



ARCHDIOCESE  
OF  
SAINT PAUL &  
MINNEAPOLIS

# Standards in Church Ministry Clinic

A Presentation for the  
Standards in Church Ministry Series  
by  
Archdiocesan Parish Operations,  
LOGOS Support and  
Catholic Finance Corporation (CFC)

Presenters:

Mary Jo Jungwirth - Director of Parish Operations  
Pam Burke – LOGOS Implementation Specialist  
Judy Logan – CFC Consultant  
Renee Sherman – CFC Consultant

# Afternoon Agenda



- |              |   |
|--------------|---|
| 12:00–12:30  | Parish Investment<br>Recommendations & Procedures |
| 12:30 – 1:30 | Allocated Expense Working<br>Session              |
| 1:30 – 1:45  | Break   |
| 1:45 – 3:00  | Revenue Recognition<br>Working Session            |
| 3:00 – 3:15  | Break   |
| 3:15 – 4:00  | Q&A, Round Table Session                          |

# Parish Investment in School Ministry



- Diocesan Recommendation for Parish School Investment Disclosures
- Recommended Accounting Methods
- Budgeting Considerations
- Reporting Considerations

- Purpose – To provide transparency and visibility as to the level of financial investment parishes provide to support school operations.
- Diocesan Recommendation– Parishes and schools shall budget for and record parish investment in school ministries.

*Parish investment is defined as school operating deficit after factoring in all school revenues against direct and indirect school expenses.*

# Parish Investment Budgeting



- Parish reflects expense of investment in school
- School reflects revenue of parish investment
- Accounting entries provide visibility to investment
- No cash exchange necessary
- Investment figure to be budgeted monthly
- Budget will be affected by seasonal factors

# Parish Investment Reporting



- Income Statement disclosure for parish and school operations
- Visibility of school bottom line
- Intentional consideration of effects of school deficits
- Intended to strengthen understanding of parish and school operations

## Chart of Accounts Reference

<i>Income - School Operations</i>	
Parish Investment Income	4395-00-80-01
<i>Expense - Parish General Operations</i>	
School Investment Expense	6620-00-01-01

# Expense Allocation Working Session



- Accounts Payable
  - Allocation of expenses during invoice entry
  - General Ledger adjustment entry
- Expense Report Illustration
  - Vendor Reports
  - Ministry Reports
  - Account Segment Reports (Object, Ministry, etc.)
- Exporting & Using Report Data in Excel
- Payroll Reporting & Payroll Expense Allocation

# Revenue Recognition Working Session



- Monthly Deferred Revenue Entries – Using data from tuition billing systems
- Revenue Recognition – General Ledger recurring entry process
- Tuition Payment Receipts – LOGOS Import process
- Accounts Receivable - Reconciling LOGOS A/R balance with billing system sub-ledger



# Monthly Deferred Revenue Entries



- July and August Entries
  - Record Net Tuition Receivable along with Deferred Tuition Revenue.
  - Reconcile Accounts Receivable LOGOS General Ledger balance to the Billing System balance at end of the month.

