

Funny

You Should Ask...



A NEWSLETTER FROM PARISH & SCHOOL FINANCIAL CONSULTING · ARCHDIOCESE of MILWAUKEE

March 2023 --- volume 12, issue 1

This newsletter is sent electronically to parish and school directors of administrative services, business managers and bookkeepers. If you have suggestions for topics, please [let us know](#).

[View the Funny you should ask... page](#) on our website.

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New Member of the Finance Office – Welcome Samantha Wright

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Welcome Michael Waddell!

Please join us in welcoming Michael Waddell to the Parish & School Finance Office. Michael will serve as a Parish Finance Consultant, which includes performing budget and CFS reviews as well as help answer any questions you may have. Michael is a parishioner at St. Anthony's in Milwaukee. He recently graduated from the University of Mary in April of 2022. He can be reached at waddellm@archmil.org, and 414-769-3335.

Welcome Samantha Wright!

Please also join us in welcoming Samantha Wright to the Finance Office. Samantha serves as the Administrative Assistant for the Finance Office and will also assist the Parish & School Financial Services Office. Samantha is a parishioner at St. Stanislaus in Milwaukee. You can reach her at 414-769-3327 or wrights@archmil.org.

Update on MyEnroll

Open enrollment is May 17 through May 31 this year (more information to follow). Please ensure all your benefits-eligible employees have verified their emails in MyEnroll.com and set up a username and password to access the platform. To check, login to MyEnroll.com, select Menus, then Reports. Under Census Reports select Census Report with Pending Emails. For those employees who have not yet verified their emails, re-enter their email under Contacts, and the system will generate another series of prompts for them. Please let them know the verification email is coming from Security@MyEnroll.com.

URGENT: There are still over 400 members on the St. Raphael Health Plan with no Social Security Number noted. The missing SSNs are primarily for dependents. **These missing SSNs are being flagged by United Healthcare each month and need to be added to ensure there is no interruption in the member/dependent medical coverage.**

Please instruct your employees to login to MyEnroll.com and ensure they and their dependents all have accurate SSNs recorded in the platform.

IRS Mileage Rate for 2023

The [IRS standard mileage rate for 2023](#) increased by \$.03 to 65.5 cents per mile effective January 1, 2023. Business mileage may be reimbursed at that rate or less without inclusion on an employee's W-2. The IRS may make changes mid-year. We will send out a broadcast if that happens. You may also learn of a mid-year rate change in the general media.

Also note that help-out priests are always paid at the IRS maximum rate, even if your employer chooses a lesser amount.

Budget Information

Budgets are due to the [Parish & School Financial Consulting Office](#) by May 15 for deficit budgets; balanced budgets are due June 15.

Here are a few key items to assist you in the 2023-24 budgeting process:

- Assessment: Rate remains at 5% for revenue earned during 2022-2023. Reminder that the assessment will increase to 5.5% for income earned in 2023-2024 and 6% for income earned in 2024-2025.

- Priest Compensation Program: 3% increase to gross compensation, pension deduction and annual supplemental payment. The professional expense allowance also increases 3% to \$7,135. The retreat allowance will increase to \$550. The continuing education allowance stays the same at \$1,000.
- Priest Help-Out Compensation – Stole and stipend fees are set by the Wisconsin Catholic Bishops. For the first time in several years, the rates for stole and stipends are increasing. New rates are effective 7/1/2023.
 - Weekend Masses - \$70 plus stipend and mileage
 - Weekday Masses - \$50 plus stipend and mileage
 - Reconciliation, Funeral Vigil, etc. - \$40 per session plus mileage
- St. Raphael Health Plan:
 - Medical Insurance - 8% increase for both plans. (This figure is not final but should be used for budgeting purposes until the final figure is released.)
 - Dental Insurance – 7.6% increase.
 - Vision Insurance - No increase.
- Participants’ Indemnity Plan: Property & Liability estimated 30% premium increase.
- Workers Compensation: Estimated 7% premium increase.
- CUPP administrative fee will remain the same at \$17 per person.
- School Choice: Per pupil aid for 2023-24 has not been finalized. For budgeting purposes, please budget:
 - \$8,399 for students in grades K-8
 - \$9,045 for students in grades 9-12
- School Assessment (per student). No change.
 - Elementary Schools:
 - Assessment Fee K3/K4/K5 - \$5.40
 - Assessment Fee Grades 1-8 - \$7.15
 - Marketing Fee - \$10.00
 - Professional Development Fee - \$400/school
 - Secondary Schools:
 - Assessment Fee - \$7.50
 - Marketing Fee - \$10.00
 - Professional Development Fee - \$400/school

Signing Parish Contracts

Under canon law, the pastor and administrator represent the parish in all juridic affairs. At the time of their appointment, parish directors are delegated to do so. Under Wisconsin state statute and parish bylaws, the pastor/administrator/parish director is the vice-president and chief executive officer for the parish. For these reasons, only the pastor/administrator/parish director is authorized to sign contracts on behalf of the parish. This is not an authority that can be delegated to a business manager or parish volunteer.

