



# ARCH SUPPORT



Issue 64

November, 2005

## AUDITOR'S NOTES. . .

### Employee or Independent Contractor?

Many parishes are working diligently to control expenses by engaging people on a part-time basis to perform tasks not suited for a regular employee. While many of these tasks are seasonal or sporadic in nature some services can be provided on a regular basis, so the individuals are often hired as independent contractors. Accordingly, they are paid a lump sum for their efforts, with no fringe benefits and no social security or income taxes withheld. At year end, these individuals are given a Form 1099 for the total amount received in the calendar year. The individuals are then responsible for any self-employment and income taxes thereon when they file their personal income tax returns.

Do be careful in this determination. In general terms, Internal Revenue Service regulations define an employee (subject to employee withholding taxes reported on Form W-2 at year end) as someone who:

- works under the control of, and at the discretion of the employer.
- performs regular tasks designated, controlled and assigned by the employer.
- is provided (by the employer) all of the tools necessary to complete the assigned tasks.
- does not perform similar services for other employers.

If you have a like situation in your parish, call the Personnel Office at the Chancery for their help in making a determination of whether the person is an employee or an independent contractor. Determination of employee status can be involved and somewhat complicated; the total facts and circumstances of each individual case must be considered. It is far better to get sound advice now, rather than have an adverse determination later by the Internal Revenue Service.



### We're rolling out the red carpet to Welcome Mary Creed and Margaret Kopatz Kraus!

The Finance Office welcomed Mary and Margaret to their staff in late August. Margaret previously owned her own alterations business and prior to that was Controller for Valu Market. Margaret will be working with Charlie Mays performing parish audits. In addition, she will review parish financial reports and keep the Finance Office information on the website up to date. Mary comes to us from an accounting firm in her hometown of Taylorsville. Mary is our senior accountant and will work with the agency accounting functions. Join us in welcoming Margaret and Mary to our staff.

## Louisville Metro Smoking Ordinance



Below is the clarification from the Louisville Metro Health Department regarding the impact of the Louisville Metro Smoking Ordinance:

Regarding the clarification on applicability of the smoking ordinance to properties owned but not leased to other businesses by the Roman Catholic Bishop of Louisville, churches for the purposes of this ordinance are considered private organizations. Therefore, functions held for its members, as well as fund raising events held on church property will be exempt from this ordinance. However, any fundraising event held at another location in which the public is invited will be covered by this ordinance and smoking will not be permitted. Smoking is not allowed in any school building. You may also find helpful information concerning the ordinance at [www.louisvilleky.gov](http://www.louisvilleky.gov)

### NEEDED:

One of our archdiocesan agencies needs room partitions and a popcorn machine. If you have and are willing to donate, contact Mike Kilkelly at [mkilkelly@archlou.org](mailto:mkilkelly@archlou.org)

## *Who is your Beneficiary?*

Have you checked your beneficiary designation for your retirement account recently? If not, you may find that your designated beneficiary is not who you think it should be, especially if you've experienced a life-changing event recently, such as a birth, death, marriage, or divorce. Your retirement accounts are not part of your estate and generally not covered by the provisions of your will. Add a beneficiary review to your yearly retirement checkup to make sure both your portfolio and beneficiary are in line with your wishes.

### FLEX SPENDING ACCOUNTS

Please remind your employees that to be reimbursed from the 2005 Flex Health Care and Dependent Care Accounts, expenses must be incurred by December 31, 2005 and requests must be received by the Chancery Finance Office (attention: Phyliss Wilkins) by February 28, 2006. Amounts remaining in the accounts after the February 28th requests are processed will be forfeited.

Copies of the 2005 Child and Dependent Care Reimbursement Request and 2005 Health Care Reimbursement Request are available on the Archdiocese of Louisville website. Go to [archlou.org](http://archlou.org), click on The Archdiocese, click on Publications and look for Resources

## Thanks from the Chancery Finance Office

As another year comes to an end, we want to take this opportunity to thank the parish bookkeepers, business managers, and cafeteria managers and workers for your cooperation and hard work. Together we have made great strides and we will continue to work for a better future.

From all of us in the Finance Office....

Happy Thanksgiving

Have a very Blessed Christmas

and

A New Year Filled with Peace

## 2006 BENEFIT ENROLLMENT



Forms are due no later than November 30th. Send to the attention of Candy Wittenauer, Chancery Personnel Office.

