

# **Archdiocese of Boston Finance Department**



## **Accounting Guidelines**

**July 4, 2011**

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## Introduction

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The purpose of this manual is to provide guidelines for the chart of accounts and ultimately the preparation of Parish, School and Cemetery Financial Reports. It is essential that timely, reliable and uniform financial data be available at both the Parish and Archdiocesan level. This will enable sound and informed financial decisions to be made as we continue the Mission of the Catholic Church in the Archdiocese of Boston.

This manual contains the current Chart of Accounts, including a section, which gives an expanded description of the items to be included within each account. In addition, we have included a "General Information" section, which should be of assistance in explaining issues such as "Accounting for Collections", "Payroll, etc".

### **Reporting with Hosted QuickBooks**

On a regular basis, the Parish financial data for the Trial Balance will be extracted from the parishes' QuickBooks file(s) and transmitted electronically to the Archdiocese of Boston. Parishes in the Hosted environment will not be required to send in a monthly Trial Balance report to the Archdiocese.

Parishes are to use the close month report provided by Right Networks on every remote desktop. This process takes just a few minutes.

1. Double click on the Monthly Close Report icon which is on the Right Networks desktop.
2. Single click on the Bar titled "Close Books Through Month".
3. For the parish, parish entity or QB file that you have closed—click on the down arrow for month and year and select the month and year closed.
4. Scroll down to the bottom of the Close Menu and click on the "save changes" button.

## General Information - Class Codes

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The class code approach was implemented to assist the Parish in the budgeting and financial control process. By identifying expenditures from particular segments of Parish operations, for instance Religious Education, the user can see the impact of these segments on the financials.

### ***What is the purpose of a Class Code?***

In QuickBooks, a class gives you a way to categorize your transactions. That is, you can use a class code to sort your income or expenses by department, business office or location, separate properties you own, or any other meaningful breakdown of the activity for your parish.

Reports may be generated based on a class code. For example, your Pastor may ask you how much it costs each year for the rectory or religious education program. By using the classes codes you can produce a report showing just these class results in seconds!!

### **Additional Class Codes / Additional Accounts**

Never create new primary account numbers (the first 4 digits). Use only those provided on the Chart of Accounts. If there is a need for additional accounts in order to create an organized break down, please use class codes rather than primary account numbers not on the chart of accounts. For example, instead of using 1006-00 for the fundraising checking account use 1000-06. You can use class codes for all Parish related accounts for better organization. (Please do not use the previously established class codes (cost centers) in the expense and revenue accounts when you are adding an account class). For balance sheet accounts every class number is available other than the ones you are currently using up to 99.

In some cases you may wish to have more than one number for a class code.

**You may add additional class codes for each category or primary account in the chart of accounts**

For Archdiocesan reporting purposes, we have created several different class codes that are based on the “type” of entity (parish, school, cemetery, etc.). Some of the entities and the specific classes include the following:

## General Information - Expense Class Codes

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### *A. Parish*

**01 Church** - This class code is used to record all the costs associated not only with the church building but associated costs for Parish administration, clergy and liturgical activity.

**02 Rectory** - This class code is used to record all of the costs associated with providing for the housing and subsistence of the assigned clergy.

**03 Parish Center** - This class code is used to record all the costs required for maintenance and utilization of the Parish Center.

**04 Religious Education** - This class code is used to record all of the costs associated with the staffing and operation of the formal Religious Education program of the Parish.

**05 Other** - This class code is used to record costs for any additional category.

**45-55 Community** – This class code is used to record all of the costs associated with the community or ethnic groups such as administrator, clergy, and liturgical activity, etc.

### *B. Chapel*

**81 Church** - This class code is used to record all the costs associated with the church building.

**82 Rectory** - This class code is used to record all of the costs associated with providing for the housing and subsistence of the assigned clergy.

**83 Chapel Center** - This class code is used to record all the costs required for maintenance and utilization of the Parish Center.

**84 Religious Education** - This class code is used to record all of the costs associated with the staffing and operation of the formal Religious Education program of the Parish.

### *C. Chaplaincy*

**61 Church** - This class code is used to record all the costs associated with the church building.

**62 Rectory** - This class code is used to record all of the costs associated with providing for the housing and subsistence of the assigned clergy.

**63 Parish Center** - This class code is used to record all the costs required for maintenance and utilization of the Parish Center.

**64 Religious Education** - This class code is used to record all of the costs associated with the staffing and operation of the formal Religious Education program of the Parish.

## General Information - Expense Class Codes

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### *D. Elementary School*

**11 Administration** - This class code is used to record all of the costs associated with the staffing and operation of the school's office, principal etc. Also the costs of the various athletic programs are recorded in this class code.

**12 Instruction** - This class code is used to record all of the costs incurred for teachers, aides and instructors. In addition, the costs for books, teaching supplies, etc. would be recorded in this class code.

**13 Convent** - This class code is used to record all of the costs associated with the housing and subsistence of the assigned Religious.

**14 Development** - This Class code is used to record all the associated costs with staffing and operation of the development office.

**15 Facility** - This class code is used to record all of the costs required for the operation and Maintenance of the building(s).

**16 Other** - This class code is used to record costs for any additional category.

### *E. Middle School*

**71 Administration** - This class code is used to record all of the costs associated with the staffing and operation of the school's office, principal etc. Also the costs of the various athletic programs are recorded in this class code.

**72 Instruction** - This class code is used to record all of the costs incurred for teachers, aides and instructors. In addition, the costs for books, teaching supplies, etc. would be recorded in this class code.

**73 Development** - This class code is used to record all of the associated costs with the staffing and operation of a development office for purposes of fundraising and school programs.

**74 Student Services** - This class code is used to record all costs incurred for the operation of a cafeteria in the high school.

**75 Facilities** - This class code is used to record all of the costs required for the operation and Maintenance of the building(s).

## General Information - Expense Class Codes

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### *F. High School*

**21 Administration** - This class code is used to record all of the costs associated with the staffing and operation of the school's office, principal etc. Also the costs of the various athletic programs are recorded in this class code.

**22 Instruction** - This class code is used to record all of the costs incurred for teachers, aides and instructors. In addition, the costs for books, teaching supplies, etc. would be recorded in this class code.

**23 Development** - This class code is used to record all of the associated costs with the staffing and operation of a development office that handles fundraising and school programs.

**24 Student Services** - This class code is used to record all costs incurred for the operation of a cafeteria in the high school.

**25 Facilities** - This class code is used to record all of the costs required for the operation and Maintenance of the building(s).

### *G. Youth Center*

**91 Administration** - This class code is used to record all of the costs associated with the staffing and operation of the youth center's office, Director, etc. Also the costs of the various programs are recorded in this class code.

**92 Instruction** - This class code is used to record all of the costs incurred for teachers, aides and instructors. In addition, the costs for books, teaching supplies, etc. would be recorded in this class code.

**93 Other** - This class code is used to record costs for any additional category.

**95 Facilities** - This class code is used to record all of the costs required for the operation and Maintenance of the building(s).

### *H. Cemetery*

**31 Current Fund** - This class code is used to record all of the costs or revenues associated with the running of the cemetery. Parish cemetery expenses are not broken down by cost centers. All expenses are paid out of the current fund.

**32 Perpetual Care** - This class code is used to record all balance sheet and revenue accounts related to Perpetual Care. The balance sheet accounts should be temporary cash or savings accounts used to transfer Perpetual Care money to the RCAB Common Investment Fund. The income accounts include 4112-32 PC Receipt for Perpetual Care, accounts associated with earnings from the Perpetual Care Common Investment Fund and a Miscellaneous Income account.

## Parish Balance Sheet Summary

**NOTE: Schools and Cemeteries will have separate summaries only for accounts specific to them. Chapels, Chaplaincies and ancillary Parish files should use the Parish Chart of Accounts.**

### **Assets**

The items of value used in the operation or investment activities of a business. These include tangible and intangible assets. Tangible assets are items you can physically see and touch such as vehicles, equipment and buildings. Intangible assets include trademarks, copyrights, and patents. Similar types of assets are grouped together. The groups are based on the asset's purpose or use and liquidity (availability of the asset for paying debts).

### **Current Assets**

Current Assets include Cash and Assets that can be converted into cash or are consumed in a relatively short period of time, usually within a fiscal year. Prepaid Expenses and Supplies are also current assets if they will be used or consumed within a 12 month period.

### **Cash and Cash Equivalents**

Anything accepted by a bank for deposit is considered as Cash. Cash Equivalents are assets that are readily convertible into cash, such as money market accounts. Cash Equivalents are distinguished from other investments by their short term existence and liquidity. They mature and are available or have a cycle that will make them available in 90 days or less. Coins and currency, un-deposited checks, money orders and deposits in banks are examples of this category.

1000-XX Cash-Checking #1

1010-XX Cash-Checking #2

1020-XX Cash-Payroll

1030-XX Petty Cash

1040-XX Cash-Savings

1045-XX Money Market Savings

1050-XX Depository at RCAB

1060-XX Cash-Checking Bingo

1080-XX Scholarship Savings

1090-XX Cash-Other



## Parish Balance Sheet Summary

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### Short-Term Investments

Short Term Investments include any investments that will expire within 1 year (except those already recorded as cash equivalents. Investments are recorded at current market value. Changes in market value are recorded against the asset account and the revenue account 4320. Note: market value adjustments are indicated by the Transaction Type "Market Value Changes" on the Common Investment Fund Statements.

1110-XX Common Investment Fund RCAB  
1120-XX Investments

### Receivables

Included in this category are Accounts Receivable (open customer balances resulting from invoicing). An allowance for estimated uncollectible amounts should also be provided.

1200-XX Accounts Receivable  
1201-XX Allowance For Doubtful Accounts Receivable (Contra Account)  
1210-XX Pledges Receivable  
1250-XX Dividends Receivable

### Prepaid Expenses

Prepaid Expenses are assets created by prepayment for goods or services or to offset the early assumption of a liability. They expire and are charged to expenses based on the passage of time, usage, or other factors. All Prepaid Expenses could be recorded in a single account or separate cost centers could be used for each different type. Typically, prepaid expenses will relate to deposits made on equipment, fixed asset additions or insurance.

To record the prepaid, DR 1300, CR Cash. As the goods or services are received: DR Expense, CR 1300.

1300-XX Prepaid Expenses

### Other Current Assets

This category is only for inter-entity entries. These amounts will be eliminated when the financials for the Parish and its Entities are combined.

If a Parish pays for its school's insurance and expects to be reimbursed its entry is a DR to 1400 and a CR to Cash. The School's entry is a DR to Cash and a CR to 1400.

1400-XX Due to/Due from Other Funds

## Parish Balance Sheet Summary

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### Long-Term Investments

Investments that are intended to be held and not converted into cash for an extended period of time (longer than a year). They are reported at current market value. Refer to entry #5 on page 45 for the journal entry to record change in market value.

### Un-deposited Funds

This should only be a temporary clearing account. The un-deposited funds account acts as a holding account for checks that will be aggregated and deposited later. This is essentially holding money in a drawer until deposited in a bank.

1499-Un-deposited Funds

### Property, Plant, and Equipment

Fixed assets of a durable nature that are used to provide current and future economic benefits to the business. Fixed Assets and the related depreciation are currently being accounted for centrally at RCAB.

**These accounts should not be used. Entries for these expenditures are made to the 7000 accounts—please refer to those descriptions.**

1500-Land

1510-Buildings

1520-Building Improvements

1550-Leasehold Improvements

1570-Equipment

1580-Furniture and Fixtures

1650-Vehicles

1680-Other Fixed Assets

1511-Accumulated Depreciation - Buildings (Contra Account)

1521-Accumulated Depreciation - Building Improvements (Contra Account)

1551-Accumulated Amortization - Leasehold Improvements (Contra Account)

1571-Accumulated Depreciation - Equipment (Contra Account)

1581-Accumulated Depreciation - Furniture and Fixtures (Contra Account)

1651-Accumulated Depreciation - Vehicles (Contra Account)

1681-Accumulated Depreciation - Other Fixed Assets (Contra Account)

## Parish Balance Sheet Summary

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### Liabilities

Claims by creditors against the assets of a business. Liability accounts are separated into current (short-term) liabilities and long-term liabilities.

### Current Liabilities

Current Liabilities are the portion of obligations (amounts owed) due to be paid within the 12 months following the close of the year. During a fiscal year, current liabilities are understood as all liabilities that are to be settled within a fiscal year or operating cycle.

- 2000-Accounts Payable
- 2006-Misc Clearing Account
- 2010-Accrued Expenses
- 2019-Current Liabilities

### Accounts payable—Agency

Accounts Payable Agency are created by contributions received for the benefit of a third-party beneficiary. The Parish is collecting funds for the benefit of another organization (s).

- 2020-Holy Father: Peter Pence
- 2025-Evangelization Sunday
- 2030-Good Friday-Holy Land Shrines
- 2040-Seminarians
- 2060-World Mission Sunday
- 2070-Catholic University
- 2080-Catholic Relief Services Collection
- 2090-Church in Latin America
- 2100-Retired Religious Sisters
- 2110-Campaign for Human Development
- 2120-Communication
- 2130-Church in Africa and Church in Central & Eastern Europe
- 2145-Military Archdiocese/Home Missions/Black and Native Americans
- 2150-Special Collection
- 2160-Christmas: Clergy Benefit Trust
- 2170-Easter: Clergy Benefit Trust
- 2175-Clergy Benefit Trust (June)
- 2180-Annual Catholic Appeal
- 2185-Missionary Cooperative Appeal
- 2190-Other including Rice Bowl

## Parish Balance Sheet Summary

**Payroll Liabilities** are amounts deducted from an individuals check that will be paid to State or Federal or other Government Agencies, designated banks, and any matching portions of those deductions (ER-FICA). These liabilities also include employee earned but unpaid wages.

- 2200-Federal Withholding Tax Payable
- 2210-Social Security Withholding Tax Payable
- 2212-Medicare Tax Withholding Tax Payable
- 2220-State Withholding-MA
- 2240-Annuity Withholding Payable
- 2250-Child Support Withholding Payable
- 2260-Other Withholding (Garnishment)
- 2270-Clergy Withholding Payable
- 2280-Accrued Payroll

**Short Term Notes (Demand Notes)** The calculation of the following current liabilities is generally done as an adjustment from long term to current liabilities once a year.

- 2300-Debt to Revolving Loan-Current
- 2400-Notes Payable-Current

**Deferred Revenue** is revenue recorded for a following fiscal period.

- 2500-Deferred Revenue

**Long-Term Liabilities** are the portions of debts with due dates greater than 12 months following the close of the fiscal year from the date of the balance sheet. These accounts are not normally adjusted except at year end.

- 2800-Debt to Revolving Loan-Noncurrent
- 2899-Other Indebtedness
- 2900-Notes Payable-Noncurrent

**Fund Balance and Equity** accounts report the accumulated profits or losses for the parish.

- 3000-Initial Cash Offset (one time usage) for some parishes
- 3900-Fund Balance (Equity/Net Assets)

No entries are to be made to these accounts without prior consultation with the Finance Department.