Annual Workers’ Comp Data Sheet

Our original game plan for the annual workers comp data collection was to use the information in the new MyEnroll360 site. However, we are aware that not all locations have updated their salary information, or workers comp codes. Therefore, this year we will collect the information as we have done in years past. The first week of May, the annual Participants’ Indemnity Plan workers compensation data sheet will be emailed with a link to the form. **The due date for the completed forms is May 31, 2023.**

Please complete this form, even if you have no payroll to report. If your location did not have payroll last year, it is not presumed there is no payroll again this year.

Please verify now that you are tagged properly in the Names listing for broadcast email. The distribution tags used for this email are Parish and School Business Managers/DAS, Bookkeepers, Pastors and Parish Administrators, and High School Principals.

Form W-9 for Parishes and Schools

If you are requested by a vendor to verify your EIN by completing a W-9 for your parish or school, the correct answer to Line 3, *check appropriate box for federal tax classification of the person named on line 1*, is **C Corporation**. In the past we've used "Other 501c3" which is not correct. While each parish has non-profit status by virtue of the Group Ruling, the W-9 form is only verifying the type of entity you are, not your non-profit status.

Reminder: Rectory Lease Template Available

As a reminder, the Archdiocese now has a [template](#) available for priests living in a rectory. If your parish provides housing to any priest, please be reminded that there must be a lease in place to document the arrangement. A few other reminders:

- The parish must charge the priest fair market value for the property they are renting. We recommend that the parish seek professional guidance to determine what the fair market value is. In addition, the IRS requires that the parish must have documentation to support how the rent amount was determined.
- All lease agreements must have proxy approval, including rectory rentals.

Updated Teacher Contract Language

In March, the Archdiocesan Office for Schools distributed updated contract templates for principals, teachers and assistant administrators. There were some changes made to the previous contract language, so please be aware and use the updated versions. A link to each of these contracts may be found in Policy 4210 of the [Parish and School Policy Manual](#), or below:

- 4210(a) Contract: [School Principal](#)
- 4210(b) Contract: [School Teacher](#)
- 4210(c) Contract: [School Assistant Administrator](#)

Employee Assistance Program

The [Employee Assistance Program](#) (EAP) is a free service offered by the St. Raphael Health Plan (SRHP). We encourage all employers who offer SRHP benefits to share [this link](#) with their employees to access a detailed program brochure. You must be logged in to the [archmil.org](#) website to access this document. Benefits of the EAP program include no-cost short term mental health counseling, financial and legal advice, and many additional online resources to support the mental health and well-being of employees and their families. The EAP services are confidential; providers do not share information with employers. **This benefit is available to all employees, and their household members, of locations participating in the SRHP.**

Employee enrollment in SHRP is not required to access EAP benefits, only employment at a participating location.

CRS Rice Bowl – New Address

Catholic Relief Services has a new PO Box for donations. If you are mailing a check, please use the new address below. The physical headquarters location (228 W. Lexington, Baltimore, MD) remains the same.

Thank you for your continued support of Catholic Relief Services Rice Bowl. As always, remember CRS Rice Bowl monies are “both/and” in that they support both local and global anti-hunger efforts. Please remember to keep your local 25% and prudently use the monies for anti-hunger needs in your local area.

As for your 75%, at the appropriate time, please ask your participants to convert their CRS Rice Bowl gifts to checks made out to your parish or school. Combine gifts into one check **payable to the Archdiocese of Milwaukee**, write “CRS Rice Bowl” on the memo line, and send it to:

Mr. Rob Shelledy
Dignity of the Human Person
Archdiocese of Milwaukee
PO Box 070912
Milwaukee, WI 53207-0912

Please only have CRS Rice Bowl funds in this check and do not combine with funds from other collections.

When you have the opportunity, also please fill out this online form on your [25% Local Designation Form](#). This helps us track and report participation and local recipients to CRS.

