

WELCOME TO
TREASURERS - NEED TO KNOW


Wi-Fi:
Finance
Password: F17her\$!

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PAYROLL PROCESSES

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PAYROLL PROCESS

- Types of employees on Payroll
- Pay day 
- When to report hours / salary changes
- Payment for salaried employees
- Payment for hourly employees

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SETTING UP NEW EMPLOYEES

- First information needed –Refer to handout
- Welcoming letter
- Items for personnel file at Cathedral Place and the Parish



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TERMINATING EMPLOYEES

- Inform Cathedral Place (Trish Foden) email preferred
 - include any document(s) given to employee
- Inform Cathedral Place of Severance and wage in lieu of notice, O/S vacation
- Final cheque issued
- ROE processed

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SALARY VS. HOURLY PAID

- Salaried: employee is paid for the entire month on the 15th of that month i.e. salary/stipend for the entire month of October if paid on October 15th
- Hourly: employee is paid for the previous month on the 15th of the month i.e. hours/services for October are paid on November 15th
- CAUTION: Consider the above when filling new positions. If a salaried person resigns after the 10th of the month, they will receive the full month's pay

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DIOCESAN MINIMUM SALARY SCALE

- Salary Return Form and Ordination Scale letter hand delivered to Clergy Nov 2018
- When needed at Cathedral Place Jan 4 2019
- Effective date Jan 1 2019

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STATUTORY DEDUCTIONS

- Canada Pension Plan – CPP
- Employment Insurance – EI
- Workplace Safety and Insurance Board – WSIB
- Parish Payroll costs shown on the payroll invoice




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BENEFITS

<p>Hours worked: 13.5 or more per week</p> <ul style="list-style-type: none"> • Pension (EE and ER paid) • Pension Admin fee (ER paid) • Long Term Disability (ER paid) 	<p>Hours worked: 20 or more per week</p> <ul style="list-style-type: none"> • Pension (EE and ER paid) • Pension Admin fee (ER paid) • Long Term Disability (ER paid) • Life Insurance / AD & D (EE and ER paid) • Medical / Dental (EE – 25% and ER – 75% paid)
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BENEFITS



<p>General Synod Plan</p> <ul style="list-style-type: none"> • Who is covered: Clergy / Diocese CP staff • Employee benefit coverage • ER Pension contribution 19.04% X salary 	<p>Lay Plan</p> <ul style="list-style-type: none"> • Who is covered: Lay Staff • Employee benefit coverage • ER Pension contribution 5% X salary
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Benefit information is found on the Diocese of Niagara website.

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BENEFIT BREAKDOWN


- The following benefits are % based and will vary with added services; hours; and sub-plan payments
- Pension; Pension Admin Fee; LTD;

- The following benefits are fixed and will not vary month to month:
- Medical/dental; Life Insurance/SIDB; Continuing Education; AD&D; Estate Benefit

- NB: Revisions may occur at the start of each year.

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WSIB



Who is covered	Anyone on payroll
Accident occurs	File Form 7 within 3 days
Supervisor's report	Fill out ASAP and keep on file
Non Employee (no WSIB)	Fill out Supervisor's report Send copy to Kim Waltmann

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EMPLOYEE ASSISTANCE PROGRAM - EAP

- Who is covered
- Confidential
- Counseling and Information Services

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CANADA SUMMER JOB PROGRAM

- Applications for CSJ Program are due at the Service Canada Centre in February of each year
- Payroll Information for the students is the same as all new employees
- At the end of their contract, Payroll will send the payroll information needed to complete the application for fund reimbursement
- <https://www.canada.ca/en/employment-social-development/services/funding/canada-summer-jobs.html>

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PARISH ISSUES - CHARITABLE RECEIPTS

What is a Gift?

