Archdiocese of Boston

Finance Department
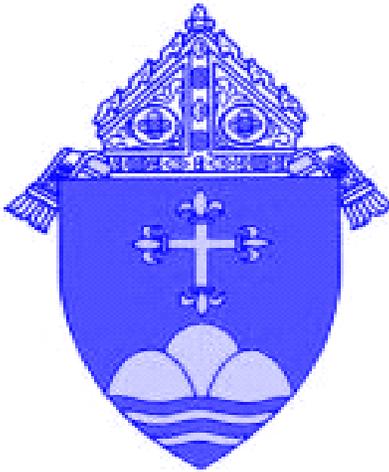
Accounting Guidelines

July 4, 2011

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Introduction

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

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

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

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

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

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

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

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 the12 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

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

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

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

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

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

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

6208 Dues and Subscriptions
Amounts paid for dues and subscriptions to periodicals. Examples include daily/weekly news-papers, 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

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

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 alter 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 photocopy 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 re-imbursement.

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

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

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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TABLE OF CONTENTS QUICKBOOKS & ENTRY Q&A

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 1st 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 30th 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 1st) 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 Adjustment 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 in 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
	1250-00	Dividend Receivable	1,331.51	
Entry #1	1110-00	RCAB Common Investment Fund		1,331.51
		(To record quarterly dividend declared)		
	1110-00	RCAB Common Investment Fund	1,303.30	
Entry #2	1250-00	Dividend Receivable		1,303.30
		(To record dividend reinvested into CIF Account)		
Entry #3	1000-00	Cash Checking Account #1	1,407.88	
	1250-00	Dividend Receivable		1,407.88
		(To record deposit of check for dividend declared)		
Entry #4	4320-00	Market Value (Increase) Decrease	1,331.51	
	4310-00	Interest/Dividend Income		1,331.51
		(To record quarterly dividend income - Note: This is to be made in conjunction with Entry #1).		
	1110-00	RCAB Common Investment Fund	3,129.31	
Entry #5	4320-00	Market Value (Gain) Loss		3,129.31
		(To record current month market value increase)		
Entry #6	1000-00	Cash Checking		5,000.00
	1300-00	Prepaid Expense	5,000.00	
		(To record purchase of CIF shares when check is sent prior to 1st mo in a quarter)		
Entry #7	1300-00	Prepaid Expense		5,000.00
	1110-00	RCAB Common Investment Fund	5,000.00	
		(To record a purchase of CIF shares in the 1st mo of a quarter when check was sent in prior month)		
Entry #8	1000-00	Cash Checking		5,000.00
	1110-00	RCAB Common Investment Fund	5,000.00	
		(to record a purchase of CIF shares when check is sent out beg of 1st mo in quarter)		

Note: Purchase could also be made by transferring funds from RCAB Savings or wiring funds from another account.

Accounting for Common Investment Fund

SAMPLE

ROMAN CATHOLIC ARCHDIOCESE OF BOSTON
Common Investment Fund
Account Statement

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

Transaction Date	Transaction Type	Entry #	Transaction Amount	Share Price	Shares Transacted	Invested Cost	Market Value
40086	Dividend Declared/Calculation	#1	Dividend declared 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	Dividend Reinvested 1303.3	3.542	367.913	1303.3	1303.3
					37587.634	103215.13	131819.52
40025	Change in Market Value	#3	Market value	0.083			3129.31
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 QuickBooks 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 Chan-
cery. 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 loose 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 <u>not necessary</u>.

