

Archdiocese of Vancouver
Policies on the Administration
of Temporal Goods:
Volume 1

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Archdiocese of Vancouver
ARCHBISHOP'S OFFICE

DECREE

I hereby decree that the Manual entitled *Policies on the Administration of Temporal Goods: Volume I*, contains lawful policies and procedures for the administration of temporal goods in the Archdiocese of Vancouver. All prior particular laws, policies and procedures of the Archdiocese that are contrary to the policies and procedures contained in this Manual are abrogated by this Decree.

This Decree is promulgated on January 17, 2011, and begins to oblige on February 17, 2011.

I am grateful to all who have contributed to the development and compilation of this Manual, and pray that it will assist all of us to be prudent stewards of the temporal goods entrusted to our administration.

Given this Seventeenth Day of January, the Memorial of St. Anthony, Abbot, in the Year of Our Lord, Two Thousand and Eleven, at Vancouver, British Columbia.



+ J. Michael Miller CSB

✠ J. Michael Miller, CSB
Archbishop of Vancouver

Bruce McAllister

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1. INTRODUCTION

The Second Vatican Council reaffirmed that the Church is both a visible society and a spiritual community, both an earthly Church and a Church enriched with heavenly things. But the Church visible and the Church invisible are not to be considered as two realities, but as one, formed from a divine and human element (see *Lumen Gentium* 8).

To pursue her mission in the world, the Church therefore needs to acquire and administer temporal goods (see canon 1254).

Faithful to Gospel teaching, administrators of Church goods are bound to carry out their responsibilities as true stewards: “to fulfill their function with the diligence of a good householder” (canon 1284 §1). According to canon 1284, the duties associated with their stewardship include:

- Safeguarding assets entrusted to their care;
- Observing the requirements of both canon and civil law;
- Respecting the will of donors;
- Collecting and recording income accurately;
- Paying liabilities in a timely manner;
- Investing surplus income with the consent of the Archbishop;
- Keeping well organized books of receipts and expenditures;
- Drawing up an annual report; and
- Maintaining and protecting documents and records.

The policies and procedures in this manual are intended to assist those entrusted with these responsibilities and those who assist them.



2. AUTHORITY

This manual includes both the policies and special instructions for the administration of temporal goods in the Archdiocese of Vancouver. When the policies contained in this manual come into force, any previous particular laws, policies and procedures that have been hitherto promulgated in the Archdiocese of Vancouver are abrogated in those instances in which they are contrary to the provisions of the policies contained in this manual. To the extent that the policies in this manual reproduce any former law, they are to be assessed in the light of canonical tradition.

Provisions of this manual bind all parishes in the Archdiocese of Vancouver.



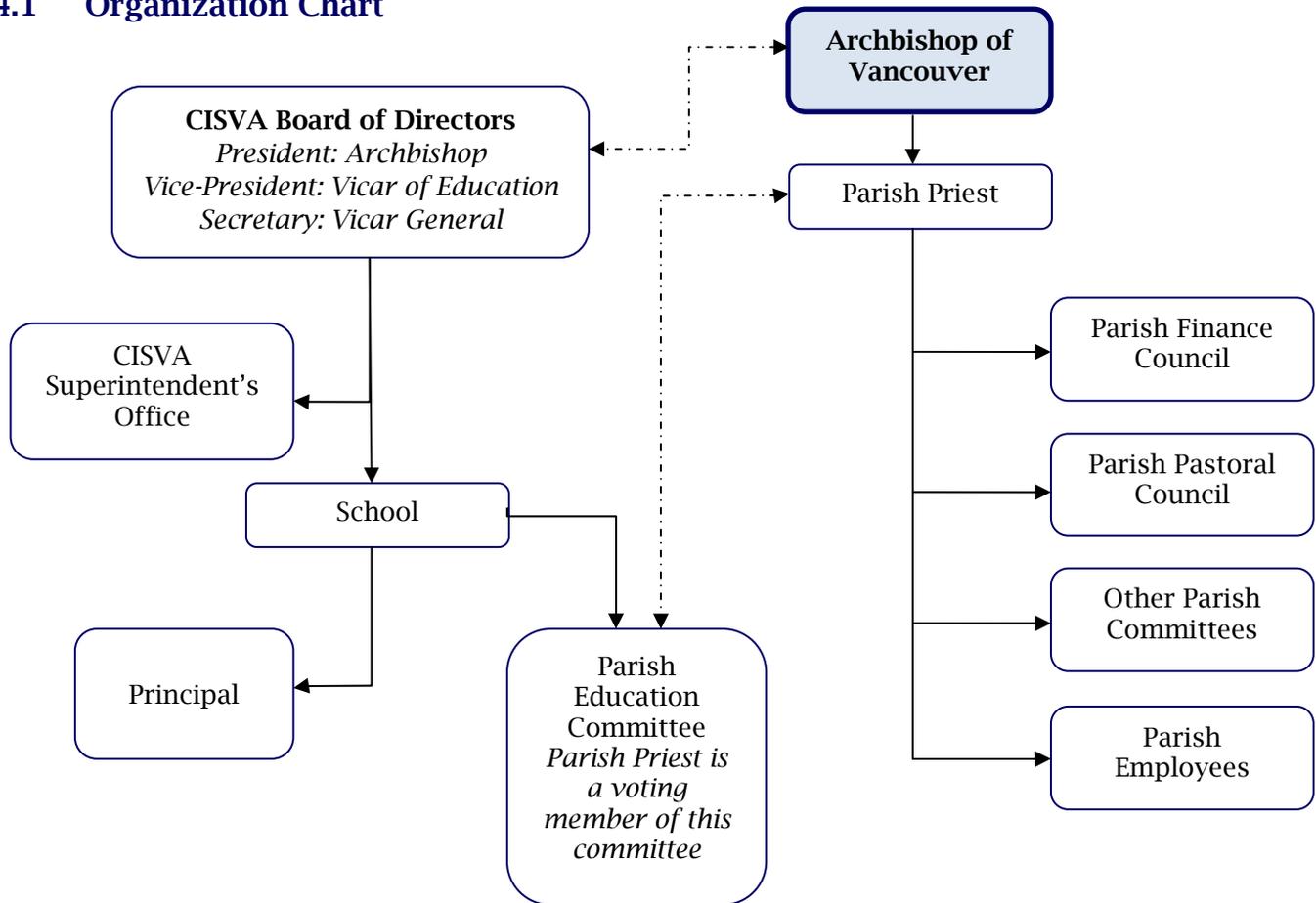
3. RATIONALE

The intent of this manual is to streamline the parish processes and to ensure that all parishes manage the temporal goods in the same way. Aligning the operation of the parishes serves a dual purpose: (1) newly appointed Pastors can assume administration duties more quickly as the processes themselves are consistent and (2) the Archdiocese will be able to provide direction, instruction, and support that applies to all the parishes, rather than individual instruction to each parish.



4. PARISH ADMINISTRATION

4.1 Organization Chart



4.2 Parish Finance Council Guidelines

Manual Revision: April 19, 2012

The revisions to the Parish Finance Council Guidelines were approved by Archbishop Michael Miller on December 15, 2011, and came in effect on March 1, 2012.

- a. As required by canon 537, a Parish Finance Council (PFC) is to be established in every parish in the Archdiocese of Vancouver.
- b. It will be the duty of the PFC to assist the Pastor in the administration of the goods of the parish. (c.537). The PFC's role continues under a parish administrator.
- c. In all juridical matters, the Pastor acts in the person of the parish. It is his responsibility to ensure that the goods of the parish are administered according to canons 532, 1281-1288 and according to Archdiocesan regulations.
- d. The PFC is comprised of the Pastor, who always presides, and at least three lay persons appointed by him. Consultation with the Parish Pastoral Council regarding appointments is recommended. Appointments are to be made in writing, with a copy kept in the parish files.



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- e. Those appointed to the PFC must be persons with genuine expertise and experience in financial matters. They must be practicing Catholics, at least 21 years of age and members of the parish for at least three years. Members may not include the bookkeeper or other parish employees, immediate relatives of parish employees (including the pastor) or immediate relatives of other volunteers who are responsible for handling parish money.
- f. Appointment to the PFC will be for a three-year term, renewable at the discretion of the Pastor. Members are to be appointed in staggered years to maintain continuity in knowledge of parish needs and plans. A member's term continues even if there is a change in pastor.
- g. After consultation with the Archbishop or Vicar General, the pastor may remove or dismiss a member of the PFC for a serious reason. The decision should be communicated in writing, with a copy kept in the parish files.
- h. A member should be appointed to take minutes. Another member may be appointed by the pastor to chair the meetings. At least two members must have signing authority together with the pastor. The pastor's and one other signature are required when the amount is over \$1,500.00.
- i. The PFC should meet at least quarterly.
- j. The PFC will approve the annual budget and report periodically to the Parish Pastoral Council. The PFC should review monthly financial statements to ensure compliance with the budget and Archdiocesan "Policies on the Administration of Temporal Goods".
- k. Every request for expenditure requiring Archdiocesan approval must be endorsed by the PFC.
- l. When the Pastor is transferred or dies, the PFC does not meet until the new pastor or administrator takes office.



5. COLLECTIONS

5.1 General Information

The Christian faithful are obliged to support the Church so that what is necessary for divine worship, apostolic and charitable works, and the decent support of ministers is not lacking.

Collections are not taken up at funeral Masses or weddings.

5.2 Offertory Collection

5.2.1 Frequency

An offertory collection will be taken up at all Masses on Sundays and Holy Days of Obligation.

5.2.2 Special Collections

Manual Revision: May 8, 2014

Special collections authorized or mandated by the Archbishop are usually taken up as a second collection. Special collections are to be used exclusively for the purposes stated.

Other than Building Fund collections, all special collections require the Archbishop's authorization. Parishes are to ensure that proper authorization is obtained prior to the initiation of the special collection.

The income derived from these collections is to be reported on the Annual Report under the revenue account "Special Collections - Other". The use of the funds is to be reported on the Annual Report under the expense account "Special Collections - Other: Domestic" if the funds were disbursed in Canada and "Special Collections - Other: Foreign" if the funds were sent outside Canada in accordance with a pre-established Agency Agreement.

5.2.3 Internal Controls

To protect all involved and to safeguard the collection and in keeping with generally accepted accounting practices, the offertory collection and other cash donations or receipts must be handled according to the following norms:

- No one individual, including the Pastor, shall have access to the collection prior to and during counting;
- Cash handling and the accounting shall be performed by separate individuals.

5.2.4 Handling the Offertory Collection

Manual Revision: May 8, 2014

After the collection is taken up, it may be placed in a basket in a visible location in the sanctuary. Immediately after Mass (or after the collection), two unrelated people shall together take the collection to a secure place in the church.

The same two people shall place the collection in a sealable, tamper-proof plastic bag. Three examples of such bags are shown below:



received.

The bag shown to the left is a clear, plastic, single-use, self-sealing bag. It can only be cut open. The cost is about \$0.22 per bag. The Bank of Montreal supplies similar bags. Some parishes have been able to get them for free, while others have had to pay. A numbered bag(s) would be allocated to each Mass collection and it would be the counters' responsibility to check that the bags allocated were actually the ones



The red and blue bags are reusable, canvas, lockable bags. They are opened with a key. They vary in size and colour. The cost varies also, depending on the supplier. The keys would remain in the parish office, accessible only by the counters. The ushers would not have access to the keys.



The green bag is a reusable nylon bag. Zap straps can be thread through the zipper and the grommet and tightened to lock. Scissors would be needed to cut off the zap straps. The bags vary in size and colour. The cost varies also, depending on the supplier. A bag and a zap strap would be allocated to each Mass. The end of the zap strap is to be coloured using felt. Again, it would be the counters' responsibility to check that the coloured zap strap allocated to each Mass collection was actually the one received

For ease of accounting of the loose portion of the donations, a special collection is usually placed in its own sealable or lockable bag. It is also acceptable to combine the two collections and apportion a percentage of the loose collection to the special purpose based on the proportion of envelope donations. For example, the envelope donation for the Sunday collection is \$200 while the envelope donation for the special collection is \$100, \$300 for envelope donations in total. Based on these results, one-third (calculated as $\$100/\300) of the total loose collection for both collections would be allocated to the special collection.

5.2.5 Collection Safe

Manual Revision: May 8, 2014



Once the collection has been secured in the bag, the bag is to be placed in a safe until it can be counted. The combination or keys must be carefully controlled by the Pastor. It is recommended that parishes obtain a safe such as the one pictured to the right, into which items can be placed, but not removed without the combination or key, very much like a mailbox.

The safe should be located in a secure area of the church, out of sight of the faithful, such as in a locked cabinet in the sacristy. Ideally, the safe should be bolted to the wall or floor. In situations where the safe is not located in the church and the collections must be brought to the rectory (or in some cases, to another church), the collection bags are to be accompanied by two unrelated people. For the protection of his reputation, the priest should not transport these bags on his own.

Ideally, opening the safe should require two people. This is known as dual access. Either two combinations or two keys are required, or a combination and a key. The combination and/or key must be changed when one of the access-holders changes. The Pastor and parish secretary must have a combination or key of their own.

5.2.6 Counting the Collection

Each collection may be counted separately. The contents of each envelope must be clearly marked on the envelope and verified by the counters. If the parishioner has written an amount on the outside of the envelope and this amount agrees with the contents, the counters are to circle the written amount. If the amount is incorrect, the counters are to cross out the number and write the correct amount and circle it. If there is no amount written, the counters must mark the correct amount and circle it. The individual posting the donation in the Parish Management System posts the circled amount.

Parishioner offerings are **confidential**. They are not to be discussed among the counters, office staff or general parish population.

The collection should be counted by teams of at least two unrelated people. If the people are related, such as husband and wife, a third counter must be added. Unless the team is three or more, there should be a rotation so that the same pair is not counting every week.

The counters shall be given preprinted Counter Tally Sheets (Appendix A) and Counting Chits (Appendix B) on which to record the counting.



The counter sheets must require that the regular and special collection donations (both loose and envelope) be counted and recorded separately.

All cheques must be stamped **immediately** with a restrictive endorsement:

For deposit only to
PARISH NAME
Bank Transit/Account #123-456-7

Cheques in the loose collection are to be photocopied. Tax receipts shall be given to all donors whose name and address can be verified, not just to those who use offering envelopes.

Post-dated cheques shall be kept in the safe in a folder or box marked “post-dated cheques” until such time as they can be deposited. Post-dated cheques are not to be included on the counter sheets until the actual date of deposit.

The counters will prepare the bank deposit according to the instructions from the bank. In general, coins should be rolled, cheques should have a list wrapped around them showing the total amount, and banknotes should be bundled according to their amounts.

The collection should usually be deposited **INTACT**:

- All coins should be deposited, even if not rolled;
- No payments should be made directly from the collection proceeds;
- No cheques should be cashed from the collection.

It is imperative that the amounts on the envelopes, on the counter sheets and the bank deposit match. The counter sheets must be dated and signed by all counters.

The counter sheets, a copy of the deposit slip, empty envelopes and the loose collection cheque listing are to be set aside for the individual who records the collections and deposits.

5.2.7 Foreign Currency

Foreign currency must be counted and recorded separately on its own counting sheet. Unless the weekly collection contains a substantial amount of US currency, a bank account for US funds is not necessary. Some parishes already have a US funds bank account and these may be retained. For parishes without a US funds bank account, the parish can develop a US petty cash fund or deposit the US currency into the parish’s operating account. The bank will apply the prevailing exchange rate.

US currency found in the collection must be entered in the accounting system at the Canadian equivalent even if the money is actually deposited in a US bank account or US petty cash fund.

5.2.8 Bank Deposit

At least two unrelated people are to take the deposit to the bank. The deposit must be made as soon as possible after the weekend collection has been counted.

The collection shall be placed in a plastic, sealable bank deposit bag. These are available for purchase from the bank or local stationery supplier. The use of the night depository slot is recommended. When transporting the deposit from the parish to the bank, it is recommended that the deposit be carried in another non-descript satchel. This is for the security of those transporting the deposit, as well as for the deposit itself. Transportation to the bank should be unscheduled and unpredictable with respect to the time of day. For the safety of the individuals taking the deposit to the bank, both people shall drop off the deposit together.



5.2.9 Recording the Collection

The individual recording the collection and deposit (generally the bookkeeper) shall not participate in the counting (other than in a supervisory role) nor shall he/she accompany the deposit to the bank. This is an important internal control that permits verification of the figures counted and deposited.

Before posting the collection and the deposit, the recording individual should verify that the Counter Tally Sheets agree with the bank deposit.

The deposit and the accounting-side of the collection information will be recorded in the accounting system (see Section 6.2). The donation-side of the collection will be recorded in the parish management system using the collection envelopes, and the loose-collection cheque listing. For many parishes in the Archdiocese, Paritek is the preferred parish management system. All contributions shall be entered with the date of receipt regardless of the date on the envelope, or source document. Additionally, if a parishioner turns in two envelopes, one for the current week and one for the prior week, the donation for the current week must be posted as the total of the two envelopes. This allows the total contributions to be reconciled with the Counter Tally Sheets, deposit and accounting entries for a given day.

Once entered, the totals on the computer shall be verified against what was recorded on the Counter Tally Sheets. Any discrepancies must be investigated. All discrepancies will be noted on the Counter Tally Sheets and brought to the attention of the counters.

Each month when the bank statement is reconciled to the accounting records, the bookkeeper should note whether the deposits received by the bank were correctly recorded and deposited in a timely fashion. All discrepancies shall be brought to the Parish Finance Council for corrective action.

5.3 Collections of Candle Donations

The frequency of the collection of candle donations depends on the volume and is thus at the discretion of the Pastor. Candle donations are to be collected before the final collection count so that the counters can include the donations in their count.

Two unrelated people are to retrieve the money from the candle donation boxes, placing the money in a sealable, tamper-proof plastic bag or a locking reusable canvas bag. The bag should be clearly marked "Candle Collection", to distinguish it from the other collections bags.

The money is to be placed in the parish safe with the other collection bags until counting time. The counters are to count candle money and record it on a separate counting sheet.

5.4 Other Parish Envelopes

The parish may receive envelopes from neighbouring parishes. The parish should record the parish envelope number and any other information (name, amount) that is shown on the outside of the envelope. This record should be kept in a file. The envelopes should be forwarded to the correct parish as soon as convenient.

Parishioners should be encouraged NOT to bring their envelopes to other parishes, as this process just increases the administration. They should keep their envelopes until they attend their own parish.

The parish is to record the donation in the donation system in the week in which it was received at the home parish.

5.5 Collections for Out-of-Country Appeals

In general, the parish may not send money directly to organizations outside of Canada.



