

II. CHART OF ACCOUNTS AND DEFINITIONS

The Archdiocese of Washington parish and school chart of accounts was developed to support both parish and school operations. The structure of the cost centers allows the parish and the school to accumulate costs by functional area. In this way, a Pastor will know what expenses were incurred for Parish Life and Worship or what expenses were incurred in the Administration of the school.

PARISH COST CENTERS

- 10 Parish Life and Worship
- 20 Rectory and Parish Clergy
- 30 Religious Education
- 40 Social Concerns
- 50 Administration
- 60 Physical Plant
- 80 Parish Other

SCHOOL COST CENTERS

- 91 Instruction (K through 8)
- 93 Operation and Maintenance
- 94 Administration
- 95 Auxiliary Services
- 96 Nursery School/Daycare

COST CENTER DEFINITIONS

10 - Parish Life and Worship

This category is for all expenditures of the parish related to ministering to the parishioners. This cost center would include items that are purchased for the Sanctuary and Sacristy as well as the cost of providing music and singing during Mass, the cost of Mass books, prayer books, and votive lights, etc.

20 - Rectory and Parish Clergy

This category is for all expenditures directly related to the subsistence of the resident clergy. This cost center would include the compensation and benefits of the parish priests, as well as costs of extra clergy.

30 - Religious Education

This category is for all expenditures related to the religious education program and any other religious instruction that is not included in the school curriculum. This cost center would include the salaries of religious education program teachers and directors and the costs associated with marriage preparation classes, adult education and youth ministry programs, including a CYO or sports program.

40 - Social Concerns

This category is for all expenditures related to the social service activities of the parish. This cost center would include all donations made by the parish to the needy or other charitable organizations.

50 - Administration

This category is for expenditures related to the administrative functions of the parish. This cost center would include the salary and benefits of parish secretaries and bookkeepers, the cost of office supplies and materials for administrative purposes, etc.

60 - Physical Plant

This category is for expenditures for the maintenance and repair of parish property. This cost center would include the salary and benefits of the custodian and housekeeper, and the cost of cleaning supplies, etc.

80 - Parish Other

This category is for expenditures that cannot be properly classified into any other cost center. This cost center would include fundraising expenses, Archdiocesan assessments, and the expenses of operating a cemetery. Cemetery expenses were previously recorded in Cost Center 70.

91 - Instruction

This category is for expenditures directly related to the instruction of the children attending the school. This cost center would include teacher and teacher aide salary and benefits as well as any other costs associated directly with the actual instruction of the school children.

93 - Operation and Maintenance

This category is for expenditures related to the operation and maintenance of the school building. This cost center would include the salary and benefits of the custodian, and the costs associated with the operation of the school, i.e., utilities.

94 - Administration

This category is for expenditures related to the administrative functions of the school. This cost center would include the salary and benefits of school principal, secretary and bookkeepers, the cost of office supplies and material for administrative purposes.

95 - Auxiliary Services

This category is for expenditures related to miscellaneous functions that are sponsored by the school, such as cafeteria, book store, school transportation, field trips, etc.

96 - Nursery School/Daycare

This category is for expenditures that are directly related to the Nursery School or Daycare operation that is operated by the parish or school. This cost center would include the salary and benefits of teachers and aides, as well as the expenses for miscellaneous supplies that are needed to operate the Nursery School or Daycare.

CHART OF ACCOUNTS

Assets

00.101.00	Petty Cash
00.110.00	Checking Account
00.115.00	Savings/Money Market
00.131.00	Investments
00.140.00	Accounts Receivable
00.141.00	Tuition Receivable
00.150.00	Loans/Note Receivable
00.159.00	Other Receivable
00.164.00	Inventory
00.169.00	Prepaid Expense
00.170.00	Land and Improvements
00.171.00	Undeveloped Land
00.173.00	Bldg. and Improvements
00.175.00	Construction in Progress
00.180.00	Furnishings and Equip.
00.185.00	Autos, Trucks, Buses
00.190.00	Endowment Fund Assets
00.191.00	Restricted Fund Assets
00.192.00	Designated Fund Assets
xxxxxxxxx	Dedicated Funds Receivable

Liabilities

00.201.00	Notes Payable-Bank/Other
00.203.00	Notes Payable-K of C
00.210.00	Notes Payable-Arch. of Wash
00.220.00	Accounts Payable
00.221.00	Federal W/H Tax Payable
00.222.00	FICA Tax Payable
00.223.00	DC Tax Payable
00.224.00	MD Tax Payable
00.225.00	VA Tax Payable
00.226.00	Hospitalization W/H
00.228.00	TDA-403(b) - Lay
00.228.01	TDA-403(b) - Clergy
00.229.00	Other Employee W/H
00.241.00	Prepaid Tuition and Fees
00.259.00	Other Liabilities
00.264.00	Offertory Assessment Payable
00.265.00	Education Assessment Payable
00.270.00	Exchange and Conduit
00.290.00	Endowment Fund Liability
00.291.00	Restricted Fund Liability
00.292.00	Designated Fund Liability
xxxxxxxxx	Dedicated Funds Payable
00.300.00	Fund Balance

Income Accounts

401.00	Offertory Collection
402.00	Daily and Holydays
403.00	Christmas Collection
404.00	Easter Collection
405.00	Building Fund (Exempt)
406.00	Debt Reduction (Exempt)
407.00	Other Collections (Exempt)
408.00	Bequests
409.00	Contributions and Donations
410.00	Poor Box Offerings
411.00	Votive Offerings
412.00	Religious Education
421.00	Rental Income
422.00	Investment Income
438.00	Endowment Income
439.00	Other Fees
440.00	Bingo Revenue
441.00	Other Fundraising
442.00	CYO - Youth Ministry
444.00	Papers and Pamphlets
445.00	Sacramental Offering
446.00	Mass Stipends
465.00	Cemetery Revenue
466.00	Gain/(Loss) on Sale of Fixed Assets
468.00	Parish Organizations
469.00	Miscellaneous
491.00	Archdiocesan Support

