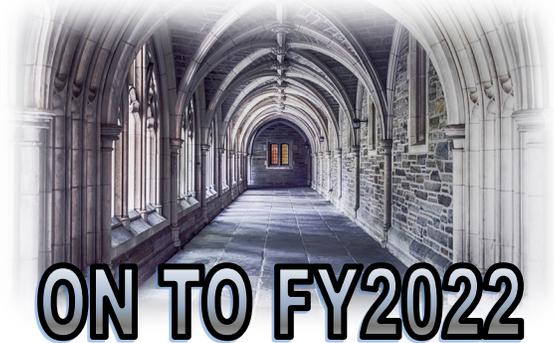


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FINANCE ELECTRONIC COMMUNICATIONS

Most communications from the Finance and Benefits offices will be sent electronically. Each parish must assign someone to have access to the Diocesan supplied business manager e-mail address. The best practice is for the pastor and the business manager to frequently monitor their diocesan email accounts (at least weekly). More frequent monitoring is highly encouraged. The pastor and business manager e-mail will be the primary point of communication. Diocesan priest (all) and business manager e-mail accounts can no longer be automatically forwarded to outside e-mail addresses due to enhanced Microsoft security services.

All employee benefit invoices for pension and health are generated electronically, and must be accessed through the separate on-line manager self-serve (MSS) portal. Parishes will **not** receive a paper invoice through the mail for pension or health benefits. The practice of e-mailing the bills to the business manager e-mail has ended, and has been replaced by access to manager self-serve. A notice will be sent each month to the BMR email when invoices are available in MSS. If you need help accessing the business manager e-mail account, please contact the IT department at itsupport@dioceseofcleveland.org. If you need help accessing manager self-serve for employee benefits, contact Paul Hudak at phudak@dioceseofcleveland.org.

When using email at any time, always be attuned to security risks. Emails from outside the diocese will carry a notification. If you do not know the sender, or are not expecting that specific message/attachment/link, the best recommendation is to delete the message (without opening the attachment or link). If you do know the sender, you can follow-up with that person via known and established methods (do not reply to the email, do not contact via the information provided in that email).

PAYROLL PROTECTION LOANS

Many parishes and schools participated in the payroll protection loan program (PPP) through the Small Business Administration. Parishes and schools that received the loan must reflect the loan balance in their June 30, 2021 financial reports if forgiveness has not been granted. The amount must be listed in the loans, notes, and mortgage section of your balance sheet, and on any year-end financial report to the Diocese or the parish community. If your loan has been forgiven, the liability must be removed from the balance sheet by a debit to the liability account, and the full amount forgiven should be credited to account 1109, extraordinary income, and reflected on Schedule F of the toolkit. It is a best practice to set up a sub-account in 1109 titled SBA PPP Loan Income. If your parish or school participated in the PPP Loan program (Round 1) and you have received forgiveness, please forward a copy of the forgiveness documentation to the Finance Office if you have not already done so. If you have applied for a PPP Loan (Round 2), please be sure to inform the Finance Office of the date and amount received.

NEW IRS REQUIREMENT!!
990-T must be filed electronically.

ENERGY SUPPLIER

Just a reminder, the Diocese has contracted with a new Energy Supplier for electricity. The vendor is ENERGY HARBOR. Carefully review your electric bills to make sure ENERGY HARBOR is the supplier for the electricity.



The contract for the natural gas supplier remains with INTERSTATE GAS SUPPLY (IGS) and this should be reflected on your natural gas bill. For questions about the Diocesan energy programs, please contact Chris Easton at ext. 3920.

YEAR END ACCOUNTING

The time is just around the corner for the preparation of the year end annual financial report. The financial report is due in the Finance Office on or before August 13, 2021. The Diocese has reporting obligations, so it is essential that you do all that you can to submit the report on time. Once again, we will be utilizing the toolkit that we have used before, so it should be very familiar to most of you. The important thing to remember is that the toolkit be IN BALANCE, and all supplemental schedules agree. EVERY parish, school, and affiliated account must be reported AT THE RECONCILED BALANCE. Please pay attention to the built in warnings in the toolkit. Any “NO” condition, or **error message** must be corrected before submission.

At year end, we require five items to be accrued. The five items are tuition or other revenue received in advance; diocesan obligations payable as of June 30th; teacher salaries earned during the school year but payable over the summer months of July and/or August; accounts receivables such as unpaid tuition or rent due the parish; and large contracted obligations or capital projects to the percentage completed at fiscal year end. Detailed instructions will be included on the 4th tab of the toolkit.

FRAUD PREVENTION TIP

Most modern copiers also function as office printers and scanners. The devices generally contain a hard drive or some other storage device, making it possible for a record of every item copied, faxed or scanned to be saved on the machine. It is important to make sure all parish data is removed from the memory and storage device prior to disposing of the machine. Some machines have the technology built in for the automatic removal of the data from the machine after each use, and it is an option on some machines. Please check with the company that manufactures or maintains your machine, or your parish technology professional to see if there are additional steps that must be taken to ensure parish data is secure and does not leave the building accidentally in a discarded machine or some on-line exposure.



BUDGETING

As of July 1, 2021, the parish will formally implement the parish budget for the 2021-2022 fiscal year. The operating budget should reflect a balanced budget. If there is a deficit, the deficit should only relate to the capital budget. The budget is required to be submitted on the toolkit and must be shared with the parish community either in a separate document or on the annual financial report to the parish.

PAYCOR TIP

If applicable, Group Term Life must be entered into the payroll system for employees receiving that benefit. It is important that the amount be correct for any employee. If group term life is not recorded, it may cause the filing of amended returns if an adjustment is made after a quarter has been closed. It is important to ensure the amount for group term life is correct before terminating an employee. If terminating an employee, please contact the Employee Benefits Office to confirm the correct amount of Group Term Life to be recorded if that benefit is applicable to your employee.



OFFERTORY COLLECTION RECORDS RETENTION
Collection Counter Reports - 7 years
Annual parishioner contribution report - 7 years
Reconciliation of envelopes posted and counters reports - 7 years
Collection envelopes - Minimum of 12 months, longer if space permits, keeping in mind donor tax reporting and extensions on tax returns

DESIGNATED COLLECTIONS

As the end of the fiscal year approaches, all designated collections must be reconciled, both in total, and individually. Please take the time to carefully review the amounts collected, the amounts remitted, and the amount remaining to be remitted. The goal is to remit all amounts prior to June 30th. Any amounts collected prior to June 30th and not remitted, must be shown on the balance sheet either as a separate line liability, or clearly identified in accounts payable.

Dates to Remember	June 15, 2021	Contact parish groups and organizations and remind them financial data is due to the parish business office when completed as of June 30 th
	June 28, 2021	Reconcile and remit all designated collections. Collections must be reconciled individually and in total.
	July 1, 2021	New clergy salary effective New budget effective New Health Insurance rates and employee contribution amounts effective
	July 15, 2021	Unemployment and Workers' Compensation reports due to ACR, and payment due to the Diocese of Cleveland
	August 13, 2021	Annual Financial report due to the Finance Office