5.5.1 Disaster Relief

When a natural disaster strikes and the Pastor wishes to draw the attention of the faithful to a particular relief effort, he may inform the parishioners that they can send money to the Canadian Catholic Organization for Development and Peace (CCODP) on their own. If the Pastor wishes, a second collection may be taken up in which case the parish will send the funds to the CCODP on the parishioners' behalf.

The parish is to create a separate income account under Charitable Works Income specifically for the relief effort. All money collected is to be posted to this account. As well, the parish is to create a collection code in the donation system (Paritek) and post all envelope donations to this code. The parish is to create a separate expense account under Charitable Works Expense for the disbursement of the collected funds to the CCODP. The cheque is to be sent to:

5633 Sherbrooke Street East, Montreal, Quebec H1N 1A3

5.5.2 Mission Appeals

The Archdiocese of Vancouver recognizes its responsibility to respond to missionary appeals, be they appeals: a) from missionaries coming to our diocese to solicit donations, or b) received by mail from those missions and dioceses who cannot afford to send someone to our diocese to appeal for help. Our diocese receives many of the latter requests from mission countries and therefore needs a fund with which to respond. In order to achieve this, this policy is being implemented for all missionary appeal projects.

Missionary priests applying to come to preach in the Archdiocese will be requested to comply with all of the policy requirements and have the endorsement of their Bishop. Missionaries who have visited one year will not be considered the following year.

Under the Canada Revenue Agency Act, a registered charity may carry out its charitable purposes in only two ways:

1. It can make gifts to other Registered Canadian Charities (e.g., CCODP or Holy Childhood Association, etc.) or,
2. It can be an active and controlling participant in a project that directly achieves a charitable purpose, as outlined below.

All requests to participate in the Mission Appeal Program will be considered by an Archdiocesan Mission Appeal Council consisting of the Archdiocesan Director of the Pontifical Missions Societies, the Director of the Holy Childhood Association, the Archdiocesan Controller, and a representative of the Presbyteral Council named by the Archbishop. The Council shall choose its projects and determine the allocation of funds keeping in mind funds available, timing requirements, number of people helped and sustainability. Projects shall only be considered if they benefit the community at large.

Monies donated for missionaries who solicit funds in parishes will be deposited in the parish account, and receipts will be provided to donors by the parish. The parish will remit the total to the Archdiocesan Mission Appeal Council.

As resolved by the Presbyteral Council, 70% of these donations will be forwarded to the Agent named in the Agent's Agreement for a specific project. This policy should be made known to parishioners at the time of a mission appeal. Missionaries may not distribute envelopes, sign-up sheets, assemble mailing lists, sell magazine subscriptions, or solicit by any other means during the appeal. Publications may, however, be distributed.

The remaining 30% of all funds donated will be retained as a 'holdback fund' and distributed to those missionaries requesting financial assistance by mail. Requests for donations from the retained funds will be accepted by the Archdiocesan Mission Appeal Council using the same criteria and considering the following:

- Mission territories suffering particular hardship or natural disaster will receive more favourable consideration.



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- Religious orders with works in the Archdiocese will generally be given more favourable consideration.
- Mission territories from which significant members of Vancouver Catholics have come will also receive more favourable consideration.

The Archdiocese generally will not contribute from the holdback fund to clerical religious communities because they are able to apply to send a mission appeal preacher.

The Archdiocese will also not contribute to seminaries or houses of formation, since it assists directly to the Society of St. Peter the Apostle, which distributes funds for these purposes equally on a worldwide basis.

In order to comply with Canada Revenue Agency regulations, all Mission Appeal Council projects shall be based on the application to fund a specific item, or initiate a new project. We cannot subsidize or reimburse spending on an existing project.

5.5.2a. Requests

Requests for funding a charitable project shall include:

- Completed *Charitable Project Request Form*, with a description of the charitable purpose our funds shall be used for, and indicating timing requirements for any new projects.
- The total amount requested, with details grouped by stages or categories in the event partial funding is possible. This should include enough detail to clearly indicate proposed purchases.

5.5.2b. Approval of New Projects

The *Charitable Project Approval Form* shall be signed as approved by the Mission Appeal Council Director and the Archdiocesan Controller.

5.5.2c. Agent's Agreement

Once a project has been approved by the Mission Appeal Council, an Agent's Agreement will be completed. This is required when an employee from the Archdiocese of Vancouver is not on site to monitor the spending. The agreement:

- Shall be prepared by the Mission Appeal Council and vetted through the Controller prior to being sent to Agent.
- Shall clearly indicate what can be purchased with our money.
- Shall clearly state that alternate spending requires our prior approval.
- Shall require that our Agent keep separate accounting records for this spending, so that our funds are clearly kept segregated from their own.
- Shall require our Agent to open a separate bank account, if they have difficulty segregating our funds.
- Shall clearly state that the Archdiocese of Vancouver reserves the right to discontinue funding if the terms of the agreement are not met, and at any other time.

5.5.2d. Mission Appeal Council

It is the responsibility of the Mission Appeal Council to:

- Monitor the *Agent's Agreement*; and



- Follow up with Agents to obtain regular written progress reports.

5.5.2e. Confirmation of Spending

The Agent will be responsible for demonstrating that the donated funds have been disbursed accordingly. The Agent shall provide:

- A completed *Confirmation of Spending* form (Appendix C), indicating the amount received in local currency and the disbursement of diocesan funds;
- Photocopies of cheques written or vendor invoices paid; and
- Photographs and other documentation to support the figures.

5.5.2f. Small one-time assistance:

Requests may be made for small one-time assistance. The *Charitable Program Approval Form* shall identify a specific item for funding. Payment may be made by a single one-time allocation. All other policies and procedures mentioned above shall apply.

5.5.3 Agency Agreement

A parish may develop a relationship with a religious institution in another country. An Agency Agreement must be completed. This form can be found in Appendix D. Further clarification is available from the Finance Office.

5.6 Archdiocesan and National Collections

Each year, the Chancery Office sends out a memo regarding the Archdiocesan and national collections for the following year. The Chancery Office also provides contact information for various envelope suppliers. Parishes need to ensure that the Archdiocesan and national collections are included in their annual envelope order.

Listed below are the annual special collections taken up in the Archdiocese. Parishes should advertise and promote these special collections in the week prior to the collection so that the parishioners know the purpose and are encouraged to be generous.

As soon as possible, all collections, unless specified, are to be counted and deposited in the parish bank account. The amounts collected, both envelope and loose, shall be posted in the accounting records to the appropriate Archdiocesan Collections income account(s). The parish will then write a cheque payable to The Roman Catholic Archbishop of Vancouver for the equivalent amount. The parish must indicate either on the cheque (in the memo field) or on a separate memo the collection(s) and amount(s) to which the cheque applies. This cheque shall be posted in the accounting system to the appropriate Archdiocesan Collections expense account(s). At the end of the calendar year, the amounts in the Archdiocesan Collections income account and expense account should be the same.

Collection	Type	Purpose	Date
The B.C. Catholic	Archdiocesan	To support the parish in its circulation of the official newspaper of the Archdiocese of Vancouver. This collection is retained by the parish to defray the parish costs of distribution.	1 st Sunday in February
St. Joseph's Society	Archdiocesan	To support priests in their retirement years.	1 st Sunday of Lent
Share Lent	National	To help the Canadian Catholic Organization for Development and Peace	5 th Sunday of Lent



Collection	Type	Purpose	Date
		fight poverty in third-world countries and foster international justice.	
Holy Land	National	To support Christians in the Holy Land.	Good Friday
Work of Vocations	Archdiocesan	To support seminarians studying to become priests for the Archdiocese of Vancouver.	4 th Sunday of Easter
Pope's Pastoral Works	National	To contribute to the financial aid offered by the Holy Father to people stricken by natural disasters.	May
Catholic Missions in Canada	National	To provide support for over 600 remote and poor mission communities across Canada.	1 st Sunday in June
Needs of the Church in Canada	National	To support the work of the Canadian Conference of Catholic Bishops.	Last Sunday in September
Evangelization of the Nations	National	To help the Society for the Propagation of the Faith assist missionary bishops and dioceses throughout the world.	World Mission Sunday (end of October)
Peter's Pence	National	To support the charities of the Holy Father.	1 st Sunday in November
Home Missions	Archdiocesan	To support Archdiocesan programs.	3 rd Sunday in November
Youth Ministry	Archdiocesan	To support Archdiocesan youth programs. 50% is returned to the parishes for their youth programs.	1 st Sunday in December

5.7 Collections for Pro-Life

Manual Revision: April 4, 2014

The Pro-life Sunday collection is not to be counted and deposited into parish accounts; the money should be given directly to the appropriate Pro-life group(s). No charitable tax receipts will be issued by the parish for these donations.

Parishioners should be instructed to make cheques payable to the Pro-life group.



6. ACCOUNTING POLICY

6.1 General

The parish is responsible for the accounting for all its financial activities. The parish shall maintain an accrual accounting system. General Ledger accounts (“GL accounts”) will be maintained and reports prepared according to the directions of the Archdiocesan Finance Office (“the Finance Office”).

The parish bookkeeper is expected to provide information on the parish’s financial operations to the Pastor, Parish Finance Council (PFC), and the Finance Office.

The bookkeeper is also responsible for maintaining a system of internal controls as established by the Parish Finance Council to adequate to safeguard the parish assets.

6.2 Accounting Software

To ensure consistency of financial reporting, simplicity for consolidation, and integrity of financial accounting throughout the Archdiocese, parishes are required to use the Archdiocesan-endorsed accounting software, **QuickBooks Pro**. The Finance Office recommends that parishes upgrade the software to the newest version every two years to take advantage of software developments.

For parishes not already using the approved software, assistance in setting up the system is available by contacting the Finance Office.

The accounting system is to be backed up weekly. The backup copy can be kept either in a fireproof safe or stored offsite. The copy is to be tested periodically to ensure that the system can be restored in the event of a computer failure.

6.3 Bookkeepers on Contract

Parishes are permitted to hire bookkeepers on contract, as opposed to hiring a bookkeeper as a regular full-time or part-time employee.

All documents and accounting records must remain in the parish. No contractor is permitted to take the original books of entry, such as cheque stubs or deposit slips, to record in an accounting system off-site. All updates to the accounting system shall be performed by the contractor within the offices of the parish.

6.4 Chart of Accounts

Manual Revision: May 8, 2014

Parishes are required to use the Chart of Accounts (Appendix E) provided by the Finance Office. This Chart of Accounts provides a specific level of detail that is adequate for the Archdiocese as a whole. For those parishes preferring more detail, QuickBooks Pro allows the set up of “child” accounts. The “parent” account would be the Archdiocesan account prescribed by the Finance Office and the “child” accounts would contain the detail required by the parish.

6.5 Budgets

A budget is a compilation of anticipated revenues and expenditures covering a specific period of time or specific purpose. Each parish shall prepare an annual budget each year, detailing anticipated revenues, expenses and investments for the coming fiscal year.

A simplified budget is presented below:



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INCOME		
Collections	100,000	
Donations	50,000	
Fundraising Income	60,000	
Interest Income	25,000	
Total Income:	235,000	A
EXPENSES		
Administration	10,000	
Fundraising Expenses	25,000	
Operations	50,000	
Repairs & Maintenance	25,000	
School Subsidy	10,000	
Total Expenses:	120,000	B
Revenue/(Loss) before Capital Expenditures or Savings	115,000	C
PLANNED CAPITAL EXPENDITURES		
Roof Repair	30,000	
Gym Floor Refinishing	25,000	
Church Painting	20,000	
Total Planned Capital:	75,000	D
Parish Savings:	40,000	E
Revenue/(Loss):	-	F

In general, revenues should equal expenses (line F), after capital expenditures (line D) and parish savings (line E). If a parish is planning a major capital project that will be paid for with parish savings and/or a loan, the budget will show a deficit with a note indicating how the project is being funded. If the parish anticipates a loss before capital expenditures or savings (line C), that is, regular operating expenses will exceed revenue, the parish should contact the Finance Office for guidance. On an ongoing basis, accumulated funds from previous years cannot make up a deficit in a budget year. The parish must reduce expenses to make up the shortfall.

Planned capital expenditures exceeding \$10,000 or other extraordinary expenses (see section on Acts of Extraordinary Administration) can be included in the budget without prior approval from the Archbishop, although the parish must obtain the Archbishop’s approval before beginning the project.

In addition to the annual operating budget, the parish shall prepare a 5-year operating budget including anticipated capital expenditures. This 5-year plan is to be updated annually.

The budget shall be approved by the Pastor in consultation with the Parish Finance Council.

6.6 Capital Expenditures

All expenditures normally classified as “capital” for accounting purposes will be expensed as incurred, although this is not in accordance with Generally Accepted Accounting Principles (GAAP). There is no tax advantage necessitating the capitalization of these expenditures. Parishes will be required to make a list of all of the parish assets separately. (See Parish Property)

6.7 Financial Reporting

There are two types of financial reports: (1) Statement of Revenue and Expenses (Profit & Loss) and (2) Balance Sheet. The parish bookkeeper should supply both financial reports to the Parish Finance Council, at least quarterly (for the periods ending March, June, September and December).



For the Statement of Revenue and Expenses, the report should show the actual expenditures against the parish budget.

Every parish is required to submit an annual parish report to the Finance Office. The format and information required is established and communicated by the Finance Office. The report must be submitted by the end of February following each December 31 fiscal year-end. The annual parish reports are used by the Archbishop:

- To assess the Archdiocesan levy, calculated as a percentage of regular collections (see Assessment Levy); and
- In a consolidated Archdiocesan report sent to Rome every five years.
- To fulfill his obligation pursuant to Canon Law (see canon 1276).

In the event that there is a change in Pastor, the outgoing Pastor is to provide the parish report as at the last day of the month prior to his departure. For example, if a Pastor's last day is July 5, then his parish report should show all information up to and including June 30.

The parish is required to present an annual financial report to the faithful (see Canon 1287§2). This report can be written or oral, included in the bulletin or not. According to the Third Synod, 1959, paragraph 529.3, the report is to be presented "to the people at all the Masses some Sunday during the month of January." It is recommended that the format of the report be a condensed version of the annual report sent to the Finance Office.

Openness and accountability must be the guiding principles in the preparation of any financial report.

6.8 Goods & Services Tax (GST) Accounting

Manual Revision: May 8, 2014

Parishes are generally not GST Registrants because the sales of their goods and services, usually comprising the sale of religious articles and other items, do not exceed \$50,000 per year. If the income from sales exceeds \$50,000, then the parish must become a GST Registrant and charge GST on the sales of its goods.

Parishes are required to track the amount of GST that is **paid** on purchases. It is recommended that the parish set up a GST Expense account and post the entire amount of the GST paid to that account.

At the end of the year, after all the year-end invoices have been paid, the parish shall complete a GST Rebate Application. The parish is allowed to claim **50%** of all the GST paid on expenses. Upon the completion of the application, the parish shall make an adjusting entry in the accounting system dated December 31 as follows:

Debit:	GST Receivable	Value of Rebate Claim	
Credit:	GST Rebate Income		Value of Rebate Claim

When the rebate cheque is received, it should be credited against the GST Receivable balance. Any interest received should be credited to Interest Income in the year it was received.

6.9 Assessment Levy

Manual Revision: May 8, 2014

It is the responsibility of all parishioners to support the temporal obligations of the Church at the parish and Archdiocesan levels. The monetary obligations of the Archdiocese are funded through an assessment levy on each parish in the Archdiocese. Assessable Parochial Income includes:

- Regular Sunday Collection - Envelopes
- Regular Sunday Collection - Loose



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- New Year's Day Collection - Envelope and Loose
- Easter Collection - Envelope and Loose
- Christmas Collection - Envelope and Loose

The current assessment levy is 13.8%. The parishes are billed annually and the levy is paid quarterly. Upon receipt of the invoice, the parish is to post it to Accounts Payable, dividing it into 4 equal amounts with the appropriate due dates of March 31, June 30, September 30, and December 31.



7. CASH MANAGEMENT

7.1 Security

All cash and cheques are to be placed in a locked, fireproof safe until they can be deposited. Leaving cash and cheques in desks or filing cabinets, even though locked, is prohibited. Such items are not fireproof so the funds would be at risk. As well, the funds are not covered by insurance in the case of loss.

It is recommended that the safe use a digital combination mechanism. Such mechanisms are easily programmable in the event of a change in personnel. It is also recommended that the safe be dual locking, that is, two people are needed to open the safe. The Pastor will decide who will have possession of the combination and change it when there is a change in personnel or responsibilities. The code should be stored in a secure place, away from the safe itself.

7.2 Bank Accounts

The approved banking institution for the Archdiocese is the **Bank of Montreal**. It is at the discretion of the Archbishop to approve an account at another institution. Parishes are permitted to have one chequing account. The bank account name shall be:

Roman Catholic Archbishop of Vancouver: Name of Parish

If the parish wishes to have additional accounts, permission from the Archbishop is required. The permission request must explain the necessity of the additional accounts.

If a parish has a major construction project underway, a separate account is recommended, but not required.

Parishes are not permitted to have term deposits or other investment accounts. All excess funds are to be invested in the Chancery Deposit Account (see below).

Parishes that operate Bingo or other gaming fundraisers and generate more than \$20,000 in gross revenue are required by the Gaming and Enforcement Branch to have a separate gaming account. The account and the cheques must be specifically labeled "Gaming Account".

Priests are not to have their personal bank account in the same branch where the parish banks.

Unless the parish receives a significant amount of US currency in the collection, a US Bank Account is not necessary. For parishes that already have a US Bank Account, these may be retained. US currency may be deposited in the US Account, in a US Petty Cash Fund or in the operating account. The bank will apply the prevailing exchange rate.

7.3 Chancery Deposit Account

Parishes are required to deposit their excess funds in the Chancery Deposit Account. The Chancery Deposit Account is designed to preserve the principal and the expectation of reasonable income through investing in highly secured, usually government-backed, instruments. The funds are invested through investment firms approved by the Archdiocese. Currently, these firms are Nesbitt Burns and RBC Dominion Securities.

Interest is calculated monthly on the lowest monthly balance and credited to the account twice yearly, on June 30 and December 31. The funds of all parishes and schools are treated as one account for interest calculation, but are tracked separately. The actual interest paid to each parish is calculated using the average rate of the previous six-month period. Deposits made in the first five working days of each month and held until the end of the month will be included in the interest calculation. Although a parish or school may withdraw the funds at any time, it is recommended that withdrawal be done on the first or last working day of the month to facilitate the earning of interest, since only funds held for the month earn interest.



To deposit money in the Chancery Deposit Account, the parish can transfer the funds electronically from a Bank of Montreal account to the Archdiocesan Bank of Montreal account. This is the only instance when the parish is permitted to transfer funds electronically. The parish can also issue a cheque made payable to "The Roman Catholic Archbishop of Vancouver". If the parish chooses to issue a cheque, the parish needs to clearly indicate that the cheque is to be deposited in the Chancery Deposit Account.

