

**APPENDIX**

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## CHART OF ACCOUNTS

The Chart of Accounts were designed to be used on either the manual bookkeeping system or the PDS Ledger/Payroll software program. Not all of the accounts listed will be used by every parish and school. The PDS Ledger/Payroll system allows flexibility if new accounts must be added.

For manual users, there are no account numbers associated with the account name. However, on the computer system there are four digit account numbers assigned to each account as follows:

The major categories and their corresponding numbers are listed below:

<b>0XXX</b>	<b>BALANCE SHEET</b>
<b>0000</b>	<b>Assets</b>
0100 – 0139	Cash & Cash Equivalencies
0140 – 0149	Accounts Receivable
0150 – 0159	Inventory
0160 – 0169	Prepaid Expenses
0170 – 0179	Short Term Investments
0190 – 0199	Deposits with Archdiocese
0300 – 0309	Long Term Investments
0400 – 0469	Land, Buildings, Furnishings & Equipment
0500 – 0569	Accumulated Depreciation
<b>06XX</b>	<b>Liabilities</b>
0610 – 0619	Accounts Payable
0620 – 0639	Special Collections Payable
0640 – 0659	Payroll Taxes/Benefits Payable
0660 – 0669	Accrued Liabilities
0670 – 0679	Notes & Loan Payable
0680 – 0689	Deferred Revenues
<b>08XX</b>	<b>Fund Balances</b>
0810 – 0819	Unrestricted Fund Balances
0820 – 0829	Restricted Fund Balances
0830 – 0839	Permanently Restricted Fund Balances
<b>1XXX</b>	<b>SUPPORT AND OTHER REVENUES</b>
1010 – 1039	Collections
1100 – 1139	Bequests & Donations
1300 – 1399	Fund Raising Activities (Net)
1400 - 1419	Tuition & Fees
1500 – 1519	Subsidies & Grant Income
1550 – 1559	Investment Income
1560 – 1569	Gain/Loss on Sale of Assets
1580 – 1589	Rental Income
1600 – 1769	Auxiliary & Program Income
1800 - 1809	Expense Recoveries
<b>2XXX</b>	<b>EXPENSES</b>
2010 – 2019	Payroll
2110 – 2119	Payroll Related Expenses
2240 – 2249	Rectory Supplies & Expenses
2300 – 2339	Other Supplies & Services
2900 – 2949	Activities

3011 – 3029	Instructional Supplies
3600 – 3669	Depreciation Expense
3700 – 3719	Plant & Grounds Expense
3800 – 3819	Assessments & Grants/Donations Expense
4100 – 4269	Auxiliary & Program Expense
4600 – 4609	Interest Expense
4700 – 4709	Extraordinary & Capital Expenses

**5XXX**

5101	Transfer From Designated Funds
5105	Transfer to Record Fixed Assets
5132	End of Month-Restricted Fund Balance Transfers

- . Accounts that end in "0" are heading or master accounts only and no posting should be made to these accounts
- . Accounts that end in "9" are total accounts which provide for the total of the preceding accounts and no posting should be made to these accounts.
- . Accounts ending in numbers "1" through "8" are detail accounts which should be used for posting all transactions.

The computer system also allows for the user to add a decimal and two extra digits to each of these accounts (e.g., 0101.10). For ease of producing reports for your committees and organizations, the Chancery Finance Department recommends that the computer user take advantage of this feature. By adding a decimal and the extra two digits, the user can easily identify accounts and generate reports by department and/or organizations. The first of the extra two digits should identify the major department, with the second number identifying divisions of that department. Listed below are the archdiocesan defined departments. For any number with no pre-defined department, the parish may choose the department under the appropriate headings.

**10 – 19**

10	<b>PARISH ADMINISTRATION</b>
11	General Parish Operations
	Stewardship

**20 – 29**

20	<b>WORSHIP/LITURGY</b>
21	Worship Committee
22	Music Ministry
	Altar Society

**30 – 39**

30	<b>RELIGIOUS EDUCATION/FORMATION</b>
31	Religious Education
32	RCIA
33	Youth Ministry
	Hispanic Ministry

**40 – 59**

40	<b>PARISH MINISTRIES</b>
41	Ministry to Sick & Needy
	Bereavement

**60 – 79**

60	<b>SELF-SUPPORTING</b>
61	<b>ORGANIZATIONS/RESTRICTED FUNDS</b>
	Daycare
	St. Vincent DePaul

62	Men's Club
63	Women's Club
64	Senior Citizens Club
65	Rosary Makers Club
66	Family Ministries
67	Athletics/Boosters
<b>80 – 89</b>	<b>SCHOOL</b>
<b>80 – 85</b>	<b>General School Operations</b>
80	General School Operations
81	PTO
82	Cafeteria
83	Summer School
<b>86 – 89</b>	<b>Independent School Operations</b>
86	Pre-School
87	After-School Care
<b>90</b>	<b>CEMETERY</b>
<b>91</b>	<b>CAPITAL CAMPAIGN</b>

### RECORDING OF CERTAIN ACCOUNTS

The following items should be recorded as indicated:

**Investments:** All investment securities such as U.S. Treasury bills and bonds, corporate stocks and corporate bonds, and other securities are recorded at cost. If securities are received as gifts, they are recorded at the market value as of the date of the gift.

**Fund Raising Activities:** The income and expenses related to fund raising activities should be recorded in "net" accounts. In other words, income and expenses should be posted to the same account so that only the "net" result is reflected. Separate "net" accounts should be setup for each fund raising activity.

**Special Collections:** Income from Archdiocesan Special Collections should be recorded as accounts payable. Remittance of the Special Collection is recorded as a debit to the payable account.

**A SUGGESTED CHART OF ACCOUNTS IS AVAILABLE TO DOWNLOAD OR PRINT AT THE ARCHDIOCESE OF LOUISVILLE WEBSITE, [www.archlou.org](http://www.archlou.org).**

## GLOSSARY OF TERMS

**Accrual or Accrual Basis:** The accrual accounting method reports revenues in the period in which they are earned, and expenses are reported in the period in which they are incurred. Within the accounting cycle (month or year), transactions are recorded as they occur through cash receipts, cash disbursements, or payroll entries. At the end of the cycle, the ledger accounts are brought up to date, so that revenues and expenses are properly matched and the financial reports fairly present the results of operations and financial condition at the end of the cycle.

**Accrued Expenses:** Expenses for the current period which have been incurred but are unpaid.

**Capitalization of Assets:** Recognition of the cost or appraised value of certain assets (such as real estate, buildings, historical treasures and art collections) as assets on the balance sheet.

**Cash Basis:** When cash basis accounting is used, revenues are reported in the period in which cash is received, and expenses are reported in the period in which cash is paid. For example, tuition would be recorded only when cash is received not necessarily in the period in which it is earned by the act of teaching during the semester. Salaries would be recorded only when cash is paid to employees and not necessarily when they had earned the salary during the period of teaching.

**Custodian Funds:** Funds received and held by an organization as fiscal agent for others.

**Deferred Revenue and Support:** A liability account to record revenue or support received before it is earned.

**Double Entry Bookkeeping:** Every financial transaction involves changes (entries) in at least two accounts and requires at least two entries into the records -- a debit and a credit entry. Regardless of the complexity of a transaction or the number of accounts affected, the sum of the debits must always equal the sum of the credits. The equality of debits and credits for each transaction is inherent in the equation  $\text{Assets} = \text{Liabilities} + \text{Fund Balances}$ .

**Endowment Fund:** A fund in which a donor has stipulated in the donative instrument that the principal is to be maintained inviolate and in perpetuity and only the income from the investments of the fund may be expended for a specific project or purpose.

**Fund:** An accounting entity established for the purpose of accounting for resources used for specific activities or objectives in accordance with special regulations, restrictions, or limitations.

**Fund Accounting:** Maintenance of accounting records of income, expenses, assets and liabilities by fund.

**Journal Entry:** Methodology for the posting of non-cash transactions or for correcting erroneous postings of cash transactions. The journal entry should list the account numbers and names, and the amounts to be debited and credited, followed by an explanation of the purpose of the journal entry. The amounts of debits and credits must equal. The amounts are subsequently posted to the appropriate accounts.

**Modified Accrual or Modified Accrual Basis:** A system of accounting or bookkeeping often used by service companies or service organizations where a total accrual basis of accounting would not result in a significant enough difference in financial statement presentation to warrant the extra time and work necessary for that system of accounting. This modified system allows for cash basis bookkeeping during the year but provides for year-end adjustment to accrual basis in a few significant areas.

**Payables:** Amounts due for the current fiscal year but unpaid at year-end.

**Petty Cash:** A small cash fund for the payment of incidental expenses; maintained on an imprest, or fixed balance basis, and replenished when depleted.

**Receivables:** Amounts earned as applicable to the current period which have not yet been received but are reasonably certain of collection.

**Resources:** Frequently used in connection with money availability (financial resources) but should also consider personnel and physical (buildings, equipment, etc.) resources.

**Restricted Funds:** Funds restricted to a specific purpose by either (a) donor's instructions or Will, or (b) parish and school organizations. In the case of a donor's Will, these restrictions are legally binding.

**Transfer:** Moving fund balances from one fund to another, either for moving assets between funds or closing restricted income into a restricted fund balance at the end of an accounting cycle.

**Trial Balance:** Listing of all accounts in the general ledger and their respective account balances.

**Uniform Accounting and Financial Reporting:** In order to have consistency in accounting and financial statement presentation from year to year and from like entity to like entity (parish and school to parish and school) it is necessary to have guidelines, definitions, and rules. The guidelines, definitions and rules set forth in this manual are generally those as set forth by the American Institute of Certified Public Accountants (AICPA), with minor modifications for ease of use.

**Unrestricted Fund:** General parish and school funds that have no external restriction on their use or purpose; that is, funds that can be used for any purpose designated by the governance system as distinguished from funds restricted externally for specific purposes (for example, by an endowment or funds for the use of a particular parish and school organization).

**II Audit Procedures**

**ARCHDIOCESE OF LOUISVILLE**  
**PARISH INTERNAL CONTROL QUESTIONNAIRE**

Parish:  
Street Address: \_\_\_\_\_

City, State, ZIP: \_\_\_\_\_

Pastor: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

On-Site Visit Date and Time:

Chairperson of Finance Council:

Name: \_\_\_\_\_

Address (home): \_\_\_\_\_

City/State/Zip : \_\_\_\_\_

Chairperson of Parish Council:

Name: \_\_\_\_\_

Address (home): \_\_\_\_\_

City/State/Zip : \_\_\_\_\_

This questionnaire is designed to help you and the Archdiocesan Finance Office conduct an audit of your parish. It will be used to assist in evaluating the accounting controls and financial management procedures of your parish, as well to ensure that Archdiocesan Policies and Procedures have been implemented and are being followed.