Expense Accounts

501.00	Compensation-Clergy/Religious
502.00	Compensation-Extra Clergy
503.00	Expense Advance-Clergy
505.00	Benefits-Clergy
511.00	Salary/Wages-Lay Persons
515.00	Non-Payroll Help
521.00	FICA-Employer Share
522.00	Benefits-Lay Persons
536.00	Catholic Standard
537.00	Offering Envelopes
539.00	Supplies and Materials
551.00	Printing and Duplicating
552.00	Postage

553.00	Telephone
555.00	Maintenance Agreements
556.00	Dues, Books and Subscriptions
561.00	Seminars and Travel
572.00	Audit and Accounting Fees
579.00	Other Professional Fees
591.00	Gifts and Donations
601.00	Utilities-Oil
602.00	Utilities-Gas
603.00	Utilities-Electric
604.00	Utilities-Other
606.00	Repairs
607.00	Property Insurance
610.00	Trash Removal
611.00	Property Taxes
631.00	Interest Expense
700.00	Bingo Expense
701.00	Fundraising Expense
703.00	Parish Organizations
704.00	Sanctuary and Sacristy
710.00	Convent Expense
713.00	Rental Property Expense
714.00	Mass Stipends
718.00	Cemetery Expense
751.00	Offertory Assessments-Current Year Paid
752.00	Offertory Assessments-Current Year Unpaid
753.00	Continuing Education
754.00	Permanent Deacon
755.00	Other Archdiocesan Assessments
756.00	Education Assessments-Current Year Paid
757.00	Education Assessments-Current Year Unpaid
770.00	Land and Improvements
771.00	Buildings and Improvements
772.00	Construction in Progress
773.00	Furnishings and Equipment
774.00	Autos, Trucks and Buses
778.00	Notes Payable
781.00	Inter-parish Support
782.00	Regional School Support
799.00	Miscellaneous

School Income Accounts

408.00	Bequests
409.00	Contributions and Donations
421.00	Rental Income
422.00	Investment Income
431.00	Tuition
432.00	Arch. Tuition Assistance
435.00	Book Fees
436.00	Registration Fees
438.00	Endowment Income
439.00	Other School Fees
440.00	Bingo
441.00	Fundraising
447.00	Nursery School (Pre-K)
448.00	Before and After Care
451.00	Resale Items
453.00	Transportation Fees
454.00	Cafeteria Sales
460.00	Govt. Milk Program
469.00	Miscellaneous
491.00	Archdiocesan Support
492.00	Inter-Parish Support

School Expense Accounts

501.00	Compensation-Clergy/Religious
505.00	Benefits-Clergy
511.00	Salary/Wages-Lay Persons
515.00	Non-Payroll Help
521.00	FICA-Employer Share
522.00	Benefits-Lay Persons
538.00	Library Supplies
539.00	Supplies and Materials
540.00	Student Testing Fees
541.00	Instructional Books
551.00	Printing and Duplicating
552.00	Postage
553.00	Telephone
555.00	Maintenance Agreements
556.00	Dues, Books and Subscriptions
561.00	Seminars and Travel
572.00	Audit and Accounting Fees
579.00	Other Professional Fees
591.00	Gifts and Donations
592.00	Tuition Assistance

601.00	Utilities-Oil
602.00	Utilities-Gas
603.00	Utilities-Electric
604.00	Utilities-Other
606.00	Repairs
607.00	Property Insurance
610.00	Trash Removal
623.00	Resale Items
631.00	Interest Expense
700.00	Bingo Expense
701.00	Fundraising Expense
702.00	School Transportation
705.00	Cafeteria
707.00	Govt. Milk Program
708.00	Govt. Lunch Program
709.00	Student Service Fee
710.00	Convent Expense
715.00	Accreditation Fees
755.00	Other Archdiocesan Assessments
780.00	Uncollectible Tuition
789.00	School Furniture/Equipment
799.00	Miscellaneous

DEFINITIONS

Balance Sheet Assets

- 00.101.00 Petty Cash - A small amount of cash kept on hand for minor cash disbursements. Withdrawals should be properly documented, i.e. store receipts. Balance should be no more than \$ 250.
- 00.110.00 Checking Account - Cash in a bank account subject to withdrawal by check. Sub accounts should be set up to identify different checking accounts. It is Archdiocesan policy that only one operating checking account be used for both parish and school operations. Schools are permitted to have an imprest or petty cash checking account. This imprest account should have a balance of no more than \$ 1,000. The only deposits into this imprest account should be a replenishment check from the parish. It may be necessary because of state regulations to use a separate operating account for certain activities, such as bingo games. In these cases, more than one checking account is permitted. SEPARATE OPERATING CHECKING ACCOUNTS SHOULD NOT BE SET UP FOR SCHOOLS.
- 00.115.00 Savings/Money Market - Cash on deposit in a financial institution on which interest is paid by the financial institution. This account will also reflect any Certificates of Deposits (CD's). Should CD's be a part of a larger portfolio of investments, the entire portfolio should be reflected in account # 00.131-Investments.
- 00.131.00 Investments - All other investments, such as Treasury Bills and Bonds, corporate stocks and bonds, and any other investments that are not savings, money market or certificate of deposit accounts. Should CD's be a part of a larger portfolio of investments, the entire portfolio should be reflected in this account, there is no need to separate them.
- 00.140.00 Accounts Receivable - A claim or amount that is due the parish. There should be a reasonable expectation of these amounts being repaid to the parish in the future.
- 00.141.00 Tuition Receivable - Amounts that are due the school for PAST DUE tuition. The amount that is past due at June 30 of each fiscal year, may at the discretion of the Pastor, be accrued. This is not required by the Archdiocese.

TO SET UP THE RECEIVABLE:

<u>Debit:</u> Tuition Receivable (# 00.141)	XXXX
<u>Credit:</u> Tuition (# 90.431)	XXXX

WHEN TUITION IS RECEIVED:

<u>Debit:</u> Cash (# 00.110)	XXXX
<u>Credit:</u> Tuition Receivable (# 00.141)	XXXX

The entry to set up the receivable should be done in June of each year, prior to the close out of the fiscal year. As the definition indicates, the amount set up as a receivable is the amount of tuition that was billed, but was uncollected at June 30. As this past due money is received in the next fiscal year, it should be credited to the Tuition Receivable account. It is important not to consider these amounts as income when received because of the above entry. The Parish needs to be aware of the possibility that all the tuition that is past due will not be collected. The amount accrued should be the amount of past due tuition that the parish can reasonably expect to collect.