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:

		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

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 1st month …. 1/12th of invoices

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

Or

Recognize Income for 1st quarter ….1/4th

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

Tuition Income Recognition (Continued)

Applicable for all methods of invoicing:

Record payment on account	DR	CR
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)

When AR is determined to be uncollectible	DR	CR

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
2010 un-collected tuition	$76,000	estimated collectible	$46,000 Bad Debt
2011 tuition invoiced	$1,000,000	estimated collectible	$965,000 Bad Debt
TOTAL	$1,104,000	estimated collectible	$1,016,000 Bad Debt

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

Starting Balances and entries made during the year

		Write off	Collection			New calculation for
Year	Orig. AR	Collections	Bad Debt	Bad Debt	Balance	%Uncollectible	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
	1,104,000	-1,022,000	-37,000	1000	46,000		22,200

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
TOTAL	-88,000	36,000	-52,000

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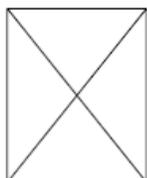
ROMAN CATHOLIC ARCHDIOCESE OF BOSTON
Common Investment Fund
Account Statement
Statement Period: 07/01/2009 to 07/31/2009

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 Capital Gain $3,273.66	100,000.00	3.098	(32,277.688)	(96,726.34)	(100,000.00)
				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 Youth Center	Cemetery
Account No	**Account No**	**Account No**
Cash and cash equivalents	**Cash and cash equivalents**	**Cash and cash equivalents**
Cash	**Cash**	**Cash**
1000 - Cash - Checking #1	1000 - Cash - Checking #1	1000 - Cash - Checking #1
1010 - Cash - Checking #2	1010 - Cash - Checking #2	
1020 - Cash - Payroll	1020 - Cash - Payroll	1020 - Cash - Payroll
1030 - Petty Cash Fund	1030 - Petty Cash Fund	1030 - Petty Cash Fund
1040 - Cash - Savings	1040 - Cash - Savings	1040 - Cash - Savings
1045 - Money Market Savings	1045 - Money Market Savings	1045 - Money Market Savings
1060 - Cash - Checking Bingo	1060 - Cash - Checking Bingo	
1080 - Scholarship Savings	1080 - Scholarship Savings	
1090 - Cash - Other	1090 - Cash - Other	1090 - Cash - Other
Cash equivalents -	**Cash equivalents -**	**Cash equivalents -**
1050 - Depository at RCAB	1050 - Depository at RCAB	1050 - Depository at RCAB
Investments and assets held in trust -	**Investments and assets held in trust -**	**Investments and assets held in trust -**
1110 - Common Inv Fund RCAB	1110 - Common Inv Fund RCAB	1110 - Common Inv Fund RCAB
1120 - Investments	1120 - Investments	1120 - Investments
Account Receivable, net -	**Account Receivable, net -**	**Account Receivable, net -**
1200 - Accounts Receivable	1200 - Accounts Receivable	1200 - Accounts Receivable
1201 Allowance for Doubtful Accounts Receivable	1201 Allowance for Doubtful Accounts Receivable	1201 Allowance for Doubtful Accounts Receivable
	1205 - Accounts Receivable - Tuition	
	1206 Allowance for Tuition AR Bad Debt	
1210 - Pledges Receivable		
1250 - Dividend Receivable	1250 - Dividend Receivable	1250 - Dividend Receivable
Prepaid expenses	**Prepaid expenses**	**Prepaid expenses**
1300 - Prepaid Expenses	1300 - Prepaid Expenses	1300 - Prepaid Expenses
Due to or From Affiliate	**Due to or From Affiliate**	**Due to or From Affiliate**
1400 - Due to/Due from Other Funds	1400 - Due to/Due from Other Funds	1400 - Due to/Due from Other Funds
Undeposited Funds	**Undeposited Funds**	**Undeposited Funds**
1499 - Undeposited Funds	1499 - Undeposited Funds	1499 - Undeposited Funds
Land, Buildings, Furniture & Equipment	**Land, Buildings, Furniture & Equipment**	**Land, Buildings, Furniture & Equipment**
1500 - Land	1500 - Land	1500 - Land
1510 - Buildings	1510 - Buildings	1510 - Buildings
1520 - Building Improvements	1520 - Building Improvements	1520 - Building Improvements
1550 - Leasehold Improvements	1550 - Leasehold Improvements	1550 - Leasehold Improvements
1570 - Equipment	1570 - Equipment	1570 - Equipment
1580 - Furniture and Fixtures	1580 - Furniture and Fixtures	1580 - Furniture and Fixtures
1650 - Vehicles	1650 - Vehicles	1650 - Vehicles
1680 - Other Fixed Assets	1680 - Other Fixed Assets	1680 - Other Fixed Assets

