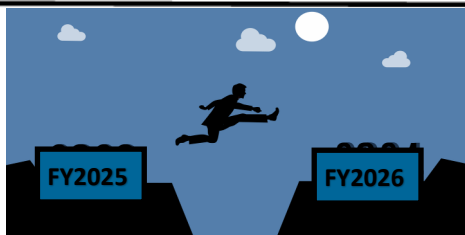


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YEAR END

The end of the fiscal year is fast approaching. The fiscal year ends on June 30, 2025. There are several important accounting tasks that must be reviewed and performed. A memorandum will be issued shortly outlining specific items, in detail. The fiscal report for the year ended June 30, 2025 will be due in the Finance Office on or before August 15, 2025. Please plan accordingly to meet this deadline.

PASTOR CHANGES

During this time of year, many changes in pastor and parochial vicar take place. There are a few items that must happen in the business office when there is a change of pastor:

The Pastor (Administrator/PLC) must be a signer on every bank account that utilizes the tax-identification number of the parish. Please arrange a time for the incoming pastor or administrator to go to the bank, present his identification, and sign the appropriate paperwork. Please contact the Legal Office if assistance is needed at the bank to change signers. Frequently, the bank will update the account relationship when a change of signers is requested.



If the pastor or parochial vicar that is leaving the parish has a parish issued credit card, the credit

card account must be closed. If the new pastor desires a parish issued credit card, a new credit card should be issued to the new pastor or parochial vicar. As a best practice, the incoming pastor should be provided a listing of all parish issued credit cards, and which parish employees have such credit cards in their possession or at their disposal.

The new pastor must be set up as a user or administrator on the Paycor payroll system. It is important that the full access be established for the incoming pastor BEFORE terminating the outgoing pastor in the payroll system. Please contact Paycor for assistance with lead time for this transition. The pastor or administrator must have full, unlimited access to the payroll system, including all functions and report options.

OFFERTORY COLLECTION GUIDELINES

We have started the process of updating the Parish Financial Operations Handbook, and the first topic updated is the counting guidelines for Offertory Collections. Please visit the SharePoint site and review the newly issued guidelines under: Resources / Operations Documents / Finance Operation Manual / Policies & Procedures / Tab 18b E Cash Receipts – Offertory.

All parishes are expected to review the guidelines and adopt them. The new guidelines are a minimum; parishes are free to make the counting procedures more stringent if the situation warrants. Parishes may add to the published guidelines, not take procedures away from the guidelines. The new guidelines will be incorporated into all parish reviews commencing on or after July 1, 2025, and an offertory observation by a finance office staff person will be required. It is suggested the guidelines be duplicated and given to EACH individual on the counting teams so that all will know the procedures that are expected to be in place. If you have any questions about the guidelines, please call the Finance Office.

GROUP TERM LIFE INSURANCE

It is mandatory all parishes and schools offer group term life insurance and disability coverage to all eligible employees beginning July 1, 2025. If you have not enrolled your employees or begun the process, please contact the Benefits Office immediately. Eligible employees may not waive participation in the Life Insurance and Disability plan or the pension plan.

The Benefits Office will issue information to all parishes and schools regarding the taxable amount to be included in payroll for group life insurance that exceeds \$50,000 in coverage. The amounts MUST BE PROCESSED THROUGH PAYROLL. It is also required to make sure the correct amount is included for employees being terminated before the final paycheck is processed. Be sure to use the Paycor code for Group Term Life that is NON CALCULATING.

PAYCOR

As was communicated previously, a new pricing model has been adopted by the Diocese relating to the pricing of Paycor payroll services. The new model will utilize active employees as the base that drives the price you pay for services. To ensure that you are not charged unnecessary fees, please remove all inactive employees from the payroll system by terminating them in Paycor.

When processing payroll, please be sure that the pre-post payroll journal is being run and approved for each payroll. The ideal situation would be to present the pre-post payroll journal to the pastor or his designate before the payroll is submitted. Realizing parish staff members processing payroll may not work during normal office hours, alternatively the pre-post payroll journal is to be run along with the cash requirements report, and the payroll changes report. All three documents should be presented to the pastor or his designate for sign-off and approval as soon as practical. The approved documents should be retained with your payroll records.

HUMAN RESOURCES



Patricia Baszuk is the new executive director of Human Resources. Patty can be reached at extension 3930. She and the entire Human Resources Staff are able to answer any questions and are a valuable resource to assist you in performing the duties of the business manager related to Human Resources. Please feel free to reach out to the Human Resources Department as necessary or desired.

Beginning July 1, 2025, the new Priest Remuneration Policy goes into effect in the Diocese of Cleveland. It is imperative that you review the policy carefully, as there have been some significant changes in the area of celebration of Masses and the travel policy relating to clergy celebrating Masses who are not assigned to your parish. The policy also contains the new clergy salaries for the 2025-2026 fiscal year. Please make sure to adjust the clergy salary amounts when processing the first payroll in July.