## Parish Revenue Summary

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### Revenue

#### **4101 Offertory**

Amounts collected from parishioners at weekly masses for support of the Parish. In most Parishes this is the first collection. These collections may be at mass, mailed or electronically funded provided they are designated for offertory. Included in this category are Holy Day collections.

#### **4102 Offertory Monthly**

Amounts collected from parishioners in addition to weekly offertory, for various designated purposes. These collections may be at mass, mailed or electronically funded. The purpose for the collection could be for, but is not limited to, collections for debt (mortgage), fuel or snow removal. The frequency of these collections may be monthly, semi-monthly, quarterly, or semi-annual.

#### **4103 Grand Annual**

Amounts collected as the result of a one-time annual solicitation to be used for a specific designated purpose. Funds collected should be clearly identified as "grand annual". This collection may be at mass, mailed or electronically funded provided they are designated "grand annual". Examples of a grand annual collection may include, but are not limited to collections for debt (mortgage), operations, fuel, snow removal and capital projects.

#### **4104 Shrines, Candles, and Flowers**

Amounts received from shrines and special donations for candles and flowers.

#### **4105 Sacramental Offerings**

Amounts received as offerings for sacraments. Examples include baptisms, marriages, funerals, etc.

#### **4106 Tithing**

An offering of a percentage of income received from a community to be used for a particular purpose such as a community event or support of the Central Apostolate.

#### **4107 Catholic Appeal Rebate**

Amounts received from the Catholic Appeal that represent the parish's percentage share of pledge payments over their annual assessment.

#### **4108 Gifts and Bequests**

Unsolicited gifts or donations from individuals and organizations. This includes all estates, legacies and memorials.

#### **4110 Pamphlets**

Amounts received from the sale of pamphlets, directories, etc.

#### **4165 Religious Education**

Amounts received for the Religious Education program of the parish.

## Parish Revenue Summary

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### **4196 Parish Sharing**

Amounts received from other parishes to assist in paying operating costs.

### **4198 Donations - Other**

Amounts received from parishioner based collections solicited for a specific purpose in response to an unusual or extraordinary circumstance. Collections recorded here are non-recurring one-time purposes that occur within one year. \*Please **Identify** the type of donation when using this account. Debt (mortgage) collections, fuel collections and snow removal should **not** be categorized in Donations-other unless they relate to an unusual, extraordinary or one-time event.

### **4310 Interest/Dividend Income**

Amounts include interest credited or received from banks, investment companies and the RCAB Revolving Loan Fund. Dividends declared by the Common Investment Fund are also posted here—please review sample on page 45 entry #4.

### **4315 Rental Income**

Amounts received from individuals, sponsored groups or agencies for the periodic use or occupancy of the parish premises. Examples include rental of rooms for events such as social gatherings, community or group meetings and also includes clergy room and board. This applies to rental arrangements in which no formal and legally binding lease is entered into by the parish through the RCAB real estate department.

### **4316 Lease/License Income**

Amounts received as rent or fees for any lease/license agreement to use or occupy a portion of the parish premises. Examples include leasing of parking lots, buildings, or licensing space for cell towers. This account is to be used for income arising from an arrangement in which a formal and legally binding lease contract is entered into by the parish through the RCAB real estate department.

### **4317 Capital Campaign Donations**

A capital campaign is a parish-wide solicitation of pledges to be paid over a period that extends beyond one year. The assistance of a fundraising firm is required and must be approved by the Archdiocese of Boston. See Parish Administration Manual Section XIII for further clarification.

### **4318 Property Sales Proceeds**

Amounts received from the sale of real property, by definition land and buildings. Include the sale of equipment and other church property.

### **4320 Market Gain (Loss) on Investment-Unrealized**

Unrealized gain (increase) or loss (decrease) in the market value of shares held in the Common Investment Fund.

### **4398 Other Income**

Amounts received from non-parishioner based sources that do not appropriately belong in any other defined revenue account. An example would be insurance proceeds. \* **Please identify** type of income **in memo field** when using this account.

## Parish Revenue Summary

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### **4410 Fundraising Activities**

Amounts received from functions held for the benefit of the parish. Examples include variety shows, dances and auctions as specific fundraising events. Other examples include calendar and magazine drives, etc.. \* Please **identify type of fundraising in memo field** or as a separate class as in "4410-01 Fundraising Gala Dinner" when using this account. All corresponding fundraising costs should be recorded. See fundraising expenses 6701.

### **4450 Bingo Proceeds**      **NOTE: This is not NET**

Amounts received from Bingo. Represents the income entries from the Bingo checking account. All Bingo expenses including prizes, taxes and other expenses should be booked to account 6701 with an appropriate class code that is used solely for Bingo expenses.

### **4510 Pilot Sales**

Amounts received from the sale of The Pilot, the Archdiocesan weekly newspaper.

### **4530 Transfer from School**

Amounts received by the parish from the parish school. This is not related to account 1400 entries. This revenue would not be refundable to the school or in payment of a temporary source of funds from the Parish.

### **4547 RCAB Support**

Amounts received from RCAB as a subsidy or allocation to reduce the cost of parish operations.

### **4592 School Tax Income**

Amounts received from RCAB or directly from another parish to support the parish school operations. See Example on page 63.

### **4750 Gain (Loss) on Sale of Investment**

Realized gain or loss on the sale of shares held in the Common Investment Fund.

## Parish Expense Summary

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### Compensation

#### 5001 Exempt Salaries

Amounts paid to salaried employees that are not subject to overtime rules of the Fair Labor Standards Act. Examples could include Director of Religious Education, Business Manager, Music Director and Organist. See page 70.

#### 5002 Non Exempt Wages

Amounts paid to hourly employees who are eligible for overtime pay. Examples could include Secretary, Bookkeeper, and Custodian.

#### 5004 Non Employee Compensation

Any compensation paid to individuals not considered employees. This does not include professional firms. These individuals are subject to 1099 reporting requirements, and do not have Federal, FICA or State taxes withheld. An example would be a self-employed contractor. Most of these entries are better suited under the appropriate expense account related to the work done; such as repairs and maintenance accounts.

### Employee Benefits

#### 5101 Employer's FICA

Amount of Social Security and Medicare taxes contributed by the parish. Please check Circular E, issued annually by the Internal Revenue Service for the most current tax rate.

#### 5102 Lay Health Insurance

Amounts paid for employee health insurance programs. Examples include RCAB Health Benefit Trust, Tufts Associated Health Plan, and Harvard Community Health.

#### 5103 Worker's Compensation

Amounts paid on behalf of employees for Worker's Compensation Insurance. Example includes RCAB Worker's Compensation Self Insured Trust invoices.

#### 5104 Group Life Insurance

Amounts paid for the lay employee group life insurance program. Example includes RCAB Group Life Insurance invoices.

#### 5105 Long Term Disability Insurance

Amounts paid for the lay employee long-term disability program. Example includes RCAB Long Term Disability Insurance invoices.

#### 5106 Group Pension Insurance

Amounts paid for the lay employee group pension program. Example includes RCAB Pension Trust invoices.

#### 5107 Transition Assistance

Amounts paid into the T.A.P fund, a self-funded, self-administered benefit program, established to assist eligible staff members in the event of involuntary job loss.



## Parish Expense Summary

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### **Stipends Clergy (Per Annual Remuneration Policy of the Archdiocese of Boston)**

#### **5201 Stipends Clergy**

Amounts paid to the Pastor/Administrator and Parochial Vicars assigned to the parish.

#### **5202 Stipends Clergy Unassigned**

Amounts paid to clergy not regularly assigned to the parish. Examples include visiting and/or substitute Priests, and clergy who assist parishes with confessions, missions, etc.

#### **5203 Clergy Health Insurance**

Amounts paid on behalf of clergy for health insurance. Example includes RCAB Clergy Medical/Hospitalization Trust invoices.

#### **5204 Clergy Professional Development**

Amounts paid on behalf of clergy for professional development programs. Examples include seminars, retreats, etc. Please **refer to Parish administration manual** for details.

#### **5205 Clergy Room and Board**

Amounts paid to clergy for living expenses.

#### **5206 Clergy Auto Insurance Reimbursement**

The parish or institution pays the first \$700 annually of the priest's automobile insurance, with the balance paid for by the priest. For higher insurance areas the rates vary. Please refer to the remuneration policy annually as the dollar amount may change.

### **Stipends Women's Religious (Per Annual Remuneration Policy of the Archdiocese of Boston)**

#### **5301 Stipends-Women's Religious**

Amounts paid to Religious for salaries and housing.

#### **5302 Health Insurance-Women's Religious**

Amounts paid on behalf of religious for health insurance.

#### **5303 Retirement-Women's Religious**

Amounts paid on behalf of religious for retirement.

#### **5304 Transportation-Women's Religious**

Amounts paid to religious for transportation expenses. Example includes reimbursements to religious for use of their vehicles, etc.

## Parish Expense Summary

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### Professional Services

**6002 Professional Fees (Non-IT) does not included 2% real estate fees which are capitalized**  
Amounts paid to consultants who perform services for the parish. Examples include lawyers, architects, and audit firms or accountants. Do not include professional fees that should be capitalized, those belong in the 7000 accounts.

### Office Expenses

#### 6001 Data Processing and Hosting Fees

Amounts paid for data processing services. Example includes a payroll service that processes the parish payroll, Parish Soft and Right Networks hosting fees.

#### 6003 Bank Service Charges

Amounts charged by banks for various banking services. Examples include returned check charge, and check processing charges.

#### 6201 Office Supplies

Amounts paid for office supplies. Examples include pens/pencils, tape, calculator ribbons, paper and other office supplies that are either used up, do not qualify as fixed assets, and are not better suited to other office expense accounts.

#### 6202 Telephone

Amounts paid for telephone services, cable and internet. Examples include the local telephone company, answering service companies, and paging/beeper companies.

#### 6203 Office Equipment Repair and Service Contracts

Amounts paid for repairs and service contracts for office equipment. Examples include copiers, printers, postage machines and telephone systems.

#### 6204 Books and Pamphlets

Amounts paid for books and pamphlets. Examples include materials purchased for book stands in the church, and Religious Education materials.

#### 6205 Audio Visual

Amounts paid for audiovisual expenses. Examples include rentals of electronic media, movies or videos from RCAB's Office of Spiritual Development.

#### 6206 Printing-Bulletins

Amounts paid for printing services. Examples include forms and brochures. **Note:** printing for fundraising purposes should be posted against the appropriate fundraising income account.

#### 6207 Postage/Shipping

Amounts paid for stamps, mailing permits, bulk mail, postage meter re-fills, UPS, FEDEX, delivery services and other non-rental mailing costs.

## Parish Expense Summary

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### **6208 Dues and Subscriptions**

Amounts paid for dues and subscriptions to periodicals. Examples include daily/weekly newspapers, monthly magazines, electronic subscriptions and fees to associations.

### **6209 Equipment Rental**

Amounts paid for the rental of office equipment. Examples would include postage machines, copiers or fax machines.

### **6210 Missalettes**

Amounts paid for the purchase of seasonal Missalettes.

### **6211 Weekly Envelopes**

Amounts paid for printing and mailing weekly and special envelope packets to parishioners on parish mailing list.

### **6220 Computer and Office Hardware**

Amounts paid for computers, printers, copiers, etc. that don't qualify as fixed asset additions. Refer to Year-end Questionnaire for capitalization thresholds.

### **6221 Computer Software**

Amounts paid for computer programs/software and software licensing fees. Refer to Year-end Questionnaire for capitalization thresholds.

### **6222 Computer & Related Technical Support**

Amounts paid for any technical support for computers or printers.

### **6223 Lay Mileage Reimbursement**

Amounts paid to reimburse lay employees for any qualified mileage charges based on business miles and IRS mileage rates and regulations.

## **Household**

### **6250 Supplies-Rectory**

Amounts paid for household supplies including soap and paper products.

### **6255 Laundry-Rectory**

Amounts paid for the cost of laundry services and supplies.

### **6261 Food-Rectory**

Amounts paid for food purchased for use in the rectory.

## **Facilities Expense**

### **6301 Utilities**

Amounts paid for electricity and gas (for cooking).

## Parish Expense Summary

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### **6302 Heating**

Amounts paid for oil and gas heating.

### **6303 Water, Sewer & Septic Services**

Amounts paid for water and sewer services.

### **6304 Property Rental**

Amounts paid for rental of buildings, rooms or halls for parish programs.

### **6305 Property Insurance & Liability**

Amounts paid for insurance costs on parish property. Examples include fire, boiler, theft, liability, and other liability or property insurances.

### **6306 Maintenance Equipment Contracts - for Physical Plant**

Amounts paid for service contracts on equipment. Examples include annual organ service contracts, alarm company contracts, hot water heater, boiler or elevator maintenance contracts.

### **6307 Maintenance Supplies**

Amounts paid for any supplies purchased and used for facilities maintenance. Examples include chemicals for cleaning church floors and ice-melt in the winter.

### **6308 Maintenance of Grounds**

Amounts paid for landscaping costs, snow plowing, and dumpster charges.

### **6309 Maintenance / Repair of Buildings**

Amounts paid for building maintenance. Examples include plumbing repairs, roof repairs and boiler or elevator repairs. Note: these are repairs that don't qualify as Fixed Asset Additions. Refer to Year-end Questionnaire for capitalization thresholds. Other examples of improvements that by themselves are not capital improvements are painting, refinishing floors, patching steps or walkways. As part of a total renovation they are capitalized, alone they are expensed as maintenance. Roof repairs that do not extend the life of the roof for one year or more beyond the original estimated life of the building are repairs. Please contact the Finance Department with items over \$3,000 that you feel should be expensed.

## **Property Taxes**

### **6311 Property Taxes**

Amounts paid for property taxes on buildings no longer used for Non-Profit purposes.

## **Vehicle**

### **6401 Vehicle Fuel and Maintenance**

Amounts paid for gas, oil, and repairs to parish vehicle (s).

### **6402 Vehicle Insurance and Registration**

Amounts paid for vehicle insurance, registration and title fees.

## Parish Expense Summary

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### Pastoral / Liturgical

#### 6500 Pastoral / Liturgical

Amounts paid for Pastoral or Liturgical expenses or supplies such as pictures or statues in the worship space and not included in the following 650X accounts.

#### 6501 Altar Supplies

Amounts paid for liturgical supplies used for worship. Examples include candles, altar wine, hosts, and vestments and the cleaning of altar cloths or vestments.

#### 6502 Societies

Amounts paid for expenses to societies, guilds, and clubs.

#### 6503 Charitable Works

Amounts paid for social work and contributions to charities.

#### 6504 Music

Amounts paid for sheet music used in liturgy.

#### 6505 Youth / Athletics

Amounts paid for youth programs and athletic events. Examples include parish Religious Education program, CYO program and youth outreach group program.

#### 6506 Entertainment / Hospitality (non-fundraising)

Amounts paid for special functions that are not fundraising events. Examples include parish annual appreciation dinners/gatherings, outings and other non-fundraising functions.