For further information, contact:

Director of Finance and
Administration

Tel: (604) 443-3225

Email: fwong@rcav.bc.ca

Controller

Tel: (604) 443-3252

Email: gpinto@rcav.bc.ca

7.4 Cheque Stock

Manual Revision: July 11, 2012

All cheques shall be pre-numbered.

Access to cheque stock is to be restricted. All blank unused cheques shall be stored in a safe or other locked and secure place with limited access. They are not to be left in the printer. Only those employees responsible for issuing cheques are to have access to the cheque stock.

Cheques are to be used in sequential order and processed through the accounting system. Handwritten cheques are discouraged as they are time-consuming, requiring additional administration. If the parish uses both printed and handwritten cheques, the manual cheques should be different cheque stock and numbered differently.

All voided cheques shall be clearly marked "VOID" and retained and filed numerically to maintain proper sequential integrity. If the cheque is voided prior to signature, the signature area must have lines drawn through it or be cut from the cheque. Cheques voided after signature are to have the signatures removed, that is, cut from the cheque. All cheques voided after printing shall be reflected in the accounting system as VOIDED. Voided cheques should be retained in the parish files for seven years.

If an account is closed, all remaining cheque stock must be shredded prior to disposal. Additionally, the person who shredded the cheques is to write and sign a note indicating the cheque numbers that were shredded. This signed note is to be retained on file with other documents concerning the closed account.

Cheques are may not be payable to "Cash" or "Petty Cash", but should bear the name of the employee responsible for cashing them. In the memo field, the parish is to note that the cheque was "for the replenishment of petty cash", to distinguish the cheque from a paycheque.

7.4.1 Cheque Register

Parishes that use manual cheques and distribute them in the parish should consider the use of a cheque register. The cheque register shows how the cheques in the cheque stock were used:

Cheque #	Used For	Date
1-25	Cheque run	August 1, 2008
26	Void	August 21, 2008
27-32	Payroll	August 31, 2008
33-50	Given to Pastor	September 2, 2008

Voided cheques should be filed with the cheque register.



7.5 Blank Cheques

Blank cheques are not to be signed.

7.6 Signing Authority

Manual Revision: July 11, 2012

Signing authority is granted by the Archbishop or his designate, who notifies the Bank of Montreal in writing whenever there is a change in signing officers.

The Pastor is the main signatory on all bank accounts. His signature is required on all cheques, regardless of the amount. Two members of the parish finance council must also have signing authority together with the pastor. Cheques exceeding \$1,500.00 require two signatures: the pastor's and one other.

The Gaming Policy & Enforcement Branch of BC requires two signatures on all gaming accounts: that of the pastor and that of the treasurer of the gaming event.

7.7 Internet/Telephone Banking

Internet or telephone banking is not permitted. All payments are to be made by cheque.

7.8 Counting Monetary Receipts

All money received shall be counted by at least two unrelated people. Neither person should be the individual who posts the deposit in the accounting system. The counters are to complete a "Counter Tally Sheet" (Appendix A).

The counting of all receipts must be done on parish premises in a locked room with access limited to only those participating in the counting. No monies shall be removed from parish property under any circumstances before the bank deposit is prepared.

For fundraisers conducted off-site, if the receipts cannot be counted and deposited immediately after the event, the receipts are to be placed in a sealed/locked, tamper-proof bag, brought to the parish and placed in the safe until they can be counted. No individual shall have the responsibility, nor be given permission, for safeguarding any donations in his/her home.

7.9 Deposits

In general, deposits should be made as soon as possible. Cash amounts greater than \$1,000 should be deposited by the next business day.

7.9.1 Night Depository

Parishes are encouraged to use the night depository slot to make deposits. This slot is accessible at any time of the day or night. The depositor simply has to unlock the slot and drop the deposit bag inside. Once dropped, the bag is no longer accessible. Arrangements can be made with the parish's local BMO branch for keys.

7.9.2 Automated Teller Machines (ATMs)

The use of ATMs is prohibited.

7.10 Bank Reconciliations

Whenever possible, the person who writes the cheques should be different from the person who performs the bank reconciliation.



To prevent unauthorized payments, it is recommended that the Pastor open the bank statement himself and review the cancelled cheques contained within it. He should look at the payee for individuals or companies he does not recognize and will check that the signature is his. The Pastor should also check for regular deposits occurring at least weekly.

The bank accounts are to be reconciled against the parish accounting records on a monthly basis. This is essential to determine if any erroneous transactions have occurred and to ensure that all entries and fees are posted in a timely manner, prior to closing the books for a given month. Once the reconciliation is completed, the bookkeeper shall sign the statement. The cheques, along with the statement, are to be retained in the parish files for seven years.

At least once per year, but preferably at each meeting, a member of the PFC shall check that the bank reconciliations have been completed. The member who completes the review shall sign the statements. The member shall check that:

- All cheques are accounted for and carry the Pastor's signature;
- The bank balance reconciles to the internal accounting system; and
- All fees and interest are posted to the proper month.

7.11 Credit Cards or Debit/Gift Cards

7.11.1 Credit Cards

The parish is not permitted to obtain credit cards in the parish's name. Parish employees who purchase items on behalf of the parish have several options:

They may use their own funds, including credit cards, and upon presentation of receipts, be reimbursed for the expense.

They may obtain an advance from the parish for the purchase. The parish could issue a cheque to the employee for the approximate amount of the purchase. The employee would then return the receipt and any change. If the cheque was less than the purchase amount, the parish would have to reimburse the employee for the difference.

The parish could open credit accounts at various businesses. Employees could purchase items for the parish at these businesses and charge to the parish account. The businesses then invoice the parish for the purchases. The employee must return the receipts to the parish for the bookkeeper to match the receipts to the invoices.

Pastors may obtain personal credit cards to be used exclusively for parish purchases. The annual cost of such cards can be paid for by the parish if the card provides a benefit to the parish, such as an annual rebate. As the credit card is in the Pastor's name, the Pastor must pay the bill first and obtain reimbursement from the parish. The parish is not responsible for service charges, interest fees or late charges.

Personal credit cards of the Pastor that offer benefits that accrue to the Pastor cannot be used solely for parish purchases. The accruing benefits would be taxable to the Pastor.

7.11.2 Debit/Gift Cards

The parish may purchase pre-loaded debit or gift cards and use them for parish expenditures. The receipts for such expenditures must be matched to the cards by the bookkeeper.

7.12 Petty Cash

A petty cash fund can be set up for small cash purchases. A limit for the fund, not to exceed \$500, shall be determined by the PFC .

The money shall be kept in a lock-box that will be kept in a safe.



A custodian for the fund shall be assigned. Whenever possible, the custodian of the fund should not be the preparer of the cheques.

7.12.1 Disbursements

Disbursements from the petty cash fund must be supported by a voucher (Appendix F). A receipt must be attached. Disbursements must be approved by the Pastor. He may require that his approval be obtained for each disbursement or only for disbursements over a particular limit. The approving authority cannot be the petty cash custodian.

The Petty Cash Fund is never to be used to cash cheques.

7.12.2 Recording Transactions

At month-end, when the petty cash fund is replenished, all transactions shall be recorded in the accounting system and the account reconciled. The total of the processed vouchers plus the cash on hand will be equal to the limit of the fund. Discrepancies must be reported to the Pastor immediately.

7.12.3 Replenishment

The petty cash fund must be replenished monthly, after reconciliation, because in the financial statements the fund is always shown as having the same balance. It does not vary like a bank account. Debit and credit entries are not made in the petty cash account. As with other disbursements, a written cheque request approved by the Pastor is required.

7.13 Cash Advances

Cash advances (money) are not permitted. Cheques may be written as these are recorded in the accounting system.

7.14 Year-end Cash Procedures

All donations are to be received by the parish by December 31 to qualify the donor for a tax receipt in that year. This is a requirement of the Canada Revenue Agency.

The following amounts are to be received by the Finance Office by the end of the first full week in January of the new taxation year for credit to the previous taxation year. Thereafter, deposits received will be allocated to the new taxation year.

- National and Archdiocesan collections;
- Archdiocesan assessment;
- Archdiocesan insurance;
- Other amounts owing to the Archdiocese; and
- Funds for deposit in the Chancery Fund Account.

Any claims for interest from the Low Interest Revolving Fund up to September 30 are to be submitted by December 31.

To qualify for a tax receipt for a Project Advance donation, the donation must be received by the parish by December 31. The donation must be received in the Project Advance Office according to the instructions sent out by the Finance Office every December.



8. DONATIONS (OTHER THAN COLLECTION PLATE)

8.1 Dedicated Giving

Parishioners are to be allowed to make donations using their credit card or auto-withdrawal from their bank account. There are several point-of-sale service providers that can provide the credit card service for the parish, such as Global (www.globalpaymentsinc.com) or Moneris (www.moneris.com). Auto-withdrawal from bank accounts needs to involve the Bank of Montreal.

The payments are to be processed as directed by the parishioner. At least monthly, the parish is to download the transactions. The transactions are to be posted to both the parish donation system and accounting system.

Parishioners are to be encouraged to continue bringing envelopes as a sign of stewardship. They are to write “DG” for “dedicated giving” on the envelope. These envelopes are to be entered into the parish management system (Paritek) as zero. This step is important in tracking attendance, particularly for school families as their tuition rates are based on attendance.

8.2 Project Advance Donations

Donations for the Project Advance Appeal are to be made payable to Project Advance and forwarded to the Project Advance Office. Donations that are payable to the parish, but indicated as Project Advance donations, are to be deposited in the parish bank account. The donation is to be posted to Project Advance Payable. At the next cheque run, a cheque is to be processed payable to Project Advance. The cheque and the appropriate documentation regarding the donor information is to be forwarded to the Project Advance Office.

8.3 Bequests

Manual Revision: May 8, 2014

A bequest is a gift of personal property by will.

Once the parish is aware that a bequest is forthcoming, the parish should contact the Chancery and forward a copy of the will.

A tax receipt for the bequest shall be sent to the executor of the will. It shall be made out to: “The Estate of....”

Upon acceptance of the bequest, the intentions of the testator must be fulfilled, regardless of the time required.

If the testator’s intentions are not fulfilled by the end of the year in which the bequest was received, the parish must restrict the funds.

8.4 Marketable Securities

Donations of marketable securities, stocks and shares may be accepted providing they are saleable through a Canadian brokerage house. The parish should contact the Finance Office if a donor wishes to donate marketable securities.

8.5 Special Donations: Monetary

Other than bequests and the donations received through regular collections, a parish usually receives three types of special donations:

8.5.1 Unrestricted

Unrestricted special donations are available for general use;



8.5.2 Temporarily restricted

Funds have a temporary restriction when donors impose a time restriction or a purpose restriction on the use of the donation.

These funds most often come from a grant received to operate a specific program/project or from individual contributions given with the intent of supporting a particular program/campaign. For example, many parishioners donate to a “building fund” expecting that their donations will be used to build or renovate a parish building.

8.5.3 Permanently restricted

These funds are restricted by the donor for a designated purpose that will never expire, such as a donation to a scholarship program. The intent here is that the principal balance of the contribution will remain as an investment forever and the parish will utilize the interest/investment returns for the purpose for which the contribution was made.

According to the CRA, donors cannot choose the specific beneficiaries of their donations. Donors can provide a suggestion that the gift be used in a particular program, as long as NO benefits accrue to the donor or to anyone NOT at arm’s length with the donor.

8.6 Accounting for Special Donations

Manual Revision: May 8, 2014

Unrestricted special donations are to be recorded as income in the year they were received. Unrestricted donations can be used for parish needs as determined by the Pastor upon consultation with the Parish Finance Council.

Special donations received with a temporary time restriction must be restricted when received. The restricted account is to be set up as an equity account.

Debit: Bank

Credit Temporarily Restricted Funds - Description of Restriction

When the time restriction is lifted, the funds are to be recorded as income:

Debit: Temporarily Restricted Funds - Description of Restriction

Credit Special Donation Income

Special donations received with a purpose restriction are to be recorded as income in the year they are received. If the funds are not used during the year, at the end of the year, the funds must be restricted to ensure that they are available for the designated purpose.

An equity account must be set up for each permanently restricted donation. The donation will remain in this account in perpetuity. Only the interest earned from this donation can be used by the parish and only for the purpose for which this donation was given. The actual funds are to be transferred to the Chancery Deposit Account to maximize the interest earnings.

8.7 Special Donations: Non-Monetary

The donations referred to here are not those given for fundraising purposes, such as those donated for the parish or school auction. The donations referred to here are those that the donor expects the parish to retain in perpetuity. Donations of this type include real estate, artwork, and other collections. These donations need to be appraised by a professional.

The proper entity to receive these types of gifts is the Archbishop of Vancouver. The tax receipt will then be issued by the Chancery Office.

In making the gift, the donor should create a document that clearly states his/her intent regarding the use of the gift. The intent should state either “Without restrictions, for the general purposes of the Catholic Church” or, for a designated gift, “For the benefit of (name of parish or school)”. The



donor should then state any other restrictions he/she wishes to place on the gift (that is, “to be used for”).

All potential donations of non-monetary items are to be reviewed by the Archbishop, who has the right to determine whether it is in the Archdiocese’s best interest to receive such a gift.

The prudent practice is to refuse gifts with perpetual conditions attached. Donors should ensure that their intention document provides the administrator with the necessary authority to make adjustments if the intended conditions cannot later be fulfilled because of changed circumstances.

8.8 Offerings for the Sacraments

No charge can be made for the celebration of Sacraments. In the past, offerings for the Sacraments (commonly referred to as “stole fees”) were part of a priest’s income. Today, as provided by Canon Law, priests receive a salary and other benefits for their support.

A parish may request reimbursement for expenses incurred in the preparation for the Sacrament, for example janitorial costs, utilities, document preparation, courier expenses, music. These payments are to be posted to Miscellaneous Income.

Pastors and parish secretaries may encourage people to make a donation to the parish on the occasion of the celebration. These donations are to be posted to Sacramental Offerings in the accounting system. As the donations are receiptable, the parish needs to set up a category in the parish management system to track the donations (e.g. in Paritek, the code “SAC” could be set up for Sacramental Offerings). Suggested (not minimum) donation amounts are shown in the table below.

Suggested Offering Amounts	
Baptism	\$50.00
Wedding	\$200.00
Funeral	\$200.00

Parishioners may be informed that a separate personal gift to a priest is at their discretion.

Donations to the church for funerals are often collected by the funeral home and forwarded to the parish. The parish is to encourage the funeral home to provide the necessary information so that a tax receipt can be given to the donor. Cheques from the funeral homes are to be deposited in the parish account and posted to Sacramental Offerings.

Pastors should always be sensitive to those who are not in a position to afford the usual charges or make a donation on the occasion of receiving Sacraments.

8.9 Donations for P.R.E.P.

All parishes offer a Parish Religious Education Program (P.R.E.P.) for children not enrolled in Catholic schools. As this program is considered part of the activities of the parish, any money collected for it is eligible for a donation receipt. Workbooks or other materials that the student may require for the program shall be covered by the cost of the program and not charged separately. The payments for the program are to be recorded in the parish’s donation system (under the category “P.R.E.P”) as well as in the accounting system in the year in which the payment is made.

8.10 Third-party Donation Companies

A person may make a donation to a parish through third-party donation companies such as United Way or Canada Helps. The donation may be accepted. The third-party company will issue the tax



receipt for the donation. Upon receipt of the donation, the parish needs to record the receipt of the funds under Miscellaneous Income with a subcategory for Third-Party Donation Companies.

8.11 Charitable Tax Receipts for Donations

Tax receipts may be issued for gifts given to the parish and/or school providing the following criteria have been met:

- The gift is given directly to the parish by the donor;
- The gift is given freely without obligations;
- There is a transfer of property, such as cash or equipment; and
- The gift is made without any benefit to the donor or anyone designated by the donor.

Donations made to a parish elementary school must pass through the parish first as the parish has the charitable tax status. Donated funds for the school flow through the parish to the school as subsidies. Donations made to regional schools need to pass through the Archbishop's Representative's parish if the regional school has not applied to the Catholic Independent Schools of the Vancouver Archdiocese (CISVA) for permission to issue tax receipts. The Archbishop's Representative's parish will return the donation to the regional school as a parish subsidy.

A registered charity can issue an official donation receipt only to the individual or organization that made the gift and the name and address of the donor must appear on the receipt. A charity cannot issue an official donation receipt in the name of anyone but the true donor. A receipt cannot be issued to a group of individuals. For example, if a group of people donated a piano to the parish, a tax receipt could not be issued. If, on the other hand, that same group of people donated cash to the parish, a list of the donors with their names and addresses and the amounts that they donated should accompany their cash donation, as the parish can issue receipts to the individual donors.

The gifts must be made directly to the parish and/or school. Receipts cannot be issued to individuals who have paid for goods or services on behalf of the parish and/or school. Individuals who have paid for these goods and services should be reimbursed for their expenses.

In addition, donors cannot choose the beneficiaries of their donations. Donors can stipulate that the gift be used in a particular program (see 4.3.3), as long as no benefit accrues to the donor and anyone who is not at arm's length with the donor.

Donations must be dated according to the year in which the gift is actually made. If a gift is dated, mailed and postmarked before December 31, but received in the parish after December 31, the parish can issue a receipt using the postmarked date as the date the gift was received. If the gift was postmarked after December 31, then it is considered to have been received in the new calendar year.

Gifts-in-kind not accompanied by objective evidence as to their value, such as a purchase receipt, but which are estimated to be valued over \$1,000, shall be professionally appraised.

8.12 Fair Market Value

Fair market value is normally the highest price (expressed in dollars) that property would bring in an open and unrestricted market. If a receipt is issued for a gift-in-kind, that is, a non-cash gift, the receipt must reflect the fair market value of the gift.

If the fair market value of the property is less than \$1,000, the parish may determine its value by conducting an internet search for the same or similar item and taking the average of the values found. The parish must not negotiate the value with the donor.



If the fair market value is expected to be more than \$1,000, the Archdiocese requires that the property be professionally appraised by a third party, that is, someone who is not associated with either the donor or the charity.

If the property is appraised, the name and address of the appraiser must be included on the official donation receipt.

8.13 Donations Eligible for Tax Receipts

For donations to be eligible for a tax receipt, they must meet the criteria listed above. Some donations may appear to meet the criteria when in fact, they do not. Below are several examples of common types of donations and their eligibility for tax receipts. Samples of tax receipts to be given for specific types of donations can be found in Appendix G.