- Voluntary contribution
- Property (tangible thing not a service!)
- Must transfer from donor to parish
- Must be intended as a gift (no strings attached)
- Must be no advantage to Donor (i.e. ticket, food)
- Must be for public benefit (within confines of corporation)

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PARISH ISSUES - CHARITABLE RECEIPTS

<p style="text-align: center;">Golf Tournament</p> <ul style="list-style-type: none"> • \$ Received from individual are listed in full on receipt • \$ allocated to fees for event are detailed (cart, food, misc) are listed on receipt • Net \$ (Receipt less allocated \$) is listed on receipt and is Donation allowed by CRA 	<p style="text-align: center;">Dinner Event</p> <ul style="list-style-type: none"> • \$ Received from individual are listed in full on receipt • \$ allocated food are listed on receipt • Net \$ (Receipt less allocated \$) is listed on receipt and is Donation allowed by CRA
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PARISH ISSUES - CHARITABLE RECEIPTS

<p style="text-align: center;">Shares or Securities</p> <ul style="list-style-type: none"> • Are received by Diocese and immediately sold • \$ are then turned over to Parish to issue receipt <p style="text-align: center;">Gift Certificates</p> <ul style="list-style-type: none"> • Tax Receipt cannot be issue if Donor and certificate owner are same • Donor can buy a Gift certificate and give for a receipt - treated like cash 	<p style="text-align: center;">Donated property</p> <ul style="list-style-type: none"> • Need to estimate FMV • < \$1,000 - knowledgeable person can estimate value • > \$1,000 - independent, qualified appraiser • > \$100,000 - 2 independent appraisers
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PARISH ISSUES - CHARITABLE RECEIPTS

Shares or Securities

Donation Receipt:

- # and name of shares donated
- Share value on date donated
- Date shares received
- Total value of donation

GIFT OF PUBLICLY TRADED SECURITIES TO THE PERSON OF THE BISHOP OF VIOGARA
212 Saint Louis Street, Hamilton, Ontario L8R 3L7
Registered Charitable Trustee: 8469977000000

Donor Name: _____
Address: _____
Telephone: _____

I wish to make a gift of publicly traded securities to the Bishop of the Diocese of Viogara. Please describe my gift as:

Shares or Securities	Amount	Address	Special Instructions

I wish my gift to be:
 Cash value in a banked name
 Designated to: _____
 I wish to make my gift anonymously.

Diocese Signature: _____ Date: _____

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CHARITABLE RECEIPTS: \$ DONATIONS

Official donation receipt for income tax purposes Receipt # XXXXX

Charity or qualified donee name _____ Receipt issued _____ DD/MM/YYYY
 Address _____ Location issued _____ City, Prov. _____
 Charitable registration #: 000000000 RR 0000*

Donated by _____
(First and last name, and initial)

Address _____

Donation received _____ Amount of gift 500.00
(Date or year)**

Eligible amount of gift 500.00

Authorized signature: _____

Canada Revenue Agency - canada.ca/charities-giving

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CHARITABLE RECEIPTS: ADVANTAGE

Official donation receipt for income tax purposes Receipt # XXXXX

Charity or qualified donee name _____ Receipt issued _____ DD/MM/YYYY
 Address _____ Location issued _____ City, Prov. _____
 Charitable registration #: 000000000 RR 0000*

Donated by _____
(First and last name, and initial)

Address _____

Donation received _____

Total \$ received by charity 500.00 A Eligible amount of gift 350.00 C
(Date or year)** (Line A minus Line B)

Value of advantage 150.00 B
(Cash/Fair market value of property)

Description of advantage Dinner, Round of Golf

Authorized signature: _____

Canada Revenue Agency - canada.ca/charities-giving

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CHARITABLE RECEIPTS: DONATED GOODS

Official donation receipt for income tax purposes Receipt # XXXXX

Charity or qualified donee name _____ Receipt issued _____ DD/MM/YYYY
 Address _____ Location issued _____ City, Prov. _____
 Charitable registration #: 000000000 RR 0000*

Donated by _____
(First and last name, and initial)

Address _____

Donation received _____ Amount of gift 200.00
(Date) (Fair market value of property)

Eligible amount of gift 200.00
(Fair market value of property)

Description of property donated Artwork, Original signed painting by artist (name)

Fair market value appraised by If value <\$1,000 appraiser can be person with
sufficient knowledge to appraise item.

