

**Diocese of Jefferson City**  
**Information on Annual Parish Report and Budget**

- Report needs to be returned to the Chancery no later than **August 9, 2024**.
  - **Two** copies are requested:
    - Excel template AND
    - One signed copy (.pdf) – signature of the pastor and all finance council members
  - Send to the Finance Office electronically to [financemcq@diojeffcity.org](mailto:financemcq@diojeffcity.org) or by mail
  - Retain one copy of the signed document for permanent parish files
- Report calculates totals for you automatically
  - **Gray areas contain formulas; do not type in them**
  - If you insert lines, make sure they are picked up in the totals

**NOTES ON VARIOUS ITEMS**

- **Page 1**
  - Include your parish federal identification number. This is the number used to open bank accounts and process payroll. Be sure to review the number for accuracy.
  - Remember that Page 1 should be the last page completed, as it pulls numbers from other pages.
    - **Gray areas contain formulas; do not type in them**
    - Line 1 should include all parish checking accounts - general and special.
    - Lines 2 and 3 should include all parish investments with the Chancery and others.
    - Lines 4 and 5 are reserved for other assets, etc.
  - Please be sure to list the accounting software used at your parish.
- **Page 2**
  - **Gray areas contain formulas; do not type in them**
  - Only enter an adjustment amount on Line 38 after discussion with the Finance Office. You will need to include a detailed explanation of any amount entered.
  - **Line 37 should be the same amount as Line 39 of your prior year's report**. Submissions that do not include an amount on Line 37 or list an amount other than the prior year's Line 39 will be returned for corrections.
  - Line 39 should equal Line 15 from page 1. Unbalanced reports will be returned for correction.
  - Finance Council member signatures must be part of page 2. *We understand that many committees do not meet over the summer. If this is the case for your parish, be sure to submit your report by the date requested, mark DRAFT on the submission and list the date of your next scheduled Finance Council meeting. Final, signed copies will be expected after the date listed.*

- **Page 3 and 4**
  - Do not record your full banking account numbers on these pages.
  - Be sure to fill in the total additions and deductions in each bank account on the report. For help pulling a report for this, see Notes at the end of these instructions.
  - If you withdrew funds from your deposits with the Chancery or other deposits listed on Lines 1-4, **DO NOT** include that as “other receipts” on Pages 6 and 7. These are considered transfers from one asset to another, and would be included in the Additions and Deductions columns for the bank accounts. *Including it as a receipt overstates the parish income.*
- **Page 5**
  - The “Outstanding Obligations” section is for any unpaid amounts *for the current fiscal year* to be entered on the appropriate line. If there are unpaid invoices, list them in the space provided or attach another sheet of paper to the report.
  - If your parish writes checks and holds them until funds are available for them to clear (a very dangerous accounting practice), these would already be included in your expenses, so contact the Finance Office on how to record them on the report.
  - Principal paid on debt is reported in the Repaid principal column and the balances are carried forward to lines 11 or 12. The interest paid on a loan is listed as an expense in line 408.
- **Page 6 and 7**
  - Line numbers with blue indicate extraordinary income for tithing purposes.
  - Please note the ‘less expenses’ on several lines throughout the report (such as 104.1 Main Parish Socials, Picnics, etc.). The report allows to you enter your expenses *as a negative amount* or you can simply report the event income as net of expenses. This aligns with the tithing calculator.
  - Direct payment of expenses by organizations
    - Parish and school expenses paid for by parish organizations (i.e. Holy Name, Ladies Sodality or Home & School) should be reported on lines 106 (Donations from Parish Societies) or line 175 (School Donations Received From), as applicable.
    - Outside organizations (i.e. School Foundation, Knights of Columbus, etc.) should be recorded on lines 115 (Expenses Paid Directly by Others) or 179.5 (School Expenses Paid Directly by Others), as applicable.
    - Regardless of the organization (parish or outside), the expenses paid should be shown under the applicable category.
  - Line 108: List rental income net of refundable deposits on hold. Once a deposit is forfeited or the parish keeps it for any reason, it is then considered rental income.
  - Line 122: The list below should be recorded on this line:
    - MO state tax credit
    - Reimbursements for tithing payments from parish/school organizations
    - Returns of tithing payments on Capital Campaign income from diocese
    - Binations refunds from diocese
    - Payments for insurance claims
    - Other refunds/reimbursements