Donation Type	Eligibility for Tax Receipts
Pledges/promises of donations	NOT RECEIPTABLE The pledge or promise has to be fulfilled with an actual transfer of property before a receipt can be issued.
Gifts-in-kind	RECEIPTABLE providing that: <ul style="list-style-type: none"> - The parish/school has a charitable purpose for the item; and - The fair market value can be determined. Low-value items such as home baking and donations of clothing do not constitute gifts in kind because they are considered items of little value to the donor.
Gifts of services	NOT RECEIPTABLE Tax receipts cannot be issued for donations of services. To issue a receipt, the service provider needs to invoice the parish. The parish then pays the invoice, including all applicable taxes. The service provider donates the money back to the parish. In this way, the service provider is obliged to pay the income taxes and GST accruing on the provision of services, but will receive an offsetting donation receipt.
Gift Certificates donated by the Issuer (e.g. Safeway donates a Safeway gift certificate)	NOT RECEIPTABLE. A transfer of property has not occurred. Safeway has simply donated a plastic card. No goods have left the store. Even when the gift certificate is cashed in, Safeway will treat the “sale by gift certificate” as an expense, thereby negating the need for a tax receipt.
Gift certificates donated by a third party (e.g. John Smith buys a Safeway gift certificate and donates it to the parish).	RECEIPTABLE. John Smith is eligible for a tax receipt because he has transferred property (cash) to obtain the gift certificate.
Donations directed towards a specific person.	NOT RECEIPTABLE. A registered charity cannot issue an official donation receipt if a donor has directed the charity to give the funds to a specified person or family. In reality, such a gift is made to the person or family and not to the charity.
Gifts of inventory from businesses	RECEIPTABLE. Items donated from a business are receiptable at the price at which the business sells the item. For retailers, this would be the retail value and for wholesalers, the wholesale value. Businesses should provide this value to the parish.
Court-ordered transfer of property to a charity.	NOT RECEIPTABLE.
Payment of an admission fee	NOT RECEIPTABLE.



Donation Type	Eligibility for Tax Receipts
to an event or program.	If the event or program were held without an admission fee and then a collection were taken up during the event, amounts placed in the collection could be receipted, provided that verifiable contact information were provided (such as a cheque with the person's name, address and donated amount).
Payment of fees that provide an entitlement to attend events or receive publications or services.	NOT RECEIPTABLE.
Payment for a lottery or raffle ticket that offers a chance to win.	NOT RECEIPTABLE.
Purchase of goods or services from the charity.	NOT RECEIPTABLE.
A donation in which the fair market value of the benefit provided to the donor exceeds 80% of the value of the donation.	NOT RECEIPTABLE. For example, the parish holds an auction and charges \$100 for the tickets. Attendees are provided with a meal and dancing after the auction. The cost of the dinner and the band together are \$85. No part of the \$100 would be receiptable as the benefit provided to the attendee exceeds 80%. (See Split-receipting below.)
Gifts-in-kind for which the fair market value cannot be determined.	NOT RECEIPTABLE. If the gifts-in-kind are accompanied by objective evidence, such as a register receipt, showing how much the donor paid for the items, a tax receipt can be issued in that amount. If there is no receipt and the value of the item cannot be determined fairly and objectively, no tax receipt can be issued.
Donations provided in exchange for advertising or sponsorship.	NOT RECEIPTABLE. In this scenario, the person who paid the money is receiving advertising in exchange. To be considered a donation, the donor cannot receive any benefit for his payment.
Loans of property, use of a timeshare, lease of premises.	NOT RECEIPTABLE. Any exchange of property has not occurred. The parish is just borrowing the premises.

8.14 Split Receipting

Split receipting is the method used for calculating the eligible amount of a gift for receipting purposes when the donor has received an advantage, benefit or consideration in return for his/her donation. To determine the eligible amount for receipting purposes, the value of the advantage must be subtracted from the value of the gift.

It has become extremely popular for parishes and schools to hold “galas”. In these galas, attendees purchase a ticket that includes admission to the event and a dinner. In this fundraiser, the “advantage” would be the dinner and the amount eligible for a tax receipt would be the difference between the ticket value and the cost of the dinner.

8.14.1 Criteria for split receipting:

Where a donor receives an advantage in exchange for a gift, the parish must be able to accurately determine the fair market value of that advantage.

8.14.2 Gift Threshold

When a ticket price includes a gift and an advantage to the donor, the gift threshold is 80% of the ticket price. For example, a person pays \$100 for a dinner ticket. The cost of the dinner is \$82,



rendering the receiptable value \$18. According to the CRA, there is no true intention to make a gift since the gift threshold has been exceeded. The parish, therefore, cannot issue a receipt in these circumstances.

8.14.3 De Minimis Rule

Where the advantage is equal to the lesser of \$75 or 10% of the value of the gift, the advantage is considered to be too minimal to affect the amount of the gift. In this case, the advantage does not have to be deducted from the value of the gift when issuing tax receipts. To continue with the gala example, if the cost of the ticket is \$100 and the guests receive a hot dog and a soda valued at \$6, the De Minimis Rule applies. The guests could be issued a donation receipt for \$100.

8.15 Information Appearing on an Official Receipt

All official donation receipts for income tax purposes must contain the following:

- A statement that it is an official receipt for income tax purposes;
- Name and address of the parish as on file with the Canada Revenue Agency;
- Parish registration number;
- Serial number of the receipt;
- Place or locality where the receipt is issued;
- Day and year donation is received;
- Day on which the receipt is issued if it differs from the day of donation;
- Full name, including middle initial if provided, and address of the donor;
- Amount of the gift;
- Signature of the individual authorized by the parish to acknowledge donations (the pastor);
- Name and website address of the Canada Revenue Agency - www.cra.gc.ca/charities;
- Eligible amount of the gift.

For non-cash gifts (gifts-in-kind), these additional elements are essential:

- Day on which the donation is received (if not already indicated);
- Brief description of the property transferred to the charity;
- Name and address of the appraiser (if property was appraised); and
- Deemed fair market value of the property in place of amount of gift above.

8.16 Computer-generated Receipts

Computer-generated official donation receipts are acceptable as long as the data is sufficiently protected from unauthorized access.

To protect computer-generated receipts from unauthorized access, parishes must ensure that:

- The computer system used to store the receipts is password protected and restricts entry to and modification of donor contribution records;
- Receipts are to be protected from hackers through the use of appropriate software;
- Donor records are stored on non-erasable media, such as CD-ROMs or printouts, with copies stored securely for recovery purposes; and
- Hard copies of issued receipts can be printed on request.



Official donation receipts can be sent by email. A parish should take the following precautions to protect its electronic receipts:

- Receipts are in a read-only or non-editable format;
- The document is encrypted and signed with an electronic signature. An electronic signature actually displays an image of the handwritten signature or a visual mark within the document that illustrates consent towards a document's contents and uniquely identifies the signer.;
- The use of a secure electronic signature is kept under the control of a responsible individual authorized by the parish; and
- Copies of email-issued receipts are retained by the parish.

A facsimile signature can be used under the following conditions:

- All copies of receipts are distinctively imprinted (usually by a commercial printer) with the name, address, and registration number of the parish;
- Receipts are serially numbered by a printing press or numbering machine; and
- All unused receipt forms are kept at the parish's address (this address must be the address recorded with the Canada Revenue Agency).

8.17 Duplicate Receipts

The parish can issue replacement receipts to contributors who have lost or misplaced their originals. In such cases, the replacement receipt must clearly show that it replaces the original receipt, and, in addition to its own serial number, must show the serial number of the original receipt. This can be done by marking on the face of the replacement receipt "Duplicate replacing receipt number XXXX." The amount shown on the replacement receipt should not be included in the dollar totals reported to the Canada Revenue Agency on the T3010 Charity Return.



9. FUNDRAISING

9.1 General Information

Fundraising events must have a specific purpose. It is inadvisable or illegal to solicit money to fund undefined future needs or general operations.

The following fundraisers are not permitted to be held:

- Fundraisers based upon a home party concept including, but not limited to Creative Memories, Mary Kay, Pampered Chef, Partylite, and Tupperware;
- Fundraisers where the business of a parish member personally benefits financially;
- Fundraisers conducted by outside groups (not related to the Catholic Church, such as a community basketball team) to benefit their own organizations;
- Merchandise Certificates: In these fundraisers, parishioners purchase retail gift certificates through the parish. The parish earns money via profit-sharing. Part of the profit is paid to the certificate supplier (an independent company) and the other part to the parish. The Archdiocese does not allow this kind of fundraising, since the gift certificates often involve a large investment by the parish and are not covered by insurance if they are stolen.

Each fundraising event or activity should have a designated leader/chairperson and a planning committee. Part of their responsibilities will include the development of written procedures for the event. This documentation should be retained for future similar events.

While much of the event documentation will be directed toward the responsibilities of the event workers and to the activities that will generate the desired revenue, sufficient documentation should be devoted to the protection of the fundraising “prizes”, auction items, and monies prior to, during and immediately following the event.

9.2 Monies Collected

Event revenue shall be counted and deposited intact. Cash is never to be taken from event receipts for repayment of expenditures prior to deposit. All expenses for the event need to be paid through the parish bank account with proper receipts and documentation. Reimbursement for expenses made by event organizers can be made only with acceptable receipts.

The receipts must be recorded in detail on a Counter Tally Sheet according to the Counting the Collection policy.

Once collected, the monies become restricted funds, to be used solely for the purpose for which they were raised.

9.3 Adequate Physical Safeguards

Adequate physical safeguards must be established over cash and inventory. Inventory includes, but is not limited to, door tickets, raffle tickets, bingo cards, prizes, and auction items

Cash must be kept in an area with access limited only to those responsible for counting or deposit preparation. When cash is kept in a public area for the purpose of running the event, excess monies shall be periodically removed to a safe location with limited access. Excess cash shall be kept in a secure safe.

If the inventory includes certificates or other cash-like items, these must also be kept in a secure safe where access is limited to the designated custodian of the program.



9.4 Adequate Segregation of Duties

The collection, counting and deposit of funds raised during an activity or event should be performed by separate pairs of individuals. If there are not enough resources available to fill these roles separately, duties should be alternated and performed under dual control.

Reconciliation of cash-like inventory should also be conducted and verified by at least two unrelated individuals.

9.5 Gaming License

Most fundraising events require a gaming license. Only those fundraising events which raise money strictly by donation (such as a walkathon) or by selling items (such as Entertainment Guides or books at Book Fairs) do not require gaming licenses.

If the event includes any one of the following three elements, then the event is probably gaming, and a license will be required:

1. Prize - includes money or anything of value;
2. Chance - the outcome is not pre-determined or determined solely by skill; and
3. Consideration - players must pay or exchange something of value to be eligible to participate.

There are 4 types of licenses: Classes A, B, C, and D. The class of licence required depends on the structure of the organization, how much money that is expected to be raised, the value of the prizes and the price of the tickets. Please refer to the gaming website <http://www.pssg.gov.bc.ca/gaming/> for the details.

If the fundraising event is planned as an annual event and is expected to raise more than \$20,000, a separate Gaming Bank Account is required. Otherwise, all funds raised through gaming may be deposited into the parish bank account. Parishes shall maintain a separate ledger account in the accounting system, tracking all transactions related to the fundraising event.

Parishes should expect the Gaming Policy & Enforcement Branch to visit the parish periodically. It is a condition of the gaming license that the Branch have reasonable access to:

- All gaming records, which the Branch may copy or remove at its discretion, and
- The premises where the ticket sales and draw(s) or bingo event(s) are held.
- Gaming records, including all financial records, cancelled cheques, bank statements, bank transaction receipts, invoices and sale receipts, records of sold and unsold tickets, records of ticket stubs or counterfoils, bingo paper/cards and all receipts from the disbursement of gaming revenue.

All unsold tickets and ticket stubs or counterfoils must also be retained for one year.

For more information regarding gaming, contact the Gaming Policy & Enforcement Branch.

Email: Gaming.Branch@gov.bc.ca

Website: <http://www.pssg.gov.bc.ca/gaming>

9.6 Insurance

Fundraising events occurring both on the parish site and off-site are covered by the parish insurance. The parish must ensure that a rented venue is also insured.



9.7 Liquor License

If liquor is to be served at a fundraising event (or any event involving the parish community), a liquor licence is required. These are considered Special Occasion Licences. Further information can be found at the following website:

<http://www.hsd.gov.bc.ca/lclb/applicants/sol/index.htm>

The parish must also ensure that there is insurance in place that provides coverage for liability for attendees who consume the alcohol at the function and are subsequently involved in a motor vehicle accident.

9.8 Prizes

There are many ways to accumulate items for auction:

- Donations - Businesses and individuals donate goods for auction;
- Purchases - The parish/school buys goods for auction, hoping to auction the items for more than the purchased cost;
- Consignment - Some organizations are willing to display items for auction and require payment only if the item is purchased.

9.9 Types of Large Fundraising Events

9.9.1 Auctions

If the auction event is accompanied by a dinner and if the ticket prices exceed the cost of the dinner, the excess can be considered a donation and a charitable tax receipt can be issued for the excess amount. See *Policy 4.9.3. Split Receipting* for further details.

All items available for bidding at the auction must display the fair market value of the item. This could be the purchased cost, the appraised value, the retail value if donated by a retailer or the wholesale value if donated by a wholesaler.

Purchasers of auctioned items are entitled to receive tax receipts if:

- Their winning bid is more than the fair market value of the item; AND
- The gift threshold (80% of the total bid) is not exceeded.

Example

A lawn-mower is one of the auction items. The fair market value is displayed as \$500. This is also the value of the advantage received by the bidder. The winning bid is \$750. 80% of \$750 is \$625. Since 80% of the total bid is greater than the advantage received by the bidder (\$625 is greater than \$500), the bidder is entitled to receive a tax receipt of \$250 (total bid less fair market value = \$750-\$500).

If parishes plan to give tax receipts to bidders who bid more than the fair market value, the parish should advertise the minimum bid that would entitle the bidder to a tax receipt. The easiest way to calculate that value is to multiply the fair market value by 125%. In the example of the lawn mower, $500 \times 125\% = 625$. Any winning bid valued at \$625 or more would be tax receiptable. The value of the receipt would be the difference between the total bid and the fair market value.

9.9.2 Bingo

A gaming license is required for this fundraiser, the type of license being dependent on the gross revenue.



The bingo game must be conducted and managed in a non-commercial facility. Parishes and other Archdiocesan institutions are not permitted to join any bingo operations taking place in “bingo halls”.

9.9.3 Golf Tournaments

If ticket prices exceed the cost of the tournament and/or the dinner, the excess can be considered a donation and a charitable tax receipt can be issued for the excess amount. See Policy 8.14. Split Receipting for further details.

A gaming license is not required for prizes offered for skill achievements. If other games are offered during the tournament, such as a raffle, 50/50, then a gaming license for those games would be required.



10. PURCHASING & DISBURSEMENTS

10.1 Purchasing

The pastor is responsible for all commitments made on behalf of the parish, but he may delegate purchasing responsibilities as he deems appropriate.

Since the budget represents the guideline for parish spending, purchases in excess of the budgeted amount require specific authorization from the pastor. Additionally, purchases are to be made proportionately throughout the year, based upon cash flow.

All requests for goods and services shall be written down in a purchase order book. A record is required in the event of discrepancies between what was ordered and what was received. As well, the purchase price shall be recorded.

10.2 Receiving

Upon acceptance of a delivery of merchandise, the person receiving the goods must verify the delivery, document the receipt thereof and initial the documentation. The receiving document shall be forwarded to the Church office promptly.

10.3 Processing Invoices

Upon receipt of an invoice, the bookkeeper must verify that the material was received or service provided (by reference to an initialed receiving document, if available). Payments are made from original invoices. If there is not a separate receiving document, indicate in writing on the invoice whether the material was received or service provided and initial and date.

Before the invoice can be paid, it should be stamped. An example is shown below:

Date Rec'd	Account No.
Purchaser's Signature	Pastor's Signature
Cheque No.	Date Paid

Once stamped, the bookkeeper can begin filling in information and checking the invoice. The “Date Rec’d” is the date that the invoice was received in the parish office. The “Account No.” is the expense account in the accounting system. The bookkeeper then consults the receiving report and the purchase order book. The receiving report will confirm that the parish received the quantities that have been invoiced. The purchase order book will confirm that the parish received no more than what was ordered and billed at the correct price. The invoice can then be forwarded to both the purchaser and the pastor for authorization. Their signatures indicate that the invoice is valid and can be paid. Upon approval, the invoice can be scheduled for payment.

Cheque requests are used to replenish the petty cash fund.

Expense claims can be paid like invoices, providing they have been authorized and all supporting receipts are attached. Each expense line should be charged to the appropriate expense account.



Credit card statements are not valid source documents and are not to be presented as a receipt or invoice.

Vendor's month-end statements shall be reconciled to vendor invoices. Disbursements must not be made from statements without supporting documentation.

Whenever possible, parishes are to take advantage of early payment discounts.

Parishes are not permitted to incur finance or interest charges or late fees.

10.4 Cheque Preparation

All invoices must be paid by cheque. As stated previously, payments via telephone or internet banking are not permitted. Cheques provide a proper audit trail.

Periodically (that is, weekly, bi-weekly, etc.), cheques are to be prepared on the basis of an original vendor invoice (not a photocopy) or other appropriate documentation which has been properly coded and approved for payment. The cheque and/or remittance advice should include the vendor's invoice number(s) or equivalent.

Conventions for entering vendors and invoices in the accounting system need to be established in the parish to prevent duplicate payments, such as:

- Companies with abbreviations are to be entered with the periods - B.C. Hydro;
- Individuals are to be entered with last names first

Invoice numbers can be entered as shown on the invoice, with or without hyphens. They must be entered in the memo field on the cheque or in the memo field on the remittance advice, along with a brief description of the expense.

The prepared cheques with the supporting documentation attached are to be forwarded to the pastor for signature. Supporting documentation includes the following:

- A proper original invoice;
- Evidence that the goods or services were received or rendered; and
- Evidence that the purchase was properly authorized.

The pastor must inspect the supporting documentation prior to signing, looking for indications that the price and quantities have been checked and each invoice contains proper authorization for payment. All cheques must bear the pastor's original signature.

Once paid, the invoices, cheque requests and expense claims are to be marked or stamped "paid" and the cheque number written on them. Cheque stubs should be attached to the invoices. It may seem that duplicate information is being recorded, but cheque stubs alone are not adequate for audit purposes as they sometimes get separated from the original document. Paid invoices can be filed either alphabetically by vendor or numerically by cheque number.

Void cheques should be defaced, filed numerically and retained.

Cheques should never be payable to "Cash" or "Petty Cash".



11. ACTS OF EXTRAORDINARY ADMINISTRATION

Extraordinary expenditures are expenses that are:

- Used for specific acts (as listed below);
- Not foreseen in the approved budget; or
- Greater than 4% of Ordinary Income or \$10,000.

