
Diocese of Buffalo

Business Administration – Best Parish Practices



May 2021

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Section 1 – Legal Structure of the Parish

A. Legal Structure

Parishes of the Diocese are established and operated under the Code of Canon Law (church law) and the law of the State of New York (civil law). Each parish is separately incorporated under the Religious Corporations Law of the State of New York and is operated at all times as a separate and distinct corporate entity with its own certificate of incorporation, by-laws and Board of Trustees. The original certificate of incorporation is on file with the County Clerk's Office in which the corporation is located. A copy of the Certificate and the original by-laws are filed with the Chancery and copies are kept at the parish.

Board of Trustees

Under New York law, the Trustees of every parish corporation consist ex-officio of the Bishop of Buffalo, the Vicar General of the Diocese, the Pastor of the parish and two lay Trustees who are nominated by the Pastor and appointed by the Bishop, Vicar General and Pastor for a term of one year.

Officers

The corporate by-laws designate the Bishop as president, the Vicar General as vice president and the Pastor as secretary/treasurer ex-officio of each parish corporation.

Meetings of the Board of Trustees

The Board of Trustees must hold an annual meeting. This is typically accomplished, at a minimum, by a meeting of the Pastor and two lay Trustees. Minutes of all meetings must be prepared. Formal notice of this annual meeting should be given to all on the Board (including the Bishop and Vicar General) at least 5 days prior to the meeting.

Resolutions adopted at that meeting are reduced to writing and adopted and signed by all five Trustees. All actions of the Trustees by law are subject to the Bishop's approval.

Copies of Annual Meeting of the Board of Trustees must be maintained on file in the parish office, permanently.

Responsibilities of the Board of Trustees

The Board of Trustees oversees the Pastor's management of the parish. All major decisions about the funds and property of the parish must have approval of the Board of Trustees and the Bishop including the following actions:

- Mortgage, lease, sell, convey or otherwise dispose of any of its real property;
- Acquire by lease or purchase or accept by gift or devise, in trust or otherwise, any real property or interest therein;
- Accept by gift or bequest any money or other personal property that is subject to a trust or any other restriction or condition, excluding Mass stipends;
- Commence, or abandon any legal action or proceeding and the settlement or compromise of any legal action or claim that exceeds insurance coverage; or
- Incur any expense in making repairs to the property of, or in purchasing/leasing of equipment for the parish in an amount greater than \$10,000; (even if awarded under multiple contracts).

In Canon Law, the above acts are all considered to be acts of extraordinary administration referred to in Canon 1281.

B. Pastor

The Pastor is the civil law secretary-treasurer and the administrative officer of the parish and has the following duties. Under the supervision of the president and vice president, the Pastor:

- is responsible for all of the funds and property of the parish;
- keeps the funds in the name of the parish corporation at a bank (or banks) chosen by the Board of Trustees;
- keeps an accurate account of the receipts and disbursements of the corporation;
- makes a detailed financial report of the preceding fiscal year to the Board of Trustees at its annual meeting;
- conducts all the official correspondence of the corporation and keeps a record of its meetings; and
- performs other duties and makes other reports as required by the Board of Trustees.
- is responsible for all acts of ordinary administration in accord with cc. 532, 1281-1288.

C. Lay Trustees

Lay Trustees are active, responsible members of the parish who serve unsalaried one-year terms. They are nominated by the Pastor and approved by the Bishop, the Vicar General and the Pastor. Lay Trustees should not be employed by the parish for any other position, and ideally not related to a parish employee.

D. Parish Finance Council

Establishment

The parish Finance Council is a consultative group of lay parishioners who help the Pastor exercise proper stewardship by giving him advice about financial planning, analysis and compliance with policy. Canon law requires each parish to have a parish Finance Council. Good management practice provides ample testimony to the benefits of having an active parish Finance Council. The parish Finance Council is advisory to the Pastor and its recommendations are valid only when accepted and ratified by the Pastor and, where necessary, the Board of Trustees.

Membership and Terms of Office

The parish Finance Council includes the Pastor and at least three, but not more than eight, reputable and practicing members of the parish who are knowledgeable and skilled in financial matters and are known for their prudent judgment. The Pastor is an ex-officio member of the Council. The parish bookkeeper or business manager may not be a member of the Council, but may be invited to attend meetings. Members of the parish Finance Council cannot be related to the Pastor or to any of the parochial vicars assigned to the parish. (May not be related by blood or marriage in the 4th degree or less of the collateral line or any degree of the direct line.) Members of the parish Finance Council serve a three-year term and may be appointed to a second three-year term. Terms should be staggered so that some Council members change each year. Council members are not eligible to serve again until one year after the completion of their last term.

Regular Meetings

The parish Finance Council must meet once every quarter. The Pastor appoints a chairperson to assist him in coordinating the work of the Council, including preparing for meetings and implementing proposals which have been accepted and ratified by the Pastor. Each meeting should include a review of a current financial report in relation to the budget.

Record of Meetings

Minutes of the parish Finance Council meetings should be kept on file permanently in the parish office along with any prepared agendas, financial reports and supporting documentation. Minutes should include all significant actions taken at the meeting.

Topics Discussed

Quarterly topics should include a review of the financial condition of the parish using financial reports prepared from the parish bookkeeping system: monitor actual results to budgeted comparisons on a regular basis (at least quarterly); discuss reasons for variances. Review and evaluate the internal controls concerning the accounting function, define specific practices, procedures, and techniques. Review and discuss procedures for both recently completed and upcoming fund-raising activities. Review the Fund-Raising Reports submitted for the quarter, determine the effectiveness of fundraising campaigns. Review and discuss the parish annual report. Assess the condition of the buildings and plan for improvements.

Responsibilities of the Parish Finance Council

The parish Finance Council's mission and responsibilities are to assist the Pastor as follows:

- create an annual budget for the parish;
- ensure that the Annual Financial Report is prepared and submitted to Diocese in a timely manner, i.e. before the second Wednesday of November;
- provide the Parish Council with regular, periodic reports on the financial status of the parish;
- prepare and publish an Annual Financial Report for the Parish Council and members of the parish community;
- develop procedures for the deposit of church funds in an interest-bearing checking account, when available, and/or savings account;
- monitor the investment of liquid assets in accord with diocesan financial policies;
- evaluate and make recommendations about the parish's support through the offertory collections and other fundraising initiatives;
- develop a plan for financing necessary repairs, renovations and purchase of equipment;
- develop a plan for systematic repayment of any parish debt;
- provide assistance in the oversight of all fund-raising programs;
- ensure that the parish complies with all requirements of federal, state and local laws;
- safeguard the assets of the parish from loss or damage;
- help the parish implement financial internal controls to minimize the risk of fraud; and
- implement all diocesan financial policies.

Communication of Financial Results

Communicate regularly, but not less than annually, the financial condition of the parish, including sources and amounts of income, parish indebtedness, unpaid bills, and parish savings and investments. A comprehensive report is an important element of accountability. Accountability completes the circle of stewardship and directly impacts people's willingness to give of their time, talent, and treasures.

Section 2 – Buildings and Properties

TEL: (716) 847-8750

A. Services

Facility Management – *Assistance with all facility maintenance and construction projects.*

Pastors and business managers of parishes or diocesan property with questions or concerns regarding their Facilities should contact the Buildings and Properties Department (B&P) for assistance at (716) 847-8750 or e-mail at MSullivan@buffalodiocese.org.

B&P has experience in all facets of construction and disaster cleanup. Major projects include:

1. Roofing – e.g. leak detection and trouble shooting, designing a solution, and follow up of repair or replacement project through to completion.
2. Window Replacement – e.g. development of plans and specifications for the appropriate window based on usage, building conditions and style of architecture.
3. Disability Access – e.g. development of plans and/or solutions to make facilities as user-friendly as possible to the disabled.
4. Disaster Assistance – assistance with repairs and renovations due to damage from fire, flood, etc.

B&P can guide the parish through all phases of construction projects, assuring quality repairs and/or replacements for the parish's future.

Real Estate – *Advise and assist on all aspects of Real Estate, including buying, leasing, selling and appraising property.*

B&P has experience in the field of real estate and is available to assist the parish in the following transactions:

1. If a parish decides to sell or purchase a building or vacant land, B&P can assist the parish with all aspects of the transaction including having the property appraised and negotiating contracts.
2. If a parish decides to lease a building or any portion of a building (i.e. classroom), B&P can assist the parish by suggesting possible tenants, establishing a rental rate and negotiating and drafting a lease.
3. If a parish would like to accept a building or vacant land as a donation, B&P can also assist with this transaction. Our staff can inspect the building or vacant land and give a recommendation as to a future use for the parish. Our department can assist in having a "Phase 1 Audit" conducted if the parish has any environmental concerns. B&P will also assist with the appropriate paperwork necessary to finalize the transaction.

Contact Steven Roth at (716) 847-8750 or sroth@buffalodiocese.org for assistance or with any questions.

Energy Management – *Provide gas purchasing, energy audits and assistance with energy conservation projects.*

Typical services provided by EMS:

1. Help to reduce natural gas costs and provide price stability by operating a gas purchasing program for parishes that are customers of NFG.
2. Help to reduce parish utility costs by evaluating heating and lighting systems for efficiency and troubleshooting problems such as poor heating distribution.
3. Review cost effectiveness of proposed cost saving measures.
4. Provide assistance in obtaining government incentives for energy conservation improvements.
5. Prepare requests for proposals for new equipment, assist in evaluation of responses.
6. Evaluate alternate electricity providers and their proposals.
7. Provide assistance in resolving billing problems related to natural gas or electricity (i.e. incorrect meter readings, incorrect rates, sales tax, unexplained increase in consumption)

Contact Carol Anne Cornelius at (716) 847-8385 or ccornelius@buffalodiocese.org for assistance with energy related matters.

B) Parish Building and Renovation Guidelines

Contract Guidelines

The diocesan process for building and renovation is mandatory for all parishes. It classifies projects into five (5) categories, based on subject and cost, and utilizes advisory groups to provide assistance through the following commissions listed below.

In an effort to provide a safe environment for parish and diocesan workers, as well as students and volunteers, major changes have been made to the standard construction contracts that must be used on all projects. The changes include:

- Contractors must provide proof of Level 1, 2, and 3 Sex Offender Registry check for workers on projects who will be on site greater than 48 hours (two work days) at an active school and/or religious education program.
- Contractors shall provide proof of O.S.H.A. 10 safety training for field workers and O.S.H.A. 30 safety training for supervisors and owners.
- Contractors shall provide disclosure of health insurance for workers for projects in excess of \$50,000.
- Contracts in excess of \$50,000 are required to be approved by the five parish Trustees.

The Art & Architecture Committee of the Buffalo Diocesan Liturgical Commission

Reviews plans for renovation and construction of worship space and provides guidance. Members are also available for independent consultation. Its booklet “Guidelines for Building and Renovating Churches in the Diocese of Buffalo,” is available from the Office of Worship.

The Organ Consultation Committee of the Buffalo Diocesan Liturgical Commission

Reviews plans for purchase and renovation of organs and provides guidance. Members are also available for independent consultation.

The Department of Buildings & Properties (B&P) (716-847-8750)

Provides hazardous materials services, energy management services and building assistance with capital projects utilizing its staff of professional personnel.

I. Worship Space and Liturgical Appointments

All projects which involve worship space, regardless of cost, must receive the approval of the Bishop. In the initial planning phase the Pastor should contact the Director of B&P who is the liaison to the Art & Architecture Committee. The Committee will review the project for conformity to church documents and forward their recommendations to the Pastor, building committee, B&P and the Chancery. After the Bishop's approval, the project can proceed per Section III, IV or V.

II. Organ Purchase or Repair

1. The Pastor should contact the Office of Worship for assistance from the Organ Consultation Committee and then proceed per III, IV or V.

III. New Construction, Repairs or Renovations: Total Cost of \$10,000 or Less (even if awarded under multiple contracts)

1. The Pastor, with assistance of Trustees and the parish council, will initiate and direct the project. At least two (2) bids are required. If worship space or an organ is involved, see sections I and II. Social justice issues for workers should be considered when selecting contractors.

If a project will disturb suspected asbestos, B&P must be consulted. B&P can also assist with specifications and construction contracts for certain projects.

IV. New Construction, Repairs or Renovations: Total Cost Over \$10,000 But Less Than \$50,000 (even if awarded under multiple contracts)

1. The Pastor shall write the Bishop, present the project's need, cost and financing and request permission to proceed. After written approval, the Pastor, in consultation with Trustees, the parish council and finance committee will direct the project. Three (3) bids are required. Social justice issues for workers should be considered when selecting contractors. If worship space or an organ purchase/repair is involved, see Sections I and II.

Specifications must avoid asbestos containing building materials. If a project will disturb suspected asbestos, B&P must be consulted. B&P can also assist with specifications and construction contracts for certain projects.

2. If the project involves safeguarding of life, health and property, or code compliance, New York State requires a licensed architect or engineer to prepare contract documents.

V. New Construction, Repairs or Renovations: Total Cost Over \$50,000 (even if awarded under multiple contracts)

1. Feasibility Study

A. A Building Committee of the Pastor, and at least four (4) members selected by the Pastor, in consultation with the Trustees, parish council and finance committee will prepare a feasibility study to describe the project, its need, its estimated cost and financing. Fifty percent (50%) of the estimated cost must be available before the project can proceed further.

B. The estimated cost shall be based on terms and conditions required by the Diocese of Buffalo as stated in all formal Contracts.

- C. The Americans with Disabilities Act of 1990 (ADA) exempts religious organizations from retroactive requirements. Even so, the Diocese encourages parishes to consider appropriate accommodations for individuals with disabilities. New construction and major renovations must comply with applicable provisions of the N.Y.S. code.

The Pastor will send the complete study to the Bishop and await written permission to proceed. Finance and B&P will review the study and forward their comments to the Bishop. An ad-hoc committee may be appointed by the Bishop for further review and recommendations.

2. Program Development

- A. Initial Program Conference – Scheduled by the Building Committee and to include a representative of B&P, will review the feasibility study, develop the project program, establish project criteria to indicate the scope and budget of the project and serve as the basis for the architect/engineer to develop plans, specifications and budget estimates. It will also establish a project schedule and occupancy date.

New York State law requires that on all new construction, and on renovations over \$20,000, or when structural or public safety is affected regardless of the cost, plans and specifications be prepared by a licensed architect or engineer of appropriate discipline. The Diocese, therefore, will require a licensed architect or engineer for all projects in this sections. If the project disturbs suspected asbestos, B&P must be consulted before starting work.

- B. Architect/Engineer (A/E) Selection – Guides to the selection of an architect and list of candidates is available from B&P. The Parish Building Committee will interview and select the A/E and submit the name to B&P for comments prior to signing contract. The architect's form B141 or the engineer's form 1910-1, as modified by the Diocesan Attorney (copies may be obtained from B&P), shall be used for the contract. All A/E's must carry professional liability insurance with a minimum of one million dollars.

3. Design Development

- A. Schematic Phase – The Pastor shall provide the A/E with the project program and criteria approved at the program conference. The A/E shall prepare schematic designs illustrating recommended solutions and furnish budget estimates taking into account the Diocesan Contract.

The Pastor and the Building Committee will select the preferred schematic and forward it to B&P for review and recommendations.

- B. Preliminary Design Phase – The A/E will develop the approved schematic into preliminary plans and cost estimates based on current wages and relate these costs to the square footage of the building. The A/E will review the design and costs with the Pastor and Building Committee, who will approve them and submit them to B&P for review. When worship space or organ is involved, the Pastor will follow Sections I or II.

- C. Construction Document Phase – The A/E will develop the preliminary design into working drawings and formal specifications, with consideration for the accessibility of disabled persons and with sufficient information to obtain competitive bids. No asbestos materials can be specified or substituted. The A/E shall bring to the attention of the Building Committee any change in the plans and estimates from earlier stages.

Included in the bidding documents should be the bid proposal form, Bid Bond and Performance Bond (when required), the General and Supplementary Conditions, Owner/Contractor Agreement and Instructions to Bidders. The General and Supplementary Conditions shall highlight the Diocesan modifications to the standard Contract requirement defined in Section V.1.B. The Owner/Contractor agreement shall also contain similar provisions requiring the same.

The General Conditions of the contract will also state that the contractor shall secure and pay for any permits and that all work performed and materials installed under the contract must conform to all applicable rules, regulations, laws, codes, ordinances, etc. governing the work and that the contractor shall bring to the attention of the A/E any variance therewith.

The A/E should obtain from the Department of Insurance Services (716-847-8396) at the Catholic Center the type and limits of insurance required by contractors.

Final construction documents will be reviewed with the Pastor and Building Committee. The Pastor and the Building Committee will approve the construction documents and forward them to B&P for review and recommendations. When worship space or an organ is involved, the Pastor shall follow Sections I or II.

4. Bidding and Selection of a Contractor

- A. The General/Supplementary Conditions shall highlight provisions whereby the contractor commits to its workers that the contractor will fulfill all wage provisions as listed in the Contract. The contractor will obtain the same written assurances from each of its subcontractors.
- B. The Owner/Contractor Agreement shall include requirements regarding affidavits to testify that wages have been paid and to accompany each payment application, rights of the parish to copies of payroll records, and that failure to pay wages may terminate the contract. Suggested language is contained in the detailed text of the guidelines and is also available from B&P.
- C. Instructions to bidders will highlight the provisions that are contained in the construction contract.
- D. Invitations to bid on projects in excess of \$250,000 are reserved to contractors who can obtain performance bonds in their company name. Any exception requires permission from the Bishop. At least three (3) bids shall be solicited and received by the A/E who will review them and make recommendations to the Building Committee. The Pastor, in consultation with the Building Committee, shall select the contractor and forward a summary of the bids and the recommendation of the A/E to B&P. If A/E requirements have been waived, bids shall be solicited and opened by the Building Committee.
- E. The Pastor will write the Bishop requesting final approval, indicate the selected contractor and enclose a copy of the bid, the A/E's recommendation, a copy of the approved feasibility study, a summary of any deviations in the final design and budget from the original and an update on financing plans. Contracts are not to be signed nor construction begun before this written approval is received.
- F. Contractor is to forward Certificate of Insurance indicating required limits to B&P who will copy the Department of Insurance Services. The certificate will name the parish and the Diocese of Buffalo as "additional insured."

5. Contract Administration

Contracts over \$50,000 shall be in a form consistent with the Diocesan Contract for Work or Service and shall only be valid upon parish trustee resolution. The Parish Trustees are the Bishop of Buffalo, Vicar General/Moderator of the Curia, Pastor and Two Lay Trustees.

