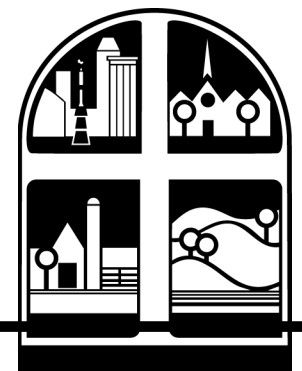


THE OAS MESSENGER



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ACCOUNTING SERVICES

Staffing Updates OAS welcomes LesLee Hill to Central Payroll! LesLee has experience in payroll and other customer service organizations. She already has a good understanding of our system, procedures, and most importantly, how we work with our locations.

Eileen Miller, an existing employee working in Accounting Services, has also begun work with Payroll. She has past payroll experience and is very knowledgeable about the operations of the Archdiocese.

Rene' Raychel will be assuming the Accounts Receivable role within Accounting Services currently held by Jo Ann Schramm. The transition is underway and will continue over the next month.

While we encourage you to email centralpayroll@archindy.org and accountingservices@archindy.org with any questions, here is the applicable contact information for the staffing changes.

LesLee Hill	lhill@archindy.org	317-236-1416
Eileen Miller	emiller@archindy.org	317-236-1410
Rene' Raychel	rachel@archindy.org	317-261-3370

Thanks again to all of you for your patience and support during these transitions.

Budgets Deadline The 08-09 budgets are due by **June 15, 2008**. Please mail, e-mail or fax the budgets to the Office of Accounting Services. Please also submit the signed and completed Budget Approval Form found in Appendix B. If you have any questions or require assistance with budget preparation, please contact us at accountingservices@archindy.org.

CENTRAL PAYROLL

08-09 Salary Changes On May 30, Central Payroll e-mailed all locations the instructions about how & when pay changes for the 08-09 budget year will be updated in the payroll system. Single Approval Forms that can be used in lieu of individual Payroll Action Forms, were sent to locations in the May 30 parish mailings.

Please contact Central Payroll if you have not received this information. Approved pay changes effective July 15th should be received by Central Payroll by June 26.

Annual priest pay increases and location changes effective July 2008, will be calculated and entered in the payroll system by Central Payroll. Locations should report all status, pay, or location changes effective after July 2008 with a Payroll Action Form.

PARISH FINANCIAL SERVICES

New Foreign Travel Insurance We are going to offer a new international travel insurance program to all employees and students of the Archdiocese when participating in a business trip on behalf of their location. Coverage is for all clergy, sisters, deacons, teachers and students. The coverage is only for travel pertaining to business of the Archdiocese, parishes, and/or schools. This coverage will be part of the normal insurance package. Details of the insurance program are found to the right. Please contact Mike Witka, Director of Risk Management, at mwitka@archindy.org with the specifics of who from your group will be traveling and when they will be traveling. He will also be able to answer any questions you have in regards to this new program.

- Aggregate Accident Limit of \$2,500,000
- Plan Benefits and Covered Activities
- class 1 - Archbishop, priests, deacons and nuns
 - accidental death - \$250,000, business travel including personal deviation
- class 2 - teachers, employees, students
 - accidental death - \$100,000, business travel including personal deviation
- Bereavement and Trauma Benefit - \$100/session (10 sessions)
- Coma Benefit - 1% of the principal sum per month up to 11 months and a lump sum of the principal sum equal to 100% thereafter
- Emergency Medical Benefits \$10,000
- Emergency Medical Evacuation - 100% of covered expenses
- Home Alteration and Vehicle Modification Benefit - 10% of principal sum up to \$10,000
- Rehabilitation Benefit - 10% of principal sum up to \$10,000
- Repatriation of Remains Benefit - 100% of covered expenses

HUMAN RESOURCES

Health Savings Account Statement from TCU

Teacher's Credit Union recently mailed the 2007 Form 5498-SA to Health Savings Account holders. This form reports the total employer and/or employee contributions made in 2007 and 2008 to their Health Savings Account for the 2007 tax year.

Because HSA contributions for the 2007 tax year could be made until April 15, 2008, TCU is required to mail Form 5498-SA to account owners by June 2, 2008.

The statement confirms the total contributions made by the Archdiocese, by payroll deduction, and by additional deposits made by the account owner directly to TCU. It does not need to be submitted with your return. Please keep the statement for your records.

Automatic Enrollment of New Employees in the Retirement Savings Plan Starts July 1st

Effective July 1st, new full-time, benefits-eligible employees will be automatically enrolled in the 403(b) Retirement Savings Plan with One America (AUL) unless they opt out. Two percent of salary will be saved on a pre-tax basis and will receive a 50% match, which will vest immediately. Each year, the percentage of pay saved will increase by 1% until 6% of pay is being saved, which is the maximum that is matched. Employees can stop saving or save a different percentage of pay, if they wish. Unless the employee selects another investment option, savings and matching funds will be invested in the Alliance Bernstein Target-Date Retirement Fund that is closest to the employee's 65th birthday. Other organizations that have implemented "automatic enrollment/automatic increase" retirement plans have found that the vast majority – over 90% – of employees like them, and people accumulate much greater retirement savings than they otherwise would.

Current employees who are not saving for retirement and new part-time employees who work less than 1,500 hours per calendar year will not be automatically enrolled, but can enroll online at www.eretirement.aul.com. Our plan number is G75194. It only takes a few minutes to enroll online, and with the new Alliance Bernstein Funds that are based on your projected retirement date, investing is easier than ever!

Increased Minimum Wage President Bush signed the Fair Minimum Wage Act of 2007 into law on May 25, 2007. According to this law, the current minimum wage will be raised to **\$6.55 on July 24, 2008**. Please make sure that the wages for all of your employees meet these requirements. If you have any questions, please contact Human Resources at hr@archindy.org.

QUESTION & ANSWER

- Q: Our organization is in the process of purchasing new tires for our school buses. We were approached about filling out a form to pay excise taxes. Is that necessary? Are we exempt from excise taxes?
- A: In most cases Archdiocesan parishes/schools should not be required to pay excise taxes. Tires for school buses should be sold free of excise tax by simply presenting documentation of the organization's tax-exempt status. However, if a parish/school did happen pay excise taxes by purchasing "taxable tires", then they are allowed to file a Form 8849, Schedule 6 to have the tax refunded. For more information on this issue, please refer to 2008 Publication 510 at <http://www.irs.gov/pub/irs-pdf/p510.pdf>.

Send us your questions! Each month one or two questions will be addressed based on inquiries of the parishes. Please submit any questions you would like answered to accountingservices@archindy.org.