**GENERAL**

	<b><u>YES</u></b>	<b><u>NO</u></b>	<b><u>N/A</u></b>
1. Does the parish have an active Parish Council? • <b>Date of last meeting</b> _____ • Are meeting minutes recorded?	_____	_____	_____
2. Does the parish have an active Finance Council, independent of the Parish Council? • <b>Date of last meeting</b> _____ • Have members of the Finance Council reviewed the Archdiocesan Financial Policies and Procedures Manual? • Are meeting minutes recorded?	_____	_____	_____
3. Does the parish have an Audit committee? • What was the date of the last parish audit? _____ <b><u>Please attach a copy of last parish audit.</u></b>	_____	_____	_____
4. Does the parish have a school? • Does the school have a school board? • How many students? _____ • Does tuition or stewardship fund the school? (circle one)	_____	_____	_____
5. Number of families registered in the parish _____.			
6. Is an annual parish budget prepared? • Does it include a budget for the school? • Does it include a budget for parish organizations? • Is the current budget a deficit budget? <b>(If so please attach letter of explanation.)</b> • Explain the process for the budget approval:  _____  _____	_____	_____	_____
• How is approval of the budget documented:  _____  _____			
7. Is the budget approval noted in the Parish Council minutes? _____ Is the budget approval noted in the Finance Council minutes? _____	_____	_____	_____
8. Are parish monthly financial statements prepared? • Do the reports compare actual numbers to budgeted numbers?	_____	_____	_____

- |   | <u>YES</u> | <u>NO</u> | <u>N/A</u> |
|---|------------|-----------|------------|
| • Are the reports reviewed by the Parish Council and/ or the Finance Council? | _____      | _____     | _____      |
| • Is parish financial information reported to parishioners?                   | _____      | _____     | _____      |
| • How is this reported?   | _____      |           |            |
|   | _____      |           |            |

9. List the parish organizations:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

10. Are monthly reports prepared for all parish organizations?

- |  |       |       |       |
|--|-------|-------|-------|
| • Do the reports compare actual numbers to budgeted numbers? | _____ | _____ | _____ |
| • Are the reports reviewed by the Parish/Finance Council?    | _____ | _____ | _____ |

11. Have the most recent six-month or year-end parish financial reports been submitted to the Chancery Finance Office? \_\_\_\_\_

## ACCOUNTING SYSTEM

12. Does the parish use a computer or a manual bookkeeping system? (circle one)

13. If computerized, list all of the software programs the parish is using:  
(Example: PDS Ledgers/Payroll, PDS Census, etc. If using PDS, note the version.)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- **How often are computer back-ups performed?**  
\_\_\_\_\_
- Where are computer backup and installation disks stored?  
\_\_\_\_\_
- **Are copies of the back-up disks stored off-site?** \_\_\_\_\_  
**Where?** \_\_\_\_\_

14. If computerized, is the computer used for? **YES** **NO** **N/A**
- Printing Checks \_\_\_\_\_
  - Cash Receipts and Cash Disbursements Journal \_\_\_\_\_
  - Journal entries \_\_\_\_\_
  - Payroll \_\_\_\_\_
  - Employee Records \_\_\_\_\_
  - Parish Financial Records \_\_\_\_\_
  - Parishioner Contribution Records \_\_\_\_\_
  - Parishioner Contribution Reports \_\_\_\_\_
15. Who maintains the accounting records?  
Name: \_\_\_\_\_
16. Does this person have a copy of the Archdiocesan Financial Policies and Procedures Manual? \_\_\_\_\_

## **CHECKING ACCOUNTS/PETTY CASH/CASH DRAWERS**

17. Please list all parish and parish organization checking accounts (use back of page if more space is needed):

<u>Account Name</u>	<u>Bank</u>	<u>Account No.</u>	<u>Signatures</u>	<u>Imprest Yes or No</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

**YES    NO    N/A**

18. Have all signature cards been recently reviewed at the bank by the pastor and do they all contain the currently authorized signatures only?

\_\_\_\_\_

- **Please attach copies of signature cards.**

19. Please list all petty cash and cash drawer accounts for the parish and parish organizations:

<u>Organization</u>	<u>Custodian</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

20. Are the above petty cash, cash drawer and imprest accounts listed on the parish balance sheet?

\_\_\_\_\_

21. Does the parish use wire transfers or automated clearing house (ACH) transfers?

\_\_\_\_\_

- How are the transfers documented and authorized?

\_\_\_\_\_  
\_\_\_\_\_

- Do they detail:

- ✓ Amount to be paid \_\_\_\_\_
- ✓ Ledger account name/number to be debited \_\_\_\_\_
- ✓ Date paid \_\_\_\_\_
- ✓ Signature of person authorizing transfer \_\_\_\_\_
- ✓ Two signatures if over \$5,000 \_\_\_\_\_

## BANK RECONCILIATIONS

22. Are all bank statements mailed to the parish office (including all Imprest Accounts?) \_\_\_\_\_

- If NO, please provide account names, account numbers and the addresses the statements are mailed:


23. Who opens and reviews the bank statements?


24. Who performs the bank reconciliation?


	<u>YES</u>	<u>NO</u>	<u>N/A</u>
25. Is the parish bank reconciliation prepared within 7 days of receiving the bank statement?	_____	_____	_____

26. Are the parish organizations' imprest bank accounts reconciled by a member of the respective organization?	_____	_____	_____
--	-------	-------	-------

27. Does the Finance Council review the bank reconciliation:			
• for the parish?	_____	_____	_____
• for the parish organizations?	_____	_____	_____

28. Are all bank statements and all reconciliation records retained for future reference?	_____	_____	_____
---	-------	-------	-------

**INVESTMENTS**

29. Please list all parish investment accounts and parish organization investment accounts: (include stocks, trust funds, savings accounts, Archdiocesan savings, etc.)

<u>Type of Investment</u>	<u>Where held</u>	<u>Account #</u>	<u>Signatures</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

	<u>YES</u>	<u>NO</u>	<u>N/A</u>
30. Are all the above investments listed on the parish balance sheet?	___	___	___
31. Are any of the above funds invested in instruments not insured by the federal government?	___	___	___
• If yes, was the investment approved by the Archbishop? (attach copy of approval letter)	___	___	___
32. Does the parish have any non-registered securities? Where are they stored? _____	___	___	___
33. Are investment accounts updated with interest each month? (or when interest is paid?)	___	___	___
34. Are all securities kept in a safe or a bank deposit box? (circle one)			
• Location of safe or bank deposit box _____			
• If have a safe, is it fireproof? _____			
35. Is there an inventory of the contents of the safe and/or bank deposit box on file in the parish office?	___	___	___

- (attach a copy)

36. If your parish has a Trust Fund or Restricted Fund, is documentation on file which specifies its restrictions? \_\_\_\_\_

- (attach a copy)

**PARISH PROPERTY**

**YES   NO   N/A**

37. Are all properties owned by the parish (e.g. real estate, rental properties) listed on the parish balance sheet? \_\_\_\_\_

- If yes, what information was used to record the value? (ex. insurance value, purchase value, assessed value, other? \_\_\_\_\_)

38. Is there a copy of all real estate transactions, lease agreements, and easement grants on file in the parish offices? \_\_\_\_\_

- Has a copy of the above documents been sent to the Chancery? \_\_\_\_\_

39. Does the parish lease any property from a third party? \_\_\_\_\_

Property name/location

Leased from


- Is there a signed lease agreement on file in the parish office for each leased property? \_\_\_\_\_

- Is there a copy of proof of insurance on file from the lessee or renter? \_\_\_\_\_

Does the parish rent any property or facilities to third parties? \_\_\_\_\_

Property name/location

Rented to


• Is an agreement signed for each rental? \_\_\_\_\_

40. Are alcoholic beverages served or sold at any parish sponsored events? \_\_\_\_\_

• What type of alcohol license has been issued to the parish?  
 \_\_\_\_\_  
**YES   NO   N/A**

41. Does the parish require proof of host liquor liability insurance coverage from parties renting parish facilities, or is the option of purchasing "special events" coverage offered? \_\_\_\_\_

• Is this requirement detailed in the rental agreement?  
**(attach a copy)** \_\_\_\_\_

42. Does the parish require outside contractors to provide written proof of \$1,000,000 of both Workers' Compensation and Liability Insurance coverage before any work is authorized? \_\_\_\_\_

43. Does the parish own or lease any automobiles or other vehicles? \_\_\_\_\_

<u>Automobile/Vehicle</u>	<u>Own or Lease</u>	<u>Insurance Carrier</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

44. Is there a current inventory list on file recording furniture, furnishings, and equipment owned by the parish? \_\_\_\_\_

• Are valuables, such as those in the church, photographed or appraised? \_\_\_\_\_

45. Is there a list of property controlled by various organizations on file in the parish office? \_\_\_\_\_

46. Is a list maintained of all persons who have keys to the premises? \_\_\_\_\_

47.	Has the parish purchased equipment, furniture, or other assets over \$500 in the past 12 months?	___	___	___
	• If yes, has the cost been transferred to an asset account on the balance sheet?	___	___	___
	• If yes, does the parish maintain a file on these purchases?	___	___	___
48.	Has an accident occurred on parish property during the last 12 months?	___	___	___
	• Describe: _____			
	_____			
		<b><u>YES</u></b>	<b><u>NO</u></b>	<b><u>N/A</u></b>
	• Was Catholic Mutual notified?	___	___	___
	• Was it reported to the Finance Department at the Chancery?	___	___	___
49.	Has the parish incurred property damage or property loss in the last 12 months?	___	___	___
	• Describe: _____			
	_____			
	_____			
	• Was Catholic Mutual notified?	___	___	___
	• Was it reported to the Finance Department at the Chancery?	___	___	___
50.	Is the parish presently in any phase of renovation and/or new construction?	___	___	___
	• Describe: _____			
	_____			
	_____			
	• Is the cost over \$10,000?	___	___	___
51.	Does the parish have future plans for renovation and/or new construction?	___	___	___
	• Describe: _____			
	_____			
	_____			

- Is the cost over \$10,000? \_\_\_\_\_

**LOANS**

	<u>YES</u>	<u>NO</u>	<u>N/A</u>
52. Does the parish have a loan through the Archdiocese Deposit and Loan Fund?	_____	_____	_____
53. Does the parish have a loan through an outside financial institution?	_____	_____	_____
<ul style="list-style-type: none"> <li>• If yes, please provide name and address of the financial institution _____            _____            _____</li> </ul>			
<ul style="list-style-type: none"> <li>• Amount remaining on loan: _____</li> </ul>	<u>YES</u>	<u>NO</u>	<u>N/A</u>
54. Are all loans recorded on the parish balance sheet?	_____	_____	_____
55. Are Special Archdiocesan Collections remitted by the specified date following the collections?	_____	_____	_____
56. Does your parish/school receive grants and/or subsidies from the Archdiocese?	_____	_____	_____
<ul style="list-style-type: none"> <li>• If yes, are they recorded under accounts set up for grants and subsidies?</li> </ul>	_____	_____	_____
57. Are parish assessments paid within thirty days of billing?	_____	_____	_____
58. Has the parish made any personal loans to employees or others?	_____	_____	_____

**RECEIPTS**

59. Regarding weekly collections:			
<ul style="list-style-type: none"> <li>• Where are collections stored?               <ul style="list-style-type: none"> <li>✓ During Mass _____</li> <li>✓ Location after Mass _____</li> </ul> </li> <li>• Are collections counted by a team of two or more people? _____</li> <li>• Are counting teams rotated? _____</li> </ul>			

- Is a count sheet completed by the count team? \_\_\_\_\_
- ✓ Is the sheet signed by count team members? \_\_\_\_\_
- Location where collections are counted? \_\_\_\_\_
- Are count sheets subsequently reconciled to the deposit? \_\_\_\_\_
- ✓ By whom? \_\_\_\_\_
- What day of the week are Saturday/Sunday collections deposited?  
\_\_\_\_\_