If you have checks directly payable to CRS, please mail those checks to (new address):

Catholic Relief Services
ATTN: CRS Rice Bowl
P.O. Box 5200
Harlan, IA 51593-0700

You should include the checks payable directly to CRS in your overall total on any reporting.

Cash versus Accrual Accounting

In order to achieve the goal of consistent financial accountability, it is necessary to establish standards for accounting practices. There are two general methods of recording financial transactions: the cash basis method, and the accrual basis method.

The cash basis is a method which records revenues and expenditures (income and expenses) when the revenue is received and the expenditures are paid, without regard to the period to which they apply. Cash basis is a simpler method of accounting.

The accrual basis of accounting records revenues and expenditures in the period of time in which the transaction takes place or occurs, without regard to the date of the receipt or payment. The accrual method is more complex and requires a higher level of financial oversight.

The Archdiocese of Milwaukee requires a blended method of accounting that is more “cash oriented.” All revenue and expenditures must be reported during the year under the cash method. However, the year-end financial report must include a recording of outstanding accounts receivable (i.e., tuition) and accounts payable. In most parishes, the year-end transactions are quite simple and only require the recognition of receivable and accounts payable. If your parish has a school, you should also establish a liability account to recognize the portion of teachers’ contracts that are earned but not yet paid.

Under the Archdiocesan method of accounting, revenue items like bequests, fundraisers and donations must be reported as income when the parish receives the corresponding cash. It is not appropriate to “defer” revenue that is received to a different fiscal period. Likewise, expenses must be reported when the funds are disbursed. Capital purchases like a roof or parking lot must be expensed in the period in which those projects were paid for. It is not appropriate to “pre-expense” a transaction.

As an example, St. Mary Parish received a large unrestricted bequest of \$600,000 in March of 2023. The Pastor discussed the gift with both the Finance Council and the Pastoral Council. They decided to use \$400,000 of the bequest for a parking lot project next fiscal year and the remaining \$200,000 will be used for operating purposes. The correct accounting for this transaction is:

March 2023

DR: 1010 Cash - \$600,000

CR: 3050 Unrestricted Bequest Income - \$600,000

*Note that all of the revenue is booked in the fiscal period in which the bequest was received.

The parish will probably show a significant profit in the 2020-2021 fiscal year because all of the revenue was recognized and there are no offsetting expenses.

September 2023 (to record the parking lot project)

DR: 4740 Capital Expense - \$400,000

CR: 1010 Cash - \$400,000

Raffles

As parishes prepare for festivals and large fundraising events, one of the decisions they often consider is whether to hold a raffle. Parishes must obtain an appropriate raffle license from the state of Wisconsin in order to hold a raffle and follow all rules and regulations of the Division of Gaming’s Office of Charitable Gaming, which are provided in Chapter 563 of the Wisconsin Statutes. A list of [Frequently Asked Questions](#) is available on the [Division of Gaming website](#).

Why Online Raffles are not Permitted under Wisconsin Law

The state’s raffle statutes were drafted before the Internet revolution and the current prevalence of online ticket sales for events other than raffles. As a result, the statutes do not expressly address online raffles. It is the Division of Gaming’s position that online raffles are not permitted under Wisconsin law.

Any online raffle would face a number of significant legal obstacles, including how to ensure that: (i) the licensee remains a “local organization,” as required by Wis. Stat. § 563.907(2); (ii) all raffle tickets are “identical in form,” as required by Wis. Stat. § 563.93(1m) and 563.935(1); (iii) the licensee provides the purchaser their portion of the ticket, as required by Wis. Stat. § 563.93(2g)(c); and (iv) all drawings are held “in public,” as required by Wis. Stat. §§ 563.93(2g)(d) and 563.935(5).

The statutes also require that the drawing method is a “random selection of a ticket portion or calendar portion from a container housing portions of all tickets or calendars purchased for the selection” as defined by Wis. Stat. §§ 563.03(5r)(a). For multiple-container raffles (commonly known as a bucket raffle), the statutes require “the ticket purchaser places his or her ticket in the

container of his or her choice,” Wis. Stat. §§ 563.03(10m)(c). Other drawing methods such as random number generators are not permitted.

Permitting online raffles, with its potential to dramatically expand the scope and sophistication of raffles, also could be viewed as violating the requirement of Wis. Stat. § 563.02(2) that raffles be “regulated as to discourage commercialization.” As a result, the Division does not permit licensees to conduct online raffles.

Note that it is permissible to advertise and promote your raffle on the internet, you just cannot provide a means to purchase tickets.

The Regular Fare

How Do I Make That Check Payable?