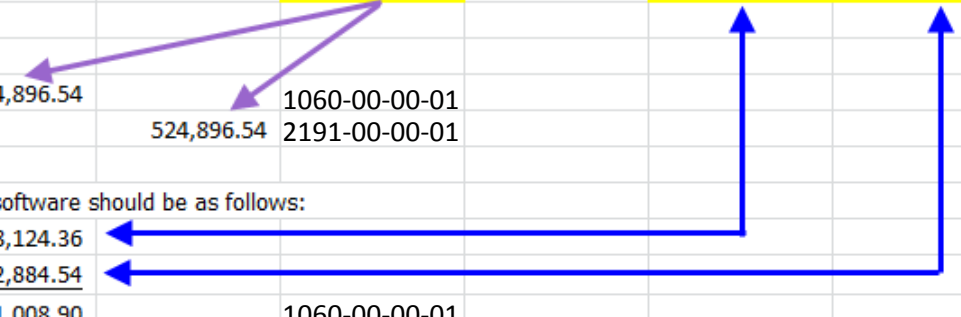
# Monthly Deferred Revenue Entries



## July Entries

Charge Description	Charges	Credits	Net	Payments	Balance	Pending Pymts
Pre-Kindergarten	\$49,200.00	\$3,444.00	\$45,756.00	\$4,411.25	\$41,344.75	\$279.55
Education Grants		\$3,075.00				
Payment plan discount		\$369.00				
Preschool - 1 day program	\$693.00	\$13.86	\$679.14	\$0.00	\$679.14	\$0.00
Payment plan discount		\$13.86				
Registration Fee	\$7,000.00	\$0.00	\$7,000.00	\$6,875.00	\$125.00	\$250.00
Tuition (5-8)	\$170,560.00	\$13,114.80	\$157,445.20	\$9,223.17	\$148,222.03	\$8,041.79
Education Grants		\$12,000.00				
Payment plan discount		\$1,114.80				
Tuition (K-4)	\$280,000.00	\$37,074.60	\$242,925.40	\$21,144.56	\$221,780.84	\$14,360.92
Education Grants		\$22,400.00				
Fifth Child (K-4)		\$4,000.00				
Fourth Child (K-4)		\$4,000.00				
Payment plan discount		\$1,074.60				
Third Child (K-4)		\$5,600.00				
<b>Totals from Tuition Service Company</b>	<b>\$585,738.00</b>	<b>\$53,841.46</b>	<b>\$531,896.54</b>	<b>\$43,647.18</b>	<b>\$488,249.36</b>	<b>\$23,134.54</b>
<b>Less: Registration fee</b>	<b>(7,000.00)</b>		<b>(7,000.00)</b>	<b>(6,875.00)</b>	<b>(125.00)</b>	<b>(250.00)</b>
<b>Total fees for deferred tuition entry</b>	<b>578,738.00</b>	<b>53,841.46</b>	<b>524,896.54</b>	<b>36,772.18</b>	<b>488,124.36</b>	<b>22,884.54</b>
Entry:						
Dr. Accounts Receivable	524,896.54		1060-00-00-01			
Cr. Deferred Tuition		524,896.54	2191-00-00-01			
The balance of accounts receivable in the accounting software should be as follows:						
Balance per above	488,124.36					
Add back: Pending payments	22,884.54					
Accounts receivable balance on GL	511,008.90		1060-00-00-01			

Deferred tuition may also be recorded as two separate amounts as follows:  
 Total Charges for Month      \$578,738.00  
 Less Total Credits for Month    (\$53,841.46)



# Monthly Deferred Revenue Entries



- August Entries

Charge Description	Charges	Credits	Net	Payments	Balance	Pending Pymts
Totals from Tuition Service Company	\$699,436.50	\$69,464.80	\$629,971.70	\$237,099.91	\$392,871.79	\$82,910.79
Less: Registration fees	-\$7,750.00	\$0.00	-\$7,750.00	-\$7,250.00	-\$500.00	-\$250.00
Total Tuition fees	\$691,686.50	\$69,464.80	\$622,221.70	\$229,849.91	\$392,371.79	\$82,660.79
Less: July total tuition fees	578,738.00	53,841.46	524,896.54	36,772.18		
Difference - adjustment for month	112,948.50	15,623.34	97,325.16	193,077.73		
Entry:						
Dr. Accounts receivable	97,325.16		1060-00-00-01			
Cr. Deferred tuition		97,325.16	2191-00-00-01			
Total deferred tuition balance at 8/31/12 is 622,221.70						
Accounts receivable balance in accounting software:						
Balance per above	\$392,371.79					
Pending payments	\$82,660.79					
Accounts receivable balance in GL	\$475,032.58		1060-00-00-01			
Pending payments have been received by TADS but not yet remitted to school.						

Deferred tuition may also be recorded as two separate amounts as follows:  
 Total Charges for Month \$112,948.50  
 Less Total Credits for Month (\$15,623.34)

# Monthly Deferred Revenue Entries



- September Entries
  - Record Net Tuition Receivable along with Deferred Tuition Revenue.
  - Reconcile Accounts Receivable LOGOS General Ledger balance to the Billing System balance at end of the month
  - Record 1/9 of Gross Tuition Revenue along with Credits and Scholarship Amounts for September.
  - Recognize Deferred Registration Fees as Revenue.