- |  | <b><u>YES</u></b> | <b><u>NO</u></b> | <b><u>N/A</u></b> |
|--|-------------------|------------------|-------------------|
| 60. Are collections posted to individual parishioners' contribution records?             | _____             | _____            | _____             |
| • Posting done by _____  |                   |                  |                   |
| • Are contribution records reconciled to the deposits?                                   | _____             | _____            | _____             |
| • Are annual pledges entered in PDS?   | _____             | _____            | _____             |
| • Are periodic contribution statements sent to all parishioners?                         | _____             | _____            | _____             |
| ✓ How often? _____   |                   |                  |                   |
| 61. How often are other receipts deposited in the parish bank account? _____             |                   |                  |                   |
| 62. Who makes the deposits? _____  |                   |                  |                   |
| 63. Are checks restrictively endorsed as soon as they are received in the parish office? | _____             | _____            | _____             |
| 64. Are all receipts accompanied by a deposit slip which identifies:                     |                   |                  |                   |
| • Amount of deposit  | _____             | _____            | _____             |
| • Account to be credited as income   | _____             | _____            | _____             |
| • Date of deposit  | _____             | _____            | _____             |
| • Source of deposit  | _____             | _____            | _____             |
| • Signature of person verifying deposit  | _____             | _____            | _____             |
| 65. Does the parish or parish organization use the Night Depository when necessary?      | _____             | _____            | _____             |
| 66. If receipts remain in the office, where are they kept?<br>_____                      |                   |                  |                   |

67. Does the parish receive any rental income? \_\_\_\_\_

- Describe procedures for depositing rental income: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**YES   NO   N/A**

68. Were there any bequests in the past 12 months? \_\_\_\_\_

- **If yes, from whom, amount and date of receipt** \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

- **(attach copy of will)**

69. Are mass stipend receipts accounted for as parish income? \_\_\_\_\_

**DISBURSEMENTS**

70. Who initially receives and reviews all mail? \_\_\_\_\_

71. What method is used for signing checks?

- Hand signature \_\_\_\_\_
- Signature Stamp \_\_\_\_\_
- Check signing device \_\_\_\_\_

72. What provision is made for the issuance of checks when the pastor is away? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

73. Do checks for extraordinary expenses over \$5,000 contain two signatures? \_\_\_\_\_

- |  | <u>YES</u> | <u>NO</u> | <u>N/A</u> |
|--|------------|-----------|------------|
| • Are extraordinary expenses equal to a parish's monthly income or \$10,000 (whichever is lower) approved by the Archbishop? | _____      | _____     | _____      |
| • Does the pastor consult the Parish Council and/or the Finance Council on any unbudgeted expense over \$1,000?              | _____      | _____     | _____      |
| • Do parish organizations consult with the pastor on unbudgeted expenses over \$1,000?                                       | _____      | _____     | _____      |
| • Does the pastor sign all reimbursement checks for imprest checking accounts?   | _____      | _____     | _____      |
| • Are blank checks signed in advance of preparation?   | _____      | _____     | _____      |
| • Do check signers review supporting documentation prior to signing checks?  | _____      | _____     | _____      |

74. Are all disbursements made by prenumbered checks? \_\_\_\_\_

- |  |       |       |       |
|--|-------|-------|-------|
| • Are all discounts taken and tax exempt reviewed?   | _____ | _____ | _____ |
| • Does the parish have only one set of numbered checks for each account?   | _____ | _____ | _____ |
| • Are all VOIDED checks retained and accounted for during the Bank Reconciliation?   | _____ | _____ | _____ |
| • Are unused checks locked in a secure location?   | _____ | _____ | _____ |
| • After a check has been prepared for the payment of an invoice, is the check number, account number, and date paid indicated on the supporting documentation? | _____ | _____ | _____ |
| • Are "paid" check request forms and invoices maintained in an Accounts Payable file?  | _____ | _____ | _____ |

75. Who prepares checks for processing? \_\_\_\_\_

76. Prior to payment, are invoices reviewed for:

- |   |       |       |       |
|---|-------|-------|-------|
| • Approved Check Request  | _____ | _____ | _____ |
| • Receipts of goods and services  | _____ | _____ | _____ |
| • Mathematical accuracy   | _____ | _____ | _____ |
| • Account distribution  | _____ | _____ | _____ |
| • Are check request forms and/or invoices approved by someone other than the person requesting payment? | _____ | _____ | _____ |

### PAYROLL/PERSONNEL ISSUES

77. Who prepares the payroll? \_\_\_\_\_

- |   | <u>YES</u> | <u>NO</u> | <u>N/A</u> |
|---|------------|-----------|------------|
| 78. Is the payroll prepared using:_____   | _____      | _____     | _____      |
| • Timesheets for all employees  | _____      | _____     | _____      |
| • Current Circular E information (Federal Income Tax and Social Security Withholding Information) | _____      | _____     | _____      |

79. Are the following payroll related items maintained for each employee:		<u>YES</u>	<u>NO</u>	<u>N/A</u>
•	W-4	_____	_____	_____
•	K-4	_____	_____	_____
•	Employee Benefit Enrollment Form	_____	_____	_____
•	Salary History	_____	_____	_____
•	Vacation, sick, and personal days	_____	_____	_____
•	Position description	_____	_____	_____
•	I-9	_____	_____	_____
80.	Is salary and payroll information kept in a locked filing cabinet?	_____	_____	_____
81.	Are W-2s issued for each employee (including the pastor) by January 31?	_____	_____	_____
82.	Are the following tax-related reports prepared and taxes submitted on a timely basis:			
•	941 Quarterly Federal Report	_____	_____	_____
•	State Tax Report	_____	_____	_____
•	Local Tax Report	_____	_____	_____
83.	Have these Archdiocesan documents been given to each employee?	_____	_____	_____
•	Personnel Policies and Procedures Manual	_____	_____	_____
•	Lay Employees Retirement Plan Manual (if applicable)	_____	_____	_____
•	Policy and Procedures on Sexual Abuse	_____	_____	_____
84.	Please complete <b>Attachment A</b> for all employees, or attach current employee report from PDS.			
85.	Are the Kentucky New Hire Reporting Forms being sent to the reporting center?	_____	_____	_____

**CHARITABLE GAMING/FUND RAISING**

86. List fundraiser activity (involving gaming) for the parish, school, and parish organizations (example annual picnic, fall festival, raffles, etc.) (Use back of page if more space is needed.)

<u>FUND RAISING EVENTS</u>	<u>CONDUCTED BY:</u>	<u>DATE HELD</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

	<u>YES</u>	<u>NO</u>	<u>N/A</u>
• Does the parish sell grocery certificates/cards? _____	_____	_____	_____
✓ Who sponsors this fund-raiser? _____			

87. Does the parish/school have a charitable gaming license? \_\_\_\_\_  
If yes, license number (s) \_\_\_\_\_.

88. Does the parish have a special limited charitable gaming license (s)? \_\_\_\_\_  
• If yes, license number (s) \_\_\_\_\_.

89. Are quarterly reports and charitable gaming fees submitted to the Justice Cabinet on a timely basis? \_\_\_\_\_

90. Do organizations submit fund-raising reports? \_\_\_\_\_

• Describe procedures for depositing fund raising receipts :

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- |     |  | <u>YES</u> | <u>NO</u> | <u>N/A</u> |
|-----|--|------------|-----------|------------|
| 91. | If the parish and/or parish organizations conduct a bingo:                 |            |           |            |
|     | • Is the bingo held at an "off-site" location?                             | _____      | _____     | _____      |
|     | • If "off-site", was this approved by the Archbishop?                      | _____      | _____     | _____      |
| 92. | Is a separate checking account maintained for charitable gaming?           | _____      | _____     | _____      |
| 93. | Are W-2Gs issued to winners of cash prizes and appropriate taxes withheld? | _____      | _____     | _____      |
| 94. | Have W-2G's from previous year been submitted to IRS?                      | _____      | _____     | _____      |

**FOR PARISHES WITH A CAFETERIA**

95. If the school has a cafeteria, please answer the following question. If no skip to question 96.
- Name of Cafeteria Manager: \_\_\_\_\_
  - Are cafeteria funds in a separate bank account? \_\_\_\_\_
  - Are deposits made on a daily basis? \_\_\_\_\_
  - Who are the authorized signers for the cafeteria checking account?  
 \_\_\_\_\_  
 \_\_\_\_\_
  - Are all cafeteria checks issued by the parish bookkeeper? \_\_\_\_\_
  - Is the monthly D-2 Report submitted on time each month to the Food Service Office at the Chancery? \_\_\_\_\_
  - Are Sanitation Inspection Health certificates posted? \_\_\_\_\_
  - Are extermination records current? \_\_\_\_\_
  - Is the D2 Monthly Report and Claim Form submitted to the pastor and the Parish Finance Council for review? \_\_\_\_\_
  - Does the cafeteria reimburse the parish for indirect costs (utilities, telephone, insurance?) \_\_\_\_\_

**FOR PARISHES WITH A DAYCARE**

96. If the parish has a daycare, please answer the following questions.  
If not, skip to question 97.

- Name of the Daycare Director: \_\_\_\_\_
  - Are financial reports generated for the Director of the daycare? 

<b><u>YES</u></b>	<b><u>NO</u></b>	<b><u>N/A</u></b>
_____	_____	_____
  - Does the Parish Finance Council receive monthly financial reports on the operation of the Daycare? 

_____	_____	_____
-------	-------	-------
  - Does the Daycare receive any type of government subsidy? 

_____	_____	_____
-------	-------	-------
- ✓ Describe type and approximate amount:

\_\_\_\_\_

\_\_\_\_\_

**FOR PARISHES WITH A CEMETERY**

97. If the parish has a cemetery, please answer the following questions.

- Are Cemetery records (perpetual care, lots, etc.) maintained in the parish office? 

_____	_____	_____
-------	-------	-------
- Are they maintained in a safe or a locked fireproof cabinet? 

_____	_____	_____
-------	-------	-------
- Are duplicate Cemetery records stored at another location? 

_____	_____	_____
-------	-------	-------

    Where? \_\_\_\_\_

\_\_\_\_\_

- Describe lot sale procedures: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- Is there a Cemetery Board? 

_____	_____	_____
-------	-------	-------
- Are independent contractors used by the parish for:
  - ✓ care-taking? 

_____	_____	_____
-------	-------	-------
  - ✓ grave-digging? 

_____	_____	_____
-------	-------	-------

98. How long are the following records retained?

- Accounting: \_\_\_\_\_
- Bank statements and cancelled checks: \_\_\_\_\_
- Paid invoices: \_\_\_\_\_
- Payroll: \_\_\_\_\_
- Personnel: \_\_\_\_\_
- Property/Insurance: \_\_\_\_\_
- Charitable gaming: \_\_\_\_\_
- Council meeting minutes: \_\_\_\_\_
- Contribution/Census: \_\_\_\_\_
- CSA/CEF grants: \_\_\_\_\_
- Cafeteria: \_\_\_\_\_
- Daycare: \_\_\_\_\_
- Cemetery: \_\_\_\_\_

Thank you again for completing this form. Please use the following space to list any questions, problems or suggestions that you would like to discuss in our review meeting.