- 00.150.00 Loans/Notes Receivable - An amount due from a person or organization evidenced by a formal written agreement. These notes usually bear interest at a specified rate.
- 00.159.00 Other Receivable - Receivables that are not properly classified into any other receivable account.
- 00.164.00 Inventory - Cost basis of store certificates that are sold by the parish for fundraising purposes, or any other item that the parish needs to inventory. For more information on how to account for store certificate sales, see Chapter VIII. of the manual.
- 00.169.00 Prepaid Expense - Expenses that are paid in advance of the fiscal year in which they occur. Care should be taken to record the necessary journal entries when the expense is incurred.
- 00.170.00 Land and Improvements - The purchase price or acquisition cost of property and subsequent improvements to the property, other than the construction of a new building. The recorded cost should include the total purchase price of the property, including legal fees, transfer taxes and other costs of the purchase. If the land was donated, it should be recorded at the fair market value on the date of the donation. Land improvements would include the cost of grading, landscaping, sidewalks, roadways, etc.

- 00.171.00 Undeveloped Land - Land other than the parish site itself. Should be recorded at cost or fair market value if the land was donated.
- 00.173.00 Bldg. and Improvements - Construction cost of the buildings on the parish site as well as major improvements to these buildings. Improvements which cost more than \$ 1,000 should be recorded in this account. Improvements costing less than \$ 1,000 should be expensed.
- 00.175.00 Construction in Progress - Construction costs of a building on the parish site that is not complete. When the structure is completed, the amounts will be transferred to 00.173.00.
- 00.180.00 Furnishings and Equip. - Furnishings and equipment that cost more than \$ 1,000 and will have a useful life of three years or more. Items with a cost of less than \$ 1,000 should be expensed. The replacement of existing equipment should be recorded in this account, provided that the original cost of the asset replaced is removed from this account.
- 00.185.00 Autos, Trucks, Buses - Cost of vehicles purchased by the parish. In the case of donated vehicles, the fair market value at the date of the donation should be used.
- 00.190.00 Endowment Fund Assets - The balance of all funds donated to the parish for which the donor indicated that the asset donated is to be invested and that only the income may be used. The balance in this account must equal the balance in the companion liability account # 00.290.00. Sub accounts may be set up to track different restricted assets. A separate fund IS NOT NEEDED to track endowments. (See chapter VII. of the manual.)
- 00.191.00 Restricted Fund Assets - The balance of all assets donated to the parish for a specific purpose where the asset and any income that it creates can be used for the specific purpose determined by the donor. The balance in this account must equal the balance in the companion liability account # 00.291.00. Sub accounts may be used to track different restricted assets. A separate fund IS NOT NEEDED to track restricted donations. (See chapter VII. of the manual.)
- 00.192.00 Designated Funds Assets - The balance of all funds designated by the Pastor for a specific purpose. The balance in this account must equal the balance in the companion liability account # 00.292.00. Sub accounts may be set up to track different designated assets. A separate fund IS NOT NEEDED to track designated funds. (See chapter VII. of the manual.)

xxxxxxx Dedicated Funds Receivable - Amounts that result from an overpayment of the Archdiocesan Collections. Activity in this account is limited to the accounts set up to track the National Collections.

Balance Sheet Liabilities

00.201.00 Notes Payable-Bank/Other - The unpaid balance of loans outstanding to banks and other financial institutions. The principal portion of the payments should be charged to this account. The interest portion should be charged to account # 60.631.00 - Interest Expense.

00.203.00 Notes Payable- K of C - The unpaid balance of loans outstanding to the Knights of Columbus. The principal portion of the payments should be charged to this account. The interest portion should be charged to account # 60.631.00 - Interest Expense.

00.210.00 Notes Payable-Arch. of Wash. - The unpaid balance of loans outstanding to the Archdiocese of Washington. The principal portion of the payments should be charged to this account. The interest portion should be charged to account # 60.631.00- Interest Expense.

00.220.00 Accounts Payable - A liability for amounts owed to persons, companies or organizations for goods or services purchased by the parish. Purpose of this account is to accrue for expenses that are incurred in the current fiscal year, but that are to be paid in a subsequent fiscal year. Charges to this account will be reflected as an expense in the period that the journal entry is made. When the amounts charged to this account are paid, the payments should be charged to this account.

EXAMPLE:

Amount due at June 30, 1995 for utilities (electric) is \$ 3,000. To reflect this amount as an expense incurred in Fiscal Year 1994-1995, the following entry would be made:

<u>Debit:</u> Utilities-Elec.(# 60.603)	\$3,000	
<u>Credit:</u> Accounts Payable (# 00.220)		\$3,000

When this amount is paid, the payment should be recorded in Acct. # 00.220.

- 00.221.00 Federal W/H Tax Payable - Amount due the Internal Revenue Service for Federal taxes withheld from employees' pay. Amount should be remitted on a regular basis. Consult the IRS Publication titled 'Circular E' for the requirements concerning payments. When payments are made, the amount charged to this account should only be that portion of the payment that was withheld from the employees' pay for Federal Income Tax.
- 00.222.00 FICA Tax Payable - Amount due the Internal Revenue Service for the Social Security and Medicare taxes imposed by the Internal Revenue Service. Amount should be remitted on a regular basis, along with amounts withheld for Federal income tax purposes (Acct # 00.221.00). Amounts withheld for these taxes from employees' pay as well as the matching employer portion are reflected in this account. When tax payments are made, the amount coded to this account should reflect only the amount withheld from employees' pay and the employer matching amounts.
- 00.223.00 DC Tax Payable - Amount withheld from employees' pay for DC income tax. Amount should be remitted to the District on a regular basis. Consult the District government to determine the timing of payments.
- 00.224.00 MD Tax Payable - Amount withheld from employees' pay for state income tax. Amount should be remitted to the state on a regular basis. Consult the state to determine the timing of payments.
- 00.225.00 VA Tax Payable - Amount withheld from employees' pay for state income tax. Amount should be remitted to the state on a regular basis. Consult the state to determine the timing of payments.
- 00.226.00 Hospitalization W/H Employees - Portion of hospitalization insurance costs that are paid by the employee by withholding from an employees' pay. The balance of this account should be zero when the hospitalization premiums have been paid. The amount charged to this account when the bill is paid is the amount that has been withheld from the employees' pay. The balance should be expensed to Account # 522- Benefits-Lay.
- 00.228.00 TDA-403(B)-Lay - Amounts withheld from an employees' pay for subsequent remittance into the employees Tax Deferred Annuity account. Should be remitted to the employees' TDA account on a regular basis. Consult the TDA company for information concerning the timing of payments.

