




Diocese of El Paso

Finance Office
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Memo

To: Pastors and Bookkeepers
From: Leticia Q. Macias 
Date: June 25, 2018
Re: Fiscal Year 2018-19 Parish Budget

It is now time to begin working on the budget for the fiscal year 2018-19.

The *Manual of Policies and Procedures of the Parish Finances of the Roman Catholic Diocese of El Paso* (II, A, 7) states that every parish shall prepare an annual budget and submit it to the finance office within the first month of the fiscal year, by July 31, 2017. In addition the manual states that the parish finance council must be involved in the budgeting process (VIII, C, A).

The budget should be completed using ParishSoft Accounting. Each parish is responsible for entering the parish budget into the ParishSoft ConnectNow Accounting system and providing the Diocesan Finance Office with a hard copy of the completed and approved budget with a signed copy of the attached cover page. Below find helpful information for preparing your budget and Instructions for working on budget using ParishSoft.



Cost of Living Adjustment – There has been no approval for a cost of living adjustment for salaries for the upcoming year by the Diocese of El Paso Finance Council at this time. We will share that information with you once a decision has been approved.

Clergy Compensation – There will be no changes to clergy compensation for the 2018-19 fiscal year.

- Salary (account 5001.00P) is \$1,250 per month (\$15,000 annually),
- Social security allowance (account 5001.00P) is \$200 per month (\$2,400 annually) for those priests that participate in the social security system and
- Auto allowance (account 5509.00P) is \$500 per month (\$6,000 annually) within El Paso County and \$600 per month (\$7,200 annually) for West Texas (outside the El Paso County).

Health Insurance Premiums (account 5103.00XXX) – The monthly premiums for health insurance have been approved for the 2018-19 fiscal year and there has been no change.

For budgeting purposes the amount for the **employer share** of health coverage varies based on the plan and coverage selected by the employee. Please see the attached worksheet for rates

- The average cost per employee per month for Life, ADD & LTD coverage is \$11.20 (\$134.40 per year) including those that may have opted out of health coverage.

Though it does not affecting your budget, the **employee's share** of the premium for employee only coverage will be \$74.00 for the **Basic plan** and \$153.00 for **Laity (Anthem) plan**. Please see the attached rate table for employee's share for other coverages on the different plans.

Employee retirement 403(b) (account 5116.00XXX) – The Diocese made a change to the employee retirement plan effective July 1, 2017 enabling that all eligible employees be enrolled in the retirement plan unless they choose to opt out if they do not want to participate. The employer is responsible for matching the employees' contributions up to 3% of their salary so you will need to budget for that amount for participating employees

Property Insurance (account 5850.00XXX) – Rates are expected to go up about 5%.

Workers Compensation (account 5102.00XXX) – Rates are expected to decrease by about 6%.



INSTRUCTIONS FOR WORKING ON BUDGET

To print out a working copy of the budget worksheet go to **Reports > Budget/History > Budget Worksheet**. This will create a report with all the income and expense accounts you have in your parish chart of accounts displaying columns for up to two years of prior year actuals, the current year to date actual as of the date you run the report, the current year budget and any amounts you have already entered for the next year's budget. You can use the filters to print out working copies of the report for specific departments (ex: select department 3: Religious Education for a report on only that department) or account categories (ex: select the category 50: Salaries Expense for a report on only salaries).

To begin entering numbers into the budget go to **Process > Next Year Budget**. If you do not have any filters all the accounts that are in your chart of account will display. Again you may use the filters to work with specific accounts (ex: type = Income, category = grant income). You will see three options that affect the accounts selected by using the filters and displayed on the screen:

- **Current Year's Actuals:** This uses the current year's actuals as of the time it is run as the starting point for the budget for all accounts displayed.

Below those options is another option that allows you to change numbers by a certain percentage for the accounts selected by using the filters and displayed on the screen. Enter a percentage in the **Change by** field and click "**Calc Change!**" to see the new calculations.

As an example you can chose the option **Same as Current Year's Budget** to begin working on your entire budget. You can than filter down by choosing category 42: Contributions and click Search. You can than choose to increase those amounts by 2 percent by entering a 2 in the **Change by** field and clicking the **Calc Change!** button. Those accounts will be increased by two percent. Click **Submit** to save changes. These numbers can always be edited.

As you begin to enter amounts, remember to click the **Submit** button regularly while entering amounts and before you leave the screen to save your changes. You may also choose to export the budget to an Excel spreadsheet by hitting the **Export** button. This file can be used to enter amounts and later imported back into ParishSoft ConnectNow Accounting. Please watch the help video found at <https://vimeo.com/117794554> to learn how this is done.

Once you have completed entering all budget amounts, print a final copy of the Budget Worksheet (**Reports > Budget/History > Budget Worksheet**) to be presented to and approved by the pastor and parish finance council. The budget cover page should be signed by the preparer, the president/chairperson of the finance council and the pastor/administrator. A copy of the completed and approved budget with the cover page should be submitted to the Finance Office by the end of July 2018.



This is also a good time to **remove unused accounts** from your chart of accounts. This process will narrow down your chart of accounts to only accounts you use and help you avoid using accounts in error. Review the above report for any line items that have zero activity, accounts with activity in an incorrect department or accounts without a current year budget amount and current year actual amounts to determine what accounts may need to be removed. To remove accounts go to **Accounts** use the **Quick Find** to find the account. If the account has never been used you will see a **Delete** button, if the account has previously been used and has a zero balance check the box for **Archive Account**. If the account has a balance you will need to create a journal entry to reclassify the activity and leave the account with a zero balance before you can archive the account. You can always go back and retrieve these accounts if you later find the need for them by selecting them from the master chart of accounts or removing the check from Archive Account.

Keep in mind that our office is available to provide additional information or assistance on this or any other fiscal matters. Please do not hesitate to call on us at (915)872-8404.