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Questionnaire completed by: \_\_\_\_\_

Date: \_\_\_\_\_

Pastor: \_\_\_\_\_

Date: \_\_\_\_\_



**PAYROLL ISSUES**

**I. DETERMINATION OF EMPLOYEE STATUS**

Following are the procedures to be followed to determine the status of each employee:

**Archdiocesan Priests**

Priests of the Archdiocese are considered employees for federal, state, and local tax purposes and should receive a W-2 at year-end. However, for social security tax purposes, priests are considered self-employed. This means they are responsible for paying both the employer's and employee's portion of social security tax (called SE Tax or Self-Employment Tax).

Unlike other employees, priests are not required to have federal, state, local or self-employment taxes deducted from each paycheck even though they are required to pay these taxes.

Priests have two options for reporting and paying their taxes:

1) Voluntary Deduction: Priests may voluntarily elect to withhold federal, state, and local taxes from their paycheck. Additionally, they may elect to have an "extra" amount withheld to cover the SE Tax. If the priest elects to have all of these deductions made with each paycheck, he will not need to complete quarterly estimated tax vouchers.

2) No Deductions: Priests may elect not to have deductions made from each paycheck for federal, state, local, or self-employed taxes. If the priest elects "no deductions," he is responsible for completing quarterly tax vouchers and paying quarterly estimated taxes (Federal Form 1040ES and Kentucky Form 740ES).

**Table 1** outlines the types of payments a priest might receive and whether those payments should or should not be reported by the employer as wages.

**Members of Religious Orders**

There are no tax considerations for members of religious orders who are employed by the church and are subject to vows of poverty. Any specific questions regarding a particular religious order should be addressed directly with that order. Payment will be made directly to the religious order and not to the individual person.

**Substitute Priests**

Any fees paid to priest substitutes for temporary service to your parish or school should be reported on Form 1099 MISC if the total paid to any one priest equals or exceeds \$600 for the calendar year.

**Lay Persons**

For payroll tax purposes, lay persons employed by parishes or schools will generally fall under one of two categories -- employees or non-employees. The determination of an employee's status determines if:

- 1) taxes will be withheld from the employee's paycheck
- 2) the employee receives certain benefits
- 3) the employee receives a Form W-2 or 1099 MISC

If a lay person is your employee, then this employer/employee relationship subjects you to all of the payroll withholding and reporting rules in respect to this person and the parish or school will issue the employee a W-2. As an employee, the individual is also subject to Archdiocesan Personnel Policies and Procedures and may be eligible for fringe benefits.

If the person is not your employee and is instead, "self-employed", your obligation is to report amounts paid on Form 1099 MISC, unless the payments to the individual during the calendar year have not totaled \$600. If less than \$600, there is no requirement to report the amount paid.

For most persons rendering services to the parish or school for remuneration, the determination of employee or non-employee status will be relatively simple. However, for some, there may not be an easy answer to the question. Table 2 includes a list of brief questions that may be helpful. However, if there is disagreement, you should obtain an opinion from the Personnel office at the Chancery. The determination should not be left up to the worker.

### **Principals**

Principals should be paid according to their contracts. Principals can be hired for a 12-month or an 11-month contract. Their contracts should stipulate the period of employment.

### **Teachers**

Teachers should be paid according to their contracts and to any stipulations outlined in the policy manual distributed from the Office of Lifelong Formation.

### **Substitute Teachers**

Substitute teachers are considered temporary employees and, therefore, are not eligible for any employee benefits including the retirement program. Substitute teachers should be paid through the regular payroll system (with applicable payroll taxes withheld) and should be issued a W-2 at the end of the calendar year.

## **II. GOVERNMENT REPORTING REQUIREMENTS FOR EMPLOYEES**

Following are reporting requirements for parishes or schools who make payments to "employees:"

### **Federal Tax Forms:**

#### **1. Form W-4: "Withholding Certificate"**

At the time of hire, each employee must complete a Form W-4 which details his or her withholding requirements. This form must be kept in the employee's personnel file. New forms should be completed if an employee changes his/her withholding status.

Priests voluntarily electing to have taxes withheld must also complete a W-4. The "extra" amount withheld to cover the SE Tax should be entered on line 5 of the W-4 form. The

parish or school reports this "extra" withholding as federal taxes withheld, NOT as FICA withholdings. Priests should consult a tax advisor if they have questions concerning how the SE Tax is calculated.

### **State Tax Forms:**

#### **1. Form K-4: "Withholding Certificate"**

At the time of hire, each employee must complete a Form K-4 which details his or her withholding requirements. This form must be kept in the employee's personnel file. New forms should be completed if an employee changes his/her withholding status.

### **III. GOVERNMENT REPORTING REQUIREMENTS FOR NON-EMPLOYEES**

The following reporting requirements pertain to non-employees

#### **Federal Tax Forms:**

#### **1. Form W-9: "Request for Taxpayer Identification Number and Certification"**

All non-employees must complete a form W-9 before they receive any pay for services rendered. These forms should contain their name, social security number or Employer Identification Number, and address. Please retain these forms in a permanent file. If you request and do not receive the payee's social security number, you are required to withhold 28% of the amount paid. This is referred to as "backup withholding."

#### **2. 1099 MISC: "Miscellaneous Income"**

Form 1099 MISC must be completed for each non-employee who earned \$600 or more. The payer's and the payee's names, address and identification numbers should be entered on the left-hand side of the form. The amount paid should be entered in block 7. You may discard copy 1 and 2 because the state of Kentucky does not require these forms. Copy B should be furnished to the recipient no later than January 31. Copy A should be mailed (with Form 1096) to Internal Revenue Service Center, Cincinnati, OH 45999 no later than February 28. You should retain Copy C for your records.

Note that there are 3 sets of the forms to each page. The top page (copy A) is not perforated for bursting the three forms apart. This is intentional. This is the copy you send to the IRS. If one or two of the three forms on the page is blank, or has been voided, mark it void, in the box provided at the top.

#### **3. 1096: "Annual Summary and Transmittal of U.S. Information Returns"**

Form 1096 must be used to transmit the package of forms 1099 MISC to the IRS. The instructions for completing this form are on the bottom section of the form, and are easy to follow. Due dates and mailing instructions are included above with the discussion of forms 1099 MISC. Be sure to retain a copy of the Form 1096 that you send with the Forms 1099.

#### **Local Tax Forms:**

#### **1. 1099-SF: Statement of Non-Employee Compensation**

Form 1099-SF must be completed and submitted by February 28 of the year following the close of the calendar year in which non-employee compensation was paid.

# TABLE 1

## CLERGY PAYMENTS TABLE

<u>Type of Payments</u>	<u>Federal</u>	<u>Exempt from: State</u>	<u>Local</u>	<u>Show on: W-2</u>
Salary	No	No	No	Yes
Mass Stipends	No	No	No	Yes
Auto Expense Reimbursement (accounts for mileage)	Yes	Yes	Yes	No
Auto Expense Allowance (does not account for mileage)	No	No	No	Yes
Retirement Annuity	Yes	Yes	Yes	No
Self-Contribution to Retirement Annuity (withheld from salary)	Yes	Yes	Yes	Subtract
Housing provided (owned by parish or school)	Yes	Yes	Yes	No
Housing allowance (owned or rented by Priest)	Yes	Yes	Yes	Yes-Other
Medical Insurance	Yes	Yes	Yes	No
Meals furnished in rectory	Yes	Yes	Yes	No
Allowances for Personal Meals (living off property)	No	No	No	Yes
Reimbursement for expenses related to official parish or school activities	Yes	Yes	Yes	No
Reimbursement for continuing education or retreat fee	Yes	Yes	Yes	No

**TABLE 2**  
**QUESTIONS TO DETERMINE EMPLOYEE/NON-EMPLOYEE STATUS**

<u>Condition</u>	<u>Indicates person may be</u>	
	<u>Employee</u>	<u>Non-Employee</u>
1. Who instructs as to when, where and how to work?	You	Worker
2. Training provided by:	You	Worker
3. If services must be performed only by worker is there a presumption that you are highly interested in methods used to accomplish the work?	Yes	Slight
4. Who hires, supervises and pays assistants, if any?	You	Worker
5. Is work performed at frequently recurring, through irregular intervals?	Yes	No
6. Are set hours of work established?	Yes	No
7. Substantially full time?	Yes	No
8. Where is work performed?	Parish or school	Elsewhere
9. Who controls the order of sequence of the services?	You	Worker
10. Regular or written reports by worker required?	Yes	No
11. Payment by the hour, week, etc., rather than by the job?	Yes	No
12. Workers' travel and work-related expenses paid for by parish or school?	Yes	No
13. Parish or school provides tools, materials and equipment?	Yes	No
14. Worker has investment in items needed to perform services?	No	Yes

**TABLE 2 - Continued**  
**QUESTIONS TO DETERMINE EMPLOYEE/NON-EMPLOYEE STATUS**

<u>Condition</u>	<u>Indicates person may be</u>	
	<u>Employee</u>	<u>Non-Employee</u>
15. Worker can realize profit or loss on the services?	No	Yes
16. Worker performs services for more than one "customer" at a time?	No	Yes
17. Are worker's services available to general public on a regular and consistent basis?	No	Yes
18. Does parish or school have a right to discharge the worker without regard to honoring provisions of a contract?	Yes	No
19. Can worker terminate relationship at will without incurring liability?	Yes	No

NOTE: The degree of importance of each factor varies depending on the occupation and the factual context in which the services are performed.

**IRS help.** If you want the IRS to determine whether a worker is an employee, file Form SS-8, Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholdings, with the IRS. Additional information is also provided in Publication 15-A, Employer's Supplemental Tax Guide or the Internal Revenue Service website, [www.irs.gov](http://www.irs.gov).

## PARISH NAME CHECK REQUEST

Invoice Date: \_\_\_\_\_

DEPT.: \_\_\_\_\_  
DATE OF REQUEST: \_\_\_\_\_

Accounting Dept. Use Only	
Date Due	
Vendor No.	
Exempt?	
Reviewed by:	
Prepared by:	
Check No.	
Check Date:	

PAYABLE TO: \_\_\_\_\_

SSN OR EIN: \_\_\_\_\_

REMIT ADDRESS: \_\_\_\_\_

CITY: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP: \_\_\_\_\_

**TOTAL  
AMOUNT**

\$
----

ACCOUNT NO.	INVOICE NO.	AMOUNT

PURPOSE OF EXPENDITURE: \_\_\_\_\_

REQUESTED BY: \_\_\_\_\_ APPROVAL: \_\_\_\_\_

# DEPOSIT FORM

NAME OF ORGANIZATION: \_\_\_\_\_

CASH ACCOUNT #: \_\_\_\_\_

DATE OF DEPOSIT: \_\_\_\_\_

CURRENCY: \$ \_\_\_\_\_

COIN: \$ \_\_\_\_\_

CHECKS: \$ \_\_\_\_\_

TOTAL DEPOSIT: \$

\*\*\*\*\*SUMMARY\*\*\*\*\*

Source of Deposit	Charge to Account No.	Amount
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

TOTAL DEPOSIT:

Prepared By: \_\_\_\_\_

For Office Use Only:  
Date \_\_\_\_\_  
Recorded: \_\_\_\_\_  
Cash Acct#: \_\_\_\_\_

# COLLECTION COUNT REPORT

Date: \_\_\_\_\_

Total Deposit: \_\_\_\_\_

## Parish Support:

Envelopes \_\_\_\_\_

Loose Checks With ID \_\_\_\_\_

Loose Cash \_\_\_\_\_

Checks With No ID \_\_\_\_\_

Students \_\_\_\_\_

Total Parish Support: \_\_\_\_\_

## Other Monies Counted:

### Special Collection:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Adopt-a-Student

Candle Money \_\_\_\_\_

**TOTAL OF ALL COUNTED MONIES:**  
(should be same as total deposit)

\_\_\_\_\_

Signature of counting team:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



January 25, 2001

Mr. & Mrs. Jeff Van Loon  
1324 N Willow Way  
Winslow, AZ 86300-5324

Dear Mr. & Mrs. Van Loon,

It is time to send out financial statements so that you will have a record of your contributions for your income tax report. Your generosity over the past year has made it possible to finance a number of improvements. Were it not for your continuous help this would be impossible. So on behalf of St. Mary Church I wish to thank you.