- 00.228.01 TDA-403(B)-Clergy - Amounts withheld from Clergy pay for subsequent remittance into the priests' Tax Deferred Annuity account. Should be remitted to the priests' TDA account on a regular basis. Consult the TDA company for information concerning the timing of payments.
- 00.229.00 Other Employee W/H - Amounts withheld for reasons other than those listed in Accounts # 00.221.00 through 00.228.01. Would include amounts that are withheld as the result of a garnishment of wages.
- 00.241.00 Prepaid Tuition and Fees - Amounts received for tuition and fees prior to the end of a fiscal year, but which pertain to the next school year. Adjustments are necessary to properly reflect the amounts coded to this account as income in the subsequent fiscal year.

EXAMPLE:

Many parishes require that school families pay registration fees and some portion of tuition prior to the close of the fiscal year, even though the amounts received are for the school year that begins in the fall of that year.

A family pays \$ 500, which is for tuition for the next school year. The amount is paid in May. The entry to reflect this payment is as follows:

<u>Debit:</u> Cash (# 00.110)	\$ 500
<u>Credit:</u> Prepaid Tuition (#00.241)	\$ 500

In the next fiscal year, these amounts have to be reflected as income. The following entry should be done:

<u>Debit:</u> Prepaid Tuition (# 00.241)	\$ 500
<u>Credit:</u> Tuition (# 90.431)	\$ 500

- 00.259.00 Other Liabilities - Liabilities that are not properly classified into any other liability account.
- 00.264.00 Offertory Assessment Payable - Unpaid Offertory assessments that are due to the Archdiocese of Washington. When the amounts are paid to the Archdiocese, they should be recorded in this account, not the expense account.

EXAMPLE:

In accordance with the Assessment Policy, # 2009, the parish offertory assessment for FY 94-95 was \$5,000. At the time the Fiscal Year ended, the parish had only paid \$ 4,000. Therefore, \$1,000 is still to be paid. In this instance, the following entry would be made:

Debit: Off. Assess. CY Unpaid (#80.752) \$ 1,000

Credit: Off. Assess. Payable Account (#00.264) \$ 1,000

When the amount is paid, it is important to record that payment in Account # 00.264.

00.265.00 Education Assessment Payable - Unpaid Education assessments that are due to the Archdiocese of Washington. When these amounts are paid to the Archdiocese, they should be recorded in this account, not the expense account.

EXAMPLE:

In accordance with the Assessment Policy, # 2009, the parish education assessment for FY 94-95 was \$1,000. At the time the Fiscal Year ended, the parish had only paid \$ 750. Therefore, \$250 is still to be paid. In this instance, the following entry would be made:

Debit: Ed. Assess. CY Unpaid (# 80.757) \$ 250

Credit: Ed. Assess. Payable (# 00.265) \$ 250

When the amount is paid, it is important to charge that payment to Account # 00.265

00.270.00 Exchange and Conduit - Amounts that are received or paid that will be paid out or reimbursed in a short period of time. "In and Out" activity. Amounts received or paid on behalf of some other party.

00.290.00 Endowment Fund Liability - Companion liability account to # 00.190.00.

00.291.00 Restricted Fund Liability - Companion liability account to # 00.191.00.

00.292.00 Designated Fund Liability - Companion liability account to # 00.192.00.

xxxxxxxxxx Dedicated Funds Payable - Amount owed to the Archdiocese for National Collections which have been taken up by the parish. Activity in this account is limited to the accounts set up to track the National Collections.

00.300.00 Fund Balance - This account is equal to the assets less the liabilities. It is increased or decreased at the end of each fiscal year for the amount of income over or (under) expenditures. No entries or adjustments should be made to the fund balance without consulting the Office of Finance and Management.

Income Accounts

- 01.401.00 Offertory Collection - The ordinary Sunday (and Saturday vigils) envelope collections plus cash and coin collections. This amount is subject to the Offertory and Education assessment policy. Special collections, such as a monthly maintenance or debt reduction collections, should be set up as sub-accounts of this account unless an exemption from assessment is granted by the Archbishop. If an exemption is granted for these special collections, Accounts # 01.405, # 01.406 or Account # 01.407 should be used. (Please refer to Archdiocesan Policy # 2009 for further information on income subject to the assessments.)
- 01.402.00 Daily and Holydays - Collections at devotions and services, including weekday and Holyday masses. These amounts are not subject to the Offertory assessments. (Please refer to Archdiocesan Policy # 2009 for further information on income subject to the assessments.)
- 01.403.00 Christmas Collection - Collection at Christmas Masses. When Christmas falls on a Sunday, assessments are paid on the average Sunday collection. For example, if the Sunday collection averages \$ 5,000, and if the Christmas collection is \$ 8,000, the parish pays assessments based on the \$ 5,000 average collection. In this example, \$ 5,000 would be recorded in Account # 01.401, and \$ 3,000 would be recorded in Account # 01.403. (Please refer to Archdiocesan Policy # 2009 for further information on income subject to assessments.)
- 01.404.00 Easter Collection - Collection at Easter masses. Assessments are paid on the average Sunday collection. For example, if the Sunday collection averages \$ 5,000, and if the Easter collection is \$ 8,000, the parish pays assessments based on the \$ 5,000 average collection. In this example, \$5,000 would be recorded in Account # 01.401, and \$3,000 would be recorded in Account 01.404. (Please refer to Archdiocesan Policy # 2009 for further information on income subject to the assessments.)
- 01.405.00 Building Fund (Exempt) - Collection taken up for Building Fund. This account is for the Building Fund that the Archbishop has exempted from the Offertory and Education assessments. Building Funds that have not been exempted should be coded to a Building Fund account that is set up as a sub account to the Offertory account, # 01.401. (Please refer to Archdiocesan Policy # 2009 for further information on income subject to the assessments.)