Parish - Chapel - Chaplaincy	Elementary School - High School - Middle School - Youth Center	Cemetery

Elementary School - High School - Middle School - Youth Center

Account No

Account No
Depreciation Land, Bldgs, Furniture & Equipment

1511 - Accum Depreciation-Building
1521 - Accum Depreciation-Bldg Improv

1551 - Accum Depreciation-Leasehold
1571 - Accum Depreciation-Equipment
1581 - Accum Depreciation-Furn/Fixture
1651 - Accum Depreciation-Vehicles
1681 - Accum Depreciation-Other

Account Payable and accrued expenses -

2000 - Accounts Payable
2010 - Accrued Expenses
2015 - Customer Prepaid Internment & Related Liabilities

2019 - Current Liabilities

Misc Clearing

2006 - Misc Clearing Account

Cemetery

Account No
Depreciation Land, Bldgs, Furniture & Equipment

1511 - Accum Depreciation-Building
1521 - Accum Depreciation-Bldg Improv

1551 - Accum Depreciation-Leasehold
1571 - Accum Depreciation-Equipment
1581 - Accum Depreciation-Furn/Fixture
1651 - Accum Depreciation-Vehicles
1681 - Accum Depreciation-Other

Account Payable and accrued expenses -

2000 - Accounts Payable
2010 - Accrued Expenses

2019 - Current Liabilities

Misc Clearing

2006 - Misc Clearing Account

Parish - Chapel - Chaplaincy

Account No
Depreciation Land, Bldgs, Furniture & Equipment

1511 - Accum Depreciation-Building
1521 - Accum Depreciation-Bldg Improv

1551 - Accum Depreciation-Leasehold
1571 - Accum Depreciation-Equipment
1581 - Accum Depreciation-Furn/Fixture
1651 - Accum Depreciation-Vehicles
1681 - Accum Depreciation-Other

Account Payable and accrued expenses -

2000 - Accounts Payable
2010 - Accrued Expenses

2019 - Current Liabilities

Misc Clearing

2006 - Misc Clearing Account

Account payable - agency -

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

Account No

Accrued Payroll & Related
2200 - Federal Withholding Tax Payable
2210 - FICA Withholding Tax Payable
2212 - Medicare Tax Withholding Tax Payable
2220 - State Withholding - MA
2240 - Annuity Withholding Payable
2250 - Child Support Withholding Pay.
2260 - Other Withholding
2270 - Clergy Withholding Payable   (46 parishes)
2280 - Accrued Payroll

Note payable - affiliate - Current
2300 - Debt to Revolving Loan-Current

Mortgage note payable - Current
2400 - Notes Payable - Current

Deferred revenue and support -
2500 - Deferred Revenue

Note payable - affiliate - Noncurrent
2800 - Debt to Revolvg Loan-Noncurrent

Other liabilities -
2899 - Other Indebtedness

Mortgage note payable - Long Term
2900 - Notes Payable - Non Current

Fund Balance and Equity -
3000 - Beginning Balance
3900 - Fund Balance

Elementary Sch00l - High Sch00l - Middle School— Youth Center

Account No

Accrued Payroll & Related
2200 - Federal Withholding Tax Payable
2210 - FICA Withholding Tax Payable
2212 - Medicare Tax Withholding Tax Payable
2220 - State Withholding - MA
2240 - Annuity Withholding Payable
2250 - Child Support Withholding Pay.
2260 - Other Withholding
2280 - Accrued Payroll

Note payable - affiliate - Current
2300 - Debt to Revolving Loan-Current

Mortgage note payable - Current
2400 - Notes Payable - Current

Deferred revenue and support -
2500 - Deferred Revenue
2501 - Deferred Tuition and Fee Revenue