Our records show that you have contributed the following amounts:

Pledge Drive	100.00
Stewardship	625.00
Extra Contributions	238.00
	-----
	\$963.00
	-----

Total tax deductible amount: \$963.00

Thank you for your past support. Your continued contributions are greatly appreciated.

Devotedly Yours In Christ,

Reverend John Doe

(For your convenience, a more detailed breakdown of your contributions, in accord with IRS regulations, begins on the following page.)

St. Mary Church

01/25/01

For Mr. & Mrs. Jeff Van Loon

Contribution Stmt  
Reporting period: 01/01/2000 to 12/31/2000

Page: 2

Our records show that you have made the following tax-deductible contributions:

Date	Description	Deductible Amount	Check
----	-----	-----	-----
11/15/00	Canned Foods/Dry Goods Collected For St. Mary's Food Bank Total of all other deductible contributions that were less than \$250.00:	(non-cash)  963.00	
	Total Tax Deductible Amount:	===== \$963.00	

Note: St. Mary Church has not provided, in whole or in part, any goods or services to the above named donor in exchange for this gift.

This statement is provided by St. Mary Church in order to comply with the Internal Revenue Code. Retain this and your cancelled checks with your tax records.

## PARISH ENDOWMENT

This \_\_\_\_\_ PARISH ENDOWMENT is created by the parish of \_\_\_\_\_ as part of its long-range strategic planning, and is in keeping with the parish's commitment to its parish mission. The Endowment will be administered according to the following terms and conditions, to-wit:

1. It is the intention of the Endowment that no portion of the principal be used. The principal will remain intact and may continue to grow so the income from said Endowment may further the mission of \_\_\_\_\_.

2. The Funds of the Endowment shall be invested by the Archdiocese of Louisville in a separate Endowment Fund and the interest from said Endowment shall be made available to the parish of \_\_\_\_\_ in the support of its mission.

3. The allocation of the interest income distributed from this Endowment will be distributed only after a discussion among the Parish Council and Finance Committee and recommendations will be made to the Pastor or Pastoral Administrator of. The purpose of said discussion is to assure the broadest support for the use of the Endowment funds.

4. It shall be the responsibility of the Pastor or Pastoral Administrator of to insure the proper use and distribution of these Endowment funds as a support to the mission of \_\_\_\_\_ parish.

5. These Endowment funds may not be used for any other purpose than for the mission of \_\_\_\_\_; therefore, they may not be used for any other purposes unless parish should no longer be in existence and in good standing, in which case the monies from the Endowment will be used in accordance with paragraph 6.

6. In the event that \_\_\_\_\_ is suppressed and no longer an active parish of the Archdiocese of Louisville, then the Endowment funds will be distributed at the discretion of the Archbishop.

7. This Endowment plan has been endorsed and supported by the Pastor or Pastoral Administrator of \_\_\_\_\_ Parish, as well as the Parish Council and Finance Committee, and has the unanimous consent and approval of all parties concerned.

\_\_\_\_\_  
Pastor or Pastoral Administrator

## SCHOOL ENDOWMENT

This \_\_\_\_\_ SCHOOL ENDOWMENT is created by the parish of \_\_\_\_\_ as part of its long-range strategic planning, and is in keeping with the parish's commitment to Catholic education and formation and with the educational directives of the Archdiocese of Louisville. The Endowment will be administered according to the following terms and conditions, to-wit:

1. It is the intention of the Endowment that no portion of the principal be used. The principal will remain intact and may continue to grow so the income from said Endowment may further the educational mission of \_\_\_\_\_.

2. The Funds of the Endowment shall be invested by the Archdiocese of Louisville in a separate Endowment Fund and the interest from said Endowment shall be made available to the parish of \_\_\_\_\_ in the support of its educational mission.

3. The allocation of the interest income distributed from this Endowment will be distributed only after a discussion among the \_\_\_\_\_ School Committee and recommendations will be made by said Committee to the Pastor or Pastoral Administrator of \_\_\_\_\_, who in turn will review said recommendations and discuss same with the Parish Council and Finance Committee of \_\_\_\_\_; the purpose of said discussion is to assure the broadest support for the use of the Endowment funds.

4. It shall be the responsibility of the Pastor or Pastoral Administrator of \_\_\_\_\_ to insure the proper use and distribution of these Endowment funds as a support to the educational and formation mission of \_\_\_\_\_ School.

5. These Endowment funds may not be used for any other purpose than for the educational mission of \_\_\_\_\_; therefore, they may not be used for any other purposes unless \_\_\_\_\_ School should no longer be in existence and in good

standing, in which case the monies from the Endowment will be used to support the Life Long Education and Formation of the members of \_\_\_\_\_.

6. In the event that \_\_\_\_\_ is suppressed and is no longer an active parish of the Archdiocese of Louisville, then the Endowment funds will be distributed for educational purposes, at the discretion of the Archbishop.

7. This Endowment plan has been endorsed and supported by the Pastor or pastoral administrator of \_\_\_\_\_ Parish, as well as the \_\_\_\_\_ School Committee, Parish Council and Finance Committee, and has the unanimous consent and approval of all parties concerned.

\_\_\_\_\_  
Pastor or Pastoral Administrator

## CEMETERY ENDOWMENT

This \_\_\_\_\_ CEMETERY ENDOWMENT is created by the parish of \_\_\_\_\_ as part of its long-range strategic planning, and is in keeping with the parish's commitment to its parish mission. The Endowment will be administered according to the following terms and conditions, to wit:

1. It is the intention of the Endowment that no portion of the principal be used. The principal will remain intact and may continue to grow so the income from said Endowment may further the mission of cemetery maintenance and upkeep.
2. The funds of the Endowment shall be invested by the Archdiocese of Louisville in a separate Endowment Fund and the interest from said Endowment shall be made available to the parish of \_\_\_\_\_ in support of its mission.
3. The allocation of the interest income distributed from this Endowment will be distributed only after a discussion among the Parish Council and Finance Committee and recommendations will be made to the Pastor of \_\_\_\_\_. The purpose of said discussion is to assure the broadest support for use of the Endowment funds.
4. It shall be the responsibility if the Pastor of \_\_\_\_\_ to insure proper use and distribution of these Endowment funds as a support to the mission of \_\_\_\_\_ parish.
5. These Endowment funds may not be used for any other purpose than for the mission of \_\_\_\_\_; therefore, they may not be used for any other purposes unless \_\_\_\_\_ parish should no longer be in existence and in good standing, in which case the monies from the Endowment will be used in accordance with paragraph 6.
6. In the event that \_\_\_\_\_ is suppressed and no longer an active parish of the Archdiocese of Louisville, then the Endowment funds will be used for the maintenance and upkeep of the \_\_\_\_\_ Parish Cemetery at the discretion of the Archbishop.
7. This Endowment plan has been endorsed and supported by the Pastor of \_\_\_\_\_ Parish, as well as the Parish Council and Finance Committee, and has the unanimous consent and approval of all parties concerned.

\_\_\_\_\_  
Pastor

## Authorization of Stock Transfer

Date: \_\_\_\_\_

\_\_\_\_\_  
(Broker Name)

\_\_\_\_\_  
(Broker Address)

\_\_\_\_\_  
(Account Number)

\_\_\_\_\_  
(Stockholder Name/s)

To Whom It May Concern:

Accept this letter as your authorization to gift \_\_\_\_\_ shares of  
(Number)

\_\_\_\_\_  
(Company Name)  
stock from the above account to the following:

Roman Catholic Bishop of Louisville  
Account Number AB1117865  
DTC # 0443 – Pershing  
Tax ID #61-0447247

Above account through Eifler Group. Any questions in reference to delivery instructions,  
please call 502-893-2550 or 1-800-633-4248.

This gift is for the use and benefit  
of \_\_\_\_\_

I would appreciate your prompt attention on this matter. Thank you.

\_\_\_\_\_  
(Name – Please Print)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

Copy 1 – Broker  
Copy 2 – Parish/School  
Copy 3 – Archdiocese of Louisville Chief Financial Office



**ARCHDIOCESE OF LOUISVILLE**

**PERMISSION FOR THE SALE OF ALCOHOL**

Parish or School \_\_\_\_\_ For Year \_\_\_\_\_

We now have the following license:

Beer \_\_\_\_\_ No. \_\_\_\_\_

Liquor \_\_\_\_\_ No. \_\_\_\_\_

Permanent \_\_\_\_\_ Temporary \_\_\_\_\_

License issued in the name of \_\_\_\_\_

Our parish or school currently sponsors the following functions at which alcohol is served:

Picnic \_\_\_\_\_ Bingo \_\_\_\_\_

Fish Fries \_\_\_\_\_ Card Parties \_\_\_\_\_

Monte Carlo/Night at the Races \_\_\_\_\_

Others (please list) \_\_\_\_\_

Bartenders provided by parish or school have received/will receive alcohol training. \_\_\_\_\_

**RENTAL OF PARISH OR SCHOOL FACILITIES**

We Do \_\_\_\_\_ Do not \_\_\_\_\_ Rent parish or school facilities for receptions, parties, etc.

We Do \_\_\_\_\_ Do not \_\_\_\_\_ Provide alcohol for these functions.

We Do \_\_\_\_\_ Do not \_\_\_\_\_ Provide bartenders for rental events.

If parish or school does not provide bartenders do renters provide their own? \_\_\_\_\_

Are renters advised that they must provide insurance coverage for these events? \_\_\_\_\_

**REMINDER:** If your parish or school has a permanent beer license, renters are not allowed to bring other alcoholic beverages onto the premise.

Pastor/Pastoral Administrator \_\_\_\_\_ Date \_\_\_\_\_

Approved \_\_\_\_\_ Date \_\_\_\_\_

## Checklist for Employee Personnel Files

An up-to-date personnel file must be maintained for each employee.