#### 6507 Parish Sharing

Amounts paid to another parish or parishes to share their costs of operations. Example includes a parish sending money to cover the cost of educating one of their students who attends school in a second parish.

#### 6508 Hospital Chaplain

Amounts paid for the parish share of hospital chaplain expenses.

#### 6509 Flowers

Amounts paid for flowers used in liturgy services. Examples include flowers purchased for Christmas and Easter celebrations and flowers sent as gifts to parishioners for appreciation.

### Professional Development

#### 6601 Meetings & Workshops

Amounts paid for seminars, conferences, and workshops for lay staff members.

## Parish Expense Summary

---

### **6602 Conference Transportation**

Amounts paid for transportation costs including airfare and taxis to and from conferences and meetings.

### **6603 Conference Hospitality**

Amounts paid for any other related conference expenses, including lodging and meals for conferences.

### **6605 Professional Memberships**

Amounts paid for membership/dues for Lay personnel.

## **Fund Raising Expense**

### **6701 Fundraising Expense**

Amounts paid for the expenses associated with raising funds. Examples include printing of brochures and payments to professional fundraising organizations, catering expenses for gala dinners, and items purchased for raffles. Please identify each category in the memo section or as a separate class, such as "6701-01 Fundraising Gala Dinner".

## **Capital Acquisitions / Improvements**

Items that fall under the capitalization policy should be categorized in these accounts. Otherwise, they should be expensed elsewhere. Refer to Parish Administration Manual for capitalization thresholds.

### **7001 Acquisition / Improvement Sites**

Amounts paid for the purchase of land or items related to the parish grounds. Examples include parking areas and major landscaping projects. This can include 2% real estate fees for capital acquisitions.

### **7002 Acquisition / Improvement Furniture and Equipment**

Amounts paid for the purchase of furniture and equipment. Examples include desks and photocopier machines.

### **7003 Acquisition / Improvement Building**

Amounts paid for the purchase or construction of buildings. Examples include roof and boiler replacement.

### **7004 Acquisition of Vehicles**

Amounts paid for the purchase of automobiles, buses, etc.

## **Other Expenses**

### **8450 Transfer to Parish / School**

Amounts transferred from the parish to the parish school for operations without expectation of reimbursement.

## Parish Expense Summary

---

### **8455 Transfer to Cemetery**

Amounts transferred from the parish to the parish cemetery for operations without expectation of reimbursement.

### **8460 Interest Payments / Revolving Loan / etc.**

Amounts paid to the RCAB Revolving Loan Fund, outside creditors, credit cards, etc. as interest on borrowed funds.

### **8465 Central Ministry Tithe**

Amount paid to central ministry under the Improved Financial Relationship Model (IFRM) program.

### **8470 Convent Expenses**

Amounts paid by the parish, for costs associated with a convent where there is no school operating account. These expenses should follow the rental income paid, if the parish receives the income they should also book the expenses associated with the upkeep of the property.

### **8480 Pilot Newspaper**

Amounts paid for the purchase of The Pilot weekly newspaper.

### **8490 Cathedraticum**

Amounts contributed by the parish to the Cathedraticum for the operating budget of the Archbishop of Boston.

### **8492 School Tax**

Amounts paid for school tax to the Archdiocese of Boston or directly to another parish with a school.

### **8495 Miscellaneous**

Amounts that are not easily classified in the other categories. For regular expenses (once a quarter or more often) you can add a class code for a new account with any identifying name (i.e. "Miscellaneous-faculty party").

## Elementary, Middle and High School Balance Sheet Summary Youth Centers

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The following School Section lists only accounts not already described under the parish section. Note that there are also some parish accounts that are not normally used by a school, please refer to the attached chart of accounts. **Note: You should use this CoA for Youth Centers.**

### **1205 A/R Tuition**

Tuition that is uncollected for the current, prior or following fiscal years. Use subaccounts to detail the receivable by years, if warranted.

### **1206 Allowance for Doubtful Tuition**

This is a calculated amount based on historical data with some judgment involved.

Note: This would be one lump sum (not subaccounts by year) and the amount in this account will be revised each year. See Example attached beginning on pp 67 and through pp 69.

### **2501 Deferred Tuition and Fee Revenue**

Amounts received or invoiced for next fiscal year's tuition and related fees regardless of whether or not the amounts were paid or remain outstanding. Use subaccounts of this income category for different fees; for example, Registration, After School, Book and School Activity.



## Elementary, Middle and High School Revenue Summary Youth Centers

---

### **4120 Tuition and Fees**

Amounts received or invoiced for current fiscal year tuition and related fees regardless of whether or not the amounts were paid or remain outstanding. \*\*\*Use subaccounts of this income category for different fees; for example, Registration, After School, Book and School Activity.

### **4126 Tuition Bad Debt**

Amount calculated as potential bad debt. – See also 1206 Allowance for Tuition AR Bad Debt

### **4127 Tuition Discounts**

Amounts for any discounts that are given to decrease tuition. This also includes entries for support from the Catholic School Foundation. See pp 64-65 for examples of the journal entries.

### **4130 Fees - Athletics**

Amounts received for fees related to athletics and sporting events.

### **4140 Fees - Bookstore**

Amounts received for maintenance of bookstores.

### **4149 Fees - Other Activities**

Amounts received for fees not properly classified in any other category. Use subaccounts of this income category for different fees such as Field Trip Income (fees for trip and buses).

### **4401 Cafeteria Sales**

Amounts received for food services provided in the school cafeteria (expenses should be in accounts 6260 and 6261).

### **4402 Bookstore Sales**

Amounts received for bookstore sales.

### **4405 School Events**

Amounts received for school events. Example includes school plays.

### **4406 Athletic Events**

Amounts received for athletic events. Examples include football games, hockey games, etc.

## Elementary, Middle and High School Expense Summary Youth Centers

---

### Teaching and Classroom Expenses

#### **6212 Teaching Supplies**

Amounts paid for supplies used by teachers. Examples include testing materials and supplies for school projects.

#### **6213 Textbooks**

Amounts paid to the book suppliers. Examples include readers and workbooks.

#### **6214 Development Expenses**

Amounts paid for expenses incurred by the school development program for fundraising.

#### **6216 Program Expenses**

Amount paid for non athletic programs (Library, Extended-Day, Field Trip, Club).

#### **6310 School Service**

Amounts paid for services rendered on behalf of students. Example includes companies that test for reading abilities.

### Cafeteria / Household

#### **6260 Cafeteria/Supplies**

Amounts paid for cafeteria supplies including soap, paper products, and utensils.

#### **6261 Food**

Amounts paid for food purchased for use in the cafeteria.

### Athletics

#### **6540 Athletic Program Equipment**

Amounts paid for equipment used in school sports program. Examples include baseball bats, footballs and basketballs.

#### **6545 Athletic Program Transportation**

Amounts paid for transportation costs relating to sporting events. Example includes buses used to transport school athletes to opposing schools' gymnasiums and fields.

#### **6550 Athletic Program Referees**

Amounts paid to referees for school sporting events.

#### **6555 Athletic Program Facilities**

Amounts paid for rental / use of space not owned by parish for school use.

## Elementary, Middle and High School Expense Summary Youth Centers

---

### **6560 Athletic Program Fees**

Amounts paid to leagues for various sporting programs.

### **6565 Athletic Program Insurance**

Amounts paid for insurance coverage for students participating in school sports programs.

### **6570 Athletic Program Memberships**

Amounts paid for athletic memberships on behalf of school participants in sports programs.

### **6580 Miscellaneous Athletic Expense**

Amounts paid for any athletic expenses that didn't fall under other categories.

## Cemetery Revenue Summary

---

The following Cemetery Section lists only accounts not already described under the parish section. Note that there are also some parish accounts that are not normally used by a cemetery, please refer to the attached chart of accounts.

### Cemetery Operations Revenue

#### **4111 Sale of Lots**

Amount charged for burial lot. Note: 10% of lot sales should be deposited to perpetual care, 30% of mausoleum sales should be deposited to perpetual care. The balance goes to AC4111.

#### **4112 Receipt for Perpetual Care**

Portion of sales of lots, 10% for grave or lot and 30% for mausoleums.

#### **4113 Annual Care**

Annual amount charged to burial lots for maintenance of grounds. Does not include those that have Perpetual Care

#### **4114 Openings**

Amounts collected for the excavation of a burial site.

#### **4115 Lowering Devices**

Amounts collected for the charges associated with special equipment used when lowering a casket into a grave or lot.

#### **4116 Loam / Seeding**

Amounts collected from owners of graves or lots for special requests for additional loam or seeding being added.

#### **4117 Interest / Dividend Income**

Amount of interest or dividends received on cash accounts, Perpetual Care Depository or other investments.

#### **4118 Foundations**

Amount collected for setting the foundation for the marker.

#### **4121 Mausoleum Sales**

Amount charged for a crypt in a Mausoleum. Mass. State Law requires 30% of sale to be set aside for Perpetual Care. This money should be sent into the Perpetual Care Fund.

#### **4122 Records**

Amount collected for copies of burial records.

#### **4123 Tents**

Amounts collected for the use of tents.

## Cemetery Revenue Summary

---

### **4124 Tomb Storage Charge**

Amount collected from other cemeteries for storage of remains over the winter months.

### **4125 Concrete Burial Units**

Amount collected for the burial box that sits at the bottom of the grave in which the coffin is housed.

## Cemetery Expense Summary

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### Compensation

#### **5003 Salaries - Foremen**

Amount paid to the foreman of the cemetery workers.

#### **5005 Salaries - Labor**

Any compensation paid on a regular basis to individuals not considered employees. These employees are subject to 1099 Form reporting requirements, and do not have Federal, Social Security, Medicare or State taxes withheld. Examples include accountant and other self-employed contractors.

#### **5006 Salaries - Mechanics**

Amount paid to a full time mechanic.

### Office & Related

#### **6215 Advertising**

Amounts paid for advertising. Examples include advertising in local newspapers, parish bulletins, association or industry newsletters.

### Operating Expenses

#### **6312 Plants, Shrubs, Seeds, etc.**

Amounts paid for the purchase and use of plants, bushes, shrubs and seeds within the cemetery grounds.

#### **6313 Loam, Fertilizer**

Amounts paid for the purchase and use of loam and fertilizer within the cemetery grounds.

#### **6317 Grounds Maintenance Supplies**

Amounts paid for any supplies purchased and used to maintain the cemetery grounds. Examples include hedge trimmers, rakes and trash barrels.

#### **6350 Operating Expenses**

Costs not covered by the following 635X accounts.

#### **6351 Concrete Burial Units**

Cost of the concrete burial unit sold to the customer.

#### **6352 Foundation Materials**

Cost associated with the materials to install a foundation. This only pertains to those cemeteries that install foundations themselves.

#### **6354 Maintenance Of Operating Equipment**

Cost associated with the maintenance of the cemetery equipment. Examples could include repairs to backhoe or to a compressor.

## Cemetery Expense Summary

---

### **6355 Equipment Rental**

Cost associated with the rental of equipment used within the cemetery operation tasks. Examples would include a Backhoe Operator to open graves.

### **6356 Contract, Operating**

Amounts paid to outside contractors for costs associated with special openings of a grave or lot.

# QuickBooks and Entry Q&A



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### How do I add an account?

From the top of the screen, click Lists.  
Click **Chart of Accounts**.

At the bottom of the listing of accounts, click **Account**.  
From the top of the listing, click **New**.

In the *Type* box, click the **down arrow** and select the correct type of account.

In the *Number* box, type the new number you wish to use (**make sure it is 6 digits, ex. 1120-00**), then click **OK**.

In the *Name* box, type in the name you wish to use (Investments - CD #12345678).

Note: If you wish to make this a sub-account of another account, click the small square box below the Name of the account, and a check mark will appear. Then, enter the account number at the right you wish to use. (Ex. 1000-03 CYO Fund as a sub-account of the 1000-00 Cash-Checking #1 account.)

Click **OK** to save the account.

The account number is now added.

### How do I sort chart of account numbers?

Under File, select switch to Single User Mode

From the top of the screen, click Lists

Click Chart of Accounts

At the bottom of the listing of accounts, click **Account**

From the bottom of the listing, click **Re-sort List**

Screen will prompt question: Are you sure you want to return this list to its original order?

Select **OK**

Note: You should re-sort the Chart of Accounts after you have added new accounts or sub-accounts.

### How do I add a community account?

From the top of the screen, click Lists.  
Click **Chart of Accounts**.

At the bottom of the listing of accounts, click **Account**.  
From the top of the listing, click **New**.

In the *Type* box, click the down arrow and select the correct type of account.

In the *Number* box, type the new number you wish to use (**make sure it is 6 digits – ex. 4410-45**), then click **OK**. Community last two digits should be in the range 45 through 55.

In the *Name* box, type in the name you wish to use (Fundraising Community).

Click the *Subaccount* box, to add a check mark.

Then click the **down arrow** and select **4410-00 · Fundraising Activities**

Click **OK** to save the account.

The account number is now added.

**NOTE: With our chart of accounts set up, the community account does not have to be a sub-account. See section on When to use sub-accounts.**

### How do I edit an account name?

From the top of the screen, click **Lists**.  
Click **Chart of Accounts**.

With the listing of accounts open, highlight the account you wish to edit by clicking it once.

At the bottom of the listing of accounts, click **Account**.  
Click **Edit**.

In the *Type* box, it lists the category for this type of account. If necessary, change the type by clicking the **down arrow** at the right of the box and clicking the proper category. If it is correct, leave it alone.

In the *Name* box, type the new name you wish to use, and then click **OK**.  
The account name is now changed.

### How do I edit an account number?

There is a pictorial “Chart of Accounts Edits” section as the last section in this report.

From the top of the screen, click **Lists**.  
Click **Chart of Accounts**.

With the listing of accounts open, highlight the account you wish to edit by clicking it once.

At the bottom of the listing of accounts, click **Account**.  
Click **Edit**.

In the *Type* box, it lists the category for this type of account. If necessary, change the type by clicking the **down arrow** at the right of the box and clicking the proper category. If it is correct, leave it alone.

In the *Number* box, type the new Number you wish to use (make sure it is 6 digits – ex. 5001-01), then click **OK**.

The account number is now changed.

### What is the fund balance account?

Fund Balance is an account that appears on a company’s Balance Sheet, along with assets and liabilities. QuickBooks automatically created this account when you started your company. This account tracks the profits and / or losses from year to year. At the beginning of a new fiscal year (July 1<sup>st</sup> of each year), QuickBooks transfers the net income or loss into this account. **There are only 2 fund balance accounts 3000-Beginning Balance and 3900-00 Fund Balance.**

Some businesses call this account Retained Earnings. Others use the terminology Owners Equity. All three names imply equity or worth. Simply stated, the Fund Balance account represents the value of what the company was worth at the end of a fiscal year (June 30<sup>th</sup> of each year).

The account number we use for **Fund Balance is 3900-00**. This account should be used in all your companies (parish, school, cemetery, etc.).

