s) appear to be genuine and to relate to the employee named, and (3) to the best of my knowledge the employee is authorized to work in the United States.

The employee's first day of employment (mm/dd/yyyy): ____________________________ (See instructions for exemptions)

<table>
<thead>
<tr>
<th>Signature of Employer or Authorized Representative</th>
<th>Today's Date (mm/dd/yyyy)</th>
<th>Title of Employer or Authorized Representative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Last Name of Employer or Authorized Representative</td>
<td>First Name of Employer or Authorized Representative</td>
<td>Employer's Business or Organization Name</td>
</tr>
<tr>
<td>Employer's Business or Organization Address (Street Number and Name)</td>
<td>City or Town</td>
<td>State</td>
</tr>
</tbody>
</table>

Section 3: Reverification and Rehires (to be completed and signed by employer or authorized representative.)

A. New Name (if applicable)

<table>
<thead>
<tr>
<th>Last Name (Family Name)</th>
<th>First Name (Given Name)</th>
<th>Middle Initial</th>
<th>Date (mm/dd/yyyy)</th>
</tr>
</thead>
</table>

B. Date of Rehire (if applicable)

<table>
<thead>
<tr>
<th>Document Title</th>
<th>Document Number</th>
<th>Expiration Date (if any) (mm/dd/yyyy)</th>
</tr>
</thead>
</table>

C. If the employee's previous grant of employment authorization has expired, provide the information for the document or receipt that establishes continuing employment authorization in the space provided below.

I attest, under penalty of perjury, that to the best of my knowledge, this employee is authorized to work in the United States, and if the employee presented document(s), the document(s) I have examined appear to be genuine and to relate to the individual.

<table>
<thead>
<tr>
<th>Signature of Employer or Authorized Representative</th>
<th>Today's Date (mm/dd/yyyy)</th>
<th>Name of Employer or Authorized Representative</th>
</tr>
</thead>
</table>
# LISTS OF ACCEPTABLE DOCUMENTS

All documents must be UNEXPIRED

Employees may present one selection from List A or a combination of one selection from List B and one selection from List C.

<table>
<thead>
<tr>
<th>LIST A</th>
<th>Documents that Establish Both Identity and Employment Authorization</th>
<th>LIST B</th>
<th>Documents that Establish Identity AND</th>
<th>LIST C</th>
<th>Documents that Establish Employment Authorization</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. U.S. Passport or U.S. Passport Card</td>
<td></td>
<td>1. Driver's license or ID card issued by a State or outlying possession of the United States provided it contains a photograph or information such as name, date of birth, gender, height, eye color, and address</td>
<td>1. A Social Security Account Number card, unless the card includes one of the following restrictions: (1) NOT VALID FOR EMPLOYMENT (2) VALID FOR WORK ONLY WITH INS AUTHORIZATION (3) VALID FOR WORK ONLY WITH DHS AUTHORIZATION</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Permanent Resident Card or Alien Registration Receipt Card (Form I-551)</td>
<td></td>
<td>2. ID card issued by federal, state or local government agencies or entities, provided it contains a photograph or information such as name, date of birth, gender, height, eye color, and address</td>
<td>2. Certification of report of birth issued by the Department of State (Forms DS-1350, FS-545, FS-240)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Foreign passport that contains a temporary I-551 stamp or temporary I-551 printed notation on a machine-readable immigrant visa</td>
<td></td>
<td>3. School ID card with a photograph</td>
<td>3. Original or certified copy of birth certificate issued by a State, county, municipal authority, or territory of the United States bearing an official seal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. For a nonimmigrant alien authorized to work for a specific employer because of his or her status: a. Foreign passport; and b. Form I-94 or Form I-94A that has the following: (1) The same name as the passport; and (2) An endorsement of the alien's nonimmigrant status as long as that period of endorsement has not yet expired and the proposed employment is not in conflict with any restrictions or limitations identified on the form.</td>
<td>5. U.S. Military card or draft record</td>
<td>5. U.S. Citizen ID Card (Form I-197)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Passport from the Federated States of Micronesia (FSM) or the Republic of the Marshall Islands (RMI) with Form I-94 or Form I-94A indicating nonimmigrant admission under the Compact of Free Association Between the United States and the FSM or RMI</td>
<td>6. Military dependent's ID card</td>
<td>6. Identification Card for Use of Resident Citizen in the United States (Form I-179)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>7. U.S. Coast Guard Merchant Mariner Card</td>
<td></td>
<td>7. Employment authorization document issued by the Department of Homeland Security</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>8. Native American tribal document</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>9. Driver's license issued by a Canadian government authority</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>For persons under age 18 who are unable to present a document listed above:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>10. School record or report card</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>11. Clinic, doctor, or hospital record</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>12. Day-care or nursery school record</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Examples of many of these documents appear in the Handbook for Employers (M-274).

Refer to the instructions for more information about acceptable receipts.
Instructions for Form I-9,
Employment Eligibility Verification

Department of Homeland Security
U.S. Citizenship and Immigration Services

Anti-Discrimination Notice. It is illegal to discriminate against work-authorized individuals in hiring, firing, recruitment or referral for a fee, or in the employment eligibility verification (Form I-9 and E-Verify) process based on that individual's citizenship status, immigration status or national origin. Employers CANNOT specify which document(s) the employee may present to establish employment authorization. The employer must allow the employee to choose the documents to be presented from the Lists of Acceptable Documents, found on the last page of Form I-9. The refusal to hire or continue to employ an individual because the documentation presented has a future expiration date may also constitute illegal discrimination. For more information, contact the Immigrant and Employee Rights Section (IER) in the Department of Justice's Civil Rights Division at https://www.justice.gov/ier.

What is the Purpose of This Form?

Employers must complete Form I-9 to document verification of the identity and employment authorization of each new employee (both citizen and noncitizen) hired after November 6, 1986, to work in the United States. In the Commonwealth of the Northern Mariana Islands (CNMI), employers must complete Form I-9 to document verification of the identity and employment authorization of each new employee (both citizen and noncitizen) hired after November 27, 2011.

General Instructions

Both employers and employees are responsible for completing their respective sections of Form I-9. For the purpose of completing this form, the term “employer” means all employers, including those recruiters and referrers for a fee who are agricultural associations, agricultural employers, or farm labor contractors, as defined in section 3 of the Migrant and Seasonal Agricultural Worker Protection Act, Public Law 97-470 (29 U.S.C. 1802). An “employee” is a person who performs labor or services in the United States for an employer in return for wages or other remuneration. The term “Employee” does not include those who do not receive any form of remuneration (volunteers), independent contractors or those engaged in certain casual domestic employment. Form I-9 has three sections. Employees complete Section 1. Employers complete Section 2 and, when applicable, Section 3. Employers may be fined if the form is not properly completed. See 8 USC § 1324a and 8 CFR § 274a.10. Individuals may be prosecuted for knowingly and willfully entering false information on the form. Employers are responsible for retaining completed forms. Do not mail completed forms to U.S. Citizenship and Immigration Services (USCIS) or Immigration and Customs Enforcement (ICE).

These instructions will assist you in properly completing Form I-9. The employer must ensure that all pages of the instructions and Lists of Acceptable Documents are available, either in print or electronically, to all employees completing this form. When completing the form on a computer, the English version of the form includes specific instructions for each field and drop-down lists for universally used abbreviations and acceptable documents. To access these instructions, move the cursor over each field or click on the question mark symbol (Q) within the field. Employers and employees can also access this full set of instructions at any time by clicking the Instructions button at the top of each page when completing the form on a computer that is connected to the Internet.

Employers and employees may choose to complete any or all sections of the form on paper or using a computer, or a combination of both. Forms I-9 obtained from the USCIS website are not considered electronic Forms I-9 under DHS regulations and, therefore, cannot be electronically signed. Therefore, regardless of the method you used to enter information into each field, you must print a hard copy of the form, then sign and date the hard copy by hand where required.

Employers can obtain a blank copy of Form I-9 from the USCIS website at https://www.uscis.gov/i-9. This form is in portable document format (.pdf) that is fillable and savable. That means that you may download it, or simply print out a blank copy to enter information by hand. You may also request paper Forms I-9 from USCIS.

Certain features of Form I-9 that allow for data entry on personal computers may make the form appear to be more than two pages. When using a computer, Form I-9 has been designed to print as two pages. Using more than one preparer and/or translator will add an additional page to the form, regardless of your method of completion. You are not required to print, retain or store the page containing the Lists of Acceptable Documents.
The form will also populate certain fields with N/A when certain user choices ensure that particular fields will not be completed. The Print button located at the top of each page that will print any number of pages the user selects. Also, the Start Over button located at the top of each page will clear all the fields on the form.

The Spanish version of Form I-9 does not include the additional instructions and drop-down lists described above. Employers in Puerto Rico may use either the Spanish or English version of the form. Employers outside of Puerto Rico must retain the English version of the form for their records, but may use the Spanish form as a translation tool. Additional guidance to complete the form may be found in the Handbook for Employers: Guidance for Completing Form I-9 (M-274) and on USCIS’ Form I-9 website, I-9 Central.

### Completing Section I: Employee Information and Attestation

You, the employee, must complete each field in Section 1 as described below. Newly hired employees must complete and sign Section 1 no later than the first day of employment. Section 1 should never be completed before you have accepted a job offer.

#### Entering Your Employee Information

**Last Name (Family Name):** Enter your full legal last name. Your last name is your family name or surname. If you have two last names or a hyphenated last name, include both names in the Last Name field. **Examples of correctly entered last names include:** De La Cruz, O’Neill, Garcia Lopez, Smith-Johnson, Nguyen. If you only have one name, enter it in this field, then enter “Unknown” in the First Name field. You may not enter “Unknown” in both the Last Name field and the First Name field.

**First Name (Given Name):** Enter your full legal first name. Your first name is your given name. **Some examples of correctly entered first names include:** Jessica, John-Paul, Jee Young, D’Shaun, Mia. If you only have one name, enter it in the Last Name field, then enter “Unknown” in this field. You may not enter “Unknown” in both the First Name field and the Last Name field.

**Middle Initial:** Your middle initial is the first letter of your second given name, or the first letter of your middle name, if any. If you have more than one middle name, enter the first letter of your first middle name. If you do not have a middle name, enter N/A in this field.

**Other Last Names Used:** Provide all other last names used, if any (e.g., maiden name). Enter N/A if you have not used other last names. For example, if you legally changed your last name from Smith to Jones, you should enter the name Smith in this field.

**Address (Street Name and Number):** Enter the street name and number of the current address of your residence. If you are a border commuter from Canada or Mexico, you may enter your Canada or Mexico address in this field. If your residence does not have a physical address, enter a description of the location of your residence, such as “3 miles southwest of Anytown post office near water tower.”

**Apartment:** Enter the number(s) or letter(s) that identify(ies) your apartment. If you do not live in an apartment, enter N/A.

**City or Town:** Enter your city, town or village in this field. If your residence is not located in a city, town or village, enter your county, township, reservation, etc., in this field. If you are a border commuter from Canada, enter your city and province in this field. If you are a border commuter from Mexico, enter your city and state in this field.

**State:** Enter the abbreviation of your state or territory in this field. If you are a border commuter from Canada or Mexico, enter your country abbreviation in this field.

**ZIP Code:** Enter your 5-digit ZIP code. If you are a border commuter from Canada or Mexico, enter your 5- or 6-digit postal code in this field.

**Date of Birth (mm/dd/yyyy):** Enter your date of birth as a 2-digit month, 2-digit day, and 4-digit year (mm/dd/yyyy). For example, enter January 8, 1980 as 01/08/1980.

