

11

Archdiocesan Funding Programs



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11.1 Consolidated Billing

At the beginning of each fiscal year, the Archdiocese of St. Louis sends a “consolidated billing” to each parish and agency that is subject to the Archbishop’s authority, as defined by Canon Law. The consolidated billing consists of two distinctly different types of charges: fees for services and assessments to fund the costs of Archdiocesan administration and programs.

1) Fees for Services

- a) **Risk Management:** The Office of Risk Management operates the self-insurance program of the Archdiocese which is designed to cover property and casualty risks such as those associated with buildings, vehicles, general liability and workers’ compensation.
- b) **PMBS:** The Priests’ Mutual Benefit Society is a self-insurance health, welfare and retirement fund for Archdiocesan priests. Their annual dues are the responsibility of the parish or agency at which they are employed.
- c) **St. Louis Review:** Effective July 1, 2008 parish subscriptions to the St. Louis Review were included in the consolidated billing. See Section 11.5.

2) Assessments

- a) **Archdiocesan Support Services (formerly Cathedraticum):** Most of the explanation given here is taken from Bishop Joseph Naumann’s columns in certain 1995 and 1996 editions of the *St. Louis Review*. The parish cathedraticum is an ancient practice in the Catholic Church and is authorized by Canon 1263 in Church law. It is one of the primary mechanisms used to fund the administration of this and all other dioceses. The rate is set annually and is based on all external revenues reported by each parish in its annual financial report to the Archdiocese. External revenues are those revenues (excluding endowment principal contributions) that are received from individuals and entities that are not part of the Archdiocesan consolidated financial statements.
- b) **Education Assessment-Part 1:** The purpose of this assessment is to cover the costs of administration in the Catholic Education Office and to provide a portion of the funding for our Archdiocesan secondary schools. The Catholic Education Office oversees the development of Catholic education at all levels: parish elementary schools, Parish School of Religion (PSR), and secondary schools. This assessment is set annually and is calculated very similarly to the Archdiocesan Support Services.
- c) **Education Assessment-Part 2:** An additional assessment of external revenues is levied on parishes to cover the cost of tuition at parochial elementary schools for children of parochial school teachers. The rate is set annually.
- d) **Mission Advancement Initiative:** This assessment was initiated to provide financial assistance to families sending their children to Catholic schools. It was designed as a funding mechanism to the *Alive in Christ* program whose goal was to fill the empty seats in our schools. The assessment changes annually.

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11.1.0 Archdiocesan Assessments

After considerable review, the Budget Committee recommended the archdiocese should adjust the Cathedraticum and Agency management Fees to help fund the cost of its central administration and operations. The Committee also recommended calculating the assessment based on total revenue (excluding endowment principal) received from all non-Archdiocesan sources by each parish, agency, or other Archdiocesan organization that receives revenue. In prior years the Cathedraticum was assessed only to parishes. Including agencies and other Archdiocesan organizations in the assessment base is a change in practice. However, the Budget Committee believes the policy recommended is an equitable method of recognizing that all organizations of the Archdiocese share the responsibility for supporting the mission of the Archdiocese of St. Louis.

The recommended assessment base excludes all revenues received from internal Archdiocesan sources. For example, an ACA grant received by a parish or agency is not included in the base revenues used in the calculation for that respective parish or agency, since those revenues were previously included in the base used for calculating the Agency Management Fee for the ACA.

The Budget Committee considered whether any other revenue sources should be excluded from the base used for the calculation. To avoid the many administrative difficulties of having to deal with numerous interpretations and requests for exemptions, the Budget Committee recommended that no other revenue sources should be excluded from the calculations.

The Budget Committee also addressed questions concerning whether certain expenses, such as bad debt expenses, should be deducted from revenues for purposes of the calculations. Another question addressed concerns the appropriateness of recording certain expenses (such as bingo expenses, expenses of parish festivals, etc.) as direct deductions from revenues, so that only a net number is reported in the financial statements for certain items. The Budget Committee believes all financial statements should be prepared in accordance with generally accepted accounting principles and the base used for the calculations should be the revenues reported (excluding, of course, the revenues from internal Archdiocesan sources and endowment principal received) in accordance with those principles. The Budget Committee recognizes that differences of opinion may arise regarding what is required by generally accepted accounting principles. Accordingly, the Committee recommended the Finance Office of the Archdiocese should resolve all such differences of opinion, after consultation, when necessary, with the external auditors for the Archdiocese.

(As revised through 2/21/97 by the Archdiocesan Financial Council's Budget Committee)

In Fiscal Year 2012 a joint task force comprised of representatives from the Priests Council and the Archdiocesan Finance Council recommended, and subsequently was approved by the Archbishop of St. Louis, reducing the assessment base for parishes and elementary schools by the amount of loan principal and interest payments made to SLAF. To maintain the same level of assessment revenue that otherwise would be generated, the assessment rate will increase accordingly and may vary from year to year. This change becomes effective for assessments starting with Fiscal Year 2014.

