



Instructions for Completing the 2020 Annual Parish Financial Report

The format and method of completing the Annual Parish Financial Report is unchanged from last year.

- Before preparing and submitting your report be sure that each Asset, checking, savings, endowment, Liability, accounts payable, loan payable and Fund Balance account has been *correctly reconciled* as of *June 30, 2020*.
- As before, the items in the chart below must be submitted:

Part 1: Includes questions relating to the parish's plant, real property holdings, and construction\renovation needs and plans.
Parts 2 and 3 (<i>Note: you DO NOT need to complete the Part 2 & 3 excel document if you submit a backup of the QuickBooks file</i>).
<u>Part 2</u> : Annual Statement of Cash Receipts and Disbursements.
<u>Part 3</u> : Supplemental Information - Includes beginning and ending account balances for each of the parish's cash accounts, loans, and other investments; and information regarding parish staff, including annual wages.
<u>Printout of Profit & Loss Statement</u> - Run for fiscal year 2019-20, cash basis. Run two versions - (1) Summary and (2) Detail
<u>Printout of Balance Sheet</u> : Run the 'Balance Sheet Standard' as of June 30, 2020 TWICE - on cash basis and on accrual basis. Make sure both reports include these columns: - Current Year 6/30/2020 - Previous Year 6/30/2019 - \$ Change
Addendum A: Parish Finance Council Membership
Addendum B: Parish Finance Council Attestation
Signed Transmittal Letter
Backup of QuickBooks File - on a flash drive (a.k.a. 'thumb drive' 'memory stick'), or via secure file transfer (ask us how).
Please also submit the QuickBooks username and password needed to open the file.

- If you have any questions about completing this form, please contact your Parish Financial Services Coordinator at the Diocesan Finance Office:
 - Antonette Agustin AAgustin@scd.org (916)733-0275
 - Ron Hamilton Rhamilton@scd.org (916)733-0283

Line 1: Beginning Balance in All Accounts as of July 1, 2019

Enter the reconciled beginning balance from all the parish's checking and savings accounts, including all savings and endowment accounts at the diocese. This will not include the accounts of parish societies or groups, or the parish cemetery, unless such accounts are a part of the parish books. The beginning balance entered on Line 1 should agree with the amount reported in Part 3, Supplemental Schedules of the Annual Parish Financial Report (*Excel worksheet filename: Part 2 and 3.xls*) as of June 30, 2019.

Line 2: Offertory Collections - Parish Church

Enter the total amount of Offertory receipts received during the year either in the mail or from the Offertory collections on Sundays, Christmas, Easter, Holy Days, Thanksgiving, and all other Masses at which an Offertory collection is taken up, from the parish's primary church. These transactions are posted to accounts 501.1 - 501.9 on the parish books.

Lines 3-5: Offertory Collections - Mission Churches

Enter the total amount of Offertory receipts received during the year either in the mail or from the Offertory collections on Sundays, Christmas, Easter, Holy Days, Thanksgiving, and all other Masses at which an Offertory collection is taken up, from each of the parish's mission churches. (Please note that not all parishes have mission churches.) These transactions are posted to accounts 501.51 - 501.59 on the parish books.

Line 6: Total offertory collections

Add Lines 2 through 5, and enter the sum here.

Line 7: Sacramental Services

Enter the total amount of offerings received by the parish during the year in connection with marriages, baptisms, etc. These transactions are posted to accounts 502.1 - 502.9 on the parish books.

Lines 8-10: Parish Societies, net

Enter the total amount of donations and cash transfers received by the parish from societies or groups that operate within the parish. Please list separately each society or group that made such a donation or transfer during the year. If the amount of expense for any individual society or group exceeds the amount of income for the year, then enter the amount on Line 8-10 as a negative number for that society or group. These transactions are posted to accounts 510.1 - 510.9 on the parish books.

Line 11: Donations Associated with the Use of Plant Facilities

Enter the total amount of donations received during the year in connection with the use of plant facilities. These transactions are posted to account 525 on the parish books. Note that receipts for the use of non-plant (parish facilities that are located off-site) are posted to account 540.41 (Line 52).

Line 12: Religious Articles, Candles, & Books, net

Enter the combined net amount of receipts and disbursements associated with either the purchase or sale of candles, religious articles, and books. If the amount of expense for the year exceeds the amount of income, then enter the amount on Line 12 as a negative number. These transactions are posted to accounts 530 (income) and 630 (expense) on the parish books.

Line 13: Donations & Unrestricted Gifts

Enter the total amount of non-offertory donations received during the year which were not designated as to a specific use. These transactions are posted to account 535 on the parish books. (Please note that bequests and designated gifts are reported on Line 52 below, as non-operating receipts.)