For example, let us say you started your company with \$10,000 in a checking account and \$40,000 in a savings account. The offset account is **3000-00 Beginning Balance** in the amount of \$50,000 (\$10,000 plus \$40,000).

During the next fiscal year, you have revenues of \$100,000 and associated expenses of \$90,000. Your net income is \$10,000 for the year. As stated above, the \$10,000 profit for the year will be added to 3900-00 Fund Balance account, thereby changing the total balance for the new year (July 1<sup>st</sup>) to \$60,000. Account 3000 at \$50,000 plus account 3900 at \$10,000 add to \$60,000.

### **When do I use the fund balance account?**

Since your company already exists, and you have entered the beginning balances, it should only be used in a few situations. For merging parishes or schools, the receiving or net entity will have fund balance entries with the net asset transfer.

Do not use this account when you add an existing checking, savings, Depository, Common Investment, certificate of deposit and / or money market account to your QuickBooks. For the most part these Asset entries will be offset by transfers from existing cash or investment accounts or entries to income.

All such bank and investment accounts must be reported on your monthly Trail Balance report submitted to RCAB.

Do not use the Fund Balance Account to correct the beginning balance of an account that may have been entered incorrectly , in most cases the entry should be against a revenue account. We typically do not restate financials so corrections should be made within the current fiscal year.

**Note: Please consult with Parish Financial Services or the Finance Department prior to making any entries to Fund Balance.**

### **How do I add a community special checking account?**

From the top of the screen, click **Lists**.  
Click **Chart of Accounts**.

At the bottom of the listing of accounts, click **Account**.  
From the top of the listing, click **New**.

In the Type box, **Bank** is highlighted. Leave this as it is.

In the Number box, type the new number you wish to use (make sure it is 6 digits – ex. 1000-45), then click OK. For a Community, the last two digits will be in the range from 45 to 55.

In the Name box, type Cash Checking COM45 . If you have multiple Community groups, index the account name by 1 to Cash Checking COM46 , Cash Checking COM47 and so on.

Note: If you wish to make this a sub-account of another account, click the small square box below the Name of the account and a check mark will appear. Then, enter the account number at the right you wish to use. Click the **down arrow** and select 1000-00 Cash Checking #1. This will make the Community Checking account a sub-account of the main parish checking account.

Click **OK** to save the account.

The account number is now added.

**How do I enter interest from the RCAB depository savings account?**  
**(This could also be done as a general journal entry)**

At the top of the screen, click **Banking**.

Click **Make Deposits**.

The first box highlighted is Deposit To.

Click the **down arrow** and select the appropriate checking or savings account.

Click the Tab button on the keyboard.

Enter the date of the interest. You may use the calendar beside the date.

Click the Tab button three times to the **From Account** box.

Enter the code 4310-XX Interest / Dividend Income.

Click the Tab button to the **Memo** box and enter the name of the account receiving the money (ex. checking, savings, Depository).

Click the Tab button three times to the **Class** box.

Enter 00.

Tab to the **Amount** box and enter the amount of the interest to be recorded.

At the bottom of the screen, click the **Save & Close** button.

The interest has been recorded.

Note: The main reason for using the Memo field above is that you can run a report, which will break this income down by name. This is especially helpful at the end of the fiscal year.

### How do I record bank charges?

**This can be done by journal entry or as follows.**

**Please do not use for prior fiscal years, make these entries in the current fiscal year.**

At the top of the screen, click **Banking**.

Click **Write Checks**.

The first box highlighted is Bank Account.

Click the **down arrow** to the right of the account highlighted.

A pop-up list will appear, listing the various bank accounts.

Select the proper account.

Tab to the No. (Number) box. There is no check number. We recommend you use the letter "A" (which may represent an Aadjustment by the bank).

Next, enter the date of the charge from the bank statement.

On the Pay to the Order of line, enter the name of the bank.

Tab, and enter the amount of the charge.

Tab five times to the Account box.

Enter 6003-01 for a parish, 6003-11 for a school, 6003-31 for a cemetery, etc.

At the far right, in the Class box, enter 01 for a parish, 11 for a school, and 31 for a cemetery, etc.

At the bottom of the screen, click the **Save & Close** button.

The bank charge has been added.

### How do I record bounced checks?

**This can be done by journal entry or as follows.**

**Please do not use for prior fiscal years, make these entries in the current fiscal year.**

Occasionally, a parish or a school will receive a check that will be returned for insufficient funds. To record this transaction, follow these steps:

At the top of the screen, click **Banking**.

Click **Write Checks**.



### How do I record bounced checks? - continued.

The first box highlighted is Bank Account.

Click the **down arrow** to the right of the account highlighted.

A pop-up list will appear, listing the various bank accounts. Select the proper account.

Tab to the No. (Number) box. There is no check number. We recommend you use the letters BC (which may represent a Bounced Check).

Next, enter the date of the charge from the bank statement.

On the Pay to the Order of line, enter the name of the bank.

Tab, and enter the amount of the bounced check.

Tab five times to the Account box.

Enter the income account that was originally entered in the deposit (ex. 4101-00 Offertory in a parish or 4120-00 Tuition for a school).

At the far right, in the Class box, enter 00 for a parish, 10 for a school, and 30 for a cemetery.

At the bottom of the screen, click the **Save & Close** button.

The bounced check has been added.

### How do I record voided checks

**This can be done by journal entry or as follows.**

**Please do not use for prior fiscal years, make these entries in the current fiscal year.**

At the top of the screen, click **Banking**.

Click **Write Checks**.

The first box highlighted is Bank Account.

Click the **down arrow** to the right of the account highlighted.

A pop-up list will appear, listing the various bank accounts. Select the proper account.

Tab to the No. (Number) box. Enter the check number.

Next, enter the date of the voided check.

On the Pay to the Order of line, enter the name Void.

### How do I record voided checks? - continued

You may get a message that Void is not on the Name list, Click the Quick Add button and then click the circle to add it to the Other name list.

Tab, and enter the amount of the void as 0.00.

NOTE: If a voided check is for a prior year (after the close of that year), a journal entry needs to be created with a date in the current fiscal year. This is because we do not book prior period entries.

### How do I record loan payments made to the RCAB Revolving Loan Fund?

If a check is older than 6 months and has not been cashed/ cleared by the bank, it is recommended that the check be added back to cash. This is done one of two ways:

If the check is dated within the current fiscal year– void the check as instructed above.

If the check is dated prior to this fiscal year– three steps are performed:

1. Mark the check as cleared on the current bank reconciliation.
2. Enter a General Journal Entry with a date within that current bank reconciliation.

DR Cash/checking account

CR Expense account applicable to the check

3. Mark the above noted General Journal Entry as cleared in the current bank reconciliation.

### How do I record loan payments made to the RCAB Revolving Loan Fund?

At the top of the screen, select **Vendors**.  
Click **Enter Bills**.

On the Vendor line, enter RCAB Revolving Loan Fund.  
If this vendor is not set up, do so now.

Enter the **Date** and **Amount Due**.

On the Ref. No. line, type your parish loan number (ex. L999000001).

Below, in the Account box, click once and an **arrow down** will appear.  
Click the **down arrow**, and scroll down to the loan payable account (2300-00 or 2800-00, whichever applies).

### How do I record loan payments made to the RCAB Revolving Loan Fund? - continued

Since you do not have the actual distribution of principal and interest, we suggest that you code the payment to **one** account as you enter it. Be consistent when you make the initial coding. When the monthly Loan statement is mailed to the parish, it will have the actual breakdown of principal and interest. You must go back to the original entry and recode the breakdown at that time. 8460-01 for a parish loan and 8460-11 for a school loan should be used when you record the interest from the loan statement.

At the bottom of the screen, click **Save & Close**.

### How do I transfer funds from the parish checking account to the depository account?

From the top of the screen, select **Vendors**.  
Click **Enter Bills**.

On the Vendor line, type RCAB Revolving Loan Fund, then enter.  
You may get a message that says that RCAB Revolving Loan Fund is not in the Vendor list.  
Click the **Set Up** button.

Leave the selection as a Vendor and click **OK**.  
On the **Address Info** tab, you will see RCAB Revolving Loan Fund in the Address box.  
Click in this box and fill in the remaining address: The Pastoral Center, 66 Brooks Drive, Braintree, MA 02184-3839  
When this is done, click the **OK** button at the right.

Next, enter the date and amount you wish to send to the Depository.  
In the middle of the screen, on the **Memo** line, type Depository XXX000 (replace the XXX with your parish number).

On the lower portion of the screen, click in the **Account** box.  
As you type the account number 1050-00, the system should fill in the name as RCAB Depository.  
Remember to type the **Class** 00 at the right.  
Click the **Save & Close** button.

Go to the Pay Bills screen. Find the vendor RCAB Revolving Loan Fund, and place a **check mark** to the left of the name.  
Click the **Pay & Close** button.  
Finally, from the top of the screen, select **File**.  
Click **Print Forms** near the bottom of the list.  
Click **Checks** from the pop-up list.  
Place a check in your printer.  
Click **OK**.  
On the Print Checks screen, click **Print**.  
Answer **Yes** to the question 'Did all the checks print correctly?'

### How do I record changes to the parish RCAB Common Investment Fund?

At the top of the screen, click **Company**.

In the center of the drop-down list, click **Make General Journal Entries**.

Tab twice to the **Account** field.

Make an entry for each transaction that appears on the printout received from the Pastoral Center Finance Group.

The next page in this book will give you the proper entry, depending on the change in value. Some months, there will be several transactions, including market value change, dividend declaration, and/or dividend investment.

Enter the appropriate **Debit** and **Credit** amounts in the second and third columns of each entry.

When you make these Journal Entries each month, we strongly recommend that you use the **Memo** field to note what change happened at that time.

Remember to use the appropriate **Class** for each debit and credit you make. You could also assign Class codes for these entries and enter them here.

**NOTE: The 1st memo for multiple entries in a General Journal Entry will appear for all of the entries when posted to the accounts or transaction pages—please use a memo that references all of the entries, for instance, “June Savings Account 1050-03 entries” or if that is not possible make separate General Journal Entries.**

## How do I record Common Investment Fund entries? Accounting For Common Investment Fund

Sample Journal Entries (refer to Sample Common Investment Fund Account Statement) (Reflect CIF at Market Value)				
(See Sample Account Statement)	Chart of Account #	Account Description	Debit	Credit
Entry #1	1250-00 1110-00	Dividend Receivable RCAB Common Investment Fund <b>(To record quarterly dividend declared)</b>	1,331.51	1,331.51
Entry #2	1110-00 1250-00	RCAB Common Investment Fund Dividend Receivable <b>(To record dividend reinvested into CIF Account)</b>	1,303.30	1,303.30
Entry #3	1000-00 1250-00	Cash Checking Account #1 Dividend Receivable <b>(To record deposit of check for dividend declared)</b>	1,407.88	1,407.88
Entry #4	4320-00 4310-00	Market Value (Increase) Decrease Interest/Dividend Income <b>(To record quarterly dividend income - Note: This is to be made in conjunction with Entry #1).</b>	1,331.51	1,331.51
Entry #5	1110-00 4320-00	RCAB Common Investment Fund Market Value (Gain) Loss <b>(To record current month market value increase)</b>	3,129.31	3,129.31
Entry #6	1000-00 1300-00	Cash Checking Prepaid Expense <b>(To record purchase of CIF shares when check is sent prior to 1st mo in a quarter)</b>	5,000.00	5,000.00
Entry #7	1300-00 1110-00	Prepaid Expense RCAB Common Investment Fund <b>(To record a purchase of CIF shares in the 1st mo of a quarter when check was sent in prior month)</b>	5,000.00	5,000.00
Entry #8	1000-00 1110-00	Cash Checking RCAB Common Investment Fund <b>(to record a purchase of CIF shares when check is sent out beg of 1st mo in quarter)</b>	5,000.00	5,000.00
<b>Note: Purchase could also be made by transferring funds from RCAB Savings or wiring funds from another account.</b>				

**Accounting for Common Investment Fund**

<p style="text-align: center;"><b>SAMPLE</b>                      ROMAN CATHOLIC ARCHDIOCESE OF BOSTON                      Common Investment Fund                      Account Statement</p>									
Transaction Date	Transaction Type	Entry #	Transaction Amount	Share Price	Shares Transacted	Invested Cost	Market Value		
Statement Period: 07/01/2005 to 04/30/2006 Account: C999000000 Name: CIF Fund Type: Unrestricted Amount Restricted: 0.00 999-000 Saint Dominic Parish 2121 Commonwealth Avenue Brighton, MA 02135									
								Beginning Value:	131847.73
								Less Redemptions:	145380.05
								Add Purchases:	4009.93
								Increase(Decrease) in Market	13636.9
								Less Dividends:	4114.51
								Ending Value:	2,18279E-11
40086	Dividend Declared/Calculation	#1	1331.51	3.542	37219.721	101911.83	131847.73		
40086	Ending Balance			-0.035			-1331.51		
				3.623	0	0	130516.22		
39995	Dividend Investment	#2	1303.3	3.542	367.913	1303.3	1303.3		
40025	Change in Market Value	#3		0.083	37587.634	103215.13	131819.52		
40025	Ending Balance			3.626	37587.634	103215.13	134948.83		

**How do I reconcile the parish bank statement?**  
**(Make sure previous month was reconciled properly)**

From the top of the screen, click **Banking**; then, click **Reconcile** to display the *Begin Reconcile* window.

In the *Account* field, select the account you want to reconcile (if you have more than one account).

In the *Statement Date* field, enter the date that appears on the bank statement.

Compare the Beginning Balance shown on the bank statement with the amount on the screen.

Tab to *Ending Balance* and enter the ending balance listed on the bank statement.  
Tab to *Service Charge* and enter amount shown on the bank statement (if applicable). In the *Account* field for service charges, enter the correct expense account (usually 6003-01 in a parish; 6003-11 in a school) **if not already entered by journal entry or other method**.  
Tab to *Interest Earned* and enter amount shown on the bank statement (if applicable). In the *Account* field for interest, enter the correct income account (usually 4310-00). Be sure to add the class 01 Church to each of the service charge for the parish or 11 Administration for the school and class 00 for the interest earned boxes at the right if not already entered by journal entry or other method.

Click **Continue** to open the *Reconcile* window for this account.

The *reconcile* window includes a listing of checks, payments, and transfers on the left of the screen, and a listing of deposits and voided checks on the right side of the screen. Obtain tally sheets and deposit slips and compare amounts.

When you find a transaction in the Reconcile window that matches a transaction on the statement, click this transaction, which will mark it as a cleared item.

Match each item *exactly* for amount Payee and check number where applicable. If you find a difference, double click the check, deposit, etc. and make the necessary correction. Remember to click the **Save & Close** button at the bottom of the screen. If you find there is a check, deposit, etc, *not* on the reconciliation, enter the transaction now.

When you have finished selecting your transactions, look to the bottom right corner of the screen. If the Difference is 0.00, click the **Reconcile Now** button, and follow it through to print the report, preferably in Detail. If the Difference is not 0.00, you need to recheck each item that was previously marked with a **check mark**.