Note payable - affiliate - Noncurrent
2800 - Debt to Revolvg Loan-Noncurrent

Other liabilities -
2899 - Other Indebtedness

Mortgage note payable - Long Term
2900 - Notes Payable - Non Current

Fund Balance and Equity -
3000 - Beginning Balance
3900 - Fund Balance

Cemetery

Account No

Accrued Payroll & Related
2200 - Federal Withholding Tax Payable
2210 - FICA Withholding Tax Payable
2212 - Medicare Tax Withholding Tax Payable
2220 - State Withholding - MA
2240 - Annuity Withholding Payable
2250 - Child Support Withholding Pay.
2260 - Other Withholding
2280 - Accrued Payroll

Note payable - affiliate -
2300 - Debt to Revolving Loan-Current

Mortgage note payable -
2400 - Notes Payable - Current

Deferred revenue and support -
2500 - Deferred Revenue

Note payable - affiliate - Noncurrent
2800 - Debt to Revolvg Loan-Noncurrent

Other liabilities -
2899 - Other Indebtedness

Mortgage note payable - Long Term
2900 - Notes Payable - Non Current

Fund Balance and Equity -
3000 - Beginning Balance
3900 - Fund Balance

Parish - Chapel - Chaplaincy

Account No

Collections -

4101 - Offertory

4102 - Offertory Monthly

4103 - Grand Annual

4106 - Tithing

Contribution, bequests and grants -

4107 - Catholic Appeal Rebate

4108 - Gifts and Bequests

4198 - Donations - Other

Parish Fundraiser Events -

4317 - Capital Campaign Donations

4410 - Misc. Fundraising Activities

4450 - Net Bingo Proceeds

Tuition and Fees -

4165 - Religious Education

Investment income -

4310 - Interest/Dividend Income

4320 - Market Gain(Loss) Investments

4750 - Gain(Loss) Sale - Investments

Rental Income -

4315 - Rental Donations

4316 - Lease Income

Sacramental Offerings -

4105 - Sacramental Offerings

Shrines, Candles, and Flowers -

4104 - Shrines, Candles, & Flowers

Elementary School - High School - Middle School - Youth Center

Account No

Contribution, bequests and grants -

4108 - Gifts and Bequests

4198 - Donations - Other

Fundraiser Events -

4317 - Capital Campaign Donations

4405 - School/ Non Athletic Events

4406 - Athletic Events

4410 - Misc. Fundraising Activities

4450 - Net Bingo Proceeds

Tuition and Fees -

4120 - Tuition and Fees (Elementary/ High School)

4126 - Tuition Bad Debt

4127 - Tuition Discounts

4130 - Fees-Athletics

4140 - Fees-Bookstore

4149 - Fees - Other

Investment income -

4310 - Interest/Dividend Income

4320 - Market Gain(Loss) Investments

4750 - Gain(Loss) Sale - Investments

Rental Income -

4315 - Rental Donations

4316 - Lease Income

Cemetery

Account No

Parish Fundraiser Events -

4317 - Capital Campaign Donations

Investment income -

4310 - Interest/Dividend Income

4320 - Market Gain(Loss) Investments

4750 - Gain(Loss) Sale - Investments

Parish - Chapel - Chaplaincy

Account No

Other Revenues -

4110 - Pamphlets

4196 - Parish Sharing
4398 - Misc. Other Income

4510 - Pilot Sales

4318 - Property Sale Proceeds
4530 - Transfer from Parish/School

4547 - RCAB Support

Expenses -

Compensation

5001 - Exempt Salaries
5002 - Non Exempt Salaries

5004 - Non Employee Compensation

Employee Benefits

5101 - Employer's Fica (Social Security & Medicare)
5102 - Lay Health Insurance
5103 - Worker Compensation
5104 - Group Life Insurance
5105 - Long Term Disability
5106 - Group Pension
5107 - Transition Assistance

Elementary School - High School - Middle School - Youth Center

Account No

Other Revenues -

4398 - Misc. Other Income
4401 - Cafeteria Sales
4402 - Bookstore Sales

4511 - Sports Program Income
4318 - Sale of Property
4530 - Transfer from Parish/School
4592 - School Tax Income
4547 - RCAB Support