In the Archdiocese of Vancouver, the following are considered to be acts of extraordinary administration: “building, improving, furnishing or embellishing properties under [the pastor’s] charge.” In the case of an extraordinary expenditure of less than the spending limit, the parish may carry out this act, provided that it has the necessary funds on hand. The project must be endorsed by the pastor and the PFC. Endorsement by the PFC could be recorded in the meeting minutes or by co-signing the letter to the Archbishop. **Written permission of the Archbishop is required for any expenditure exceeding 4% of Ordinary Income or \$10,000 (whichever is greater) and three quotes must be provided.**

The dollar figure does not cover ordinary, recurring expenses such as payroll, maintenance and the like which are deemed to be acts of ordinary administration.

The Finance Office will calculate the spending limit for each parish and issue a memo annually.



12. CONTRACTS & COMMITMENTS (NON-EMPLOYMENT)

The negotiation of contracts and creation of commitments is a process inherent to all organizations, including the Church. This section of the Temporal Administration Policy Manual includes policies and guidelines that will assure that Archdiocesan entities enter into valid and proper contracts and commitments.

12.1 Contracts

Contracts are generally negotiated by individual parishes for various services or projects, with the approval of the PFC and the pastor.

A project may require multiple contracts. In determining the application of the approval limits outlined below, a project must be considered in its totality and all associated contracts summarized to arrive at the true value of the project.

Projects or individual contracts committing resources for an amount greater than \$10,000 are considered **extraordinary expenses** requiring the approval of the Archbishop.

12.2 Leasing

Leases for the acquisition of goods are negotiated by the parish. Approvals of leases for acquisitions of goods committing to a total cash outlay in excess of \$10,000 are considered **extraordinary expenses** and require the approval of the Archbishop.

This policy also applies to lease renewals.

12.3 Arm's Length Transactions

Arrangements for the purchase or sale of goods and services with family members or friends of the pastor or other staff members should be avoided.

If the parish plans to pursue a business relationship with a parishioner, to avoid the potential for a conflict of interest, multiple proposals (at least three) are to be obtained and selection made according to the proposal most advantageous to the parish or school.



13. LOANS

The Archbishop's permission is required to borrow money for the parish, to make investments of any kind with parish funds, or to make any change in existing investments of parish funds.

13.1 Bank to Parish Loans

The only authorized lending institute is the Bank of Montreal, located at 10th and Granville in Vancouver. The address is 2nd Floor, 2609 Granville Street, Vancouver, BC V6H 3H3.

Loans from other financial institutions are prohibited.

The PFC shall endorse the project and the loan application. Copies of the Council's meeting minutes demonstrating the necessary approvals are required by the Finance Office.

13.2 Archdiocese to Parish Loans

The Archdiocese may provide interim financing to parishes under special circumstances such as:

- Regional high school project;
- Purchase of property, pending sale of another property;
- Establishment of a new parish.

13.3 Parish to Parish Loans

With the approval of the Archbishop, one parish may loan funds to another parish by providing a low interest loan.

13.4 Interest Subsidy

The Archbishop may grant an interest subsidy from the Low Interest Revolving Fund, upon application from the parish. The guidelines established in the operation of the fund will apply.

13.5 Loans from Parishioners (Promissory Notes)

With the approval of the Archbishop and with the proper legal documentation in place, a parish may accept a loan from a parishioner or group of parishioners.

The Securities Laws must be kept in mind when soliciting loans from the parishioners.

13.6 Loans from other Catholic Organizations

With the approval of the Archbishop and with the proper documentation in place, a parish may accept a loan from another Catholic organization.



14. INSURANCE

14.1 General Information

The Archdiocese carries the first line of protection with a \$100,000 deductible. Any claims under \$100,000 are paid from the Archdiocesan Self Insurance Fund.

Property damage due to vandalism, burglary, break-ins, etc. should be reported to the police immediately. A police report number is required for the insurance claim.

There is no coverage for any property other than that owned by the parish or the school. Individuals should ensure that they have adequate insurance coverage for their own belongings. Catholic Mutual provides coverage for the priest's personal belongings.

Cash stolen is only covered as a result of a holdup or the burglarizing of a proper safe. Cash should not be kept in locked cabinets. Cash amounts in excess of \$1,000 should be deposited in the bank and all handling of cash should be done so as to avoid a pattern or routine being established, thereby protecting those who bear the responsibility of handling the cash.

14.2 Individual and Group Users of Parish Property

Many parishes and schools receive revenue through donations and/or rental income from individual and group users. These third parties are not covered by the Roman Catholic Archdiocese Insurance program. This means an incident arising from their activities could result in a claim against the individual or group user(s) and in some cases the parish, school, or Archdiocese may be looked to for damages.

In order to protect the interest of the Roman Catholic Archdiocese of Vancouver, the insurance company for the Archdiocese recommends that the parish, school, and Archdiocese of Vancouver be added as an additional insured to the individual or group users' liability policy.

Several of the users have been unable to obtain coverage on an individual basis because of the pricing or unavailability of coverage. For these groups, the Archdiocese has put together an inexpensive Group Users Program through All Sports Insurance Marketing Ltd.

The parish should contact the Finance Office for the appropriate forms and procedures.



15. PARISH PROPERTY

15.1 Preventative Maintenance (PM) Guidelines

All buildings weaken and deteriorate in time unless they are properly maintained. The maintenance of Archdiocesan buildings, therefore, is a priority that requires consistent attention.

Building maintenance may be neglected for a variety of reasons:

- The staff is too busy on other things;
- The parish “cannot afford expensive maintenance”;
- The parish buildings are fairly new and do not require inspection.

Sometimes this neglect leads to major problems and major expense with church buildings. The best and most cost effective solution is to have a stable program for consistent maintenance of Archdiocesan buildings.

15.1.1 Maintenance of Facilities

Every church and school should establish a Maintenance Committee. The Committee members should consist of parishioners or school parents who possess construction or engineering and/or architectural knowledge and experience.

This committee should compile all building plans from the Architect or Municipal Hall and “As-built” drawings and have access to all technical manuals and service contracts, etc. and store in a safe and handy place. The committee should become familiar with the location of all key maintenance equipment in the parish or school buildings.

An organized PM system and effective communication are both critical to proper facility maintenance. Communication between the Maintenance Committee and the maintenance personnel, secretary, teachers, students, parishioners and contractors is absolutely imperative. The observed problems should be immediately addressed and repaired or replaced. Facility maintenance is time sensitive and must be approached aggressively by professionals, tradesmen, maintenance personnel and qualified volunteers.

The Maintenance Committee Chairperson must communicate and inform the pastor, the Parish Education Committee (PEC) in case of an elementary school and the Regional Education Committee (REC) of a secondary school, of the committee’s findings and cost of the maintenance issues and obtain the Pastor’s approval prior to further action.

Prioritizing the preventive maintenance procedure may be required if there is shortage of maintenance staff or the lack of funds. In these cases the least critical task that poses the least threat to life safety can be deferred. It is recommended that the PM tasks should follow the order as listed below:

1. Life Safety: Items that, if not addressed immediately, will have potential threats to the lives of the students or parishioners or the public.
2. Regulatory Requirements: Items that are not in compliance with the Building Code or other regulations.
3. Equipment Life Cycle: Items that requires routine life cycle maintenance such as mechanical system, roofing, alarm system security, lights, etc.
4. Building Maintenance: Items such as painting, caulking, cleaning, and so on.
5. Long-term maintenance items are noted in Appendix H.

General and Preventative maintenance cannot be by permanent parish and school maintenance personnel alone. Some items should be and must be performed by certified professionals who are



familiar with that particular trade, such as elevators, HVAC equipment, boilers, electrical, and so on.

15.1.2 Preventative Maintenance Audit and Estimated Cost

Preventive Maintenance utilizes a planned and controlled program of periodic testing, inspection, and replacement of components to prevent potential failures from occurring and to permanently preserve the building or equipment. Preventive Maintenance activities are performed at regular intervals (i.e. daily, weekly, monthly, semi-annually, annually, two years, five years, etc.) to prevent unnecessary expenditures and to extend the life of each element.

In order to establish an annual maintenance budget, it is essential to develop a facility audit system. The facility audit is a system for thoroughly assessing the existing physical conditions and performance of the buildings, grounds, equipment, and so on. It is necessary to predict the frequency, scope and the cost of the maintenance work to be performed during the year.

Auditing the facility is absolutely essential if the churches and schools are to develop a Preventive Maintenance Program. The audit procedures and forms shown here are for the purpose of identifying the condition of the building(s) and equipment and assessing the cost and priority of their repair or replacement. This guideline demonstrates examples of some items; it is up to the Maintenance Committee to develop its own complete maintenance audit list and costs.

In summary, the maintenance audit will result in the parish or the school having the following information:

- List of items to be inspected;
- Frequency with which inspections should be carried out;
- Cost of the repair or replacement;
- Proposed date of the repairs or replacement.

Other items such as plumbing, electrical, fire alarm systems, sprinkler system, etc., should be audited by a professional tradesmen or company and have not been listed in the example for the sake of brevity.

From the information provided, a work schedule can be developed and the maintenance cost can be included in the annual budget.

See Appendix I for an example of a format of a maintenance audit, cost, and frequency of maintenance items.

15.1.3 Budgeting and Funding

The scope of a maintenance plan depends on the predetermined budgetary allotments. Maintaining facilities will minimize life safety hazards and sustain the life of the structure and equipment. Facilities have been known to crumble because of lack of budgetary allocation and inattentive maintenance.

A Maintenance Budget is derived from auditing the facility. The facility audit is a system for thoroughly assessing the existing physical condition and performance of the buildings, grounds, utilities, and equipment. The audit will determine the major and minor, urgent or long-term needs for corrective action and hence will determine the short- and/or long-term financial planning.

For example, refer to Appendix K and the item “Replace T&G roofing with SBS.” The estimated cost by a roofing Inspector was \$21,500 in December, 2006. The roofing inspector advised that the roof should be replaced in June, 2010 (three and a half years from the inspection date).

Using the assumption that the inflation index is 2 percent per annum, the cost in replacing the roof would be \$21,500 times 1.08 (the 1.08 being the simple formula of one plus the



number of years times the inflation rate) which equals \$23,220. Dividing this number by the number of years when the work is to be performed, which is four in this case, equals \$5,805. Hence the parish must raise \$5,805 for the next four years in order to meet the budget to replace the roof.

Similarly, the building maintenance budget for other items, as listed in the sample Audit Report, is calculated (See Appendix J.)

Other costs such as maintenance of the heating system, the future painting of the interior and exterior walls, and replacement of the flooring system and so on should also be included in the budget. All these items should be found in the maintenance audit of estimate cost of the audited items.

15.1.4 Maintenance Checklist

All parishes and schools should establish a Maintenance Checklist to ensure all components of the buildings and site are audited. An example of a checklist is shown on Appendix K.

15.1.5 Preventing Playground Injuries

Playgrounds have been identified as a significant setting for childhood injuries. Every year in Canada, an estimated 28,500 children are treated in emergency departments and hospitals for playground injuries. The majority of these injuries occur among pre-school and elementary school-aged children. The most common type of injury is falling from equipment, which is responsible for more than two-thirds of playground injuries. For children younger than five years of age, the head and face are most commonly injured. It is recommended that installation and maintenance of new and existing playgrounds be done according to CSA standards CAN/CSA-Z614-07, a copy of which is on file at the CISVA offices. (See Appendix L for a checklist of some of the key points.)

15.2 Assets and Inventory

A clear distinction must be made between the assets of the parish and the assets of the priest(s):

Canon 1283 §2 - [The priests] are to prepare and sign an accurate and clear inventory of immovable property, moveable objects, whether precious or of some cultural value, or other goods, with their description and appraisal; any inventory already done is to be reviewed.

Canon 1283 §3 - one copy of this inventory is to be preserved in the archive of the administration and another in the archive of the curia; any change which the patrimony happens to undergo is to be noted in each copy.

For the protection of the individual and the parish and for insurance purposes, pastors and administrators are encouraged to keep an inventory of their personal belongings. While photographs are not required, they are helpful with insurance claims. It is not necessary to include the value of the belongings unless the value is significant.

The personal property of the priest(s), up to a value of \$25,000, is covered in the insurance policy of the parish. Priests are encouraged to purchase additional insurance for property valued more than \$25,000.

The property or assets of the parish includes the following: land, buildings, furnishings, equipment, and precious goods.

Parishes should record their assets in an Asset Register. The Register should be kept in the parish safe or in a locked, fire-proof cabinet. For accounting purposes, the assets are expensed at the time of purchase.

- Land and Buildings - If the value of the land and/or buildings is not known, it may be listed with a value of \$1.00.
- Precious Goods - Goods of this nature include: Altar stones, sacred relics, marble, works of art, and other items of religious, historic or financial value.



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The purchase receipt for all assets is to be retained in the asset register. For those assets not purchased, at the time of their acquisition they should be professionally appraised and the appraised value should be included in the inventory list. The appraisal should be retained in the asset register and the register should show that the precious goods have an appraised value.

Parishes may choose to record the value of their assets in the accounting system. This is done via a journal entry. The dollar value is the purchased cost or appraised value. The parish must fully depreciate all assets so that there is no effect on equity.



16. PAYROLL

16.1 General Information

The Employment Standards Act (section 17) requires paydays to be at least semi-monthly and within 8 days after the end of the pay period. Parishes may pay salaries monthly, providing a mid-month salary advance is issued.

Parishes should use the Payroll Deductions Online Calculator provided by the Canada Revenue Agency to determine the deductions for CPP, EI and Income Tax for the employees. The Online Calculator can be found at the following website:

<http://www.cra-arc.gc.ca/pdoc/>

Remittances to the Canada Revenue Agency shall be made once per month.

All eligible employees are required to join the group MSP and Great West Life plans. Eligible employees work 20 hours or more per week. If the employee has medical and/or extended health benefits provided by his or her spouse, the parish should obtain a letter from the employee stating that the benefits are not needed. This letter should be kept in the employee file.

16.2 Priests' Salaries & Benefits

16.7.1 Salaries

Each year, the salary schedule for the clergy is updated by the same cost of living salary increase allotted to all Archdiocesan curia employees. The schedule is sent to the parishes from the Finance Office. Parishes should follow the deductions and other instructions on the salary schedule.

The clergy salary includes a portion for automobile allowance. Each priest is solely responsible for the acquisition cost (and financing, if any), oil, gas, insurance, repairs and maintenance of his vehicle. The priest's automobile is insured under his own name, not under the Archdiocesan ICBC auto fleet plan.

There are no deductions for Canada Pension Plan (CPP), Employment Insurance (EI) or Income Tax for Religious Order clergy who have taken a vow of poverty. There are no deductions for Canada Pension Plan (CPP) for priests who have reached the age of 65.

All T4 forms shall contain an amount for taxable room and board. T4 forms contain an amount for Medical Services Plan (MSP) and life insurance premiums as these premiums constitute a taxable benefit. (The actual premiums shall be paid by the parish.)

In filing their personal T1 income tax returns, the clergy can claim clergy room allowance and car expenses based on mileage logs for business purpose.

Priests are required to contribute annual membership dues to the *St. Joseph's Society* to be eligible for retirement benefits.

16.7.2 Food & Household Expenses

The priest's taxable salary contains a component for room and a component for board. Neither of these components are paid to the priest on a regular basis. At the end of the year, the priest may claim the room component as Clergymen's Room Deduction on his personal income tax return. The board component may be paid to the priest only when he takes his annual vacation away from the parish.

All food and household expenses are paid for by the parish. The priest may purchase items personally and claim expenses.



16.7.3 Benefits

The benefit plan provided for priests is available at the following website:

http://cisva.rcav.org/benefit_plan/files/335645_class4_.pdf

16.3 For Sisters (under agreement with the Archdiocese)

The Monthly Gross Amount rate is for full-time (or equivalent to full-time) employment which is defined as working a minimum of 35 hours a week. For part-time employment, the Pastor will adjust the amount on a reasonable pro-rated basis.

16.4 Religious Working in a Parish

Sisters who work in the parishes enter into a formal written contract, signed by the Archbishop and the Major Superior of the Sisters' Community. This contract is an agreement between the Archdiocese and the Community, rather than an agreement between the parish and the individual Sister. While the contract says; "The Archdiocese agrees to pay..." the parish is responsible for paying the Sister's remuneration as agreed to by the pastor.

16.5 Honoraria

Honoraria are paid to individuals for work that would otherwise be considered volunteer work. Any amount paid to an individual must be recorded as an honorarium; however, the payer is only required to issue a T4A if all the payments made in a calendar year to a single payee are more than \$500.

16.6 Replacement Ministry Stipends

Manual Revision: April 4, 2014

The following payment schedule has been approved by the Presbyteral Council on March 27, 2014, for remuneration for replacement ministry:

Weekend First Mass	\$100.00
Weekend Second Mass	\$ 50.00
Weekend Third Mass	\$ 50.00
Weekday Mass	\$ 50.00
Traveling Expense per kilometre <i>(for retired priests only)</i>	\$ 0.50

16.7 WorkSafe BC

Manual Revision: May 8, 2014

The parish is required to file a WorkSafe BC Employer Payroll & Contract Labour Report every year. The parish may account for the WorkSafe BC premium as a payable at every pay period or all at once at the end of year, as part of the closing procedures. Parishes are not to account for the premium upon premium as the costs will be posted to the wrong fiscal year.



16.7.1 Line B – Wages, Salaries, & Shareholders’ Earnings.

According to WorkSafe BC, assessable payroll includes wages, salaries, commissions, bonuses, holiday pay, management fees, or other remuneration. Non-cash benefits are not included. To this end, the sum of the gross pay values posted to the Salaries accounts in the general ledger is the value that is to be recorded on Line B of the WorkSafe BC report. This is to include the “salaries” of religious men and women. WorkSafe BC issued the following statement regarding priests and nuns who are members of religious orders and have taken a vow of poverty:

“Although these individuals generally receive no direct remuneration or only a token remuneration we will consider them to be workers within the scope of the Workers’ Compensation Act. They will be entitled to benefits under the Act subject to the same conditions as any other covered worker should they suffer a compensable injury. If there is no loss of earnings as a result of WCB covered injury, these individuals could still expect to receive appropriate medical and rehabilitation benefits.”

16.7.2 Line C – Subcontractors’ Payments

The parish is to include the values from the GL accounts for Clergy Extra Help (Replacement Ministry) and Honoraria on this line. As well, the parish is to include the amounts paid to all hired contractors that do not have WorkSafe BC coverage. Parishes are to ensure that each hired contractor has the required coverage by requesting proof from the contractor. The parish can also confirm the coverage with WorkSafe BC by requesting clearance letters. The requisition process is available on WorkSafe BC website. If a contractor does not have coverage and the parish has not performed the required due diligence, the parish will be liable should a worker become injured on the parish site.



