Diocese of Yakima

Updated to Diocesan Finance Policies and Procedures – as of 1/16/19

Page 1 – Accounting Software
- All parishes, schools and institutions are required to be using Quickbooks Enterprise on the Cloud by June 30, 2019
- Locations not yet utilizing Quickbooks software should be in the process of converting to Quickbooks before June 30, 2019

Page 7 – Bank Accounts
- Re-organized/re-worded procedures to clarify that the bank must either return the cancelled checks or include copies of them on the monthly bank statements.
- Added #4 to clarify that any savings account outside of the CRP is not allowed

Page 12 – CRP
- #7, 8 and 9 updated capital projects threshold to $25,000

Page 21 – Clergy compensation
- Gifts – Added a NOTE to make pastors aware that gifts to pastors could be determined to be taxable by the IRS due to a recent case that was settled on 10/10/18. Includes recommendations about what types of gifts may or may not be considered taxable income.

Page 26 – Clergy compensation
- Rectory – added a NOTE regarding the housing benefit and the recent case that is currently in appeals – to be forewarned of future legislation which would affect taxation of housing benefit

Page 28 – AUP Policy
- Updated #5 for recommended amount to budget for AUP services to $4,500 to $5,000

Pages 42 and 43 – Internal Controls
- Under 1) i), noted requirement to use Quickbooks in the Cloud by June 30, 2019
- Under 2) h), noted requirement to use Quickbooks in the Cloud by June 30, 2019
- Under 2) i) add requirement for employees who will have regular unsupervised access to children must complete safe environment training.

Page 43 – Internal controls
- Under B. add #7 to note that personnel files must also be maintained for clergy to contain completed I-9 forms and the Clergy Withholding election form.

Page 44 – Month End Procedures
- Under #2, added NOTE that locations using Quickbooks in the Cloud have automatic backups kept by the third party network.
Page 53 – Payroll
  • Added personnel records information to the Payroll section. These were in Appendix R records retention, but this is where the wording should go.

Page 57 – Payroll Taxes
  • Added new rules for FMLA tax that begins 1/1/19

Page 64 – Records Retention policy
  • Added wording to match USCCB records retention policy with more instruction and definition of recordkeeping, storage and disposal of records
  • Revamped Appendix R to match the USCCB records retention policy. Moved the personnel records detail to the payroll section on page 53.

Page 66 – Tuition vs. Donations
  • Added details regarding tax treatment of tuition discounts given to employees.

Page 68-69 – Special Collections
  • Added note regarding who send out donor acknowledgements for national and diocesan collections

Page 71 – Special Events Coverage
  • Updated list of events that are not covered based on most recent application for special events from Catholic Mutual
  • Updated #4 for additional rules surrounding liquor liability coverage
  • Updated #6 for event situations which can be covered for additional charges per Catholic Mutual application