Expenses -

Compensation

5001 - Exempt Salaries
5002 - Non Exempt Salaries

5004 - Non Employee Compensation

Employee Benefits

5101 - Employer's Fica (Social Security & Medicare)
5102 - Lay Health Insurance
5103 - Worker Compensation
5104 - Group Life Insurance
5105 - Long Term Disability
5106 - Group Pension
5107 - Transition Assistance

Cemetery

Account No

Cemetery Operations -

4111 - Sale of Lots

4112 - Receipt for Perpetual Care
4113 - Annual Care
4114 - Openings
4115 - Lowering Devices
4116 - Loam/Seeding
4118 - Foundations
4121 - Mausoleum Sales
4122 - Records
4123 - Tents
4124 - Tomb Storage Charge
4125 - Concrete Burial Unit

Other Revenues -

4398 - Misc. Other Income

4318 - Sale of Property
4530 - Transfer from Parish/School

Expenses -

Compensation

5001 - Exempt Salaries
5002 - Non Exempt Salaries
5003 - Salaries - Foremen
5004 - Non Employee Compensation
5005 - Salaries - Labor
5006 - Salaries - Mechanics

Employee Benefits

5101 - Employer's Fica (Social Security & Medicare)
5102 - Lay Health Insurance
5103 - Worker Compensation
5104 - Group Life Insurance
5105 - Long Term Disability
5106 - Group Pension
5107 - Transition Assistance

Parish - Chapel - Chaplaincy

Account No

5200 - Clergy Stipend & Related
5201 - Stipend Clergy
5202 - Stipend Clergy Unassigned
5203 - Clergy Health Insurance
5204 - Clergy Professional Development
5205 - Clergy Room & Board
5206 - Clergy Auto Ins. Reimburse

Religious Stipend & Related
5301 - Religious Stipend
5302 - Religious Health Insurance
5303 - Religious Retirement
5304 - Religious Transportation

Professional Services
6002 - Professional Fees

Office & Related
6001 - Data Processing Fees
6003 - Bank Service Charges
6201 - Office Supplies
6202 - Telephone
6203 - Office Equipment Repair & Contracts
6204 - Books & Pamphlets
6205 - Audio Visual
6206 - Printing
6207 - Postage
6208 - Dues & Subscriptions
6209 - Office Equipment Rental
6210 - Missalettes
6211 - Weekly Envelopes

6220- Hardware
6221 - Software
6222 - IT Support
6223 - Mileage Reimbursement

Elementary School - High School - Middle School -

Account No

5200 - Clergy Stipend & Related
5201 - Clergy Stipend
5203 - Clergy Health Insurance

Religious Stipend & Related
5301 - Religious Stipend
5302 - Religious Health Insurance
5303 - Religious Retirement
5304 - Religious Transportation

Professional Services
6002 - Professional Fees

Office & Related
6001 - Data Processing Fees
6003 - Bank Service Charges
6201 - Office Supplies
6202 - Telephone
6203 - Office Equipment Repair & Contracts
6204 - Books & Pamphlets
6205 - Audio Visual
6206 - Printing
6207 - Postage
6208 - Dues & Subscriptions
6209 - Office Equipment Rental

Teaching & Classroom Expense
6212 - Teaching Supplies
6213 - Textbooks
6214 - Development Expenses
6216 - Program Exp. (Library, ext-day, fld trip, club etc.)As sub AC
6220- Hardware
6221 - Software
6222 - IT Support
6223 - Mileage Reimbursement

Cemetery

Account No

Professional Services
6002 - Professional Fees

Office & Related
6001 - Data Processing Fees
6003 - Bank Service Charges
6201 - Office Supplies
6202 - Telephone
6203 - Office Equipment Repair & Contracts
6206 - Printing
6207 - Postage
6208 - Dues & Subscriptions