**U.S. Social Security Number:** Providing your 9-digit Social Security number is voluntary on Form I-9 unless your employer participates in E-Verify. If your employer participates in E-Verify and:

1. You have been issued a Social Security number, you must provide it in this field; or
2. You have applied for, but have not yet received a Social Security number, leave this field blank until you receive a Social Security number.
Employee’s E-mail Address (Optional): Providing your e-mail address is optional on Form I-9, but the field cannot be left blank. To enter your e-mail address, use this format: name@site.domain. One reason Department of Homeland Security (DHS) may e-mail you is if your employer uses E-Verify and DHS learns of a potential mismatch between the information provided and the information in government records. This e-mail would contain information on how to begin to resolve the potential mismatch. You may use either your personal or work e-mail address in this field. Enter N/A if you do not enter your e-mail address.

Employee’s Telephone Number (Optional): Providing your telephone number is optional on Form I-9, but the field cannot be left blank. If you enter your area code and telephone number, use this format: 000-000-0000. Enter N/A if you do not enter your telephone number.

Attesting to Your Citizenship or Immigration Status

You must select one box to attest to your citizenship or immigration status.

1. A citizen of the United States.


3. A lawful permanent resident: An individual who is not a U.S. citizen and who resides in the United States under legally recognized and lawfully recorded permanent residence as an immigrant. This term includes conditional residents. Asylees and refugees should not select this status, but should instead select "An Alien authorized to work" below.

If you select “lawful permanent resident,” enter your 7- to 9-digit Alien Registration Number (A-Number), including the “A,” or USCIS Number in the space provided. When completing this field using a computer, use the dropdown provided to indicate whether you have entered an Alien Number or a USCIS Number. At this time, the USCIS Number is the same as the A-Number without the “A” prefix.

4. An alien authorized to work: An individual who is not a citizen or national of the United States, or a lawful permanent resident, but is authorized to work in the United States.

If you select this box, enter the date that your employment authorization expires, if any, in the space provided. In most cases, your employment authorization expiration date is found on the document(s) evidencing your employment authorization. Refugees, asylees, and certain citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, or Palau, and other aliens whose employment authorization does not have an expiration date should enter N/A in the Expiration Date field. In some cases, such as if you have Temporary Protected Status, your employment authorization may have been automatically extended; in these cases, you should enter the expiration date of the automatic extension in this space.

Aliens authorized to work must enter one of the following to complete Section 1:

1. Alien Registration Number (A-Number)/USCIS Number; or
2. Form I-94 Admission Number; or
3. Foreign Passport Number and the Country of Issuance.

Your employer may not ask you to present the document from which you supplied this information.

Alien Registration Number/USCIS Number: Enter your 7- to 9-digit Alien Registration Number (A-Number), including the “A,” or your USCIS Number in this field. At this time, the USCIS Number is the same as your A-Number without the “A” prefix. When completing this field using a computer, use the dropdown provided to indicate whether you have entered an Alien Number or a USCIS Number. If you do not provide an A-Number or USCIS Number, enter N/A in this field then enter either a Form I-94 Admission Number, or a Foreign Passport and Country of Issuance in the fields provided.

Form I-94 Admission Number: Enter your 11-digit I-94 Admission Number in this field. If you do not provide an I-94 Admission Number, enter N/A in this field, then enter either an Alien Registration Number/USCIS Number or a Foreign Passport Number and Country of Issuance in the fields provided.

Foreign Passport Number: Enter your Foreign Passport Number in this field. If you do not provide a Foreign Passport Number, enter N/A in this field, then enter either an Alien Number/USCIS Number or a I-94 Admission Number in the fields provided.

Country of Issuance: If you entered your Foreign Passport Number, enter your Foreign Passport’s Country of Issuance. If you did not enter your Foreign Passport Number, enter N/A.
Signature of Employee: After completing Section 1, sign your name in this field. If you used a form obtained from the USCIS website, you must print the form to sign your name in this field. By signing this form, you attest under penalty of perjury (28 U.S.C. § 1746) that the information you provided, along with the citizenship or immigration status you selected, and all information and documentation you provide to your employer, is complete, true and correct, and you are aware that you may face severe penalties provided by law and may be subject to criminal prosecution for knowingly and willfully making false statements or using false documentation when completing this form. Further, falsely attesting to U.S. citizenship may subject employees to penalties, removal proceedings and may adversely affect an employee’s ability to seek future immigration benefits. If you cannot sign your name, you may place a mark in this field to indicate your signature. Employees who use a preparer or translator to help them complete the form must still sign or place a mark in the Signature of Employee field on the printed form.

If you used a preparer, translator, and other individual to assist you in completing Form I-9:

- Both you and your preparer(s) and/or translator(s) must complete the appropriate areas of Section 1, and then sign Section 1. If Section 1 was completed on a form obtained from the USCIS website, the form must be printed to sign these fields. You and your preparer(s) and/or translator(s) also should review the instructions for Completing the Preparer and/or Translator Certification below.

- If the employee is a minor (individual under 18) who cannot present an identity document, the employee’s parent or legal guardian can complete Section 1 for the employee and enter “minor under age 18” in the signature field. If Section 1 was completed on a form obtained from the USCIS website, the form must be printed to enter this information. The minor’s parent or legal guardian should review the instructions for Completing the Preparer and/or Translator Certification below. Refer to the Handbook for Employers: Guidance for Completing Form I-9 (M-274) for more guidance on completion of Form I-9 for minors. If the minor’s employer participates in E-Verify, the employee must present a list B identity document with a photograph to complete Form I-9.

- If the employee is a person with a disability (who is placed in employment by a nonprofit organization, association or as part of a rehabilitation program) who cannot present an identity document, the employee's parent, legal guardian or a representative of the nonprofit organization, association or rehabilitation program can complete Section 1 for the employee and enter “Special Placement” in this field. If Section 1 was completed on a form obtained from the USCIS website, the form must be printed to enter this information. The parent, legal guardian or representative of the nonprofit organization, association or rehabilitation program completing Section 1 for the employee should review the instructions for Completing the Preparer and/or Translator Certification below. Refer to the Handbook for Employers: Guidance for Completing Form I-9 (M-274) for more guidance on completion of Form I-9 for certain employees with disabilities.

Today's Date: Enter the date you signed Section 1 in this field. Do not backdate this field. Enter the date as a 2-digit month, 2-digit day and 4-digit year (mm/dd/yyyy). For example, enter January 8, 2014 as 01/08/2014. A preparer or translator who assists the employee in completing Section 1 may enter the date the employee signed or made a mark to sign Section 1 in this field. Parents or legal guardians assisting minors (individuals under age 18) and parents, legal guardians or representatives of a nonprofit organization, association or rehabilitation program assisting certain employees with disabilities must enter the date they completed Section 1 for the employee.

Completing the Preparer and/or Translator Certification

If you did not use a preparer or translator to assist you in completing Section 1, you, the employee, must check the box marked I did not use a Preparer or Translator. If you check this box, leave the rest of the fields in this area blank.

If one or more preparers and/or translators assist the employee in completing the form using a computer, the preparer and/or translator must check the box marked “A preparer(s) and/or translator(s) assisted the employee in completing Section 1”, then select the number of Certification areas needed from the dropdown provided. Any additional Certification areas generated will result in an additional page. The Form I-9 Supplement, Section 1 Preparer and/or Translator Certification, can be separately downloaded from the USCIS Form I-9 webpage, which provides additional Certification areas for those completing Form I-9 using a computer who need more Certification areas than the 5 provided or those who are completing Form I-9 on paper. The first preparer and/or translator must complete all the fields in the Certification area on the same page the employee has signed. There is no limit to the number of preparers and/or translators an employee can use, but each additional preparer and/or translator must complete the separate Certification area. Ensure the employee’s last name, first name and middle initial are entered at the top of any additional pages. The employer must ensure that any additional pages are retained with the employee’s completed Form I-9.
Signature of Preparer or Translator: Any person who helped to prepare or translate Section 1 of Form I-9 must sign his or her name in this field. If you used a form obtained from the USCIS website, you must print the form to sign your name in this field. The Preparer and/or Translator Certification must also be completed if “Individual under Age 18” or “Special Placement” is entered in lieu of the employee’s signature in Section 1.

Today's Date: The person who signs the Preparer and/or Translator Certification must enter the date he or she signs in this field on the printed form. Do not backdate this field. Enter the date as a 2-digit month, 2-digit day, and 4-digit year (mm/dd/yyyy). For example, enter January 8, 2014 as 01/08/2014.

Last Name (Family Name): Enter the full legal last name of the person who helped the employee in preparing or translating Section 1 in this field. The last name is also the family name or surname. If the preparer or translator has two last names or a hyphenated last name, include both names in this field.

First Name (Given Name): Enter the full legal first name of the person who helped the employee in preparing or translating Section 1 in this field. The first name is also the given name.

Address (Street Name and Number): Enter the street name and number of the current address of the person who helped the employee in preparing or translating Section 1 in this field. Addresses for residences in Canada or Mexico may be entered in this field. If the residence does not have a physical address, enter a description of the location of the residence, such as “3 miles southwest of Anytown post office near water tower.” If the residence is an apartment, enter the apartment number in this field.

City or Town: Enter the city, town or village of the residence of the person who helped the employee in preparing or translating Section 1 in this field. If the residence is not located in a city, town or village, enter the name of the county, township, reservation, etc., in this field. If the residence is in Canada, enter the city and province in this field. If the residence is in Mexico, enter the city and state in this field.

State: Enter the abbreviation of the state, territory or country of the preparer or translator’s residence in this field.

ZIP Code: Enter the 5-digit ZIP code of the residence of the person who helped the employee in preparing or translating Section 1 in this field. If the preparer or translator’s residence is in Canada or Mexico, enter the 5- or 6-digit postal code.

**Presenting Form I-9 Documents**

Within 3 business days of starting work for pay, you must present to your employer documentation that establishes your identity and employment authorization. For example, if you begin employment on Monday, you must present documentation on or before Thursday of that week. However, if you were hired to work for less than 3 business days, you must present documentation no later than the first day of employment.

Choose which unexpired document(s) to present to your employer from the Lists of Acceptable Documents. An employer cannot specify which document(s) you may present from the Lists of Acceptable Documents. You may present either one selection from List A or a combination of one selection from List B and one selection from List C. Some List A documents, which show both identity and employment authorization, are combination documents that must be presented together to be considered a List A document: for example, the foreign passport together with a Form I-94 containing an endorsement of the alien’s nonimmigrant status and employment authorization with a specific employer incident to such status. List B documents show identity only and List C documents show employment authorization only. If your employer participates in E-Verify and you present a List B document, the document must contain a photograph. If you present acceptable List A documentation, you should not be asked to present, nor should you provide, List B and List C documentation. If you present acceptable List B and List C documentation, you should not be asked to present, nor should you provide, List A documentation. If you are unable to present a document(s) from these lists, you may be able to present an acceptable receipt. Refer to the Receipts section below.

Your employer must review the document(s) you present to complete Form I-9. If your document(s) reasonably appears to be genuine and to relate to you, your employer must accept the documents. If your document(s) does not reasonably appear to be genuine or to relate to you, your employer must reject it and provide you with an opportunity to present other documents from the Lists of Acceptable Documents. Your employer may choose to make copies of your document(s), but must return the original(s) to you. Your employer must review your documents in your physical presence.
Your employer will complete the other parts of this form, as well as review your entries in Section 1. Your employer may ask you to correct any errors found. Your employer is responsible for ensuring all parts of Form I-9 are properly completed and is subject to penalties under federal law if the form is not completed correctly.

Minors (individuals under age 18) and certain employees with disabilities whose parent, legal guardian or representative completed Section 1 for the employee are only required to present an employment authorization document from List C. Refer to the Handbook for Employers: Guidance for Completing Form I-9 (M-274) for more guidance on minors and certain individuals with disabilities.

Receipts

If you do not have unexpired documentation from the Lists of Acceptable Documents, you may be able to present a receipt(s) in lieu of an acceptable document(s). New employees who choose to present a receipt(s) must do so within three business days of their first day of employment. If your employer is reverifying your employment authorization, and you choose to present a receipt for reverification, you must present the receipt by the date your employment authorization expires. Receipts are not acceptable if employment lasts fewer than three business days.