### I. Informational materials to be provided to employee:

- Personnel Policies and Procedures Manual
- Summary Plan Description of Benefits Program
- Information regarding required attendance at Safe Environment Training session
- Catholic Archdiocese Employees Retirement Plan Summary Plan Description
- Health Insurance Packet
- Dental Insurance Packet
- Flexible Spending Account information-A.I.M. Brochure
- Salary Deferral Information

### II. Forms that must be completed and returned to bookkeeper:

- W-4 Withholding Allowance Certificate for Federal Tax Withholding  
Note: Bookkeeper should mail copy to Kentucky New Hire Reporting
- Withholding Allowance Certificate for State Tax Withholding:
  - K-4 (Kentucky)
  - WH-4 (Indiana)
- Form I-9 Employment Eligibility Verification
- Copies of two documents that establish identity and employment eligibility
- Criminal Records Check from Kentucky or state in which employee most recently resided
- Signed and Dated Church Personnel Acknowledgement Card-Code of Conduct for Church Personnel-SAFE ENVIRONMENT TRAINING
- Benefit Enrollment Form. If employee has elected medical or dental insurance, a completed insurance application must be returned along with this form. Be sure to include proof of former insurance if employee is electing health insurance.
  - Health Insurance Application
  - Proof of Prior Health Insurance
  - Dental Insurance Application
- Automatic Payroll Deposit Authorization Form and voided check (if applicable)
- Salary Deferral Election form

### III. Additional documents that should be retained in employee's personnel file:

- Resume/Application for Employment
- Job Description
- Compensation Forms (Contracts for Teachers)
- Annual Performance Reviews
- Record of Paid Leave (Timesheets)
- Name and phone number of emergency contact person
- Other (teaching certificates, health records, etc.)

### V Personnel Policies

**Archdiocese of Louisville**  
Conference/Meeting Travel Expense Report

**Attach receipts and submit to Finance Office**

Name:						Date of Report:				
Agency:										
Conference Title:										
Location of Conference:						Dates of Conference:				
Purpose of Attendance:										
Line Item	Expense Item	SAT	SUN	MON	TUES	WED	Day 6	Day 7	Totals	
1	Lodging									
2	Breakfast									
3	Lunch									
4	Dinner									
5	Airfare									
6	Taxi/Bus									
7	Car Rental									
8	Parking									
9	Tolls									
10	*Entertainment									
11	**Mileage									
12	***Misc.									
<b>Totals</b>										
						Deduct for Cash Advance				
						Net to be Reimbursed				
*Entertainment - Give details of who, what, where, why:										
**Miles Driven				@	0.505					
***Miscellaneous - Give details:				Tips for food, taxi and bellhop.						
The above expenditures represent cash spent for Archdiocesan purposes only and do not include items of a personal nature.										
Signature:							Accounting Department			
Address: Chancery							Reviewed:			
							Check No.:			
Approved by:							Date:			
Charge to Dept.:				Account:			Total \$			



**ARCHDIOCESE OF LOUISVILLE  
PARISH PAYMENT TRANSMITTAL FORM**

PARISH NAME: \_\_\_\_\_ PARISH # \_\_\_\_\_

<u>PAYMENT FOR:</u>	<u>FOR PERIOD:</u>	<u>ACCOUNT</u>	<u>AMOUNT</u>
Cathedraticum Assessment	_____	100-000-1315.00000	\$ _____
Record Assessment	_____	100-000-1315.00000	\$ _____
Clergy Pension Assessment	_____	354-000-1315.00000	\$ _____
High School Assessment	_____	100-000-1316.00000	\$ _____
Head Tax Assessment	_____	100-000-1317.00000	\$ _____
Priest Shared Salary/Benefits	_____		\$ _____
Priest Name _____	_____		\$ _____
Legal Fees	_____	100-000-1310.00000	\$ _____
Asbestos	_____	100-000-1310.00146	\$ _____
The Record (Advertising)	_____	100-000-1310.00001	\$ _____
Other Payments:	_____		\$ _____
<b><u>DEPOSIT AND LOAN FUND</u></b>			
Savings Deposit #1	_____	600-000-4000. _____	\$ _____
Savings Deposit #2	_____	600-000-4000. _____	\$ _____
Bldg. Loan Principal Payment	_____	600-000-2000. _____	\$ _____
Bldg. Loan Interest Payment	_____	600-000-2300. _____	\$ _____
Additional Loan Principal Payment	_____	600-000-2000. _____	\$ _____
Other: _____	_____		\$ _____
<b><u>ARCHDIOCESAN GENERAL FUND LOANS</u></b>			
Operating Loan Principal Payment	_____	100-000-1600. _____	\$ _____
Operating Loan Interest Payment	_____	100-000-2300.00000	\$ _____
<b><u>PARISH/CEMETERY ENDOWMENTS</u></b>			
Principal deposit	_____	700-000-4000. _____	\$ _____
Unexpended Income deposit	_____	700-000-4000. _____	\$ _____
<b><u>COLLECTIONS</u></b>			
Opportunities for Life	_____	100-100-6450.00000	\$ _____
Black and Native American	_____	100-000-3110.00000	\$ _____
Catholic Relief Services	_____	100-000-3135.00000	\$ _____
Rice Bowl (Holy Thursday)	_____	100-000-3185.00000	\$ _____
Holy Land (Good Friday)	_____	100-000-3155.00000	\$ _____
Catholic Education (Easter)	_____	100-000-3145.00000	\$ _____
Mission Sunday (Pentecost)	_____	100-000-3165.00000	\$ _____
Crusade for Children	_____	100-000-3140.00000	\$ _____
Peter's Pence	_____	100-000-3175.00000	\$ _____
Catholic Higher Education	_____	100-100-6410.00000	\$ _____
Campaign for Human Development	_____	100-000-3125.00000	\$ _____
Retired Religious	_____	100-000-3180.00000	\$ _____
Archdiocesan Charities (Christmas)	_____	100-100-6420.00000	\$ _____
Other Special Collection:	_____	100-000-3095. _____	\$ _____

PREPARED BY: \_\_\_\_\_

**SEND CHECK AND FORM TO:**

Archdiocese of Louisville  
PO Box 740043  
Louisville, KY 40201

Grand Total	\$ _____
Check #	_____
Check Date	_____

## FACILITY USAGE/INDEMNITY AGREEMENT

The Facility Usage/Indemnity Agreement must be used when non-parish sponsored or affiliated groups use parish facilities on a short-term basis such as one day or a week. The following groups are examples of non-parish sponsored or affiliated groups that should sign the Facility Usage/Indemnity Agreement:

1. Girl Scouts, Knights of Columbus, American Legion or other similar organizations that use parish facilities for meetings or fundraisers.
2. AAU sport teams or non-parish sponsored sport classes/clinics.
3. Parishioner and non-parishioner families that rent or use parish facilities for wedding receptions, family reunions, anniversary parties or other similar activities. (In lieu of signing the Facility Usage/Indemnity Agreement, a parishioner or non-parishioner family would be eligible to purchase "special event" liability coverage through your parish via Catholic Mutual.) Please note that funeral luncheons are parish sponsored events.
4. Any other organization, municipality or county organization that uses parish facilities for a meeting or function that is non-parish sponsored.

The Facility Usage/Indemnity Agreement requires the facility user to provide the parish with a certificate of insurance documenting general liability coverage in the amount of \$1,000,000 per occurrence. This certificate of insurance must name your parish and the Arch/Diocese as an additional insured. It is not adequate to obtain a certificate of insurance, which names the parish as a "certificate holder."

It is often asked what criteria an organization must meet to be parish sponsored or affiliated. In the event of an insurance claim involving a potential non-parish sponsored activity, the following questions would be asked to further determine if a group was parish sponsored and eligible for insurance coverage:

1. Did the parish have full control over the group or function?
2. Did any costs or fees associated with the function flow through parish accounts?
3. Was the function or group open to all parish members?
4. Was the purpose of the function or group to facilitate learning, raise revenue for the parish or provide a social service on behalf of the parish?
5. Was the teacher or leader of the group a parish volunteer or employee?

In general, a group, which does not meet the definition of an affiliated organization or is unable to answer the above five questions in the affirmative would not be parish sponsored. Accordingly, that group must sign the Facility Usage/Indemnity Agreement and supply the parish with the necessary insurance documentation.

FACILITY USAGE/INDEMNITY AGREEMENT

PARISH : \_\_\_\_\_

PARISH is understood to include the Arch/Diocese of \_\_\_\_\_

FACILITY USER: \_\_\_\_\_

DATES OF FACILITY USAGE: \_\_\_\_\_

TYPE OF FACILITY USAGE: \_\_\_\_\_

The above named FACILITY USER agrees to defend, protect, indemnify and hold harmless the above named PARISH against and from all claims arising from the negligence or fault of the above named FACILITY USER or any of its agents, family members, officers, volunteers, helpers, partners, organizational members or associates which arise out of the above identified FACILITY USAGE at the above named PARISH.

FACILITY USER agrees to provide a certificate of insurance to the PARISH, which provides evidence of general liability coverage of not less than one million dollars (\$1,000,000) per occurrence. FACILITY USER also agrees to have the PARISH named as an “Additional Insured” on its general liability policy for the DATE(S) OF FACILITY USAGE in relationship to the TYPE OF FACILITY USAGE for claims which arise out of FACILITY USER’S operations or are brought against the PARISH by FACILITY USERS’ employees, agents, partners, family members, students, customers, function attendees, guests, invitees, organizational members or associates. FACILITY USER also agrees to ensure that its liability insurance policy will be primary in the event of a covered claim or cause of action against PARISH.

If and only if FACILITY USER fails to comply with the above (second) paragraph, then the above named FACILITY USER agrees to protect, defend, hold harmless and fully indemnify the above named PARISH for any claim or cause of action whatsoever arising out of or related to the usage which takes place during the above identified DATE(S) OF FACILITY USAGE that is brought against the PARISH by the above named FACILITY USER or its employees, agents, partners, family members, students, customers, function attendees, guests, invitees, organizational members or associates, even if such claim arises from the alleged negligence of the PARISH, its employees or agents, or the negligence of any other individual or organization. If any sentence or paragraph of this agreement is held invalid, it is agreed that the balance thereof, shall continue in full legal force and effect.

SIGNED BY: \_\_\_\_\_

(Must be an official agent of FACILITY USER)

NAME (Please print): \_\_\_\_\_

DATE: \_\_\_\_\_

FACUSAG (5/01)

## **ADDENDUM TO CONSTRUCTION CONTRACT**

Typically when organizations are adding an addition, undergoing a major renovation or remodeling their facilities, a written contract is signed with a contractor. The Addendum to Contract should be attached to contracts with contractors performing work at your parish. The Addendum to Contract should be utilized in the following situations:

1. When your organization enters into a construction, renovation, or remodeling contract in excess of \$10,000 with a contractor or architect. For small contractor jobs that are under \$10,000, it is not a requirement for your organization to utilize the Addendum to Contract. However, the organization must still verify that these contractors have liability insurance covering their construction operations at the parish.
2. When a contractor is performing an unusual or dangerous construction procedure at your parish. An example of this would be a contractor job involving the use of scaffolding or which calls for asbestos removal.

By attaching the Addendum to Contract to the contract or incorporating its wording into a contract, your parish will satisfy insurance requirements. If the Addendum to Contract is not attached to the contract with a contractor, the wording of the addendum must be incorporated into the contract developed by the parish and the contractor. The parish should always verify that the contractor has named the parish as an additional insured on their public liability insurance policy. It is not adequate for the parish to obtain a certificate of insurance which names the parish as a "certificate holder."