In addition to reviewing all 2006 Benefit Enrollment Forms, review all information being sent to the insurance carriers. Make sure that you parish subgroup number is on all forms and applications. Incomplete and inaccurate applications delay processing and coverage for your employees.

At this time, the Chancery Personnel Office offers a big thank you to all bookkeepers and business managers for the work you do each year completing this open enrollment process. As always, we appreciate all of your hard work.

## **FOOD SERVICE NEWS**

### **Mark Your Calendar for the 2005/2006 school year!!!**

<b><u>Date</u></b>	<b><u>Event</u></b>
November 16	Chapter Meeting, 2:30 PM, St. Athanasius
November 24-25	Food Service Office closed – Thanksgiving Holiday
December 23-27	Food Service Office closed – Christmas Holiday
December 28-30	Michelle on vacation
January 2, 2006	Food Service Office closed – New Year's Holiday
January 16, 2006	Food Service Office closed – Martin Luther King Holiday
January 10, 2006	Managers Meeting, 2:30 - 4:30 PM St. James/Elizabethtown
January 11, 2006	Managers Meeting, 2:30 - 4:30 PM Maloney Center
March 6-10, 2006	National School Breakfast Week "Go Places with School Breakfast".
March 14, 2006	Managers Meeting 2:30 - 4:30 PM St. Aloysius/Shepherdsville
March 15, 2006	Managers Meeting, 2:30 - 4:30 PM Maloney Center
May 16, 2006	Managers Meeting, 2:30 - 4:30 PM St. Joseph/Bardstown
May 17, 2006	Managers Meeting, 2:30 - 4:30 PM Maloney Center
June 19-21, 2006	KY School Nutrition Association Conference, Galt House, Louisville, Kentucky
July 16-19, 2006	School Nutrition Association Conference Los Angeles, California

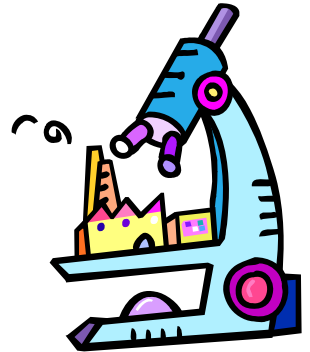
## **Jefferson County Health Department Sanitation Course**



The Jefferson County Health Department must certify all food service employees. Register by mail or in person at 400 E. Gray Street and pay the fee of \$25.00 to receive materials to test. After fee is paid call 458-0841 within 90 days to schedule exam day and time.

### **2005 Audit Findings**

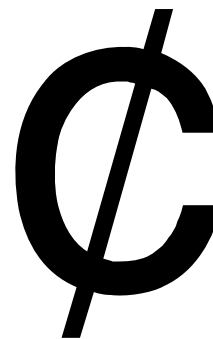
During the compliance audit of the federally funded school lunch program, the auditors noted several areas where there was a lack of documentation and incomplete records.



Following are the areas of concern:

- Master list of free and reduced-price participants was not available
- Pest control inspections were not available
- Employee signatures were missing from time sheets
- Indirect costs were calculated incorrectly
- Double payments were made on statements and invoices
- Income Statement and General Ledgers did not reconcile

### **"Computer bits from Brenda Bierly"**



Have you ever wondered what happened to the cent sign from our good old typing keyboard? If you would like to add symbols to your documents it's really easy. Click on Insert in the menu bar, click on symbols or characters, a window will appear showing all sorts of selections. The cent sign is under Palatino Linotypes, but check out webdings and wingdings1,2, & 3 for some really neat little pictures. Also, if you click on your Windows Start on the task bar, go to programs, then to accessories, then character map, you will find symbols there.

## National School Lunch Week

To help celebrate NSLW and its theme "School Lunch: It's Instrumental" the students of St. Barnabas enjoyed the playing of bagpipes during their lunch and recess. A member of the Louisville Metro Fire Department, Mr. Milton Hettinger, dressed in his kilt and spoke to the children about information concerning the origin and history of the bagpipes

### Indirect Costs

Per the Kentucky Department of Education, all schools must pay an Indirect fee to the parish/school. To calculate the Indirect fee, multiply 10% of payroll (including line workers) and payroll related costs. If you need a correct form to assist in calculating this cost, contact Michelle or Susan in the Central Food Service Office.



