

# Accounting and Account Set-up Instructions for ConnectNow Users for the Diocese of Winona Deposit and Loan Fund Account Distributions

The following information is provided to assist with accounting and establishing asset accounts for the disbursement checks that you have received from the Diocese of Winona Deposit and Loan Fund. Loan information is also provided.

## Deposits

**Interest Checks** – If you typically receive an interest check each June from Deposit and Loan please account for the interest checks that you are receiving in the same manner that you have done in the past. If you do not receive an interest check each June (interest is reinvested) your interest is combined with the principle (cashier’s check).

- **Currently booking the income and interest receivable:** you will need to offset the interest receivable account (credit).
- **Currently not booking the interest receivable:** you will need to book the interest received as income (credit).

**Deposits** – Deposit checks ***ARE NOT*** put into an income account, deposits need to be put into an asset account reflecting an asset-to-asset transfer (similar to transferring money from savings to checking).

- **To move the money from Deposit and Loan to a Checking account, please do the following:**

**Journal Entry Information**

[Watch Help Video!](#)

Entry Number:

Date:

Comment:

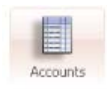
#	Account	Debit	Credit	Comment	Project
✘ 1	1110CS00P00: Checking A-10-00-11-1110-00	53500.00	0.00	Transfer from Deposit and	
✘ 2	1150CS00P00: Diocese of Winona Deposit and L	0.00	53500.00	Transfer from Deposit : x	
✘ 3					
<b>Total:</b>		53,500.00	53,500.00		

[More Lines](#)

- This will be the same process with a transfer to a savings account/money market account.

**Do you need to Create a New Asset Account for the funds? Please follow the following instructions to set up a new asset account:**

- Click on “Accounts”



- then click “Chart of Accounts (Add Sub-Accounts)”

[Chart of Accounts \(Add Sub-Accounts\)](#)

- Search for the asset account you want, check the box and click submit at the bottom.

- Asset
  - Bldg / Maintenance
  - Cash And Investments
  - Savings/Money Market
  - A-10-13-11-1115-00, Savings/Money Market, 1115CS00P13
  - [Add Sub-Account](#)
- Building Fund
  - Cash And Investments
  - Savings/Money Market
  - A-10-60-11-1115-00, Savings/Money Market, 1115CS00P90
  - [Add Sub-Account](#)

- To add a sub-account (to put your own description) click “Add Sub-Account”, enter data and click submit.

- Additional information:
  - Cemetery Permanent Care – It is required that Permanent Care funds are placed into a separate savings and/or investment account. Permanent care funds may not be co-mingled with any parish or cemetery operating funds. Most cemeteries will need to open a new bank account for permanent care funds. Follow the process outlined above that addresses Creating a New Asset Account.
  - Future “Rooted in Faith, Rejoice in Hope” distribution checks will be issued directly to parishes by check.

## Loans

**Current loans, formerly held in the Deposit and Loan** – All loans have been purchased by the Diocese of Winona. When making loan payments, please make the check payable to: **Diocese of Winona**.

- All existing loans will be moved from the Diocese of Winona to a third party commercial lender as soon as possible. The Diocese of Winona will assist with this process.

**Future loans** – All future loans will be originated and issued through a third party commercial lender. The Diocese of Winona will not issue new loans.

- Proxies are required for all loans:
  - All loans require both the consent from the Diocesan College of Consulters and a Proxy.
  - Projects exceeding \$100,000 require 75% cash and 25% pledged for the entire cost of the project.
  - Two to three months should be added to project timelines if a loan is going to be required.

### **If you have any questions:**

ConnectNow Accounting questions – contact Rod Kollman at [rkollman@kmtel.com](mailto:rkollman@kmtel.com)

Deposit and Loan Account Statements and Check - Questions – contact Julia Sandsness at [jsandsness@dow.org](mailto:jsandsness@dow.org) or 507-858-1246