6215 - Advertising

6220- Hardware
6221 - Software
6222 - IT Support
6223 - Mileage Reimbursement

Parish - Chapel - Chaplaincy

Account No

Household, Custodian, & Laundry
6250 - Household
6255 - Laundry

Cafeteria & Food

6261 - Food Rectory

Utilities & Maintenance
6301 - Utilities Electric
6302 - Heat
6303 - Water & Sewer
6304 - Property Rental
6305 - Property Insurance & Liability
6306 - Maint. Equipment Contracts
6307 - Maintenance Supplies
6308 - Maintenance Grounds
6309 - Maintenance Buildings

Property Tax
6311 - Property Taxes

Vehicle & Related
6401 - Vehicle Fuel, Maintenance, & Repair
6402 - Vehicle Insurance & Registration

Pastoral /Liturgical
6500 - Pastoral/Liturgical
6501 - Altar Supplies
6502 - Societies
6503 - Charitable Works
6504 - Music
6505 - Youth / Athletics
6506 - Entertainment Hospitality
6507 - Parish Sharing
6508 - Hospital Chaplain
6509 - Flowers
6510 - Religious Education

Elementary School - High School - Middle School -

Account No

Household, Custodian, & Laundry
6250 - Household/ Custodian
6255 - Laundry

Cafeteria & Food
6260 - Cafeteria Supplies
6261 - Food

Utilities & Maintenance
6301 - Utilities Electric
6302 - Heat
6303 - Water & Sewer
6304 - Property Rental
6305 - Property Insurance & Liability
6306 - Maint. Equipment Contracts
6307 - Maintenance Supplies
6308 - Maintenance Grounds
6309 - Maintenance Buildings
6310 - School Service

Property Tax
6311 - Property Taxes

Vehicle & Related
6401 - Vehicle Fuel, Maintenance, & Repair
6402 - Vehicle Insurance & Registration

Pastoral /Liturgical

6503 - Charitable Works

Cemetery

Account No

Household, Custodian, & Laundry

Cafeteria & Food

Utilities & Maintenance
6301 - Utilities Electric
6302 - Heat
6303 - Water & Sewer
6304 - Property Rental
6305 - Property Insurance & Liability
6306 - Maint. Equipment Contracts
6307 - Maintenance Supplies
6308 - Maintenance Grounds
6309 - Maintenance Buildings

Property Tax
6311 - Property Taxes

Operating Expenses
6312 - Plants, Shrubs, Seeds, etc.
6313 - Loam, Fertilizer
6317 - Grounds Maintenance Supplies
6350 - Operating Expenses
6351 - Concrete Burial Units
6352 - Foundation Materials
6354 - Maint. of Operating Equipment
6355 - Equipment Rental
6356 - Contract, Operating

Vehicle & Related
6401 - Vehicle Fuel, Maintenance, & Repair
6402 - Vehicle Insurance & Registration

Parish - Chapel - Chaplaincy	Elementary School - High School - Middle School - Youth Center	Cemetery
Account No	Account No	Account No

Parish - Chapel - Chaplaincy (Account No)

Professional Development
6601 - Meetings & Workshops
6602 - Conference Transportation
6603 - Conference Hospitality
6605 - Professional Memberships

Un-catagorized Expense
6999 - Un-catagorized Expense

Fixed Asset Acquisitions
7001 - Acq/Improv - Site/Land
7002 - Acq/Improv - Furn & Equip
7003 - Acq/Improv - Building
7004 - Acquisition Of Vehicle

Interest Expense
8460 - Interest Payments / Revolving Loan / Etc.

Miscellaneous Expenses
8465 - Central Ministry Tithe
8470 - Convent Expenses
8480 - Pilot Newspaper
8490 - Cathedraticum
8492 - School Tax
8495 - Miscellaneous

Intrafund transfers/ Perm. Donations
8450 - Transfer to Parish/School
8455 - Transfer to Cemetery

Depreciation -
6901 - Depreciation Building
6902 - Depreciation Bldg Improv
6903 - Depreciation Leasehold
6904 - Depreciation Equipment
6905 - Depreciation Furn/Fixture
6906 - Depreciation Vehicles
6907 - Depreciation Other

Fundraising Expense-
6701 - Fund Raising

Bad Debt Expense
6760 - Bad Debt Expense

Elementary School - High School - Middle School - Youth Center (Account No)