- A. Contract Award – For architectural projects, the Owner/Contractor Agreement Form shall be AIA A101-201 or A107 short form, and for engineering projects Form EJCDC 1910-8-A-1, latest Edition as modified by the Diocesan Attorney. It shall be prepared by the A/E and if A/E requirements have been waived, by B&P. The contracts will be executed by the Pastor or Department of B&P.

The A/E shall represent the parish, keep the Pastor informed, approve all materials, equipment and tests, interpret the plans and specifications, approve and issue applications for payment and change orders. All instructions from the owner to the contractor must be through the A/E.

- B. Pre-Construction Conference – The Pastor shall meet with the A/E, the contractor(s), and the B&P representative before the work begins. The roles of the particular parties, schedule and site conditions shall be discussed. Regular meetings will be scheduled.
- C. Change Orders – The A/E shall recommend to the Pastor and Building Committee all changes necessary to the construction contract. These changes shall be prepared by the A/E on appropriate forms and processed as change orders to the contract with copies to B&P. If liturgical arrangement and appointments are affected, referral shall also be made to the Liturgical Commission through B&P.
- D. Periodic and Final Inspection – Shall be performed by the A/E with prior notification to B&P so a representative of B&P can accompany the A/E on all inspections relating to contractor payment. If A/E requirements have been waived, the B&P representative shall make inspections.

6. Payment

- A. The contractor shall submit requests for payment to the A/E using the AIA G702 and G703, “Application and Certificate for Payment” and “Continuation Sheet” respectively, or similar forms, who will certify and forward them to the Pastor with a copy to B&P. If A/E requirements have been waived, the contractor shall submit the same forms to B&P for review and certification.
- B. After the first and with each subsequent request for payment, the contractor shall submit a release of liens for work performed by its company and its subcontractors and enclose receipts showing payment for labor and materials that were included on the previous request for payment and for which payment was made by the owner. The Pastor shall have final approval and arrange for payment.
- C. In addition, with each request for payment the contractor shall submit an affidavit stating that all workers on the contract in its employment and in the employment of its subcontractors have been paid wages as indicated in Sections V.4.A.

Upon the request of the parish to verify wage compliance the contractor shall submit, and the contractor shall require all subcontractors to submit, documentation in the form and manner as determined by the parish including but not limited to appropriate payroll records and an affidavit certifying to their authenticity. The parish shall have the right to withhold any payments due the contractor under the contract until the contractor has complied with these wage and verification requirements.

7. Final Acceptance

- A. The A/E shall establish the date of Substantial Completion and issue AIA form G704, Certificate of Substantial Completion, which is established for the purpose of commencement of applicable warranties and to allow the owner to occupy or utilize the building or designated portion thereof.
- B. The completed project shall be jointly inspected by the A/E, contractor, Pastor, Building Committee, B&P representative and if worship space is affected, by a representative of the Art & Architecture Committee.
- C. The A/E shall prepare a list of the defects, forwarding copies to all parties. The contractor shall correct the defects and the A/E shall approve any corrective work. If A/E requirements have been waived, corrective work shall be inspected by B&P.

- D. For final approval, an A/E certified AIA form G702 and G703, an executed AIA form G706A “Contractors Affidavit of Release of Liens” with applicable Release of Liens attached, an affidavit of compliance with wage requirements certifying that all workers in their employ and in the employ of each subcontractor have been appropriately paid and the contractor’s and manufacturer’s applicable guarantees shall all be forwarded by the A/E for the concurrence of the Pastor, the Building Committee, and B&P.
- E. If verification of wage compliance is required by the parish, see Section V.6.C. second paragraph.
- f. Final payment shall be made by the Pastor and shall serve as formal acceptance.

8. Follow-Up Review

- A. When the A/E forwards the material necessary for final approval, as covered in Section 7D above, the A/E shall select a date no more than six (6) months in the future for a follow-up review. This will be jointly conducted by the Pastor and the Building Committee, B&P representative and the A/E and if worship space is involved, by a representative of the Art & Architecture Committee. It will determine what problems, if any, may have arisen since completion of the project, whether the design adequately served the purpose of the project and whether any modifications to the design are required.

9. Limitation of Obligation

- A. Any contract for wages shall contain statements covering the recognition by the Diocese of the obligation to promote justice for all workers, its policy requiring fair wages in the construction contract process and that the contractual obligation to pay wages is solely between the parties to the contract. Suggested language is contained in the detailed text of the guidelines and is also available from B&P.

C. Energy Management Services

The management of energy services is a function of the Buildings & Properties Department. The major functions of EMS are management of the Gas Purchasing Program, competitive energy purchase and on-site energy management assistance to diocesan organizations.

Guidelines for Competitive Purchase of Natural Gas or Electricity

The diocesan gas purchasing program is available to diocesan organizations that are customers of National Fuel Gas. The goal of the purchasing program is to provide natural gas at a price that is relatively stable and lower than NFG’s price. Organizations desiring to join the purchasing program should contact Buildings and Properties to request a sample contract and program information. The process for joining will be spelled out in this paperwork.

Organizations that are customers of natural gas utilities other than National Fuel should contact the Energy Manager for assistance in seeking alternate suppliers.

Parishes that are approached by energy supply companies (electric or gas) should require written information from the company. If the program appears to be attractive, the parish should contact the Energy Manager for assistance to insure that the parish’s best interests are served.

If a parish is approached by an energy supply company that uses questionable sales tactics, the parish should record the day and time of the contact, the name of the person as well as the name of the energy supply company. This information should be forwarded to the Energy Manager (preferably by fax or e-mail) in case it is appropriate to file a complaint against the company. Account information should never be given out unless the parish has determined they are dealing with a reputable company and the company has provided written documentation of the products they offer.

Guidelines for Energy Cost Control

The Energy Manager is available to provide energy system evaluations ranging from brief to highly detailed, based on the parish's request. The Energy Manager should be contacted if:

- The parish is concerned that their energy costs are excessive.
- The parish would like to reduce energy consumption.
- The parish is concerned that heating, lighting, air conditioning or refrigeration equipment is not functioning properly or efficiently.
- The parish intends to repair, replace or add new heating, lighting, air conditioning or refrigeration equipment.
- The parish is considering renovations to existing space, adding on or building a new building.
- The parish would like to consider adding new technology heating, air conditioning or lighting equipment.

If appropriate, an on-site visit will be scheduled to address the parish's concerns or interest.

Simple problem solving may include something as basic as determining the reason for insufficient heat in a given area. More complex studies may be used to develop a 5 or 10 year energy system improvement plan which will include more efficient heating equipment, control systems, building envelope improvements and lighting upgrades. Components of the plan can be prioritized to maximize the overall benefit to the parish. The Energy Manager has data logging equipment to provide concrete information that can be used in conjunction with energy studies.

In addition, the Energy Manager should be consulted whenever routine repair or upgrade of energy consuming equipment is considered. Equipment that is properly sized and appropriate to the needs of the parish can be specified prior to soliciting proposals for work. Assistance is available to prepare requests for proposals, as well as guidance in evaluating proposals that are submitted.

The Energy Manager will assist in evaluating the benefits of new technology, particularly in terms of practicality and cost-efficiency.

The Energy Manager works closely with other Buildings & Properties staff to insure work is completed as agreed upon in the contract and in compliance with applicable regulations.

D. Real Estate

Guidelines for Selling Parish Property

Every real estate transaction is different and some involve unique procedures. The guidelines for normal transactions are as follows:

- The Pastor requests Buildings & Properties (B&P) assistance in selling parish property. B&P visits the property, analyzes its qualifications and reviews its potential with the Pastor.
- If he has not already done so, the Pastor, with the concurrence of the Trustees, requests in writing, permission from the Bishop to sell the property, mentioning the reasons, e.g. no longer of use, income needed, etc.

- Written permission is received from the Bishop. This letter will mention that B&P is available to provide realty assistance.
- B&P will obtain an appraisal of the value of the building/property and possibly two appraisals if the value is over \$100,000.
- B&P will review the appraisal with the Pastor, who, with the lay Trustees and in consultation with the parish Finance Council, will set the asking price.
- B&P, upon request, will negotiate with potential buyers. Interested parties will submit a contract with the price they offer.
- The Pastor and lay Trustees, in consultation with the parish Finance Council, decide whether to accept or reject the contract or to negotiate a revised contract. When a contract is accepted, B&P submits a resolution to the Pastor for written consent of the Pastor and the lay Trustees to the terms of the contract.
- If the contract is acceptable, it will be reviewed by the diocesan attorney, who will make any necessary revisions.
- B&P then submits the terms of the sale to the college of consultors and the Diocesan Finance Council for approval. Once approved, the contract and the resolution are then forwarded to the Bishop for his approval and that of the Vicar General.
- When there is no prospective buyer, with the Pastor's consent, B&P will work with realtors to try to obtain a contract from an interested buyer. When this occurs, it is processed as noted above.
- As a religious corporation, all sales of parish property are subject to and contingent upon court approval.
- All sales contracts should be signed by the Bishop, as President of the parish corporation, unless the resolutions of the Trustees authorize another officer of the parish corporation to sign.

Guidelines for Leasing Parish Property

Every transaction is different and some involve unique procedures. The guidelines for normal transactions are as follows:

- The Pastor requests Buildings & Properties' (B&P) assistance in leasing parish property. B&P visits the property, analyzes its qualifications and reviews its potential with the Pastor.
- If he has not already done so, the Pastor with the concurrence of the Trustees, requests in writing, permission from the Bishop to lease the property, mentioning the reasons such as no longer of use, income needed, etc.
- Written permission is received from the Bishop. This letter will mention that B&P is available to provide realty assistance.
- B&P measures the building and/or consults blueprints of the building and establishes the square feet of lease space involved. Pending capital expenditures and maintenance costs are reviewed with the Pastor.
- B&P suggests a rental rate to the Pastor, who, with the concurrence of the lay Trustees and in consultation with the parish Finance Council, establishes the preferred rental rate.
- If the parish has an interested prospect, B&P will review the rental details with them. If they are agreeable, B&P drafts a lease and submits it to the Pastor. If it is acceptable, B&P has diocesan legal counsel review the lease for concurrence.
- The lease is reviewed by the prospect and signed if it is acceptable. If the prospect insists on revisions, they are referred to the Pastor. If unacceptable or there is no compromise, this information is relayed to the prospect by B&P to conclude the negotiations. Where there is mutual agreement, B&P revises the lease and submits it to legal counsel for approval or revisions. When the tenant signs the lease, B&P submits a resolution to the Pastor for written consent of the Pastor and lay Trustees to the terms of the lease. B&P then forwards the lease and the resolution to the Bishop for his approval and that of the Vicar General.
- When there are no interested prospects, B&P advises realtors of the availability of the property. No signs are to be posted. When a realtor has an interested party, the realtor contacts B&P who serves as the intermediary for the Pastor. B&P prepares the lease, obtains legal counsel approval, concurrence of the Pastor and the prospect, the prospect's signature on the lease, the resolution signed, and sends the resolution and lease to the Bishop for final approval.

- As a religious corporation, all leases of parish property in excess of five (5) years are subject to and contingent upon court approval.
- All leases of parish property should be signed by the Bishop, as President of the parish corporation, unless the resolutions of the Trustees authorize another officer of the parish corporation to sign.

Guidelines for Accepting Donated Properties

Every transaction is different and some involve unique procedures. The guidelines for normal transactions are as follows:

- The Pastor requests Buildings & Properties (B&P) assistance with regard to the acceptance of donated property. B&P visits the property, analyzes its qualifications, and reviews its potential with the Pastor.
- If he has not already done so, the Pastor, with the concurrence of the Trustees requests in writing, permission from the Bishop to accept the donation explaining the reasons why the parish wants to accept the donation.
- Written permission is received from the Bishop. This letter will mention that B&P is available to provide realty assistance.
- B&P will then arrange for a "Phase 1 Audit" to be done on the property which will inform the parish of any environmental concerns (wetlands, asbestos, lead, etc.) that may exist.
- If the results of the audit are acceptable, B&P will assist the diocesan legal counsel with the appropriate paperwork necessary to finalize the transaction.
- Please remember that you are not obligated to accept a piece of property by donation if it is stated in a person's Will.

Guidelines for Purchasing Property

Every transaction is different and some involve unique procedures. The guidelines for normal transactions are as follows:

- The Pastor requests Buildings & Properties' (B&P) assistance with regard to the purchase of a piece of property (vacant land, building, house, etc.). B&P visits the property, analyzes its qualifications, and reviews its potential with the Pastor.
- If he has not already done so, the Pastor, with the concurrence of the lay Trustees and in consultation with the parish Finance Council, requests in writing permission from the Bishop to purchase the property explaining the reasons why the parish desires to purchase the property.
- Written permission is received from the Bishop. This letter will mention that B&P is available to provide realty assistance.
- B&P will then obtain a Real Estate Appraisal to determine the current fair market value on the property. A "Phase 1 Audit" should then be done on the property to disclose any environmental concerns such as waste hazards, wetlands, asbestos, lead, etc.
- B&P will then consult with the Pastor and the lay Trustees and an acceptable price to offer the seller will be agreed to.
- B&P, with the assistance of the diocesan legal counsel, will assemble the necessary contracts and resolutions to be submitted to the Pastor and lay Trustees for their approval in writing.
- If the contract and resolution are acceptable, they will then be submitted by B&P to the Bishop for his approval and that of the Vicar General.
- All contracts should be signed by the Bishop, as President of the parish corporation, unless the resolutions of the Trustees authorize another officer of the parish corporation to sign.
- After the contract is signed by the Bishop, it will be forwarded to the seller for acceptance. If accepted, the diocesan attorney will arrange for the closing.

Section 3 – Cemeteries

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A. Mission

The Pastor's Role as a Cemetery Administrator

The Pastor, as cemetery administrator, must provide adequate supervision to the cemetery's administration, controlling office operation, record-keeping, and grounds-keeping. While delegation of authority is important for proper administration, the Pastor is ultimately responsible.

The Relationship of a Parish Cemetery to the Pastor and Parish Council

Cemetery administration may be configured in a variety of ways. These include, but are not limited to, the following:

1. The Pastor administers the cemetery.
2. A separate commission/committee administers the cemetery with the Pastor.
3. A separate corporation (civil), with the Pastor as chair, administers the cemetery.
4. A committee, as part of the parish council, reports to the parish council and Pastor.

In all of these configurations the Pastor bears the juridical personality of the parish. Canon 1279.1 states: "The administration of ecclesiastical goods is the responsibility of the individual who immediately governs the person to whom the goods belong unless particular law, statutes or lawful custom provide otherwise and with due regard for the right of the ordinary to intervene in case of negligence by an administrator." It is further noted that, since the cemetery is part of the public juridic person of the parish, the administration of the funds and property of the cemetery (as of the parish) must be carried out in accordance with the canons on temporal goods (Book V of the Code of Canon Law, Canons 1254-1310). Particular attention should be given to Canon 1284 which lists the responsibilities of administrators. The funds of the cemetery should be maintained in a way that is appropriate to the requirements of civil law. These funds are not available for general parish expenses.

Catholic Cemetery Conference Creed

We acknowledge that the Catholic cemetery is established to carry out the sacred religious function of the burial and care for the resting places of the deceased.

We accept the responsibility of implementing this religious function under the direction and supervision of the local Church authority.

We believe in and are firmly committed to the teachings and rich tradition of the Catholic Church with regard to the deceased and the sacredness of the cemeteries in which their bodies rest.

We recognize the deep religious significance of the Corporal Work of Mercy involved in the burial of the

dead and reverence for the deceased.

We are dedicated to the respectful care of the people of the God who, even in death, remain a part of the whole Christian community.

We are committed to encouraging Catholic prayer and devotion for our deceased brothers and sisters, especially in our cemeteries.

We will promote efforts to strengthen and enhance Catholic teachings that relate to death, burial and reverence for the faithful departed.

We will proclaim through our words, work and example the sacredness of the Human Body, the Belief in the Resurrection and the Christian Virtue of Hope.

B. Financial Administration

Revenue Sources

The availability of operating income is critical for the successful management of the cemetery. To ensure maximum efficiency, the parish should review cemetery income.

Sales of Graves and Crypts

The sale of graves and crypts is one of the most important sources of income, especially in cemeteries with available land. Land should be priced appropriately in order to maximize parish assets. The parish should schedule periodic reviews of the cemetery pricing structure in comparison with other local cemeteries. The prices for crypts and graves should generally match those of the average price per grave and crypt of local competitors. However, the services provided by religious cemeteries may warrant higher prices. A review of yearly operating costs and income will determine the necessity of a price adjustment.

Interment Fees and Service Charges

The parish should also perform a competitive review of interment fees and service charges. This review should take place if the cemetery uses in-house labor or an outside contractor.

Administrative costs should be included. These include phone calls, paperwork, grave layout and the field check, both before and after the interment. Landscape repair after the interment should also be included, as this can be costly and is necessary for the maintenance of the property.

Memorials, Foundations and Setting Fees

The cemetery should consider offering memorialization for graves or crypts and should charge for the settings of these memorials. The pricing structure should conform to local standards. Administrative expenses should be considered. If foundations or settings are completed by an outside contractor or the monument dealer, administrative costs should be assessed with a foundation permit fee. This is a source of income for the Operating Fund.

Interest and Dividends

Interest and dividends are derived from investments; the income placed in the Operating Fund to support cemetery maintenance.

Collections

If the cemetery has an Annual Care billing plan which charges the lot holders for general cemetery care, these monies should be placed in the Operating Fund. The same applies to those parishes conducting an Annual Cemetery Collection and those instances in which a parish transfers funds from parish to cemetery.

Gifts and Bequests

These monies, unless otherwise designated, should be placed in the Permanent Maintenance Fund for the future care of the cemetery. It is not advisable to create special care lots that require Perpetual Care accounting and record keeping. This should be explained to any potential donor. Instead, the donor should be advised that the funds will be placed in the Permanent Maintenance Fund for the present and future maintenance of the cemetery.

Cemetery Funds

The parish should be acquainted with the establishment, preservation and maintenance of “Perpetual Care and Permanent Maintenance” or other “trust fund.”

Religious (parish owned) cemeteries in New York State are not regulated in the same manner as other Not-For-Profit cemeteries and are generally exempt from the provisions of the Non-For-Profit Corporation Law and the rules and regulations of the New York State Cemetery Board which govern Not-For-Profit cemeteries. However, the provisions of New York State law that relate to the establishment, preservation, investment and maintenance of Perpetual Care Funds do apply to religious (parish owned) cemeteries if they establish Perpetual Care Funds.

Permanent Maintenance Fund and Current Maintenance Fund

Each parish cemetery should establish and maintain a Permanent Maintenance Fund and Current Maintenance Fund to maintain and preserve the cemetery.