# Monthly Deferred Revenue Entries



- September Entries

Charge Description	Charges	Credits	Net	Payments	Balance	Pending Pymts
Totals from Tuition Service Company	\$788,100.92	\$84,068.30	\$704,032.62	\$301,991.81	\$402,040.81	\$12,376.96
Less: Registration fees	-\$8,000.00	\$0.00	-\$8,000.00	-\$7,420.00	-\$580.00	\$0.00
Total September tuition fees	\$780,100.92	\$84,068.30	\$696,032.62	\$294,571.81	\$401,460.81	\$12,376.96
Less: total August balance	(691,686.50)	(69,464.80)	(622,221.70)	(229,849.91)		
Difference-adjust in Sept	88,414.42	14,603.50	73,810.92	64,721.90		
Sept entries:						
Dr. Accounts Receivable	\$73,810.92					
Cr. Deferred Tuition		\$73,810.92				
To adjust total deferred tuition in September						
Accounts Receivable balance at 9-30-12:						
Balance per above		\$401,460.81				
Pending payments		\$12,376.96				
Accounts receivable 9-30-12		\$413,837.77				
			1060-00-00-01			

Deferred tuition may also be recorded as two separate amounts as follows:

Total Charges for Month      \$ 88,414.42

Less Total Credits for Month    (\$14,603.50)

Pending payments have been received by TADS but not yet remitted to school.

# Monthly Deferred Revenue Entries



## • September Entries Continued

Description	Charges	1/9 of charges	Credits Applied	1/9 of Credits				
After School Care until 6 pm	\$11,250.00	\$1,250.00	\$0.00		Dr. Deferred Revenue	2190-00-00-01	8,000.00	
P.S. Aftercare Totals	\$33,340.92	\$3,704.55			Cr. Registration fee	4320-01-80-01		8,000.00
Pre-Kindergarten Totals	\$61,500.00	\$6,833.33	\$3,567.00	\$396.33	To recognize registration fees for FY2013.			
Preschool Totals	\$52,495.00	\$5,832.78	\$238.70	\$26.52	Dr. Deferred Tuition	2191-00-00-01	77,336.96	
Registration Fee	\$8,000.00		\$0.00		Dr. Pre-Kindergarten disc	4310-81-83-01	396.33	
Tuition	\$75.00	\$8.33	\$0.00		Dr. Preschool discounts	4310-81-85-01	26.52	
Tuition (5-8)	\$245,440.00	\$27,271.11	\$18,558.00	\$2,062.00	Dr. 5-8 discounts	4310-81-81-01	2,062.00	
2% discount			\$83.20		Dr. K-4 discounts	4310-81-80-01	6,856.07	
Education Grants			\$16,230.00		Cr. After school care	4310-00-84-01		1,250.00
Payment plan discount			\$1,114.80		Cr. Preschool after care	4310-01-85-01		3,704.55
Third Child (5-8)			\$1,130.00		Cr. Pre-Kindergarten tuition	4310-00-83-01		6,833.33
Tuition (K-4)	\$376,000.00	\$41,777.78	\$61,704.60	\$6,856.07	Cr. Preschool tuition	4310-00-85-01		5,832.78
2% discount			\$80.00		Cr. Tuition	4310-00-80-01		8.33
Education Grants			\$37,630.00		Cr. 5-8 tuition	4310-00-81-01		27,271.11
Fifth Child (K-4)			\$8,000.00		Cr. K-4 tuition	4310-00-80-01		41,777.78
Fourth Child (K-4)			\$8,000.00					
Payment plan discount			\$1,274.60		Totals		86,677.88	86,677.88
Third Child (K-4)			\$6,720.00		To record 1/9th of tuition in September.			
Total Charges from Tuition Company	\$788,100.92		\$84,068.30	\$9,340.92				
Less: Registration fees	-\$8,000.00		\$0.00					
<b>Total September tuition fees</b>	<b>\$780,100.92</b>	<b>\$86,677.88</b>	<b>\$84,068.30</b>	<b>\$77,336.96</b>				