Finally, please **do not** click **Reconcile Now** if the difference is not 0.00. If you do, you are forcing the balance, and have not reconciled the account properly!! This will create a Quick-Books account called Reconciliation Discrepancies - this is not on our chart of accounts.

### **How do I add an existing parish savings account for the first time?**

(The account has activity from a prior fiscal year)

You should request the entire history for the Savings account from Mary Ryan, Parish Financial Services or Finance. A summary of the various types of entries can be created from the history so that lump-sum entries can be made to the correct accounts. Since the account was not set up in QuickBooks, this will also help to correct any erroneous entry that was made initially to send the money to RCAB.

If a parish or school has a *Savings* account that is not recorded in their QuickBooks file then they should record the opening balance for the first time, This entry should be made with a current fiscal year date.

From the top of the screen, click **Banking**.  
In the middle of the list, click **Make General Journal Entries**.

The date is highlighted. Enter the date you want to begin recording the activity on this account, using the last day of the month.

Tab to the **Entry No.** box. It may assign a number; if not, enter one.

Tab to the **Account** field. Click the **down arrow**, and the Chart of Accounts will appear. Select the appropriate account. The range of *Savings* accounts is 1040-00 to 1040-99. Enter a number within this range of numbers. Use 1040-00 if it is not being used.

Tab to the **Debit** field and enter the account beginning balance.

Tab to the **Memo** field and type Beginning Balance.

Tab twice to the **Class** field and enter 00. It will display the word Parish or School, depending which company you are working in.

Tab to the **Account** field again and type the appropriate account number (example 4108-00). It will fill in the name (example **Gifts and Bequests**), and will put the same amount in the **Credit** field. Note: you should post to the accounts indicated by the historical statement from Mary Ryan or Finance.

Tab five times to the **Class** field and enter 00. It will display the word Parish or School, depending which company you are working in.

At the bottom of the screen, click **Save & Close**.

**Note: Please consult with Parish Financial Services or Finance Department prior to making any entries that should have been made in a prior period.**



### How do I set up additional parish savings accounts?

Some parishes and schools have more than one *savings* account. To add each of these additional accounts,

From the top of the screen, click **Lists**.  
Click **Chart of Accounts**.

At the bottom of the listing of accounts, click the **Account** box.  
Click **New**.

The *Type* listed is **Bank**.

Tab to the *Number* box, and type the number 1040-01. Make sure it is 6 digits. If 1040-01 is currently being used, use 1040-02. The range of *savings* accounts is 1040-00 to 1040-99.

In the *Name* box, type the name of the account that identifies this specific *savings* account please start the name with Cash Savings.

Click **OK** to save the account.

The account is now added.

Follow this procedure until you have included all *savings* accounts.

### How do I add an existing RCAB Revolving Loan LOAN account for the first time?

(The loan has unrecorded activity from a prior year)

**In all probability you will also need to review and change, in the current year, the original cash receipt entry, if any, for the loan.**

This is more complicated than it seems. It often involves expenses including capital expenses. A history of the loan should be requested from Mary Ryan or Parish Financial Services, or Finance. Then with the guidance of PFS or Finance, the entries can be made.

Unless told otherwise, these entries should be made with a current fiscal year date.

Many parishes and schools have a Revolving Loan account (s) that is (are) not recorded on their QuickBooks companies. To record the opening balance for the first time:

From the top of the screen, click **Banking**.  
In the middle of the list, click **Make General Journal Entries**.

The date is highlighted. Enter the date you want to begin recording the activity on this account, using the last day of the month.

Tab to the **Entry No.** box. It may assign a number; if not, enter one.

**How do I add an existing RCAB Revolving Loan account for the first time? - continued.**

(The loan has unrecorded activity from a prior year)

Tab to the **Account** field. Click the arrow down, and the Chart of Accounts will appear. Select the 2300-00 Debt to Revolving Loan-Current (If it is a 12 month note or less). If longer than 12 months use account 2800-00.

Tab to the **Credit** field and enter the account beginning balance.

Tab to the **Memo** field and type Beginning Balance.

Tab twice to the **Class** field and enter 00. It will display the word Parish or School, depending on which company you are working in.

*The following entries should be made from a list of the expenses derived from Loan Account history provided by Mary Ryan or Finance. Do not make these entries to Fund Balance unless specifically instructed by Finance.*

Tab to the **Account** field again and type the appropriate expense account number. It will fill in the account name and the total opposite dollar amount in the Debit field. Change the dollar amount if necessary to the correct amount and proceed to enter any remaining expense account numbers and amounts.

Tab five times to the **Class** field and enter 00. It will display the word Parish or School, depending on which company you are working in.

At the bottom of the screen, click Save & Close.

**How do I set up additional Revolving Loan LOAN accounts?**

Some parishes and schools have more than one Debt to Revolving Loan account at the Chancery. To add each of these additional accounts,

At the top of the screen, click **Lists**.  
Click **Chart of Accounts**.

At the bottom of the listing of accounts, click the **Account** box.  
Click **New**.

The Type listed is **Bank**.

Tab to the Number box, and type the number 2300-01 (or 2800-01). Make sure it is 6 digits. If 2300-01 is currently being used, use 2300-02. The range of *Debt to Revolving Loan* accounts is 2300-00 to 2300-99 or 2800-00 to 2800-99.

### **How do I set up additional Revolving Loan LOAN accounts? Continued.**

In the Name box, type the name of the account that corresponds to the printout the parish receives from the Chancery each month.

Note: These may be made sub-accounts of 2300-00 if desired.

Click **OK** to save the account.

The account is now added.

Follow this procedure until you have included all Debt to Revolving Loan accounts.

### **When do I use sub-accounts?**

QuickBooks gives the user the option to designate an account as a primary account or as a sub-account of another account. There are no mandatory rules for the use of sub-accounts. Sub-accounts allow the user to organize accounts for reporting purposes, especially when multiple accounts are used for a particular reporting item, such as Donations, Depository at RCAB, Fundraising Expenses, and Accounts Payable. Ideally, the top level account is not used except as a vehicle for subaccounts to roll into. If you want to completely organize everything for reporting purposes you would order the chart of accounts as follows:

1050-00 Depository at RCAB (No entries - not necessary but cleaner)

1050-01 Depository S0010004

1050-02 Depository S0010005

1050-03 Depository S0010006

The same applies to any accounts where you have multiple classes.

Again the chart of accounts can have a combination of accounts with and without sub accounts. In fact, there is no need to have any accounts that are checked as sub-accounts as you can still design a report organizing the accounts.

Sub-accounts should be used if you have accounts you want to breakdown to show selected activity under the same primary account number. An example of this would be keeping track of fundraising expenses. If you create sub-accounts for 6701-00 you would be able to see how much is spent on each type of fundraising by using 6701-01, 6701-02, etc. A Profit and Loss statement would show the total amount spent on fundraising when collapsed or with the report expanded you would see the expense amount for each sub-account relating to the fundraising activity.

### How do I enter bills?

From the top of the screen, select **Vendors**.  
Select **Enter Bills**.

Enter the vendor's name from the invoice, and then enter.  
If the vendor has not been used before, you have a choice to either **Quick Add** or **Set Up**.  
If you select **Quick Add**, it will not include the address or other important information that may be needed in the future. We strongly suggest that you select the **Set Up** option, and fill in the appropriate information.

Next, click the **Additional Info** tab. If this vendor is an independent contractor that will be distributed a 1099 Miscellaneous Income Form at the end of the year, you need to enter the Tax ID or Social Security Number and then put a **check mark** in the *Vendor eligible for 1099* box. Click the **OK** button.

Enter the date on the invoice.

Tab twice to the **Ref. No.** and enter the invoice number (Note: Some vendors use account numbers as their reference number. In this case use the DATE as the reference no.)

Tab to **Amount Due** and enter the amount on the invoice.

Tab to **Bill Due** and enter the date the payment is due to this vendor.

Tab to **Memo** and enter any comment you would like to show on the check. This information will be helpful to the vendor.

*This is also where you would code capital purchases in order to group them at year end.*

Tab to the **Account** and click the ▼ and scroll to the correct account number for this expense/bill.

The **Amount** will be in the next box and should be the same as listed above.

Tab to the **Memo** and enter information that will appear on the cash disbursement register

Tab twice to the **Class** and click ▼ and enter the correct class.

Click the **Save & Close** button at the bottom of the screen.

### How do I re-code an expense?

From the top of the screen, select **Vendors**.

Select **Vendor Center**. Or select the Vendor Center Icon.

Highlight the Vendor you wish to change the expense code.

At the upper right hand corner of the screen, choose **Quick Report**.

Change the date range to find the bill or check that needs to be edited.

Double click on the bill to have it appear on the screen.

### How do I re-code an expense? - continued.

Highlight the incorrect code and enter the correct expense code.

Click the **Save & Close** button at the bottom of the screen.

You will get a message on the screen. "You have changed the transaction. Do you want to record your change?"

Click **Yes**.

The expense has now been re-coded.

### How do I edit a deposit?

From the top of the screen, select **Banking**.  
Click **Use Register**.

Select the account you wish to make the correction to (this window usually defaults to the 1st account listed on the chart of accounts).  
Click **OK**.

Scroll up the register and highlight the deposit that needs to be edited.

Above the third column, you will see **Edit Transaction**.  
Click this option.

In the second column, **From Account**, you may see 1 or more income accounts that were in this deposit. Click on any line and a down arrow will appear for that line.

If you know why the deposit total was incorrect, increase or decrease that specific income account.

If you do not know why the amount was changed or what income source should be adjusted, you need to find out. If you must, temporarily use 4398-00 Misc. Other Income and do an adjusting entry when you know the correct account.

In the **Memo** column, enter Per Bank.

Tab three times to the **Class** column and enter 00.

In the **Amount** column, enter the increase or decrease, based on the deposit slip from the bank.

Click the **Save & Close** button.

### How do I edit a deposit? - continued.

You will get a message on the screen. "You have changed the transaction. Do you want to record your change?"

Click **Yes**.

The deposit has been edited.

### How do I edit a check that has cleared at the bank with a different dollar amount?

**If a bank error, call the bank and have them correct the error, otherwise:**

From the top of the screen, select **Vendors**.  
Click **Vendor Center**. Or select the Vendor Center Icon.

Find the vendor to whom the check was paid to and highlight the vendor name.  
At the upper right hand corner of the screen, click **Quick Report**.

Change the date range to find the bill and the check that needs to be edited.  
Double click on the bill to have it appear on the screen.

Go to the *Amount Due*, highlight the amount and change it to the amount cashed by the bank.  
At the bottom of the screen, click **Save & Close**.

QuickBooks will ask 'This transaction is linked to others. Are you sure you want to change it?'  
Click **Yes** to save the change.

Next, go to the *Bill Pmt-Check* and double click to have it appear on the screen.

Change the dollar amount on the check to the amount cashed by the bank.

In the Bill Payment Information at the lower portion of the screen, go to the Amt. Paid at the right of the screen and change the dollar amount to agree with the bank statement.  
Click **Save & Close**.

QuickBooks will ask 'This payment by check has been used to pay some bills. Changing it will alter how it applies to those bills. Do you want to change it anyway?'  
Click **Yes**.

QuickBooks will ask "You have cleared a transaction that has already been cleared. Do you want to record your changes?"  
Click **Yes**.

### **How do I find a specific check, number, amount or an invoice?**

At the top of the screen, select **Edit**.

Near the bottom of the list, select **Find**.

In the Transaction Type window, click ▼ and select the item type you are looking for (invoice, check, bill, etc.).

Enter as much information that you know in the Payee, Date, Number, and Amount fields. The more information you provide, the less the number of items the search will find.

Click **Find**.

The listing of items will appear at the bottom of the screen. If the search does not find any items, you may have to limit the fields that were used in the first search.

To review the items found, you can double click each item until you find the one you were looking for.

### **How do I fix Special Collections to net to zero if there is a debit balance on the trial balance?**

From the top of the screen, select **Reports**.

Click **Memorized Reports**.

Click **Memorized Report List**.

Click **Trial Balance**.

Or if not memorized, click Reports, Accountant & Taxes, Trial Balance then:

Double click on the dollar amount in the Special Collection.

In the **Dates** window, you will see **Custom**. Type the letter A on your keyboard. This option changes the activity to include all transactions.

Review all activity on this specific collection and you may see that one of the checks sent to the Archdiocese may have been for a different collection. Or, maybe the parish sent more for this collection than they collected.

Review the tally sheet(s) and the deposit(s), and compare the total(s) on this (these) sheet(s) with the amount entered as a deposit. Essentially reconcile the account and if called for, make a journal entry to correct the imbalance. If you have overpaid in error you should seek remittance from RCAB.

**How do I record payments to vendors financed by a loan through the RCAB Revolving Loan Fund? These are listed on the monthly statement.**

At the top of the screen, select **“Company”**.

In the center of the drop down list, click **“Make General Journal Entries”**.

In the **“date”** field, enter the date the payment was reflected on your loan statement.

The entry number, **“Entry No.”** field, should be automatically assigned by QuickBooks.

Tab twice to the **“Account”** field. In the **Account** field, click once and a ▼ will appear. On the first line in the **“Account”** field, select the appropriate expense account for the payment. For example, a payment to a vendor for capital improvements to the church building, select **7003-01 “CHR Acq. / Improve. – Building”**. In the **debit** column, enter the amount of the payment. In the **“memo”** field, enter the vendor name. In the **“Class”** field, select the appropriate class for the expense account selected. 01, 02, 03, 04. Per the example above, the **class** would be **“01”**.

On the second line, in the **“Account”** field click once and a ▼ will appear. Click the ▼, and scroll down and select the account **2800-00 “Debt to Revolving Loan– Noncurrent”**. In the **credit** column enter the amount of the payment. In the **“Class”** field, enter **“00”**.

At the bottom of the screen, click **Save & Close**.

The vendor payment has been entered. Create a new journal entry for every payment financed by the loan.

**How do I submit a trial balance to the Parish Accounting Office? If you are on the hosted environment you do the following: This does not submit anything it just records the month you have closed.**

Proceed to your right Networks desktop.

Click on **“Close Books Through Month”** report icon.

Select the correct Parish entity or QuickBooks file.

select **“Close Books Through Month”** bar.

Select the month and year that you are closing ▼.

Click **“Save Changes”**.

If you wish to verify you trial balance with the numbers pulled each Sunday by Right Networks, modify the start and end date for the appropriate month.

Click on **“Trial Balance”**.

Compare the Right Networks and QuickBooks Trial Balances.

Remember, if you make entries after prior Sunday, they will not match.



### How do I print a trial balance report in QuickBooks?

Click on “Reports”.

Click on “Accountant & Taxes”.

Click on “Trial Balance”.

Edit the dates.

Click on “Print:”.

NOTE: Default is active accounts so unless you memorize the report you need to change every time.

### How do I remove zero amounts from the trial balance report?

Click on *Reports*

Click the *Memorized Report List* on the bottom right of the screen.

Double click the report you use for your Trial Balance.

When the report appears, you will notice the top left button, above the date, **Modify Report**. Click this button.