Lines 14-16: Parish Programs, net

Enter the combined net amount of receipts and disbursements associated with the various parish programs, including RCIA, Youth Ministry, Adult Religious Education, Lay Ministerial Training, Ecumenism/Evangelization, etc. Please list each program individually. If the amount of expense for the

year exceeds the amount of income for any program, then enter the amount for that program as a negative number. These transactions are posted to accounts 555.1 - 555.9 (income) and 655.1 - 655.9 (expense) on the parish books.

Lines 17-19: Parish Fund Raising Activities, net

Enter the combined net amount of proceeds derived from parish fund raising activities during the year. Please list each fund raising activity individually. These transactions are posted to accounts 565.1 - 565.9 (income) and 665.1 - 665.9 (expense) on the parish books.

Lines 20-22: Other Operating Receipts

Enter any amounts received during the year as part of the normal operations of the parish, which are not included elsewhere in this report. Please list each receipt category individually. These transactions are posted to accounts 569.1 - 569.9 on the parish books.

Line 23: Total Operating Receipts

Add Lines 7 through 22, and enter the sum here.

Line 24: Total Offertory Collections / Operating Receipts

Add Lines 6 and 23, and enter the sum here.

Line 25: Gross Clergy Salaries

Enter the total amount of gross wages paid to the clergy during the year and payments including extra clergy and deacons. These transactions are posted to accounts 601.11 - 601.19 on the parish books.

Line 26: Gross Religious Wages

Enter the total amount of gross compensation paid to Sisters and other Religious during the year. These transactions are posted to account 601.2 on the parish books.

Line 27: Gross Lay Wages

Enter the total amount of gross wages paid to lay employees during the year, including regular pay, bonuses, and overtime pay. Only W-2 wages are reported here, not payments to independent contractors. The transactions for gross lay wages are posted to accounts 601.301 - 601.399 on the parish books.

Line 28: Lay Payroll Taxes

Enter the total amount paid during the year for the employer's share of payroll taxes on lay wages. Only the employer's share of Social Security and Medicare taxes should be reported here. The transactions reported here are posted to account 602 on the parish books.

Line 28a: Lay Payroll Taxes: Families First Payment Credits

Enter the total amount for payroll credits on lay wages, attributable to the FFCRA – Families First Coronavirus Relief Act. The transactions reported here are posted to account 604.1 – 604.3 on the parish books.

Line 29: Clergy Employee Benefits

Enter the total amount paid during the year for clergy employee benefits, including retirement premiums, health insurance premiums, vision care, etc. These transactions are posted to accounts 603.11 - 603.19 on the parish books.

Line 30: Religious Employee Benefits

Enter the total amount paid during the year for religious employee benefits, including retirement premiums, health insurance premiums, etc. These transactions are posted to accounts 603.21 - 603.29 on the parish books.

Line 31: Lay Employee Benefits

Enter the total amount paid during the year for lay employee benefits, including worker's comp insurance, contributions to the lay employee's pension plan, premiums for health/dental/vision/life insurance, unemployment insurance, etc. Please note that the amount of worker's comp insurance and unemployment insurance is billed to the parish as part of the annual property and liability insurance invoice which the parish receives from the diocesan finance office. These transactions are posted to accounts 603.31 - 603.39 on the parish books.

Line 32: Automobile Expense

Enter the total amount paid during the year for automobile-related expenses including insurance, gasoline and mileage reimbursements and car repairs and maintenance. Please note that the auto insurance on parish-owned cars is billed to the parish as part of the annual property and liability insurance invoice which the parish receives from the diocesan finance office. The payment of car insurance and other automobile expense transactions are posted to accounts 605.1 - 605.9 on the parish books.

Line 33: Church Expense

Enter the total amount paid during the year for church-related expenses, including repairs and maintenance, telephone, utilities, liturgical expense (including payments to independent contractor musicians), offertory envelopes, etc. These transactions are posted to accounts 610.1 - 610.9 on the parish books.

Line 34: Rectory Expense

Enter the total amount paid during the year for rectory-related expenses for priests and seminarians in residence, including repairs and maintenance, telephone, utilities, household support, etc. Also enter the amount (if applicable) of diocesan reimbursements received by the parish for priest and seminarian room and board expenses. These transactions are posted to accounts 615.1 - 615.9 on the parish books.

Line 35: Hall Expense

Enter the total amount paid during the year for hall-related expenses, including repairs and maintenance, telephone, utilities, hall supplies, etc. These transactions are posted to accounts 620.1 - 620.9 on the parish books.