Section 1507 (a) of the Not-For-Profit Corporation Law of the State of New York defines Permanent Maintenance Funds and Current Maintenance Funds as trust funds from which only the income may be used for the general care and maintenance of the entire cemetery grounds, and provides that the principal of these trusts must be kept inviolate, except in rare and unique circumstances when invasion of principal may be permitted upon Court approval. The Current Maintenance Fund is used for the sole purpose of ordinary and necessary expenses of the care and maintenance of an active cemetery. The Permanent Maintenance Fund is intended to support the care and maintenance expenses of the cemetery when all burial rights have been conveyed. (When the cemetery has been completely sold out, any remaining monies in the Current Maintenance Fund should be deposited into the Permanent Maintenance Fund). The statute contains the same investment restrictions for these funds as set forth previously for Perpetual Care Funds. Parishes often call actual Permanent Maintenance Funds “Perpetual Care Funds” to denote their permanent nature and purpose. However, unlike statutory Perpetual Care Funds where the income may only be applied to the care and maintenance of the specific lot, grave or crypt for which the trust has been established, the intent of Permanent Maintenance Funds is to benefit the cemetery as a whole. In addition, religious (parish owned) cemeteries are not subject to the provisions of New York State law governing Permanent and Current Maintenance Funds. Not-For-Profit cemeteries other than religious (parish owned) cemeteries are required by law to establish a Permanent Maintenance Fund by withholding and depositing 10% of the sales price of each grave or crypt and a Current Maintenance Fund by withholding and depositing an additional 15% of the sales price of each grave or crypt. The law provides that these amounts may be increased or decreased only upon Court approval.

The Diocese and the New York State Catholic Conference strongly recommend that parish Cemeteries establish and maintain both a Permanent Maintenance Fund and a Current Maintenance Fund with levels initially established, at least in amounts required by the statutory mandates for Not-For-Profit cemeteries (10% and 15%). A prudent fiscal review of the cemetery's current and future needs should be done regularly to determine what sufficient levels are for each of those funds, so that adjustments may be made accordingly.

This is especially true if a parish cemetery has a mausoleum. Permanent Maintenance and Current Maintenance Funds should be reviewed carefully and maintained at a sufficient level to care for the building and crypts. It should be noted that generally the cost of providing permanent maintenance for a building will exceed the cost of ground care and maintenance so that the percentage of crypt sales withheld and deposited should be adjusted to reflect that increased cost.

In addition, the Diocese also recommends that parishes use the statutory contribution levels for Permanent and Current Maintenance Funds as a guideline and minimally adhere to them whenever feasible and prudent.

A parish should not borrow, encumber, pledge or use any of these funds set aside for permanent maintenance or current maintenance without the consent of the Bishop, the parish Trustees and the parish Finance Council and a determination that such use is necessary and prudent.

If a parish has any agreement with grave owners with regard to Current and/or Permanent Maintenance Funds, the parish must comply with the terms of that agreement.

Operating Fund - This is not a trust fund and can be used at the discretion of the Pastor for the general operation of the cemetery. Monies are accumulated in this fund from the sale of lots, after permanent maintenance allotments are deducted, from Annual Care billings, if such is collected, as well as memorials, interment fees, foundation fees, special services to lot holders, and Annual Cemetery Collections.

Capital Improvement Fund - In some parish cemeteries where there are long-range plans for adding a structure or some capital improvements to the cemetery, a capital improvement fund may be set up. This will not be a trust fund, but should be earmarked for a specific purpose to protect its integrity and intent.

Investment of Trust Funds - Pursuant to New York State Law (Estate Powers and Trust Law Section 11-2.2 and 11-2.3), the Not-For-Profit Corporation Law (Section 1507), and the New York State "Uniform Prudent Management of Institutional Funds Act" (UMIFA), Cemetery trust funds are subject to the above statutes and regulations.

Section 11-2.3 of the New York State Estate Powers and Trust Law, known as the "Prudent Investor Act", essentially states that:

- (1) The prudent investor rule requires a standard of conduct, not outcome or performance. Compliance with the prudent investor rule is determined in light of facts and circumstances prevailing at the time of the decision or action of a trustee. A trustee is not liable to a beneficiary to the extent that the trustee acted in substantial compliance with the prudent investor standard or in reasonable reliance on the express terms and provisions of the governing instrument.
- (2) A trustee shall exercise reasonable care, skill and caution to make and implement investment and management decisions as a prudent investor would for the entire portfolio, taking into account the purpose and terms and provisions of the governing instrument.

C. Office Procedures

Issuance of Easement “Right of Burial”

When a location has been selected, immediately check the map and lot cards/lot book to ascertain if the grave/crypt is available for sale. It is vitally important that a thorough check be made to be sure that the grave/crypt has not already been sold, thereby avoiding problems in the future.

Once the above procedure has been followed, the steps listed below should commence:

1. Mark the map filling in the area designating this particular lot. Enter the name in the lot book, if one exists, and record any assignments of spaces by the owner.
2. Write up a receipt/contract for the price of the Right of Burial for this particular grave/crypt.
3. When paid in full type a Certificate of Right of Burial (Easement) to be signed by the director or Pastor.
4. Upon receipt of payment, present the Certificate to the purchaser, making sure the receipt/contract form is signed by the purchaser indicating that he has received the Certificate of Right of Burial. If a Funeral Director handles the transaction, have him or her sign the receipt/contract upon handing him or her the Certificate. If the Certificate is mailed, send a cover letter and a self-addressed envelope for the return slip. (A Certificate of Right of Burial should not be issued unless payment in full has been received.)
5. Type a lot card or lot book as applicable.

A checklist should be attached to the signed receipt/contract. A small check mark should be made next to each item as the step is completed. It is very important to follow through these steps.

Record Keeping

There are four basic records that a cemetery should keep for each burial space. They are: Cemetery Maps, Lot Cards or Lot Books, Interment Records and Lot Owner File.

1. The Cemetery Map is a necessary document, which many small cemeteries use as an inventory sheet as well as quick reference for lot owner's name and location. A second copy of this map should be made and kept in another location in case the original is destroyed or damaged. If the master copy becomes worn, it would be wise to produce a new master and copy.
2. The Lot Card or Lot Book is probably the most meaningful record, as it serves as your master file, containing most of the information concerning the lot and all activity connected with the lot. It also gives you an inventory of available graves on a lot, as well as who is interred on the lot. This information is necessary when application is made for memorial erection or lettering.
3. The Record of Interment is a chronological reference, maintained in a bound book, with the name, address, burial location, age and interment date, of all persons interred in the cemetery.
4. The Lot Owner File is an 8 ½ x 11 manila pocket file in which you keep the duplicate copy of the Right of Burial and any other documents or correspondence relating to the lot.

Interments

Orders for burials should be accepted from Funeral Directors only. When the call is received all available information is written on an Interment Order Form.

1. Prepare Opening - Contact staff or firm used to open grave for interment.

2. Previous Lot Purchase - The lot card/lot book is checked and information is verified with the Funeral Director. The location of the grave and all other information pertaining to the burial is written on the order form. Attach a copy of the map with the location indicated, if available.
3. New Plot Purchase - If the family comes in to purchase the Right of Burial immediately prior to an interment, first follow the procedure for the issuance of Burial Rights. Prepare the burial order and attach a copy of the map of that site, if available.
4. Prior to Interment - On the day prior to the interment, if payment is due, a receipt is typed in full so that everything is ready for the Funeral Director. Make sure to type in all necessary information. In the case of a previous lot purchase, be sure to post all pertinent information regarding the interment on the lot card/lot book. Type an alphabetical card with the interment information. (An alphabetical reference of all persons buried in the cemetery.)
5. Day of Interment - Funeral Director will bring the following:
 - a. Burial Transit Permit (required for burial by State of New York).
 - b. Christian Burial Permit, if coming from outside the parish, if required.
 - c. Payment for burial space and opening.
 - d. Body delivery receipt.

Burial Transit Permit – Must be submitted by Funeral Director before interment can take place. Information should be completed. Permits should be sent to the Registrar of Vital Statistics.

Christian Burial Permit – (if required by parish) – Priest must sign these permits and the church seal affixed. If hospital permits are brought instead, a priest must countersign them. If the deceased was a member of the parish in which the cemetery is located and Mass is being offered in the parish, the Christian Burial Permit can be omitted.

Payment – The Right of Burial should be paid in full prior to the day of interment.

Body Delivery Receipt – Must be signed by the Funeral Director and the cemetery sexton and kept with the burial order.

Cremated Remains

Cremated remains will be handled using the same procedures followed for the interment of a body. The Funeral Director or a duly appointed family representative may place the inurnment order. It is recommended that the cemetery require a cremation vault for ground inurnment because of the frail construction of the standard crematory containers.

Cemeteries that operate a mausoleum providing niche spaces require no outer case. A Cremation Certificate should be submitted. The inurnment fee should be collected prior to allowing the inurnment to take place.

If your cemetery allows a burial of cremated remains where a full burial already exists, the following steps must be completed before a burial order can be taken:

1. Ask if the original lot owner or their immediate next of kin (children, siblings, spouse) and the immediate next of kin of the person already buried on the lot are able to sign letters of permission. If the answer to either question is no, the additional burial cannot take place.
2. If both answers are yes, then request a probe of the grave. A minimum of 12 inches of dirt must be on top of the cremation vault to accommodate the second burial.
3. It is recommended that an additional fee for the second right of burial be charged in addition to the

opening fee.

Disinterments

Disinterments will be permitted under the following conditions:

1. Disinterment forms, provided by the cemetery, must be signed by the following and notarized:
 - a. Lot owner, if owner is not one of the survivors.
 - b. Surviving spouse and all children 18 years of age and older.
 - c. If there is no surviving spouse, then all children 18 years of age and older.
 - d. If there is no surviving spouse or children 18 or older, both parents or surviving parent must sign. If there are no parents, brothers and sisters must sign.
2. All disinterments will be scheduled by cemetery management.
3. At the time of the transfer to another cemetery, and if the burial space is to be returned, any and all memorialization must be removed from the cemetery. A form indicating removal must be obtained at the cemetery office.
4. If the transfer is within the cemetery, and the old memorial meets the regulations of the new location, the family must make the necessary arrangements for the resetting of the stone at the time the disinterment arrangements are made.
5. For more detailed information on disinterment procedures, please refer to Rule and Regulations, Section D.
6. It is recommended that the Pastor contact the Diocesan Cemeteries office for assistance before attempting any disinterment.

Rights of Lot Owners*

As used throughout this “Cemeteries” Section, the term “Lot, Plot or Part Thereof” shall include and also mean all rights of interment and disinterment in or from a crypt.

In the event of the death of the owner of a lot, plot or part thereof, any and all interest of the deceased owner will pass as set forth below:

1. If any lot, plot or part thereof is owned in joint tenancy or tenancy by the entirety (husband and wife) such interest shall pass to the joint owner. The surviving spouse of the owner or co-owner of record has the right by State law to be buried with his/her spouse. This right may be waived at any time but is not transferable and terminates with burial elsewhere or remarriage.
2. The owner or owners of any lot, plot or part thereof, and any surviving spouse having the right of interment therein, may designate in writing and filed with the cemetery another person or persons who may be interred in any lot, plot or thereof. Any such designation so made, except a designation by testamentary instrument, shall be deemed revocable unless such written designation instrument provides that such designation is irrevocable.
3. Where a lot, plot or part thereof is held in the name of one person only:
 - a. The owner may specifically devise his or her interest to another by a specific bequest in a Will, but not by residuary clause. The specific bequest must mention the cemetery, and the location of the grave or crypt involved: or
 - b. If the owner has filed notarized or properly witnessed instructions at the cemetery office as to which member or members of his or her family shall succeed to the privileges (rights) of the grave, lot or crypt, and instructions will be recognized by management and followed if in the judgment of management such instructions are definite reasonable and practical, subject, however, to a vested right of interment of the surviving spouse as set forth in paragraph 4

below.

- c. If no valid or sufficient written instructions have been filed at the cemetery office, or if valid and sufficient instructions are in conflict with a later Will, and the owner has left instructions in said Will, duly admitted to probate in a court having jurisdiction thereof, subject however, to a vested right of interment of a surviving spouse, such instructions shall control, provided they are not in conflict with cemetery rules and regulations then in force and providing management is furnished with a certified copy of same.
- d. In the absence of valid and sufficient instructions filed at the cemetery office by the owner of record, the interest of the owner will pass as follows:

Upon the death of a lot owner, the title thereto shall descend to his or her heirs-at-law (in the priority set forth on schedule I, attached), or devisees (those to whom the right is specifically devised in a Will or Trust), subject, however, to the following limitations and conditions: If he or she leaves a spouse and children, they shall have in common the possession, care and control of such lot during the spouse's life. If he or she leaves children and no spouse, they, or the survivor of them, shall in common have the possession, care and control of such lot during the life of the survivor of them. The parties have such possession, care and control of such lot during the term thereof may erect a monument and make other permanent improvements thereon. The surviving spouse shall have the right of interment, for his or her own body in such lot, or in a tomb in such lot and a right to have his or her body remains permanently interred or entombed therein, except that his or her body may be removed from there to some other family lot or tomb with the consent of their heirs. At any time when more than one person is entitled to the possession care or control of such lot, the persons so entitled thereto shall designate in writing to the religious corporation which of their number shall represent the lot, and on their failure to designate, the Board of Trustees or directors of the corporation shall enter record of which of said parties shall represent the lot while such failure continues. The surviving spouse may at any time release his or her right of such lot, but no conveyance or devise by any other person shall deprive the surviving spouse of such right.

- 4. As used herein, the term "owner" of the lot, plot or part thereof shall mean the owner of a Right of Burial in said lot, plot or part thereof.

* Taken from Section 8 of the Religious Corporation Law

Granting Right of Burial

In some cases, an in-law or a person not related to the original lot owner may request to be buried on the lot. A "Designation or Assignment" document must be drawn up granting the right of burial for this person. The transfer document must be signed by all surviving owners of the rights of burial on the lot. Their signature must be notarized. Under no circumstances can the burial be made until all the documentation has been completed. The legal ramifications can be numerous if all those holding burial rights have not signed off.

Supplementary Schedule

Sequence of Lot Ownership by Heirs at Law

<u>Person or Persons Surviving</u>	<u>Lot Owner</u>
Spouse and no issue or parent	Surviving spouse
Spouse and only one surviving child and no issue of deceased children	Surviving spouse and child
Spouse and only the issue of one deceased child	Surviving spouse and issue by representation
Spouse and children	Surviving spouse and children
Spouse (no issue) and both or one parent	Surviving Spouse
Children or their issues (no surviving spouse)	Children or their issue by representation
Both parents (no issues or surviving spouse or one parent.)	Surviving parent
Brothers or sisters or their issues (no issues, surviving spouse or parent	Brothers or sisters or the their issue by representation
No issue, surviving spouse, parent, brothers or sisters or their issue or grandparents	To the issue of the grandparents in the nearest degree of kinship to the decedent by representation (uncles, aunts, first cousins, etc.)

Monuments and Headstones

Design Approval

It is advisable for the cemetery to require a sketch of a proposed monument or headstone, containing dimensions, design, all wording and type of stone to be used. The overall design of a monument is important. Since it will become a permanent fixture in the cemetery, it must blend in and fit the general appearance of the grounds. There are times when people will request permission to erect a stone that, perhaps is pleasing to them, but definitely does not fit in. Certain basic rules can be set up to ensure good monumentation, and guidelines for this are included in the Rules and Regulations Section of this manual.

It is also necessary to check the application for a new stone as well as additions to existing stones, where names and dates are involved. Check the cemetery records to ensure the proper location on the lot, as well as the correct spelling and dates.

Foundations

There should be some basic specifications set up for the building of foundations for monuments and markers. They will be followed by either the outside contractor or the cemetery, as the case may be. The building of a “proper” foundation is essential to the long term appearance of the cemetery.

The Rules and Regulations Section covers the subject and can assist in setting up these specifications.

Veterans Markers and Medallions

The Veterans Administration (VA) will furnish, upon request, at no charge to the applicant, a government headstone to mark the grave of an eligible veteran. They will also furnish a medallion that may be placed on a niche or crypt as well as a grave marker of an eligible veteran. Headstones and markers are not provided for dependents buried in private or local cemeteries. Memorial headstone or markers are provided for eligible veterans whose remains are not available for burial.

1. Eligibility - Veterans of wartime and peacetime service who were discharged from active military service under conditions other than dishonorable.

Persons whose deaths occurred under honorable conditions while serving in the U.S. Armed Forces and veterans' dependents who are buried in national, military post or base cemeteries and in state veterans' cemeteries.

2. Application for Markers and Medallions - When a burial takes place in a private or local cemetery, an Application for Medallion or Marker must be submitted on a VA form 40-1330. This is usually handled for the family by the Funeral Director. To assist the processing of the request, a copy of any official document attesting to service in the Armed Forces should be submitted along with the application form. Original documents should not be sent because return cannot be guaranteed. Application forms may be obtained from any VA office or online.
3. Stone Setting and Medallion Installation - Arrangements for the setting of a marker or medallion, in a private or local cemetery, is the responsibility of the applicant. All related placement costs, such as setting or installation fees, are paid for by the applicant.
4. Religious Symbol - Since we are a religious cemetery, all markers should have a cross as provided by the VA.

D. Rules and Regulations

General Guidelines

Though specific guidelines vary by cemetery, three basic criteria apply in establishing and enforcing regulations:

1. Cemetery rules should be reasonable, concise, easy to understand, and equitably applied. Most lot holders, visitors and employees will abide by guidelines that meet these principles, even if they disagree with particular provisions.
2. Each cemetery employee should be thoroughly familiar with cemetery guidelines, and be able to explain them. Knowing the reasons behind them often encourages people to comply.
3. Whenever a guideline is disregarded, a private discussion of the situation with the individual(s) involved can often resolve a potential problem.

Fundamental Rules

1. Cemetery operating hours may vary depending on the season of the year. Please check with the cemetery office for exact times.
2. Employees of the cemetery are not permitted to do any work for lot owners except by order of management.
3. All fees for services are payable at the cemetery office. Patrons of the cemetery are requested not to pay a gratuity to any cemetery employee.
4. Pets are not permitted on cemetery grounds.
5. The cemetery speed limit is 10 mph. Driving at improper speeds and mid-road turns are not permitted.
6. Automobiles must not pass a funeral procession or a graveside service in progress, unless authorized cemetery management.
7. The cemetery will not be responsible for items placed on a lot.
8. Littering or discarding personal items on cemetery grounds is prohibited.

9. Children under fifteen years of age are not permitted within the cemetery or its buildings unless accompanied by an adult.
10. Special cases may arise in which the literal enforcement of a guideline may impose unnecessary hardship. The cemetery, therefore, reserves the right to make exceptions, suspensions, or modifications to any of these guidelines.

