

ACCOUNTING NEWS!

- ◆ Please review the Internal Controls section for information about the Final Ruling for proposed Charity Gaming codes.
- ◆ Parish Annual Financial Reports were **due** to the Office of Accounting Services by September 15, 2013.
- ◆ State Form NP-20 is to be **submitted** to the state by November 15, 2013.
- ◆ The Fall phase of the combined grant process is coming up with all applications due on October 31st. Please visit www.archindy.org for more information.

ACCOUNTING SERVICES

Parish Annual Financial Report

For the fiscal year ending June 30, 2013, an e-mail link to the survey and instructions was sent to the person at each parish that submitted the report last year. These reports are used for external reporting on our public debt obligations. **Any parish who does not submit a PAFR could incur a penalty in their Cathedraticum calculation for next fiscal year.**

Excess Funds Deposit

Parishes, schools and agencies are required to deposit excess funds into the ADLF. Excess funds are all funds on hand in excess of anticipated cash disbursements for the following ninety days. Parishes schools and agencies should address the matter of excess funds on a monthly basis. Excess funds should also include all funds raised from fund drives, capital improvements, or major renovations. All excess funds must be deposited in the ADLF; a parish, school or agency may not invest such funds or deposit them in financial institutions.

ADLF Rates for July–Sept. 2013

Loans 3.75% Deposits 0.75%

The deadline for loan requests is October 24th. If you have any questions please contact the Office of Accounting Services at our email accountingservices@archindy.org. **The next ADLF meeting is scheduled for Thursday Nov 14, 2013.**

September Assessment Withdrawals

The September Assessment will be withdrawn on **Monday, September 30th**. Requests for adjustments to this withdrawal must be **sent to Carey Kendall (ckendall@archindy.org) by NOON on Thursday, September 26th.**

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>

Fifth Third Pooled Checking Account

Fifth Third Bank Interest Bearing Checking Account is where catholic-related entities' funds are pooled together and invested to receive a higher rate of return each month. This account has been with the Archdiocese since 1993. Besides a higher rate of return than an average interest-bearing checking account, the advantages include no investment sweep fee, lower service charges, and the ability to increase the rate of return as the pool grows. Currently, the Indianapolis Pool has over 100 accounts with approximately \$35,000,000 invested. If your parish is interested in joining this account, please contact Paul Burch at Fifth Third bank at 317-383-2668 or Paul.Burch@53.com.

Annual Incorporation Meeting

Please review the memo attached to this month's newsletter regarding Year-end Incorporation Processes. The memo includes important notes regarding annual meetings and filing requirements. You may contact OAS at accountingservices@archindy.org or 317-236-1410 with any questions.



HUMAN RESOURCES

Health Savings Account 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.

If you had coverage in January 2013, there was a one-time lump sum contribution from the Archdiocese of \$500 for single coverage and \$1,000 for family coverage. There are also monthly contributions from the Archdiocese of \$100 for single coverage and \$200 for family coverage.

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.

Onboarding and Off-boarding

There are new forms to assist with onboarding new employees and off-boarding terminated employees. The forms can be found at www.archindyhr.org under [Forms You'll Need](#), Parish Comings and Goings. There are links to [New Employee Checklist](#) and [Employee Termination Checklist](#). Please note, with each type of change health insurance forms must be sent to Human Resources. The [Anthem Health Insurance Enrollment Form](#) is now available online in a fillable PDF; please direct new employees to the HR website to complete the form. Terminating an employee in Paycor does not cancel health insurance. An [Anthem Insurance Change Form](#) must be submitted to Human Resources. Direct hyperlinks to these forms are within this notice. If you have any questions about these forms, contact Courtney Mitchell in Human Resources.

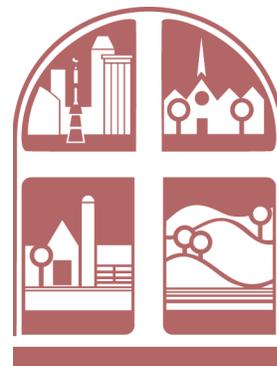
Eli Lilly Federal Credit Union (ELFCU)

The Archdiocese is now partnering with Eli Lilly Federal Credit Union (ELFCU) to open health savings accounts for new health insurance enrollments. As you have new or newly eligible employees electing health insurance, please direct them to the following link to open an HSA with ELFCU. www.elfcu.org/newhsa. We are no longer accepting forms for Teachers Credit Union.

