

THE OAS MESSENGER



December 2012 Page 1

The Catholic Center will be closed from Friday, December 21st to Tuesday, January 1st and will re-open on Wednesday, January 2nd.

ACCOUNTING SERVICES

Annual Incorporation Meeting

Every parish should have held an annual meeting between July 1st and September 15th. Please send the Annual Meeting Minutes and Administrative Services Agreement to OAS immediately if you have not already done so.

Business Entity Reports

Parishes may receive a notice from the State of Indiana indicating a Business Entity Report is Due. **This is an annual filing with the State of Indiana that will be handled by the Office of Accounting Services.** Any questions can be directed to accountingservices@archindy.org.

State Form NP-20

Indiana law requires organizations to report annually to maintain their sales tax exemption by filing an annual financial report, **Form NP-20**. This form is very brief and was **due November 15, 2012**. If you did not receive a form in the mail from the State, please contact the Indiana Department of Revenue's Nonprofit Section at 317-232-2188 or the NP-20 form is available online at <http://www.in.gov/dor/3506.htm>. If you have any questions, please email accountingservices@archindy.org

ADLF Policy Update

The ADLF policy has been updated to include technology loans. Please see the updated policy on our website at http://www.archindy.org/finance/files/parish/general/current_adlf_policy.pdf

ADLF Rates for October - December 2012

Loans 3.75% Deposits 0.75%

If you have any questions please contact the Office of Accounting Services at our email accountingservices@archindy.org.

December Assessment Withdrawals

The December Assessment will be withdrawn on **Monday, December 31st**. Requests for adjustments to this withdrawal must be **sent to Jeanette Walker (jwalker@archindy.org) by NOON on Wednesday, December 19th.**

Mileage Reimbursement Rate

The IRS released standard mileage rates for use in 2013 on Monday, November 26th. (Notice 2012-72). Taxpayers can use the optional standard mileage rates to calculate the deductible costs of operating an automobile. **The rate for business use of an automobile was increased to 56½ cents per mile.**

The Archdiocese reimburses employees for 75% of the IRS issued standard mileage rate. Effective for miles driven **on or after January 1, 2013**, the Archdiocese mileage reimbursement rate will be **42.38** cents per business mile incurred. **We recommend that parishes examine individual budgets carefully when determining reimbursement rate.**

2012 Financials

The 2012 Audited Financials, which include our financial position, cash flows, activities, along with additional supplementary information, are now available on our website at <http://www.archindy.org/finance/archdiocese.html>

Group Ruling

The IRS Group Ruling exemption letter for 2012 is available on our website at <http://www.archindy.org/finance/files/parish/general/2012GroupRuling.pdf>



December 2012 Page 2

HUMAN RESOURCES

Additional HSA Contributions in 2013

Employees with health plan coverage on January 1st will receive additional “bonus” contributions on January 31st of \$500 for single coverage and \$1,000 for family coverage. These additional contributions are due to a plan surplus and are not guaranteed each year.

HSA Savings through Payroll Deduction

Employees who want to continue saving in their HSAs in 2013 do not have to complete a new form. Their current savings deductions will continue in 2013 unless they fill out a form to change or stop the deduction. **This is a change from previous years when employees had to complete a new HSA form each calendar year.** Some people forgot to complete forms each year and were disappointed that their savings had stopped.

Health Premium Reduction in July 2013

Premiums paid by parishes, schools, and agencies for medical coverage will be reduced by 50% in July 2013. This reduction is due to a plan surplus and is not guaranteed in future years.

Health Savings Account Limits for 2013

The IRS has increased the annual limits for health savings account contributions in 2013 to \$3,250 for single coverage and \$6,450 for family coverage. There is still a \$1,000 allowable catch-up contribution for people age 55 and over.

Retirement Savings Plan Limits for 2013

The IRS has also raised the annual contribution limit for 403(b) retirement savings plans in 2013 to \$17,500. There is also a \$5,500 catch-up contribution for people who are age 50 and over.

Benefit Communication Training

The Archdiocese Human Resources Department is offering Employee Benefits Communications Training to any interested Parish or School. Contact Kristen Leffler at (317) 236-1594 or Courtney Mitchell at (317) 236-7314 for more information or to schedule your on-site Benefits Communications training session.