17. REGISTERED CHARITY INFORMATION RETURN (T3010)

Each parish is required to complete the Canada Revenue Agency Registered Charity Information Return (T3010). It can be found online at:

<http://www.cra-arc.gc.ca/E/pbg/tf/t3010a/README.html>

Instructions for completing the return are sent to the parishes annually from the Finance Office.



18. MASS OFFERINGS

18.1 General Information

A Mass offering is a monetary gift given to a priest to celebrate Mass for the intention of the donor. When Mass is offered for more than one donor's intention, it is known as a collective intention. The current customary offering is \$10.00.

As gifts, the offerings must not pass through the parish books but must be given directly to the priest who is offering the Mass.

18.2 Mass Offering Policy

All Mass offerings must be recorded in a special register dedicated for that purpose that includes space for the number of Masses requested, the intentions, and the offerings made, with space for the priest to sign once the Mass has been offered (cc. 955, §4; 958, §1).

A priest may not ask for an offering larger than the determined amount, but may accept a voluntary offering in any amount (c. 952, §1). The current suggested offering is \$10.00.

Even if not offering is received, Mass should be celebrated for the intention of the donor, especially for those in need (c. 945 §2).

When a priest celebrates more than one Mass on the same day, he may apply an intention for each Mass celebrated, but he may retain only one offering for himself. The other Mass offerings are to be remitted to the Chancery Office where they will be credited to the Vocations Fund. On Christmas Day, a priest who celebrates more than one Mass (up to three Masses) may retain the offering for each Mass celebrated (c. 951, §1).

In the case of concelebration, a priest may accept an offering if the Mass is the only Mass offered by the priest or if it is his first Mass of the day. A priest who concelebrates a second Mass on the same day may not accept another Mass offering, even for the Vocations Fund (c. 951, §2).

A priest may only accept Mass offerings that can be satisfied within one year (c. 953). Surplus Mass offerings should be sent to the Chancery Office where they will be distributed to priests who are in need.

Separate Masses must be applied for the intentions of those for whom an individual offering, even if small, has been made and accepted (c. 948), except in the case of a collective intention as described below.

Donors must be clearly informed and freely consent before the priest can combine their offerings in a collective intention, which is not to occur more than twice a week. The celebrant may keep only the customary offering for one Mass (i.e. \$10). The remainder of the Mass offerings are to be forwarded to the Chancery Office where they will be credited to the Vocations Fund (cf. Congregation for the Clergy, Decree *Mos iugiter*, c. 951, §1). On Christmas Day, a priest who celebrates more than one Mass (up to three Masses) may retain the offering for each Mass celebrated (c. 951, §1).

Mass offerings are to be made in cash or cheque. Cheques are to be payable to the priest, not the parish.

When it is inconvenient to ask a parishioner to replace a cheque for Mass offerings payable in error to the parish, it may be "cashed" out of the loose collection at the discretion of the pastor as long as it does not exceed \$100. Donor information from cheques found in the loose collection are normally photocopied so that the donor may be credited with the donation for tax receipt purposes. Cheques that were made payable to the parish for Mass offerings are not donations, so these cheques should not be photocopied for tax receipt purposes.

Mass intentions may be published in the parish bulletin at the discretion of the pastor.



19. GIFTS TO EMPLOYEES

19.1 Non-Cash Gifts

Non-cash *gifts* can only be given for a special occasion such as Christmas, a marriage, or the birth of a child. Non-cash *awards* can be made for an employment-related accomplishment such as long or outstanding service, employees' suggestions, or meeting or exceeding safety standards.

The maximum value of all non-cash gifts or awards given to an employee in a single year is \$500, including GST or HST. Any amount greater than \$500 is considered a taxable benefit and must be included on the employee's T4.

19.1.1 Payroll deductions

If the benefit is taxable, it is also pensionable. Deduct CPP contributions and income tax. If the taxable benefit is paid in cash, it is insurable and EI premiums need to be deducted. If it is a non-cash benefit, it is not insurable and EI premiums should not be deducted. For EI purposes only, near-cash taxable benefits are treated the same as non-cash taxable benefits; therefore, they are not insurable and EI premiums should not be deducted.

19.1.2 Reporting the benefit

Include the taxable gift, award or social event on a T4 slip in Box 14, "Employment income", and in the "Other information" area under Code 40 at the bottom of the employee's slip.

19.2 Cash or Near-Cash Gifts

The following gifts are considered taxable income to the employee:

- A near-cash item, something that can be easily converted to cash, such as gift certificates, precious metals, or securities;
- A gift or award that allows the employee a wide selection of choice in the item they receive, such as a gift certificate that cannot be converted to cash;
- Performance-related awards (such as meeting a specific deadline or reaching a pre-determined quota);
- Holiday bonuses;
- Points that can be redeemed for air travel or other rewards; reimbursements from an employer to an employee for a gift or an award that the employee selected, paid for and then provided a receipt to the employer for reimbursement; and
- Hospitality rewards such as employer-provided team building lunches and rewards in the nature of a thank you for doing a good job.



20. BOOKS AND RECORDS RETENTION

The Canada Revenue Agency (CRA) requires that all accounting records used to verify income and expenditures be kept for a minimum of six years from the end of the last fiscal period to which they relate. In other words, they must be kept for a total of seven years – the year in question, plus six additional years. Electronic accounting records must be kept in a readable format for the seven-year period.

CRA also specifies that certain other records must be kept for the life of the parish and still other records must be kept for two years after the charitable registration is revoked.

Canon 535 §1 outlines the parochial records that are to be kept in each parish: “Each parish is to have parochial registers, that is, those of baptisms, marriages, deaths, and others as prescribed by the conference of bishops or the diocesan bishop. The pastor is to see to it that these registers are accurately inscribed and carefully preserved.”

There are also Archdiocesan requirements for maintaining records.

This policy outlines the length of time that specific financial records are to be kept.

The following records are to be kept for the *life of the parish* plus a minimum of two years after the charitable registration is revoked:

- Financial Statements
- (December 31 Balance Sheet and Profit and Loss Statement)
- General Ledger (or detailed list of financial transactions for the year)
- Annual Parish Report completed for the Archdiocese each year
- Minutes of meetings of the Finance and Pastoral Councils
- All records of any donations received that were subject to a direction by a donor
- All records relating to purchase and sale of parish land and buildings such as Real Estate contracts, purchase and sale invoices, title deeds and property tax assessments including legal descriptions
- Insurance policies
- Asset Registers

The following records are to be kept for *seven years*:

- Bill payments and supporting documentation, including the cheque stub;
- Sales invoices (if applicable);
- Bank statements and cancelled cheques;
- Deposit slips;
- Documents detailing the individual donations corresponding to the bank deposit;
- GST filing and supporting documents;
- CRA payroll filing and supporting documents;
- Charity return and supporting documents;
- Inventory listing; and
- Charitable receipt copies from the end of the calendar year in which the donations were made.

Donation envelopes need to be kept only as long as the parish requires them. The Finance Office recommends that donation envelopes for the previous year be kept until tax receipts for that year



have been issued. A paper trail must exist showing the individual donations that add up to the bank deposit in the general ledger. CRA does not require the envelopes.

20.1 Storage

Items that are stored for seven years or longer must be kept in a secure fire-resistant location. For most parishes, this may require off-site storage.

Records for each year must be stored in a separate box or boxes.

Permanent records shall be clearly marked and stored separately.

Records that can be discarded after a period of time must be clearly labeled, including the discard date.

To minimize storage space and cost, each year records that are past the retention date should be discarded.

When discarding old records, it is recommended that they be shredded.

20.2 Records Journal

Parishes should consider using a records journal. A records journal lists what is being stored, where it is being stored, the date in which it was first stored and the date of destruction, if applicable. Using a records journal provides for very organized document storage.

20.3 Electronic Documents

Electronic documents are subject to the same rules as paper documents.



21. INTERNAL AUDIT

21.1 Rationale

Responsibility for internal audit is vested in the Archbishop. Canon Law gives the Archbishop (or his delegate) access to all departmental records and systems in order to fulfill his responsibilities. All administrators are subject to periodical visitation by diocesan authorities or their auditors.

21.2 General Information

Internal auditing is an independent, objective, assurance and consulting activity designed to add value and improve parish operations. A parish audit is an independent evaluation of its financial reports, records and internal controls by a qualified person for the purpose of reasonably verifying the reliability of financial reporting, determining whether assets are being safeguarded and whether there is compliance with secular law, Canon law, parochial and Archdiocesan policies and procedures.

The internal audit activity is concerned primarily with:

- Assessing the extent of effective and efficient use of physical and financial resources;
- Reviewing and evaluating programs, activities and financial management systems; and
- Providing special financial review and investigative services.

The internal audit function is an important element of the accountability process as it provides the Pastor and, by extension, the Archbishop, with an independent review of the parish operations and specific recommendations for improvement.

21.3 Internal Controls

Internal controls is a process used by Archdiocesan and parish management to provide reasonable assurance that financial reporting is reliable, assets are safeguarded from loss, theft or misuse and that government laws and Archdiocesan regulations are followed.

Pastors, with the support of their Parish Finance Councils, are responsible for implementing and maintaining an effective system of internal controls.

The most important internal control in an organization is the segregation of duties. This means that by separating accounting tasks and having different people perform each one, the work of one individual naturally verifies the work of another.

Parishes are exposed to the risk of fraud because of their limited office staff, rendering the segregation of duties difficult to implement. Other factors increasing the risk of fraud include: heavy reliance on volunteers, possible lack of management expertise, a high level of trust and a low level of outside scrutiny. To reduce the risk, financial oversight by the Pastor and the PFC is especially important.

21.4 Audit Process

Each parish in the Archdiocese will be subject to an internal audit and a follow-up at least once every five years, performed by the Archdiocesan Internal Auditor. The auditor will evaluate and test the accounting procedures and internal controls to determine whether they are adequate to meet the objectives stated below. In addition to conducting audits, the auditor assists with the training and continuing education of parish financial staff and provides the Pastor and his councils accounting and technical support.



21.5 Objectives

1. To determine whether parish accounting procedures provide reasonable assurance that parish liquid assets have been properly safeguarded.
2. To determine whether parish accounting procedures provide reasonable assurance that its financial activities have been properly recorded and summarized and reported to its parishioners and the Archdiocese.
3. To determine whether parish accounting procedures provide reasonable assurance that the parish is complying with all civil and Archdiocesan regulations.
4. To offer assistance and guidance in establishing sound administrative and accounting practices.

21.6 Results

As a result of the audit, strengths and weaknesses in accounting procedures and internal controls will be identified and a report containing recommendations to address weaknesses in procedures and controls issued to the Pastor.



22. FRAUD

22.1 Introduction

The Archdiocese of Vancouver, including its parishes and organizations, is committed to maintaining the highest standards of honesty, integrity and ethical conduct and has adopted this Policy to ensure consistent and effective investigation, reporting and disclosure of fraud occurrences within the diocese.

22.2 Scope

This policy applies to any suspected fraud involving employees and the clergy, as well as consultants, vendors, contractors and any other parties with a business relationship with the diocese.

22.3 Definition

Fraud is defined as any intentional act or omission designed to deceive others, resulting in the victim suffering a loss and/or the perpetrator achieving a gain. Actions constituting fraud include, but are not limited to:

- Forgery or alteration of any document or account belonging to the Archdiocese;
- Forgery or alteration of a cheque, bank draft, or any other financial document;
- Theft of funds, securities, supplies, or other assets;
- Impropriety in the handling or reporting of money or financial transactions;
- Profiteering as a result of insider knowledge of diocesan activities;
- Disclosing confidential or proprietary information to outside parties;
- Disclosing to other persons business activities engaged in or contemplated by the Archdiocese;
- Providing or accepting gifts of material value to/from contractors, vendors or other persons doing or attempting to do business with the Archdiocese that are intended to influence a business decision or selection process;
- Destruction, removal or inappropriate use of diocesan records, furniture, fixtures, and equipment; or
- Any similar or related inappropriate conduct.

22.4 Responsibility

The prevention, detection and reporting of fraud is the responsibility of all employees, clergy and parishioners of the Archdiocese. Pastors are further expected to be familiar with the types of improprieties that might occur within their parishes and be alert for any indication of fraud or irregularity.

22.5 Policy

Fraud in any form will not be tolerated. All suspected cases of fraud are to be reported and the Archdiocese provides assurance against recrimination.



Fraudulent acts will be subject to disciplinary action, up to and including termination, and civil and criminal prosecution. The Archdiocese will pursue full recovery of all losses resulting from an act of fraud.

All employees involved in an investigation of suspected fraud or irregularity maintain their rights, privileges and protections afforded to them through applicable law.

22.6 Reporting Procedures

People, whether employees, parishioners, clergy, who detect or suspect a fraud has occurred must report the incident immediately to their immediate supervisor or manager or directly to the Chancery Office. Managers and supervisors will, in turn, forward the report to the Chancery Office.

The person who reported the incident should not conduct any investigations or interviews related to the fraudulent act or contact the suspected individual in an attempt to determine facts or demand restitution.

All information received will be treated confidentially to the extent possible while still allowing a full investigation to be conducted into the suspected fraud. The Archdiocese reserves the right to pass on any information to the proper law enforcement agency in order that such entity may determine whether criminal charges are warranted.

The Chancery Office has the primary responsibility to assess the accusations and to coordinate the examination of all suspected fraudulent acts reported under this Policy. If the Chancery Office determines that an investigation is warranted, the Archdiocesan internal auditor will proceed with an inquiry. If the investigation substantiates that fraudulent activities have occurred, the Internal Auditor will issue reports to the Archbishop. Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to the Church.

Care will be taken in the investigation of suspected improprieties or wrongdoings so as to avoid mistaken accusations or alerting suspected individuals that an investigation is under way. All inquiries concerning the activity under investigation from the suspected individual, his or her attorney or representative, or any other inquiries should be directed to the Vicar General.

During an investigation, no information concerning the status of the inquiry shall be given out, unless authorized by the Archbishop. At that time, all information will be released through the Archdiocese Communications Office.

Based on the results of the investigation, the Archbishop, together with the appropriate diocesan personnel will determine an action plan for employee discipline, any referral to the applicable law enforcement agency and/or changes to processes or controls.

Decisions to prosecute by way of civil proceedings or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made in conjunction with diocesan legal counsel.



APPENDIX A: COUNTER TALLY SHEET

Collection Date: _____				Counting Date: _____			
Regular Collection		Special Collection★		Other Income★		Total Deposit	
Envelopes	Loose	Envelopes	Loose	Envelopes	Loose		
X 100	X 100	X 100	X 100	X 100	X 100	X 100	
X 50	X 50	X 50	X 50	X 50	X 50	X 50	
X 20	X 20	X 20	X 20	X 20	X 20	X 20	
X 10	X 10	X 10	X 10	X 10	X 10	X 10	
X 5	X 5	X 5	X 5	X 5	X 5	X 5	
Coin	Coin	Coin	Coin	Coin	Coin	Coin	
Chqs.	Chqs.	Chqs.	Chqs.	Chqs.	Chqs.	Chqs.	
Total	Total	Total	Total	Total	Total	Total	
US \$	US \$	US \$	US \$	US \$	US \$	US \$	
<p>★Attach separate sheets for Special Collection and Other Income, detailing the different types.</p> <p>Counters: _____</p> <p>_____</p>							



APPENDIX B: COUNTING CHIT

Date:	Date of Counting			
Collection Type:	e.g. Regular-Envelopes; Peter's Pence-Loose; Candle Donations			
	x	\$0.01	=	
	x	\$0.05	=	
	x	\$0.10	=	
	x	\$0.25	=	
	x	\$1.00	=	
	x	\$2.00	=	
(A) Total Coins:				
	x	\$5.00	=	
	x	\$10.00	=	
	x	\$20.00	=	
	x	\$50.00	=	
	x	\$100.00	=	
(B) Total Bills				
(C) Cheques				
(D) Subtotal Collection (A+B+C) - CDN Funds				
US Funds				
Total Collection (CDN + USD)				
Envelope Total★				
<p>★Using an adding machine, add up the envelopes. This total should balance to the Total Collection amount. If no envelopes (that is, this is a loose collection, mark the envelope total as "N/A".</p>				



APPENDIX D: AGENCY AGREEMENT

Agency Agreement dated (enter date here)

Between Name of Pastor [Hereinafter referred to as "the Parish"]
Name & Address of Parish
And Name of Priest [Hereinafter referred to as "the Agent"]
Address
And Name of Religious Institute [Hereinafter referred to as "the Religious Institute"]
Address

- 1. The Parish is a Roman Catholic Parish in the Archdiocese of Vancouver. As part of its charitable works, the Parish supports the promotion of the Catholic religion and education, training of seminarians, apostolic and missionary works of the Catholic Church in Canada, Rome and other parts of the world.
2. The Parish has included (the?) Religious Institute in its ministry and commits to financially support the Religious Institute from time to time in amounts approved by the Pastor and PFC.
3. For this purpose only, the Parish shall forward to the Religious Institute through its Agent \$XXX Canadian Funds. (XXX Canadian dollars). If for some reason the Agent cannot spend the money as instructed below, prior approval of alternate spending shall be sought from the Parish. The Parish reserves the right to discontinue funding at any time at its sole discretion.
4. The purpose of this Agreement is to specify that the Agent shall directly, or by agreement with the Religious Institute, use this money to perform the following activities, on behalf of the Parish:
- For formation of seminarians of the Religious Institute including tuition fees, text books, related travel expenses from home to seminary location, room and board, psychological assessments of candidates, language training, computer equipment and incidental expenses.
- For its apostolic works, ministering of Sacraments, teaching of Catholic religion, and ministering to the poor that the Religious Institute is involved in and that the Parish is also supporting.
5. The Agent shall spend the approved funds within 12 months unless this project is renewed for a period mutually agreed upon by the Agent and the Parish.
6. The Agent agrees to keep a separate record of this spending, so that Parish's contribution is kept in a segregated accounting ledger account. Once the funds have been spent for the approved purpose, the Agent shall email or fax to the Parish the attached completed Confirmation of Spending report (below), including photocopies of cheques written or vendor invoices paid, photographs and other documentation to support the figures.