Current TCU members may open an ELFCU account & transfer HSA funds. Please notify OAS with any changes.

New Federal Requirements for Health Insurance Eligibility

Federal health care reform legislation includes regulations regarding eligibility for health insurance coverage. These federal regulations require employers to offer coverage to employees who work 30 or more hours per week. A special provision of the law affects educational institutions, including Catholic schools. This provision states that **any employee who works regularly 30 hours per week during a school year is eligible for health insurance**. These new regulations require the Archdiocese to change its health insurance eligibility policy from 1,500 hours per calendar year to 30 hours per week during a school year, effective September 1, 2013. As a result of this change, some school employees, such as teachers' aides and cafeteria workers, who are not currently eligible for health insurance coverage will be eligible for coverage in the 2013-14 school year. Each school has 2 options regarding these employees: 1) budget funds for them to be covered by our medical and dental plans, effective September 1, 2013 or 2) reduce the hours of these employees to under 30 hours per week, effective September 1, 2013. Please note that even if these employees become eligible for health insurance, they may decline coverage, so the actual cost that will be incurred cannot be fully anticipated during the budgetary process. However, each school that has employees who currently work 30 or more hours per week on a regular basis and are not currently eligible for health insurance should plan for either increases in health insurance expense or a reduction in those employees' work hours during the next school year. Please contact Ed Isakson at eisakson@archindy.org if you have any questions about this new federal requirement.



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HUMAN RESOURCES CTD.

New I-9 Form Requirement

Effective March 2013, the federal government has updated the I-9 Immigration form which is required of all new employees and part of our new hire paperwork. We have updated our human resources site with the new and correct form. Please follow this link and begin using the new form effective immediately. If you have any questions, please contact human resources at hr@archindy.org.

Health Insurance Reminders

Please send all health insurance termination and Anthem new enrollment paperwork to Courtney Mitchell in HR as soon as possible. Health insurance for new teachers follows the dates of the teacher contract, which is typically September 1 – August 31. Please contact Courtney if you have questions – cmitchell@archindy.org.

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/2013%20Payroll%20Calendar.xls> Payrolls processed after this deadline cause issues with benefits being distributed on time to employees.

PARISH INTERNAL CONTROLS

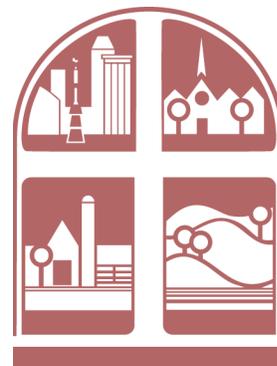
Welcome to news in Parish Internal Controls. Each month we'll feature news that will aid administrators in safeguarding assets and ensuring compliance in parish internal controls. If there are topics in this area you'd like to see featured please contact the Office of Accounting Services: accountingservices@archindy.org.

As good stewards we must report the misappropriation of assets.

To do so conveniently and confidentially you may contact EthicsPoint, an independent third-party, by phone at 1-888-393-6810 or by visiting their website: archdioceseofindianapolis.ethicspoint.com. The confidential hotline and website are accessible 24 hours a day 7 days a week. The Chief Financial Officer or his designee will be informed of every report and an investigation is performed with each report.

Fundraising

On September 14, 2013 the Indiana Gaming Commission finalized the proposed rules for charity gaming. Some areas of amendments include application deadlines, allowable events, conducting allowable events, qualified card game requirements, records of qualified organization, restrictions, and disciplinary actions. OAS strongly recommends a review of the changes by linking to the [Indiana Register](#). The Indiana Gaming Commission has two Charity Gaming seminars scheduled in September at the Conference Center in the Indian Government Center. Registration is required. For more information connect to: [Indiana Gaming Commission Seminar site](#). The seminars will be held on September 13 and September 23, 2013.



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CATHOLIC EDUCATION

Special Events Policy

And now is a good time to review the special events policy and application so you can help those wanting to rent the space from our parishes for wedding receptions. If you have any questions see our Insurance page on the archindy website.

RISK MANAGEMENT

Fire Safety

We have had recent fires to two of our properties. So a reminder to all: keep doors locked on all buildings whenever possible and not in use. Secondly, do not light candles in non-Church environments. The recent fire caused by a candle has been our fourth of this type.