There are three types of acceptable receipts:

1. A receipt showing that you have applied to replace a document that was lost, stolen or damaged. You must present the actual document within 90 days from the date of hire or, in the case of reverification, within 90 days from the date your original employment authorization expires.

2. The arrival portion of Form I-94/I-94A containing a temporary I-551 stamp and a photograph of the individual. You must present the actual Permanent Resident Card (Form I-551) by the expiration date of the temporary I-551 stamp, or, if there is no expiration date, within 1 year from the date of admission.

3. The departure portion of Form I-94/I-94A with a refugee admission stamp. You must present an unexpired Employment Authorization Document (Form I-766) or a combination of a List B document and an unrestricted Social Security Card within 90 days from the date of hire or, in the case of reverification, within 90 days from the date your original employment authorization expires.

Receipts showing that you have applied for an initial grant of employment authorization, or for renewal of your expiring or expired employment authorization, are not acceptable.

Completing Section 2: Employer or Authorized Representative Review and Verification

You, the employer, must ensure that all parts of Form I-9 are properly completed and may be subject to penalties under federal law if the form is not completed correctly. Section 1 must be completed no later than the employee’s first day of employment. You may not ask an individual to complete Section 1 before he or she has accepted a job offer. Before completing Section 2, you should review Section 1 to ensure the employee completed it properly. If you find any errors in Section 1, have the employee make corrections, as necessary and initial and date any corrections made.

You may designate an authorized representative to act on your behalf to complete Section 2. An authorized representative can be any person you designate to complete and sign Form I-9 on your behalf. You are liable for any violations in connection with the form or the verification process, including any violations of the employer sanctions laws committed by the person designated to act on your behalf.

You or your authorized representative must complete Section 2 by examining evidence of identity and employment authorization within 3 business days of the employee’s first day of employment. For example, if an employee begins employment on Monday, you must review the employee’s documentation and complete Section 2 on or before Thursday of that week. However, if you hire an individual for less than 3 business days, Section 2 must be completed no later than the first day of employment.

Entering Employee Information from Section 1

This area, titled, “Employee Info from Section 1” contains fields to enter the employee’s last name, first name, middle initial exactly as he or she entered them in Section 1. This area also includes a Citizenship/Immigration Status field to enter the number of the citizenship or immigration status checkbox the employee selected in Section 1. These fields help to ensure that the two pages of an employee’s Form I-9 remain together. When completing Section 2 using a computer, the number entered in the Citizenship/Immigration Status field provides drop-downs that directly relate to the employee’s selected citizenship or immigration status.
Entering Documents the Employee Presents

You, the employer or authorized representative, must physically examine, in the employee's physical presence, the unexpired document(s) the employee presents from the Lists of Acceptable Documents to complete the Document fields in Section 2.

You cannot specify which document(s) an employee may present from these lists. If you discriminate in the Form I-9 process based on an individual's citizenship status, immigration status, or national origin, you may be in violation of the law and subject to sanctions such as civil penalties and be required to pay back pay to discrimination victims. A document is acceptable as long as it reasonably appears to be genuine and to relate to the person presenting it. Employees must present one selection from List A or a combination of one selection from List B and one selection from List C.

List A documents show both identity and employment authorization. Some List A documents are combination documents that must be presented together to be considered a List A document, such as a foreign passport together with a Form I-94 containing an endorsement of the alien's nonimmigrant status.

List B documents show identity only, and List C documents show employment authorization only. If an employee presents a List A document, do not ask or require the employee to present List B and List C documents, and vice versa. If an employer participates in E-Verify and the employee presents a List B document, the List B document must include a photograph.

If an employee presents a receipt for the application to replace a lost, stolen or damaged document, the employee must present the replacement document to you within 90 days of the first day of work for pay, or in the case of reverification, within 90 days of the date the employee's employment authorization expired. Enter the word "Receipt" followed by the title of the receipt in Section 2 under the list that relates to the receipt.

When your employee presents the replacement document, draw a line through the receipt, then enter the information from the new document into Section 2. Other receipts may be valid for longer or shorter periods, such as the arrival portion of Form I-94/ I-94A containing a temporary I-551 stamp and a photograph of the individual, which is valid until the expiration date of the temporary I-551 stamp or, if there is no expiration date, valid for one year from the date of admission.

Ensure that each document is an unexpired, original (no photocopies, except for certified copies of birth certificates) document. Certain employees may present an unexpired employment authorization document, which may be considered unexpired, if the employee's employment authorization has been extended by regulation or a Federal Register Notice. Refer to the Handbook for Employers: Guidance for Completing Form I-9 (M-274) or I-9 Central for more guidance on these special situations.

Refer to the M-274 for guidance on how to handle special situations, such as students (who may present additional documents not specified on the Lists) and H-1B and H-2A nonimmigrants changing employers.

Minors (individuals under age 18) and certain employees with disabilities whose parent, legal guardian or representative completed Section 1 for the employee are only required to present an employment authorization document from List C. Refer to the M-274 for more guidance on minors and certain persons with disabilities. If the minor's employer participates in E-Verify, the minor employee also must present a List B identity document with a photograph to complete Form I-9.

You must return original document(s) to the employee, but may make photocopies of the document(s) reviewed. Photocopying documents is voluntary unless you participate in E-Verify. E-Verify employers are only required to photocopy certain documents. If you are an E-Verify employer who chooses to photocopy documents other than those you are required to photocopy, you should apply this policy consistently with respect to Form I-9 completion for all employees. For more information on the types of documents that an employer must photocopy if the employer uses E-Verify, visit E-Verify's website at www.everify.gov. For non-E-Verify employers, if photocopies are made, they should be made consistently for all new hires and reverified employees.

Photocopies must be retained and presented with Form I-9 in case of an inspection by DHS or another federal government agency. You must always complete Section 2 by reviewing original documentation, even if you photocopy an employee’s document(s) after reviewing the documentation. Making photocopies of an employee’s document(s) cannot take the place of completing Form I-9. You are still responsible for completing and retaining Form I-9.
**List A - Identity and Employment Authorization:** If the employee presented an acceptable document(s) from List A or an acceptable receipt for a List A document, enter the document(s) information in this column. If the employee presented a List A document that consists of a combination of documents, enter information from each document in that combination in a separate area under List A as described below. All documents must be unexpired. If you enter document information in the List A column, you should not enter document information or N/A in the List B or List C columns. If you complete Section 2 using a computer, a selection in List A will fill all the fields in the Lists B and C columns with N/A.

**Document Title:** If the employee presented a document from List A, enter the title of the List A document or receipt in this field. The abbreviations provided are available in the dropdown when the form is completed on a computer. When completing the form on paper, you may choose to use these abbreviations or any other common abbreviation to enter the document title or issuing authority. If the employee presented a combination of documents, use the second and third Document Title fields as necessary.

<table>
<thead>
<tr>
<th>Full name of List A Document</th>
<th>Abbreviations</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Passport</td>
<td>U.S. Passport</td>
</tr>
<tr>
<td>U.S. Passport Card</td>
<td>U.S. Passport Card</td>
</tr>
<tr>
<td>Permanent Resident Card (Form I-551)</td>
<td>Perm. Resident Card (Form I-551)</td>
</tr>
<tr>
<td>Alien Registration Receipt Card (Form I-551)</td>
<td>Alien Reg. Receipt Card (Form I-551)</td>
</tr>
</tbody>
</table>
| Foreign passport containing a temporary I-551 stamp | 1. Foreign Passport  
2. Temporary I-551 Stamp |
| Foreign passport containing a temporary I-551 printed notation on a machine-readable immigrant visa (MRIV) | 1. Foreign Passport  
2. Machine-readable immigrant visa (MRIV) |
| For a nonimmigrant alien authorized to work for a specific employer because of his or her status, a foreign passport with Form I-94/I-94A that contains an endorsement of the alien's nonimmigrant status | 1. Foreign Passport, work-authorized non-immigrant  
2. Form I-94/I-94A  
3. Form I-20 or Form DS-2019 |
| Passport from the Federated States of Micronesia (FSM) with Form I-94/I-94A | 1. FSM Passport with Form I-94  
2. Form I-94/I-94A |
| Passport from the Republic of the Marshall Islands (RMI) with Form I-94/I-94A | 1. RMI Passport with Form I-94  
2. Form I-94/I-94A |
| Receipt: The arrival portion of Form I-94/I-94A containing a temporary I-551 stamp and photograph | Receipt: Form I-94/I-94A w/I-551 stamp, photo |
| Receipt: The departure portion of Form I-94/I-94A with an unexpired refugee admission stamp | Receipt: Form I-94/I-94A w/refugee stamp |
| Receipt for an application to replace a lost, stolen or damaged Permanent Resident Card (Form I-551) | Receipt replacement Perm. Res. Card (Form I-551) |
| Receipt for an application to replace a lost, stolen or damaged Employment Authorization Document (Form I-766) | Receipt replacement EAD (Form I-766) |
| Receipt for an application to replace a lost, stolen or damaged foreign passport with Form I-94/I-94A that contains an endorsement of the alien's nonimmigrant status | 1. Receipt: Replacement Foreign Passport, work-authorized nonimmigrant  
2. Receipt: Replacement Form I-94/I-94A  
3. Form I-20 or Form DS-2019 (if presented) |
| Receipt for an application to replace a lost, stolen or damaged passport from the Federated States of Micronesia with Form I-94/I-94A | 1. Receipt: Replacement FSM Passport with Form I-94  
2. Receipt: Replacement Form I-94/I-94A |
| Receipt for an application to replace a lost, stolen or damaged passport from the Republic of the Marshall Islands with Form I-94/I-94A | 1. Receipt: Replacement RMI Passport with Form I-94  
2. Receipt: Replacement Form I-94/I-94A |

**Issuing Authority:** Enter the issuing authority of the List A document or receipt. The issuing authority is the specific entity that issued the document. If the employee presented a combination of documents, use the second and third Issuing Authority fields as necessary.
**Document Number:** Enter the document number, if any, of the List A document or receipt presented. If the document does not contain a number, enter N/A in this field. If the employee presented a combination of documents, use the second and third Document Number fields as necessary. If the document presented was a Form I-20 or DS-2019, enter the Student and Exchange Visitor Information System (SEVIS) number in the third Document Number field exactly as it appears on the Form I-20 or the DS-2019.

**Expiration Date (if any) (mm/dd/yyyy):** Enter the expiration date, if any, of the List A document. The document is not acceptable if it has already expired. If the document does not contain an expiration date, enter N/A in this field. If the document uses text rather than a date to indicate when it expires, enter the text as shown on the document, such as “D/S” (which means, “duration of status”). For a receipt, enter the expiration date of the receipt validity period as described above. If the employee presented a combination of documents, use the second and third Expiration Date fields as necessary. If the document presented was a Form I-20 or DS-2019, enter the program end date here.

**List B - Identity:** If the employee presented an acceptable document from List B or an acceptable receipt for the application to replace a lost, stolen, or destroyed List B document, enter the document information in this column. If a parent or legal guardian attested to the identity of an employee who is an individual under age 18 or certain employees with disabilities in Section 1, enter either "Individual under age 18" or "Special Placement" in this field. Refer to the Handbook for Employers: Guidance for Completing Form I-9 (M-274) for more guidance on individuals under age 18 and certain person with disabilities.

If you enter document information in the List B column, you must also enter document information in the List C column. If an employee presents acceptable List B and List C documents, do not ask the employees to present a List A document. If you enter document information in List B, you should not enter document information or N/A in List A. If you complete Section 2 using a computer, a selection in List B will fill all the fields in the List A column with N/A.

**Document Title:** If the employee presented a document from List B, enter the title of the List B document or receipt in this field. The abbreviations provided are available in the dropdown when the form is completed on a computer. When completing the form on paper, you may choose to use these abbreviations or any other common abbreviations to document the document title or issuing authority.