- 01.406.00 Debt Reduction (Exempt) - Collection taken up for debt reduction. This account is for the Debt Reduction Collection that the Archbishop has exempted from the Offertory and Education assessments. Debt Reduction Collections that have not been exempted should be coded to a Debt Reduction Collection account that is set up as a sub account to the Offertory account, # 01.401. (Please refer to Archdiocesan Policy # 2009 for further information on income subject to the assessments.)
- 01.407.00 Other Collections (Exempt) - Collection taken up for a special parish purpose that is not properly classified into any of the other income accounts. Amount collected is subject to the Offertory and Education assessments unless a written exemption has been granted by the Archbishop. If an exemption is not granted, the collection should be set up as a sub account to 01.401. (Please refer to Archdiocesan Policy # 2009 for further information on income subject to the assessments.)
- 02.408.00 Bequests - Amounts received in accordance with the terms of a will. If the will placed restrictions on the use of the assets, the pastor is LEGALLY OBLIGATED to use them in accordance with these terms.
- 02.409.00 Contributions and Donations - Amounts received by the parish that are not properly classified to any of the other income accounts. Christmas and Easter flower donations should be coded here. One time donations.
- 02.410.00 Poor Box Offerings - Donations from the poor boxes located in various parts of the church. The amounts collected are considered revenue to the parish. Should the amounts be designated for a particular group (St. Vincent de Paul, etc), that group should be paid by check from the parish checking account and coded to Account # 40.591, Gifts and Donations.
- 02.411.00 Votive Offerings - Amounts received for votive or vigil lights.
- 02.412.00 Religious Education - Tuition, fees, donations, or assessments to support the religious education program. These amounts are considered revenue to the parish and should be deposited into the main checking account.
- 02.421.00 Rental Income - Revenue from the rental of the parish facilities.
- 02.422.00 Investment Income - Income earned on investments of the parish. Interest earned from banks and dividends earned on stock certificates should be coded here. Realized gains and losses on the sale of investments.

- 02.438.00 Endowment Fund Income - Income earned on endowments of the parish. Would include all bank interest and dividends earned on stock.
- 02.439.00 Other Fees - Miscellaneous fees charged by the parish.
- 02.440.00 Bingo - Revenue from the operation of bingo as a fundraising effort.
- 02.441.00 Fundraising - Income realized as a result of fundraising activities, other than Bingo games. Examples: Parish socials, candy sales, store certificate sales. All revenues coded to this account should be the GROSS revenue, with the exception of store certificate sales. Store certificate NET profit would be coded to this account.
- 02.442.00 CYO - Youth Ministry - Receipts specifically for the support of the Youth Ministry program at the parish. Receipt of fees charged for the sports programs sponsored by the parish.
- 02.444.00 Papers and Pamphlets - Sales of or donations received for religious papers and pamphlets, including the Catholic Standard.
- 02.445.00 Sacramental Offering - Donations received for special religious services such as baptisms, weddings and funerals.
- 02.446.00 Mass Stipends - Offering received for masses to be celebrated for particular intentions.
- 02.465.00 Cemetery Revenue - Revenues from the sale of lots and burial charges. For parishes that have direct responsibility for a cemetery.
- 02.466.00 Gain/(Loss) on Sale of Fixed Assets - Gain or loss resulting from the sale of parish fixed assets. When disposing of assets, the proper asset account should be reduced by the original cost of the disposed asset.
- 02.468.00 Parish Organizations - Amounts collected by or on behalf of parish organizations. Sub accounts may be set up for each organization.
- 02.469.00 Miscellaneous - Income not properly classified into any other income account. This account should rarely be used.
- 02.491.00 Archdiocesan Support - Monies received from the Archdiocese of Washington. Amount is not expected to be repaid. Education fund proceeds are not coded here but are recorded in account # 90.491.00.

- 501.00 Compensation-Clergy/Religious -Gross amount of compensation paid to the regular or resident Clergy/Religious. Amounts paid to Archdiocesan priests as reimbursement of car insurance and the parish portion of the Tax Deferred annuity benefit should be charged to this account. The type of program will determine which cost center should be used. For example, the Pastors' salary will be charged to this account in Cost Center 20, while a religious order school teacher will be charged to Cost Center 91.
- 502.00 Compensation-Extra Clergy - Gross amount paid to extra clergy who are called on a temporary basis to assist in the ecclesiastical affairs of the parish, i.e. priest that says Mass on Sunday.
- 503.00 Expense Advance-Clergy - Monthly expense advance which is given to Archdiocesan priests. (See Chapter V. of the manual)
- 505.00 Benefits/Clergy - Benefits that are paid on behalf of the Clergy or of the parish. Included in this account would be amounts paid for health, pension, life and dental insurance, etc.
- 511.00 Salary/Wages-Lay Persons - Gross amount of compensation of all employees that are not Clergy or Religious. Amounts included in this account are full time and part time salaries/wages paid to lay persons. This account should only be used for employees that are paid through PAYROLL. These same amounts must be reported to the recipient on Form W-2 at the end of each calendar year.
- 515.00 Non-Payroll Help - Gross amount paid to temporary workers who are not considered employees. These same amounts must be reported to recipients on Form 1099-MISC at the end of each calendar year. See Chapter V. of the manual.)
- 521.00 FICA Employer Share - Social security and Medicare tax that is matched by the parish. The amounts charged to this account for each employee are typically equal to the amounts withheld from the employees' pay.
- 522.00 Benefits - Lay Persons - Benefits paid on behalf of lay employees. Included in this account would be amounts paid for health, pension, life and dental insurance, unemployment, etc.
- 536.00 Catholic Standard - Amounts paid for the Catholic Standard assessment.