Crypt and Grave Purchases

1. The purchaser of a grave or crypt does not acquire the property itself, but only the “Right of Burial.”
2. In making a selection, due consideration should be given by the purchaser as to the location, number of graves or crypts that will be needed, as well as the style of memorialization they may wish.
3. The grave or crypt must be paid in full before an interment can take place.
4. The interment fee is a separate and distinct charge from the grave or crypt purchase and must be paid in full before the interment can take place.
5. An easement will be issued after full payment has been made for the grave or crypt purchase.
6. No transfer or assignment of any grave or crypt, or interest in the same, will be valid without the consent of the cemetery. A record of such transfer or assignment will be entered on the records of the cemetery.

Returns

1. If, in the sole discretion of the cemetery, a grave or crypt can be utilized by the cemetery, it may be returned under the following conditions:
 - a. Graves, crypts and niches can only be returned by the original purchaser, no Power of Attorney will be accepted.
 - b. The grave or crypt to be returned is not marked with a family or individual memorial. Any existing memorialization must be removed at the family’s expense.
 - c. Proper notarized statements to show proof of ownership must be submitted to the Cemetery.
2. In a Social Service situation, if a body is removed from a single grave to one in another cemetery, the grave will revert back to the Cemetery. Should there be any exceptions due to previous Social Service policy in prior years, the Cemetery will honor those provisions.

Burial Guidelines

Interments

1. All funerals entering the Cemetery will be under the sole direction of a designated Cemetery Representative.
2. New York Law requires that no disposition of remains be made in any cemetery or crematory without a permit from the Registrar of Vital Statistics having jurisdiction in the matter. Permits must be presented to a designated representative of the cemetery or crematory before interment or other disposition begins.
3. Interments, memorials or vault deliveries will not be permitted on Sunday, Designated Holidays or Holy Days of Obligation.
4. No person may be interred in any grave without written consent of the owner or their heirs.
5. When instructions regarding the precise site of an interment space cannot be obtained, are indefinite or for any reason the appropriate gravesite cannot be opened at the time of interment, the Cemetery may, in its discretion, defer final interment until problems relating to the interment are resolved.

6. The Cemetery will not be held responsible for any order given by telephone. In all cases, a family representative must approve the location prior to interment.
7. In the event of inclement weather, cemetery representatives reserve the right to determine whether an interment may take place as scheduled.
8. Normally a maximum of one interment or two inurnments, (cremated remains) will be permitted in a single grave. (One additional inurnment MAY be allowed, see above “C” Cremated Remains #3)
9. All ground interments will be made in a vault made of concrete or other cemetery approved material.

Disinterments

Before any disinterment can take place, Cemetery Personnel must be certain that the following procedures have been followed and complied with:

1. Application for disinterment of a body will be made at the Cemetery Office. Application documents will be based upon application of the husband or wife, child or children, parents or next-of-kin of the deceased person or court order.
2. The completed form must have been accepted by the Cemetery before any action can be taken.
3. Family must make arrangements for a funeral director or his representative to be present.
4. Family and funeral director must be informed of the following:
 - a. The Cemetery discourages the presence of the family at the disinterment. They will instead rely on and be represented by the funeral director.
 - b. In order to make all necessary arrangements and adjust its employees' work schedule, the cemetery requires sufficient advance notice to service the request. Absent extraordinary circumstances, this service will not be performed on a Saturday or in weeks when a cemetery holiday occurs. The cemetery will coordinate scheduling of the disinterment with the funeral director.
 - c. Cemetery employees will open the grave or crypt to permit the funeral director or the vault company, (at the funeral director's designation) to examine the condition of the vault and casket.
 - d. It will be the funeral director's responsibility to ensure that the vault and casket are in good physical condition.
 - e. If a problem is encountered with the vault or casket, the funeral director and his employees will transfer the remains into a suitable container. The funeral director will be responsible for transporting the remains to the new location.
 - f. It is further understood that cemetery management, after consultation with the funeral director in attendance, may direct that the disinterment procedure be terminated if it appears that the remains have decomposed to such an extent that the disinterment cannot be completed.
5. If the disinterment is within the cemetery, and the old memorial meets the regulations of the new location, the family must make the necessary arrangements for the resetting of the stone at the time the disinterment arrangements are made. If the disinterment is transferred to another cemetery, any and all memorialization must be removed (at the family's expense) if the lot is to be returned to the cemetery.
6. A Disinterment Permit is required for all removals out of the cemetery.
7. All arrangements with the funeral director and/or vault company and any charges involved with either or both are separate from any cemetery charges.

Specifications for Memorial Work

General

Cemetery Management reserves the right at all times to approve and prescribe the kind, size, design, symbolism, craftsmanship, quality and material of memorials, inscriptions, monuments, or markers placed or to be placed in the cemetery.

In keeping with Christian ideals, all memorials will be inscribed with a Christian character or symbol. Prayers and Epitaphs of a positive nature, may be permitted with cemetery approval, and must be of limited wording.

Inscriptions of a non-religious nature, limited in size, may be permitted with cemetery approval.

Memorial Dealers

1. Memorial dealers will be required to furnish for approval, blue prints or sketches of proposed monuments or markers, specifying size, quality of granite, and all inscriptions.
2. Applications for foundations must be submitted on forms provided by the cemetery if applicable.
3. All foundations will be installed by the cemetery, or under the supervision of the cemetery.
4. Location and position for which a memorial is to be placed or erected on a lot will be subject to the approval and under the supervision of cemetery management.
5. Any memorial that varies from the specifications as stated on the foundation order will not be permitted.
6. Out of respect, and for obvious reasons, all work of any kind will cease while a funeral or interment is being conducted nearby. It is also required that trucks and workmen withdraw to a reasonable distance from the location of the funeral service.
7. Approaching the bereaved for the purpose of soliciting any business within the cemetery will not be permitted.
8. All workmen employed by outside firms while within the cemetery are subject to the regulations of the cemetery.
9. Only cemetery approved temporary grave markers will be permitted on the grave.

Cemetery Decorations

Generally, guidelines for decorations are intended to unify the cemetery or mausoleum's appearance, and maintain grounds and buildings in a manner befitting the memory of a loved one interred there. However, it is important for lot holders, visitors and employees to note that some guidelines address safety issues as in the ban on glass containers and wire pins. It may be helpful to explain, too, that some rules facilitate proper maintenance, as in guidelines for removal of decorations.

Outdoor Decorations

1. One approved in-ground vase or non-decorative clay or plastic pot of flowers will be permitted on each grave during the grass cutting season of April 1st – October 15th. The pot should not exceed 10" in height or diameter. Decorations will not be permitted during the fall clean up period of October 16th – October 31st.
2. Winter decorations will be permitted from November 1 thru March 15th. They will not be permitted during the spring clean up period of March 16th – March 31st.
3. Certain sections in the cemetery may have planting privileges. Please check with the specific

cemetery office for more information.

4. In-ground plantings are not permitted on lawn level memorial graves.
5. Due to the possible hazards they may cause to employees and visitors, the placing of chairs, benches, toys, plastic or metal designs, ornaments, pictures, shells, chips, gravel, settees, trellises and similar articles will not be permitted.
6. Artificial decorations mounted on upright supports, those constructed on wire, wood or plastic that stand above ground, are not permitted during the grass cutting season.
7. American flags may be placed on a Veteran's grave 24 hours prior to and removed within 48 hours after the following designated holidays: Memorial Day, Flag Day, 4th of July and Veteran's Day. A family may choose to place the flag in an approved pot for the summer season as long as it is properly maintained.
8. Decorations should be placed close to memorials so that visitors and employees do not trip over them.
9. The cemetery reserves the right to remove decorations that have deteriorated, along with decorations that do not meet these guidelines to maintain the beauty, dignity and safety of the cemetery.
10. The cemetery cannot be responsible for decorations, plants, vases, etc. left on the grounds.

Mausoleum Decorations

1. Specified areas with appropriate artificial decorations and ornamentation will be designated by the cemetery.
2. Metal wires or adhesives that affix decorations to crypt facings are not permitted. They can cause permanent damage and present safety hazards to visitors.
3. The cemetery reserves the right to remove decorations that have deteriorated to maintain the beauty, dignity and safety of the community mausoleum.

Correction of Errors

Cemetery management reserves, and will have the right to, correct any errors made in making interments, disinterments or transfers and conveyance and substituting other interment rights or lots of equal value and similar location. In the event any such error involves the interment of the remains of any person in any lot, management reserves and will have the right to remove and re-inter the remains in such lot of equal value and similar location.

E. Field Operations

Interment Procedures

A cemetery's reputation is built on the professionalism of its burial services. From grave layout through interment, quality work is important to the cemetery's image, and thus to its success.

From the time an interment order is received until the sod or seeding is placed on the grave, professional procedures give the cemetery a quality reputation.

Grave Layout

If lot markers are used in a section, uncovering all four markers for a particular lot aids in accurate excavation. Most cemeteries string the length and width of the lot along the center of the four markers, and use a measuring tape to peg the grave. A trained layout person looks for previous wrong interments and

other irregularities, double-checks all work and immediately reports problems to the office.

Excavation Setup and Backfilling

1. After a grave has been laid out, preparations for excavation can begin. To avoid damage to the ground, 5/8" – 3/4" plywood can be placed under the wheels and front bucket of the backhoe. If the ground is soft, plywood can be placed along the entire route into the section to prevent ruts.
2. The operator and truck driver are responsible for safe equipment routing into and out of the section.
3. Once a grave has been excavated, it should be securely covered.
4. On the day of interment, the assigned crew should inspect the grave for ground water and cave-in. If necessary, water is pumped out, and the grave cleaned and leveled. To ensure proper vault placement, the grave may need to be re-strung and measured out.
5. After the vault has been installed:
 - a. Set planking on sides and ends of the grave for the placer and lowering device.
 - b. Install interment greens
 - c. Secure casket placer and lowering device on planks
 - d. Place drapes on lowering device
 - e. Roll out matting
 - f. Set-up chairs, covers optional
6. If a tent will be used, it can be securely erected at this juncture – weather permitting. Be sure to check all connecting points to see if it is secured properly.
7. After the committal, the interment crew removes the tent and grave set-up. At this time precautions should be taken to keep dirt, rocks and other debris from interfering with vault lid sealing.
8. When the vault lid has been set, backfilling can begin. Properly backfilling the area around the sides of the vault is especially important.
9. Ideally, graves are tamped at 1-1/2 foot intervals. When the grave has been tamped to 1/2 inch below ground level, add fine fill, rake, reinstall sod or seed and hand tamp. Memorials that were removed for the interment may be reinstalled at this time if conditions warrant.
10. Recent interment sites require follow-up maintenance to check for settling. If settling has occurred, backfilling is necessary. If sod is in place, remove it, backfill the grave to grade, reinstall and hand-tamp sod. If grave is not yet sodded, backfill to grade, rake, seed and hand tamp.

Grave Maintenance

1. Ground Crews – often the most visible cemetery representatives – sometimes receive questions or complaints about grave maintenance from cemetery visitors. Politely referring all requests to the cemetery office will ensure they are quickly and properly handled.
2. Establishing a procedure for handling service requests helps cemeteries fulfill such requests efficiently, and ensures that the needs of all Catholic families are served.
3. Many cemeteries use work orders to track the status of service requests. (See Office Procedure section of this manual.)

Memorials/Foundations

1. Cemeteries usually construct foundations under flush and upright memorials. In some cases, outside memorial dealers may install their own foundations with cemetery's supervision. Most cemeteries

provide guidelines for memorial location, size, type and material.

2. Though foundation designs vary, general guidelines for laying foundations apply to most cemeteries. First, foundations should be dug within measurements specified by the layout person. In lots with monument space, foundations are dug to an appropriate depth (below frost level). For lots without monument space, foundations are dug to the top of the outer burial container.

Mausoleum

General Guidelines

1. Carefully remove the crypt front and place safely to the side for family viewing.
2. Remove crypt sealer. If an asbestos crypt sealer is being used, it should be replaced and properly discarded.
3. Enter the crypt and cut out the appropriate vent and drainage holes. Replace with crypt screens. (prevents insect infestation).
4. Inspect the interior of the crypt for any cracks or evidence of seepage from adjacent crypts. If either is found, report to management. Small cracks may be sealed using a silicone caulk. If cracks are severe, a mausoleum tray or enclosure may be used to eliminate any future seepage into nearby crypts.
5. Thoroughly sweep or vacuum crypt interior and remove debris from the entombment area.
6. Check crypt sealer for proper fit, and trim if necessary.
7. Place crypt drape in crypt opening.

Committal Service Guidelines

1. All committal services will be held in a designated central location. Prior to the arrival of the funeral, the Cemetery Representative should inspect the area for appropriate heating or cooling and proper lighting. A stole, holy water and the Rite of Committal should be provided.
2. If you utilize a message board, be certain that the name of the deceased and the location of the entombment is properly displayed.
3. Be certain that the office has provided the appropriate identification label for the casket. Information on the label or tag should include the deceased name, funeral director, time of service and entombment location. This should be attached to the foot of the casket by a Cemetery Representative.
4. Cemetery guidelines should indicate if family members may or may not witness the actual entombment. In most cases, the funeral director may witness the entombment as the family's agent. If family members are permitted to remain, there must be some procedure to assure the safety of both the family and the cemetery employees.

Casket Placement

1. Advise employees on the proper method of casket transport, and constantly remind them of the importance of maintaining proper decorum during the entire entombment process.
2. The casket should be placed on a mausoleum tray or enclosure to retain fluids which may leak at a later date. This will also minimize the scraping of the casket on the crypt floor. It is recommended that ball bearings be used to roll the tray into the crypt.
3. On all entombments above the second tier, make certain that a mausoleum lift is used. Be certain to follow all safety precautions.
4. Inspect the mausoleum lift before use to ensure it is in proper working condition.

5. Place the casket in the crypt head first.
6. If a mausoleum tray is not used, raise the end of the casket opening with a dowel or wedge, so that any drainage will be toward the back of the crypt. Apply commercial type “oil dry” granules between the casket and the crypt opening in order to absorb possible leakage or fluids from the casket.
7. Place an open one pound can of embalming powder (Paulex Powder) and an insecticide (Delta Dust) in the crypt after casket placement to minimize odor formation and insect infestation.
8. Closing and Sealing Crypt:
 - a. Thoroughly clean and dust inside edges.
 - b. After entombment, apply a thick continuous bead of silicone caulking across the bottom ledge and all the way around the side and top ledges where the sealer panel will make contact.
 - c. Place bottom of sealer panel into caulking firmly pressing as it is set in position. Make sure that you have established contact with the caulking on all four ledges. After the sealer panel is in place, caulk heavily between the sealer panel and crypt walls.
 - d. Employee initials and dates the crypt sealer.
9. Replace the crypt front. Be certain that the crypt front is properly aligned, and is flush with surrounding fronts. It is recommended that the cemetery provide some form of temporary identification until the memorialization is completed. A label maker is appropriate for this purpose. The labels should have appropriate adhesive qualities, without permanently marring the surface of the crypt front.
10. Use a damp wipe and polish front to remove any fingerprints. (Plain water)
11. About one week after the entombment, remove the crypt front to check the integrity of the inner seal.

A thoughtfully planned and well executed entombment program will greatly enhance the image of the cemetery, as well as provide an effective marketing tool. Consider the impact of the memorialized crypt front being placed in the committal area. Family and friends who see this are impressed with the efficiency of the operation, and the fact that memorialization is much faster than with a ground burial. It also provides the family with the assurance that their loved one is properly memorialized from the very moment he or she is laid to rest.

Cemetery Buildings

A cemetery’s buildings are not only its largest assets, they are the ones that require the most forethought.

They can be most valuable if they are planned in a way that successfully fulfills their intended purpose.

Depending on the size of the scope of services it offers, different structures or combinations may be necessary for operations, personnel and equipment. Buildings or combinations may be:

1. Administrative/office space
2. Service area (i.e., garage, tool shed, repair shop, lavatory facilities, etc.)
3. Chapel/prayer area
4. Temporary receiving vaults
5. Community mausoleums

Administrative Office and Service Building

Separate office and service facilities are preferable when the cemetery's scope of operations is broad. Where separate buildings are not needed or warranted by size or financial status, a combination building may be a practical choice.

Many cemeteries combine office and maintenance facilities. Such a combination is feasible, and can be especially appropriate when the superintendent supervises office, sales and field personnel. When office and service operations are housed in the same structure, however, a clear division of the two operations is important.

Chapels

The cemetery chapel provides an alternative to graveside when inclement weather makes it difficult or impossible to conduct the final commendation. Most importantly, the chapel provides a truly religious atmosphere for the final farewell.

From the cemetery's standpoint, interment chapels:

1. Allow greater ease and efficiency in handling burials.
2. Permit more interment services to be scheduled on a given day.
3. Provide climate control and accessibility for elderly and handicapped visitors.
4. Require less equipment and supplies.
5. Provide a better disbursement of manpower.

Temporary Receiving Vaults

In some parts of the country, severe winter weather makes interment difficult or impossible. During such inclement weather, the remains of the deceased can be stored in a temporary receiving vault until the weather moderates. Receiving vaults may also be used when the legal right of the deceased to be interred in a specific location is being questioned.

A separate receiving vault building may not be necessary if the cemetery has crypts available in a community mausoleum.

Community Mausoleums

Community mausoleums have become popular throughout the country. They appeal to the general public because they offer above ground burial at prices far below those of private mausoleums. Community mausoleums relieve families of vault and memorial expenses, and provide convenience and comfort for cemetery visits during all kinds of weather.

Though mausoleums have become an accepted alternative to in-ground burial, a thorough evaluation of local preferences, market conditions and prices should be conducted before a cemetery plans a mausoleum. (Refer to cemetery development section of this manual.)

For the cemetery, Community mausoleums:

1. Permit more efficient use of ground space.
2. Allow use land of unsuitable for ground burial.
3. Offer opportunities to design truly unique and religious structures.
4. Allow more control in setting regulations and maintenance standards.

Garden crypt complexes have gained acceptance in recent years because they are less expensive to maintain, and do not require heating or air conditioning as an enclosed climate controlled mausoleum. Special care

should be taken in selecting materials for garden crypts in less temperate areas.

Private Family Mausoleum

1. Private mausoleums either totally or partially above ground, can be constructed only in lots designated for them. Plans, material and location in the lot of such mausoleums will be subject to approval of management. Management reserves the right to require that an endowment for future maintenance of the mausoleum be deposited with it, and to be a size specified by management. An entrance key must be supplied to the cemetery.
2. No patios or other structure will be permitted on the ground surrounding a private mausoleum. No additions or changes will be allowed after the specifications and foundation plan for a mausoleum have been submitted and approved.
3. When interment is made in a private mausoleum, the crypt must be properly sealed, subject to approval of management. The entombment must be made in a container acceptable to the cemetery.