Athletic Expenses
6530 - ADM Athletic Expenses
6540 - ADM Athletic - Equipment
6545 - ADM Athletic - Transportation
6550 - ADM Athletic - Referees
6555 - ADM Athletic - Facilities
6560 - ADM Athletic - Program Fees
6565 - ADM Athletic - Insurance
6570 - ADM Athletic - Memberships
6580 - Misc. Athletic Expense

Professional Development
6601 - Meetings & Workshops
6602 - Conference Transportation
6603 - Conference Hospitality
6605 - Professional Memberships

Un-catagorized Expense
6999 - Un-catagorized Expense

Fixed Asset Acquisitions
7001 - Acq/Improv - Site
7002 - Acq/Improv - Furn & Equip
7003 - Acq/Improv - Building
7004 - Acquisition Of Vehicle

Interest Expense
8460 - Interest Expense

Miscellaneous Expenses
8495 - Miscellaneous

Intrafund transfers/ Perm. Donations
8450 - Transfer to Parish/School

Depreciation -
6901 - Depreciation Building
6902 - Depreciation Bldg Improv
6903 - Depreciation Leasehold
6904 - Depreciation Equipment
6905 - Depreciation Furn/Fixture
6906 - Depreciation Vehicles
6907 - Depreciation Other

Fundraising Expense-
6701 - Fund Raising

Bad Debt Expense
6760 - Bad Debt Expense

Cemetery (Account No)

Un-catagorized Expense
6999 - Un-catagorized Expense

Fixed Asset Acquisitions
7001 - Acq/Improv - Site
7002 - Acq/Improv - Furn & Equip
7003 - Acq/Improv - Building
7004 - Acquisition Of Vehicle

Interest Expense
8460 - Interest Expense

Miscellaneous Expenses
8495 - Miscellaneous

Intrafund transfers/ Perm. Donations
8450 - Transfer to Parish/School

Depreciation -
6901 - Depreciation Building
6902 - Depreciation Bldg Improv
6903 - Depreciation Leasehold
6904 - Depreciation Equipment
6905 - Depreciation Furn/Fixture
6906 - Depreciation Vehicles
6907 - Depreciation Other

Bad Debt Expense
6760 - Bad Debt Expense

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".**
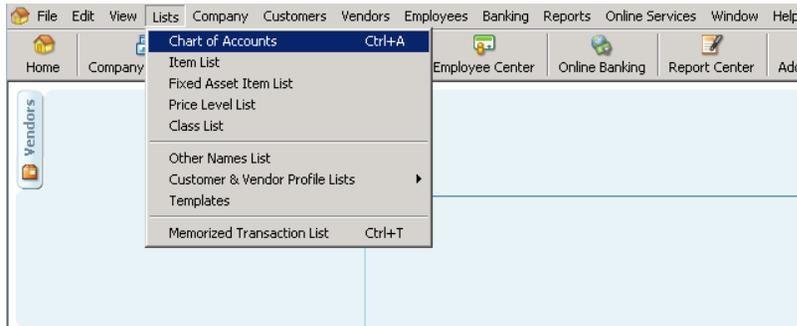
Once opened you will need to look for the account you are editing, then right click that account number and select **"Edit Account".**
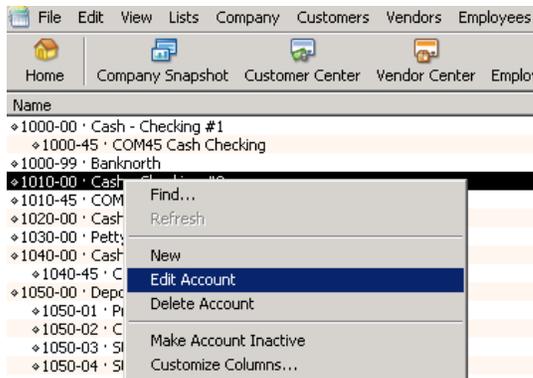
A new window will open up and in the upper right hand corner of your new window you will see a field labeled **"Number"** (this is your account number). Edit the number and then click "**Save & Close**".
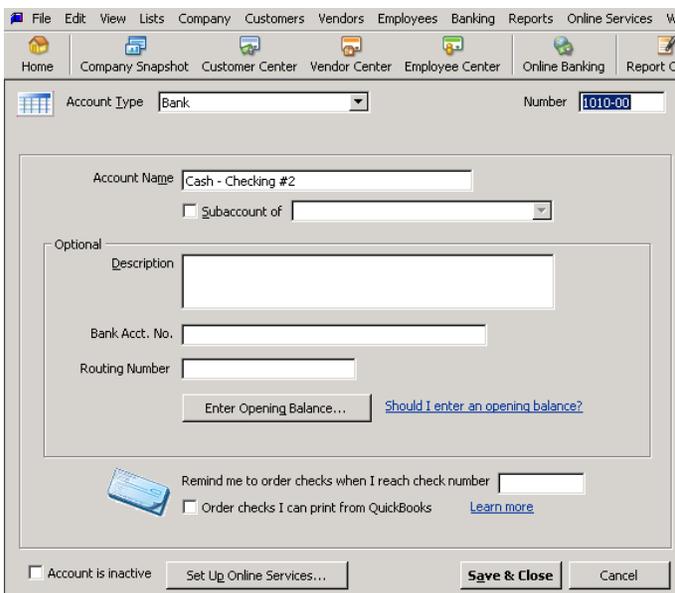
Changing Accounts with Sub-Accounts