The undersigned agree to the above terms and conditions:

Parish Name: Signature:
Date:
Agent Name: Signature:
Date:
Religious Institute Name: Signature:
Date:



APPENDIX E: CHART OF ACCOUNTS

Account Name	QB Type	Description	T3010 Reporting Line
Chequing (CDN)	Bank	All parishes will have a chequing account in Canadian funds. This account is referred to as the parish's "Treasury" account.	4100 - Cash, bank accts, investment
Chequing (USD)	Bank	Permitted for parishes that already have US bank accounts.	4100 - Cash, bank accts, investment
Gaming (CDN)	Bank	Separate gaming accounts are required for events generating more than \$20,000 in income annually.	4100 - Cash, bank accts, investment
Petty Cash (CDN)	Bank		4100 - Cash, bank accts, investment
Petty Cash (USD)	Bank		4100 - Cash, bank accts, investment
Chancery Deposit Fund	Bank		4140 - Long-term investments
Other Investments	Bank		4140 - Long-term investments
Accounts Receivable	Other Current Asset		4120 - Amounts receivable (others)
Inventory	Other Current Asset		4150 - Inventories
Other Receivables	Other Current Asset		<Unassigned>
GST Receivable	Other Current Asset		4120 - Amounts receivable (others)
Project Advance Receivable	Other Current Asset		4120 - Amounts receivable (others)
Prepaid Expenses	Other Current Asset		4170 - Other assets
Accounts Payable	Accounts Payable	Unpaid or unapplied vendor bills or credits	4300 - Accts payable & accrued liabilities
Due to RCAF	Other Current Liability		<Unassigned>
Clergy Benefits Payable	Other Current Liability		4320 - Amts owing (non-arm's length)
Diocesan Assessment Payable	Other Current Liability		<Unassigned>
Quarter 1	Other Current Liability		4320 - Amts owing (non-arm's length)
Quarter 2	Other Current Liability		4320 - Amts owing (non-arm's length)
Quarter 3	Other Current Liability		4320 - Amts owing (non-arm's length)
Quarter 4	Other Current Liability		4320 - Amts owing (non-arm's length)
Diocesan Collections Payable	Other Current Liability		<Unassigned>
Catholic Missions Payable	Other Current Liability		4320 - Amts owing (non-arm's length)
Evangelization of Nations Payable	Other Current Liability		4320 - Amts owing (non-arm's length)
Holy Land Payable	Other Current Liability		4320 - Amts owing (non-arm's length)
Home Missions Payable	Other Current Liability		4320 - Amts owing (non-arm's length)
Needs Canadian Church Payable	Other Current Liability		4320 - Amts owing (non-arm's length)
Peter's Pence Payable	Other Current Liability		4320 - Amts owing (non-arm's length)



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Account Name	QB Type	Description	T3010 Reporting Line
Pope's Pastoral Works Payable	Other Current Liability		4320 - Amts owing (non-arm's length)
Share Lent Payable	Other Current Liability		4320 - Amts owing (non-arm's length)
St. Joseph Society Payable	Other Current Liability		4320 - Amts owing (non-arm's length)
Work of Vocations Payable	Other Current Liability		4320 - Amts owing (non-arm's length)
Youth Ministry Payable	Other Current Liability		4320 - Amts owing (non-arm's length)
Disaster Relief Payable	Other Current Liability	Parishes are to set up additional accounts for each relief effort they choose to support. Accounts can be made inactive in subsequent years.	4320 - Amts owing (non-arm's length)
Group Rental Insurance Payable	Other Current Liability	For insurance sold to rental groups. Forms are available from the Finance Office.	4320 - Amts owing (non-arm's length)
Parish Insurance Payable	Other Current Liability		4320 - Amts owing (non-arm's length)
Other Accounts Payable	Other Current Liability		<Unassigned>
Benefits Payable	Other Current Liability		<Unassigned>
CISVA Group Benefits Payable	Other Current Liability		4300 - Accts payable & accrued liabilities
Medical Services Plan Payable	Other Current Liability		4300 - Accts payable & accrued liabilities
Damage Deposit Payable	Other Current Liability		4300 - Accts payable & accrued liabilities
Elementary School Payable	Other Current Liability		<Unassigned>
Fundraising Subsidy Payable	Other Current Liability	To record school fundraising money that was deposited in the parish and has to be returned to the school.	4300 - Accts payable & accrued liabilities
Parish Subsidy Payable	Other Current Liability	To record parish subsidy owing to the elementary school as per CISVA policy 220.	4300 - Accts payable & accrued liabilities
Tuition Subsidy Payable	Other Current Liability	To record amounts owing to the school for tuition assistance for specific families.	4300 - Accts payable & accrued liabilities
Project Advance Payable	Other Current Liability	To record amounts donated to Project Advance that were deposited in the parish. These amounts are not income to the parish and the parish does not provide the tax receipt for the donation.	4300 - Accts payable & accrued liabilities
Receiver General Payable	Other Current Liability		<Unassigned>
CPP Payable	Other Current Liability		4300 - Accts payable & accrued liabilities
EI Payable	Other Current Liability		4300 - Accts payable & accrued liabilities
Income Tax Payable	Other Current Liability		4300 - Accts payable & accrued liabilities
Secondary School Payable	Other Current Liability		<Unassigned>
Parish Subsidy Payable	Other Current Liability	To record parish subsidy owing to the regional secondary school as per CISVA policy 221.	4300 - Accts payable & accrued liabilities
Tuition Subsidy Payable	Other Current Liability	To record amounts owing to the school for tuition assistance for specific families.	4300 - Accts payable & accrued liabilities
WorkSafe BC Premium Payable	Other Current Liability	Worker's Compensation Insurance premiums for parish staff	<Unassigned>
Loans Payable	Long Term Liability	Parishes are to set up separate accounts for each loan.	4330 - Other liabilities



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Account Name	QB Type	Description	T3010 Reporting Line
General Reserves	Equity	Net assets available for any use - retained earnings	<Unassigned>
General Reserves Opening Balance	Equity		<Unassigned>
Special Program Reserves - Permanent	Equity	Permanently restricted funds set aside for special purposes (e.g. scholarship fund). Parishes are to set up separate accounts for each fund.	<Unassigned>
Special Program Reserves - Temporary	Equity	Temporarily restricted funds set aside for special purposes (e.g. purchase of an organ). Parishes are to set up separate accounts for each fund. Accounts can be made inactive in subsequent years.	<Unassigned>
BC Catholic Collection	Income		<Unassigned>
BC Catholic NonReceiptable	Income	Donations (loose) received to subsidize the parish's cost of the BC Catholic subscription. The parish will not issue tax receipts.	4530 - Total other gifts (no tax receipt)
BC Catholic Receiptable	Income	Donations (envelope) received to subsidize the parish's cost of the BC Catholic subscription. The parish will issue tax receipts.	4500 - Total tax-receipted gifts
Bequests	Income	A gift of personal property by will for which the parish will issue a tax receipt.	4500 - Total tax-receipted gifts
Building Fund	Income	Designated building fund contributions	<Unassigned>
Building Fund NonReceiptable	Income	Donations (loose) received for the parish building fund for which the parish will not issue tax receipts.	4530 - Total other gifts (no tax receipt)
Building Fund Receiptable	Income	Donations (envelope) received for the parish building fund for which the parish will issue tax receipts.	4500 - Total tax-receipted gifts
Bulletin Advertising	Income	Revenue received from the sale of advertising in the parish bulletin.	4650 - Other revenue
Collection - Charitable Works	Income		<Unassigned>
Charitable Works NonReceiptable	Income	Donations (loose) received from collections for charitable works. The parish will not issue tax receipts.	4530 - Total other gifts (no tax receipt)
Other Registered Charities NonReceiptable	Income	Donations (loose) received that will be passed along to other registered charities (e.g. Vancouver Food Bank)	4530 - Total other gifts (no tax receipt)
Disaster Relief NonReceiptable	Income	Donations (loose) received for disaster relief that will be passed along to the CCOOP or RCAF.	4530 - Total other gifts (no tax receipt)
Other Charitable Works NonReceiptable	Income	Donations (loose) received for other charitable works conducted by the parish (e.g. support of a parish family)	4530 - Total other gifts (no tax receipt)
Charitable Works Receiptable	Income	Donations (envelope) received from collections for charitable works. The parish will issue tax receipts.	4500 - Total tax-receipted gifts
Other Registered Charities Receiptable	Income	Donations (envelope) received that will be passed along to other registered charities (e.g. Vancouver Food Bank)	4500 - Total tax-receipted gifts
Disaster Relief Receiptable	Income	Donations (envelope) received for disaster relief that will be passed along to the CCOOP or RCAF.	4500 - Total tax-receipted gifts
Other Charitable Works Receiptable	Income	Donations (envelope) received for other charitable works conducted by the parish (e.g. support of a parish family)	4500 - Total tax-receipted gifts
Collection - Ordinary NonReceiptable	Income	Donations received during these collections: Weekly, New Year's Day, Easter, and Christmas. Assessable for diocesan assessment. The parish will not issue tax receipts for these donations.	4530 - Total other gifts (no tax receipt)



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Account Name	QB Type	Description	T3010 Reporting Line
Christmas NonReceiptable	Income		4530 - Total other gifts (no tax receipt)
Easter NonReceiptable	Income		4530 - Total other gifts (no tax receipt)
New Year's Day NonReceiptable	Income		4530 - Total other gifts (no tax receipt)
Weekly Collection NonReceiptable	Income		4530 - Total other gifts (no tax receipt)
Collection - Ordinary Receiptable	Income	Donations received during these collections: Weekly, New Year's Day, Easter, and Christmas. Assessable for diocesan assessment. The parish will issue tax receipts for these donations.	4500 - Total tax-receipted gifts
Christmas NonReceiptable	Income		4500 - Total tax-receipted gifts
Easter NonReceiptable	Income		4500 - Total tax-receipted gifts
New Year's Day NonReceiptable	Income		4500 - Total tax-receipted gifts
Weekly Collection NonReceiptable	Income		4500 - Total tax-receipted gifts
Diocesan Collections	Income		<Unassigned>
Diocesan Collections NonReceiptable	Income	Donations (loose) received for Diocesan/National Collections for which the parish will not issue tax receipts.	<Unassigned>
Catholic Missions NonReceiptable	Income		4530 - Total other gifts (no tax receipt)
Evangelization of Nations NonReceiptable	Income		4530 - Total other gifts (no tax receipt)
Holy Land NonReceiptable	Income		4530 - Total other gifts (no tax receipt)
Home Missions NonReceiptable	Income		4530 - Total other gifts (no tax receipt)
Needs Canadian Church NonReceiptable	Income		4530 - Total other gifts (no tax receipt)
Peter's Pence NonReceiptable	Income		4530 - Total other gifts (no tax receipt)
Pope's Pastoral Works NonReceiptable	Income		4530 - Total other gifts (no tax receipt)
Share Lent NonReceiptable	Income		4530 - Total other gifts (no tax receipt)
St. Joseph Society NonReceiptable	Income		4530 - Total other gifts (no tax receipt)
Work of Vocations NonReceiptable	Income		4530 - Total other gifts (no tax receipt)
Youth Ministry NonReceiptable	Income		4530 - Total other gifts (no tax receipt)
Diocesan Collections Receiptable	Income	Donations (loose) received for Diocesan/National Collections for which the parish will issue tax receipts.	<Unassigned>
Catholic Missions Receiptable	Income		4500 - Total tax-receipted gifts
Evangelization of Nations Receiptable	Income		4500 - Total tax-receipted gifts
Holy Land Receiptable	Income		4500 - Total tax-receipted gifts
Home Missions Receiptable	Income		4500 - Total tax-receipted gifts



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Account Name	QB Type	Description	T3010 Reporting Line
Needs Canadian Church Receiptable	Income		4500 - Total tax-receipted gifts
Peter's Pence Receiptable	Income		4500 - Total tax-receipted gifts
Pope's Pastoral Works Receiptable	Income		4500 - Total tax-receipted gifts
Share Lent Receiptable	Income		4500 - Total tax-receipted gifts
St. Joseph Society Receiptable	Income		4500 - Total tax-receipted gifts
Work of Vocations Receiptable	Income		4500 - Total tax-receipted gifts
Youth Ministry Receiptable	Income		4500 - Total tax-receipted gifts
Diocesan Grant	Income		4510 - Total gifts received from other registered charities
Event Income	Income	Parishes are to set up accounts for each special event. The assigned tax line will depend on the type of revenue received (e.g. admission is "by donation" therefore the tax line will be 4530 - Total Other Gifts (no tax receipt))	4650 - Other revenue
Fundraising Income	Income	Parishes are to set up child accounts for each fundraising event.	<Unassigned>
Bazaar Fundraising	Income		<Unassigned>
Bazaar FR NonReceiptable	Income	Fundraising income for which the parish does not provide tax receipts (e.g. table rental by bazaar vendors)	4630 - Total revenue from fundraising
Bazaar FR Receiptable	Income	Fundraising income for which the parish provides tax receipts	4500 - Total tax-receipted gifts
Bazaar FR Expenses	Income	Expenses incurred to stage the fundraisers.	5020 - Total fundraising expenses.
Bingo Fundraising	Income		4630 - Total revenue from fundraising
Bingo FR Expenses	Expense	Expenses incurred to stage the fundraisers.	5020 - Total fundraising expenses.
Other Fundraising	Income		<Unassigned>
Other FR NonReceiptable	Income	Fundraising income for which the parish does not provide tax receipts (e.g. raffle ticket sales)	4630 - Total revenue from fundraising
Other FR Receiptable	Income	Fundraising income for which the parish provides tax receipts	4500 - Total tax-receipted gifts
Other FR Expenses	Expense	Expenses incurred to stage the fundraisers.	5020 - Total fundraising expenses.
Parish Organization Fundraising	Income		<Unassigned>
Parish Organization FR NonReceiptable	Income	Fundraising income raised by parish groups for which the parish does not provide tax receipts (e.g. ticket sales to the parish gala)	4630 - Total revenue from fundraising
Parish Organizations FR Receiptable	Income	Fundraising income raised by parish groups for which the parish provides tax receipts (e.g. donations for the parish gala)	4500 - Total tax-receipted gifts
Parish Organizations FR Expenses	Expense	Expenses incurred to stage the fundraisers.	5020 - Total fundraising expenses.
School Fundraising	Income		<Unassigned>
School FR NonReceiptable	Income	School fundraising income for which the parish does not provide tax receipts (e.g. chocolate sales)	4630 - Total revenue from fundraising



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Account Name	QB Type	Description	T3010 Reporting Line
School FR Receiptable	Income	School fundraising income for which the parish provides tax receipts (e.g. walkathon)	4500 - Total tax-receipted gifts
School FR Expenses	Expense	Expenses incurred to stage the fundraisers, paid by the parish.	5020 - Total fundraising expenses.
GST Rebate Income	Income		4650 - Other revenue
Insurance Claim Recoveries	Income		4510 - Total gifts received from other registered charities
Interest Income	Income		4580 - Interest & investment income
Chancery Interest	Income		4580 - Interest & investment income
Investments Interest	Income		4580 - Interest & investment income
Interest Rebate - Low-Interest Revolving Fund	Income		4510 - Total gifts received from other registered charities
Miscellaneous Income	Income	Separate accounts are to be set up for each income type. Accounts can be made inactive in subsequent years.	4650 - Other revenue
Preschool & Childcare Programs	Income	Revenue received for the provision of preschool and childcare programs.	<Unassigned>
Daycare Program	Income		4650 - Other revenue
Out of School Care Program	Income		4650 - Other revenue
Preschool Program	Income		4650 - Other revenue
Program Income	Income	Parishes are to set up separate accounts for each program offered. Examples: Senior's Outreach.	4650 - Other revenue
Project Advance Rebate	Income		4510 - Total gifts received from other registered charities
Religious Education Income	Income	Revenue received for the provision of religious education.	<Unassigned>
Adult Education	Income		4530 - Total other gifts (no tax receipt)
PREP Education (Receiptable)	Income	PREP Fees are to be all-inclusive and are receiptable for tax purposes.	4500 - Total tax-receipted gifts
RCIA Education	Income		4530 - Total other gifts (no tax receipt)
Youth Education	Income	Does not include the Youth Ministry Rebate.	4530 - Total other gifts (no tax receipt)
Rental Income	Income	Parishes are to set up accounts for each rental property.	4610 - Rental income (land & bldgs)
Sale of Goods	Income		<Unassigned>
Sale of Publications (not BCC)	Income	Revenue received from the sale of books, magazines, and newspapers, not including the BC Catholic collection.	4640 - Total revenue from goods & services
Sale of Religious Articles	Income		4640 - Total revenue from goods & services
Sale of Property	Income		4650 - Other revenue
Shrines, Candles & Vigil Lights	Income		4530 - Total other gifts (no tax receipt)
Special Collections	Income	All Special Collections require permission from the Archbishop. Parishes are to set up child accounts for each special collection.	<Unassigned>



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Account Name	QB Type	Description	T3010 Reporting Line
Special Collections NonReceiptable	Income	Donations (loose) received for a specific purpose through a special collection for which the parish does not provide tax receipts (e.g. collections for flowers).	4530 - Total other gifts (no tax receipt)
Special Collections Receiptable	Income	Donations (envelope) received for a specific purpose through a special collection for which the parish provides tax receipts.	4500 - Total tax-receipted gifts
Special Donations	Income		<Unassigned>
Special Donations NonReceiptable	Income	Unique donations received for which the parish does not provide tax receipts.	<Unassigned>
Initial Offering NonReceiptable	Income	Donations (loose) received for the first offering of the year and for which the parish does not provide tax receipts.	4530 - Total other gifts (no tax receipt)
Special Donations Receiptable	Income	Unique donations received for which the parish provides tax receipts.	<Unassigned>
Initial Offering Receiptable	Income	Donations (envelope) received for the first offering of the year and for which the parish provides tax receipts.	4500 - Total tax-receipted gifts
Stole Fees	Income		<Unassigned>
Stole Fees NonReceiptable	Income	Donations received on the occasion of the celebration of a Sacrament for which the parish does not provide tax receipts.	4530 - Total other gifts (no tax receipt)
Stole Fees Receiptable	Income	Donations received on the occasion of the celebration of a Sacrament for which the parish provides tax receipts.	4500 - Total tax-receipted gifts
Youth Ministry Rebate	Income	Income received from RCAV Youth Ministry equalling 50% of the amount taken up during the Youth Ministry collection.	4510 - Total gifts received from other registered charities
Advertising and Promotion	Expense	Advertising, marketing, graphic design, and other promotional expenses	4800 - Advertising and promotion
Altar & Sanctuary Supplies	Expense		4891 - Cost of purchased supplies
Bank & Interest Charges	Expense	Service fees including credit card processing costs.	4820 - Interest and bank charges
BC Catholic Subscription	Expense		4920 - Other expenditures
Capital - Construction	Expense	Construction or major renovation projects. Parishes are to set up accounts for each project.	4891 - Cost of purchased supplies
Charitable Works Contributions	Expense		<Unassigned>
Other Organizations Contributions	Expense	Contributions to other registered charities (e.g. Vancouver Food Bank). Amount must be equal to or greater than the amount collected.	5050 - Total gifts to qualified donees
Disaster Relief Contributions	Expense	Contributions to CCODP and/or RCAV for disaster relief. Amount must be equal to or greater than the amount collected.	4920 - Other expenditures
Other Charitable Contributions	Expense	Contributions for other charitable works (e.g. support for a family)	4920 - Other expenditures
Convent Expenses	Expense		4850 - Occupancy costs
Cost of Goods Sold	Expense	Cost of goods and services sold by the parish. Parishes are to set up accounts for other goods and services not listed.	<Unassigned>
Purchases of Publications (not BCC)	Expense	Cost of publications - books, magazines, newspapers - for resale. Does not include the subscription cost of the BC Catholic.	4920 - Other expenditures
Purchases of Religious Articles	Expense		4920 - Other expenditures
Debt Interest Payment	Expense	Interest component of loan payments. Parish may set up accounts for	4850 - Occupancy costs