Within the **Display** window, on the bottom right corner, click the **Advanced** button.

There are three groups of items.

Please move the closed circle to Non-zero in the Display Rows and Display Columns.

Click **OK** in the bottom of the small box.

Click **OK** at the bottom of the Modify Report: Trial Balance screen.

Your Trial Balance should now show only accounts that have amounts in them.

To the right of the Modify Report button, click the **Memorize** button.

Click **Replace** to save the changes.

You can now exit this report.

Repeat this procedure if you have a school, high school, cemetery, etc.

## How do I set up a budget?

Before you can begin to add a budget to your parish or related entity in QuickBooks, you must have a few items that will be helpful in completing the task. These include:

- a) some recent historical financial data (preferably a full year of activity);
- b) a calendar to determine which months will have five weekends of offertory, Holy Days and / or special events;
- c) a ruler to follow each line item that will need to be included in the budget;
- d) some knowledge of trends/events that may affect income and expense accounts.

To enter your budget, follow these steps:

From the top of the screen, select **Company**.

Click **Planning & Budgeting**.

Click **Set up Budgets**.

At the far right , click **Create New Budget**.

On the Create a New Budget screen, make sure you are in the correct year of the budget you wish to input. Also, the closed circle should be in the Profit and Loss budget type..

Click **Next**.

The **Additional Profit and Loss Criteria** should remain as it is.

Click **Next**.

Choose how you want to create the budget. Your options are to create one from scratch or create one from previous year's actual data. We prefer the first option.

Click **Finish**.

Now, you are ready to enter your budget.

The next window has the income and expense accounts listed on the left, and the twelve(12) months of the year on the right. As you enter data into one of the months, it adds this to the first **Annual Total** column. This field will ultimately become the annual budget.

There are several buttons near the bottom of the screen to help you.

**Copy Across:** If you have an account that has the same amount budgeted each month, just enter it in the month of July, then click this button and it will save you from having to enter the same amount twelve (12) times.

**Adjust Row Amounts:** You can increase or decrease the amount of an income or expense account by either a dollar amount or a percentage.

**Clear:** This will clear all the entries you have made and you may begin the process again with new data. If you have entered data, when you click the Clear button, you will be asked 'Are you sure you want to clear this page from the budget?'

### **How do I set up a budget? - continued**

**Save:** This button saves all the data you have entered up to that point. If you are interrupted with a phone call, someone comes to the door, or another staff member stops to ask you a question, click the save button and you will not lose any of your input.

**OK:** This button saves your data and drops you out of the budget set up and brings you back to the Company Navigator.

**Cancel:** This button drops you back to the Company Navigator without saving the recent data entered.

Finally, print a budget report when you have entered all accounts to check your entries for accuracy. If changes need to be made, find the respective accounts and make them.

### **How do I backup my data?**

Right Networks backs up data daily and stores back-up on a 90-day cycle. Individual back-ups are not necessary.

If you choose to back-up locally, you must be in **Single-User mode** to back up your company.

### **Backing up**

From the **File** menu, choose **Save company then select local backup**

(**Optional**) If you want to change the name or location that QuickBooks suggests for the backup file:

Click **Browse**.

Specify a new filename and location.

Click **Save**.

Click **Backup**.

### **How often should I back up my data?**

Ideally, **every time** you work on QuickBooks, we recommend that you backup the program—that is why Right Networks backs up the data daily and stores back-up on a 90-day cycle. See “Backing up”.

### How do I set up a password?

You must first login to QuickBooks as the administrator to change others passwords or create new passwords.

From the Company Navigator, select **Company** from the grey menu bar, then select **Set up Users and Passwords**, then select **Change Your Password...**

Enter your current password (if any); otherwise leave that field blank.

Enter the new password you want to have in *the New Password* field. Also, type it in the *Confirm New Password* field.

As you type, you will only see stars \*\*\*\*\* and not the actual password – So type carefully, these last two fields must match **EXACTLY!**

Click **OK**, and you are done.

**Note:** This is NOT the same as setting up another User.

Remember that you will need to enter this password every time you open this company. If you have multiple companies (i.e. parish, school, cemetery, etc.) you may wish to keep the password to 6 characters or less for convenience.

### How do I restrict usage of specific functions to other users?

First log in as the administrator.

You must set up passwords and access for the various individuals. First, select **Company** from the grey menu bar, and select **Set Up Users and Passwords, then select set up Users. From there, Add User.**

Then, enter a single name for the user you are setting up, as well as a password. Remember to type the password in the **confirm** field as well. It must match exactly! Click **Next**.

You are ready to set up access for this user.  
Click **Next**.

*Please Note: only the “Administrator” can set up new users.*

### How do I restore my data?

If your computer crashes, contact Right Networks immediately.

### Nothing happens when I print, what do I do?

Remove any visible jammed paper.

Turn the printer power off and restart the printer.

You might have to shut the entire computer and printer COMPLETELY OFF. Then, restart the machine.

Ask yourself a few questions.....

Was the printer printing fine before and just stopped now? Or did something happen earlier in the day / week?

Can you print from other parts of QuickBooks?

Can you print from Word, or Excel?

Check for any error messages that may be displayed on the printer or the computer. It may help you resolve what is wrong.

If the problem appears to be isolated to QuickBooks, call support at Right Networks immediately.

### How do I make a journal entry to move deferred tuition / Fees from the “sub-categories” of 2501-00 to Tuition 4120-00?

From the top of the screen, click Banking.

Click Make Journal Entry

The first box highlighted is the Date.

Click the calendar button and select 07/01/20??.

Click the Tab button on the keyboard twice to the **Account Column**

Enter **2501-00 - Deferred Tuition** – with the appropriate suffix (**00,01,02,03, etc.**), which is linked to the appropriate account name.

Click the Tab button once.

Enter the amount of funds being transferred in the **Debit Column**.

Click the TAB button four times to the **Class** box.

Enter 00.

**How do I make a journal entry to move deferred tuition/fees from the “sub-categories” of 2501-00 to tuition 4120-00? Continued.**

Tab once to the **Account Column**.

Enter **4120 -Tuition/Fees** with the appropriate suffix (**00, 01, 02, 03, etc.**), which is linked to the appropriate account name.

Click the Tab button twice and enter the amount of the funds being transferred in the Credit Column - this should populate automatically.

Click the Tab button three times to the **Class** box.

Enter 00.

At the bottom of the screen, click the **Save & Close** button.

Continue this same process for all sub-categories created under 2501-00 - Deferred Tuition

Click the Tab button three times to the **Class** box.

Enter 00.

At the bottom of the screen, click the **Save & Close** button.

Continue this same process for all sub-categories created under 2501-00 - Deferred Tuition

**How do I set up new users on QuickBooks?**

Only the administrator can add new users to a QuickBooks file.

In QuickBooks please go to ‘Company’ scroll down to ‘set up users and passwords’ and select ‘Set up users....’

A new window will open.

Select ‘Add users....’

Create the username and password and check off ‘Add this user to my QuickBooks license’

Select next.

In this section you will be able to choose the level of access for the new user.

You can set up full access, manually choose what they have access to, or select external accountant access.

Choose the appropriate access and select next.

Select ‘finished’.

**How do I enter school tax?**

**4592 School Tax Income**

Amounts received from RCAB or directly from parishes for school. These deposits should be made directly to the school cash account.

Entry Examples:

School Side:

School Tax from RCAB or From Parish

DR 1000 Cash  
CR 4592 School Tax Income

Note: you can avoid the following two entries by depositing the money directly to the school.

Parish Side: If the Parish deposits the money in a Parish account.

School tax from RCAB or other Parishes

DR 1000 Checking  
CR 2006 Misc. Clearing

Send to School

DR 2006 Misc Clearing  
CR 1000 Checking

Note: identify in memo as school tax and from where.

## Entries for Scholarship Donations and Use vs. Payments Account

### How do I enter scholarship donations?

**Donations received in prior years:**

In the year received:		DR	CR	
1050-0?	Depository at RCAB	\$50,000		To apply income side for donation
4108-00	Gifts and Bequests		\$50,000	Temp. Restricted account

**In the year used:**

1000-0?	Cash Checking	\$5,000		To move from restrict to unrestricted
1050-0?	Depository at RCAB		\$5,000	
1205-00	A/R Tuition		\$5,000	To apply the credit to AR for those students given scholarship funds
4127-00	Tuition Discounts	\$5,000		

**Note: We do not re-class from 4108 to 4120 for the amount funded in order to have accurate records of Tuition actually paid—this indicated the portion of tuition not paid directly.**

**The Catholic Schools Foundation provides a lump sum of money to support the school but not for tuition:**

1000-0?	Cash Checking	\$25,000		Aid to school for operations, use as Necessary
4108-02	Gifts and Bequests CSF		\$25,000	

**Students apply either directly or through FACTS for tuition aid. Regardless of whether the aid is given in lump sum with the distribution left up to FACTS or the school OR if it is given for specific students:**

If the aid comes in current or prior year:

1050-0?	Depository at RCAB	\$5,000		To record the income side for donation
4108-00	Gifts and Bequests		\$5,000	

When used:

1000-0?	Cash Checking	\$5,000		To move from restricted to unrestricted
1050-0?	Depository at RCAB		\$5,000	
1205-00	A/R Tuition		\$5,000	To apply the credit to AR for those Students given the scholarship funds
4127-00	Tuition Discounts	\$5,000		To indicate the portion of tuition not Being paid directly



## Entries for Scholarship Donations and Use vs. Payments Account

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**All payments to a specific student's account by friends or family:**

Aid comes in prior year:		DR	CR	
1000-0?	Cash Checking	\$5,000		
1205-00	A/R Tuition		\$5,000	Payments applied against students account

**Note: This may create a temporary credit in A/R if invoicing is not done in prior year**

**Invoiced in prior year—aid comes in current year:**

1000-0?	Cash Checking	\$5,000		
1205-00	A/R Tuition		\$5,000	Payments applied against students account

## Tuition Income Recognition

### When do I recognize tuition revenue?

**Beginning with Fiscal Year 2012 we would like schools to modify their recognition of tuition revenue.** The primary objective is to match revenues and expenses, at least for key reporting periods. This method will also allow a wider variety of approaches by schools to their recording of tuition receivable and their recognition of tuition revenue.

Preferably, students are invoiced in full in advance of the year, but may also be periodically invoiced or invoiced over the course of the year.

Contractual agreements regarding payment and refunds may vary. Students may pay in full, in advance, contractually or as allowed by individual school policies.

Bad debt is calculated based on the various payment schedules – percent paying in advance, percent paying by contract, percent paying otherwise and on historical analysis.

Schools do not need a refund reserve, or a reserve for future services.

**Recognize tuition revenue on an accrual basis. Do not recognize tuition revenue when paid, and do not operate on a cash basis.**

**The following are journal entries, if billing is done in QB then any entries to AR would be done through billing (debits or credits).**

**Entries:** Assuming total invoicing of \$1million and 01% bad debt with 10% of bad debt as actual.

**Record Student Invoicing:**

Invoicing in total	DR	CR
1205 Tuition Receivable	1,000,000	
2500 Deferred Revenue		1,000,000

Or

Invoicing periodically

1205 Tuition Receivable	250,000	Note: once a quarter or more often
2500 Deferred Revenue		250,000

**Recognize Income:**

Recognize Income for 1<sup>st</sup> month .... 1/12<sup>th</sup> of invoices

2500 Deferred Revenue	83,333	
4120 Tuition Revenue		83,333

Or

Recognize Income for 1<sup>st</sup> quarter .... 1/4<sup>th</sup>

2500 Deferred Revenue	250,000	
4120 Tuition Revenue		250,000

## Tuition Income Recognition (Continued)

**Applicable for all methods of invoicing:**

	DR	CR
Record payment on account		
1205 Accounts Receivable		150,000
1000 Cash Checking	150,000	

To record discounts (can be done by journal entry or through credits)

1205 Accounts Receivable		1,000
4127 Tuition Discounts	1,000	

**Invoice at same time revenue is recognized**

Note: If you invoice periodically at the same time you would recognize revenue, you do not need to use the deferred revenue account. (We do not recommend this.) The entry would be as follows:

Recognize income from quarterly invoicing

1205 Accounts Receivable	250,000	
4120 Tuition Revenue		250,000 The same is true for monthly billing.

**BAD DEBT RESERVE**

Beginning in FY2012 we ask that the "Tuition Bad Debt" revenue account #4126 be changed to expense account #6760.

**To record initial Bad Debt allowance** \* This is only done to bring on bad debt initially, thereafter the year end adjustment is made.

1201 Allowance for Doubtful Accounts Receivable		88,000
6760 Tuition Bad Debt	88,000	
See "Bad Debt Reserve Calculations "		

**When AR is determined to be uncollectible**

To record actual bad debt for unpaid AR that has been recognized as income.

6760 Tuition Bad Debt	1,000	
1205 Accounts Receivable - Tuition		1,000

## Tuition Income Recognition (Continued)

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<b>When AR is determined to be uncollectible</b>	<b>DR</b>	<b>CR</b>
To record actual bad debt for unpaid AR that has not yet been recognized as income.		
1205 Accounts Receivable -Tuition		1,000
2500 Deferred Revenue	1,000	

Note: It is possible that the entry for actual bad debt may be split between deferred revenue and Bad Debt Reserve when a portion has been recognized as income while the remainder has not.

### To record year end adjustment to bad debt

1201 Allowance for Doubtful Accounts Receivable	29,800	
6760 Tuition Bad Debt		29,800
See "Bad Debt Reserve Calculation"		

BAD DEBT RESERVE

**Analysis of Tuition Accounts Receivable for Initial Allowance account entry:**

The first table is the first entry for those who do not already have an allowance for bad debt established, otherwise only the Year-End entry below is necessary every year along with interim adjustments when bad debt is finally recognized as uncollectible or when bad debt is recovered.

2009 un-collected tuition	\$28,000	estimated collectible	\$5,000	Bad Debt	\$23,000
2010 un-collected tuition	\$76,000	estimated collectible	\$46,000	Bad Debt	\$30,000
2011 tuition invoiced	\$1,000,000	estimated collectible	\$965,000	Bad Debt	\$35,000
<b>TOTAL</b>	<b>\$1,104,000</b>	estimated collectible	<b>\$1,016,000</b>	Bad Debt	<b>\$88,000</b>

**Year-End - Analysis of Tuitions Receivable & Allowance for Bad Debt account at end of FY 2011:**

Starting Balances and entries made during the year

Year	Orig. AR	Collections	Write off	Collection	Balance	%Uncollectible	New calculation for
			Bad Debt	Bad Debt			Bad Debt at year end
2009	28,000	-12,000	-17,000	1,000	0	0	0
2010	76,000	-35,000	-20,000	0	21,000	70%	14,700
2011	1,000,000	-975,000	0	0	25,000	30%	7,500
<b>TOTAL</b>	<b>1,104,000</b>	<b>-1,022,000</b>	<b>-37,000</b>	<b>1000</b>	<b>46,000</b>		<b>22,200</b>

**Tuition Allowance at FY 2011 final adjustment:**

Year	Original Bad Debt Entry	Net Write Off & Collection Bad	Remaining Original Bad Debt
2009	-23,000	16,000	-7,000
2010	-30,000	20,000	-10,000
2011	-35,000	0	-35,000
<b>TOTAL</b>	<b>-88,000</b>	<b>36,000</b>	<b>-52,000</b>

\_\_\_\_\_ +29,800 Entry necessary to get to new bad debt calculation see prev. page.  
= 22,200

## How do I classify employee status - exempt versus non-exempt?

All lay employees must be classified as either “exempt” or “non-exempt” employees. Employees who qualify as “exempt” are exempt from overtime regulations; whereas non-exempt employees must be paid time and a half for every hour of overtime they work over 40 hours. Employees who qualify as non-exempt can be paid on a salary basis and still be non-exempt. Under the U.S. Department of Labor Fair Labor Standards Act (FLSA), the following “test” should be performed in determining employee classification:

### Salary Test:

The minimum salary required for exempt employee status is \$455.00 per week. Thus, employees earning less than \$23,660.00 per year will be considered non-exempt, regardless of their job duties.