Establishing and Maintaining Safe Alternative Parking Sites

The following link shows how your parish can safely and effectively create overflow parking spaces. <http://www.archindy.org/insurance/documents/OverflowParking.pdf>

Student Accident Insurance

We have a new provider for this coverage beginning July 1, 2013. The company name is Gallagher Koster. We will have new claim forms and coverage highlights on our Insurance Web page shortly. Please throw away any old forms or information. You can reach the website by going to <http://www.archindy.org/insurance/student.html>

Feel free to contact Mike Witka at mwitka@archindy.org or (317)236-1558.



OAS STAFF

Tracy Lockwood – Controller

email: tlockwood@archindy.org

Julie Laughlin – Assistant Controller/Director of Agency Reporting – Julie is currently training to take over agency financial reporting. This will include financial reporting for Catholic Charities, Fatima Retreat House, Bishop Simon Brute College Seminary, CYO and others.

email: jlaughlin@archindy.org

Carey Kendall – Supervisor of Parish and Agency Services – Carey supervises payroll, parish and agency billing, and the administration of the Deposit and Loan Fund. She monitors the accounting services email box, coordinates and manages the parish internal control assessments and the parish annual financial reporting process.

email: ckendall@archindy.org

St. Dina Bato – Accountant – Sr. Dina handles the day to day accounting for Catholic Cemeteries and the Deposit and Loan Fund.

email: dbato@archindy.org

Robyn Roller – Payroll Specialist – Robyn processes payroll and prepares the month parish and agency billing.

email: rroller@archindy.org

Nancy Hildwein – Catholic Charities Accounting Supervisor – Nancy is responsible for accounting and reporting for several Catholic Charities agencies.

email: nhildwein@archindy.org

Chris Bramble – Accountant – Chris is responsible for investment accounting and accounting support for Fatima Retreat House and several Catholic Charities agencies.

email: cbramble@archindy.org

Melinda Buckler – Accounting Clerk – Melinda is responsible for daily cash management including processing all deposits received by OAS and fixed asset accounting.

email: mbuckler@archindy.org

Sandi Jackson – Accounts Payable Specialist – Sandi is responsible for accounts payable and employee expense reimbursements.

email: sjackson@archindy.org



ARCHDIOCESE OF INDIANAPOLIS

The Church in Central and Southern Indiana

Office of Accounting Services

1400 N. Meridian Street, Indianapolis, IN 46202-2367

P.O. Box 1410, Indianapolis, IN 46206-1410

317-236-1410 Fax: 317-236-7327

To: Pastors, Administrators, PLCs, and Business Managers.

From: Tracy Lockwood, CPA, Controller.

Regarding: Year-end Incorporation Processes

As the end of the fiscal year for the Archdiocese and each parish corporation is almost upon us I wanted to send a reminder of some of the year end incorporation duties that your parishes need to accomplish.

Annual Meeting: Each parish corporation needs to hold their annual meeting between July 1 and September 15, 2013. During the Annual Meeting the following should be accomplished:

- Complete the Annual Meeting Minutes form (Copy attached as Exhibit A);
- Complete the Conflicts of Interest forms for each officer and director (Copy attached as Exhibit B, retain for reference);
- Approve the June 30 Annual Financial Report.

Filing Requirements: Each parish corporation is required to send to the Office of Accounting Services (OAS) the following information by September 15, 2013:

- A completed Annual Meeting Minutes form*;
- Annual Financial Report.

**Please note on the Annual Meeting Minutes form that the Conflict of Interest forms have been completed by each officer or director, but do not send a copy of the forms to the OSA.*

Administrative Services Agreement: This agreement automatically renews each year. As long as OAS has a copy of your agreement on file, you do not need to complete this annually. OAS will follow up with any parishes for which we do not have an agreement on record for.

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 is due November 15, 2013. If you do 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>.

File 1099 Forms: The Internal Revenue Service requires organizations provide 1099-MISC to report payments of \$600 or more in a calendar year to unincorporated individuals not treated as employees or an entity for services performed. The forms must be postmarked by January 31. More information about filing requirements can be found on the IRS website at <http://www.irs.gov/pub/irs-pdf/i1099misc.pdf>.

Annual Report to Secretary of State: You may receive a mailing from the Secretary of State's office asking that the parish file its Business Entity Report. **Please do not file this report.** When the requested information is received by the OAS, our office will file the Business Entity Report on behalf of each parish. If however, you receive notice that the Business Entity Report is past due or that the Secretary of State intends to administratively dissolve the parish corporation for not filing a Business Entity Report, please send a copy to the OAS.

Should you have any question about the yearend incorporation processes, please contact OAS at accountingservices@archindy.org or 317-236-1410.