### USDA COMMODITY PRODUCTS

☆ **The following schools have excess USDA commodities. If you are interested in any of these items, contact the cafeteria manager.**

**St Bernard**, Jennifer Ellis, 239-5178, Pork Roast and Orange Juice concentrate.

**St Gabriel**, Brenda Bierly, 212-4058, Turkey Picnic.

**St Gregory**, Mickie Wheatley, 502/348-2997, Mozzarella Cheese.

**St James/L**, Dorothy Woodard, 454-0330 ext. 27, Ground Beef and Pork Roast.

**St Pius X**, Angela Perry, 451-8279, Pork Roast.

☆ **The schools listed below would like to have the following USDA commodities. If you have and would like to transfer, please contact the cafeteria manager.**

**Bethlehem**, Phyllis Spalding, 502/348-8594 ext. 218, Ground Beef and Salsa.

**Holy Spirit**, Lisa Hulsman, 893-7700, Peanut Butter and Tuna.

**Notre Dame Acedemy**, Janie McNeill, 448-7556, fruit, peanut butter, refried beans, salsa, and vegetarian beans.

**Our Lady of Lourdes**, Joyce Keller, 893-3628, Orange Juice, Diced Chicken, and Canadian Bacon.

**St Andrew Academy**, JC Westenhofer, 935-4578 ext. 235, Taco Meat, Meatballs, cheese, hamburgers and any vegetables.

**St Bernard**, Jennifer Ellis, 239-5178, Taco Meat and Ground Beef.

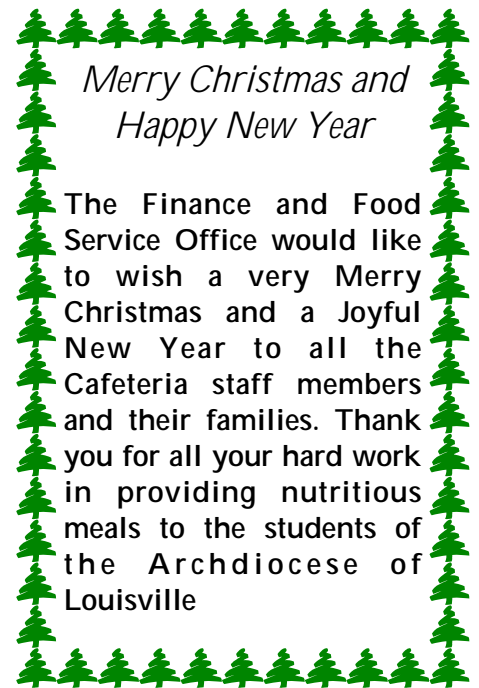
**St Catherine**, Debbie Durbin, 502/549-3680, Apples, Pork Patties, and Turkey.

**St Gabriel**, Brenda Bierly, 212-4058, Peanut Butter and Spaghetti Sauce.

**St Gregory**, Mickie Wheatley, 502/348-2997, Eggs and Ham.

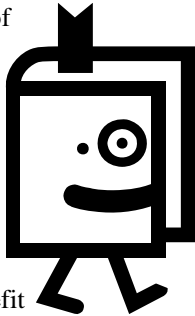
**St James/L**, Dorothy Woodard, 454-0330 ext. 27, Taco Meat.

**St Patrick**, Juanita Bisig, 719-0368, Taco Meat or Ground beef.



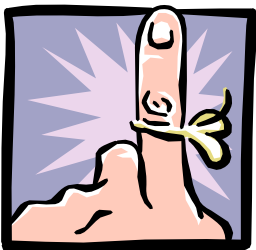
## Book of the Month

Actually, it's the Archdiocese of Louisville Employee Benefits Program 2006 and Summary Plan Description booklet. Each benefit eligible employee should have received for 2006 Open Enrollment. This booklet details all benefits and should answer most any question you may have concerning our benefit program.



## Reminder.....W-2Gs

You must send Copy A of all W-2Gs to the IRS with Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Instructions for completing Form 1096 are detailed on the Form 1096.



## Reminder... it's that time of the year!

Time to order those 2005 W-2s and 1099s. Get your order in to prevent any delay in getting this calendar year end process completed.