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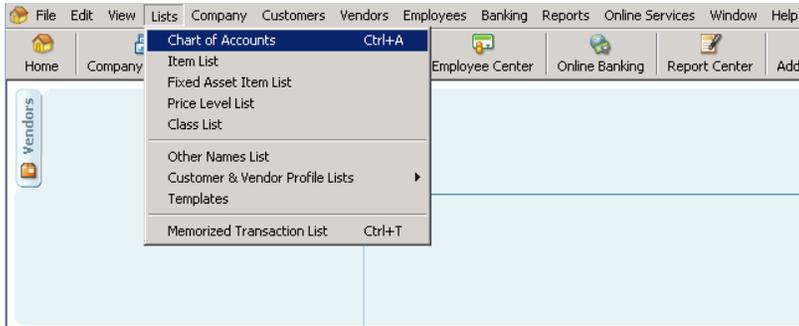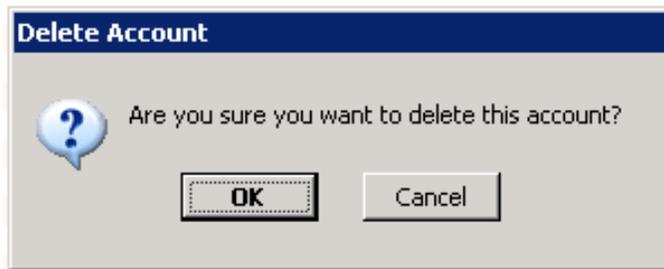
Select the account you need to delete by clicking on the account with your cursor

Right Click the account and select "**Delete Account**"
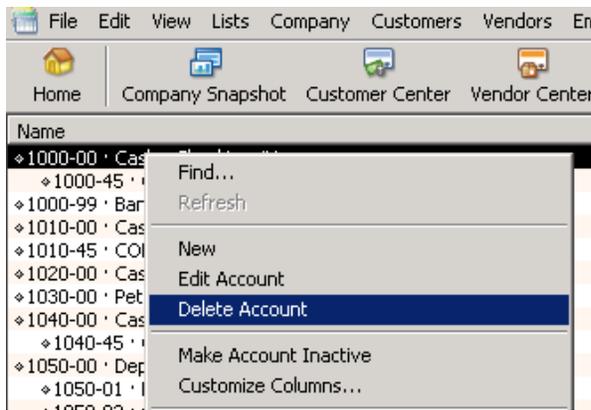
QuickBooks then will ask if you want to delete the account. To delete account select "OK"

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

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