Your Arch/Diocese has a contract review policy. Accordingly, construction contracts over \$10,000 or contracts dealing with a construction process of an unusual nature should be submitted to Catholic Mutual for review before the parish signs it. Should a contractor have questions regarding the requirements outlined on the Addendum to Contract, please have them contact Catholic Mutual at 1-800-228-6108.

## ADDENDUM TO CONSTRUCTION CONTRACT

**BUILDER'S RISK INSURANCE:** A Builder's Risk and Boiler and Machinery Coverage will be obtained by OWNER to cover the project. Any payment under Builder's Risk or Boiler and Machinery Coverages will be made jointly to OWNER and CONTRACTOR. Further, OWNER and CONTRACTOR agree that any payment under Builder's Risk or Boiler and Machinery Coverages will be placed into a joint account until such funds are reinvested in the construction project.

**PUBLIC LIABILITY INSURANCE:** While CONTRACTOR is performing operations at PARISH, CONTRACTOR shall maintain public liability insurance in the amount of not less than one million dollars (\$1,000,000) per occurrence. It is further agreed that the CONTRACTOR agrees to protect, defend, indemnify, and hold harmless the PARISH against and from any claim or cause of action arising out of or from any negligence or other actionable fault of the CONTRACTOR, or its employees, agents, members, or officers.

**AUTOMOBILE LIABILITY INSURANCE:** CONTRACTOR shall maintain automobile liability insurance for any owned autos, hired autos or non-owned autos used in connection with the contractor's business. Automobile liability coverage should be maintained by the CONTRACTOR in the minimum amount of one million dollars (\$1,000,000) combined single limit.

**WORKER'S COMPENSATION INSURANCE:** CONTRACTOR shall maintain worker's compensation insurance as required by law.

**ADDITIONAL INSURED:** CONTRACTOR agrees to provide a certificate of insurance to the PARISH which will name the PARISH as an additional insured on CONTRACTORS liability policy for claims arising out of CONTRACTORS, subcontractors or sub-subcontractors operations or made by CONTRACTORS, subcontractors or sub-subcontractors, employees, agents, guests, customers, invitees or subcontractors. CONTRACTOR must verify its liability insurance policy is primary in the event of a covered claim or cause of action against PARISH. If and only if CONTRACTOR fails to fulfill the insurance requirements contained in this addendum, then CONTRACTOR agrees to defend, hold harmless and indemnify the PARISH against and from any claim or cause of action arising out of the construction project which is alleged against the PARISH, even if such claim or cause of action arose from the negligence of PARISH, its employees or volunteers or another party not named to this contract.

**SUBCONTRACTORS:** CONTRACTOR shall be required to verify that all subcontractors maintain public liability insurance, worker's compensation insurance and automobile liability insurance. Furthermore, CONTRACTOR agrees to indemnify and defend the PARISH for any claim or cause of action, whatsoever which was caused by the negligence, or other actionable fault of an uninsured subcontractor.

**NO WAIVER OF SUBROGATION:** OWNER does not waive any rights of recovery against the CONTRACTOR, subcontractor or sub-subcontractor for any damages. OWNER and CONTRACTOR, subcontractor and sub-subcontractor do waive the right of recovery against each other for any damages covered under Property, Builders Risk or Boiler and Machinery coverage for which either party is responsible if that party does not have liability insurance to cover such damages and liability insurance has been maintained as required by this document. CONTRACTOR and PARISH agree that this addendum overrides any and all portions of previous agreements between CONTRACTOR and PARISH that contain language in contradiction with this contract.

**SEVERABILITY PROVISION:** If any portion of this Addendum to Contract is deemed or is determined to be in conflict with local or state or national statutes, both CONTRACTOR and PARISH agree that; the portion of the Addendum to Contract which is in conflict with the statute will be stricken from the Addendum to Contract with the remainder of the Addendum to Contract remaining binding for both parties.

**CONTRACTOR:**

---

**PARISH:**

---

(PARISH is understood to include the Arch/Diocese of \_\_\_\_\_)

**BY:**

\_\_\_\_\_  
NAME

**BY:**

\_\_\_\_\_  
NAME

\_\_\_\_\_  
DATE

\_\_\_\_\_  
DATE

START DATE OF CONTRACT (Understood to be date signed if left blank):

\_\_\_\_\_

*Instruction to Parish (Parish Use Only): This Addendum to Contract stands on its own as a legal contract between PARISH and CONTRACTOR should this addendum not be incorporated or attached to a contract.*

*(Revised 09/04)*

## ADDENDUM TO LEASE

The Addendum to Lease has been designed to fulfill the insurance requirements for both tenants and the parish when parish property is leased. Therefore, even if a written lease is not used, the Addendum to Lease must still be completed to ensure that insurance requirements have been met.

When your parish enters into an agreement with a tenant for long term usage of parish facilities, a written lease should be drafted. The Addendum to Lease should be attached to the parish's written lease or the wording of the addendum incorporated into the lease. Please remember that your parish and the Arch/Diocese must be named as an additional insured on the Lessee's public liability insurance policy. It is not adequate for a Lessee to simply provide the parish proof of insurance where the parish is named as a "certificate holder."

Examples of situations where the parish should use the Addendum to Lease are as follows:

- 1) The convent is rented as a residence belonging to a religious order.
- 2) Space is rented in the school to be used as a non-parish operated daycare or learning center.
- 3) Office space is being rented in the parish rectory to a non-Arch/Diocesan organization.
- 4) The Addendum should not be used when the parish leases apartments or flats as private residences.

Your Arch/Diocese does have a lease review policy. Accordingly, leases should be reviewed by Catholic Mutual prior to the lease being signed by a parish representative. Should a prospective tenant have any questions regarding the requirements outlined in the Addendum to Lease, please refer them to Catholic Mutual at (800) 228-6108.

## ADDENDUM TO LEASE

**PUBLIC LIABILITY INSURANCE:** LESSEE shall maintain public liability insurance in the amount of not less than one million dollars (\$1,000,000) per occurrence for the duration in which LESSEE rents or uses PARISH property and name PARISH as an additional insured on such policy of insurance. It is further agreed that LESSEE agrees to protect, indemnify, defend and hold harmless the PARISH against and from any claim or cause of action arising out of or from any negligence or other actionable fault caused by LESSEE or its employees, agents, members or officers.

**FIRE DAMAGE INSURANCE:** LESSEE shall maintain fire damage insurance (fire legal liability) for the term of this lease. LESSEE agrees to maintain fire damage coverage in the minimum amount of two hundred fifty thousand dollars (\$250,000).

**WORKER'S COMPENSATION INSURANCE:** LESSEE shall maintain worker's compensation insurance as required by law.

**ADDITIONAL INSURED:** LESSEE will name the PARISH as an additional insured on its public liability insurance policy for the duration of LESSEE'S renting or using PARISH property for claims arising out of LESSEE'S operations or made by LESSEE'S employees, agents, students, guests, customers or invitees. LESSEE must verify that its insurance policy is primary in the event of a covered claim or cause of action against PARISH. LESSEE will provide proof to PARISH that the insurance requirements have been met as outlined in this contract. If and only if LESSEE fails to fulfill the insurance requirements contained in this addendum, then LESSEE agrees to defend, hold harmless and indemnify the PARISH against and from any claim or cause of action arising out of LESSEE'S operations or any claim or cause of action which is brought against PARISH by LESSEE, its employees, agents, students, guests, customers, invitees which is alleged against the PARISH, even if such claim or cause of action arose from the negligence of PARISH, its employees or volunteers, or the negligence of any other individual or organization.

**INSPECTION BY THE PARISH:** PARISH may at any and all reasonable times enter premises leased to LESSEE for inspection purposes.

**NO WAIVER OF SUBROGATION:** PARISH does not waive any rights of recovery against the LESSEE for damages that are covered by the PARISH'S property insurance coverage. LESSEE and PARISH agree that this addendum overrides any and all portions of previous agreements between LESSEE and PARISH that contain language in contradiction with this contract.

**SEVERABILITY PROVISION:** If any paragraph of this Addendum to Lease is deemed or is determined to be in conflict with local or state or national statutes, both LESSEE and PARISH agree that the portion of the Addendum to Lease which is in conflict with the statute will be stricken from the Addendum to Lease with the remainder of the Addendum to Lease remaining binding for both parties.

**LESSEE:**

---

**BY:**

---

NAME

**PARISH:**

---

(PARISH is understood to include the Arch/Diocese of \_\_\_\_\_)

**BY:**

---

NAME

DATE

DATE

START DATE OF LEASE (Understood to be date signed if left blank): \_\_\_\_\_

Instruction to PARISH (PARISH Use Only): This Addendum to Lease stands on its own as a legal contract between PARISH and LESSEE should this addendum not be incorporated or attached to a lease.

LEASE (5/01)

## **AIA DOCUMENTS**

(Needed Deletions to Various Construction Contracts)

When parishes enter into a contract for a major renovation or remodeling project of parish facilities or for the construction of a new building, a contract is signed with the general contractor. In most instances, the contract required is a standard contract prepared by the American Institute of Architects. Two of the most common standard contracts are the AIA Document A201 and AIA Document A107. There are also many other AIA contracts.

From an insurance and indemnification standpoint, the standard documents are written in favor of the contractor and/or sub-contractor. Fortunately, the contracts can be altered to make them more equitable for parishes.

Attached is a contract which allows for changes to be made to various AIA contracts. Please note the changes are only intended to address insurance and indemnification concerns. Other areas of the contract should be reviewed on behalf of the parish by a qualified attorney and the Arch/Diocesan Building Office.

Please check the box next to the AIA document which is being utilized. Checked boxes will denote the deletion and/or modification of the corresponding AIA contract as shown below.

## ADDENDUM/CHANGES TO AIA CONTRACT

Owner and Contractor agree that the deletions and/or changes outlined below will be binding and alter the corresponding AIA or AGC contract that is referenced. Both Owner and Contractor agree the Addendum will supersede any other contractual language.

