

# Funny

## You Should Ask...



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

March 2022 --- volume 11, 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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## Collection for the Ukraine

On Tuesday, March 1, the following email was sent from the Chancery to Pastors/Administrators regarding a collection for the Ukraine.

*We just received a request from the USCCB to use the occasion of Ash Wednesday to reach out to provide aid to our brothers and sisters in Ukraine. Please take up a collection at all Ash Wednesday Masses and services. You can send the proceeds in one check payable to “Archdiocese of Milwaukee” to the attention of Kim Kasten (PO Box 070912, Milwaukee, WI 53207-0912). We will send one check to the Committee on Aid to the Church in Central and Eastern Europe. The USCCB is uniquely positioned to offer direct aid with its 30 year relationship with fellow bishops in that part of the world. If you are unable to take up the collection tomorrow, please find another time soon to do so.*

## Property Tax Exemption Reports (PC220)

You should receive the TAX EXEMPTION REPORT FOR 2022 forms PC-220 and/or PC-220A from the taxation district clerk in which your tax-exempt property is located. Section 70.337(6) of the State Statutes requires owners of tax-exempt real property, including church and church related properties, to complete and **file this report by March 31** of each even numbered year.

If you do not receive the reporting form, please contact your taxation district clerk because **the burden of filing rests with the property holder**. Failure to file will require the taxation district clerk to have the property appraised by either the district assessor or a person hired by the district to conduct the appraisal, **at the owner’s expense**.

You may complete the forms (or print blank forms) online by using the links below. Completed forms must be printed and mailed to your taxation district. These forms are NOT filed on-line.

Form PC-220: <https://www.revenue.wi.gov/DORForms/pc-220f.pdf>

Form PC-220A: <https://www.revenue.wi.gov/DORForms/pc-220af.pdf>

Additional instructions for completing these forms are found [at this link](#).

Please send a copy of your completed form to the Archdiocesan Office of Financial Services via email ([kastenk@archmil.org](mailto:kastenk@archmil.org)) or mail (PO Box 070912, Milwaukee, WI 53207-0912).

## 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 2022-23 budgeting process:

- Assessment: The “Year of Pause” has been extended and the rate remains at 5% for revenue earned during 2021-22
- Priest Compensation Program: 3% increase to gross compensation, pension deduction and annual supplemental payment. The professional expense allowance will increase to \$6,927, and the retreat allowance will increase to \$490. The continuing education allowance stays the same at \$1,000.
- St. Raphael Health Plan: Estimated 6-8% premium increase
- Participants’ Indemnity Plan: Estimated 5-7% property & liability premium increase
- School Choice: Per pupil aid in 2022-23 is budgeted to increase for each eligible choice student to \$8,399 for students in grades K-8, and \$9,045 for students in grades 9-12
- CUPP administrative fee will remain the same at \$17 per person.

## Annual Workers' Comp Data Sheet

The annual Participants' Indemnity Plan workers compensation data sheet will be email with a link to the form will be sent the first week of May. **The due date for the completed forms is May 31, 2022.**

**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.

## New Rectory Lease Template Available

We are excited to share that a [template](#) is now available for priests living in a rectory. A signed [Addendum to Lease – Residential](#) should accompany the lease. 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.

Also, we are in the process of creating a template for parishes to use for non-priest rental agreements and will provide communication when it becomes available.

## 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

The CRS Rice Bowl collection should be submitted on a single check and not combined with other items. Be sure to note "CRS Rice Bowl" on the check and/or check stub, AND indicate if you are submitting 75% or 100% of the alms. Rob Shelledy will send out the link to the 25% Designation Form in a separate email. Contact [Rob Shelledy](#) at 414-758-2286 with any questions.