537.00 Offering Envelopes - Expenditures incurred for parish collection envelopes.

539.00 Supplies and Materials - Expenditures for various supplies and materials that are related to the specific cost center. Expenses charged to these accounts must meet the following criteria:

- A) Consumable in the ordinary course of operations
- B) Items are not capitalized
- C) Items are not specifically addressed in any other expense account

Parish life and Worship - Items would include prayer-books, missalettes, charcoal, incense, floral arrangements and other items associated with the Mass at the parish.

Rectory and Parish Clergy - Items would include food, beverages, soaps, linens, tableware, TV subscriptions, and any other item for use in the rectory.

Religious Education - Items would include instruction books, prayer cards, food and beverage for classes.

Social Concerns - Expenditures for supplies related to social service activities.

Administration - Expenditures for secretarial and clerical office supplies.

Physical Plant - Expenditures for janitorial and maintenance supplies and materials.

551.00 Printing and Duplicating - Expenditures for printing and duplicating. Amounts charged to this account would include the printing of the parish bulletin and related inserts, lease payments on copiers, expenditures for toner, etc.

552.00 Postage - amounts paid for postage and the various costs of mailing.

553.00 Telephone - Expenditures related to the use of the telephone, including fax lines and installation charges.

555.00 Maintenance Agreements - Expenditures for maintenance agreements that are not capitalized as fixed asset costs. Charges would include copier, computer and software maintenance agreements, contracts for grass cutting and ice and snow removal contracts for the parish.

- 556.00 Dues, Books, and Subscriptions - Expenditures for membership in a club or organization, amounts paid for subscriptions to book clubs or for magazines.
- 561.00 Seminars and Travel - Expenditures for attendance at seminars, retreats and meetings. Also charged to this account are the reimbursement of business travel expenses of employees.
- 572.00 Audit and Accounting Fees - Expenditures for contract bookkeeping and auditing fees. Those accountant/bookkeepers that are considered employees should have their pay coded to Acct. # 511, Salary/Wages. This account would also include Parish review fees charged by the Archdiocese.
- 579.00 Other Professional Fees - Expenditures for legal and other professional charges.
- 591.00 Gifts and Donations - Expenditures for the poor and needy, including the amounts given to various charities (St. Vincent de Paul Society). Do not record employee bonuses in this account. Bonuses should be recorded in the Compensation or Salary accounts, # 501 or # 511, and should have the appropriate taxes withheld.
- 601.00 Utilities-Oil - Expenditures for heating oil for parish buildings.
- 602.00 Utilities-Gas - Expenditures for natural gas for parish buildings.
- 603.00 Utilities-Electric - Expenditures for electricity for parish buildings.
- 604.00 Utilities-Other - Expenditures for utilities not included in 601.00-603.00.
- 606.00 Repairs - Expenses for repairs and maintenance of parish buildings, equipment and grounds, as well as all parish vehicles.
- 607.00 Property Insurance - Payments for insurance coverage for fire, theft, liability, etc.
- 610.00 Trash Removal - Expenditures for the removal of trash from the parish and school facilities.
- 611.00 Property Taxes - Expenditures for the payment of federal, state, county or local taxes on non-exempt parish property.

- 631.00 Interest Expense - Interest charged on outstanding loans owed by the parish.
- 700.00 Bingo Expenses - Expense in conducting bingo activities.
- 701.00 Fundraising Expenses - Expense in conducting fundraising activities.
- 703.00 Parish Organizations - Expenditures related to the operation of parish organizations (Teen Club, Holy Name, Sodality, Senior Club, and CYO etc.)
- 704.00 Sanctuary and Sacristy - Expenditures for the furnishings and maintenance of the sanctuary and sacristy of the church. Items included here would be linens, vestments, candles, candlestick holders, and sacred vessels.
- 710.00 Convent Expense - Expenditures associated with the operation of the convent.
- 713.00 Rental Property Expenses - Expenses incurred as a result of the rental of parish or school property. Also recorded here is the cost of renting space incurred by the parish.
- 714.00 Mass Stipends - Disbursement of offerings received for mass intentions. Amounts paid to priests are subject to the tax reporting requirement of the IRS.
- 718.00 Cemetery Expenses - Cost associated with the operation of cemetery that is under parish supervision. Previously, all cemetery expenses were recorded in Cost Center 70. The new cemetery expense account will appear in Cost Center 80.
- 751.00 Offertory Assessment - Current Year Paid - Archdiocesan offertory assessments paid during the current fiscal year. The assessment is based on the offertory income of the parish.
- 752.00 Offertory Assessment - Current Year Unpaid - Amount of offertory assessment that is unpaid for the current fiscal year. The accrual entry would be to debit this account for the amount that is due the Archdiocese, and to credit Account # 00.264.00 - Offertory Assessment Payable.
- 753.00 Continuing Education - Assessment paid to the Archdiocese for each priest assigned to the parish for the continuing education of each priest.