CATHOLIC EDUCATION

BUDGETING AND STATE VOUCHER MONEY

Our students will realize over \$10 million in benefits from Indiana School Vouchers this school year. Schools/parishes need to use extreme caution when budgeting new income from state vouchers. To the extent you can, please budget these funds for educational improvements including capital improvements, technology, financial aid for other students, etc. as to not become completely dependent on this source of funds for your day-to-day operating budget. It is also not appropriate to suddenly use these funds to lower or eliminate the parish subsidy to the school. This could be considered "supplanting" and could easily be viewed as an obvious transferring this state money to benefit the church rather than the students whom it is intended to benefit. This is exactly the type of activity that directly “benefits religion” that the opposition is looking for to put a stop to the voucher program. Be careful!

Over \$940,000 in sponsorship and scholarship funds was celebrated at this year’s Celebrating Catholic School Values event on October 30 at Union Station with 600 people in attendance. At least \$350,000 of this was realized through 11 advance events and a total of \$808,000 raised for the event or by the schools passed through the CHOICE Trust for over 800 Tax Credit Scholarships mostly for students entering our schools in kindergarten or first grade. Once a child has been on one of these scholarships for two semesters, he/she can qualify for a state school voucher that could be worth up to \$64,000 over the next 11-12 years of Catholic schooling. And, the donor gets 50% of the donation back as a tax credit plus the regular federal deduction. What a deal! What an impact!

On November 21, 2012 The State Supreme Court heard Meredith v. Daniels, the lawsuit against the voucher program. If you wish to watch the video of the one-hour proceedings, please go to: <http://mycourts.in.gov/arguments/default.aspx?view=detail&id=1416> and click on the Windows Media icon. You will need to fast forward through 4-5 minutes of talking and blank space before the hearing starts. It may be weeks or even months before the court announces its ruling on the constitutionality of the vouchers. We are very hopeful.



December 2012 Page 3

CENTRAL PAYROLL

Payroll Information

Please ensure you are following the 'P/R Processing' deadline date on the Archdiocese Payroll Calendar on our website at <http://www.archindy.org/finance/files/parish/payroll/2012%20Payroll%20Processing%20Calendar.xls>
Payrolls processed after this deadline cause issues with benefits being distributed on time to employees.

Note: The 2013 Payroll Processing Calendar will be on our website soon.

Christmas/Year End Employee Gifts

Please remember that gift or bonus payments made to employees are considered reportable income by the IRS. These types of payments should be paid through your location's payroll processing. The value of gift cards or other non-cash gifts from the parish are also considered reportable income. Contact Central Payroll at centralpayroll@archindy.org for information on how to process this information.

RISK MANAGEMENT

Fidelity and Crime White Papers

There has been a disturbing trend in the frequency of fidelity, embezzlement and EPLI claims. See related white papers on the insurance page at <http://www.archindy.org/insurance/otherforms.html>

Self Inspections

We are in the early stages of the self-inspection program. If you have not sent in a contact person please do so – we need the name of the person to contact, phone number, and email address.

Event Rental Insurance

You have received by now a packet explaining the event rental insurance coverage. If you have any question contact Mike Witka at mwitka@archindy.org

Insurance Office on the Web Site

We have renewed the insurance for July 1, 2012 with a couple of changes. One is the property will now be through Church Mutual. The Boiler and Machinery will be through XL Greenwich Insurance. The normal contacts for insurance will continue.

Please become familiar with all the reporting forms and information on the Insurance Office Website page.

Storms and Claims

After each major storm system that comes through your area please physically inspect the possible damage to your building. One major concern would be the roof. If you can not see damage but suspect there may be some please call our office or Jerry Pachciarz 317-546-4833.

Boiler Inspections

For Boiler inspections please contact: Jim Law

Phone: 317-987-6573

Email: jim.law@bpcllcca.com

If you have any questions or problems contact Mike Witka, Director of Risk Management at 317-236-1558 or mwitka@archindy.org

ARCH CONTACTS

Do you know who to contact ?

Property insurance or risk questions?

ADLF?

Payroll?

Billing questions?

Parish budget or other questions?

Accounting Office

Mike Witka—mwitka@archindy.org or (317) 236-1558

Sr. Dina Bato—dbato@archindy.org

centralpayroll@archindy.org

accountingservices@archindy.org

accountingservices@archindy.org

(317) 236-1410 or 1-800-382-9836 ext. 1410