### Duties Test:

Section 541.1 of the regulations makes clear that an employee’s job title alone is insufficient to prove exempt status. The exempt or non-exempt status of an employee must be determined based on the duties the employee is required to perform on a day-to-day basis.

#### *Administrative Employees:*

Administrative employees are those whose primary duties involve non-manual work directly related to the management or general business operations of the employer or the employer’s customers and whose Primary duty includes “the exercise of discretion and independent judgment with respect to matters of significance.” Those employees that perform these “matters of significance” should be classified as exempt. Clerical and administrative assistants would not fulfill this qualification.

#### *Professional Employees:*

Professional employees are defined as those who perform work requiring knowledge of an advanced type in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction. This “learned professional” exemption applies to a myriad of professions and occupations such as engineering, accounting, nursing and similar professions requiring specialized training and, often, a license. Other employees considered to be exempt professionals include **teachers**, doctors and lawyers. The learned professional exemption is not available for occupations that customarily may be performed with only the general knowledge acquired by an academic degree in any field. The level, knowledge and experience must be **advanced**. For example, a registered nurse would qualify as exempt while a licensed practical nurse would not. A licensed teacher would qualify as exempt while a teaching associate would not.

## **HOW DO I DETERMINE WHETHER AN INDIVIDUAL IS AN EMPLOYEE OR A CONTRACTOR?**

**An independent contractor may be incorporated. They typically perform like services for other customers. Refer to the Parish Administration Manual’s section on Payroll Compensation ..... Independent Contractors. In the event you still are uncertain please check with the Human Resources Department at the Archdiocese.**

**How do I book the Gain or (Loss) from a redemption?**

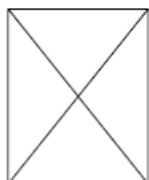
Each month parishes received a statement from the Chancery for the parish’s updated Common Investment Fund account balance. Each month, the value of a parish’s investment changes, increases or decreases, based on market conditions. This monthly change is recorded to account 4320 – Market Gain (Loss) Investments, and is considered “unrealized” because until the shares are sold/redeemed a parish has not realized a gain or a loss on the investment. When the investment is sold the realized gain (loss) is the difference between the invested cost and the dollar value redeemed from the fund. This gain is now considered “realized” because the shares have been redeemed from the CIF account.

***(This entry records the redemption of shares from the RCAB Common Investment Fund and records the realized gain on that redemption of investment. If the invested cost is greater than the value redeemed, which would be a capital loss, then 4750 account is debited. Refer to CIF example statement for entry amounts.)***

	DR	CR
1000-00 Cash-Checking	\$100,000.00	
1110-00 Common Inv Fund RCAB		\$100,000.00
4750-00 Gain (Loss) on Sale or Redemption – Investments	\$3,273.66	
4320-00 Market Gain (Loss) on Investments – Unrealized		\$3,273.66

**Note:** These calculations are maintained at RCAB. In this example the parish only needs to receive the monthly statements from the Chancery in order to record this entry.

**Example Chancery Statement:**



**ROMAN CATHOLIC ARCHDIOCESE OF BOSTON**  
Common Investment Fund  
Account Statement  
Statement Period: 07/01/2009 to 07/31/2009

Transaction Date	Transaction Type	Transaction Amount	Share Price	Shares Transacted	Invested Cost	Market Value
07/01/2009	Beginning Balance		3.098	281,269.274	842,877.85	871,404.65
07/01/2009	Share Redemption	100,000.00	3.098	( 32,277.688)	( 96,726.34)	( 100,000.00)
	Capital Gain \$3,273.66			248,991.586	746,151.51	771,404.65
07/01/2009	Dividend Investment	8,006.14	3.098	2,584.197	8,006.14	8,006.14
				251,575.783	754,157.65	779,410.79
07/31/2009	Change in Market Value		0.151			38,107.34
07/31/2009	Ending Balance		3.250	251,575.783	754,157.65	817,518.13
Average Cost per share at 07/31/2009:			2.998			

# Chart of Accounts



# Appendix 1

## Please note that these accounts are shown without suffix numbers

Parish - Chapel - Chaplaincy	Elementary School - High School - Middle School	Cemetery
<p><b>Account No</b></p> <p><b>Cash and cash equivalents</b></p> <p><b>Cash</b></p> <p>1000 - Cash - Checking #1</p> <p>1010 - Cash - Checking #2</p> <p>1020 - Cash - Payroll</p> <p>1030 - Petty Cash Fund</p> <p>1040 - Cash - Savings</p> <p>1045 - Money Market Savings</p> <p>1060 - Cash - Checking Bingo</p> <p>1080 - Scholarship Savings</p> <p>1090 - Cash - Other</p> <p><b>Cash equivalents -</b></p> <p>1050 - Depository at RCAB</p> <p><b>Investments and assets held in trust -</b></p> <p>1110 - Common Inv Fund RCAB</p> <p>1120 - Investments</p> <p><b>Account Receivable, net -</b></p> <p>1200 - Accounts Receivable</p> <p>1201 Allowance for Doubtful Accounts Receivable</p> <p>1210 - Pledges Receivable</p> <p>1250 - Dividend Receivable</p> <p><b>Prepaid expenses</b></p> <p>1300 - Prepaid Expenses</p> <p><b>Due to or From Affiliate</b></p> <p>1400 - Due to/Due from Other Funds</p> <p><b>Undeposited Funds</b></p> <p>1499 - Undeposited Funds</p> <p><b>Land, Buildings, Furniture &amp; Equipment</b></p> <p>1500 - Land</p> <p>1510 - Buildings</p> <p>1520 - Building Improvements</p> <p>1550 - Leasehold Improvements</p> <p>1570 - Equipment</p> <p>1580 - Furniture and Fixtures</p> <p>1650 - Vehicles</p> <p>1680 - Other Fixed Assets</p>	<p><b>Account No</b></p> <p><b>Cash and cash equivalents</b></p> <p><b>Cash</b></p> <p>1000 - Cash - Checking #1</p> <p>1010 - Cash - Checking #2</p> <p>1020 - Cash - Payroll</p> <p>1030 - Petty Cash Fund</p> <p>1040 - Cash - Savings</p> <p>1045 - Money Market Savings</p> <p>1060 - Cash - Checking Bingo</p> <p>1080 - Scholarship Savings</p> <p>1090 - Cash - Other</p> <p><b>Cash equivalents -</b></p> <p>1050 - Depository at RCAB</p> <p><b>Investments and assets held in trust -</b></p> <p>1110 - Common Inv Fund RCAB</p> <p>1120 - Investments</p> <p><b>Account Receivable, net -</b></p> <p>1200 - Accounts Receivable</p> <p>1201 Allowance for Doubtful Accounts Receivable</p> <p>1205 - Accounts Receivable - Tuition</p> <p>1206 Allowance for Tuition AR Bad Debt</p> <p>1250 - Dividend Receivable</p> <p><b>Prepaid expenses</b></p> <p>1300 - Prepaid Expenses</p> <p><b>Due to or From Affiliate</b></p> <p>1400 - Due to/Due from Other Funds</p> <p><b>Undeposited Funds</b></p> <p>1499 - Undeposited Funds</p> <p><b>Land, Buildings, Furniture &amp; Equipment</b></p> <p>1500 - Land</p> <p>1510 - Buildings</p> <p>1520 - Building Improvements</p> <p>1550 - Leasehold Improvements</p> <p>1570 - Equipment</p> <p>1580 - Furniture and Fixtures</p> <p>1650 - Vehicles</p> <p>1680 - Other Fixed Assets</p>	<p><b>Account No</b></p> <p><b>Cash and cash equivalents</b></p> <p><b>Cash</b></p> <p>1000 - Cash - Checking #1</p> <p>1020 - Cash - Payroll</p> <p>1030 - Petty Cash Fund</p> <p>1040 - Cash - Savings</p> <p>1045 - Money Market Savings</p> <p>1090 - Cash - Other</p> <p><b>Cash equivalents -</b></p> <p>1050 - Depository at RCAB</p> <p><b>Investments and assets held in trust -</b></p> <p>1110 - Common Inv Fund RCAB</p> <p>1120 - Investments</p> <p><b>Account Receivable, net -</b></p> <p>1200 - Accounts Receivable</p> <p>1201 Allowance for Doubtful Accounts Receivable</p> <p>1250 - Dividend Receivable</p> <p><b>Prepaid expenses</b></p> <p>1300 - Prepaid Expenses</p> <p><b>Due to or From Affiliate</b></p> <p>1400 - Due to/Due from Other Funds</p> <p><b>Undeposited Funds</b></p> <p>1499 - Undeposited Funds</p> <p><b>Land, Buildings, Furniture &amp; Equipment</b></p> <p>1500 - Land</p> <p>1510 - Buildings</p> <p>1520 - Building Improvements</p> <p>1550 - Leasehold Improvements</p> <p>1570 - Equipment</p> <p>1580 - Furniture and Fixtures</p> <p>1650 - Vehicles</p> <p>1680 - Other Fixed Assets</p>

Parish - Chapel - Chaplaincy		Elementary School - High School - Middle School - Youth Center		Cemetery	
Account No	Depreciation Land, Bldgs, Furniture & Equipment	Account No	Depreciation Land, Bldgs, Furniture & Equipment	Account No	Depreciation Land, Bldgs, Furniture & Equipment
1511 - Accum Depreciation-Building		1511 - Accum Depreciation-Building		1511 - Accum Depreciation-Building	
1521 - Accum Depreciation-Bldg Improv		1521 - Accum Depreciation-Bldg Improv		1521 - Accum Depreciation-Bldg Improv	
1551 - Accum Depreciation-Leasehold		1551 - Accum Depreciation-Leasehold		1551 - Accum Depreciation-Leasehold	
1571 - Accum Depreciation-Equipment		1571 - Accum Depreciation-Equipment		1571 - Accum Depreciation-Equipment	
1581 - Accum Depreciation-Furn/Fixture		1581 - Accum Depreciation-Furn/Fixture		1581 - Accum Depreciation-Furn/Fixture	
1651 - Accum Depreciation-Vehicles		1651 - Accum Depreciation-Vehicles		1651 - Accum Depreciation-Vehicles	
1681 - Accum Depreciation-Other		1681 - Accum Depreciation-Other		1681 - Accum Depreciation-Other	
<b>Account Payable and accrued expenses -</b>		<b>Account Payable and accrued expenses -</b>		<b>Account Payable and accrued expenses -</b>	
2000 - Accounts Payable		2000 - Accounts Payable		2000 - Accounts Payable	
2010 - Accrued Expenses		2010 - Accrued Expenses		2010 - Accrued Expenses	
2019 - Current Liabilities		2019 - Current Liabilities		2019 - Current Liabilities	
<b>Misc Clearing</b>		<b>Misc Clearing</b>		<b>Misc Clearing</b>	
2006 - Misc Clearing Account		2006 - Misc Clearing Account		2006 - Misc Clearing Account	
<b>Account payable - agency -</b>					
2020 - Holy Father: Peter Pence					
2025 - Evangelization Sunday					
2030 - Good Friday - Holy Land					
2040 - Pentecost - Seminary					
2050 - Black and Native American					
2060 - World Missions					
2070 - Catholic University					
2080 - Bishops' Overseas Aid/ CRS					
2090 - Latin America					
2100 - Retired Religious Sisters					
2110 - Campaign for Human Development					
2120 - National Communication					
2130 - Central & Eastern Europe/ Africa					
2140 - Home Missions					
2145 - Military Archdiocese					
2150 - Special Collection					
2160 - Christmas: Clergy Fund					
2170 - Easter: Clergy Fund					
2175 - Clergy Benefit Trust (June)					
2180 - Catholic Appeal					
2185 - Missionary Cooperative Appeal					
2190 - Other Including Rice Bowl					



Parish - Chapel - Chaplaincy	Elementary School - High School - Middle School - Youth Center	Cemetery
Account No	Account No	Account No
<b>Collections -</b>		
4101 - Offertory		
4102 - Offertory Monthly		
4103 - Grand Annual		
4106 - Tithing		
<b>Contribution, bequests and grants -</b>	<b>Contribution, bequests and grants -</b>	
4107 - Catholic Appeal Rebate		
4108 - Gifts and Bequests	4108 - Gifts and Bequests	
4198 - Donations - Other	4198 - Donations - Other	
<b>Parish Fundraiser Events -</b>	<b>Fundraiser Events -</b>	<b>Parish Fundraiser Events -</b>
4317 - Capital Campaign Donations	4317 - Capital Campaign Donations	4317 - Capital Campaign Donations
4410 - Misc. Fundraising Activities	4405 - School/ Non Athletic Events	
4450 - Net Bingo Proceeds	4406 - Athletic Events	
<b>Tuition and Fees -</b>	<b>Tuition and Fees -</b>	
4165 - Religious Education	4410 - Misc. Fundraising Activities	
	4450 - Net Bingo Proceeds	
	4120 - Tuition and Fees (Elementary/ High School)	
	4126 - Tuition Bad Debt	
	4127 - Tuition Discounts	
	4130 - Fees-Athletics	
	4140 - Fees-Bookstore	
	4149 - Fees - Other	
<b>Investment income -</b>	<b>Investment income -</b>	<b>Investment income -</b>
4310 - Interest/Dividend Income	4310 - Interest/Dividend Income	4310 - Interest/Dividend Income
4320 - Market Gain(Loss) Investments	4320 - Market Gain(Loss) Investments	4320 - Market Gain(Loss) Investments
4750 - Gain(Loss) Sale - Investments	4750 - Gain(Loss) Sale - Investments	4750 - Gain(Loss) Sale - Investments
<b>Rental Income -</b>	<b>Rental Income -</b>	
4315 - Rental Donations	4315 - Rental Donations	
4316 - Lease Income	4316 - Lease Income	
<b>Sacramental Offerings -</b>		
4105 - Sacramental Offerings		
<b>Shrines, Candles, and Flowers -</b>		
4104 - Shrines, Candles, & Flowers		