- AIA Document A201 – 1987 edition**  
**General Conditions of the Contract for Construction**
  - 10.1.4 Delete second from last sentence (beginning with “regardless of whether or not...”)**
    - 11.3.1 Delete second half of first sentence (beginning after semicolon with “This insurance shall...”)
    - 11.3.2 Delete entire paragraph
    - 11.3.3 Delete entire paragraph
    - 11.3.5 Delete entire paragraph
    - 11.3.7 Delete entire paragraph
  
- AIA Document A201 – 1997 edition  
General Conditions of the Contract for Construction
  - 10.3.3 Delete the word “sole” from the last sentence
  - 11.3.3 Delete entire paragraph
  - 11.4.1 Delete last sentence only (beginning with “This insurance shall...”)
  - 11.4.2 Delete second half of first sentence (beginning after semicolon with “This insurance shall...”)
  - 11.4.3 Delete entire paragraph
  - 11.4.5 Delete entire paragraph
  - 11.4.7 Delete entire paragraph
  
- AIA DOCUMENT A107 – 1987 edition  
Abbreviated Form of Agreement Between Owner and Contractor  
for Construction Projects of Limited Scope
  - 17.2 Delete last sentence only (beginning with “The Contractor shall...”)
  - 17.3 Delete last sentence only (beginning with “This insurance shall...”)
  - 17.6 Delete entire paragraph

- AIA Document A107 – 1997 edition  
Abbreviated Standard Form of Agreement Between Owner and Contractor for  
Construction Projects of Limited Scope
  - 15.2.2 Delete the word “sole” from the last sentence
  - 16.3.3 Delete entire paragraph
  - 16.4.1 Delete last sentence only (beginning with “this insurance shall...”)
  - 16.5.1 Delete entire paragraph
  
- AGC Document 410 – 1993 edition  
Standard Form of Design – Build Agreement and General Conditions  
Between Owner and Contractor
  - 11.5.1 Delete second sentence only (beginning with “This insurance shall...”)
  - 11.5.3 Delete entire paragraph
  - 11.5.4 Delete entire paragraph
  - 11.6.1 Delete entire paragraph
  - 11.7.1 Delete entire paragraph
  - 11.7.2 Delete entire paragraph
  
- AGC Document 415 – 1993 edition  
Standard Form of Design – Build Agreement and General Conditions  
Between Owner and Contractor
  - 10.1.2 Delete entire paragraph
  - 10.5.1 Delete Contractor, Architect/Engineer, Subcontractors and Sub subcontractors  
from the second sentence in lines two and three
  - 10.5.4 Delete Contractor, Architect/Engineer, Subcontractors and Sub subcontractors  
from the first sentence in lines one and two and the entire last sentence (beginning  
with “Exposures of the...”)
  - 10.5.5 Delete last sentence only (beginning with “If the Contractor...”)
  - 10.7.1 Delete entire paragraph
  - 10.7.2 Delete entire paragraph
  
- AIA Document A191 – Electronic Format – 1996 edition  
Standard Form of Agreements Between Owner and Design/Builder
  - 7.2.1 Delete last sentence only (beginning with “The Design/Builder shall...”)
  - 7.3.1 Delete last sentence only (beginning with “This insurance shall...”)
  - 7.3.3 Delete entire paragraph
  - 7.3.4 Delete last two sentences (beginning with “This insurance shall...”)
  - 7.3.8 Delete entire paragraph
  - 7.4.1 Delete entire paragraph
  
- AIA Document B141 – 1987 edition  
Standard Form of Agreement Between Owner and Architect
  - 9.4 Delete entire paragraph

- AIA Document B141 — 1997 edition  
Standard Form of Agreement Between Owner and Architect with  
Standard Form of Architects Services  
1.3.6 Delete entire paragraph  
1.3.7.4 Delete entire paragraph
  
- AIA Document B151-1997 edition  
Abbreviated Standard Form of Agreement Between Owner and Architect  
9.4 Delete entire paragraph
  
- AGC Document 250 – 2000 edition  
Standard Form of Agreement and General Conditions Between Owner and Contractor  
11.1.1 Delete the phrase “other than to the work itself and other property insured  
under Subparagraph 11.4” from the first sentence (beginning in the third line)  
11.1.2 Owner will not be responsible to indemnify for any act or omission  
of an Architect/Engineers or Others  
11.2 Delete entire paragraph  
11.4.1 Delete the second sentence (beginning with “This insurance shall also name...”)  
and delete the fourth sentence (beginning with “This policy shall provide for  
a waiver...”)  
11.4.3 Delete entire paragraph up to the word “more” in the eighth line. The rest of  
the paragraph (beginning with “the Contractor shall indemnify”) remains intact

CONTRACTOR:

PARISH:

\_\_\_\_\_

\_\_\_\_\_  
(PARISH is understood to include the Arch/Diocese of \_\_\_\_\_)

BY:

BY:

\_\_\_\_\_  
NAME

\_\_\_\_\_  
NAME

\_\_\_\_\_  
DATE

\_\_\_\_\_  
DATE

(Revised 01/06)

# Catholic Mutual. . . "CARES"

## UNAFFILIATED ORGANIZATION AGREEMENT

The five questions on the CARES Facility Usage/Indemnity Agreement provide guidance in identifying parish sponsored organizations that are eligible for coverage. Those that are not should sign the Facility Usage/Indemnity Agreement and provide a certificate of insurance naming the parish and Archdiocese as an additional insured. This will greatly assist in reducing financial responsibility for a potential claim.

Unfortunately, non-sponsored groups add additional liability that is not completely eliminated by use of the Facility Usage/Indemnity Agreement. Non-sponsored groups or organizations bring added liability, even if they have their own insurance.

Groups such as Knights of Columbus, The Legion of Mary, Alcoholics Anonymous and St. Vincent de Paul to name a few, are typically not parish sponsored. However, they are often misinterpreted to be part of the parish or Archdiocese. When this confusion occurs, the non-sponsored Catholic group may be legally determined to be part of the parish and/or Archdiocese. The end result is that the parish and Archdiocese becomes legally and financially responsible for the non-sponsored group's liabilities.

What should be done to limit your liability?

1. Require the non-sponsored group sign the attached "Unaffiliated Organization Agreement."
2. When possible, do not allow the group to use the parish name. Example: "St. Paul's Knights of Columbus". If the parish name must be used, follow the recommendation in number 3. below.
3. Be careful how the group is represented verbally and in writing. When advertising an upcoming Knights of Columbus Pancake Breakfast in the parish bulletin, use a phrase similar to, "The Knights of Columbus are not part of and not-acting on behalf of the parish or Archdiocese."
4. Avoid providing 'Official direction to non-sponsored groups. It's okay to provide space, not direct instructions.

Non-sponsored groups can be an important part of parish and Archdiocesan ministry. Use of the Unaffiliated Organization Agreement and the above tips will allow continued operation of these groups while decreasing liability. As always, contact Catholic Mutual's Risk Management Department at 1-800-228-6108 with any questions.

(Revised 10/06)

# UNAFFILIATED ORGANIZATION AGREEMENT

PARISH: \_\_\_\_\_

PARISH is understood to include the Archdiocese of Louisville

ORGANIZATION: \_\_\_\_\_

The undersigned, individually, on behalf of ORGANIZATION and on behalf of each member thereof, hereby agree with PARISH that in consideration for the ORGANIZATION'S use of property owned or managed by the PARISH, as follows:

1. The ORGANIZATION is not a part of the ARCHDIOCESE or any PARISH, is not affiliated or sponsored by the ARCHDIOCESE or any PARISH and is not an agent of the ARCHDIOCESE or any PARISH. The ORGANIZATION does not speak for or represent the ARCHDIOCESE or any PARISH.
2. The ARCHDIOCESE, any PARISH or their employees may provide spiritual support or spiritual direction to the ORGANIZATION or its members; however, any such spiritual support or direction is in matters of religion only and does not create any form of agency or master/servant relationship.
3. The ORGANIZATION is not controlled by the ARCHDIOCESE, any PARISH or any employee or agent thereof and neither the ARCHDIOCESE nor any PARISH receive a direct, tangible or financial benefit from the ORGANIZATION'S activities, other than any consideration given for the use of the property.
4. The ORGANIZATION is not a participant in and is not the beneficiary of financial protection provided by the Catholic Mutual Protected Self-Insurance program. The ORGANIZATION will not be indemnified by the PARISH or the ARCHDIOCESE for liability arising from the ORGANIZATION'S activities.
5. Any and all liability, whether civil, criminal or otherwise, and whether arising from use of motor vehicles or any other activity of the ORGANIZATION or its members, is not assumed and is expressly rejected by the ARCHDIOCESE, the PARISH and Catholic Mutual.
6. The ORGANIZATION, but not its individual members, agrees to fully protect, defend and indemnify the ARCHDIOCESE, the PARISH, Catholic Mutual and their employees and agents for any and all liability sustained as a result of activities of the ORGANIZATION, its members, or other ORGANIZATIONS or members acting on the ORGANIZATION'S behalf.
7. Members of the ORGANIZATION understand that neither the PARISH, the ARCHDIOCESE or Catholic Mutual waive any right they may have to seek indemnity from any individual member of the ORGANIZATION if that member's actions lead to a suit or claim against the PARISH, the ARCHDIOCESE or Catholic Mutual.
8. This Agreement confers no right to use PARISH or ARCHDIOCESE property. Permission to use PARISH or ARCHDIOCESE property may be terminated at any time and shall be deemed terminated at the time use of the property discontinues; however, the representations, warranties and indemnity obligations contained herein shall survive termination of this Agreement.
9. The undersigned representative of the ORGANIZATION has authority to execute this Agreement and represents and warrants that it has advised every member of the ORGANIZATION of its contents.

ORGANIZATION

PARISH

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

Signed: \_\_\_\_\_

Signed: \_\_\_\_\_

On Behalf of the ORGANIZATION

Witness: \_\_\_\_\_

Witness: \_\_\_\_\_

(Revised 04/06)

**Archdiocese of Louisville**  
**Conflict of Interest Disclosure Statement**

I have received a copy of the Conflict of Interest Policy of the Archdiocese of Louisville. I have read and understand the policy, and I agree to follow the policy's directives and procedures.

I understand the Archdiocese of Louisville is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

Disclosure of possible conflict of interest (please check one box):

1. *I have no known actual or possible conflict of interest at this time.*
2. *Below is a description of an actual or possible conflict of interest including the nature of the potential conflict of interest:*

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\_\_\_\_\_  
Name (*signed*)

\_\_\_\_\_  
Name (*printed*)

\_\_\_\_\_  
Office or Position Held

\_\_\_\_\_  
Date

Submit to:

Box 1. Checked – Parish, School, or  
Local Agency

Box 2. Checked – Office of the  
Chancellor for  
review

**CONFIDENTIAL**

**Roman Catholic Archdiocese of Louisville  
Report of Suspected Fraud**

Please complete this entire form. Attach additional sheets if necessary.

- DO** report any instance of suspected fraud within the Roman Catholic Archdiocese of Louisville.
- DO** report suspected fraud promptly; failure to do so may jeopardize the ability to recover diocesan assets.
- DO** keep detailed notes of dates, times, places, persons involved, and occurrences.
- DO** keep a copy of any documents that arouse your suspicion.
  
- DO NOT** confront the suspected individual(s) with your suspicions.
- DO NOT** discuss the matter with anyone you think could be involved.

<b>Current date (mm/dd/yy):</b>	<b>Date(s) the incident(s) occurred (mm/dd/yy):</b>

**Suspected person(s) involved:**

	Full name	Parish or other location	Person's position or role
1			
2			

**Description of the suspected fraud**  
*(Please indicate if you have documents or other materials that might be of assistance to the investigation)*

**Your name and contact information** *(Please complete all fields; we do not investigate anonymous reports.)*

<b>Full Name</b>	
<b>Street address</b>	
<b>City, State, Zip</b>	
<b>Position/relation to the archdiocese</b>	
<b>Email address</b>	
<b>Daytime phone</b>	

*This information will be used to contact you if clarification or more information is required.*

**Other persons who might be aware of this suspected fraudulent activity:**

	Full name	Parish or other location	Person's position or role
1			
2			

**Please submit the report by mail, fax, or email (Marked "CONFIDENTIAL"):**

<b>Mail:</b> Fraud Investigations Archdiocese of Louisville PO Box 1073 Louisville, KY 40201-1073	<b>Fax:</b> (502)585-2466	<b>Email:</b> fraud@archlou.org
	<b>For a copy of the policy or forms:</b> <b>Phone:</b> (502) 585-3291 ext. 1153	

Please check if additional documentation is attached

Thank you for submitting this report.