

IN THIS ISSUE

SHAREPOINT—LIVE!
ANGEL FUND
BUDGETING
FRAUD UPDATES: CHECKS & PAYROLL
MASS STIPEND BOOK
RAFFLES AND FESTIVALS
TEMPORAL GOODS



SharePoint

NOW LIVE! CHECK IT OUT!

Pastors and Business Managers should now have access to the Business Manager SharePoint Site.

Access was granted to all pastors and business managers with an *@dioceseofcleveland* email.

If you need access to the site and do not have one of these emails, you should discuss the issue with your pastor who grants the business manager email access. No other emails are permitted access to the site.

BUDGETING

If you have not already done so, it is time to begin preparing the parish and school budget. Each parish and school in the Diocese is required to prepare a balanced operating budget. Preparing a balanced budget can be a difficult task without proper planning and communication. It is recommended the preparation of the budget use a “zero based” budget approach. This means all items in the budget start out at “zero”, and each item be analyzed to determine what is needed and why it is needed at that level. While a common practice is to take the prior year operating results and add a certain percentage to each item, this may lead to budgeted items at a level that may not be realistic. It certainly is a better practice to evaluate each item, as it stands alone, and determine what the needs of the parish or school are in that area.

After the budget has been prepared, the budget should be presented to the Parish Finance Council. The Finance Council, in consultation with the business manager and /or the bookkeeper should review each item in the budget. Once the Council is satisfied with the prepared budget, they should recommend to the pastor that the budget be adopted. If the pastor adopts the budget, it must be shared with the parish community. This is normally done with the annual financial report, however, it may be presented separately. The budget should cover the fiscal year of July 1st through June 30th.

TEMPORAL GOODS

All parishes are reminded of the need to request permission from the Diocese regarding contracts and expenditures in excess of \$25,000 BEFORE the contract is signed. It is recommended that ALL contracts be reviewed by the Legal Office even if the amount is less than the \$25,000 threshold as there could be specified terms such as warranty limitations that could result in economic loss to the parish or school. In some cases, the contract may require the signature of the Bishop or his designee. Leases are also required to be reviewed by the Diocesan Legal Office and may require the signature of the Bishop. Parishes are not permitted to prepare leases or facility use agreements without the assistance of the Legal Office. As a reminder, the pastor is the only person at the parish that can sign any contract or agreement. School principals, business managers, maintenance personnel, or volunteers are never permitted to sign any contract or agreement. All contractual arrangements must be in writing.

RAFFLES AND FESTIVALS

Many parishes are beginning to plan summer festivals and fund raising events. Recent changes by the legislature in Ohio has allowed changes to prizes allowed for raffles. As of March 23, 2022, it is now permissible to offer alcohol as a prize in a raffle.

The Legal Office has revised the instructions for raffles and fund raising. It is highly recommended that the Legal Office document be read very carefully prior to planning raffles and fund raising events. The instructions from the Legal Office are available on the Finance Office website in the Resource section and on the Business Manager SharePoint site. It is recommended that the document be downloaded, printed, and read carefully by all of the persons involved in planning raffles, festivals, and fund raising events.





CHECK FRAUD

Following recent criminal attacks on the U.S. Mail system, we have had several incidents of parish and school checks and account information being misused by fraudsters. Information gained from the crimes has resulted in a great deal of aggravation. Some suggestions:

To help combat check fraud, a useful tool is called Positive Pay. There are several levels of Positive Pay which you can acquire from your bank. You should contact your branch manager or treasury management representative to see if the service is available to you and what it will cost the parish to utilize it. We recommend at least a basic level of service be considered, which will provide some protection.

If you have an on-line banking service, make it a daily practice of signing into on-line banking and examine the transactions that are posted to your account, and transactions pending to your account. If anything looks out of the ordinary, contact your bank immediately. Something that would look out of the ordinary would be if the balance shown in the account is not what you expect the balance should be, checks clearing the account with check numbers not in your current series of check numbers or outside of your check numbers recently issued, and checks clearing for dollar amounts that do not agree with your check register.

Always protect outgoing mail. Don't leave the mail sitting in a mailbox or on a counter in the office where it can't be supervised. If possible, make sure the person taking your mail actually works for the post office. If you are unsure of the identity of the person taking the mail, take the outgoing mail to the post office. When taking mail to the post office, do not use the outside drive up mailboxes. You should deposit the mail inside of the building into a slot labeled for mail.

Consider using electronic payments, where possible. When using electronic payments, you must ensure proper internal controls are maintained over the disbursement process. A best practice would be that the person preparing the electronic payment does not have authorization to release the payment. Another individual with bank account access, would examine the transaction prior to releasing it for processing by the bank.

PAYROLL FRAUD

Along with increased attempts to defraud parishes by attacking the checks issued, there is also a growing scheme to gain data from parishes electronically, and to spoof parish employees into thinking action is being requested by an actual employee. One such example is where a business manager or payroll processing person would receive an e-mail from an employee requesting the change of employee information, such as a change in address, or a change in banking information for direct deposit, or a message from the pastor regarding changing the compensation of an employee. It is NEVER advisable to accept any change information from anyone by e-mail. If an employee wants to change something, it is a best practice to have the employee request the change IN WRITING, and IN PERSON (signed and dated). In the case of changing compensation, WRITTEN authorization signed and dated by the pastor is the best way to make sure your documentation is adequate to support a change to the payroll system.



GUARDIAN ANGEL FUND

All business managers should be aware of a new program where individuals can direct a portion of their state income taxes to a scholarship fund to be used for Catholic schools at their own parish or in the Diocese of Cleveland. Questions about the new program can be directed to Fred Roberts in the Catholic Community Foundation at extension X3310 or by e-mail at froberts@catholiccommunity.org. The primary purpose of the program is to assist with the cost of education for needy students.

MASS STIPEND RECORDING REQUIREMENTS

There are several parishes utilizing electronic means to record and track Mass stipends (i.e. special software, EXCEL, etc.). These methods are great for assisting in the documentation for Mass stipends. However parishes need to be aware that per Canon Law it is required that Mass intentions be recorded in a physical book (*librum*) and the book remains the authoritative record. If mass requests are taken electronically (e.g. link on website) the Mass intention must be recorded as soon as possible in the book.

Can. 955, §3.

“Those who entrust to others Masses to be celebrated are to record in a book without delay both the Masses which they received and those which they transferred to others, as well as their offerings.”

Dates to Remember	March 31, 2022	Reconcile and remit all designated collections. Collections must be reconciled individually and in total.
	April 14, 2022	Affordable Care Act Measurement period ends. (Start date was April 15, 2021). Document and retain calculations. Offer health care to newly eligible employees or obtain health waivers.
	April 15, 2022	Unemployment documentation due to ACR and payment due to the Diocese of Cleveland.
	April 25—May 13, 2022	Health Care open enrollment — begins April 25, 2022 and ends May 13, 2022
	April 30, 2022	Interim Financial Report due to the Finance Office for the period July 1, 2021 through March 31, 2022.
	May 1, 2022	Health Incentives due into the Health Benefits Office.