Address of appraiser _____

Authorized signature: _____

Canada Revenue Agency - canada.ca/charities-giving

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CHARITABLE RECEIPTS: DONATED GOODS

Official donation receipt for income tax purposes

Receipt # XXXXX

Charity or qualified donee name _____ Receipt issued ____ DD/MM/YYYY
 Address _____ Charitable registration #: 000000000 RR 0000* Location issued ____ City, Prov.

Donated by _____
 (First and last name, and initial)
 Address _____

Donation received _____ Amount of gift _____ A
 (Date) (Fair market value of property) 2,500.00

Value of advantage to _____ B Eligible amount of gift _____ C
 (Cash/Fair market value of property) (Line A minus Line B) 2,500.00

Was donor given anything for gift? _____

Description of property received Artwork, Original signed painting by Monet
 Fair market value appraised by International Appraisal Co.
 Address of appraiser 123 Any Street, Hamilton
 Description of advantage _____

Authorized signature: _____

Canada Revenue Agency - canada.ca/charities-giving

PARISH ISSUES – CHARITABLE RECEIPTS

Donated Goods and Services Funneling or Channeling

Cannot issue a receipt for services

- Vendor repairs roof and asks for receipt in exchange for work done. **NO** - Pay the vendor, they can issue a cheque back in return
- Parish member drops off bake goods for a sale and asks for a receipt for the value of the finished goods. **NO** - They can donate \$ to the parish sale, the parish can reimburse them for the actual cost of goods. Labour is free.

Donor gives \$ to parish and asks the parish to forward money to a specific person (often out of Canada)

- Parish is acting as a conduit to send funds, **cannot issue receipt**

Donor gives \$ to parish and asks the parish to forward money to a specific charity (not one of the parishes programs)

Receipt cannot be issued

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PARISH ISSUES – CHARITABLE RECEIPTS

Safeguard against False Receipting

- Allow only authorized individuals to issue receipts (Treasurer / Warden)
- Segregate Cash Receipt (envelope openings) from Bank Deposits and Receipt Entry
- Use Receipts that are unique, Pre-Printed (or under a locked computer), number receipts (comply with all CRA requirements), do not use auto signatures
- Keep a copy of all receipts issued (For 7 years)
- Maintain a log of all receipts issued by year – balance receipt list \$ total to Financial Statement

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FINANCIAL RECORDING

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ACCOUNTING METHODS

<p>Accrual - Parish and Diocese</p> <ul style="list-style-type: none"> • Activity recorded in the period to which it relates • Revenue recorded as collected - Cash, Gifts, PAP's or as earned (GIC interest, Investment Income) • Expenses recorded based on transaction date of service or goods delivered 	<p>Cash - ACW, Clubs, some parishes</p> <ul style="list-style-type: none"> • Activity is recorded based on cash transaction date only • Revenue is recorded when cash is deposited • Expenses are recorded when paid
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HST AND THE PARISH - THE BASICS

Parish can claim a rebate of HST paid for:

- 50% of 5% Federal portion of HST
- 82% of Provincial portion of HST

For a \$100 purchase with \$13 HST

Claim \$2.50 Federal (50% X \$5) and \$6.56 Provincial (82% X \$8) = **\$9.06**

Expense **\$3.94** to same expense account where goods or services were charged

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HST AND THE PARISH - MIXED ACTIVITY

What if Parish has space used by:

- Day Care
- Special Event / Group (not a charitable organization)
- Another registered charity

HST does not have to be charged

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HST AND THE PARISH - FILING CLAIMS

When: **Quarterly** on a calendar basis

How: **Paper**, unless filer has online access as a CRA certified representative

Who: CRA will only talk to an authorized rep.
Rep ID can be obtained through "My Account" then Rep ID can be linked to parish CRA account. Call Jody to set up ID