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11.1.1 Elementary Teachers' Tuition Benefit

To All Pastors:

The past few years have seen remarkable changes for Catholic education in the Archdiocese of St. Louis. Enrollment in many of our schools has increased and unprecedented generosity from the private sector has allowed students previously unable to attend Catholic schools now to enjoy the benefits of a Catholic education. In addition, financial support from within the Archdiocese has made generous salary and benefit increases possible for teachers and administrators in elementary and secondary schools.

I realize that many of these changes have required significant sacrifices for you and many of your parishioners. Acknowledging these sacrifices, teachers, Pastors, parishioners and staff continue to study how we can improve our outstanding educational system. Because of this fact the free tuition benefit that was a part of the original salary and benefit package presented to me last year was tabled until further study could be done on how best to provide this benefit. This past spring the Archdiocesan Board of Catholic Education provided me with a revised version of the tuition benefit.

After further study and consultation with the Council of Priests and the Archdiocesan Finance Council, I now approve this tuition benefit for our elementary educators. Effective the school year 2002-2003, teachers and administrators who have children in our parish elementary schools will not be required to pay tuition.

The original proposal called for an initial increase of 1/4% in the parish assessment, with an additional 1/4% in the second year to fund this benefit. The benefit was to have been phased in increments of one-third until the year 2002-2003. However, since I have already approved a number of increases for next year, viz, salary increases for those in leadership positions, increases in retirement benefits for those elementary teachers on the 20th step and above, and significant increases in the health premiums and recognizing the fact that parish budgets are already in place for the fiscal year beginning July 1, 2000, I have decided to implement the tuition benefit beginning with the 2001-2002 school year.

In order to achieve the original goal of 100% tuition assistance for elementary educators for the 2003-2003 school year, tuition assistance will be 50% for the 2001-2002 school year, with full tuition assistance offered for the 2002-2003 school year. Initially this will be provided for by the 1/4% increase in the parish assessment for the fiscal year 2001-2002. The Parish Teacher Compensation Committee and the Archdiocesan Board of Catholic Education will continue to monitor this benefit and a progress report will be presented to me in December 2001.

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11.1.1 Elementary Teachers' Tuition Benefit

I am particularly pleased with this benefit because it offers assistance to our dedicated teachers and administrators and to their children. It is important that those who have chosen to teach in our Catholic schools have no worries about their children's ability to attend our Catholic schools. In addition I hope this will serve as an incentive for teachers to stay in Catholic schools as well as to attract new qualified teachers to the ministry of Catholic education. I am most grateful for the generous support of our parents and parishioners that has made approval of this benefit possible

I also want to extend my gratitude to the Parish Teacher Compensation Committee and the Board of Catholic Education for their willingness to rework this proposal with sensitivity for all concerned so that it can be offered with no extraordinary burden placed on individual parishes.

In closing, I want to thank you for your continued support of Catholic education. The need for Catholic schools has never been greater than it is today, and I am grateful for your efforts in continuing our long tradition of quality Catholic education.

Sincerely yours in Christ,

Archbishop of St. Louis

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11.2 Special Collections

National Appeals through the United States Conference of Catholic Bishops (USCCB)		
Aid to the Church in Central and Eastern Europe	Ash Wednesday or any Sunday in Lent	Channels aid through the bishops of Central and Eastern Europe to meet the needs of rebuilding the Church: training seminarians and lay leaders, reaching out to young people, reviving Catholic charities, and renewing programs of catechesis and evangelization.
Catholic Relief Services	Laetare Sunday (fourth Sunday of Lent)	Provides funding for Catholic Relief Services, USCCB Department of Social Development and World Peace, relief work of the Holy Father, and USCCB's Migration and Refugee Services.
Black and Indian Missions	First Sunday in Lent	Provides grants to dioceses throughout the United States for evangelization of Black and Indian people.
Catholic Campaign for Human Development	Sunday before Thanksgiving	Addresses the root causes of poverty in America through promotion and support of community-controlled, self-help organization and transformation education.
Catholic Communication Campaign	Third Sunday in May	To contribute to the process of evangelization by fostering activities to television, radio and other media, and through special projects of the Catholic press. Fifty (50%) per cent of the funds collected stay with the local Archdiocese.
Catholic Home Missions Appeal	Last Sunday in April	Strengthens the Catholic Church where it is weak in the United States and its territories where resources are thin and priests are few. The Appeal funds pastoral services, including evangelization, religious education, the maintenance of mission parishes, the training of seminarians and lay ministers, and ministry with ethnic groups in Appalachia, the South, the Southwest, the Rocky Mountain States, Alaska, and the islands of the Pacific and Caribbean.

