

## **Diocese of Des Moines**

### **Checklist for Closing the Fiscal Year in ParishSOFT Accounting:**

- Reconcile all Bank Accounts
- Reconcile all Investment Accounts, CD's etc.
  - NOTE: It's very rare to have a cash account that shows no change in balance from one year to another. Make sure that you review all cash account balances and request any needed information from your bank (i.e. CD balances etc.)
- Reconcile Scrip Inventory (if applicable).
- Review any fixed asset balances to determine if something changed during the year. (see page 37 of the Resource Manual).
- Record any depreciation if applicable. (See page 42 of Resource Manual)
- Review and reconcile any outstanding balances in the Payroll Liabilities section of the Statement of Financial Position (2000 series accounts). Any balance should be explainable, usually due to timing. (See page 71 of the Resource Manual).
- Review and reconcile any Funds Held for Others account balances. Any balances should be explainable. Like the cash accounts, it is rare to have a FHFO account where the balance hasn't changed during the year. Make sure that you don't have any old balances that are no longer accurate.
- Reconcile any Long-term debt amounts to what is showing on the Statement of Financial Position.
- Review all Dedicated Accounts and remit any balances showing. Any ending balance should be explainable.
- Review the entire Statement of Activities. Things to look for:
  - Are there any negative balances in Income/Expense? These are rare.
  - Compare your actuals to budget and review any discrepancies to ensure they aren't caused by a recording error.
  - Compare your actuals for this year to last year's actuals and review any large discrepancies.
  - Verify that all salary/wage expense has been coded to a wage/salary expense account and to the appropriate program.
    - NOTE: This is only for amounts that are paid through payroll. If you are a parish that has their payroll processed by another parish, you should not show any expense in a salary/wage expense account. All amounts reimbursed to the payroll processing parish should be coded to "Other Parish Support". The parish which processes the payroll should show the expense in a payroll expense account.
- The Finance Council should approve the Financial Statements before the year is closed. (It is at this meeting that you can begin planning the Financial Report that will be shared with parishioners/parents (see page 110 in the Resource Manual) and the Annual Financial Report to the Diocese (AFR) can be prepared (see page 109 in the Resource Manual). The AFR can be found here: <https://www.dmdiocese.org/resources/finance/forms>)