- Line 129: Once a Mass offering is satisfied, parishes should transfer the amount of the offering from their stipend account to their parish account. Parishes may move the funds monthly, quarterly, bi-annually or annually. Do not record these transfers as an income or expense; they are simply moving funds from one account to another. (Additions and deductions from bank accounts).
- Line 130.1: All capital campaigns must have written approval from Bishop. The Chancery must have the approval letter on hand for you to report income on this line. If you do not have a letter, DO NOT report ANY funds on Line 130.1. The receipts should be listed on Line 130.2
- Line 132: Report reimbursements of salary/benefits and other expenses if your parish shares a priest or processes payroll for another parish for *any* position.
- Line 133: Use this line for collections taken up for other charities or organizations *and* the funds are all paid out directly to other charity or organization. The corresponding payments of these funds should be listed on Line 326 and the amounts should net to zero.
- Line 136: Use this line to record income/credits and expense/debits for items related to the employee deductions from payroll for benefits and payments to the Diocese via the monthly ACH pull for BenManage items (unless you utilize a liability account).
- Line 136.1: Use this line to record income/credits and expense/debits for FSA (flex spending account) items related to payroll benefit deductions and Paylocity (unless you utilize a liability account).
- IN KEEPING WITH THE STEWARDSHIP WAY OF LIFE, parishioners should be combining any Universal Collections donations and donations to the CSA into one donation to the parish. Any donations for Universal Collections should be kept by the parish and reported as offertory. If the parish sent checks to the Chancery for donations to Universal Collections, record the receipts on line 133, Collections In/Out. Then report the expense on line 326, Collections In/Out. These two lines should net zero on the report.
- Lines 175 has been expanded to itemize donations and grants. Add lines as needed. Be sure added lines are in the total for the section. If list is lengthy, show total on the report and add a page that lists the donations. Note on the document if the grant is to be considered extraordinary income. Please note the qualifications for a grant to be extraordinary:
  - *To be considered a true grant that is NOT tithable the funds must have been formally applied for, include a Letter of Agreement and follow-up reporting procedures. Documentation must be submitted to the Finance Office with the tithing calculator.*
- Line 179.1: Add additional lines as needed (or list on a separate sheet) so that you can list the groups making donations for these lines.
- 179.2-6: Please read the lines carefully; these match the tithing calculator.
- **Pages 8 through 13**
  - Salaries and wages
    - All salary expenses must be reported in the appropriate salary category.
    - Salary (Lines 300-309.1, 500-508, 500.1-508.1, 600-608,700-701,800) expenses should tie back to your Paylocity processing and 941 tax filings.
    - Payments made to religious orders or payments made to another parish for a pastor's salary should not be listed on Lines 300-309.1, etc. (see below)