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Account Name	QB Type	Description	T3010 Reporting Line
		each loan.	
Diocesan Assessment	Expense		5050 - Total gifts to qualified donees
Diocesan Collections Remittance	Expense		5050 - Total gifts to qualified donees
Food & Household Supplies	Expense	Includes contract and supplies expenses, but not salaries and benefits.	4920 - Other expenditures
GST Expense	Expense		4920 - Other expenditures
Honoraria	Expense	Honoraria are payments made for services that would otherwise be considered voluntary; i.e. "thank you" gifts. Payments of \$500 or more require that T4A slips be issued.	4880 - Salaries, wages, benefits
Insurance Expense	Expense	Insurance expenses	5050 - Total gifts to qualified donees
Janitorial Expense	Expense	Includes contract and supplies expenses, but not salaries and benefits.	4850 - Occupancy costs
Miscellaneous Expenses	Expense		4920 - Other expenditures
Office Supplies	Expense	Includes, but not limited to expenses for postage, courier, stationery, collection envelopes, missals, missalettes, photocopying, and printing,	4840 - Office supplies & expenses
Parish Organizations Expense	Expense		4920 - Other expenditures
Preschool & Childcare Expenses	Expense	Expenditures required to provide childcare programs, not including salaries and benefits.	<Unassigned>
Daycare Expenses	Expense		4920 - Other expenditures
Out of School Care Expenses	Expense		4920 - Other expenditures
Preschool Expenses	Expense		4920 - Other expenditures
Professional & Consulting Fees	Expense	Cost of legal, accounting, and other professional fees.	4860 - Professional/consulting fee
Professional Development	Expense	Costs for parish staff to attend conferences and meetings	4870 - Education, training for staff
Program Expenses	Expense	Expenditures required to provide programs in the parish, not including salaries and benefits. Parishes are to set up accounts for each program offered.	4920 - Other expenditures
Project Advance Expense	Expense	Includes both parish and diocesan expenses. If the parish posts the diocesan expenses, the rebate is to be reported at the gross amount.	4920 - Other expenditures
Property Taxes	Expense		4850 - Occupancy costs
Religious Education Expense	Expense	Expenditures required to provide religious education, not including salaries and benefits.	<Unassigned>
Adult RE Expense	Expense		4920 - Other expenditures
PREP RE Expense	Expense		4920 - Other expenditures
RCIA RE Expense	Expense		4920 - Other expenditures
Youth RE Expense	Expense		4920 - Other expenditures
Rental Expense	Expense		<Unassigned>
Equipment Rental Expense	Expense	Cost of renting equipment for parish use (e.g. lift trucks, audio-visual equipment)	4920 - Other expenditures



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Account Name	QB Type	Description	T3010 Reporting Line
Facilities Rental Expense	Expense	Cost of renting facilities for parish use (e.g. renting a hall for a parish fundraiser)	4850 - Occupancy costs
Repairs, Maintenance & Equipment Extraordinary	Expense	Cost of repairs, purchase of equipment greater than the parish spending limit. Requires Archbishop permission.	4850 - Occupancy costs
Repairs, Maintenance & Equipment Ordinary	Expense	Cost of routine repairs and purchase of equipment less than the parish spending limit.	4850 - Occupancy costs
Salary, Wages, & Benefits	Expense		<Unassigned>
Benefits Expense	Expense		4880 - Salaries, wages, benefits
CISVA Group Benefits Expense	Expense		4880 - Salaries, wages, benefits
CPP Expense	Expense		4880 - Salaries, wages, benefits
EI Expense	Expense		4880 - Salaries, wages, benefits
Medical Services Plan Expense	Expense		4880 - Salaries, wages, benefits
RCAV Priest Benefit Expense	Expense		4880 - Salaries, wages, benefits
WorkSafe BC Expense	Expense		4880 - Salaries, wages, benefits
Salaries & Wages Expense	Expense		<Unassigned>
Assistant Pastor's Salary	Expense		4880 - Salaries, wages, benefits
Lay Staff Salaries	Expense		4880 - Salaries, wages, benefits
Pastor's Salary Expense	Expense		4880 - Salaries, wages, benefits
Replacement Ministry Wages	Expense	Funds paid to priests who celebrate Mass when the pastor is away. Includes a travel expense component. RCAV Policy #18.	4880 - Salaries, wages, benefits
Special Collections Expense	Expense		<Unassigned>
Domestic Expense	Expense	Disbursements for the purpose for which the parish collected funds (e.g. if the parish had a special collection for flowers, the purchase of the flowers would be posted here.)	4920 - Other expenditures
Foreign Expense	Expense	Parish contributions to foreign projects paid to an agent for the foreign charity.	4920 - Other expenditures
Subsidies Expense	Expense		<Unassigned>
Elementary School Subsidies	Expense		<Unassigned>
ES Fundraising Subsidy	Expense	The return of the fundraising money that was raised by the school and deposited in the parish bank account, less any expenses paid by the parish.	5050 - Total gifts to qualified donees
ES Parish Subsidy	Expense	Lump sum amount given to the school from the parish budget per CISVA policy 220.	5050 - Total gifts to qualified donees
ES Tuition Support	Expense	Funds provided to the school for specific students that have applied to the parish for financial assistance.	5050 - Total gifts to qualified donees
High School Subsidies	Expense		<Unassigned>



Archdiocese of Vancouver

Policies on the Administration of Temporal Goods: Volume I

Account Name	QB Type	Description	T3010 Reporting Line
HS Fundraising Subsidy	Expense	The return of the fundraising money that was raised by the school and deposited in the parish bank account, less any expenses paid by the parish.	5050 - Total gifts to qualified donees
HS Parish Subsidy	Expense	Funds per qualifying student per month paid to the school from the parish budget (per CISVA policy 221).	5050 - Total gifts to qualified donees
HS Tuition Support Subsidy	Expense	Funds provided to the school for specific students that have applied to the parish for financial assistance.	5050 - Total gifts to qualified donees
Utilities	Expense	Water, electricity, garbage, and other basic utilities expenses	4850 - Occupancy costs
Civic Utility Expense	Expense		4850 - Occupancy costs
Electricity Expense	Expense		4850 - Occupancy costs
Natural Gas Expense	Expense		4850 - Occupancy costs
Sanitation Expense	Expense		4850 - Occupancy costs
Security System Monitoring	Expense	Does not include installation, repairs or maintenance, only the monthly fees.	4850 - Occupancy costs
Telephone/Cable/Internet	Expense	Includes telephone and long distance charges, faxing, and other fees. Does not include equipment purchases.	4850 - Occupancy costs



APPENDIX F: PETTY CASH VOUCHER

Parish Name	
Payment Information	
Date:	_____
Payable to:	_____
Amount:	_____
Expense Acct:	_____
Authorization	
Pastor:	_____ <i>Signature</i>
Dept. Head:	_____ <i>Signature</i>
Cash Disbursement	
Issued by:	_____ <i>Print Name</i>
	_____ <i>Signature</i>
Received by:	_____ <i>Print Name</i>
	_____ <i>Signature</i>



APPENDIX G: SAMPLE INCOME TAX RECEIPTS

Cash Gift Receipt

Official Donation Receipt for Income Tax Purposes	
	Receipt # 0001
Charity Name:	_____
Charity's Canadian Address:	_____
Charity BN/Registration #	_____
 <u>Donation Details</u>	
Date Donation Received	_____
Donor's First Name, Initial, Last Name	_____
Donor's Address	_____
Eligible Amount of Gift for Tax Purposes	_____
	Date Receipt Issued: _____
	Location Issued: _____
	Authorized Signature: _____
<p>For information on all registered charities in Canada under the Income Tax Act please visit:</p> <p>Canada Revenue Agency www.cra.gc.ca/charities</p>	



Cash Gift Receipt (with advantage)

Official Donation Receipt for Income Tax Purposes	
	Receipt # 0001
Charity Name:	_____
Charity's Canadian Address:	_____
Charity BN/Registration #	_____
<u>Donation Details</u>	
Donor's First Name, Initial, Last Name	_____
Donor's Address	_____
(A) Total Amount Received by Charity	_____
(B) Value of Advantage	_____
(A-B) Eligible Amount of Gift for Tax Purposes	_____
	Date Receipt Issued: _____
	Location Issued: _____
	Authorized Signature: _____
For information on all registered charities in Canada under the Income Tax Act please visit: Canada Revenue Agency www.cra.gc.ca/charities	



Gift-in-Kind Receipt (no cash)

Official Donation Receipt for Income Tax Purposes

Receipt # 0001

Charity Name: _____

Charity's Canadian Address: _____

Charity BN/Registration # _____

Donation Details

Date Donation Received _____

Donor's First Name, Initial, Last Name _____

Donor's Address _____

Eligible Amount of Gift for Tax Purposes (Fair Market Value) _____

Appraisal Details

Description of Property Received by Charity _____

Appraiser's Name _____

Appraiser's Address _____

Date Receipt Issued: _____

Location Issued: _____

Authorized Signature: _____

For information on all registered charities in Canada under the Income Tax Act please visit:

Canada Revenue Agency

www.cra.gc.ca/charities



Gift-in Kind Receipt with advantage (no cash)

Official Donation Receipt for Income Tax Purposes

Receipt # 0001

Charity Name: _____

Charity's Canadian Address: _____

Charity BN/Registration # _____

Donation Details

Donor's First Name, Initial, Last Name _____

Donor's Address _____

(A) Total Amount Received by Charity _____

(B) Value of Advantage _____

(A-B) Eligible Amount of Gift for Tax Purposes _____

Appraisal Details

Description of Property Received by Charity _____

Appraiser's Name _____

Appraiser's Address _____

Date Receipt Issued: _____

Location Issued: _____

Authorized Signature: _____

For information on all registered charities in Canada under the Income Tax Act please visit:

Canada Revenue Agency

www.cra.gc.ca/charities



APPENDIX H: LONG-TERM MAINTENANCE ITEMS

Asbestos

Asbestos has been found in many products around old buildings built prior to 1980. It has been used in shingles and felt for roofing, exterior siding, pipe and boiler coverings, compounds and cements such as caulking, putty, roof patching, internal cement in the furnace, wall boards, textured ceilings, acoustical ceiling tiles, plaster, and vinyl floor tiles.

Asbestos poses health risks when the fibres are in the air that people breathe. Asbestos poses health risks only when the fibres are in the air. When people breathe in the fibre, the fibre will lodge in their lungs, causing scarring that can ultimately lead to severely impaired lungs function (asbestosis) and cancer of the lungs.

If it is suspected asbestos may be present in a building, an environmental consultant should be brought in to look into the matter. If asbestos is found, the Pastor or principal should authorize the consultant to draw up specifications and invite qualified restoration environmental contractors to bid on the removal of the hazardous material.

PCB in Fluorescent Light Ballasts

All fluorescent lamps manufactured prior to 1978 contained PCB (polychlorinated biphenyls) in their ballasts. PCB ballasts were available until 1980. As they age, these ballasts become more likely to leak or drip.

The common health effect of PCB contacting the skin are skin conditions such as acne and rashes, liver effects and damage, impaired reproduction, affected motor skills, and cancer.

It is recommended that parishes and schools hire a professional electrician to check their ballasts and replace them if PCBs are found in them.

Seismic Upgrade of Churches and Schools

Buildings built prior to 1985 were not constructed to resist earthquake ground motion. Seismic upgrade to these buildings may be required. Parishes and schools may wish to hire a structural engineer to assess the seismic resistance of the building and the cost in rectifying the problem.



APPENDIX I: PM AUDIT & ESTIMATED COST

Church:	ABC Parish				Report Date:		
Facility:	Rectory						
Description of Work	Inspection Frequency (Years)	Inspection Date	Inspected by	Quantity	Estimated Cost	Proposed Replacement or Repair Date	Comments
CONCRETE SLAB on GRADE							
Replace unfinished concrete floor	40	04-Nov-2006	Struct. Eng.	2,500 sf.	\$15,700	Dec-2009	Slab is cracking badly
METAL HAND RAIL							
Sand off rust and repaint	10	15-Dec-2006	Audit Team	20 ft	\$500	Jun-2007	Scaling and rusting badly
WINDOWS							
Recaulking windows	15	10-Sep-2006	Audit Team	16 windows	\$3,599	Jul-2007	Water is entering bedroom
Remove and replace all windows	40	15-Dec-2006	Mtnce Cmtee	16 windows	\$13,000	Jun-2009	Inefficient & wasting entry
ROOF							
Remove debris from around drains	0.5	05-Dec-2006	Mtnce Cmtee	2,500 sf.	\$118	Dec-2006	To be done spring and fall
Tar & gravel roof inspection	5	11-Dec-2006	Roof Inspector	3,000 sf.	\$165	n/a	Roof will only last 4 years
Replace T&G roof with SBS	5	11-Dec-2006	Roof Inspector	3,000 sf.	\$21,5000	Jun-2010	Replace with SBS roofing
PAINTING INTERIOR & EXTERIOR							
Interior Painting	10	15-Nov-2006	Mtnce Cmtee	9,000 sf.	\$18,000	Apr-2011	Surfaces appearing dull
Exterior Painting	10	15-Nov-2006	Mtnce Cmtee	3,000 sf.	\$8,000	Apr-2011	Weathered badly
WATERPROOF STUCCO WALLS							
Clean wall moss, algae & mildew	5	11-Dec-2006	Mtnce Cmtee	2,100 sf.	\$2,100	Aug-2009	Wash with 1-3 bleach-water
Fill all cracks	5	11-Dec-2006	Mtnce Cmtee	500 sf.	\$750	Aug-2009	Masonry grout
Apply waterproof to stucco walls	5	11-Dec-2006	Contractor	3,100 sf.	\$6,200	Aug-2009	Use Fabrikem
MECHANICAL							
Quarterly Service	.25	16-Dec-2006	Contractor	Htg system	\$800/annum	Mar-2007	All items as per the contract
Replace all filters					Filter cost		
Inspect operational & Safety controls							
Lubricate all equipment							
Annual service	1					Dec-2007	All items as per the contract
Testing of operating & Safety controls							
Fire alarms system	1					Dec-2007	All items as per the contract



APPENDIX J: SAMPLE MAINTENANCE BUDGET

Description of Work	Estimated Cost in 2006	Proposed Years Repair or Replace	Budget in 2007	Budget in 2008	Budget in 2009	Budget in 2010	Comments
CONCRETE SLAB on GRADE							
Replace unfinished concrete floor	\$15,000	3	\$5,652	\$5,652	\$5,652		
METAL HAND RAIL							
Sand off rust and repaint	\$500	1	\$500				
WINDOWS							
Recaulking windows	\$3,500	1	\$3,500				
Remove and replace all windows	\$13,000	3	\$4,680	\$4,680	\$4,680		
ROOF							
Remove debris from around drains	\$118	0					
Tar & gravel roof inspection	\$165	0					
Replace T&G roof with SBS	\$21,500	4	\$5,805	\$5,805	\$5,805	\$5,805	
PAINTING INTERIOR & EXTERIOR							
Interior Painting	\$18,000	5	\$3,888	\$3,888	\$3,888	\$3,888	\$3,888 in 2011 as well
Exterior Painting	\$8,000	5	\$1,728	\$1,728	\$1,728	\$1,728	\$1,728 in 2011 as well
WATERPROOF STUCCO WALLS							
Clean wall moss, algae & mildew	\$2,100	3	\$742	\$742	\$742		
Fill all cracks	\$750	3	\$265	\$265	\$265		
Apply waterproof to stucco walls	\$6,200	3	\$2,190	\$2,190	\$2,190		
MECHANICAL							
		Annual	\$800	\$800	\$800	\$800	\$800 in 2011
BUDGET TOTAL FOR YEAR SHOWN			\$29,750	\$25,750	\$25,750	\$12,221	



APPENDIX K: MAINTENANCE CHECKLIST

For guidance to the Maintenance Committee listed here (but not limited to) are items that should be examined for defects and possible deterioration.

Table with 3 columns and 12 rows of maintenance categories and items. Categories include COMMUNICATION & SECURITY, EXTERIOR CLOSURES, FOUNDATIONS & SUPERSTRUCTURE, HEATING & COOLING SYSTEM, PLUMBING, EXTERIOR & INTERIOR DOORS, EXTERIOR WINDOWS, INTERIOR CONSTRUCTION, ELECTRICAL SYSTEM, ROOFING, FINISHES, LANDSCAPING, EQUIPMENT/ CONVEYING SYS., PLAYGROUND & EQUIPMENT, and SANITARY/STORM SYSTEM.



laboratories	Sports fields	Storm drainage system
Compressed air system	Playground equipment	Cleanout
Kitchen range	Roadway & driveway	Gutters
Dishwasher	Hard surface for playing	Roof drains
Kitchen hood fan		Sump pump
Refrigerator		
Elevator		
Wheelchair Lift		
Dumbwaiter		
Hoist & crane		
<u>FLOOR FINISHES</u>	<u>FIRE PROTECTION SYSTEM</u>	
Concrete floors	Alarm system	
Epoxy floors	Smoke & heat detectors	
Vinyl sheet & tile floors	Sprinkler system	
Hardwood floors	Kitchen suppression system	
Terrazzo floors		
Carpet		



APPENDIX L: PUBLIC PLAYGROUND SAFETY CHECKLIST

1. Make sure surfaces around playground equipment have at least 12 inches of wood chips, mulch, or sand or mats made of safety-tested rubber or rubber-like materials.
2. Check that protective surfacing extends at least 6 feet in all directions from play equipment. For swings, be sure surfacing extends in back and front, twice the height of the suspending bar.
3. Make sure play structures more than 30 inches high are spaced at least 9 feet apart.
4. Check for dangerous hardware like open “S” hooks or protruding bolt ends.
5. Make sure spaces that could trap children such as openings in guardrails or between ladder rungs measure less than 3.5 inches or more than 9 inches.
6. Check for sharp points or edges in equipment.
7. Look out for tripping hazards, like exposed concrete footings, tree stumps, and rocks.
8. Make sure elevated surfaces, like platforms and ramps, have guardrails to prevent falls.
9. Check playgrounds regularly to see that equipment and surfacing are in good condition.
10. Carefully supervise children on playgrounds to ensure they are safe.



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