## MANAGEMENT

Managers are valuable, but leaders are essential:

- Remember that making new things happen is more important than reporting what old things have happened.
- Instill an "I can make it happen" attitude in all your people.
- Focus on doing the right things instead of just doing things right.
- Work every bit as hard at teaching as at training. Teaching is much more complex than just supervising.
- Focus on performance, not conformance.

Stop Paddling & Start Rocking the Boat



## WORKSHOPS, TRAINING, PROFESSIONAL DEVELOPMENT

Help us to help you. Enclosed please find a questionnaire to get input that will assist us in scheduling workshops and training sessions in 2006. By working together, sessions can be scheduled for parish personnel at a reasonable cost and meet the training needs and professional development of parish employees. However, in order to be cost effective and meet the needs of our parishes, your input is most important. Please take a few minutes to complete the enclosed form and return to Phyliss Wilkins at the Chancery Finance Office (P.O. Box 1073, Louisville, KY 40201-1073) or e-mail to [pwilkins@archlou.org](mailto:pwilkins@archlou.org) no later than Friday, December 9, 2005.

## Year-End is a Great Time to Organize Personnel Files

Year-end signals the anticipation of filing annual payroll tax returns. It is also a good time to review personnel files to make sure you have up-to-date information for each employee. Each file should contain:

- ✓ Latest signed W-4 and K-4 form
- ✓ Latest Benefit Enrollment Form
- ✓ Current salary and salary history
- ✓ Signed acknowledgement that the employee has attended Safe Environment training
- ✓ Current Position (Job) Description (For all teachers, include a current, signed contract)
- ✓ Year-end status of available leave time (vacation, sick days, personal days, etc.)
- ✓ Emergency contact phone information

Prior (superseded) W-4 and K-4 forms, Benefit Enrollment Forms and time sheets should be maintained in a separate, archived files for future reference should a question arise. Signed I-9 forms for all employees are to be kept in one separate file. Kentucky New Hire Reporting forms are to be prepared and filed for all new employees, with copies maintained in one file.

To assist you in organizing your personnel file, enclosed please find a personnel file checklist that can be attached to the front of each personnel file and completed as the file is checked for contents. If you would like this excel file, send an e-mail to Phyliss Wilkins at [pwilkins@archlou.org](mailto:pwilkins@archlou.org)



## ARCH SUPPORT ON THE WEB!

To read the newsletter online or print additional copies, go to the archdiocesan web site

[www.archlou.org](http://www.archlou.org)

Click on “**The Archdiocese**”, click on “**Publications**”. This latest edition will be available as well as issues from the last two years.

*Also available on the website:*  
**2005 Health Care and Dependent Care Reimbursement Forms**

Click on “**The Archdiocese**”, click on “**Resources**”. Double click on the form and print.

## ARCH SUPPORT

Archdiocese of Louisville  
Finance Department  
P.O. Box 1073  
Louisville, KY 40201-1073

## UPCOMING MEETINGS

*Mark your calendar*

### DECEMBER ARCH SUPPORT MEETINGS

Tuesday, December 6th – 10:00 AM  
Maloney Center

Wednesday, December 7th – 10:00 AM  
St. Joseph Parish Office – Bardstown

Guest presenter will be Ms. Lori Massey, Information Systems. The Information Systems department was formed in January 2005. They have 5 employees whose responsibilities include maintaining a database to be used by all diocesan agencies, provide updated mailing lists and weekly mailing labels to The Record, provide data services for CSA, parish fundraising campaigns and agencies, maintain file servers and computer equipment and serve as a help desk for diocesan agencies as well as maintain the Archdiocesan webpage. When formed, Lori Massey was appointed Director.

Lori will be on hand at our December Arch Support Meetings to meet parish bookkeepers and business managers as well as provide an overview of the new Archdiocesan webpage and the future for our database information at the archdiocesan and parish levels. If you have questions or need additional information, contact Phyliss Wilkins at [pwilkins@archlou.org](mailto:pwilkins@archlou.org) or 502/585-3291 ext. 136.

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## BUSINESS MANAGER'S ROUNDTABLE

Thursday, January 12, 2006 — 11:30 AM  
St. Aloysius — Pee wee Valley — Eagle's Nest

Hosted by Bridget Wempe  
RSVP: [bwempe@stalloysius.org](mailto:bwempe@stalloysius.org)