- 754.00 Permanent Deacon - Assessment paid per deacon that is assigned to the parish.
- 755.00 Other Archdiocesan Assessments - Other assessments charged by and paid to the Archdiocese of Washington.
- 756.00 Education Assessment - Current Year Paid - Archdiocesan education assessments paid during the current fiscal year. The assessment is based on the offertory income of the parish.
- 757.00 Education Assessment - Current Year Unpaid - Amount of education assessment that is unpaid for the current fiscal year. The accrual entry would be to debit this account for the amount that is due the Archdiocese, and to credit Account # 00.265.00- Education Assessment Payable.
- 770.00 Land and Improvements - Amounts expended during the year that would normally be charged to account # 00.170.00. Amounts may be temporarily charged here for budgeting purposes and to help with the analysis of the cash flow of the parish during the fiscal year. PRIOR TO THE END OF THE FISCAL YEAR, ALL AMOUNTS CHARGED HERE MUST BE MOVED TO THE CORRECT BALANCE SHEET ACCOUNT. THE BALANCE OF THIS ACCOUNT AT JUNE 30, MUST BE ZERO. Reference Journal Entry and Instructions [IX.A.Fixed Assets-Capital Expenses Quick Guide](#)
- 771.00 Bldgs. and Improvements - Amounts expended during the year that would normally be charged to account # 00.173.00. Amounts may be temporarily charged here for budgeting purposes and to help with the analysis of the cash flow of the parish during the fiscal year. PRIOR TO THE END OF THE FISCAL YEAR, ALL AMOUNTS CHARGED HERE MUST BE MOVED TO THE CORRECT BALANCE SHEET ACCOUNT. THE BALANCE OF THIS ACCOUNT AT JUNE 30, MUST BE ZERO. Reference Journal Entry and Instructions [IX.A.Fixed Assets-Capital Expenses Quick Guide](#)
- 772.00 Construction in Progress - Amounts expended during the year that would normally be charged to account # 00.175.00. Amounts may be temporarily charged here for budgeting purposes and to help with the analysis of the cash flow of the parish during the fiscal year. PRIOR TO THE END OF THE FISCAL YEAR, ALL AMOUNTS CHARGED HERE MUST BE MOVED TO THE CORRECT BALANCE SHEET ACCOUNT. THE BALANCE OF THIS ACCOUNT AT JUNE 30, MUST BE ZERO. Reference Journal Entry and Instructions [IX.A.Fixed Assets-Capital Expenses Quick Guide](#)

- 773.00 Furnishings and Equipment - Amounts expended during the year that would normally be charged to account # 00.180.00. Amounts may be temporarily charged here for budgeting purposes and to help with the analysis of the cash flow of the parish during the fiscal year. PRIOR TO THE END OF THE FISCAL YEAR, ALL AMOUNTS CHARGED HERE MUST BE MOVED TO THE CORRECT BALANCE SHEET ACCOUNT. THE BALANCE OF THIS ACCOUNT AT JUNE 30, MUST BE ZERO. Reference Journal Entry and Instructions [IX.A.Fixed Assets-Capital Expenses Quick Guide](#)
- 774.00 Autos, Trucks and Buses - Amounts expended during the year that would normally be charged to account # 00.185.00. Amounts may be temporarily charged here for budgeting purposes and to help with the analysis of the cash flow of the parish during the fiscal year. PRIOR TO THE END OF THE FISCAL YEAR, ALL AMOUNTS CHARGED HERE MUST BE MOVED TO THE CORRECT BALANCE SHEET ACCOUNT. THE BALANCE OF THIS ACCOUNT AT JUNE 30, MUST BE ZERO. Reference Journal Entry and Instructions [IX.A.Fixed Assets-Capital Expenses Quick Guide](#)
- 778.00 Notes Payable - Amounts expended during the year that would normally be charged to account # 00.201, 00.203 or 00.210. Amounts may be temporarily charged here for budgeting purposes and to help with the analysis of the cash flow of the parish during the fiscal year. PRIOR TO THE END OF THE FISCAL YEAR, ALL AMOUNTS CHARGED HERE MUST BE MOVED TO THE CORRECT BALANCE SHEET ACCOUNT. THE BALANCE OF THIS ACCOUNT AT JUNE 30, MUST BE ZERO.
- 781.00 Inter-Parish Support - Amounts expended for support of other parishes.
- 782.00 Regional School Support - Amounts expended for support of the parish regional school.
- 799.00 Miscellaneous - Expenditures that cannot be classified into any other expense accounts. Care should be taken so as not to submit reports that show large amounts of expenditures in the miscellaneous accounts.

School Income

- 90.408.00 Bequests -Amounts received in accordance with the terms of a will. If the will placed restrictions on the use of the assets, the pastor is LEGALLY OBLIGATED to use them in accordance with these terms.
- 90.409.00 Contributions and Donations - Amounts received by the school as contributions or donations.
- 90.421.00 Rental Income - Revenue from the rental of the school facilities.
- 90.422.00 Investment Income - Income earned on investments and notes receivable of the school. Interest earned from banks and dividends on stock accounts should be coded here.
- 90.431.00 Tuition - Fees paid for the instruction of students in the formal school. Would include Kindergarten through 8th grade. Nursery school and Before and Aftercare income is not coded here, but in Accounts # 90.447 and # 90.448.
- 90.432.00 Archdiocesan Tuition Assistance - Amounts received from the Archdiocesan tuition assistance program. These amounts are awarded by the Archdiocese to needy families. Awards from the Education fund are not included here, but in account # 90.491.
- 90.435.00 Book Fees - Fees charged by the school for the use of textbooks. Both sale and rental fees are coded here.
- 90.436.00 Registration Fees - Fees charged by the school for registration of children for the school year.
- 90.438.00 Endowment Income - Income earned on endowments of the school. Would include all bank interest and dividends earned on stock.

- 90.439.00 Other School Fees - Miscellaneous fees charged by the school.
- 90.440.00 Bingo - Revenue from the operation of bingo as a fundraising effort.
- 90.441.00 Fundraising - Income realized as a result of fundraising activities, other than bingo games. Examples: School socials, dinners, candy sales, store certificate sales. All revenues coded to this account should be the GROSS revenue, with the exception of store certificate sales. Store certificate NET profit would be coded here.
- 90.447.00 Nursery School (Pre-K) - Revenue received for providing nursery school services for preschool children.
- 90.448.00 Before and After Care - Revenue received for providing day care services to children, whether or not the children go to the parish school.
- 90.451.00 Resale Items - Revenue received as a result of selling miscellaneous school items. Items would include notebooks, paper, pencils, stationery, uniforms, supplies, etc. Sales of instruction books would not be included here but would be coded to account # 90.435.00
- 90.453.00 Transportation Fees - Revenue received as a result of providing transportation for school children. Student busing and bus tokens.
- 90.454.00 Cafeteria Sales - Receipts from the sale of food and beverage in the school cafeteria.
- 90.460.00 Govt. Milk Program - Monies received from the government to subsidize school lunch costs.
- 90.469.00 Miscellaneous - Income received that is not properly classified into any other income accounts.
- 90.491.00 Archdiocesan Support - Monies received from the Archdiocese of Washington for the support of the school. This amount is not to be repaid. Awards from the Education Fund would be coded here.
- 90.492.00 Inter-Parish Support - Monies received from other parishes as support for the school. Monies may be received from both parishes that are part of a regional school or parishes that are outside the school region.