# Monthly Deferred Revenue Entries



- October Entries
  - Record Net Tuition Receivable along with Deferred Tuition Revenue.
  - Reconcile Accounts Receivable LOGOS General Ledger balance to the Billing System balance at end of the month
  - Record 1/9 of Gross Tuition Revenue along with Credits and Scholarship Amounts for September.
  - Recognize Deferred Registration Fees as Revenue.
  - Record Revenue for Non-Tuition Amounts Received.

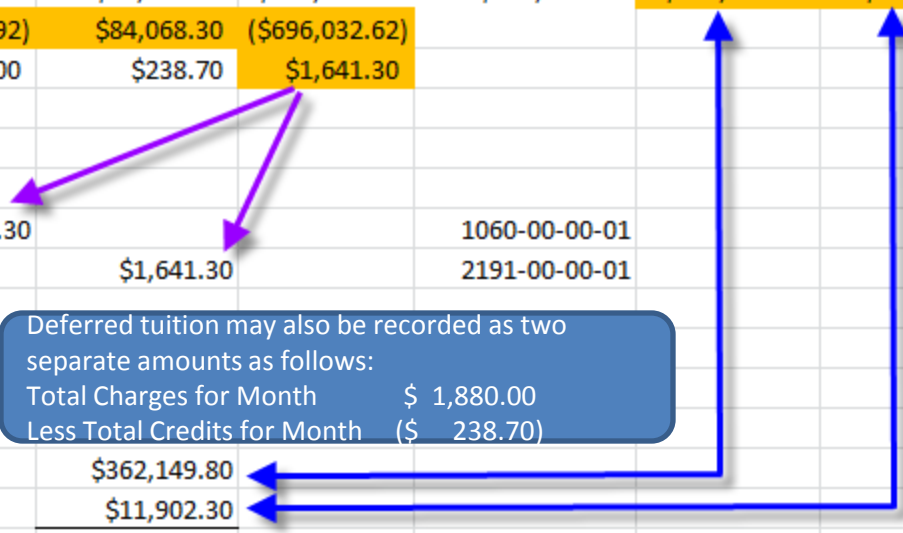
# Monthly Deferred Revenue Entries



- October Entries

Charge Description	Charges	Credits	Net	Payments	Balance	Pending Pymts
Totals from Tuition Service Company	\$799,584.52	\$84,307.00	\$715,277.52	\$348,914.82	\$366,601.40	\$15,929.30
Less: Registration fee	(\$8,125.00)	\$0.00	(\$8,125.00)	(\$7,545.00)	(\$580.00)	\$0.00
Less: Band fees for 1 quarter	(\$3,408.60)	\$0.00	(\$3,408.60)	\$0.00	(\$3,408.60)	\$0.00
Less: September extended day	(\$6,070.00)	\$0.00	(\$6,070.00)	(\$5,607.00)	(\$463.00)	(\$4,027.00)
Total October tuition fees	\$781,980.92	\$84,307.00	\$697,673.92	\$335,762.82	\$362,149.80	\$11,902.30
Less: September balance	(\$780,100.92)	\$84,068.30	(\$696,032.62)			
Difference - adjust in October	\$1,880.00	\$238.70	\$1,641.30			
October entries:						
Dr. Accounts receivable	\$1,641.30			1060-00-00-01		
Cr. Deferred tuition		\$1,641.30		2191-00-00-01		
To record additional deferred tuition.						
Accounts receivable balance at 10-31-12:						
Balance per above		\$362,149.80				
Pending Payments		\$11,902.30				
10-31-12 AR on general ledger		\$374,052.10		1060-00-00-01		

Deferred tuition may also be recorded as two separate amounts as follows:  
 Total Charges for Month \$ 1,880.00  
 Less Total Credits for Month (\$ 238.70)