<table>
<thead>
<tr>
<th>Full name of List B Document</th>
<th>Abbreviations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Driver's license issued by a State or outlying possession of the United States</td>
<td>Driver's license issued by state/territory</td>
</tr>
<tr>
<td>ID card issued by a State or outlying possession of the United States</td>
<td>ID card issued by state/territory</td>
</tr>
<tr>
<td>ID card issued by federal, state, or local government agencies or entities (Note: This selection does not include the driver's license or ID card issued by a State or outlying possession of the United States as described in B1 of the List of Acceptable Documents.)</td>
<td>Government ID</td>
</tr>
<tr>
<td>School ID card with photograph</td>
<td>School ID</td>
</tr>
<tr>
<td>Voter's registration card</td>
<td>Voter registration card</td>
</tr>
<tr>
<td>U.S. Military card</td>
<td>U.S. Military card</td>
</tr>
<tr>
<td>U.S. Military draft record</td>
<td>U.S. Military draft record</td>
</tr>
<tr>
<td>Military dependent's ID card</td>
<td>Military dependent's ID card</td>
</tr>
<tr>
<td>U.S. Coast Guard Merchant Mariner Card</td>
<td>USCG Merchant Mariner card</td>
</tr>
<tr>
<td>Native American tribal document</td>
<td>Native American tribal document</td>
</tr>
<tr>
<td>Driver's license issued by a Canadian government authority</td>
<td>Canadian driver's license</td>
</tr>
<tr>
<td>School record (for persons under age 18 who are unable to present a document listed above)</td>
<td>School record (under age 18)</td>
</tr>
<tr>
<td>Report card (for persons under age 18 who are unable to present a document listed above)</td>
<td>Report card (under age 18)</td>
</tr>
<tr>
<td>Clinic record (for persons under age 18 who are unable to present a document listed above)</td>
<td>Clinic record (under age 18)</td>
</tr>
<tr>
<td>Doctor record (for persons under age 18 who are unable to present a document listed above)</td>
<td>Doctor record (under age 18)</td>
</tr>
<tr>
<td>Hospital record (for persons under age 18 who are unable to present a document listed above)</td>
<td>Hospital record (under age 18)</td>
</tr>
<tr>
<td>Day-care record (for persons under age 18 who are unable to present a document listed above)</td>
<td>Day-care record (under age 18)</td>
</tr>
<tr>
<td>Nursery school record (for persons under age 18 who are unable to present a document listed above)</td>
<td>Nursery school record (under age 18)</td>
</tr>
<tr>
<td>Full name of List B Document</td>
<td>Abbreviations</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------------------------</td>
<td>----------------------------------------------------</td>
</tr>
<tr>
<td>Individual under age 18 endorsement by parent or guardian</td>
<td>Individual under Age 18</td>
</tr>
<tr>
<td>Special placement endorsement for persons with disabilities</td>
<td>Special Placement</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged Driver's License issued by a State or outlying possession of the United States</td>
<td>Receipt: Replacement driver's license</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged ID card issued by a State or outlying possession of the United States</td>
<td>Receipt: Replacement ID card</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged ID card issued by federal, state, or local government agencies or entities</td>
<td>Receipt: Replacement Gov't ID</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged School ID card with photograph</td>
<td>Receipt: Replacement School ID</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged Voter's registration card</td>
<td>Receipt: Replacement Voter reg. card</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged U.S. Military card</td>
<td>Receipt: Replacement U.S. Military card</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged Military dependent's ID card</td>
<td>Receipt: Replacement U.S. Military dep. card</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged U.S. Military draft record</td>
<td>Receipt: Replacement Military draft record</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged U.S. Coast Guard Merchant Mariner Card</td>
<td>Receipt: Replacement Merchant Mariner card</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged Driver's license issued by a Canadian government authority</td>
<td>Receipt: Replacement Canadian DL</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged Native American tribal document</td>
<td>Receipt: Replacement Native American tribal doc</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged School record (for persons under age 18 who are unable to present a document listed above)</td>
<td>Receipt: Replacement School record (under age 18)</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged Report card (for persons under age 18 who are unable to present a document listed above)</td>
<td>Receipt: Replacement Report card (under age 18)</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged Clinic record (for persons under age 18 who are unable to present a document listed above)</td>
<td>Receipt: Replacement Clinic record (under age 18)</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged Doctor record (for persons under age 18 who are unable to present a document listed above)</td>
<td>Receipt: Replacement Doctor record (under age 18)</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged Hospital record (for persons under age 18 who are unable to present a document listed above)</td>
<td>Receipt: Replacement Hospital record (under age 18)</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged Day-care record (for persons under age 18 who are unable to present a document listed above)</td>
<td>Receipt: Replacement Day-care record (under age 18)</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged Nursery school record (for persons under age 18 who are unable to present a document listed above)</td>
<td>Receipt: Replacement Nursery school record (under age 18)</td>
</tr>
</tbody>
</table>

**Issuing Authority:** Enter the issuing authority of the List B document or receipt. The issuing authority is the entity that issued the document. If the employee presented a document that is issued by a state agency, include the state as part of the issuing authority.

**Document Number:** Enter the document number, if any, of the List B document or receipt exactly as it appears on the document. If the document does not contain a number, enter N/A in this field.

**Expiration Date (if any) (mm/dd/yyyy):** Enter the expiration date, if any, of the List B document. The document is not acceptable if it has already expired. If the document does not contain an expiration date, enter N/A in this field. For a receipt, enter the expiration date of the receipt validity period as described in the Receipt section above.
**List C - Employment Authorization**: If the employee presented an acceptable document from List C, or an acceptable receipt for the application to replace a lost, stolen, or destroyed List C document, enter the document information in this column. If you enter document information in the List C column, you must also enter document information in the List B column. If an employee presents acceptable List B and List C documents, do not ask the employee to present a list A document. If you enter document information in List C, you should not enter document information or N/A in List A. If you complete Section 2 using a computer, a selection in List C will fill all the fields in the List A column with N/A.

**Document Title**: If the employee presented a document from List C, enter the title of the List C document or receipt in this field. The abbreviations provided are available in the dropdown when the form is completed on a computer. When completing the form on paper, you may choose to use these abbreviations or any other common abbreviations to document the document title or issuing authority. If you are completing the form on a computer, and you select an Employment authorization document issued by DHS, the field will populate with List C #7 and provide a space for you to enter a description of the documentation the employee presented. Refer to the M-274 for guidance on entering List C #7 documentation.

<table>
<thead>
<tr>
<th>Full name of List C Document</th>
<th>Abbreviations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Security Account Number card without restrictions</td>
<td>(Unrestricted) Social Security Card</td>
</tr>
<tr>
<td>Certification of Birth Abroad (Form FS-545)</td>
<td>Form FS-545</td>
</tr>
<tr>
<td>Certification of Report of Birth (Form DS-1350)</td>
<td>Form DS-1350</td>
</tr>
<tr>
<td>Consular Report of Birth Abroad (Form FS-240)</td>
<td>Form FS-240</td>
</tr>
<tr>
<td>Original or certified copy of a U.S. birth certificate bearing an official seal</td>
<td>Birth Certificate</td>
</tr>
<tr>
<td>Native American tribal document</td>
<td>Native American tribal document</td>
</tr>
<tr>
<td>U.S. Citizen ID Card (Form I-197)</td>
<td>Form I-197</td>
</tr>
<tr>
<td>Identification Card for use of Resident Citizen in the United States (Form I-179)</td>
<td>Form I-179</td>
</tr>
<tr>
<td>Employment authorization document issued by DHS (List C #7)</td>
<td>Employment Auth. document (DHS) List C #7</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged Social Security Account Number Card without restrictions</td>
<td>Receipt: Replacement Unrestricted SS Card</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged Original or certified copy of a U.S. birth certificate bearing an official seal</td>
<td>Receipt: Replacement Birth Certificate</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged Native American Tribal Document</td>
<td>Receipt: Replacement Native American Tribal Doc.</td>
</tr>
<tr>
<td>Receipt for the application to replace a lost, stolen or damaged Employment Authorization Document issued by DHS</td>
<td>Receipt: Replacement Employment Auth. Doc. (DHS)</td>
</tr>
</tbody>
</table>

**Issuing Authority**: Enter the issuing authority of the List C document or receipt. The issuing authority is the entity that issued the document.

**Document Number**: Enter the document number, if any, of the List C document or receipt exactly as it appears on the document. If the document does not contain a number, enter N/A in this field.

**Expiration Date (if any) (mm/dd/yyyy)**: Enter the expiration date, if any, of the List C document. The document is not acceptable if it has already expired, unless USCIS has extended the expiration date on the document. For instance, if a conditional resident presents a Form I-797 extending his or her conditional resident status with the employee's expired Form I-551, enter the future expiration date as indicated on the Form I-797. If the document has no expiration date, enter N/A in this field. For a receipt, enter the expiration date of the receipt validity period as described in the Receipt section above.

**Additional Information**: Use this space to notate any additional information required for Form I-9 such as:
- Employment authorization extensions for Temporary Protected Status beneficiaries, F-1 OPT STEM students, CAP-GAP, H-1B and H-2A employees continuing employment with the same employer or changing employers, and other nonimmigrant categories that may receive extensions of stay
- Additional document(s) that certain nonimmigrant employees may present
- Discrepancies that E-Verify employers must notate when participating in the IMAGE program
- Employee termination dates and form retention dates
- E-Verify case number, which may also be entered in the margin or attached as a separate sheet per E-Verify requirements and your chosen business process
- Any other comments or notations necessary for the employer's business process

You may leave this field blank if the employee's circumstances do not require additional notations.
Entering Information in the Employer Certification

Employee's First Day of Employment: Enter the employee's first day of employment as a 2-digit month, 2-digit day and 4-digit year (mm/dd/yyyy).

Signature of Employer or Authorized Representative: Review the form for accuracy and completeness. The person who physically examines the employee's original document(s) and completes Section 2 must sign his or her name in this field. If you used a form obtained from the USCIS website, you must print the form to sign your name in this field. By signing Section 2, you attest under penalty of perjury (28 U.S.C. § 1746) that you have physically examined the documents presented by the employee, the document(s) reasonably appear to be genuine and to relate to the employee named, that to the best of your knowledge the employee is authorized to work in the United States, that the information you entered in Section 2 is complete, true and correct to the best of your knowledge, and that you are aware that you may face severe penalties provided by law and may be subject to criminal prosecution for knowingly and willfully making false statements or knowingly accepting false documentation when completing this form.

Today's Date: The person who signs Section 2 must enter the date he or she signed Section 2 in this field. Do not backdate this field. If you used a form obtained from the USCIS website, you must print the form to write the date in this field. Enter the date as a 2-digit month, 2-digit day and 4-digit year (mm/dd/yyyy). For example, enter January 8, 2014 as 01/08/2014.

Title of Employer or Authorized Representative: Enter the title, position or role of the person who physically examines the employee's original document(s), completes and signs Section 2.

Last Name of the Employer or Authorized Representative: Enter the full legal last name of the person who physically examines the employee's original documents, completes and signs Section 2. Last name refers to family name or surname. If the person has two last names or a hyphenated last name, include both names in this field.

First Name of the Employer or Authorized Representative: Enter the full legal first name of the person who physically examines the employee's original documents, completes, and signs Section 2. First name refers to the given name.

Employer's Business or Organization Name: Enter the name of the employer's business or organization in this field.

Employer's Business or Organization Address (Street Name and Number): Enter an actual, physical address of the employer. If your company has multiple locations, use the most appropriate address that identifies the location of the employer. Do not provide a P.O. Box address.

City or Town: Enter the city or town for the employer’s business or organization address. If the location is not a city or town, you may enter the name of the village, county, township, reservation, etc., that applies.

State: Enter the two-character abbreviation of the state for the employer’s business or organization address.