Parish - Chapel - Chaplaincy	Elementary School - High School - Middle School - Cemetery
<p><b>Account No</b></p> <p><b>5200 - Clergy Stipend &amp; Related</b></p> <p>5201 - Stipend Clergy</p> <p>5202 - Stipend Clergy Unassigned</p> <p>5203 - Clergy Health Insurance</p> <p>5204 - Clergy Professional Development</p> <p>5205 - Clergy Room &amp; Board</p> <p>5206 - Clergy Auto Ins. Reimburse</p> <p><b>Religious Stipend &amp; Related</b></p> <p>5301 - Religious Stipend</p> <p>5302 - Religious Health Insurance</p> <p>5303 - Religious Retirement</p> <p>5304 - Religious Transportation</p> <p><b>Professional Services</b></p> <p>6002 - Professional Fees</p> <p><b>Office &amp; Related</b></p> <p>6001 - Data Processing Fees</p> <p>6003 - Bank Service Charges</p> <p>6201 - Office Supplies</p> <p>6202 - Telephone</p> <p>6203 - Office Equipment Repair &amp; Contracts</p> <p>6204 - Books &amp; Pamphlets</p> <p>6205 - Audio Visual</p> <p>6206 - Printing</p> <p>6207 - Postage</p> <p>6208 - Dues &amp; Subscriptions</p> <p>6209 - Office Equipment Rental</p> <p>6210 - Missalettes</p> <p>6211 - Weekly Envelopes</p>	<p><b>Account No</b></p> <p><b>5200 - Clergy Stipend &amp; Related</b></p> <p>5201 - Clergy Stipend</p> <p>5203 - Clergy Health Insurance</p> <p><b>Religious Stipend &amp; Related</b></p> <p>5301 - Religious Stipend</p> <p>5302 - Religious Health Insurance</p> <p>5303 - Religious Retirement</p> <p>5304 - Religious Transportation</p> <p><b>Professional Services</b></p> <p>6002 - Professional Fees</p> <p><b>Office &amp; Related</b></p> <p>6001 - Data Processing Fees</p> <p>6003 - Bank Service Charges</p> <p>6201 - Office Supplies</p> <p>6202 - Telephone</p> <p>6203 - Office Equipment Repair &amp; Contracts</p> <p>6204 - Books &amp; Pamphlets</p> <p>6205 - Audio Visual</p> <p>6206 - Printing</p> <p>6207 - Postage</p> <p>6208 - Dues &amp; Subscriptions</p> <p>6209 - Office Equipment Rental</p> <p><b>Teaching &amp; Classroom Expense</b></p> <p>6212 - Teaching Supplies</p> <p>6213 - Textbooks</p> <p>6214 - Development Expenses</p> <p>6216 - Program Exp. (Library, ext-day, fld trip, club etc.)As sub AC</p> <p>6220- Hardware</p> <p>6221 - Software</p> <p>6222 - IT Support</p> <p>6223 - Mileage Reimbursement</p>
<p><b>Account No</b></p> <p><b>5200 - Clergy Stipend &amp; Related</b></p> <p>5201 - Clergy Stipend</p> <p>5203 - Clergy Health Insurance</p> <p><b>Religious Stipend &amp; Related</b></p> <p>5301 - Religious Stipend</p> <p>5302 - Religious Health Insurance</p> <p>5303 - Religious Retirement</p> <p>5304 - Religious Transportation</p> <p><b>Professional Services</b></p> <p>6002 - Professional Fees</p> <p><b>Office &amp; Related</b></p> <p>6001 - Data Processing Fees</p> <p>6003 - Bank Service Charges</p> <p>6201 - Office Supplies</p> <p>6202 - Telephone</p> <p>6203 - Office Equipment Repair &amp; Contracts</p> <p>6204 - Books &amp; Pamphlets</p> <p>6205 - Audio Visual</p> <p>6206 - Printing</p> <p>6207 - Postage</p> <p>6208 - Dues &amp; Subscriptions</p> <p>6209 - Office Equipment Rental</p> <p>6210 - Missalettes</p> <p>6211 - Weekly Envelopes</p>	<p><b>Account No</b></p> <p><b>5200 - Clergy Stipend &amp; Related</b></p> <p>5201 - Clergy Stipend</p> <p>5203 - Clergy Health Insurance</p> <p><b>Religious Stipend &amp; Related</b></p> <p>5301 - Religious Stipend</p> <p>5302 - Religious Health Insurance</p> <p>5303 - Religious Retirement</p> <p>5304 - Religious Transportation</p> <p><b>Professional Services</b></p> <p>6002 - Professional Fees</p> <p><b>Office &amp; Related</b></p> <p>6001 - Data Processing Fees</p> <p>6003 - Bank Service Charges</p> <p>6201 - Office Supplies</p> <p>6202 - Telephone</p> <p>6203 - Office Equipment Repair &amp; Contracts</p> <p>6204 - Books &amp; Pamphlets</p> <p>6205 - Audio Visual</p> <p>6206 - Printing</p> <p>6207 - Postage</p> <p>6208 - Dues &amp; Subscriptions</p> <p>6209 - Office Equipment Rental</p> <p>6210 - Missalettes</p> <p>6211 - Weekly Envelopes</p> <p><b>Teaching &amp; Classroom Expense</b></p> <p>6212 - Teaching Supplies</p> <p>6213 - Textbooks</p> <p>6214 - Development Expenses</p> <p>6216 - Program Exp. (Library, ext-day, fld trip, club etc.)As sub AC</p> <p>6220- Hardware</p> <p>6221 - Software</p> <p>6222 - IT Support</p> <p>6223 - Mileage Reimbursement</p>

Parish - Chapel - Chaplaincy	Elementary School - High School - Middle School -	Cemetery
<b>Account No</b>	<b>Account No</b>	<b>Account No</b>
<b>Household, Custodian, &amp; Laundry</b>	<b>Household, Custodian, &amp; Laundry</b>	<b>Household, Custodian, &amp; Laundry</b>
6250 - Household	6250 - Household/ Custodian	
6255 - Laundry	6255 - Laundry	
<b>Cafeteria &amp; Food</b>	<b>Cafeteria &amp; Food</b>	<b>Cafeteria &amp; Food</b>
6261 - Food Rectory	6260 - Cafeteria Supplies	
	6261 - Food	
<b>Utilities &amp; Maintenance</b>	<b>Utilities &amp; Maintenance</b>	<b>Utilities &amp; Maintenance</b>
6301 - Utilities Electric	6301 - Utilities Electric	6301 - Utilities Electric
6302 - Heat	6302 - Heat	6302 - Heat
6303 - Water & Sewer	6303 - Water & Sewer	6303 - Water & Sewer
6304 - Property Rental	6304 - Property Rental	6304 - Property Rental
6305 - Property Insurance & Liability	6305 - Property Insurance & Liability	6305 - Property Insurance & Liability
6306 - Maint. Equipment Contracts	6306 - Maint. Equipment Contracts	6306 - Maint. Equipment Contracts
6307 - Maintenance Supplies	6307 - Maintenance Supplies	6307 - Maintenance Supplies
6308 - Maintenance Grounds	6308 - Maintenance Grounds	6308 - Maintenance Grounds
6309 - Maintenance Buildings	6309 - Maintenance Buildings	6309 - Maintenance Buildings
	6310 - School Service	
<b>Property Tax</b>	<b>Property Tax</b>	<b>Property Tax</b>
6311 - Property Taxes	6311 - Property Taxes	6311 - Property Taxes



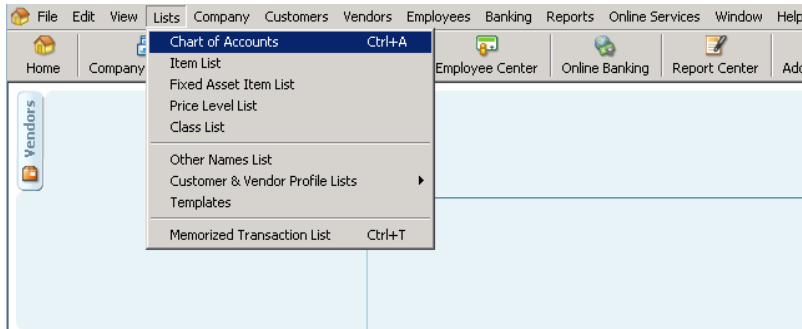


# Chart of Account Edits

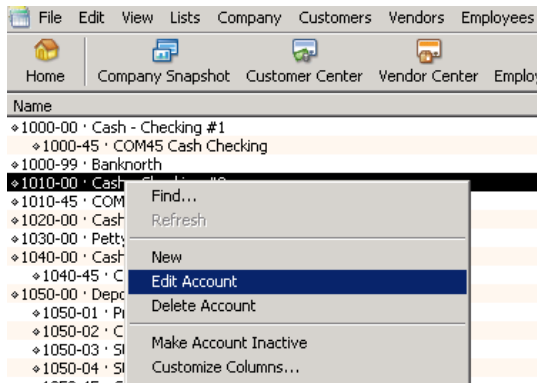
### Changing Account Numbers

It is important to not make changes to the Chart of Accounts until you have made the year-end reconciliation adjustment entries sent by Finance. **The reconciliation entries are based on the account numbers that were submitted for the previous year-end audit.**

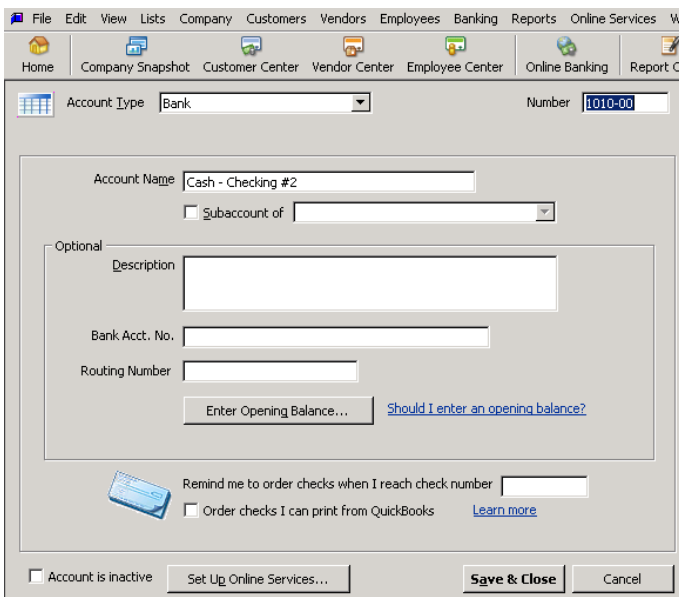
Once you open QuickBooks you will need to go to “Lists” and open up your “Chart of Accounts”.



Once opened you will need to look for the account you are editing, then right click that account number and select “Edit Account”.



A new window will open up and in the upper right hand corner of your new window you will see a field labeled “Number” (this is your account number). Edit the number and then click “Save & Close”.



### Changing Accounts with Sub-Accounts

In order to change an account that has sub-accounts you should also change the sub-accounts. Remove the sub account status as follows. Accounts with Sub-accounts connected to them have the sub-account number under them and to the right. Each sub-account will need to be selected and edited individually. Please select one of the sub-accounts by right clicking the account and select edit account. Once the new window is open there will be a box next to where it says sub account. Please make sure that this is unchecked, and then click Save & Close. Now you can edit the Top Level account number. In order for sub accounts to have account numbers consistent with their primary account please change their first four digits to reflect the new Top Level account. When you are doing this you may also re-check the sub account box and list the new top level account. The detailed steps are as follows:

Steps 1&2 are the same as above

A new window will open and you will see a section that has a check box next to sub-account

Please uncheck this box and then click **“Save & Close”**

You may need to repeat these steps because there will probably be multiple sub-accounts to an account

### Making an Account Inactive

Accounts with no activity for 5 years or more could be made inactive accounts. Inactive accounts should be edited to an account number that is on our current chart of accounts if it has any activity. Making an account inactive will make it so you cannot post entries to that account, but will keep all the prior history of the account. The steps are as follows:

Steps 1&2 are the same as above

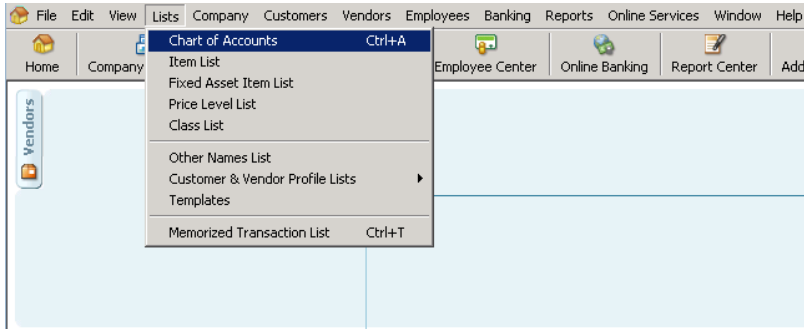
A new window will open and you will see a section that says **‘Account is Inactive’**

Please make sure you check this box and then click **“Save & Close”**

### Deleting an Account

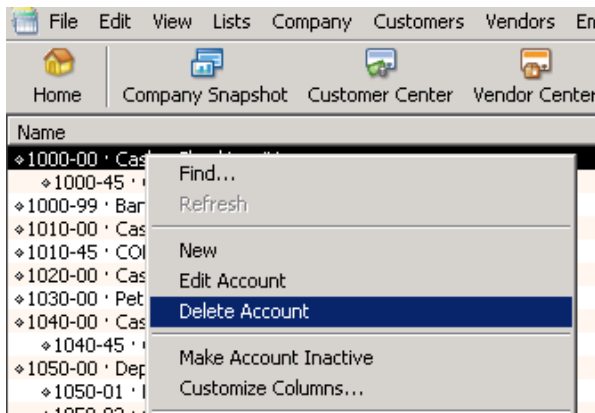
You should only delete an account if you have created an account by accident or if the account has no historical record or entries. Please note that when an account is deleted there is no way to restore the account or any of the information associated with the account. Because of this, we recommend using the inactive feature. However, if you choose the delete an account, the detailed steps are as follows:

In QuickBooks go to **“Lists”** on the header bar and click **“Chart of Accounts”** (or use Ctrl-A to open your Chart of Accounts)

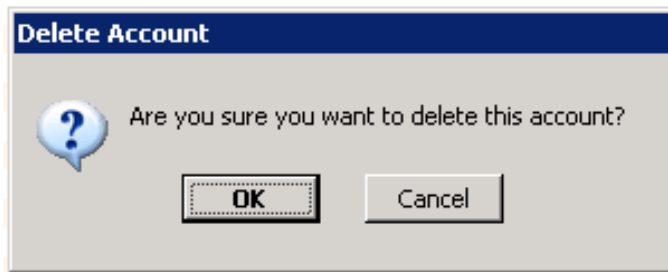


Select the account you need to delete by clicking on the account with your cursor

Right Click the account and select **"Delete Account"**



QuickBooks then will ask if you want to delete the account. To delete account select "OK"



As always you may call or e-mail Parish Finance if you have questions.

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