Cemetery Equipment

Cemetery equipment ranges from basic hand tools to heavy equipment. Because cemeteries may require different equipment depending on size, location, funds and other factors, an assessment of the kind and degree of work to be done will help determine equipment needs at each cemetery.

The purchase of cemetery equipment represents a major capital investment. Factors to consider before purchasing equipment include:

1. Annual interment rate
2. Cemetery size, design and memorialization
3. Established maintenance standards
4. Climate
5. Work force
6. Soil and terrain conditions
7. Budget

While the basic equipment required for interments may be similar, all other equipment is tailored to specific cemetery operation needs. Someone responsible for daily cemetery field operations can be an excellent source of advice on what equipment may be needed.

Equipment is most valuable when used by skilled, qualified and conscientious field employees. A field supervisor's responsibilities must include ensuring safe and proper operation and maintenance of equipment.

Basic Equipment

Cemetery equipment falls into two broad categories:

1. Excavation and Interment
 - a. Backhoe
 - b. Earth hauling
 - c. Hand excavation tools
 - d. Specialized equipment, such as frost-breaking tools for colder climates
2. Ground Maintenance

- a. Mowers
- b. Trimmers
- c. Snow removal equipment
- d. Specialized equipment and tools, i.e., hand sprayers, pruners (gas & electric), generators, leaf blowers, etc.

Equipment life expectancy may be affected by:

- 1. Frequency of use
- 2. Proper operation (i.e. used for job intended and within equipment capacity)
- 3. Proper maintenance, as recommended by the manufacturer
- 4. Monitoring maintenance and repair costs

New equipment is warranted when it can reduce the time and man-hours needed to complete a specific operation. Equipment with multiple functions is both practical and preferable.

Keeping a complete maintenance and repair record on each piece of equipment from the date of its purchase is helpful in prolonging its useful life. Information that may be of value includes:

- 1. Complete description with trade name, serial and model number
- 2. Name of vendor, purchase price and terms of purchase
- 3. Estimated life of the equipment
- 4. Record of major repairs, maintenance and costs
- 5. Insurance coverage and state registration number, if required

Tents

Tents protect the bereaved against inclement weather. Canvas tents with frames and poles can be readily assembled. The traditional canvas tent is often more applicable in heavily monumented older cemeteries.

Office Communications

Reliable radio equipment, (mobile or cell), can facilitate the flow of information between office and field personnel. It also improves flexibility during peak periods and assists office staff in responding to requests.

Cemetery Maintenance

A well-maintained cemetery creates a positive impression on visitors, lot owners and prospective clients. It also enhances the community and the Church it serves. Regular, general maintenance, complemented by seasonal care, results in a well groomed attractive cemetery.

Regular Maintenance

- 1. A regular written care program should include daily inspections of buildings and grounds for problems that need correction. To organize work, most cemeteries assign priority to interments, followed by foundations, maintenance operations and special projects.
- 2. Neat, clean, well-maintained entrances, feature areas, community mausoleums, chapels and office areas are important to the cemetery's image.
- 3. Periodic clean up of deteriorated grave decorations and prompt removal of improper decorations will enhance the overall appearance of the cemetery and comply with safety standards.

Spring/Summer Maintenance

Spring is the season of heaviest cemetery visitation, and thus an ideal time to create a favorable impression for all visitors.

1. Checklist of Activities

The following should be addressed at the start of spring maintenance program:

- a. Tamp and backfill all recent interment sites and replace memorials which had to be moved to complete interments.
- b. Repair any damage to lawns and roadways.
- c. Arrange for sodding of interment sites by taking a sod count. If seeding will be used, cover recent interment sites with top soil and seed after tamping and backfilling.
- d. Spraying for weed control which should be done by licensed personnel or contracted out. As soon as weather permits, exterior water hydrants, faucets and fountains may be reactivated and checked for leaks and proper operation. Trash containers, curbs, gates and fencing may need repainting.

2. Equipment

If winter equipment is not used for other operations, it should be cleaned and stored when spring arrives. Gas tanks and lines may need to be drained before extended storage. If desired, routine repairs can be performed, so that equipment is ready for fall start up.

As warm weather approaches, lawn maintenance equipment should be taken from storage to begin pre-season inspection, supplementing the general maintenance performed at the end of the last cutting season. Items to be checked include:

- Visual overall inspection of equipment
- Coolants
- Hydraulic fluid
- Engine oil levels
- Proper belt tension
- Worn or damaged belts that need replacement
- Blades that need sharpening for optimum cutting
- Fittings that need grease or oil

Finally, ease of engine start-up can be checked and corrected, as needed. If equipment is not cutting properly, it requires adjustments or repairs.

3. Lawn Maintenance

Establishing a weekly cycle for grass cutting can simplify work scheduling and ensure that the entire cemetery has been cut on a regular basis. Key areas – entrances, exits and mausoleum lawns – should be scheduled toward the end of the work week, so that these highly visible areas look their best for weekend visitors. Even if the entire cycle cannot be completed, it can be continued the next week to ensure uniform lawn maintenance throughout the cemetery.

A fall sodding or seeding program is also recommended to ensure that most graves are covered before winter decorations are placed.

String trimmers may also be used to edge flush memorials throughout the cemetery in the fall. This eliminates the need to trim around memorials when grass cutting resumes in the spring.

Fall/Winter Maintenance

1. Equipment

Prompt and efficient start-up of lawn maintenance equipment in the spring can be assured if cemetery staff evaluate and repair equipment at the end of the cutting season. An equipment evaluation may be advisable. Some questions to consider are:

- a. Is this equipment the most efficient means of completing the assigned task?
- b. Have repair costs been reasonable over the last few years?
- c. Are parts readily available?
- d. Is the machinery safe?

If the answer to one or more of the above questions is “No”, consider purchasing new equipment.

- a. After repair and maintenance operations are performed, all equipment should be tested prior to storage. When lawn equipment is used year-round, ongoing maintenance will be required.
- b. When temperatures fall to freezing or below, all vehicles need winter preparation, prior to the first snowfall. Snow plows and snow throwers should be checked for proper operation; snow chains inventoried and made readily available; snow tires installed where required.
- c. Exterior water spigots should be checked and drained prior to the winter season.

2. Tree and Shrub Maintenance

- a. Pruning trees and shrubs throughout the cemetery is another autumn project. Along with removing dead wood and overhanging limbs, dead or dying trees and shrubs can be eliminated. The ideal time to prune deciduous plantings is after the leaves have fallen.
- b. Prompt leaf removal maintains the manicured appearance of the grounds.
- c. Fall is also an ideal time for transplanting shrubs and installing new plants. Cooler temperatures and less intense sunlight reduce the shock to newly placed or relocated plantings.

3. Other Projects

- a. Other projects to be considered at this time are painting of cemetery buildings, cleaning out drains and manholes and straightening and aligning memorials. Major projects – installing drains in wet areas, installing and repairing fences, and aligning crypt fronts are also possible while the weather remains mild.
- b. A pre-winter inspection of all cemetery buildings will identify problems that need correction. Specific items to check and repair, as needed are:
 1. Heating and air conditioning operation
 2. Gutter and downspout condition
 3. Roof drain condition
 4. Roof and flashing condition
 5. Lighting operation

6. Self-closing door operation
7. Lock condition
- c. Asphalt roadways throughout the cemetery require periodic checks for raveling, shrinkage, potholes, cracking, heaving and depressions which need repair. Roadways in fairly good repair (fine cracks and some minor raveling) may need only a professional application of seal coating. Depending on traffic and weather conditions, roads may need to be sealed every three to five years. Regular sealing and road sweeping operations help maintain roads and prevent costly repairs.
- d. Concrete walks should also be inspected for expansion joints, flaking, cracking or heaving. An outside contractor should repair problem areas as soon as possible to prevent further deterioration.
- e. Where winter snows are heavy, placing metal stakes, as needed, along the road edge can guide snow plowing. The top of the stakes can be colored to indicate hazards in the road, such as drain outlets, critical curves, etc.
- f. Wood stakes, with lot numbers painted on, strategically placed in the sections, can aid in locating lots for burials and sales.
- g. Snow fence can also be installed at this time.

Service Requests

The office sometimes receives questions or complaints about grave maintenance from cemetery visitors.

Establishing a procedure for handling service requests help cemeteries fulfill such requests efficiently, and ensure that the needs of all Catholic families are served.

Many cemeteries use work orders to track the status of service requests.

Cemetery Landscaping

Attractive landscaping can transform a well-kept cemetery into a place of beauty and tranquility. Careful planning, plant selection, and grouping can enhance the cemetery's natural terrain, as well as its man-made features.

Landscape Design

Landscape design should:

1. Preserve and enhance the cemetery's sacred character.
2. Maintain a sense of order and beauty.
3. Provide economy in feature maintenance.

These guidelines can assist cemerterians with a new or revised landscape design:

1. Establish a focal point and build the landscape design around it.
2. Select plantings whether formal or informal, for initial and future appearance.
3. Allow for the most efficient use of space.
4. Consider geographical location, topography and soil conditions within the cemetery.
5. Distribute trees and shrubs judiciously.
6. Vary and blend colors attractively.

7. Animal resistant/tolerant plantings should be considered.

Landscape Maintenance

1. Bed Maintenance

Tree and shrub beds should be prepared and mulched to a depth of two inches. Preparation consists of loosening the existing layer of topsoil and amending the soil as required. If organic mulch is available, cultivate the mulch into the top layer of soil, and then add a two inch layer of new mulch. Avoid mounding mulch around plantings and compacting new mulch. Occasional weeding and loosening mulch will keep plant beds neat throughout the growing season.

2. Shrub and Tree Pruning

Cemeterians may find this suggested timetable useful in deciding when to prune ornamental trees and shrubs.

- a. Summer-flowering trees and shrubs should be pruned in late winter.
- b. Spring-flowering trees and shrubs should be trimmed after blooms have faded.
- c. Evergreen shrubs should be pruned after new growth in spring, midsummer and fall.
- d. Non-flowering, leaf-bearing trees should be pruned in late autumn, after leaves have fallen.

3. Tree Care

Periodic inspection and maintenance of mature leaf-bearing trees enhances their appearance, and reduces safety hazards. If any of the following conditions exist during regular inspections and cannot be remedied by cemetery staff, a professional tree service company should be consulted.

- a. Broken or dead limbs or branches.
- b. Low-hanging branches.
- c. Overgrown tree crown (the crown of a mature tree should be periodically thinned and shaped to allow wind to pass through the tree and stimulate new growth).
- d. Broken or split tree crotch where the main trunk branches off.
- e. Animal damage (animal repellent recommended).
- f. Insect damage may be prevented by applying a dormant oil spray in late winter or early spring. It may be advisable to retain a horticulturist or landscape maintenance contractor to examine trees for insects and disease and prescribe treatment.

4. Lawn Upkeep

In late winter or early spring, it may be desirable to apply a pre-emergent herbicide to lawns that have heavy concentration of dandelions or crabgrass. Post-emergent herbicide can then be used where needed in spring, summer and fall to control undesirable broadleaf weeds. Selected areas of the cemetery may be slated for fertilization. Lawns can be fertilized in early spring to promote green-up, or in early May to provide nutrients needed to survive summer conditions.

If watering lawns is warranted and feasible, it is better to water thoroughly twice a week than to water briefly every day.

F. DEVELOPMENT

Master Planning

What is Master Planning?

Just like the cities in our country, no two cemeteries can be planned alike. Every cemetery is unique in its location, environment, and how it is managed. Master planning is a process that provides a guide to the development of a cemetery. The master planning process will cultivate many ideas by cemeterians and ensure that future improvements will be developed in such a way as to best serve the public based on function and aesthetics.

Master planning for cemeteries is a process that is regulated by economics, topography, local tastes and customs, jurisdictional authorities and personal preference.

There are several levels of planning. Programming creates the criteria for planning in terms of needs and goals of the organization. The site analysis provides information on existing conditions and constraints of the site as well as identification of possible uses of areas within the cemetery. The conceptual or framework plan, presents design alternatives based on programming results and the site analysis. The master plan is the culmination of this process, indicating the preferred infrastructure, land use, and aesthetic qualities of the cemetery.

The master plan is a long range guide to the development of the cemetery. It is not, however, the end of the planning process. The typical master plan will not detail the design and development of burial sections, mausoleums and their buildings, roads or landscaping. Further work is required for these elements of the master plan before construction begins. This further work can be completed in stages, as needed, to allow for changes in technology, regulation, organizational goals, and local customs.

When is Master Planning Required?

Most existing cemeteries have at least a basic plan. Changes in demographics or local preferences may require revisions in the original plan. All cemeteries need the direction of a master plan. Guidelines and goals prepared by today's management should be documented and carried forward for future administrations and as a tool to communicate future activity to the public. Master planning becomes necessary when:

1. A cemetery needs to update operations and create a new image to the public;
2. Management requires detailed business planning information;
3. Additional tracts of land are acquired for expansion;
4. Intensity of land use must be evaluated to increase revenues; or
5. Revisions in the existing plan are considered.

Land Purchase

In metropolitan areas, land is difficult to obtain on a need basis. It is expensive and may not be zoned for cemetery purposes. Therefore, it should be purchased years in advance of need. Larger tracts can be purchased at a lower price, and zoning for burials can be more easily obtained. The land can then be leased or used for other purposes until it is needed for cemetery development. The size and location required depends on projected needs for the next hundred or more years. This is difficult to determine.

Demographics can be obtained from local and regional planning commissions and catholic population statistics from the Diocese. It is better to purchase more land than needed, as a small cemetery may be too soon oversold and become a financial burden. Excess land may be sold later.

The master planning process should begin before the land is purchased. It is important to know if the proposed cemetery will accomplish the intended goals, as well as if any encumbrances or site factors will impact development before the land is purchased. To assure this, the first two elements of master planning, programming and site analysis, must be completed before an agreement is signed.

Constraints on Development

Cemeterians must contend with three types of constraints in planning a cemetery. These are regulatory agencies, site factors and internal organizational factors.

A number of jurisdictional authorities on the local, regional, state and federal levels may regulate the use of a tract of land. These include zoning regulations, storm drainage and water districts, state environmental protection agencies, and the Army Corps of Engineers. These regulations vary from one community to the next, and may be quite cumbersome. During the planning process, these agencies should be contacted for advice and to prepare the groundwork for obtaining required permits.

Another type of constraint is inherent in the site itself. Conditions that impact development, such as topography, soils, geographic hazards, and existing development within and outside of the site, will be addressed in the site analysis.

Internal organizational factors may constrain cemetery design or development. These may include financial or cash flow issues, cemetery or diocesan policies, and other organizational factors. These are explored during the programming stage of master planning.

The Master Planning Process

In order to share the dreams, goals, and ambitions of today's administration without unnecessarily hampering future administrations, the master planning process must be illustrated in both graphic and narrative form. This information will convey the emotional spirit and factual rational as the guide for future goals.

There are four elements of the master planning process: programming, site analysis, conceptual planning, and master planning.

Programming

Programming is an analysis of existing operations and the development of goals for the planning process. Programming focuses on strategic and business planning. During this phase of planning, the cemerterian will develop financial goals, evaluate current or proposed marketing strategies, and determine phasing strategies for development. Priorities for establishing goals will reflect the diversity and availability of resources within the cemetery's functional capacity. The master planning process begins by gathering data:

1. Examine existing practice of land use and project needs for the future;
2. Review financial structure and develop financial projections;
3. Analyze demographics;
4. Review the local competitive arena;
5. Survey the needs of potential clientele.

Determining the needs of the marketplace and goals of the organization is the product of programming. This gives form and direction to the master planning process.

Site Analysis

Site analysis documents existing conditions and potential development. A current and accurate survey is required to begin site analysis. In addition to the legal boundaries, the survey should include existing

infrastructure and development. You also need to know about constraints on the site, such as wetlands, flood plains, zoning restrictions, and other statutory or regulatory constraints. In most cases, a topographic survey is also necessary.

The site analysis will document conditions such as soils, existing vegetation, and other significant existing conditions, on or offsite, that impact development. It will also identify natural or historical landmarks to be preserved or enhanced as well as drainage, utilities and traffic patterns.

An important component of the site prior to land purchase is an environmental assessment for contamination. The cemetery could be liable for the removal of contaminants even if they were present when the property was purchased.

The site analysis not only documents existing conditions, but identifies some of the potential uses of the property.

If the master plan is for the expansion of an existing cemetery or a revision of a prior plan, you must also examine development:

1. Analyze future potential of the existing infrastructure.
2. Review the circulation system and condition of existing roadway and document traffic patterns surrounding the cemetery.
3. Evaluate structural integrity and code compliance of existing buildings.
4. Analyze existing burial facilities and how they relate to one another.
5. Review existing utility services and capacities and documents required of existing easements.
6. Evaluate soil conditions and storm water drainage patterns.
7. Review applicable zoning regulations for the cemetery and adjacent properties.

The Conceptual Plan

The conceptual plan, sometimes called a framework plan, is a preliminary design based on the results of the programming study and the site analysis. Several feasibility plans may be drafted, as there is often more than one design alternative. The conceptual plan will illustrate design options in terms of:

1. The relationship of existing and proposed development;
2. Traffic patterns and road layout;
3. Location of mausoleums, office and service buildings;
4. Location and type of burial sections;
5. Storm water management;
6. Aesthetic qualities of the property.

The Master Plan

The Master Plan represents the options selected as the best use of the property. The master plan is a further refinement of the framework plan showing roads, utility easements into and throughout the property, buildings and improvements, as well as location and type of burial sections, features, and general landscaping.

The master plan should include the following elements:

1. Burial Section Alternatives

- a. Flush marker or shrine sections
 - b. Monument sections
 - c. Lawn crypts
- 2. Mausoleum Development Options:
 - a. Community chapel mausoleums
 - b. Garden crypts
 - c. Private family mausoleums
- 3. Cremation Options:
 - a. Burial gardens
 - b. Columbarium
 - c. Mausoleum niches
- 4. Cemetery Infrastructure:
 - a. Roadways
 - b. Utilities
 - c. Storm drainage
 - d. Landscaping and topographical concepts
 - e. Service Buildings
 - 1. Offices
 - 2. Committal chapels
 - 3. Maintenance

The master plan should be in both graphic and written form for future reference. The master plan will introduce programs that will reduce excessive maintenance costs, promote a respectful, serene atmosphere, and help to execute practical land use measures without sacrificing the aesthetic values of the cemetery.

The master planning process is an involved undertaking. As a design discipline, it is a specialty. An excellent reference source, *A Guide to Cemetery Development*, published by the National Catholic Cemetery Conference, has been included in this manual to provide additional information.