ZIP Code: Enter the 5-digit ZIP code for the employer’s business or organization address.

Completing Section 3: Reverification and Rehires

Section 3 applies to both reverification and rehires. When completing this section, you must also complete the Last Name, First Name and Middle Initial fields in the Employee Info from Section 1 area at the top of Section 2, leaving the Citizenship/Immigration Status field blank. When completing Section 3 in either a reverification or rehire situation, if the employee's name has changed, record the new name in Block A.

Reverification

Reverification in Section 3 must be completed prior to the earlier of:

- The expiration date, if any, of the employment authorization stated in Section 1, or
- The expiration date, if any, of the List A or List C employment authorization document recorded in Section 2 (with some exceptions listed below).

Some employees may have entered “N/A” in the expiration date field in Section 1 if they are aliens whose employment authorization does not expire, e.g. asylees, refugees, certain citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, or Palau. Reverification does not apply for such employees unless they choose to present evidence of employment authorization in Section 2 that contains an expiration date and requires reverification, such as Form I-766, Employment Authorization Document.

You should not reverify U.S. citizens and noncitizen nationals, or lawful permanent residents (including conditional residents) who presented a Permanent Resident Card (Form I-551). Reverification does not apply to List B documents.
For reverification, an employee must present an unexpired document(s) (or a receipt) from either List A or List C showing he or she is still authorized to work. You CANNOT require the employee to present a particular document from List A or List C. The employee is also not required to show the same type of document that he or she presented previously. See specific instructions on how to complete Section 3 below.

Rehires

If you rehire an employee within three years from the date that the Form I-9 was previously executed, you may either rely on the employee's previously executed Form I-9 or complete a new Form I-9.

If you choose to rely on a previously completed Form I-9, follow these guidelines.

- If the employee remains employment authorized as indicated on the previously executed Form I-9, the employee does not need to provide any additional documentation. Provide in Section 3 the employee's rehire date, any name changes if applicable, and sign and date the form.
- If the previously executed Form I-9 indicates that the employee's employment authorization from Section 1 or employment authorization documentation from Section 2 that is subject to reverification has expired, then reverification of employment authorization is required in Section 3 in addition to providing the rehire date. If the previously executed Form I-9 is not the current version of the form, you must complete Section 3 on the current version of the form.
- If you already used Section 3 of the employee's previously executed Form I-9, but are rehiring the employee within three years of the original execution of Form I-9, you may complete Section 3 on a new Form I-9 and attach it to the previously executed form.

Employees rehired after three years of original execution of the Form I-9 must complete a new Form I-9.

Complete each block in Section 3 as follows:

**Block A - New Name:** If an employee who is being reverified or rehired has also changed his or her name since originally completing Section 1 of this form, complete this block with the employee's new name. Enter only the part of the name that has changed, for example: if the employee changed only his or her last name, enter the last name in the Last Name field in this Block, then enter N/A in the First Name and Middle Initial fields. If the employee has not changed his or her name, enter N/A in each field of Block A.

**Block B - Date of Rehire:** Complete this block if you are rehiring an employee within three years of the date Form I-9 was originally executed. Enter the date of rehire in this field. Enter N/A in this field if the employee is not being rehired.

**Block C -** Complete this block if you are reverifyifying expiring or expired employment authorization or employment authorization documentation of a current or rehired employee. Enter the information from the List A or List C document(s) (or receipt) that the employee presented to reverify his or her employment authorization. All documents must be unexpired.

- **Document Title:** Enter the title of the List A or C document (or receipt) the employee has presented to show continuing employment authorization in this field.
- **Document Number:** Enter the document number, if any, of the document you entered in the Document Title field exactly as it appears on the document. Enter N/A if the document does not have a number.
- **Expiration Date (if any) (mm/dd/yyyy):** Enter the expiration date, if any, of the document you entered in the Document Title field as a 2-digit month, 2-digit day, and 4-digit year (mm/dd/yyyy). If the document does not contain an expiration date, enter N/A in this field.

**Signature of Employer or Authorized Representative:** The person who completes Section 3 must sign in this field. If you used a form obtained from the USCIS website, you must print Section 3 of the form to sign your name in this field. By signing Section 3, you attest under penalty of perjury (28 U.S.C. §1746) that you have examined the documents presented by the employee, that the document(s) reasonably appear to be genuine and to relate to the employee named, that to the best of your knowledge the employee is authorized to work in the United States, that the information you entered in Section 3 is complete, true and correct to the best of your knowledge, and that you are aware that you may face severe penalties provided by law and may be subject to criminal prosecution for knowingly and willfully making false statements or knowingly accepting false documentation when completing this form.
Today's Date: The person who completes Section 3 must enter the date Section 3 was completed and signed in this field. Do not backdate this field. If you used a form obtained from the USCIS website, you must print Section 3 of the form to enter the date in this field. Enter the date as a 2-digit month, 2-digit day, and 4-digit year (mm/dd/yyyy). For example, enter January 8, 2014 as 01/08/2014.

Name of Employer or Authorized Representative: The person who completed, signed and dated Section 3 must enter his or her name in this field.

What is the Filing Fee?

There is no fee for completing Form I-9. This form is not filed with USCIS or any government agency. Form I-9 must be retained by the employer and made available for inspection by U.S. Government officials as specified in the “DHS Privacy Notice” below.

USCIS Forms and Information

For additional guidance about Form I-9, employers and employees should refer to the Handbook for Employers: Guidance for Completing Form I-9 (M-274) or USCIS’ Form I-9 website at https://www.uscis.gov/i-9-central.

You can also obtain information about Form I-9 by e-mailing USCIS at I-9Central@dhs.gov, or by calling 1-888-464-4218 or 1-877-875-6028 (TTY).

You may download and obtain the English and Spanish versions of Form I-9, the Handbook for Employers, or the instructions to Form I-9 from the USCIS website at https://www.uscis.gov/i-9. To complete Form I-9 on a computer, you will need the latest version of Adobe Reader, which can be downloaded for free at http://get.adobe.com/reader/. You may order paper forms at https://www.uscis.gov/forms/forms-by-mail or by contacting the USCIS Contact Center at 1-800-375-5283 or 1-800-767-1833 (TTY).

Information about E-Verify, a web-based system that allows employers to confirm the eligibility of their employees to work in the United States, can be obtained at https://www.e-verify.gov or by contacting E-Verify at https://www.e-verify.gov/contact-us.

Employees with questions about Form I-9 and/or E-Verify can reach the USCIS employee hotline by calling 1-888-897-7781 or 1-877-875-6028 (TTY).

Photocopying Blank and Completed Forms I-9 and Retaining Completed Forms I-9

Employers may photocopy or print blank Forms I-9 for future use. All pages of the instructions and Lists of Acceptable Documents must be available, either in print or electronically, to all employees completing this form. Employers must retain each employee’s completed Form I-9 for as long as the individual works for the employer and for a specified period after employment has ended. Employers are required to retain the pages of the form on which the employee and employer entered data. If copies of documentation presented by the employee are made, those copies must also be retained. Once the individual’s employment ends, the employer must retain this form and attachments for either 3 years after the date of hire (i.e., first day of work for pay) or 1 year after the date employment ended, whichever is later. In the case of recruiters or referrers for a fee (only applicable to those that are agricultural associations, agricultural employers, or farm labor contractors), the retention period is 3 years after the date of hire (i.e., first day of work for pay).

Forms I-9 obtained from the USCIS website that are not printed and signed manually (by hand) are not considered complete. In the event of an inspection, retaining incomplete forms may make you subject to fines and penalties associated with incomplete forms.

Employers should ensure that information employees provide on Form I-9 is used only for Form I-9 purposes. Completed Forms I-9 and all accompanying documents should be stored in a safe, secure location.

Form I-9 may be generated, signed, and retained electronically, in compliance with Department of Homeland Security regulations at 8 CFR 274a.2.
DHS Privacy Notice

AUTHORITIES: The information requested on this form, and the associated documents, are collected under the Immigration Reform and Control Act of 1986, Pub. L. 99-603 (8 USC 1324a).

PURPOSE: The primary purpose for providing the requested information on this form is for employers to verify your identity and employment authorization. Consistent with the requirements of the Immigration Reform and Control Act of 1986, employers use the Form I-9 to document the verification of the identity and employment authorization for new employees to prevent the unlawful hiring, or recruiting or referring for a fee, of aliens who are not authorized to work in the United States. This form is completed by both the employer and employee, and is ultimately retained by the employer.

DISCLOSURE: The information you provide is voluntary. However, failure to provide the requested information, including your Social Security number (if applicable), and any requested evidence, may result in termination of employment. Failure of the employer to ensure proper completion of this form may result in the imposition of civil or criminal penalties against the employer. In addition, knowingly employing individuals who are not authorized to work in the United States may subject the employer to civil and/or criminal penalties.

ROUTINE USES: This information will be used by employers as a record of their basis for determining eligibility of an individual to work in the United States. The employer must retain this completed form and make it available for inspection by authorized officials of the Department of Homeland Security, Department of Labor, and Department of Justice, Civil Rights Division, Immigrant and Employee Rights Section. DHS may also share this information, as appropriate, for law enforcement purposes or in the interest of national security.

Paperwork Reduction Act

An agency may not conduct or sponsor an information collection and a person is not required to respond to a collection of information unless it displays a currently valid OMB control number. The public reporting burden for this collection of information is estimated at 35 minutes per response, when completing the form manually, and 26 minutes per response when using a computer to aid in completion of the form, including the time for reviewing instructions and completing and retaining the form. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to: U.S. Citizenship and Immigration Services, Regulatory Coordination Division, Office of Policy and Strategy, 20 Massachusetts Avenue NW, Washington, DC 20529-2140; OMB No. 1615-0047. Do not mail your completed Form I-9 to this address.
APPENDIX 13

PARISH PROMISSORY NOTES
Promissory Note - Loan #LXXXXX

DATE

For Value Received, ENTITY NAME (XXX), promises to pay to the order of Central Investment & Lending Agency - RC Diocese of Paterson in legal tender of the United States of America, the principal sum of AMOUNT and XX/100 dollars ($XXXXXXX.XX) together with interest upon the amounts thereof remaining unpaid from time to time, under the following terms:

TERMS:

1. The principal amount is payable in full by DATE. This loan is a X year (XX month) loan.

2. The loan will be charged the prevailing interest rate of the CILA program. Currently this rate is 3.31%.

3. As of DATE, monthly payments of $XXXX.XX will be due. Interest will accrue at the prevailing rate during the period of no payments.

4. Payments made toward the outstanding loan are applied first to any accrued interest, with the balance of the payment being applied towards principal.

5. The principal balance of the loan may be prepaid in whole or part at any time without penalty.

6. This note supersedes and voids any previous note or agreement for loan #LXXXX.

__________________________  __________________________
Borrower                    Diocese of Paterson

Signature: __________________________  __________________________
Print: __________________________  __________________________
Date: __________________________  __________________________

ENTITY NAME (CITY) (XXX)  CILA - R.C. Diocese of Paterson
Subvention Promissory Note - Loan #LXXXXXXX

DATE, 20XX

For Value Received, ENTITY NAME (XXX), promises to pay to the order of Central Investment & Lending Agency - RC Diocese of Paterson in legal tender of the United States of America, the principal sum of AMOUNT and XX/100 dollars ($XXX,XXX,XX) together with accrued interest upon the amounts thereof remaining unpaid from time to time, under the following terms:

TERMS:

1. The subvention loan will be charged zero interest provided the terms below are met in full. If the terms are not met, the loan will be charged the prevailing CILA rate which is currently 3.31%.

2. The subvention loan amount is not required to be paid unless and until ENTITY NAME (XXX), receives extraordinary income such as a bequest or sale of property or rental income that would permit ENTITY NAME (XXX), to pay the obligation without impairment to its or injury to its creditors. If such condition occurs, this loan is redeemable in whole or in part at the option of the holder.