Help? Call me and I can look up status of claims, if needed

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CAPITAL ASSETS VS. EXPENSES

Capital Assets	Expenses
<ul style="list-style-type: none"> • Tangible object that has an expected life > 2 years • High cost item (> \$500) <ul style="list-style-type: none"> • Land • Buildings, Building Fixtures and Improvements • Furniture / Computers • Vehicles (snow plow) • Organ • Windows / Monuments 	<ul style="list-style-type: none"> • Consumable good or service, usually depleted or used with 2 year period • Low cost item (< \$200) <ul style="list-style-type: none"> • Books, DVD's reference materials • Small kitchen appliances, cutlery, dishes • Snow shovels • Plants, shrubbery

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CAPITAL ASSETS VS. EXPENSES

<p>Capital Assets</p> <ul style="list-style-type: none"> • Repairs to an asset <ul style="list-style-type: none"> • Stained glass windows are repaired at a cost of \$15,000 and are expected to last another 10 + years • Computers and Software <ul style="list-style-type: none"> • Capitalized but usually written off (depreciated) over 1 – 2 years 	<p>Expenses</p> <ul style="list-style-type: none"> • General repairs and maintenance <ul style="list-style-type: none"> • Broken pane is repaired and replaced for \$1,000 • Organ tuning / repair • QuickBooks software
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FINANCIAL STATEMENTS

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FINANCIAL STATEMENT OVERVIEW

<p>For Profit</p> <p>Liabilities + Equity <u>Assets</u></p>	<p>Not for Profit</p> <p>Liabilities + Fund Balances <u>Assets</u></p>
<p>Equity \longleftrightarrow Fund Balances</p>	
<p>Capital Stock Shareholder Loans Dividends Retained Earnings</p>	<p>General Restricted Unrestricted Invested in Capital Assets</p>

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FINANCIAL STATEMENTS TYPES OF FUNDS

Fund Balances

Invested in Capital Assets – Items paid for by parish, of a long term nature

Ex: Roof, new parish building, furnace, office equipment

Externally Restricted – Resources contributed to the Parish; use is restricted by Canon law

Ex: Proceeds from rectory sales

Internally Restricted - Resources contributed to the Parish; use is restricted by the donors wishes

Ex: Funds donated for specific campaigns / memorials

General Funds – The sum of the cumulative Revenues and Expenses of the parish. I.e. all amounts that flowed through the operating bank account

FINANCIAL STATEMENT REPORTING: MULTIPLE OR CONSOLIDATED?

Does parish report a single Operating Statement, including Operating and other funds on one combined statement?

Does parish report separate Income and Expense statements for Operating Fund and each Investment, Capital, Memorial Fund?

Both are correct, but each requires different work to take from Trial Balance to final statements.

In our examples we will assume separate reporting has always been done.

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FINANCIAL STATEMENT PREPARATION STEP 1

Assumption is that transactions are recorded using QuickBooks or similar software – generally on a cash basis

Review, reconcile and adjust accounts

- Bank
- Investments – Draws and deposits (assume gains / losses recorded annually only)
- Fixed Assets – only capital items paid for by parish are recorded in parish books (>\$500, useful life > 2 years)
- Amounts due to / from parish – can be entered in system or kept for step 2 accrual
- Income & expenses – do values make sense? “Sniff test”
- G/HST for 4th quarter
- Bank Loans or Line of Credits – payments or draws

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FINANCIAL STATEMENT PREPARATION STEP 2

Start with the Trial Balance – as at Dec 31 2018

Note: could be 1 combined or multiple Trial Balances for each Fund

Adjust for:

- Transactions in the wrong account
- Accounts Receivable – does anyone owe monies for rentals?
- Accounts Payable – is money owed to Diocese? Other?
- Expenses paid in current year, for the following year
 - Insurance premium for January 2017 (paid in 2016)
- Invoices received after the trial balance compiled, but for the current year
- Deposits made to suppliers for work / goods to be delivered in next year
- Investment gains in year – can be recorded annually or during year
- Interest earned but not received

Note: Steps 1 and 2 can be done more than once as needed, until all adjustments are made