# Monthly Deferred Revenue Entries



- October entries continued

Description	Charges	1/9 of Charges	Credits	1/9 of Credits	Net		
After School Care until 6 pm	\$12,225.00	\$1,358.33	\$0.00	\$0.00	\$12,225.00		
Band fees for 1 quarter	\$3,408.60		\$0.00	\$0.00	\$3,408.60		
Extended Day - September	\$6,070.00		\$0.00	\$0.00	\$6,070.00		
After School Care Totals	\$32,620.92	\$3,624.55	\$0.00	\$0.00	\$32,620.92		
Pre-Kindergarten	\$61,500.00	\$6,833.33	\$3,567.00	\$396.33	\$57,933.00		
Preschool Totals	\$54,120.00	\$6,013.33	\$477.40	\$53.04	\$53,642.60		
Registration Fee	\$8,125.00		\$0.00	\$0.00	\$8,125.00		
Tuition	\$75.00	\$8.33	\$0.00	\$0.00	\$75.00		
Tuition (5-8)	\$245,440.00	\$27,271.11	\$18,558.00	\$2,062.00	\$226,882.00		
Tuition (K-4)	\$376,000.00	\$41,777.78	\$61,704.60	\$6,856.07	\$314,295.40		
	\$799,584.52		\$84,307.00	\$9,367.44	\$715,277.52		
Less: Registration fee	(\$8,125.00)		\$0.00	\$0.00	(\$8,125.00)		
Less: Band fees for 1 quarter	(\$3,408.60)		\$0.00	\$0.00	(\$3,408.60)		
Less: September extended day	(\$6,070.00)		\$0.00	\$0.00	(\$6,070.00)		
<b>Total October tuition fees</b>	<b>\$781,980.92</b>	<b>\$86,886.77</b>	<b>\$84,307.00</b>	<b>\$9,367.44</b>	<b>\$697,673.92</b>	<b>\$77,519.32</b>	<b>Deferred Tuition JE Total</b>

# Monthly Deferred Revenue Entries



- October Entries Continued

Dr. Deferred tuition	77,519.32		2191-00-00-01
Dr. Pre-Kindergarten discounts	396.33		4310-81-83-01
Dr. Preschool discounts	53.04		4310-81-85-01
Dr. 5-8 discounts	2,062.00		4310-81-81-01
Dr. K-4 discounts	6,856.07		4310-81-80-01
Cr. After school care		1,358.33	4310-00-84-01
Cr. Preschool after school care		3,624.55	4310-01-85-01
Cr. Pre-Kindergarten tuition		6,833.33	4310-00-83-01
Cr. Preschool tuition		6,013.33	4310-00-85-01
Cr. Tuition		8.33	4310-00-80-01
Cr. 5-8 tuition		27,271.11	4310-00-81-01
Cr. : K-4 tuition		41,777.78	4310-00-80-01
Totals	86,886.76	86,886.76	
To record 1/9th of deferred tuition for October.			
Dr. Accounts Receivable	9,603.60		1060-00-00-01
Cr. Band Fees Income		3,408.60	4320-01-80-01
Cr. Extended Day Care Income		6,070.00	4310-00-84-01
Cr. Registration Fee Income		125.00	4320-01-80-01
Totals	9,603.60	9,603.60	
To record income from non deferred fees.			

Registration fees total \$8,125.00 but \$8,000.00 was recorded in September so only the difference of \$125.00 is recognized in October.

# Year End Deferred Balance



- Year-end adjusting entry will be required to balance enrollment changes during the year
- Adjust remaining balance in deferred revenue and offset tuition income
- Year-end entry amount should be minor
- If large enrollment swings occur during the year, adjustment should be made done during the year

# Questions & Answers



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# For Support and Additional Information



- Please contact Archdiocesan LOGOS Support Center
  - LOGOS Support Email:  
[LOGOSSUPPORT@ARCHSPM.org](mailto:LOGOSSUPPORT@ARCHSPM.org)
  - LOGOS Support Phone:  
651-251-7750
  - Use “Standards In Ministry” reference
- *Thank you for your time and attention today...*