All employee payroll deductions for medical coverage also change beginning July 1, 2025. Employee deductions for medical care **MUST BE CORRECT**, as incorrect deductions may cause tax issues for the employer and the employee. All medical deductions are on a PRE TAX basis (unless an employee has requested post-tax deductions in writing). An employee change report is prepared and available on the Manager Self-Serve portal for Telus Health (the same portal where the monthly health and pension bills are posted). Please sign into the portal and review the change report which will provide needed information to assist you in calculating the correct employee deductions. If you have any questions regarding the calculation of an employee medical deduction, please call the benefits office at extension 5040 for assistance.

BUSINESS MANAGER SHAREPOINT SITE

Beginning in September 2025, interim toolkits, annual toolkits, newsletters, communications, and other forms and documents relating to business managers will only be available via the Business Manager SharePoint site. The current information will be removed from the public website and will only be available on the SharePoint site. The Business Manager (BMR) email credentials are used to access the site. The link to the SharePoint site is:

<https://catholicdioceseofcleveland.sharepoint.com/sites/BusinessManagers>

It is suggested you bookmark the link for easy reference. There is also a discussion board available through the SharePoint site and we hope to begin utilizing the discussion board on a more regular basis. If you have a question or discussion point, give it a try. Since the SharePoint site will be the source for all business manager related communications, the discussion board can certainly be an excellent resource tool.



Diocesan Offices Closed
Friday - July 4th
Monday- September 1st -Labor Day

TEST YOUR KNOWLEDGE

Scenario A

A parishioner passed away that was a fervent supporter of Catholic Education. You received a letter from an attorney weeks later indicating that the parishioner has left \$100,000 in their will for the parish school, with no restrictions on how the money can be used. All that is necessary to receive the funds is to sign the enclosed release and a check will be sent. Should you sign the release or ask the pastor to sign the release?

Scenario B

You have received several notices from an energy company offering to switch the parish natural gas supplier and offer the parish a variable contracted rate. After several notices, the representative from the energy company visits the parish, and asks to meet with you to discuss the proposal. The offer is great and you realize the parish will save a significant amount of money over the next winter. After performing your due diligence regarding the supplier, they are a four-star company, recommended by several independent rating companies. Should you give them a chance by signing for their service?

PARISH FESTIVALS

During this time of the year, many parishes have festivals as fund raising events. When planning parish and school festivals, here are a few items to keep in mind:

- * Make sure the festival venue has proper security. It is suggested to work with the local police department during the planning process to determine if there are local requirements that must be followed for festival security.
- * Cash handling procedures must be in place at all times. As a reminder, no individual may ever be left alone with cash at any time, for any reason. Ensure that proper internal controls are in place for festivals and all fund-raising events.
- * All electronic payments for festivals must also have proper controls in place. All receipts must be deposited into a parish or school bank account. Proceeds from electronic transactions are never to be deposited into a personal account. Proper PCI compliance must be maintained at all times and devices used to process electronic transactions must be owned by the parish or school, secure, and only used for processing transactions with no other use permitted. Personal cellular telephones, iPads, tablets, and similar devices are NOT to be used to process parish transactions.
- * Contracts for festivals must be reviewed by the Property/Casualty Insurance or Diocesan Legal Office prior to signature. Only the pastor or the Bishop may bind the parish in a contract. Volunteers are never permitted to sign any parish contract or agreement.



IMPORTANT

UPDATED ADDRESS

PNC PARISH INVESTMENT FUND

PNC Bank, National Association
500 1st Avenue (Mail Stop: P7-PFSC-05-U)
Pittsburgh, PA 15219
(p) 412-807-3204
anthony.polka@pnc.com

*For WIRE or ACH instructions,
 please check the BMR SharePoint site
 remember to use parish name & account number*

TEST YOUR KNOWLEDGE (answers)

Scenario A

Actually, neither the pastor or business manager should sign anything at this point. Since the bequest is over \$25,000 AND the gift is restricted for the school; both conditions will make it necessary for the parish to work with the Legal Office and Temporal Goods for the acceptance of the bequest.

Scenario B

No, the pastor should not sign any agreement. The parish should work with the Property/Casualty office for any changes for utility suppliers. The attractive rates might be short-lived and the parish may not have significant savings in the long-term. The diocese develops pricing strategies with energy vendors. Contact Dave Gerbacz at extension 3980 for more information.

Dates to Remember	June 15, 2025	<ul style="list-style-type: none"> * Remind all groups and organizations to submit financial information to the parish. * Reconcile and remit ALL designated collections. Ensure that funds are remitted prior to June 30, 2025. Amounts not remitted must be accrued at June 30th. All collections are reconciled both in total and by individual collection
	June 30, 2025	<ul style="list-style-type: none"> * Fiscal Year ends
	July 1, 2025	<ul style="list-style-type: none"> * New Priest salary remuneration policy if in effect. * Employee medical deductions change * Parish Budget for the 2025-2026 fiscal year recommended to the pastor by the Finance Council
	July 15, 2025	<ul style="list-style-type: none"> * Unemployment and Workers' Compensation reports are due to Minutemen HR. Payments must be shown on the balance sheet as an accrued amount if the payment is calculated and made after the end of the fiscal year 2025. The <u>Unemployment</u> report does not include priests or religious. All amounts are gross wage less health, dental, and vision deductions.
	August 15, 2025	<ul style="list-style-type: none"> * Annual Financial report due in Finance Office (earlier submission is encouraged).