G. Safety

Policy

Catholic Cemeteries need to provide for its employees a safe working environment. It is also the cemetery policy to do all that is reasonable to prevent injury to persons and damage to property, and to protect the employees, the cemetery, the customer, and the public from the results of accidents.

To accomplish this, management will provide all reasonable safeguards to ensure safe working conditions, and will provide and maintain all buildings and equipment in good condition.

We recognize management's responsibility in providing the safest conditions for our employees. The efficiency of any operation can be measured directly by its ability to control unnecessary losses. Accidents resulting in personal injury and damage to property and equipment represent needless waste.

No job is so important and no task is so urgent that we cannot take time to perform our work safely. Rules of conduct and rules of safety shall be observed. Employees are expected to use the safety equipment provided. Safety equipment must not be destroyed or abused.

It is the cemetery policy that every effort shall be made to prevent accidents. If, however, an accident does occur, the best possible medical care should always be obtained. There should be no attempt to “cover up” an accident to improve the appearance of the safety record.

In order to maintain a safe and healthful working environment, the cemetery must institute a comprehensive and well-integrated safety program in which each part reinforces the other parts. The safety program is designed to conform to basic safety principles and sound management practices.

It is imperative that all supervisors and workers recognize the need for maximum safety. Their safety performance will be evaluated and measured along with their overall performance. The joint cooperation of employees and management in observance of this policy will help provide safe working conditions and accident-free performance, and will be to the mutual advantage of all.

General Safety Guidelines

1. If physical fatigue sets in with a certain task, stop and initiate a new task which may be less straining.
2. All employees involved in field activities are required to wear safety toe footwear at all times. (ANSIZ41.1 – 1967)
3. Long pants required at all times.
4. Report all injuries, no matter how slight, to your Supervisor as soon as possible.
5. Horseplay, practical jokes, fighting and all clowning around can lead to accidents and injury and are therefore prohibited.
6. Always read directions and obey all signs and warnings.
7. Weather- Consider how the job you are performing is affected by it.
8. If you don't know how to operate a machine or other tool, leave them alone or get assistance from your Supervisor or someone who is qualified to help you.
9. Always wear the proper protective equipment and clothing when operating any equipment. See Manufacturers Guidelines pertaining to the specific protective equipment to be worn.
10. The consumption of illegal drugs and alcohol is not permitted on or off cemetery property during working hours.
11. Operation of cemetery equipment while under the influence of alcohol or illegal drugs is prohibited.
12. All work related areas should be free from clutter and all equipment should be properly maintained.
13. All walkways, stairways and paths should be kept free of tools, equipment, or any foreign objects.
14. No guard or safety device will be removed or made ineffective
15. Report any unsafe conditions to your supervisor or use the Hazard Reporting Form if necessary.

Employee Responsibility

All employees have a responsibility to themselves and Catholic Cemeteries for their own safety. All employees are expected to follow safe procedures and take an active part in protecting themselves, their fellow workers, customers, the public, and the facilities. All employees are encouraged to detect and report hazardous conditions, practices and behavior in the work places and to make suggestions for their correction.

It is important that all workers follow safety rules, take no unnecessary chances, use all safeguards and safety equipment provided, and make safety a part of their job. Unsafe behavior and violation of safety rules will not be tolerated. Safety will be a part of each employee's work performance evaluation.

In case of injury, have it reported promptly to the supervisor and get first aid or medical help without delay.

Buffalo Diocesan Cemeteries expects all employees to fully cooperate with the safety organization, to be safety conscious, and to remain keenly alert mentally and physically at all times. All workers shall:

1. Wear long pants, sleeved shirt and safety toed shoes per ANSIZ41.1 – 1967 (See Company Policy)
2. Follow all safety rules and procedures
3. Work in a safe manner at all times
4. Comply with instructions of supervisors
5. Report all accidents and injuries immediately, whether your own or others
6. Submit recommendations for safety and efficiency
7. Know your exact duties in case of fire or other catastrophe

Supervisor Responsibility

Accident prevention is largely a matter of proper supervision. It depends primarily for its success upon the ability of supervisors to enforce the observance of safe-practice rules.

As a direct result of management direction in accident-prevention work, supervisors are encouraged to provide facts, take corrective action, and instill and maintain enthusiasm for safety. Safety will be a part of each supervisor's performance evaluation.

Alert supervisors, conscious of responsibilities, understand that the principles of supervision include accident prevention and safety. They have the opportunity to observe and correct unsafe practices and conditions long before they result in accidents. If they exert proper supervisory influence, the employees who work under them will carry out their duties just as safely when they are absent as when they are present.

Supervisors shall be responsible for:

- a. The safety of employees
- b. The installation of safe equipment, facilities and work methods
- c. Adequate inspection and prompt maintenance of equipment and facilities
- d. Detection and prompt correction of unsafe conditions and practices
- e. Vigorous and continuous training in accident prevention and on-the-job safety
- f. Prompt accident investigation, reporting, and carrying out of corrective measures
- g. Making full use of the safety organization
- h. Setting the proper safety example
- i. Initiating recommendations for safe performance or suggestions to subordinates
- j. Initiating disciplinary action for infraction of safety rules or safe working procedures
- k. Formulating and keeping up-to-date the safety rules for work areas

Management Responsibility

The safety of our employees is a major consideration in the operation of our cemeteries and facilities.

Management and supervisory personnel will be accountable for the safety of the employees working under their supervision and will be expected to conduct operations in a safe manner at all times. Also, management will be responsible for establishing safe working conditions.

Accidents are a prime responsibility of management. In the eyes of the law, management is the employer, and the employer is liable for anything that happens to employees in the course of employment. Whatever form our safety organization takes, it must function within defined policies, known and understood by all management and operating personnel.

The safety organization must serve as management's agent and have full support in providing a safe operation. Failure to provide these conditions will destroy the confidence of employees, who have been told that management believes firmly in safety.

Management provides the tools, equipment, and the people to do the job, and must not tolerate the abuse or loss of these items through accidents. To meet this responsibility, management shall:

- a. Establish, publish and carry out the safety policy of the Buffalo Diocesan Cemeteries.
- b. Provide an efficient safety organization with an effective accident prevention program.
- c. Provide a safety committee with professional safety assistance to administer the safety program.
- d. Provide an adequate medical program and first aid, and keep thorough records of treatment given.
- e. Review accident reports to keep informed about the accident experience trend so that the safety program's effectiveness may be evaluated.
- f. Keep in close touch with safety committee meetings in order to aid the overall safety policy, and assist in giving direction and authority to the committee's activities.

Section 4 – Computer Services

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Please note, unless specifically stated, this section uses the term “department” to refer to parish, school, or Catholic Center computers.

A. Computer Security

Personal Computer Usage

The use of computers is only permitted with the understanding that the Diocese retains the right to monitor all utilization including contents of files and activity relating to the Internet and e-mail.

Computer games and Internet activity not specifically and exclusively work related should be prohibited (i.e. gambling, pornographic, chat rooms, etc.). Employees should be instructed that e-mail is a tool to facilitate parish activities and should be used on a limited basis, if at all, for personal communications.

The following items provide various means to protect every computer. It is important that all employees recognize that the responsibility of protecting the computers and data is shared by every employee.

Passwords

All users should be assigned a unique user name and password. Passwords should be a minimum of 7 characters in length containing a mixture of numbers, special characters and upper/lower case letters. The longer the password the better. To facilitate easy remembrance of the password a passphrase might be considered, such as a childhood home address. In all cases passwords should not be shared, nor should they be communicated via email.

E-Mail

In general, employees should be instructed not to open an e-mail or an e-mail attachment if it is not expected. One technique that hackers utilize to compromise computers is to embed within an e-mail message a virus or a link to a site that may send unwanted software to your PC. Even though your PC may be current with antimalware software and definition list, it is always possible that a new virus that has not yet been identified and included within the definition list distributed by antimalware vendors.

Additionally, screen savers and other software may contain viruses that could compromise your computer.

Software Downloads

Unless otherwise specified, computer software is intellectual property protected by U.S. copyright laws. It is illegal to download copy or distribute the software for any purposes unless permission is obtained from the copyright owner.

Downloading of music or pictures may violate various laws and may reduce Internet connectivity speed for other users.

Microsoft Critical Security Patches

In general, Microsoft releases security updates once per month, starting on the second Tuesday of each month. If a major security flaw is discovered Microsoft will release critical security patches more frequently. Windows 10 does not require you to take any action to install security updates. However, it is sometime necessary to periodically restart your computer updates in order for the updates to be installed. Therefore, it is a good practice to power-down your computer each evening.

Apple Critical Security Patches

If your department utilizes Apple computers, critical security patches for Mac OS X may be obtained from the Software Update pane within Preferences on a Mac. It is recommended that computer users visit this site weekly to download new patches if they exist.

Please bear in mind, Apple computers are as much vulnerable to malware attacks as Windows based computers. Take the appropriate steps to protect your computer.

Anti-malware Software

All computers must have anti-malware software installed with a current virus definition list. Reputable vendors include Symantec (Norton antivirus) and McAfee. Virus definitions are usually released on a daily basis. Employees should be instructed to check that their computers definitions are current on a daily basis.

Anti-Spam Software

Anti-spam software scans email. It is not 100% effective, but consideration should be given to installing anti-spam software. It will help to eliminate the majority of unwanted spam that individuals receive. Current anti-malware software will typically include anti-spam features.

Internet Content Filtering Software

Consideration should be given to installing Internet content filtering software. This software will allow you to prohibit an employee or student from visiting various types of Internet sites based on how you configure the system.

B. Websites

Diocesan Computer Services Department does not recommend or support any specific website design. Additionally, there are no specific guidelines or policies a department must adhere to. This provides departments with an inexpensive and flexible approach in utilizing local talent and resources in developing and maintaining their web site. The Diocesan website is designed and maintained by the Communications Department. Parishes and schools may wish to consult with the Communications Department for website providers and design specifics.

The following observations and recommendations may be of use:

- Do not have the website hosted on a personal site. For long term continuity it is best to make the site individual independent.
- A domain name should be registered and administered by a department manager. Domain names are only valid for a specific time period, typically one to two years. If not renewed before the end of a registration period the website will automatically expire and will not be reachable over the Internet.

- Recently a common practice is for “bots” to automatically purchase expired domains. Once purchased a third party charges exorbitant fees to the original party to obtain ownership.
- Department manager should maintain all passwords that allow updates to the website and domain.
 - Content within the website and links to other sites should be reviewed and approved by the department manager.
 - If time sensitive information is placed on the web site it is important that an individual be assigned the responsibility of ensuring it is maintained and removed when expired.
-
- **Diocesan Website**

The Diocese of Buffalo’s website is located at www.buffalodiocese.org.

If a parish has a website please communicate its Internet address to Communications Department so that it will be readily accessible from the Diocesan website. Also, a parish may wish to place a link on the parish’s home page to the Diocese’s website.

C. Parish Software

Overview

The Chancery stated on January 29, 2010 that all parishes must utilize PDS Church Office and PDS Ledger. Computer Services offers assistance in the implementation of both of these products. This assistance includes training of parish personnel.

Other PDS products and computer equipment are not supported by Computer Services personnel. Additionally, due to limited resources, Computer Services is not able to install or support parish computer equipment or networks.

Additional information on PDS software may be obtained at www.parishdata.com.

PDS Church Office

This software allows the parish to manage family and member information. It helps keep track of sacraments, financial contributions, pledge drives, talents and ministries.

PDS Ledger

The Ledger program is a complete accounting solution for parishes. The program is compliant with Financial Accounting Standards Board (FASB) 93, 116 and 117. Ledger allows you to enter invoices, print checks, enter revenue, budget and view accounts. To quickly see the parish’s financial position you may print a balance sheet and income statement.

PDS Formation Office

Formation Office allows the parish to manage the details of your religious education program and quickly see who is enrolled in each class/session. Student screens allow tracking of sessions, attendance, service and retreats. Catechist screens allow for tracking of professional background, teaching experience and certifications. Background check screens ensure proper checks have occurred and allow for the capture of appropriate information. (Installation, training and support is not available from Computer Services.)

PDS Scheduler

Facility Scheduler allows the parish to track usage of facilities. You may schedule anything from simple one-time events to complex multi-year events using multiple facilities. The Check Availability feature lets

you see if an event may be scheduled. Daily, weekly, monthly and yearly calendars show what is currently scheduled. (Installation, training and support is not available from Computer Services.)

D. Mission Critical Data Backup

Overview

Information that is stored in computers includes software (i.e., Microsoft Word, Excel, Outlook, etc.) and end user data. Computer equipment and program software can be replaced if a computer fails, uninstalled, or is compromised by a virus. However, user data is another matter and must be periodically backed up. If this information is lost it might not be retrievable.

Mission critical data are end user data that if lost would seriously affect the day to day operations and might be very expensive to recreate. Data that are mission critical should be backed up and stored off-site in a building different than the one where the computer is located. Most parishes would consider their PDS Office and PDS Ledger data as mission critical and therefore would want to backup data at a minimum of once per week and store off -site. If offsite storage is not possible then consideration should be given to having one employee take the backup media home.

Diocesan Computer Services backs up all mission critical data stored on diocesan servers nightly. Individual employee computers can opt to have backup stored on a diocesan backup server or store all their documents on a server. Without these options, the employee is responsible for ensuring proper backup is done.

Parish/schools must seriously consider an appropriate backup plan, whether data are stored on a parish/school server or individual employee computer.

Today flash drives offer a good storage medium for backup purposes. Flash drives are inexpensive and offer storage capacities of 16GB, 32GB and 64GB; which is sufficient for most department computers.

Parish/School Sample Plan

The key to protecting mission critical data is to have a written backup plan that includes management's active participation. Though the actual process of backing up data may be delegated to various personnel it is imperative that the manager periodically review the backup process to ensure that it is occurring.

A sample plan for backing up PDS Office data would be to utilize twelve (12) backup media (e.g. flash drives): four (4) weekly, four (4) monthly and four (4) annual. A separate backup plan for PDS Ledger/Payables would replicate the PDS Office plan. All backup media would be kept in a separate building and would have labels indicating "PDS Office data backup", type of backup (weekly, monthly or annual) and the date of the backup. Weekly backups would be performed every Friday or the last business day of the week, monthly backups would be performed on the last business day of the month and annuals on the last business day of the calendar year (on or before 12/31). For PDS Ledger/Payables, annuals would occur the last business day of the fiscal year (on or before 8/31). If more than one type of backup falls on the same day (i.e. Friday is also month end) then only one backup occurs and it is the one that covers the longer period of time (i.e. monthly rather than weekly). Finally, within each of the three (3) types of backups there is a rotation schedule whereby the oldest backup media within the given type is utilized first.

Section 5 – Financial Governance, Reporting and Controls

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A. **Governance**

REFER TO SECTION 1 (“Legal Structure of the Parish”)

B. **Financial Reporting**

Record Financial Transactions and Prepare Financial Statements

Financial transactions should be recorded daily and monthly financial statements prepared using a standard chart of accounts on the Parish Data System (PDS) Ledger/Payables financial software.

Financial Records

All financial records documenting transactions should be available to the parish for seven years. Records should not be kept offsite at the residence of employees or other locations where access to the records is limited. Financial records are the property of the parish and should be kept on the parish premises at all times.

Parish Financial Reports

The parish budget for the next fiscal year and annual report should be approved at the annual meeting of the Trustees and signed by the Pastor, and reviewed and signed by the Finance Council, and lay Trustees prior to submitting to the Chancery.

Regular Report Preparation

Financial reporting should be done regularly and timely to the Trustees and Finance Council to facilitate control and corrective action.

Communication of Results

An annual Attestation Letter must be submitted to the Bishop by the Pastor by the second Wednesday in November, typically submitted with the Parish Annual Financial Report. The annual Attestation Letter should contain the following:

- Names and professional titles of the parish Finance Council members.
- Dates when the Finance Council met in the preceding fiscal year and since the end of the fiscal year.
- Date(s) when the approved (i.e. by the parish Finance Council) parish financial statements/budgets were made available to the parishioners during the preceding fiscal year and since the end of the fiscal year. A copy of the published financial statements/budgets must be provided to the Bishop.
- A statement signed by the parish Pastor and the Finance Council members that they have met, developed, and discussed the financial statements and budget of the parish.

C. Sunday and Holy Day Collections

Tamper-Evident Bags

At least two ushers should immediately place collections in pre-numbered tamper-evident bags. The bag should be sealed and the bag number documented on a log sheet. Both ushers should sign the log sheet agreeing the bag numbers to the log sheet, at the time the bags are sealed.

Adequate Physical Safeguards

All cash receipts should be deposited intact daily, or locked in a safe, in a pre-numbered tamper-evident bag under dual control (access by two people), utilizing a bag log sheet. Limit entry to the safe to only those people requiring such access. The safe combination and/or key should be adequately safeguarded.

Count Teams

At least two unrelated people should be present when the tamper-evident bags are opened and the collections are counted. The counters should sign the log sheet to verify the proper tamper-evident bag is intact. No one should ever sort and organize money prior to the arrival of the count team. Count team members must not include the pastor, parochial vicar, business manager, bookkeeper and/or envelope recorder. Count team members are typically active parish volunteers.

Proper Rotation of Count Team Duties and Members

Collections should be counted by multiple count teams, which are rotated periodically. Count teams should not be comprised of members related to each other.

Proper Handling of Collections

Checks should be restrictively endorsed during counting procedures. A tally sheet report should be compiled and signed by count all count team members. It is helpful to establish written cash handling guidelines for the count teams. The removing of cash and the cashing of checks out of the offertory collection is prohibited.

Tracking Parishioner Contributions

Develop written procedures to instruct the person completing the data entry. Do not back date envelopes to the Sunday date printed on the envelope, use the date of the collection. For instance, families submitting multiple envelopes (for previous Sundays on one Sunday). These should be entered with the Sunday date the multiple envelopes were received, not the day the data was entered, or the Sunday dates printed on the envelopes.

Reviewing Parishioner Contribution Summary Report

Periodically (quarterly) someone who is independent of the counting, depositing, and recording of collections should print the PDS “Summary of Grand Totals by Fund” or the “Ledger Confirmation” report and compare it to the Sunday collection tally sheets and to PDS Ledger. The amount contributed on the “Summary of Grand Totals by Fund” report should equal the amount on the Sunday collection tally sheets and PDS Ledger. Differences should be researched and resolved.

Adequate Segregation of Duties

Ideally, different individuals should complete the receiving, processing, recording, and bank reconciliation functions. This option is not always possible, especially if there are only one or two individuals available to perform these duties. Separate these duties between the available people as much as possible. Perhaps the Pastor, or a volunteer parishioner with the proper background, can perform one of these functions on a monthly basis.