- If a priest is split between multiple parishes or if another parish is running payroll on your behalf, the primary parish should be paying and recording the full salary expense (on Lines 300-309.1, etc.)
      - The subsidiary or reimbursing parish should expense the payroll reimbursements to Line 421, noting the parish being reimbursed
      - The primary parish records the reimbursement/income on line 132.
    - If your parish is running payroll for another parish, be sure to list the parish name and type of position (secretary, cook, pastor) you are running the payroll for. There are multiple Line 309.1's for this purpose.
    - Payments for substitute priests should not be listed as a payroll expense. Payments to visiting priests are expensed to Line 421.4, stipends.
    - Do not report an expense for Mass Offerings (Stipends) in the payroll accounts. Mass Offerings are already included in the priest's compensation, which is reported on line 300 and/or 301.
    - Report the parish contribution for clergy 403(b) retirement expense on Line 329.
    - Record Paylocity fees on Line 330. If your parish uses an accounting firm for any processing, expense those charges on Line 330 also.
    - The parish portion of FICA/Medicare taxes should be reported on Lines 317, 517, 517.1, 617, 717 and 817 as applicable.
    - Lines 506, 506.1, 507, 507.1, 606 and 607 have new descriptions to accommodate the break out of substitute teachers and aides/after school care personnel.
    - Lines 508, 508.1 and 608: be sure to describe the position for the salary expense recorded.
- Property and Casualty Insurance Program
  - Property insurance premiums should be broken out by building on Lines 312, 512, 512.1, 612, 712 and 812. If no breakdown is available, report premiums on Line 312.
  - Insurance premiums should be reported as net. If you paid timely and received a discount, show the discounted amount. If you were late and paid an interest penalty, the penalty should be included as premium.
  - Since the discount or penalty is not broken out by building, you can subtract it from the largest building, spread it evenly, or spread it proportionately.
  - Workman Compensation insurance premiums are not broken out by parish/school. However, if a parish wishes to do this, allocate the premium based on gross payroll and record on lines 312 and 512. You are not required to break this out.
  - Workman Compensation insurance premiums are billed based on Paylocity payroll reports. If another parish runs your payroll, you may receive an invoice for workers compensation from them.
- Line 325: Pro Mensa – Per the annual priest compensation schedule, there is a maximum amount per priest per month. Only qualified expenses should be charged to this line. See guidelines on the Priest Compensation Policy (found at <https://diojeffcity.org/policies-procedures-and-best-practices/>).
  - For other items that may have been expensed to the former 'table and laundry' line, use the appropriate expense category. For example, a pastor's cell phone would be expensed to Line 310-telephone. A pastor's basic cable bill (parish responsibility) would be expensed to Line 311-utilities.
- Line 342: Business Meals – use this line to record meal expenses for groups or pastors that provide receipts and note the group or those in attendance at the meeting.
- Expenses for Religious

- Expenses for religious should not be reported under Convent Expenses. Instead, allocate them to the applicable ministries where the religious work (i.e. school, religious education, etc.). Record mileage and food expenses for religious on line 421.4.
  - The Convent Expense category should only be used for fixed expenses relating the structure, such as utilities, repairs, maintenance, improvements and insurance.
- **Page 14 - Proposed Major Projects:**  
Please complete this section with as much detail as possible. The Chancery uses this information to hold back funds that are in savings for parishes with upcoming projects. The held-back funds are kept as unavailable to loan to other parishes by the Diocese of Jefferson City Fund, so they are readily available to the participating parish.
- **Page 15 – Budget**
  - **All parishes are required to prepare an annual budget.** Do not put numbers in the cells on Page 15; there are formulas that pull from the other pages.
  - A budget is an estimate of financial activity for the upcoming year. Accuracy is important, but a budget is an estimate and, therefore, cannot contemplate every contingency. The budget should be prepared either upon a percentage of the prior year’s activities or by identifying expected sources of revenues or expenses on an account-by-account basis. Having a prepared budget allows the pastor and finance council to examine variances between actual results and budget figures on a monthly, quarterly, semi-annual, and annual basis, and is critical in controlling the financial performance of the parish.
  - **If your budget predicts a loss for the year, attach a statement as to how the parish will cover the loss and what steps are being taken to return to a positive position.**
- **Page 16 - Summary**  
This page reflects your CSR (Catholic Stewardship Renewal) tithe summary calculator. There are no entries that need to be made on this page.

**NOTES:**

Because this report is used for several purposes, please do not change the descriptions on existing lines. If you have items that are not compatible with existing descriptions, please make use of an “OTHER” line and include a description.

- Additions and Deductions report for pages 3 and 4 using Quickbooks:
  - In the top dropdowns, go to Reports > Accountant & Taxes > Journal
  - At the top, customize the date to Last Fiscal Year
  - Hit the Customize Report button
  - On the Filters Tab, choose the bank account you are reporting
  - Hit OK
  - At the bottom of the report are the numbers you need to report additions and deductions for the year

If you have any questions on how to classify something on your parish report or your reports are not balancing, please do not hesitate to contact Michelle Truesdale or Paula Glynn at 573-635-9127 or by email at [finmng@diojeffcity.org](mailto:finmng@diojeffcity.org) or [pglynn@diojeffcity.org](mailto:pglynn@diojeffcity.org).