School Expenses

- 501.00 Compensation-Clergy/Religious -Gross amount of compensation paid to the Clergy/Religious working in the school.
- 505.00 Benefits-Clergy - Benefits that are paid to or on behalf of the Clergy or working in the school. Included in this account would be amounts paid for health, pension, life and dental insurance.
- 511.00 Salary/Wages-Lay Persons - Gross amount of compensation of all employees that are not Clergy or Religious. Amounts included in this account are full time and part time salaries/wages paid to lay persons, as well as temporary employees. These employees must have completed and submitted to the parish a W-4 form.
- 515.00 Non-Payroll Help - Gross amount paid to temporary workers who are not considered employees. The persons charged to this account must receive 1099's at the end of each calendar year if they earned more than \$600 or more. The persons charged to this account do not complete W-4 forms.
- 521.00 FICA Employer Share - Social security and Medicare tax that is matched by the parish. The amounts charged to this account for each employee are typically equal to the amounts withheld from the employees' pay.
- 522.00 Benefits-Lay Persons - Benefits on behalf of lay employees. Included in this account would be amounts paid for health, pension, life and dental insurance as well as unemployment premiums.
- 538.00 Library Supplies - Cost associated with the operation of the school library, not including salaries
- 539.00 Supplies and Materials - Expenditures for various supplies and materials that are related to the specific cost center. Expenses charged to these accounts must meet the following criteria:
- A) Consumable in the ordinary course of operations
 - B) Items are not capitalized
 - C) Items are not specifically addressed in any other expense account
- 540.00 Student Testing Fees - Fees paid related to standardized tests that are taken by the students of the school.

- 541.00 Instructional Books - Expenditures for instructional books used in the school, i.e., Math, Science, History, and Religion Books bought for use by the students.
- 551.00 Printing and Duplicating - Expenditures for printing and duplicating. Expenditures for toner for copiers as well as copy paper should be coded to this account.
- 552.00 Postage - amounts paid for postage and the various costs of mailing.
- 553.00 Telephone - Expenditures related to the use of the telephone, including fax lines and installation charges.
- 555.00 Maintenance Agreements - Expenditures for maintenance agreements that are not capitalized as fixed asset costs. Charges would include copier, computer and software maintenance agreements, contracts for grass cutting and ice and snow removal contracts for the parish and school grounds.
- 556.00 Dues, Books, and Subscriptions - Expenditures for membership in a club or organization, amounts paid for subscriptions to book clubs or for magazines.
- 561.00 Seminars and Travel - Expenditures for attendance at seminars, retreats and meetings. Also charged to this account are the reimbursement of business travel expenses of employees.
- 572.00 Audit and Accounting Fees - Expenditures for bookkeeping and auditing fees.
- 579.00 Other Professional Fees - Expenditures for legal and other professional charges.
- 591.00 Gifts and Donations - Expenditures for the poor and needy, and contributions to other non-profit organizations. Do not record employee bonuses in this account. Bonuses should be recorded in the Compensation or Salary accounts, # 501 or # 511, and should have the appropriate taxes withheld.
- 592.00 Tuition Assistance - Grants awarded to students to defray the cost of attending the school. Grants can be awarded for both tuition and fees.
- 601.00 Utilities-Oil - Expenditures for heating oil for school buildings.
- 602.00 Utilities-Gas - Expenditures for natural gas for school buildings.

603.00	<u>Utilities-Electric</u> - Expenditures for electricity for school buildings.
604.00	<u>Utilities-Other</u> - Expenditures for utilities not included in 601.00-603.00.
606.00	<u>Repairs</u> - Expenses for repairs and maintenance of school buildings, equipment and grounds.
607.00	<u>Property Insurance</u> - Payments for insurance coverage for fire, theft, liability, etc.
610.00	<u>Trash Removal</u> - Expenditures for the removal of trash from the school facilities.
623.00	<u>Resale Items</u> - Expenses resulting from the purchase of miscellaneous items that are to be resold.
631.00	<u>Interest Expense</u> - Interest charged on outstanding loans owed by the parish.
700.00	<u>Bingo Expense</u> - Expense in conducting bingo activities.
701.00	<u>Fundraising Expenses</u> - Expense in conducting fundraising activities.
702.00	<u>School Transportation</u> - Cost of providing transportation to school children.
705.00	<u>Cafeteria</u> - Expenditures for food and beverages for the school cafeteria.
707.00	<u>Govt. Milk Program</u> - Expenditures incurred to participate in the Government Milk Program.
708.00	<u>Govt. Lunch Program</u> - Expenditures incurred to participate in the Government Lunch Program.
709.00	<u>Student Service Fee</u> - Fee charged by the Archdiocese. Fee is for each student attending the school.
710.00	<u>Convent Expense</u> - Expenditures associated with the operation of the convent.
715.00	<u>Accreditation Fees</u> - Middle States fees related to schools accreditation.
755.00	<u>Other Arch. Assessments</u> - Other assessments charged by and paid to the Archdiocese of Washington.

780.00 Uncollectible Tuition - Amount of tuition that was billed , but has since been determined to be uncollectible. This account will be charged as an offset to Account # 00.141 - Tuition Receivable.

EXAMPLE

Tuition Receivable at June 30 was \$ 15,000 for the prior fiscal year. During the months of July and August, \$ 10,000 of this amount was collected. It was determined in August that the remaining \$ 5,000 will not be collected. In this instance the following entry would be made:

<u>Debit:</u> Uncollectible Tuition (# 94.780)	\$ 5,000	
<u>Credit:</u> Tuition Receivable (Acct. # 141.00)		\$5,000

The above entry will reduce the receivable by \$ 5,000.

789.00 School Furn/Equipment - Amounts expended for the purchase of school furniture and equipment.

799.00 Miscellaneous - Expenditures that cannot be classified into another expense accounts. Care should be taken so as not to submit reports that show large amounts of expenditures in the miscellaneous accounts.

Revisions

August 2021	Update Fixed Assets Capital Expenses Quick Guide Link
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