



FY16 Annual Report Webinar



FY16 Annual Report Webinar Agenda

- Highlights of the FY16 Annual Report
- CathoNet Reporting Access Overview & Instructions
- Exception Report Review
- Demonstration of Preparation & Submission of Annual Report
- Team Support for Annual Report Ticketing/Tracking
- Q&A



Annual Report Highlights

- Annual Report is due August 29th!
- NT Investment statements should be available around July 25th. An email alert will be sent to the email address on file.
- RN/QB Premier 2016 users must submit the financial schedules on-line using the “submit” button.
- The Balance Sheet (two year comparative) accrual basis and Unpaid Bills listing should be prepared using the Memorized Reports in QuickBooks and exported to the Right Networks I:/Drive/FY 2016/FY 2016 Annual Report – Approved & Submitted folder.
- It is critical that once you have submitted all reports required for the annual report that you set a closing date of 06/30/16 in QuickBooks
- Additional materials available on Parish Operations webpage.



FY16 Annual Report Process Highlights

- One button submission for all schedules - Submit Annual Report - Pages 1-9, Balance Sheet, Unpaid Bills & Pledge Info, if applicable.
- Annual Report will continue to be submitted on a modified accrual basis.
- Pastor Representation Letter has been updated and available for download on our website.
- Pledge Receivable information will be collected using the hosted environment and listed on the Notes Page.
- Each parish annual report submitted will receive a ticket through Team Support.



CathoNet Reporting Access Overview & Instruction

- Intuit/QuickBooks released an update for all of its 2015 and 2016 software requiring more sophisticated passwords that need to be changed every 90 days.
- This update caused a change in the way that integrated applications and reporting communicated with a company file.
- The method of exporting data from QuickBooks will now depend on establishing a “cathonet” username in each company file.
- The instructions were sent to all Right Networks users/ Business Managers on 7/19.
- Once user is established you can refresh the reports on the Right Networks report menu



Exception Report Review

- Exceptions reports should always be run before any reporting periods and all exceptions should be cleared before submitting reports to the AOC.
- Exceptions cause the reports to be financially inaccurate and are excluding the transactions or accounts/class codes listed from the annual report.
- An exception flag is displayed on the Annual Reports generated pages 1-9 in the top right corner when exceptions are present in the report.
- Right Networks Implemented Exception change - This change resulted in a stricter interpretation of the standard chart of account. Specifically, they had been very lax in the enforcement of the requirement to set up accounts in a proper hierarchy. As a result, parishes could find that their CathoNet reports could look very different from their QuickBooks reports, especially in how transactions roll up into totals.
- This error will trigger the exception flag. The exception is:
“Could Not Correlate to Standard Account - Review Account Number and Parent Account in QuickBooks” (parent is not set - should be XXXX) or
(parent is XXXX - should be XXXX)



Exception Report Review

- To correct this exception, a parish will need to correctly set the account's parent account in QuickBooks (creating the parent account if it did not exist) or put the exception account listed on the report in the proper hierarchy according to the standard AOC Chart of Accounts. This will be required to fix for both Active and Inactive accounts in their QuickBooks file.
- For example, Parish 7XXXX has account 3101, but does not have account 3100 set-up. To correct the exception, they simply need to create an account 3100 and then update account 3101 as a sub-account, setting its parent account to 3100.
- Most common exceptions seen are unclassified income and expense accounts – most parishes tend to have at least one during a reporting year.
- Incorrectly defined accounts and class codes mean that you set-up an account or class code that doesn't match the COA or has not been set-up as a proper sub-account.
- Class code 90 has been discontinued as a valid class code since 7/1/14 and can't be used in the file.



Exception Report Review

- A transaction in a church only account classified to school class code or transaction in school only account classified to a church class code is flagged as an exception seen often:
 - Example 1: School Support Collection classified to 50 school, flagged as an exception collections can only be classified to 10 church
 - Example 2: Tuition or Fees classified to class code 10 church, only valid for class code 20 Catechesis or 50-80 School Class codes.
- After running the exception report need to go back into the QuickBooks file and fix all exceptions listed on report one by one.
- Once they have all been cleared, close out of QuickBooks company file completely, run the “Refresh report data from QuickBooks” button and then re-run the exceptions report to validate all exceptions have been cleared properly.
- If parishes continue to submit the reports with the exception flag they will receive an incomplete ticket through Team Support and will be required to resubmit the reports without the flag.



FY16 Annual Report Agenda

- Step by Step Demonstration of the tools on Right Networks for the Annual Report
 - Parish Operations Procedures, Forms & Materials
 - Directory for Approved & Submitted Reports
 - Review AOC Report Menu
 - Review Annual Report Financial Schedules
 - Clear Exceptions, Run and Save QuickBooks Memorized Annual Report Schedules:
 - Page 10 – Unpaid Bills
 - Page 11 – Balance Sheet – Two Yr. Comp. – Accrual
 - Add, Edit & Delete Notes to Financial Statements
 - Enter Pledge Receivables, if applicable
 - Submission of ALL Annual Report Pages – one click
 - Enter 06/30/16 Closing Date in QuickBooks



Last Steps- Review Reports & Submission of the Pastor Representation Letter

- Ensure ALL the schedules are reviewed, as appropriate, including, but not limited to the Pastor, Administrator, Principal and Finance Council.
- Finally, the Pastor Representation Letter addressed to Archbishop Cupich should be completed, signed by the appropriate Parish representatives and sent to Betsy Bohlen, Chief Operating Officer.
- Please do not let the required signatures on the Representation Letter delay your Annual Report submissions. The signed letter can be sent at a later date, if necessary.
- This is the only document that needs to be sent to the Pastoral Center via mail, fax, or email.



Review of Resources Available on Website

- Additional materials/procedures available for review or download on the Parish Operations webpage at <http://parishops.archchicago.org> under Procedures, Forms and Materials/Annual & Interim Report - including:
 - FY16 Annual Report Letter to Parishes
 - FY16 Annual Report Schedule Summary
 - 2016 Annual Report Checklist
 - FY16 Annual Report & Accrual Reporting Transition Webinar slides
 - FY16 Status Animarum Online Submission Instructions
 - And more...



Review of Team Support for Annual Report Process

- We continue to track all parish inquiries received through our department with a support tool called Team Support. The tool will track all parish requests including phone calls and emails.
- Parishes who have submitted all reports with no exceptions will be issued a confirmation ticket.
- Any report submitted with exceptions, missing reports including unpaid bills and balance sheet, reports not submitted on an accrual basis and reports submitted with incorrect dates will be assigned a ticket number and a response or resubmission will be required.
- Please send all requests via email to parishoperations@archchicago.org so they can get logged, tracked, responded to and closed out.
- Always respond to the email you receive with the ticket information so it can get posted to original ticket and responded to.
- Refrain from sending your requests and questions to individual parish operations personnel.



Key Contacts for Support

- Right Networks/Cathonet: (888)417-4448 option #2 or support@rightnetworks.com or support@cathonet.com
 - Technical trouble connecting to your QuickBooks file
 - Problems with printing or connecting to the report server
 - Password re-set for Right Networks ID or to set-up or terminate user ID#'s.
- Parish Operations: parishoperations@archchicago.org
 - Submission or reporting questions on Right Networks
 - Accounting issues or questions regarding QuickBooks or Archdiocesan procedures.
 - Issues with exceptions or incorrect values on the Right Networks generated report.
 - Confirmation of previously submitted financial information.