Parishioner Contribution Statements

Someone who is independent of the counting, depositing, and recording of collections should prepare and distribute year-end parishioner statements. This independent person should be identified inside statement as to “who to contact” if the parishioner has a question or a discrepancy in their records. All reported variances between the donation and collection should be investigated and resolved.

D. Other Church Revenue

Proper Handling of Other Church Revenue

Ideally, different individuals should complete the receiving, processing and recording functions. Pre-numbered triplicate copy receipts should be issued for all cash payments received in the parish office including Mass offering. Gift acknowledgement or Gift Substantiation Letters should be issued when donations of \$250 or more are received, these are required per the IRS. Copies of Gift Letters along with copies of the donor check and applicable correspondence should be retained in the parish office. All donations should be recorded to the parishioner contribution records. Any reported differences between the donation and collections should be investigated and resolved.

E. School Tuition Collections

Proper Handling of School Tuition

Checks received for tuition and fees should be restrictively endorsed. Pre-numbered triplicate copy receipts should be issued for cash payments of tuition and fees. Parents should be discouraged from paying by cash. The tuition collections should be recorded and reconciled to the student accounts. Tuition collections are reconciled to total tuition revenue recorded on the parish financial records. Separate individuals should be responsible for the custody and recording of tuition collections.

Adequate Physical Safeguards

Tuition collections should be deposited as soon as possible. Until a timely deposit can be made, tuition collections should be locked in a safe under dual control.

Administration of Student Accounts

Document a standard policy for recording tuition and any school fees. Ensure that late fees are applied to the appropriate student account. Establish fees and guidelines for processing NSF checks. Monitor to enforce that all appropriate fees are applied and collected. Discontinue fundraising, offertory requirements, and tuition credits for family fundraising work.

Tuition Collection Plan

On a monthly basis, outstanding tuition balances should be identified and reviewed to determine if they are collectible. Establish a plan for the collection of past due tuition. Payment plans and reminder notices should be utilized to collect past due tuition. To identify past due tuition, document all students registered under different tuition plans to monitor the accuracy of revenue collected on an on-going basis. Uncollected tuition should be written off after review and approval of the Pastor and the Finance Council. Tuition waivers should be documented and approved by the Pastor and the principal.

Segregation of Tuition Payments

Payments received should be separately recorded by type, such as tuition (current year, previous year, next year, pre-k, kindergarten through eighth grade), fees, books, and scholarships. Separating income by type will aid in reconciling and reporting actual tuition received.

Monitoring Tuition Received, Deposited and Reported

Regular comparisons using records of tuition receipts to bank deposit information should be completed by someone independent of the tuition collections and recordkeeping. The tuition record keeping system should be reconciled quarterly to the Parish bookkeeping system. Discrepancies should be documented, investigated, and resolved. Depending on the results of the comparison, recording procedures should be modified to reduce the discrepancies between funds received and deposited. This will provide accessible information and support for tuition-related questions and correct information for reporting purposes. Sending monthly tuition statements to each family will also strengthen internal controls.

F. Other School Revenue

Proper Handling of Other School Revenue

Pre-numbered triplicate copy receipts should be issued for all other school revenue. Receiving, processing, and recording other revenue should be completed by different individuals.

Adequate Physical Safeguards

Revenue should be deposited as soon as possible. Until a timely deposit can be made, other school revenue should be locked in a safe under dual control with limited access.

G. Cafeteria

The cafeteria represents a department of the school which may be subsidized by the government via the free and reduced lunch program reimbursements as well as free government food. It is imperative that cafeteria operations utilize the same internal controls as other areas of your parish and school.

Internal Control Procedures

- A separate bank account should be maintained dedicated exclusively to cafeteria operations.
- A cash register should be utilized to record daily sales by category (i.e. full price, reduced price, free and unpaid lunches, a la carte, snacks and adult sales.
- Cash receipts should be counted by two individuals, documented on daily tally sheet and deposited to the bank daily.
- A daily cash report summarizing sales and receipts should be completed attaching the cash count sheet, cash register tape and bank deposit slip.
- Disbursements should be approved by the Pastor or his designee.
- Monthly financial statements should be prepared and sent to the Pastor or his designee for their review.
- The bank statement should be sent directly to the Pastor or his designee for their review.
- The bank account should be reconciled on a monthly basis by an individual independent of the handling and recording of cafeteria cash.

Use of Funds

- Cafeteria funds are to be used only for the operation and improvement of the food service operation.
- Cafeteria funds are subject to audit by the federal and New York State governments.
- It is inappropriate for cafeteria funds to be used at the sole discretion of the cafeteria manager.
- Cafeteria funds cannot be used for personal gifts to employees such as thank you gifts or holiday gifts.

- The salary and benefits associated with monitors during meal service can be paid from cafeteria funds. Any portion of the monitor's time allocated to recess (i.e. gym, playground) must be charged elsewhere.

Cafeteria Operations

- Cafeteria pricing should be set to result in break-even or yield a small profit for the cafeteria which can be used to fund future improvement.
- Every effort should be made by the cafeteria manager to control costs including utilizing free government food and purchasing from approved wholesale vendors including those who participate in the Erie BOCES lunch bid.
- Government reports for reimbursements for free and reduced lunches should be filed in a timely manner utilizing the electronic filing available for participants if possible.

Sales Tax Collection

- Cafeterias are required by New York State law to collect sales tax on adult lunch sales as well as a la carte sales (including snacks).
- Daily sales tax collections should be documented on the daily cash report.
- Tax remittance and reporting must be done annually, at a minimum.

H. Religious Education Revenue Collection

Proper Handling of Revenue Collection

Pre-numbered triplicate receipts should be issued for all registration and sacramental fees. Fees should be deposited on a regular basis and secured under dual control.

Administration of Student Accounts

Document all students registered under different rate plans to determine the accuracy of revenue collected on an on-going basis.

Fee Collection Plan

On a regular basis, outstanding balances should be reviewed to determine if they are collectible. Establish a plan for the collection of past due fees. Payment plans and reminder notices should be utilized to collect past due fees. To aid in identifying past due fees, document all students registered under different plans to determine the accuracy of revenue collected on an on-going basis. Collected fees per the registration and triplicate receipts should be reconciled to the parish bookkeeping system at least quarterly. Uncollected fees should be written off only upon review and approval of the Pastor and the Finance Council. Document all unpaid fees and tuition waivers such as "program volunteer" or "financial need".

I. Cash Disbursements

Approval of Disbursements

Original supporting documentation should be reviewed and approved by the Pastor or someone (other than the bookkeeper) assigned by the Pastor. The supporting documentation should include invoices or receipts that provides evidence of the transaction and the expense account debited. Invoice approval should be

recorded by signature or initials and dated. *Be watchful for bogus invoices sent by companies who have provided no goods or services.*

Supporting Documentation for Disbursements

Verify all items were received prior to presenting for payment. Check items received against documents for description, quantity, and prices. Checks should not be issued without an invoice or check requisition form. Check amounts should be compared to the list of disbursements (PDS Paid Invoice Batch Report) accompanying the checks; this documentation (initialed to prevent reuse) must be retained as proof of the disbursement. Invoices should include certain minimum information such as vendor, date of service or purchase, description of service provided or goods purchased.

Prevention of Duplicate Payments

Invoices should be cancelled upon payment to prevent duplicate payments. The check number, date, and amount should be recorded on the invoice, or by attaching the corresponding third section of the printed check stock.

Proper Controls Over Checks

Access to unused check stock must be restricted; voided checks should be defaced and retained in numerical order with the cancelled checks/applicable bank statement so as to maintain proper sequential integrity. If an account is closed, remaining check stock numbers should be documented and the unused stock should be shredded prior to disposal.

Checks Payable to Cash, Cash Payments and Reimbursements

Checks should be made payable to a vendor (person or organization). Checks **MUST** not be made payable to "cash." All expenses should be paid by check; never from undeposited funds. Reimbursement checks should be minimized.

Authorized Check Signers

Invoices should be attached to all checks presented for signatures. All checks should be signed by the Pastor. ***The parish business manager and/or bookkeeper should never be an authorized signer on parish accounts.*** A Trustee or Finance Council member should be designated as an authorized signer when the Pastor is on vacation.

Use of Credit Cards

While parishes may elect to use credit ~~or debit~~ cards to facilitate purchases, it is imperative that adequate controls governing access, signoff, and documentation of type and purpose of purchase be monitored. Parishes should avoid incurring finance charges on a credit card and are obligated to pay any outstanding balances at the end of each billing cycle. Invoices (detailed) along with the credit card authorization slip must be retained for each purchase and reconciled to the monthly statement. If a major purchase is necessary, obtain the appropriate pre-authorization before purchasing the item. Statements should be mailed to the parish address.

A list of the cardholders should be maintained. The list should detail the name of the cardholder, the account/card number, credit limit, and expiration date. This list should be periodically reviewed and updated to reflect changes. Credit cards should be returned when an employee or other person leaves their job or position.

Use of Tax Exemption Number

Use of the tax exempt number should be reserved for purchases for the church and the school. Employees, friends or relatives must not use the tax exemption number for personal purchases. The number should be secured so that access is limited to authorized individuals.

J. Petty Cash Fund

Petty Cash Transactions

Record all petty cash transactions in a Petty Cash Register to maintain a clear record of the payment of expenses with a small amount of cash. A record of each petty cash payment should be maintained to identify the person paid, the reason, the amount, and the date of payment.

Replenishment of the Petty Cash Fund

Write a check from the parish operating account to “Petty Cash.” Never take cash directly from the Sunday collections or other income. Determine the total for the petty cash fund (see below) and periodically make the replenishments necessary to maintain this pre-determined total.

Fund Limit

Keep the limit at a minimum to cover incidental expenses, such as postage. Depending on local needs, \$100 or \$200 is generally adequate. At any point in time, cash and receipts should equal the total of the fund.

Supporting Documentation

Petty cash receipts should be retained to document the types of expenses, the payee, and number of transactions to determine that petty cash is appropriately used.

Authorized Custodian

Assign a primary person and a secondary person responsible for processing transactions and serving as a custodian.

Adequate Physical Safeguards

Ideally, store funds in a secure and locked drawer, box or office.

Designating Funds to Petty Cash

Petty cash funds should be designated for small expenses of the parish which are of an immediate need.

K. Bank Accounts and Reconciliation

Identification of Parish Accounts at Financial Institutions

The Pastor must be a signer and a receiver of information for all parish accounts. The parish should periodically verify the existence of all parish accounts, including those for auxiliary organizations, by surveying its various organizations. Another alternative is to request from local financial institutions a list of accounts using the parish federal identification number.

Accounts at Financial Institutions Should be Reported Accurately and Timely

All parish accounts must be reported in the annual report submitted to the Chancery and to the parishioners. Bank accounts with zero balances – such as sweep accounts and lines of credit should also be included because these accounts still reference the parish tax identification numbers and transactions are processed through these accounts.

Monitoring All Parish Bank Accounts

All original bank statements must be mailed to the parish where they should be opened and reviewed by the Pastor or his designee. The original should be maintained and a copy distributed to the auxiliary group and/or school. This will ensure that the Pastor is aware of all parish bank accounts utilizing the parish tax identification number.

All parish bank accounts must be included on the parish bookkeeping system. Parish organizations and societies are not required to be included, but must be reported in the annual financial report.

Bank Account Signature Cards

As personnel change in the parish, the approved signers on each parish bank account should be periodically reviewed. Include the accounts where few transactions occur since these accounts are often overlooked. Signers that have left the parish or relinquished responsibilities for the account should be removed as authorized signers.

Monthly Bank Reconciliations

Bank accounts should be reconciled each month and reviewed by an individual independent of the handling and recording of cash. All checks that remain outstanding for more than two months should be investigated and resolved. Contact the payee if necessary, checks may need to be voided and reissued.

Excess Operating and Other Funds

In the interest of earning competitive rates of return on excess operating funds (those over 90 days) and funds collected for capital campaigns or building funds, it is recommended these funds should be deposited in the St. Joseph Investment Fund. In addition, bank accounts owned by the parish but designated for different purposes, are not separately insured by the FDIC. Instead, such accounts are added together and insured up to \$250,000 in the aggregate.

Safeguarding the Use of the Parish Tax Identification Number

The parish tax identification number should be issued only after the approval of the Pastor. Identify the reason for the use of the parish tax identification number: establish parish (church, school, and auxiliary groups) accounts, etc. The Pastor should receive copies of the resulting documents, (e.g. bank statements). The parish should maintain a log identifying the recipient of the tax identification number and the purpose for the request.

National organizations (e.g. Knights of Columbus, St. Vincent de Paul Society, Ladies of Charity) should not ask for or be given the parish tax identification number for use for their bank accounts or for their activities.

The exception to this is scouting units chartered by the Boy Scouts of America, as scouting is youth ministry. The parish tax identification number is issued to the Scout unit: Cub Scouts, Boy Scouts, Varsity Scouts, or Venture Scouts and referenced on the bank account. The parish then receives the banking documents to maintain on file. All Boy Scouts of America units are subject to all of the policy and best practices related to parish auxiliary groups.

Closing Bank Accounts

Access to unused check stock should be restricted. When a decision is made to close an account, inventory the remaining check stock. The remaining check stock should be inventoried and shredded to prevent fraudulent use of the checks. Blank checks from a closed account can be presented for payment resulting in a loss for local currency exchanges, banks, or merchants. Local merchants as a member of the community will often honor a parish check unaware of the consequences.

Automatic Account Debit

Automatic debit arrangement should be utilized sparingly. If the business relationship is ended, make sure the bank is instructed not to honor debits from the company. Determine what is required by the bank to cease this activity - complete bank forms, write a letter, and/or close the account. Make sure the requirements are satisfied. Maintain a file documenting any such arrangements.

Choice of Banking Institution

Consider maintaining parish accounts (operating, auxiliary group accounts) at one financial institution. Higher account balances may enable the parish to negotiate better terms and/or rates with the bank. Cancelled checks or digital images must be returned to the parish for ALL parish and organization/society bank accounts. Otherwise, a purchase order system should be established whereby all purchases are pre-approved. All Check images and cancelled checks must be maintained with the appropriate bank statements.

L. Auxiliary Organizations Other Than Schools, Such as Women's and Men's Clubs

Proper Accountability

Auxiliary organizations are accountable to the Pastor; therefore, a quarterly report should be submitted to the Pastor. The quarterly report to the Pastor should include both the activities as well as the financial results of the auxiliary organization.

Signature of Pastor

The Pastor should be a signatory and receiver of information on all bank accounts held by these organizations.

Bank Accounts

The auxiliary organization bank accounts must be reported in the parish annual report submitted to the Chancery. The original bank statements should be mailed to the parish where it is opened and reviewed by the Pastor or his designee. It is recommended the original bank statement be retained and a copy forwarded on to the group.

Funds Remaining at the End of the Year

Excess funds (those more than the amount needed to begin the next year's activities) in auxiliary bank accounts should be transferred to the parish to be used for ministerial purposes.

Recommended Banking Institution

The Pastor should recommend a bank of choice for the auxiliary groups' bank accounts. All parish bank accounts (church and school) maintained at one banking institution may result in better interest rates and more favorable fees.

Use of the Parish Tax ID Number

Groups, organizations, and clubs that utilize the parish tax ID number (i.e. federal identification number) must account for all cash receipts and expenditures through the corresponding bank accounts.

Charters to Parishes Using the Scouting Program

If the parish has one or more charters with one or more scouting programs, such as Cub Scouts, Boy Scouts, Varsity Scouts, and Venture Scouts, then all of the above apply since the organization becomes a parish organization. When signing the annual charter, distribute the Auxiliary Organizations Best Practices to the scouting unit's leaders. This will inform them of their responsibilities to the Pastor and parish. A copy of the signed charter should be retained on file in the parish office.

M. Other Parish Programs and Events, Including Scrip

Adequate Segregation of Duties

Ideally, one person should be responsible for sales and safekeeping of cards. A second person should be responsible for treasury duties. Also, periodic inventory of cards should be completed.

Signature of Pastor

The Pastor should be a signatory and receiver of information on any bank accounts held by these organizations. The original bank statement should be mailed to the parish where it is opened and reviewed by the Pastor or his designee. A copy is retained and the original is then forwarded on to the group. Depending on the available resources, the authorized signers and reconcilers of the bank account should be administered by the parish business office, with payment requests submitted by the group. Remember, whoever reconciles the bank account should not be an authorized signer on the bank account.

Adequate Physical Safeguards

These cards should be considered as cash and handled appropriately. The inventory of cards on hand should be kept to a minimum based on sales activity. Under no circumstances should cards ever be taken off parish property to a personal residence.

Regular Reconciliation of Inventory

Inventory should be reconciled on a regular basis (at least monthly) to calculate the actual inventory on hand. The reconciliation form should include inventory of cards, purchases of additional cards (by merchant), adjustments + or – for back orders, sales errors, etc., and sales deposits by date to determine the calculated inventory. This should be compared to the physical inventory count. Any differences should be researched, documented, and resolved. This reconciliation form should be distributed to the program moderator and the parish business office with the appropriate signatures.

Reporting of Results

Regular income and expense statements should be submitted to the parish business office. The statements should reflect cash in accounts, an inventory of cards, adjustments for prepaid cards, and the program profits.

Written Procedures and Guidelines

Written procedures and guidelines should be developed and distributed to the program volunteers. Emphasis should be on segregating duties to distribute the responsibilities. Written procedures and guidelines will aid volunteers in carrying out their duties.

Accounting for Events

Revenue should be counted and deposited intact, never take cash generated from an event prior to deposit to pay for event-related expenses. Receipts should be retained to document any reimbursable expense.

N. **Retention/Safekeeping of Records**

Sacramental Records

All sacramental records should be stored in a secure area where these records are safeguarded against physical damage and deterioration: the best choice is a fireproof safe.

Financial Records

All financial records documenting transactions should be available to the parish as needed. Records should be retained for at least seven years. Records should not be kept offsite at the residence of employees or other locations where access to the records is limited.

Records should be filed/boxed by year – all records that are seven years old are boxed together, six year old records are boxed together, etc. All boxes should be labeled as to fiscal year – Year End 8/31/07; 8/31/05, etc. An inventory sheet should be prepared listing all items located in each particular box. A separate box should contain all permanent records and be marked as such.

The following guidelines are included for your reference.