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11.2 Special Collections

National Appeals through the United States Conference of Catholic Bishops (USCCB)

Catholic University of America	First or second Sunday in September	Provides funding for academic scholarships at the Catholic University of America in Washington, D.C., the only U.S. University with Pontifical faculties.
Latin America Apostolate	Fourth Sunday in January	Supports non-construction projects throughout Latin America and the Caribbean, including evangelization, formation of laity, religious and seminarians, as well as youth ministry and catechesis.
Holy Land	Good Friday	Supports sacred places, educational and charitable institutions in the Holy Land, and educates young men for the Missions of the Custody of the Holy Land in Syria, Jordan, Lebanon, Cyprus, Rhodes, Israel, and Egypt.
Operation Rice Bowl	Offerings throughout Lent	Provides funding for third world food security projects, promoting agricultural, nutritional, educational growth and self-sufficiency. Twenty-five (25%) percent may be retained at the Archdiocese for local antipoverty programs.
Peter's Pence (Collection for the Holy Father)	Sunday nearest Feast of Ss. Peter and Paul (June)	Enables the Holy Father to respond with emergency financial assistance to those who suffer as a result of war, oppression, and natural disasters.
Retirement Fund for Religious	Second Sunday in December	Provides basic, supplemental and special assistance grants to any religious institute in the United States that has an unfunded past service liability.
World Mission Sunday	Next to last Sunday in October	Recognizes the common responsibility of all Christians with regard to the evangelization of the world.

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11.2 Special Collections

Local Appeals

Cardinal Glennon Hospital	Late May	Supports the Hospital in delivering medical services to the St. Louis area.
Kenrick-Glennon Seminary	Christmas Day	This Christmas Day collection is a major source of support for the education and training of seminarians.
Visiting Missionaries	Early summer, date set by the Parish	Provides support for evangelization through the Propagation of the Faith.
Permanent Diaconate	Early October	Supports the training and support of this ministry in the Archdiocese.
Regina Cleri	Easter	Provides funding for the welfare of retired priests of the Archdiocese.

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11.3 Annual Catholic Appeal

Mission

The Annual Catholic Appeal (ACA) is the annual united effort of the Catholic community to respond to the gospel challenge of Jesus Christ to love one another by reflecting on God's blessings in our lives and sharing them for educational, pastoral and charitable programs and ministries in the Archdiocese of St. Louis.

Parish Participation

The ACA gives parishes the opportunity to practice stewardship beyond their own parish boundaries. The success of the annual appeal depends on the participation of all local parishes and a large number of households contributing to benefit the larger Church. Currently 54% of all Catholic households in the Archdiocese contribute to the annual appeal. The goal is to increase participation every year.

Parish Goals

The Parish ACA goals are based on a formula which takes into consideration the annual parish offertory collection, the median income and whether or not the parish has a school. The goal formula has proven to be effective in establishing goals that are fair and just for all parishes. For more information on the formula, please call the Office of Stewardship and the ACA at 314.792.7680.

The Process

It is important that every parish recruits a Parish ACA Chairperson to train volunteers and lead the appeal at the parish level.

It is vitally important that the parish chairperson or secretary sends the pledge cards/contributions using the envelopes provided weekly during the appeal so that we can deposit the funds immediately, credit the parish accordingly, and thank donors in a timely manner. Parish Chairs can receive detailed instructions at archstl.org/aca or by calling the ACA Office at 314.792.7680.

How the Parish Benefits from the Appeal

Every parish in the Archdiocese of St. Louis benefits either directly or indirectly from the ACA.

- Parish School Assistance Fund—to help parishes with the increased cost of teachers' salaries
- All Archdiocesan, regional and parochial high schools receive ACA grants
- Special Education Programs/Services
- Parish Emergency Assistance Fund—to grant emergency funds to parishes with special needs
- Services/Benefits for Clergy—seminary/continuing formation/diaconate program/retirement
- Pastoral/Service Ministries

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11.3 Annual Catholic Appeal

Parish Capital Campaigns

During the spring, when ACA is conducted, there is a moratorium on parish capital campaigns. Generally, no parish should conduct any type of extraordinary appeal during this time.

For more information on parish capital campaigns, please contact the Office of Stewardship and Development.

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11.4 St. Louis Review Subscriptions

To All Pastors:

The *St. Louis Review* is one of the principal means used by the Archdiocese to communicate with the faithful. The Review will be mailed to every active parishioner, which is defined as any household that contributes \$100 or more during the previous calendar year. If a parishioner elects not to receive a subscription, the parish should honor that request. However, the parish should not arbitrarily deny any household that contributed \$100 or more from receiving a subscription. Of course, other parishioners may also receive the Review even if they do not meet the contribution criterion.

Each parish will be billed for its parishioners' subscriptions through the annual consolidated invoice issued by the Archdiocesan Finance Office. The consolidated invoice is billed on a fiscal year basis.

The Review Office will continue to send parishes promotional materials to stimulate interest. Additionally, parishes may continue to furnish to their respective parishioners a once-a-year offertory envelope designated for the Review. These funds should be kept by the parish to help defray the total cost of subscriptions.

Sincerely yours in Christ,

Archbishop of St. Louis