3. Notwithstanding #2 above, ENTITY NAME (XXX), has previously agreed to pay (INSERT DESCRIPTION OF EXTRAORDINARY INCOME) until the principal is paid in full. This condition remains in force until the loan principal is paid in full.

4. Any payments made toward the outstanding loan will be applied to the principal. Once the principal is fully paid, all interest charges will be reversed.

5. The principal balance of the loan may be prepaid in whole or part at any time without penalty.

6. This note supersedes and voids any previous agreement for loan #LXXXXXXX.

_________________________    ___________________________
Borrower                        Diocese of Paterson

Signature: _________________________

Print: ____________________________

Date: ____________________________

ENTITY NAME (CITY) (XXX)   CILA – R.C. Diocese of Paterson
APPENDIX 14

PARISH FINANCE COUNCIL CHARTER

GUIDELINES FOR PARISH FINANCE COUNCIL

GUIDELINES FOR PARISH TRUSTEES
ARTICLE I: Name and Purpose

ARTICLE II: Structure, Membership, and Officers

ARTICLE III: Voting

ARTICLE IV: Meetings

ARTICLE V: Duties/Responsibilities
   A. Budgets
   B. Financial Records and Reporting
   C. Strategic Planning
   D. Internal Controls
   E. Insurance Issues
   F. Other Considerations

ARTICLE VI: Communication

ARTICLE VII: Confidentiality

ARTICLE VIII: Charter Review and Change
ARTICLE I: Name and Purpose

The Parish Finance Council (hereinafter referred to as PFC) is established pursuant to the requirements of Canon 537 of the 1983 Code of Canon Law for the Roman Catholic Church, and is subject to the provisions of Canon Law. It exists to assist the Pastor/Administrator by providing valuable insight and advice in parish financial matters. The PFC is directly accountable to the Pastor/Administrator. With him, the members also exercise appropriate accountability to their parish community and to Diocesan leadership.

The PFC is envisioned as a select group of parishioners known for their spiritual maturity, love of Christ, the Church and their parish. They understand and support the vision and goals of the Bishop of the Diocese of Paterson and the Diocesan mission. Members of the PFC shall have a broad range of competencies in business and financial management, as well as a capacity to make sound decisions. They offer their time and talents to assist the pastor/administrator/bishop with the development and management of the parish’s financial resources so that the parish may effectively pursue its proper mission.

The PFC must serve in accord with Gospel principles. Efficient use of resources and money management, in this context, must be measured primarily by the ability to nurture and foster the mission and ministry of the parish community and diocese. A truly Catholic understanding of the mission of the Church necessarily includes good business practice.

ARTICLE II: Structure, Membership, and Officers.

A. PFC members shall be appointed by the Pastor/Administrator. They must be active parishioners in good standing and must understand and support the diocesan mission.

B. Parish Trustees shall serve as ex-officio members of the PFC.

C. When a pastorate changes, the new Pastor/Administrator is to meet with the current PFC. Within ninety (90) days, he is to decide whether to reappoint the current membership to complete the balance of their respective terms of office, or to appoint new members to replace them and complete the replaced council members’ respective terms.

Members should be skilled in business and have some expertise in management, finance, accounting, law, fundraising, or related fields. Examples of professions with such background/skills include, but are not limited to: accountants, bankers, business owners, computers/systems managers, construction project managers, engineers, financial managers, fundraisers, lawyers, marketing personnel and property managers.
D. Conflict of Interest:

The membership of the PFC is not to include anyone who could have a conflict of interest a business relationship or any relationship to another PFC member, a paid parish staff member or any relative of the Pastor/Administrator up to the fourth degree of consanguinity (related by blood) or affinity (related by marriage) (Canon 492 §3, by extension). The names of the members are to be communicated to the parishioners (e.g. listed in the parish bulletin) at least annually.

E. There shall be at least three (3) appointed members (Canon 492 §1, by extension). More members may be added, with a recommended maximum of eight (8). Appointed members shall serve for three (3) years, and have the right to consultative vote. The terms of the PFC will be staggered to ensure continuity. Upon the initial formation of the PFC, the Pastor/Administrator shall designate either a one, two, or three year term, in succession, for each appointed member. Thereafter, members who are appointed or re-appointed shall serve for three (3) years. Generally, and where practical, no member should serve for more than two (2) consecutive three (3) year terms without a one (1) year break; Staff resource persons, such as a the parish business manager/bookkeeper, the school principal, etc. can be included in meetings. Such individuals would be responsible for supplying additional information needed by the Council to function effectively. When present at meetings, staff resource persons do no vote.

F. The Parochial Vicar(s) should be present at all PFC meetings.

G. The Pastor/Administrator may remove a member from the PFC prior to the expiration of his/her term of office only with the approval of a majority of the members, and with cause. Cause is defined here as no longer being a member of the parish, physical or mental incapacitation, public non-support of Church teaching or participation in public scandal, non-support of diocesan directives or acting contrary to the Code of Canon Law or regulations of the Diocese of Paterson.

H. An appointed member who misses two regularly scheduled Council meetings in any given year, without giving prior notice to the Pastor/Administrator or Chairperson, shall be removed from PFC membership.

I. The Pastor/Administrator shall preside at all meetings. Any meeting held when the Pastor/Administrator is not present is to be considered null and void.

J. The PFC should have the following officers: Chairperson, Vice Chairperson, and Secretary. Officers may be re-appointed by January 1st of each year.
1. The Pastor/Administrator is the President of the Council and according to Canon 532, represents the Parish in all financial matters. The Chairperson assists the Pastor/Administrator, who presides at all meetings, and in consultation with the Pastor/Administrator, is responsible for selecting the hour and location of meetings, preparing the meeting agenda and effecting any other duties assigned by him. The Chairperson serves as an ex officio member of the Parish Pastoral Council, if one exists (Canon 536).

2. The Vice Chairperson, in the absence of the Chairperson, assists the Pastor/Administrator, who presides at all meetings and performs any other duties assigned by the Chairperson or the Pastor/Administrator.

3. The Secretary is responsible for the recording and distribution of the minutes, notifying members of upcoming meetings, maintaining a permanent record of business conducted by the PFC and each member’s tenure. Also, any additional duties assigned by the Chairperson or the Pastor/Administrator. The Secretary serves as an ex officio member of the Parish Pastoral Council, if one exists.

K. The Council may establish committees, either standing (such as budget, maintenance, civil issues, inventory, school, parish organization) or ad hoc (such as building and renovation) to assist in fulfilling its responsibilities.

ARTICLE III: Voting

A. Consultative voting may be necessary for the Pastor/Administrator to get the sense of the Council’s opinion. If the advice of the voting members is unanimous on a given matter, the Pastor/Administrator will give serious consideration to the recommendation and not lightly reject it.

B. Although the Pastor/Administrator is not obliged to follow the recommendations of the Council, he should not act against such advice, unless there is an overriding reason. In that event, he should clearly communicate the reason to the Council (Canon 127, 2.2)

ARTICLE IV: Meetings

A. Regular meetings shall be held at least quarterly, and more frequently if necessary, at a time and place established by the Pastor/Administrator. Special meetings may be called by the Pastor/Administrator. The presence of a majority of the members shall constitute a quorum.
B. Parish employees or vendors performing financial services to the parish may only attend the portion of the meeting related to their function.

C. An annual calendar of meetings and an outline of major action items should be proposed and agreed upon at the first meeting of each fiscal year.

D. The agenda and study material should be provided to the members prior to the regular meetings.

E. The Secretary is responsible for taking minutes at each PFC meeting. These should be kept as a permanent record, and maintained at the parish office.

ARTICLE V: Duties/Responsibilities

The responsibilities of the PFC include the following areas:

A. Internal Controls

1. Fiduciary responsibility for oversight of the internal controls at the parish, including the diocesan mandated collections, cash receipts, counting, and handling procedures as outlined in the Diocesan Financial Policies and Procedures Manual, and directives from Bishop and the Dioceses for parishes or schools.

2. Review of Financial Review Report. Every three (3) years, each parish is required to have parish financial reviews performed by Diocesan personnel. Parishes may choose to have financial reviews more often than this. If so, the Pastor/Administrator should submit a written request to the Diocesan Finance Office.

3. When a change of Pastor/Administrator occurs, to assist with providing a complete report of the parish’s financial condition and inventory of parish assets for the new Pastor or Administrator (Canon 1283, 2).

B. Budgets

1. Assist in establishing timelines for development and implementation of the annual capital and operating budget for parish, school, and additional parish organizations. The Pastor/Administrator is responsible for the actual coordination/preparation of all parish budgets, but is to seek the advice of the PFC. The Pastor/Administrator is to elicit the assistance of the parish business manager, bookkeeper and/or PFC Chairperson to prepare the parish budget.

Parish organizations include those with bank accounts and all those in the general operating budget (i.e., Men’s Club, Women’s Club, Altar Society, Bingo, Scrip, Boosters, etc.) should submit an organizational budget to the Bookkeeper. Each
organization should present its plans and a summary of expected cash receipts and disbursements to the PFC during the budget cycle. All are an integral part of parish life and provide services to parishioners and/or general operations/special funding. Financial statements shall be submitted to the PFC at least quarterly.

The term of office for the treasurer for any such parish group or organization that has a separate checking or bank account shall be two years, and cannot be consecutively reappointed.

2. Determine if the parish and/or school budgets are prepared in accordance with the chart of accounts and reporting formats required by the Diocese of Paterson.

3. Review the proposed annual parish, school, and organizations’ capital and operating budgets and make recommendations to the Pastor/Administrator for changes as appropriate.

4. Assist in presenting an annual budget report to the parish.

C. Financial Records and Reporting

1. Review financial statements, including annual reports, to assure that Diocesan policies regarding fiscal and accounting procedures are being followed.

2. Review monthly and/or quarterly income and expense reports for the parish and/or school. Regularly compare actual results to budget and prior year numbers. All significant variances should be explained with particular attention given to expenditures not included in the capital or operating budget.

3. Assist, annually, with recording detailed inventory of parish assets and update the inventory prepared in accordance with Canon 1283, 2.

4. Review the quarterly financial report, prior to submission to the Diocesan Finance Office, to help determine the accuracy and completeness; ensure that it is submitted by the prescribed due date.

5. Annually, after the end of the fiscal year, each Pastor/Administrator is asked to send a letter, together with the financial report, to the Bishop containing:

   a. the names and professional titles of the members of his Parish PFC;

   b. the dates on which the PFC has met during the preceding fiscal year and since the end of that fiscal year;

   c. A statement signed by the Parish PFC members and the Pastor/Administrator stating that they have met, reviewed, and discussed the financial report of the
parish, and that it includes all parish related matters, and is accurate and complete.

6. Review, at least annually, the financial statements and verify the cash balances of all parish organizations with bank statements. Make sure all accounts for the parish and for each parish organization are included on the annual financial report.

   a. Cemetery perpetual care and operating monies must be properly accounted for and cannot be used for any other purpose. Written permission of the Bishop is required to use the earnings for any other purpose than specifically for the cemetery.

7. Assist in preparing/presenting/communicating an annual comprehensive financial report (Balance Sheet and Profit and Loss) to all parishioners. Specific information pertaining to the parish, school, organizations and cemetery should be included.

8. Review accuracy and timeliness of payments for all parish bills and/or obligations, including Diocesan loans and accounts payable.

9. Monitor parish contribution trends by studying sources of parish revenue: make recommendations for maintaining and enhancing parish revenue, assist in the development of programs and processes to that end, and coordinate fundraising programs.

   a. Support and review fundraising programs and expenditures for the parish, school, affiliated groups/organizations.

   b. In conjunction with the Parish Pastoral Council, if one exists, educate parishioners about the nature of stewardship and consider parish based, increased offertory programs.

D. Strategic Planning

1. Assist the Pastor/Administrator in developing a long-term parish capital improvement plan, including implementation and funding sources.