Line 36: Office Expense

Enter the total amount paid during the year for office-related expenses, including repairs and maintenance of building and equipment, telephone / fax, utilities, office supplies, postage and shipping, outside printing and copies, office equipment lease, payments to independent contractors, etc. These transactions are posted to accounts 625.1 - 625.9 on the parish books.

Line 37: Grounds Repair and Maintenance

Enter the total amount paid during the year for the upkeep, repair, and maintenance of the parish grounds, including payments to independent contractors. These transactions are posted to accounts 628.1 - 628.9 on the parish books.

Line 38: Property and Liability Insurance

Enter the total paid during the year for property and liability insurance. These transactions are posted to account 635 on the parish books.

Line 39: Property Taxes and Assessments

Enter the total amount paid during the year for personal property taxes, real property taxes, levies, and assessments on parish owned properties. These transactions are posted to account 640 on the parish books.

Line 40: Charitable Donations, net

Enter the combined net amount of receipts and expenses related to charitable causes, including the quarterly Annual Catholic Appeal rebate. If the amount of charitable income for the year exceeds the

amount of charitable expense, then enter the amount on Line 40 as a negative number. These transactions are posted to accounts 545.1 - 545.9 (income) and 645.1 - 645.9 (expense) on the parish books.

Line 41: Religious Education, net

Enter the combined net amount of receipts and expenses associated with religious education for pre-school through high school, excluding salary amounts paid to parish staff. If the amount of religious education income for the year exceeds the amount of expense, then enter the amount on Line 41 as a negative number. These transactions are posted to accounts 550.1 - 550.9 (income) and 650.1 - 650.9 (expense) on the parish books.

Please note that religious education wages are only reported on Lines 26 or 27, as appropriate.

Line 42: School Subsidy

Enter the total amount paid during the year to the parish school as direct subsidy, scholarships, or any other amounts paid by the parish in support of the school. These transactions are posted to account 660.05 - 660.45 on the parish books.

Line 43: Diocesan Assessment

Enter the amount paid during the year to the Diocese for the parish assessment. These transactions are posted to account 680 on the parish books.

Lines 44-45: Other Operating Disbursements

Enter any amounts paid during the year as part of the normal operations of the parish, which are not included elsewhere in this report. Please list each expense category individually. Examples of expenses which are reported here include, advertising, bank service charges, clergy retreats and continuing education, dues and subscriptions, rent and lease of space, payroll processing charges, professional services, seminarian stipends, airfare and lodging while traveling on parish business, and other miscellaneous expense. These transactions are posted to accounts 669.01 - 669.99 on the parish books.

Line 46: Total Operating Disbursements

Add lines 25 through 45, and enter the total here.

Line 47: Excess Offertory Collections / Operating Receipts Over Operating Disbursements

Subtract line 46 from line 24, and enter the difference here.

Line 48: Interest, Dividend and Endowment Income (Loss)

Enter the total amount of interest, dividends and endowment income or loss received and/or credited directly to all parish cash accounts through June 30, 2020, including the parish's savings and endowment accounts at the diocese. These transactions are posted to accounts 520.1 - 520.9 on the parish books.

Line 49: Capital Fund Drive, net

Enter the combined net amount of receipts minus expenses during the year, related to a capital fund drive. These transactions are posted to accounts 582.1 - 582.9 (income) and 682.1 - 682.7 and 682.9 (expense) on the parish books. Please report the parish's payment of its fair share amounts to *ONE Campaign* on the line provided.

Please provide details of current capital fund drive(s) in progress in the section of the worksheet entitled "Capital Fund Drive" (right margin). If the parish has more than one capital fund drive, please attach additional sheets as necessary.

Line 50: Net Increase/Decrease in Loan Balance(s)

Enter the net change in the cumulative balance of all parish loans from June 30, 2019 to June 30, 2020. The amount reported on Line 50 should agree with the total change in loan balances as reported in Part 3 of the Annual Parish Financial Report. Note that a net increase in loan balance is considered a cash source and is reported as a positive number on Line 50. A net decrease in loan balance is considered use of cash and is reported as a negative number on Line 50.

Please note that the loan balance(s) on the parish books must be in agreement with the loan balance(s) as per the June 30, 2020 loan statement(s) that the parish receives from the diocese.

Line 50a: Net Increase in PPP Loan Balance – Parish portion only

Enter the Paycheck Protection Program (PPP) loan amount. Excludes the amount disbursed to the parish school. Note that a net increase in loan balance is considered a cash source and is reported as a positive number on Line 50a.