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FINANCIAL STATEMENT PREPARATION STEP 2 - EXAMPLE

Switch to Excel view

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ANNUAL REPORTING

Parish

- Vestry (Financial Statements)
- Diocese (Financial Return, DMM, Parish Statistics – Population / Attendance, Financial Statistics – Income & Expenses)
- Canada Revenue Agency (T3010 Annual charity return)

Diocese

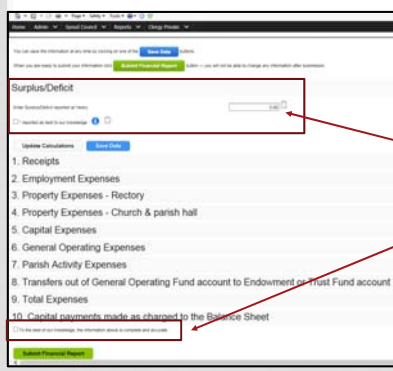
- Diocese (Consolidated Parish and Financial Statistics, Trends, Key Performance (healthy parish) Indicators)
- Anglican Church of Canada (Consolidated Parish and Financial Statistics – 85 items of data reported)
- Canada Revenue Agency (T3010 Annual charity return)

Canada Revenue Agency

- To public (T3010's, Charity status)

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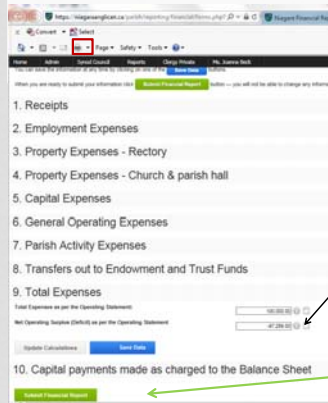
ONLINE REPORTING



New for 2017 reporting:

- ✓ Enter your Operating Surplus / Deficit as reported at Vestry
- ✓ The system will verify that the sum of your entries matches the total expected
- ✓ Once all data is entered, check off the box to advise you are done.

ONLINE REPORTING



Make sure your Financial Statement balance agrees with the online balance

Print a copy!, **Save** and **Submit** to generate your DMM report.

Financial Report for 2018 has been submitted on 2019/01/30. To make change please contact Jody Beck at the Synod Office: jody.beck@mcgarran Anglican.ca or call (905) 527 1316 ext. 520

ONLINE REPORTING - DMM

How is it calculated
 Generally a 3 year average, unless 1 year version is chosen
 No change in formula in many years

Who reviews it
 Diocesan staff review for:
 Accuracy of numbers entered
 Accuracy of category reported

If we can't verify #'s on your Financial Statement – we can't give you credit!

Diocese will make amendments as needed **online** and advise parish of changes (+ or -) using comments

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ONLINE REPORTING - DMM

How is it calculated
 Generally a 3 year average of **Assessable Income** unless 1 year version is chosen
 New Formula passed for 2016 Financial data forward

DMM Year	2018	2019
Financial data used	2016 2015 2014	2017 2016 2015

New formula for allowed Deductions
 Old formula for allowed Deductions


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ONLINE REPORTING - BASIC FUNCTIONS

Switch to online for detailed review

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ONLINE REPORTING - DMM



DMM report is not viewable if FS not submitted

Calculations shows 1 or 3 year based on parish

Enter:
FS entry person - who do we call
Vestry Date
Warden's

Print a copy!, Save and Submit to generate your DMM report.

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**TREASURERS MANUAL - 2019 UPDATE
COMING SOON....**

Click Printer Icon to Print manual

Click Disc Icon to Save manual on local PC

Click + / - Icon to change viewing font size for document

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MOVIE LICENSING - THE LAW

The Canadian Copyright Act applies in all cases, even if films are:

- Purchased from retail stores or online vendors.
- Obtained from personal collections or borrowed from public libraries.
- Shown freely, for charity purposes or to small groups.

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MOVIE PROCESS

Obtain Movie for showing – buy, borrow etc
<http://www.acf-film.com/en/index.php>
 Quarterly report

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