2. Assist the Pastor/Administrator in developing a program for the care and maintenance of all parish facilities.

3. Assist in the development and maintenance of position descriptions for all parish employees. Consultation with the Diocesan Compliance and Human Resource Office is highly recommended.
4. Serve as a resource to advise the Pastor/Administrator on significant expenditures before making a purchase or lease commitment.

5. Assist the Pastor/Administrator in soliciting assistance and/or information from the Diocesan Finance Officer and members of the Finance Office staff as appropriate.

E. Concurrent Tasks:

1. Ascertain that required Diocesan policies are implemented and enforced.

2. Review property insurance invoices, including furnishings/contents, to be sure that all parish buildings are included on the insurance invoices.

3. Assist in completing a (safety) self-inspection or with any on-site inspection by a loss control representative. Also, with follow-up procedures.

3. Ascertain a) that background checks are completed for all church workers as defined by the Diocese of Paterson, b) that the requirements for child protection training is met, and 3) that the Code of Conduct is implemented. This includes those with access to parish funds.

4. Follow established Diocesan guidelines and participate in Diocesan training sessions and/or workshops.

5. Ascertain that independent contractors comply with Internal Revenue Service regulations; retain a copy of a signed statement stating they are independent contractors as defined by the IRS.

6. Ensure that all insurance incidents, accidents or potential claims are reported in a timely fashion to the diocesan insurance office.

7. Review all parish, school, parish organizations, banking and financial institution arrangements, including signature cards. The Pastor must be one of the signatories on all accounts as the primary authorized signatory. The Bishop must also be a signatory.

8. Participate in a mandatory annual review of all authorized accounts and signers on the accounts.

9. Be given complete access to all records and documents related to the financial status and operations of the parish.

10. Ensure the diocesan guidelines regarding spending and permission by implemented:
a. The Pastor/Administrator must consult the PFC concerning any major commitment of parish funds in excess of $29,000 (or in excess of more than 5% of the total parish operational income as of the last complete fiscal year) for all construction, renovation, additions and/or building type projects or property transactions, or a series of small amounts for a single purpose that will exceed $29,000 (or in excess of more than 5% of the total parish operational income). A project cannot be broken down to smaller components to avoid this requirement.

b. The PFC shall assist, if needed, with obtaining the required authorization from the Bishop for amounts exceeding $29,000 and with adherence to the Diocesan Financial Policies and Procedures.

ARTICLE VI: Communication

Recognizing that the Parish PFC and the Parish Pastoral Council are distinct consultative bodies, good communication between both entities is important for the well-being of the parish. It is to the Pastor/Administrator’s benefit that the Chairperson and Secretary of the PFC are ex-officio members of the Parish Pastoral Council, if one exists.

If financial concerns exist within the parish, they should be resolved by contacting in this order: 1) Pastor/Administrator; 2) Diocesan Finance Officer 3) Vicar General. In fidelity to the principle of subsidiarity, all attempts to resolve an issue should be take place at the lowest possible level. In cases where there is concern about possible malfeasance, then the Vicar General should be contacted immediately if the issue cannot be resolved with the Pastor/Administrator.

ARTICLE VII: Confidentiality

Members of the PFC must observe strict confidentiality concerning all matters discussed at Finance Council meetings and provided to them in confidence. In general, the PFC should not have access to the records of individual parishioners which pertain to their financial contributions or other confidential information.

ARTICLE VIII: Charter Review and Change

This charter is to be reviewed annually by the PFC. Recommendations for changes may be submitted to the Diocesan Bishop for his review and written approval. Since this charter is particular law of the Diocese of Paterson, the Diocesan Bishop may amend it from time to time, as conditions warrant.
Parish
Finance Council Mandate

The parish Finance Council is established under Cannon 537. Cannon 537 states - in each parish there is to be a finance council which is governed, in addition to universal law, by norms issued by the diocesan bishop and in which the Christian faithful, selected according to these same norms, are to assist the pastor in the administration of the goods of the parish, without prejudice to the prescript of Cannon 532. In all juridic affairs the pastor represents the parish according to the norms of law (can 532).

The parish council for Parish is established in accordance with the cannon law. The finance council is headed by the Pastor, standing members of the finance council are a representative from the education council and the treasurer of the Home & School Association. The Pastor may appoint such other ad-hoc members as he determines are required. The norm shall be at least four ad-hoc members. The object of ad-hoc appointments is to fulfill cannon 1280 which states the need for financial, civil-law, and canonical expertise is critical in a complex modern world. The two trustees are ex-officio members of the committee.

The Pastor shall appoint a chairperson, usually the longest serving ad-hoc member of the council. The duty of the chairperson is to organize the meetings including issuing agendas and inviting guest when so required. From the remaining members will be selected a secretary who will be responsible for minuting the discussions and recommendations of the council.

The education council representative and home & school association treasurer are responsible for presenting the budget and financial reports of their respective charges on such frequency as the council shall determine.

At the September meeting of the council the annual work plan shall be agreed. The work plan outlines the regular agenda items the council would like to have appear at what intervals. The council is primarily responsible for preparing the annual budget in June and the annual financial report to the diocese in September.

The finance council serves to advise the Pastor. The council has no power to make decisions or bind the parish.

Cannon 1284 outlines the duties of administrators.

1. All administrators are bound to fulfill their function with the diligence of a good householder.

2. Consequently they must:
1) Exercise vigilance so that the goods entrusted to their care are in no way lost or damaged, taking out insurance policies for the purpose insofar as necessary;
2) Take care that the ownership of ecclesiastical goods is protected by civilly valid methods;
3) Observe the prescripts of both cannon and civil law or those imposed by the founder, a donor, or legitimate authority, and especially be on guard so that no damage comes to the Church from the non-observance of civil laws;
4) Collect the return of goods and the income accurately and on time, protect what is collected, and use them according to the intention of the founder or legitimate norms;
5) Pay at the stated time the interest due on a loan or mortgage and take care that the capital debt itself is repaid in a timely manner;
6) With the consent of the ordinary, invest the money which is left over after expenses and can usefully set aside for the purpose of the juridic person;
7) Keep well organized books of receipts and expenditures;
8) Draw up a report of the administration at the end of each year;
9) Organize correctly and protect in suitable and proper archive the documents and records which the property rights of the Church or the institute are based, and deposit authentic copies of them in the archive of the curia when it can be done conveniently;

3. It is strongly recommended that administrators prepare the budgets of income and expenditures each year; it is left to the particular law, however, to require them and to determine more precisely the ways in which they are to be presented.

All budgeting of the church should be done, not just with a view to increase income, meeting expenditures, and providing for the unforeseen circumstances, but also in the light of the demands of social justice and in the light of one of the principal purposes of raising funds in the Church, namely, to be able to perform the works of charity toward the needy.
Guidelines for the Parish Finance Council

The guidelines for the parish finance council can be found in a memorandum from the Diocesan Business Office to all pastors, dated December 27, 1995, as well as The Code of Canon Law.

Canon 537 of The Code of Canon Law concerning parish finance council states, “In each parish there is to be a finance council which is governed, in addition to universal law, by norms issued by the diocesan bishop and in which the Christian faithful, selected according to these same norms, are to assist the pastor in the administration of the goods of the parish, without prejudice to the prescript of canon 532.”

The finance council does not substitute for the pastor/administrator as the chief administrator and legal representative of the parish’s goods.

Parish finance councils are consultative in nature. The pastor (or administrator) always retains ultimate responsibility for the prudent stewardship of parish resources.

A typical parish finance council consists of between five and nine lay parishioners appointed by the pastor/administrator (with at least one being a parish trustee) with various areas of financial, administrative or legal expertise. The pastor serves as the non-voting Chairman of the finance council.

The parish finance council is responsible for guaranteeing the sound financial management and administration of the temporal goods of the parish. This responsibility may include, but is not limited to, the following elements.

- The annual budget process should begin with the finance council and end with the approval of the final budget by the finance council and the pastor/administrator. (cf. canon 1284 §3)
- The finance council should approve all parish expenditures over $15,000 and all major administrative decisions.
- The finance council should provide for the annual upkeep and maintenance of the parish facilities.
- The finance council should monitor budget compliance throughout the fiscal year.
- The finance council should oversee all parish investments.
- The finance council should help provide for the Diocesan assessment. (cf. canon 1263)
- The finance council should assist the pastor/administrator in the preparation and presentation of the annual Parish Financial Statement, which is both reported to the parishioners and submitted to the Diocese.

A minimum of three meetings of the parish finance council should be held annually:

- April/May – approval of the budget
- September – review and publication of the financial report
- Winter – planning for the upcoming fiscal year
Policy on Parish Finance Councils

1 Each parish must have an active Parish Finance Council.

2 This parish finance council will consist of at least four parishioners, one of whom is the chairperson selected by the pastor/administrator. Ex-officio members are the two parish trustees.

3 In accordance with civil law and diocesan policies, two parish trustees shall be appointed for each parish by the Ordinary with a term of one year that may be renewed for no more than two terms. These trustees must be active parishioners.

4 No trustee or parish finance council member or any member of his or her family shall derive any financial benefit whatsoever as a result of service to the parish. In the event that a trustee or parish finance council member or any member of his or her family is receiving such financial benefit, their service as trustee or finance council member must end. If a pastor has substantive reasons for seeking an exception to this policy, he may petition the Ordinary.

5 Since each parish is separately incorporated, each parish must meet the legal obligations of such corporations. They must have at least one meeting of the parish corporation. The Minute Book of the corporation must be signed by the Pastor, the two Trustees, and the Ordinary.
Guidelines for Parish Trustees

As a religious corporation, a parish must have a Board of Trustees. In the Diocese of Paterson, each parish corporation consists of:

- The Bishop of Paterson as president of the civil corporation
- The Vicar General of the Diocese of Paterson as the vice president
- The pastor/administrator of the parish as the secretary-treasurer
- Two lay trustees nominated by the pastor and appointed by the Bishop of Paterson.

Two parish trustees shall be nominated by the pastor/administrator and appointed by the Bishop of Paterson with a term of one year that may be renewed for no more than two terms. These trustees must be active parishioners. Existing trustees would begin their first one-year term under the policies of the Diocesan Finance Council as of July 1, 2006.

Each parish must meet the legal obligations of a religious corporation under New Jersey law. The parish corporation must have at least one meeting per year, where a quorum of the pastor/administrator and the two lay trustees is necessary for the meeting. Minutes from this meeting must be signed by the pastor/administrator, the lay trustees and the Bishop of Paterson or the Vicar General of the Diocese of Paterson.

No lay trustee of parish finance council member or any member of his or her family shall derive any financial benefit whatsoever as a result of service to the parish. In the event that a trustee or parish finance council member or any member of his or her family is receiving such financial benefit, their service as trustee or finance council member must end. If a pastor/administrator has substantive reasons for seeking an exception to this policy, he may petition the Bishop of Paterson.
APPENDIX 15

PARISH FINANCIAL RISK REVIEW CHECKLIST
Parish Financial Risk Review Checklist

This Financial Risk Review Checklist is a self-evaluation form to be used by the parishes. Pastors/Administrators, Business Managers, Parish Accountants and Bookkeepers, Trustees, and Finance Council members will find completion of the checklist a helpful tool to review the parish’s internal controls (excludes internal controls for parish cemeteries or schools).

The statements are listed along with True/False and not applicable boxes. Mark the respective answer that applies to the current operations of the parish. Questions with a “False” answer indicate a potential problem area in terms of safety and checks and balances. Please feel free to contact the Diocese of Paterson Finance Department with any questions. Please add explanation/comment and next steps as necessary.