The [Check Issuing Guidelines](#) have been revised as of April 1, 2023.

Cyber Scams and Phishing

[Cyber Incident Reporting](#) is a useful, one page tool to keep handy. We recommend printing this and having it readily available to walk you through the appropriate reporting protocol in the event of a cyber incident. If you have a cyber incident, contact Catholic Mutual at 262-255-6906 immediately.

Scam and Fraud Resources

[Federal Trade Commission Consumer Information](#)

[Consumer Affairs](#)

[Identity Theft Resource Center](#)

[USA.gov common scams and fraud](#)

[Clark Howard advice on scams and other fraud](#)

[Fraud.org](#)

BAAM Schedule

Meetings 9:00 a.m. – noon, at Our Lady of Lourdes, 3722 S. 58th Street, Milwaukee

2023 Schedule

April 19 – BAAM Retreat

May 17 – topic: Building & Workplace Safety and Security

Building Commission Schedule

Building Commission attendance is currently by appointment only. Contact [Jane Ore](#) (414-769-3340) for more information.

Catholic Mutual Corner

Catholic Mutual Group publishes a quarterly on-line newsletter, [Catholic Mutual Connection](#), which focuses on timely loss prevention and safety topics. It is found on the [Catholic Mutual website](#) under *Newsletters*.

Information and forms specific to locations within the Archdiocese of Milwaukee are located on the [Catholic Mutual website](#). You must log in to access this information. The Archdiocese of Milwaukee username is *0065mil* and the password is *service*.

Catholic Mutual Group's coverages and policies apply only to those entities participating in the Participants' Indemnity Plan.

Questions about the Catholic Mutual Group website or specific articles in the newsletter can be directed to the Catholic Mutual Milwaukee Service Office at 262-255-6906.

PIPIT Mandatory Trainings – recertify annually

[Workplace Safety Training end user instructions](#). Read the [Workplace Safety Training Mandate](#).
[Cyber Security Training end user instructions](#). Read the [Cyber Security Training Mandate](#).

Church Unemployment Pay Program

[CUPP Website](#)

Church Unemployment Pay Program, Inc.

706 S. High Point Road, Unit 6

Madison, WI 53719

608-821-3027

cuppwi@madisondiocese.org

The Quarter Ahead

March 2023

- 1 – Third payment due on current year assessment
- 1 – Deadline for filing PR-230, Property Tax Exemption Request to convert a property from taxable to tax exempt [note: PC-220 Property Tax Exemption Report to maintain property tax exempt status is **not** due in odd-numbered years]
- 16 – BAAM meeting
- 31 – Quarter End

April 2023

- 15 – Present budget to Finance Council for discussion and recommendation for approval
- 19 – BAAM retreat
- 30 – Form 941 (Quarterly Payroll Reporting) due to IRS for quarter ended 3/31
- Lay pension reports for Jan-Mar (1Q) distributed

May 2023

- 4 – PIP workers' compensation worksheets emailed
- 15 – Submit deficit budgets to [Parish & School Financial Consulting Office](#) for review
- 17 – St. Raphael Health Plan **Open Enrollment begins** today through May 31
- 17 – BAAM meeting
- 31 – St. Raphael Health Plan **Open Enrollment ends** today
- 31 – PIP workers' compensation worksheet due
- Finance Committee to present balanced budget to Parish Council for review

June 2023

- 1 – Final payments for assessment, and priest pension due for fiscal year

- 15 – Priest compensation form due to employer
- 15 – Submit balanced budgets to [Parish & School Financial Consulting Office](#) for review
- 16 - Building Commission Meeting. Attendance by appointment only. Contact [Jane Ore](#) (414-769-3340)
- 30 – Fiscal Year Ends

Resources

- [IRS Form 8822-B for Change of Address or Responsible Party](#). Parishes and schools must use Form 8822-B to notify the Internal Revenue Service if there has been a change in responsible party. Therefore, any parish who has been assigned a new pastor or administrator should complete [Form 8822-B](#) within 60 days of the transition.

Excel Tip

Do you want to set the print/page settings from one worksheet to another? Here's how:
 Select the source sheet that contains the settings you want to copy. (click on the tab)
 Select the target sheet(s) you want to update (press [Ctrl] and click each sheet tab).
 Select Page Setup from the ribbon and click OK.
 The print/page settings are now the same for all the sheets selected.

For more tips, check out [ExcelTips](#), a free, third party, email newsletter containing lots of tips on using Excel. Do you need an Excel tip or have one to share? [Let us know!](#)

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