# **OAS Billing Notes August 2020**

The August billing statements are being e-mailed to locations on August 25, 2020.

If you are receiving this e-mail, you should also be receiving the statement from billing@archindy.org (delivered by Intacct, the accounting system for the Archdiocese). If you do not receive the e-mail containing the Billing Statement, please check your spam filter and junk folder. If you still cannot locate the Billing Statement, please reach out to the Office of Accounting Services (OAS) at billing@archindy.org. **Please make note of this new email address for all billing-related questions. Please use** **adlf@archindy.org** **for ADLF inquiries.**

**The Billing Statement includes the following items, among others:**

**Paycheck Protection Program (PPP) Credits.** All priests are employed under the Archdiocese payroll company and priest wages are then allocated to locations through the monthly billing process. As such, the money to cover priest wages was included in the PPP application for the Archdiocese. To assist locations with cash flows and to share the financial benefit of the Archdiocese PPP loan, we have been providing priest wage credits for the pay periods corresponding to our PPP loan.

Bill credits have been issued as follows:

|  |  |  |
| --- | --- | --- |
| Pay Date | Arch Bill Month | Bill Credits |
| 5/22/2020 | June | Full credit of billed wages |
| 6/5/2020 | July | Full credit of billed wages |
| 6/19/2020 | July | Full credit of billed wages |
| 7/3/2020 | August | Full credit of billed wages |
| 7/17/2020 | August | Full credit of billed wages |
| 7/31/2020 | August | Full credit of billed wages |

**The July 31st pay date is the last pay date that locations will be reimbursed for priest wages. The September Billing Statement will not contain any bill credits, as the allocation of bill credits for priest wages has been fully used up.**

Accounting for the bill credits should be done as follows:

* Priest wages on the Billing Statement should be recorded as an expense, as they normally would.
* Credits for priest wages should be recorded as a liability (for example, ‘Priest Wage Credit Liability’ or ‘Arch PPP bill credit liability’). It is important to record this as a liability because similar to your own PPP loan, you won’t have “revenue” (or reduction of expense) until the Arch PPP loan is forgiven.
* Once the Archdiocese is legally discharged from its PPP loan obligation, we will notify all locations. We expect this will occur in late fall 2020. This is the entry you will make in fiscal year 20-21 upon hearing from OAS that the Arch loan is forgiven which will remove the accrued liability and recognize the contribution revenue associated with the benefit:
	+ Debit ‘Priest Wage Credit Liability’, reducing the liability to $0
	+ Credit ‘Revenue’

We are optimistic that our PPP loan will be forgiven. However, in the event the Archdiocese PPP loan is not forgiven, those bill credits may be reversed. Please reach out to Carey Kendall with any questions: ckendall@archindy.org

**Assessments**

The Budget Guidelines are on the Archindy.org website (<http://www.archindy.org/finance/parish/guidelines.html>) and contain information about budgeted Billing and Assessments, as well as a calendar of when various charges will be billed throughout the course of the fiscal year. Each location’s assessments (other than deanery assessments) are included in Appendix C – Assessment Workbook (embedded Excel file within the Word document Budget Guidelines). These assessments are all billed evenly over the 12 months of the fiscal year.

**Cathedraticum Assessment Latino Outreach Assessment**

**Lay Retirement Assessment Deanery Assessments**

**Clergy Healthcare Assessment Indy Education Assessment**

**Workers Compensation (WC) Insurance Premiums.** Workers compensation insurance premiums are billed based on the wages incurred for the previous calendar year (1/1/2019 to 12/31/2019). This amount will remain fixed for the duration of the fiscal year.

**Property Insurance Premiums and Vehicle Insurance Premiums.** Property insurance premiums are billed based on properties held as of July 1, 2020.This amount will remain fixed for the duration of the fiscal year. The property insurance rate is unchanged from the previous year but the property valuation was increased by 3%. Please contact Mike Witka at mwitka@archindy.org concerning property questions.

**Vehicle Insurance Premiums.** Vehicles are listed individually on the Billing Statement. The rates have not changed from the prior year and are based on type and age of the vehicle. Please check your list to identify any corrections, deletions, or additions that need to be done. Report corrections by e-mail to billing@archindy.org**.**

**Current Month Charges**

**CYO.** Fall Kickball fees were billed to participants. Contact Kris Becher at CYO with questions: 317-632-9311 or kbecher@cyoarchindy.org.

**Asbestos Training.** Training sessions have been occurring on various dates and locations at a charge of $50 per participant. The August Billing Statement includes the training sessions held on 7/15, 7/30, and 8/5. Please contact Maureen Okerson, with any questions mokerson@archindy.org.

**Recurring Charges**

**Criterion Subscriptions.** All parishes are billed at an annual rate of $16 per household ($1.33 per household per month) for subscription to the Criterion newspaper, **based on the number of households as of May 31, 2020**. This amount will remain fixed for the duration of the fiscal year.

**SECA Reimbursement.** Clergy should have submitted their SECA reimbursement form before July 1, 2020 to centralpayroll@archindy.org. Any further requests should be submitted with an explanation for missing the deadline. The form can be found at <http://www.archindy.org/finance/parish/forms.html>. Further information can be found on page 21 of the Budget Guidelines. The SECA process will be handled the same as priest wages or stipends. The reimbursement will be paid through Paylocity to priests and parishes will be billed on the monthly assessment. ***Parishes should not reimburse clergy directly.***

**School and Parish Individual Assessments**

**Lay Health Insurance Premiums.** The lay health insurance premiums billed on the August statement are for July coverage for both medical and dental insurance. To understand how your location’s charge was calculated, refer to the *“Instructions - Employee Listing for Lay Health Insurance Employer Charges”* and *“Lay Health Insurance Calculation and Reconciliation to Billing Statement”* files (separate attachments). These files contain instructions for running the Paylocity Deduction Listing Report and recalculating the employer lay health insurance premiums. These files are also included on the website at <http://www.archindy.org/finance/parish/newsletter.html> if you are unable to open the attachments in this Flocknote e-mail.

**Wages and Compensation**

**Wages and Stipends.** There were three pay dates in July: July 3rd, July 17th, and July 31st. Priest wages, stipends, and billable lay wages for those pay dates are included on the August billing statement. If you have questions about these charges, please reach out to centralpayroll@archindy.org.

**Criterion Advertising.** Criterion advertising fees are included on the monthly statement. The description and fee are provided by the Criterion office. If you have specific questions about Criterion Advertising charges, please contact Ann Lewis in our Communications Office at alewis@archindy.org or 317-236-1585.

**Archdiocesan Purchasing Department (APD) Purchases.** In an e-mail that went out last week, we described the changes to the APD process. <http://www.archindy.org/purchasing/files/apd%20reorg%20letter.pdf> To the extent that APD paid for the cost of your purchase upfront, you will still see charges on your Billing Statement for those APD purchases. If you have specific questions about APD charges, please contact Steve James, Archdiocesan Purchasing Manager, at sjames@archindy.org or 317-236-1451.

**Bill Pull**

We anticipate pulling funds due from locations’ accounts on the last business day of the month: **Monday August 31st**.

Please review your statement promptly and **report any issues by Wednesday August 26th,** which will allow us to process any required adjustments.

Please contact the Office of Accounting Services at billing@archindy.org or 317-236-1410 if you have questions about this month’s Billing Statement.