### Introductory Questions

<table>
<thead>
<tr>
<th>Question</th>
<th>True</th>
<th>False</th>
<th>n/a</th>
<th>Explanation/Comment</th>
<th>Next Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Do you have a copy of the current Diocesan Financial Policies and Procedures (May 2019)?</td>
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<td>B. Have the Pastor, Business Manager/Bookkeeper, and at least one Finance Council member read it?</td>
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### Offertory Collections

<table>
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<tr>
<th>Number</th>
<th>Statement</th>
<th>True</th>
<th>False</th>
<th>n/a</th>
<th>Explanation/Comment</th>
<th>Next Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>At least two ushers place money in pre-numbered, single use tamper-evident plastic bags after the collection during mass.</td>
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<td>2</td>
<td>A master number list for the plastic collection bags is maintained in the parish office.</td>
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<td>3</td>
<td>Both ushers sign the plastic collection bags and the bags are placed in a safe until the time designated for counting.</td>
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<td>4</td>
<td>Two people retrieve the sealed bags from the safe.</td>
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<td>5</td>
<td>Two or more unrelated adults are always present while money is being handled.</td>
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<td>6</td>
<td>Money is counted in a secure area. No cash received is excluded.</td>
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<td>7</td>
<td>Money in the envelope is compared to the amount written on the envelope.</td>
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<td>8</td>
<td>Checks are restrictively endorsed - For Deposit Only (parish name).</td>
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<td>9</td>
<td>Collection worksheets are prepared and signed by the counting team.</td>
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<td>10</td>
<td>The counting team places the money and a copy of the deposit slip in a new tamper-evident plastic collection bag and brings the bag to the bank for depositing in the night drop or to the teller if during business hours.</td>
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<td>11</td>
<td>The parish has multiple counting teams that rotate week by week.</td>
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<td>12</td>
<td>Contributions are posted to parishioner records and statements are periodically provided to parishioners.</td>
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<td>13</td>
<td>The business manager, business administrator and bookkeeper have no role other than recording amounts in the general ledger and investigating differences between the count sheet and the deposit received by the bank.</td>
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<td>14</td>
<td>The pastor/administrator has no role handling offertory collections at any time.</td>
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<td>15</td>
<td>Diocesan special collections are remitted within 20 days to the Finance Dept.</td>
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<td>16</td>
<td>All individual gifts of $250 or more are receipted and a statement is sent at the end of the year.</td>
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### Online Giving/Credit Card Processing/Bank Gifts

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<thead>
<tr>
<th>Number</th>
<th>Statement</th>
<th>True</th>
<th>False</th>
<th>n/a</th>
<th>Explanation/Comment</th>
<th>Next Steps</th>
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<tbody>
<tr>
<td>17</td>
<td>The parish actively encourages parishioners to participate in the online giving program.</td>
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<td>18</td>
<td>The parish promotes online giving for offertory and special events via the parish website.</td>
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<tr>
<td>19</td>
<td>The parish is using a Payment Card Industry Data Security Standard (PCI DSS) compliant vendor (ex. eCatholic, Faith Direct, etc.) for parishioner online giving.</td>
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Parish Financial Risk Review Checklist

This Financial Risk Review Checklist is a self-evaluation form to be used by the parishes. Pastors/Administrators, Business Managers, Parish Accountants and Bookkeepers, Trustees, and Finance Council members will find completion of the checklist a helpful tool to review the parish's internal controls (excludes internal controls for parish cemeteries or schools).

The statements are listed along with True/False and not applicable boxes. Mark the respective answer that applies to the current operations of the parish. Questions with a "False" answer indicate a potential problem area in terms of safety and checks and balances. Please feel free to contact the Diocese of Paterson Finance Department with any questions. Please add explanation/comment and next steps as necessary.

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IN-OFFICE COLLECTIONS (FEES FOR MASS INTENTIONS, STOLE FEES, RELIGIOUS ED, ETC.)

24 Receipts are available upon request for all monies received that are not in an offering envelope. Three-part receipts should be used for accountability.

25 If possible, given the makeup of the parish employees, the individual who records collections on the parish accounting records should not be responsible for handling the cash receipts.

26 Offering envelopes are held in the parish safe and given to the Mass collection counters for the next weekly deposit.

27 Undeposited money is kept in a locked safe.

28 Deposits are made frequently, at a minimum of once per week.

The pastor/administrator and the two trustees are the only authorized check signers on all accounts besides Scrip and bingo.

DISBURSEMENTS

29 Any single check in excess of $15,000 shall require the signature of two signers.

30 All checks contain original signatures (no signature stamps).

31 The Pastor/Administrator, neighboring Pastor, Parochial Vicar, a Trustee and the Parish Finance Council Chairperson are the only authorized check signers on all accounts besides scrip and bingo. The Parish Business Administrator/Manager may also be a check signer if that person is not involved in the check issuing process.

32 Pre-numbered checks are issued and used in order.

33 Blank checks are adequately safeguarded.

34 Voided and/or damaged checks are marked and retained separately. Previously issued voided checks are entered in QuickBooks.

35 Checks are never pre-signed.

36 Check signers inspect all supporting documentation.
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<tr>
<td>37</td>
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<tr>
<td>All payments are supported by an original invoice (not statement) which contains the approver's signature and date approved and paid when due with applicable vendor discounts taken whenever possible.</td>
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<tr>
<td>Checks are never written out to the Parish or for &quot;cash&quot;.</td>
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<tr>
<td>Parish has active credit cards and maintains a list of card holders and account numbers. Parish does not use debit cards.</td>
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<td>40</td>
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<tr>
<td>Credit cards no longer used are closed out and destroyed.</td>
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<td>41</td>
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<tr>
<td>All charges/credits on statements are supported by an original receipt or e-mail confirmation for online purchases which contains the approver's signature and date approved.</td>
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<td>42</td>
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</tr>
<tr>
<td>Forms 1099 Misc. are filed as per IRS regulation for all individuals receiving $600 or more as compensation for services provided during the calendar year.</td>
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</tbody>
</table>

**BANK ACCOUNTS**

<table>
<thead>
<tr>
<th></th>
<th>TRUE</th>
<th>FALSE</th>
<th>n/a</th>
<th>EXPLANATION/COMMENT</th>
<th>NEXT STEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>43</td>
<td></td>
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<tr>
<td>For general operations, the parish has only one central bank account except for Gaming (bingo, fifty/fifty, etc.).</td>
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<td>44</td>
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<tr>
<td>All bank accounts are in the name and address of the parish (general operating, men's/ladies' group, etc.) and use the parish Federal Employer Identification Number (FEIN).</td>
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<td>45</td>
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<tr>
<td>All additional auxiliary bank accounts have been approved by the Diocesan Finance Department.</td>
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<td>46</td>
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<tr>
<td>Bank communications (bank statements) are addressed to the appropriate individual at the parish address. This individual, who reconciles the account, should receive the bank statement unopened and not be a signor on the account.</td>
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<td>47</td>
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<tr>
<td>The bank reconciliation is prepared monthly with a review of items outstanding more than 30 days of date of issuance.</td>
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<td>48</td>
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<tr>
<td>The actual reconciliation is compared with the financial statements by the Finance Council at least annually.</td>
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</tbody>
</table>

**PETTY CASH**

<table>
<thead>
<tr>
<th></th>
<th>TRUE</th>
<th>FALSE</th>
<th>n/a</th>
<th>EXPLANATION/COMMENT</th>
<th>NEXT STEPS</th>
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</thead>
<tbody>
<tr>
<td>49</td>
<td></td>
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<tr>
<td>There is only one custodian of the petty cash fund who has sole access to the fund.</td>
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<td>50</td>
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<tr>
<td>Petty cash balance is kept at a reasonable level not to exceed $500.</td>
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<td>51</td>
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<tr>
<td>Petty cash is kept in a secured location.</td>
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<td>52</td>
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<tr>
<td>Vouchers are used for each disbursement from the fund.</td>
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<td>53</td>
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<tr>
<td>Original receipts or vendor invoices indicating the purpose of the expense support each disbursement.</td>
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<td>54</td>
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<tr>
<td>The individual receiving the petty cash initials the receipt or voucher.</td>
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<td>55</td>
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<tr>
<td>The petty cash custodian reconciles the fund on a monthly basis and prior to replenishment.</td>
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</tbody>
</table>
**Parish Financial Risk Review Checklist**

This Financial Risk Review Checklist is a self-evaluation form to be used by the parishes. Pastors/Administrators, Business Managers, Parish Accountants and Bookkeepers, Trustees, and Finance Council members will find completion of the checklist a helpful tool to review the parish’s internal controls (excludes internal controls for parish cemeteries or schools).

The statements are listed along with True/False and not applicable boxes. Mark the respective answer that applies to the current operations of the parish. Questions with a “False” answer indicate a potential problem area in terms of safety and checks and balances. Please feel free to contact the Diocese of Paterson Finance Department with any questions. Please add explanation/comment and next steps as necessary.

<table>
<thead>
<tr>
<th>INVESTMENTS</th>
<th>TRUE</th>
<th>FALSE</th>
<th>n/a</th>
<th>EXPLANATION/COMMENT</th>
<th>NEXT STEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>55 All parish investments are recorded in the general ledger.</td>
<td></td>
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<tr>
<td>57 Investment accounts are reconciled monthly or quarterly depending on the issuance of statements by the financial institution.</td>
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<tr>
<td>58 Parish investment returns are monitored at least quarterly.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>OTHER</th>
<th>TRUE</th>
<th>FALSE</th>
<th>n/a</th>
<th>EXPLANATION/COMMENT</th>
<th>NEXT STEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>59 All records are maintained at the Parish office in accordance with the records retention/destruction guidelines.</td>
<td></td>
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<tr>
<td>60 The Parish is in compliance with using the Diocesan Standard Chart of Accounts.</td>
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</tr>
<tr>
<td>61 The Business Administrator/Pastor is ensuring that all responsibilities and tasks performed by the Parish staff and auxiliary groups are in compliance with the current Diocesan Financial Policies and Procedures (May 2019).</td>
<td></td>
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<tr>
<td>62 The Parish Office maintains a current inventory of the buildings and the contents within either offsite or in a fire resistant safe.</td>
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<tr>
<td>63 All debt obligations are being met.</td>
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<tr>
<td>64 W-2g’s are completed for raffle prizes in excess of $5,000 and Bingo winnings in excess of $1,200 in a single game.</td>
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<tr>
<td>65 Raffle entries are kept for one year after the drawing.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>ADMINISTRATIVE</th>
<th>TRUE</th>
<th>FALSE</th>
<th>n/a</th>
<th>EXPLANATION/COMMENT</th>
<th>NEXT STEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>66 The Finance Council is adhering to the Parish Finance Council Charter, including regular meetings, minutes taken and documented, and regular review of the financial statements and bank reconciliations.</td>
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<tr>
<td>67 The annual capital and operating budget are prepared by the Pastor/Administrator with advisement by the Parish Finance Council and presented to the parish.</td>
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<tr>
<td>68 The Parish is in compliance with the annual submission of the financials and budgets to the Finance Department.</td>
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</tr>
</tbody>
</table>
Parish Financial Risk Review Checklist

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### ATTESTATION

We, the undersigned, acknowledge the following concerning this questionnaire:

1. We are familiar with these internal controls as recommended by the Diocese.
2. Where we have answered "no" to a control question, we have explained above why it is not practical or appropriate to follow the internal control, and we have implemented an alternative control procedure which conforms as closely as possible to the spirit of the control procedures as established by the Diocese.
3. We have met to review and discuss all of the above internal controls, and represent that they are functioning as required except as indicated otherwise.
4. We are not aware of any parish checking, savings, or other accounts that have been omitted from the accounting records and our financial report.

<table>
<thead>
<tr>
<th>Parish Name:</th>
<th>Location #:</th>
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<tbody>
<tr>
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</table>

<table>
<thead>
<tr>
<th>Pastor:</th>
<th>Date:</th>
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</table>

<table>
<thead>
<tr>
<th>Business/Office Manager</th>
<th>Date:</th>
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<tbody>
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<table>
<thead>
<tr>
<th>Bookkeeper:</th>
<th>Date:</th>
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