Line 51: Interest Expense Charged on Loans

Enter the total amount of interest that the parish was charged during the year on each of its loans. Note that the amount of interest charged is considered a use of cash and is reported as a negative number on Line 51. These transactions are posted to account 670 on the parish books.

Line 52: Bequests, Endowment Funds, Special Receipts and Non-Operating Designated Gifts

Enter the total amount received during the year pursuant to the Will or Trust of a deceased (bequests); endowment funds; insurance settlements and receipts for the use of non-plant facilities (special receipts); and receipts that are restricted for non-operating purposes only. These transactions are posted to accounts 540.1 – 540.9 (bequests and special receipts), and 585.1 - 585.9 (designated gifts) on the parish books.

Line 53: Proceeds from the Sale of Surplus Property, Equipment, and Non-Cash Investments

Enter the total net cash proceeds received during the year from the sale of real or personal property, as well as the liquidation of any non-cash investments. These transactions are posted to account 588 on the parish books.

Line 54: Parent Parish Obligation Receipts/Payments

Enter the total payments either received or made pursuant to a parent parish obligation agreement. (Please note that not all parishes have a parent parish obligation agreement.) These transactions are posted to either account 573 (receipts) or 673 (expense) on the parish books.

Lines 55: Special Non-Operating Collections, net

Enter the combined net amount of receipts and disbursements associated with diocesan and other special collections which the parish has taken during the year. If the amount of disbursements for the year exceeds the amount of receipts, then enter the amount on Line 55 as a negative number. These transactions are posted to accounts 595.01 - 595.99 (receipts) and 695.01 - 695.99 (disbursements) on the parish books.

Line 56: Capital Expenditures - Automobiles

Enter the amount paid during the year to purchase automobiles and/or to make major repairs to parish automobiles. Please provide detail at the section of the worksheet entitled Capital Expenditures Detail. These transactions are posted to account 686.11 - 686.19 on the parish books.

Line 57: Capital Expenditures - Equipment and Furniture

Enter the amount paid during the year to purchase equipment, furnishings, or other capital assets. Individual purchases are normally considered capital expenditures when the acquisition cost is \$2,000 or more. Please provide detail at the section of the worksheet entitled Capital Expenditures Detail. These transactions are posted to account 686.21 - 686.29 on the parish books.

Line 58: Capital Expenditures - Buildings, Improvements, and Land

Enter the amount paid during the year for capital improvements to the parish plant, or for the purchase of real property. Individual purchases or projects are normally considered capital expenditures when the acquisition or project cost is \$2,000 or more. These amounts may include either new construction or the renovation of existing facilities. Please provide detail at the section of the worksheet entitled Capital Expenditures Detail. These transactions are posted to account 686.31 - 686.39 on the parish books.

Line 59: Capital Expenditures - Projects for the Benefit of the Parish School

Enter the amount paid during the year for capital improvements of school facilities. Individual purchases or projects are normally considered capital expenditures when the acquisition or project cost is \$2,000 or more. These amounts may include either new construction, the renovation of existing school facilities, or other purchases or projects of a capital nature that the parish subsidized for the benefit of the school. Please provide detail at the section of the worksheet entitled Capital Expenditures Detail. These transactions are posted to account 686.41 - 686.49 on the parish books.

Line 60: Capital Expenditures - Grounds Improvements

Enter the amount paid during the year for capital improvements to the parish grounds. These amounts may include items such as parking lot re-surfacing, installation of sprinkler systems, new landscaping, etc, which cost \$2,000 or more. Please provide detail at the section of the worksheet entitled Capital Expenditures Detail. These transactions are posted to account 686.51 - 686.59 on the parish books.

Lines 62-63: Other Non-Operating Cash Activity

Enter the net amount of all other non-operating transactions which had no effect on cash, but which need to be accounted for in order for the worksheet to balance. Example: the amount of change in your accounts payable balance or un-deposited payroll taxes from June 30, 2019 to June 30, 2020 needs to be accounted for. Please list each item or category separately.

Line 64: Total Non-Operating Cash Activity

Add lines 48 through 63, and enter the sum here.

Line 65: Ending Cash Balance, June 30, 2020

Add Lines 1, 47, and 64, and enter the total here. Your ending cash balance(s) must agree with the reconciled June 30, 2020 bank statement for each account.

Please also note that the beginning and ending reconciled balances of all the parish's cash accounts must be reported in Part 3, Supplemental Schedules of the Annual Parish Financial Report (*Excel worksheet filename: Part 2 and 3.xls*) under the caption, PARISH CHECKING, SAVINGS, AND OTHER PARISH CASH ACCOUNTS.