Checks should be made payable to and mailed to:

Archdiocese of Milwaukee  
ATTN: Social Justice Ministry  
PO Box 070912  
Milwaukee, WI 53207-0912

If you have checks directly payable to CRS, please mail those checks to:

Catholic Relief Services  
ATTN: CRS Rice Bowl  
P.O. Box 17090  
Baltimore, MD 21297-0303

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 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 2021. 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 2021

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 2021 (to record the parking lot project)

DR: 4740 Capital Expense - \$400,000

CR: 1010 Cash - \$400,000

## Certificate of Exempt Status (CES) Reminder

As a reminder, beginning July 1, 2022, retailers may only accept a 15-digit CES number beginning with 008 from qualifying nonprofit organizations that provide a CES number to make purchases exempt from sales and use tax. Retailers are not required to update documentation containing 6-digit CES numbers for prior sales transactions, but should obtain either of the following for sales occurring on or after July 1, 2022:

- The qualifying organization's 15-digit CES number and record it on the bill of sale, or
- A fully completed exemption certificate (Form S-211) from the qualifying organization containing the organization's 15-digit CES number.

See article on page 14 of Wisconsin Tax Bulletin 216 (February 2022).

## *The Regular Fare*

### How Do I Make That Check Payable?

The [Check Issuing Guidelines](#) have been revised as of December 14, 2020.

### 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](#)

[File a complaint with the Federal Trade Commission](#)

[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. 58<sup>th</sup> Street, Milwaukee

### **2022**

March 16

May 18

## **Building Commission Schedule**

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

### **2022 Meeting Dates:**

April 7

June 16

August 11

October 13

December 10

## **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.

## **The Quarter Ahead**

### **March 2022**

- 1<sup>st</sup> – Third payment due on current year assessment
- 1<sup>st</sup> – Deadline for filing Wisconsin PR-230, Property Tax Exemption Request to convert a property from taxable to tax exempt
- 16<sup>th</sup> – BAAM meeting
- 31<sup>st</sup> – Deadline for filing Wisconsin PC-220 Property Tax Exemption Report to maintain property tax exempt status
- 31<sup>st</sup> – Quarter End

### **April 2022**

- 7 – Building Commission Meeting. Attendance by appointment only. Contact [Linda King](#) (414-769-3340)
- 15 – Present budget to Finance Council for discussion and recommendation for approval
- 30 – Form 941 (Quarterly Payroll Reporting) due to IRS for quarter ended 3/31
- Lay pension reports for Jan-Mar (1Q) mailed

## May 2022

- 2 – St. Raphael Health Plan **Open Enrollment begins** today through May 20
- 5 – PIP workers' compensation worksheets emailed
- 15 – Submit deficit budgets to [Parish & School Financial Consulting Office](#) for review
- 18 – BAAM meeting
- 20 – 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 2022

- 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 [Linda King](#) (414-769-3340)
- 30 – Fiscal Year Ends

## Resources

- [Church Unemployment Pay Program](#)
- [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.
- **COVID-19 Related Materials**
  - [Employee Retention Tax Credit IRS FAQ](#)
  - [ERTC Zoom Meeting from February 24, 2021](#)
  - [COVID-19 Relief Accounting Manual](#)
  - [PPP-1 Forgiveness Proxy Request Template](#)
  - [PPP-2 Loan Acceptance Proxy Request Template](#)
  - [PPP-2 Forgiveness Proxy Request Template](#)
  - [Wisconsin EANS Program](#)

## Excel Tip

Do you like to use the keyboard for functions, instead of mousing to the ribbon? Here are some keyboard shortcuts for you.

Ctrl + N	Create a new workbook
Ctrl + O	Open an existing workbook
Ctrl + S	Save the active workbook
F12	Save As - Save the active workbook under a new name
Ctrl + W	Close the active workbook
Ctrl + C	Copy the contents of the selected cells to Clipboard
Ctrl + X	Cut the contents of the selected cells to Clipboard
Ctrl + V	Insert the contents of the Clipboard into the selected cell(s)
Ctrl + Z	Undo your last action
Ctrl + P	Open the "Print" dialog
Ctrl + F6	Switches between open workbooks
Ctrl + T	Convert selected cells to a table

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!](#)

## **Contact Us**

*Mailing address:*

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