<u>Item</u>	<u>Retention Period</u>		
	<u>3 Years</u>	<u>7 Years</u>	<u>Perm.</u>
<u>General:</u>			
Accident Reports, Claims (settled cases).....			X
Contracts: Capital Improvements, Mortgages, Notes, and Leases:			
Expired.....			X
Current			X
Correspondence (legal and important matters only)			X
Deeds, Mortgages, and Bills of Sale			X
Insurance Policies (expired).....			X
Insurance Records (current accident reports, claims, policies, etc.)			X
Property Appraisals by Outside Appraisers			X
Finance Council, Parish Council: meeting minutes, agendas, financial reports and supporting documentation			X
Annual Trustee Meeting Minutes.....			X
Credit and Debit Card Inventory.....			X

Financial Records:

Audit Reports	X
Bank Reconciliations	X
Bank Statements	X
Checks (cancelled/images)– see exception to follow).....	X
Checks (cancelled for important payments, i.e. purchases of property, special contracts, etc. Checks can be filed with the papers pertaining to the underlying transaction)	X
Check Registers or Stubs	X
Financial Statements and Attestation Letter (including annual reports).....	X
Fund-Raising Reports and Detailed Documentation	
(booth tally sheets, ticket stubs, unsold ticket, triplicate receipts, pickup slips, cash count sheets, etc.).....	X
Parish Organization Financial Reports.....	X
Parishioner Contribution Records:	
Weekly Detail	X
Annual Summaries.....	X
Gift Substantiation Letters	X
Offertory Tally sheets	X
Year-end Computer Back-up	X
(PDS Church Office Management users – should contact Computer Services Department 847-8777) on the transfer of parishioner information to the merger parish.)	

<u>Item</u>	<u>Retention Period</u>		
	<u>3 Years</u>	<u>7 Years</u>	<u>Perm.</u>
Invoices:			
Legal			X
Capital Repair			X
All Others		X	
Journals:			
Cash Disbursements.....		X	
Cash Receipts		X	
Mass Stipend Cash.....		X	
Savings.....		X	
Payroll Records:			
Automated Payroll Registers		X	
Government Reports		X	
Time Sheets	X		
Employee Earnings Record			X
Forms W-2, W-2G, W-9 and 1099-Misc.			X
Forms W-4, IT-2104, and I-9 (current employees).....			X
Employee Benefit Records		X	
Personnel Files (for terminated employees).....		X	
Retirement and Pension Records			X

Tuition Records:

Weekly Detail	X		
Annual Summaries.....	X		
Year-end Computer Back-up			X

Computerized Bookkeeping Systems: (1)

Month-end Reports	X		
Year-end Reports			X
Input Sheets and Daily "Batch" Reports.....	X		

Bingo, Bell Jar, Games of Chance, and Raffles:

Bank Statements	X		
Cancelled Checks.....	X		
Check Registers	X		
Paid Invoices.....	X		
Journals	X		
Documentation necessary to substantiate raffle ticket sales (listings of tickets distributed, returned, and sold, tickets stubs, unsold tickets).....	X		
BC-7, BC-7Q, GC-7, GC-7Q, GCVS-1, GCVS-2 Reports.....	X		

Other Records:

Retention Period

Bell Jar Tickets:			
Unsold.....			1 Year
Winners.....			6 months
Forms W-4, IT-2104, and I-9 for Terminated Employees			1 Year

(1) If using Parish Data System (PDS) Ledger/Payables, refer to the PDS Operations Manual for more specific guidelines.

O. Parish Attestation/Representation Letter

RE: _____
(Type or Print Name of Parish, City or Other Institution)

Dear Bishop:

Enclosed is a copy of the _____ fiscal year annual report for the parish or other institution named above. As its Pastor/Administrator/business manager or bookkeeper, one of our primary duties is to be a good steward of the resources that have been entrusted to us in service of God's people. The attached annual report is an all-inclusive report accounting for our receipts and expenditures, loans and savings for the past year.

In making this report we personally, to the best of our knowledge and with due diligence, attest to the following and acknowledge our responsibility for it:

1. All accounts (bank or otherwise) and investments of or holding parish funds are listed in this report, including Mass offering/stipend and auxiliary organization accounts. All account titles include the parish name and match the name on file with the Internal Revenue Service and the Federal Employer Identification Number (EIN#) issued to the parish. The Pastor / Administrator is a signatory on all accounts.
2. There has not been and is no commingling of personal and parish/school/institutional funds.
3. The Internal Control Self-Assessment Questionnaire has been completed and it accurately represents the internal controls in effect.
4. All known accounts and investments are under EIN# _____.

The above items 1-4 are hereby attested to by the Pastor/Administrator/business manager or bookkeeper:

Pastor/Administrator _____	/	_____
Print/Type Name		Signature
Business Manager/Bookkeeper _____	/	_____
Print/Type Name		Signature

5. To the best of our knowledge and belief, the annual financial report, including the accompanying schedules, is an accurate and complete accounting of our finances including all revenue, expense, saving, investment, and loan balances.
6. We are not aware of any instances of loss by fraud or theft in the past year, except for those which have already been reported to the diocesan Internal Audit Department, if any.
7. That the annual budget for the next fiscal year was made available to parishioners on _____ (date).
8. That periodic financial statements (including, but not limited to a Statement of Financial Position (Balance Sheet) and Statement of Activities (Income Statement)) were made available to parishioners at least annually, as follows:

Date of Financial Statement

Date Issued to Parishioners

_____	_____
_____	_____
_____	_____
_____	_____

9. There is an active Finance Council in place that meets at least quarterly to discuss and review actual and budgeted financial results, the internal controls of the parish, and all expenditures greater than \$10,000.

Parish Attestation/Representation Letter

10. Meetings of the Finance Council during the above period, and since the end of the period, were held on the following dates:

_____	_____
_____	_____
_____	_____
_____	_____

11. We hereby affirm that the parish has complied with the following provisions for internal controls:

- A. Communicate to employees and volunteers and implement a system of internal controls and a program of internal control review for the parish as outlined in the Diocese of Buffalo Business Administration Best Parish Practices manual. The program of internal control review shall be a structured, continuing and well-documented system designed to identify internal control weaknesses, identify actions that are needed to correct these weaknesses, monitor the implementation of necessary corrective actions and periodically assess the adequacy of the parish's internal controls.
- B. Make available to each employee and volunteer of the parish the Diocese of Buffalo Fraud Policy and Fraud Response Plan which the employee and volunteer of the parish shall be expected to comply to emphasize the importance of and responsibility for effective internal controls. All employees and volunteer who handle cash should review and sign. These signed copies should be retained in the parish office.
- C. Designate an internal control coordinator (Finance Council member), who shall report to the Finance Council, to implement and review the Internal Control Self-Assessment Questionnaire responsibilities. Controls should be periodically tested by the coordinator and the results reported to the Finance Council
- D. Implement education and training efforts to ensure that employees and volunteers within such parish have achieved adequate awareness and understanding of internal control standards and, as appropriate, evaluation techniques.

12. We are responsible for programs and controls consistent with the current diocesan policies in accordance with the Diocese of Buffalo Business Administration Best Parish Practices "Financial Governance, Reporting and Controls" manual. We represent we have reviewed the attached Internal Control Self-Assessment Questionnaire (Addendum A), and have tested at least twelve internal controls at random within the past fiscal year. Any exceptions to these representations are noted on the attached page.

Parish Attestation/Representation Letter

The above items 5-12 are hereby affirmed to by the Trustees and members of the Parish Finance Council:

TRUSTEES:

<u>Printed Name</u>	<u>Occupation</u>	<u>Signature</u>
_____	_____	_____
_____	_____	_____

FINANCE COUNCIL MEMBERS:

<u>Printed Name</u>	<u>Occupation</u>	<u>Signature</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Trustees and/or Finance Council members may individually or as a group qualify any of the above affirmation items 5-12 if they believe it is necessary based on information made available to them or the lack of information to sufficiently carry out their responsibilities. The following exceptions are made:

Parish Attestation/Representation Letter

In making this report it is understood by the undersigned and all parish Trustees and Finance Council members signing this report that parish Trustees and Finance Council members shall have no legal liability for a defalcation with the exception of any individual found to be complicit in such defalcation. As used in this report the term “complicit” shall mean aid and abetting the defalcation and/or having knowledge of a defalcation and failing to report it to the diocesan Internal Audit Department or to take action to prevent it and/or to engage in gross negligent conduct such that such conduct permitted the defalcation to occur.

Additionally, parish Trustees and Finance Council members are covered by the Diocese of Buffalo Directors and Officers Liability Insurance provided they have not been complicit in such defalcation.

Sincerely yours,

Pastor / Administrator Signature

Date _____

P. Parish and School Internal Control Self-Assessment Questionnaire

Introduction

This Internal Control Self-Assessment Questionnaire is a multipurpose tool to be used by parish finance committees assessing the adequacy of internal controls within their organizations. The primary purpose of this tool is for the committee to **perform a self-review** in order to identify areas of weaknesses, non-compliance, and/or unsound business practices.

This assessment is **not** intended to cover all portions of the control environment and should be considered summary in nature.

This questionnaire is designed so that a “NO” response indicates an area of potential concern. A “NO” response suggests that the organization may be in non-compliance with a particular policy or procedure, and/or may have a missing or non-functioning control.

Parish finance committees are encouraged to self-assess themselves at regular intervals, depending on the outcome of the initial self-assessment. A parish or school with a significant number of “NO” responses should make needed changes and/or corrections, and then perform a follow-up self-assessment within a few months.

Parish and School Internal Control Self-Assessment Questionnaire	Yes	No	N/A
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Bank Reconciliation

Control Objective: To ensure every bank statement is promptly reconciled by a person not otherwise involved in the cash receipts and disbursements functions. To identify errors, irregularities, and adjustments for the Cash account.

- | | | | |
|--|--------------------------|--------------------------|--------------------------|
| 1. Are the bank accounts reconciled within a timely period after the end of each month? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Does the Pastor (or other responsible person) receive the bank statements unopened from the bank(s)? (Including cafeteria and organization accounts) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Does the Pastor open and review the bank statements and digital images/cancelled checks prior to the Business manager / bookkeeper? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Does the Pastor open and review all finance related mail? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Are bank reconciliations prepared by a person independent of the cash receiving, check processing, recording, and check signing functions? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. If the parish processes financial transactions over the Internet, are appropriate safeguards in place? (i.e. dual authorization, https (security encryption), etc.) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Are all parish bank accounts identified with the parish's Federal ID #? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Are local banks surveyed at least annually to obtain a complete listing of all accounts using the parish name and / or Federal ID #? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Petty Cash

Control Objective: To ensure that petty cash funds are disbursed only for proper purposes, are adequately safeguarded, and are properly recorded.

- | | | | |
|---|--------------------------|--------------------------|--------------------------|
| 1. If a petty cash fund is maintained, is it maintained on an imprest basis? (i.e., cash plus receipts equals fixed petty cash) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Is the responsibility of the fund vested in a single custodian? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Are the types and amounts of petty cash disbursements limited to incidental purchases? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Do persons receiving cash sign petty cash vouchers? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Are vouchers properly supported by invoices or receipts? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Is petty cash reimbursed by check only? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Are petty cash reimbursement checks payable only to the custodian or the parish and not Cash? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Are periodic counts of the petty cash fund made by an individual other than the custodian? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Is the cashing of checks out of the petty cash fund prohibited? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Are there physical safeguards over petty cash funds, including fire-resistant boxes, vaults, etc.? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Parish and School Internal Control Self-Assessment Questionnaire	Yes	No	N/A
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Church Cash Receipts

Control Objective: To ensure that all cash intended for the church is received, promptly deposited, properly recorded, reconciled and kept under adequate security.

- | | | | |
|---|--------------------------|--------------------------|--------------------------|
| 1. Immediately after each collection, are baskets consolidated into one basket in the presence of at least two ushers during the Mass? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Are these ushers periodically changed? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Do these ushers place the collection into a pre-numbered tamper evident bag and then place the basket (with bag) on the altar? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Are the bag #'s recorded on a log sheet? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. After the Mass, is the collection transported by two unrelated individuals to a combination safe with limited access within the rectory? (A drop safe in the sacristy or rectory is strongly encouraged) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Are at least two members of the count team present when the safe is opened and do these same two transport the offertory to the count room together? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Is the weekly Mass collection counted in a secure area or location? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Is the weekly Mass collection counted by at least two unrelated individuals who are present at all times during the counting process? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Does the parish priest have a presence during the actual count? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Are individuals appointed / selected to count collections independent of the accounting / bookkeeping process? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Are the counted collections documented using a tally sheet? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. Is the weekend collection counted and deposited on Sunday? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 13. Are count team members unrelated and rotated on a periodic basis? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14. Are tamper evident bags inspected before opening and are the serial numbers compared to the ushers' log sheet? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 15. Are checks restrictively endorsed (e.g. "for deposit only" to the parish's account) immediately? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16. Does the individual responsible for the count perform a re-verification of the count? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 17. Do all members of the count team sign the tally sheet? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 18. Do the counters prepare the deposit slip(s), in duplicate after the count is completed? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 19. Is the original tally sheet(s) and validated bank deposit receipt given directly to the Pastor for review and initialing, then forwarded to the parish's bookkeeper for recording and filing? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Parish and School Internal Control Self-Assessment Questionnaire	Yes	No	N/A
20. Is the offertory collection counted exactly as it is received and deposited; funds are not exchanged or taken from the offertory collections?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Is the cashing of checks out of the loose collection prohibited?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Is money deposited in a bank account intact and on a timely basis?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23. Are cash receipts posted by a person independent of the cash receiving and cash counting process?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
24. Are parishioners encouraged to use envelopes for offertory purposes?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
25. Is the amount of the offering indicated on the outside of the envelope for subsequent posting to parishioners' records?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
26. Is the person responsible for recording parishioner contributions independent of the offertory collection and counting processes?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
27. Is a weekly contribution report generated and retained for seven years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
28. Are the parishioner contributions reconciled weekly to the collection summary by a person independent of the counting and recording?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
29. Are statements sent to regular envelope users for income tax and verification purposes at least annually?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
30. Do the contribution statements instruct the recipient to contact the Pastor (or another person independent of the cash collection, counting, and recording) with any questions?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
31. What happens to envelopes received during the week (e.g. held until Sunday or processed mid-week)? _____ _____			
32. Does your parish use PDS Church Office Management to track contributions?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If yes:			
Is there a system administrator? _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Passwords?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
User ID's?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
33. Is the system administrator someone other than the individual responsible for the contribution recordkeeping?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
34. Are back-ups performed monthly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
And at year end?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
How long are they retained? _____ years.			
<u>Other Income</u>			
1. If the parish receives income from rental activities, preschool programs, use of parking lots or any other non-church related activities - please describe these activities and the controls surrounding them:			

Parish and School Internal Control Self-Assessment Questionnaire	Yes	No	N/A
2. Are pre-numbered triplicate copy receipts issued for funds received in the rectory office, including Mass offerings? By whom? _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Are these receipts reconciled to the bank deposit receipt? By whom? _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Are these receipts retained for supporting documentation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Cash Disbursements

Control objective: To ensure that cash is disbursed only upon proper authorization of the Pastor, for valid church business, and that all disbursements are properly recorded.

1. Are invoices or requests for expense reimbursements supported by appropriate receipts and / or approval indicating receipt of goods or services?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Are supporting documents (such as invoices) cancelled (check #, date, and amount) when checks are written?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Are all disbursements, except petty cash, made by check?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Are checks pre-numbered and used in sequence?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Are checks made payable to specific payees and not to "Cash"?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Are unused checks kept in a secure location with limited access when they are not in use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Is a check register or computer generated cash disbursements journal maintained by the person processing the checks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Is check-signing authority, on all parish accounts, vested in the Pastor (and other approved check signers) other than the bookkeeper?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. If a rubber signature stamp is used, does it remain in the Pastor's custody at all times?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Is the signing of blank checks prohibited?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Does the Pastor review supporting documentation (i.e. invoices) prior to signing checks (or after, if signed by other authorized person)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. What procedures are used for the issuance of checks when the Pastor (and parochial vicar(s)) are away? _____			
13. Are cash disbursements posted to the cash disbursements journal or the general ledger by a person independent of the authorization, check processing and check signing functions?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Are disbursements posted to the records at least on a weekly basis?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Are paid invoices filed alpha, by year, and maintained by the parish?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. Are paid invoices retained for seven years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Does only the Pastor authorize new vendors?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Parish and School Internal Control Self-Assessment Questionnaire	Yes	No	N/A
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Payroll

Control Objective: To ensure that payroll disbursements are made only upon proper authorization of management, to bonafide employees, that payroll disbursements are properly recorded, and that related legal requirements are complied with.

- | | | | |
|---|--------------------------|--------------------------|--------------------------|
| 1. Does the parish maintain personnel files with the following information? | | | |
| a. Uniform employment application and reference check? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Job descriptions? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c. Background check? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d. Code of Conduct forms? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e. Performance reviews? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Does the parish maintain payroll files with the following information: | | | |
| a. Salary or pay rates, changes in compensation and position? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b. Are compensation changes approved by Pastor in writing? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c. All Federal and NYS required forms? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Is there a separate folder for employee I-9 Forms? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Is there an employee handbook? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| a. Are vacations mandatory? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Is the payroll prepared and checks distributed by separate individuals? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Is the payroll register (or its equivalent) kept by the person processing the payroll checks? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Are employees and non-employees paid by check for services performed? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Are all payroll checks issued with pre-numbered checks? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Are payroll checks signed by the Pastor (or other approved check signer)? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Is the summary of the payroll register posted to the general ledger by a person independent of the payroll processing, check signing and authorization functions? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. Are bank statements and cancelled checks received directly and reconciled to the payroll register by a person independent of the processing, check signing and authorization functions? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. Is the payroll distributed to the proper (general ledger) accounts? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 13. Are the amounts withheld from the wages of each employee monitored? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Charitable Gaming

Control Objective: To ensure that all charitable gaming activities are conducted in accordance with the New York State Charitable Gaming Laws.

- | | | | |
|--|--------------------------|--------------------------|--------------------------|
| 1. Are financial reports of the organization's charitable gaming activities reported to the appropriate governing body? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Are monthly financial reports of charitable gaming activity submitted to the parent organization (i.e. the parish)? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Is a separate checking account maintained for all receipts and disbursements related to each form of charitable gaming? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Parish and School Internal Control Self-Assessment Questionnaire	Yes	No	N/A
4. Do the checks on these account(s) have preprinted consecutive numbers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Are all checks made payable to a specific person or corporation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Are checks made payable to "Cash" forbidden?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Are all checks signed by at least two people?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Are all receipts from charitable gaming deposited no later than the next banking day following the date of the charitable gaming session?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Are the results of each gaming session fully and accurately documented?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Is the separate gaming account reconciled monthly by someone other than the person who is authorized to sign checks on that account?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Are all charitable gaming records retained for at least seven years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Are all charitable gaming cash receipts counted by at least two people?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Are all charitable gaming financial reports prepared by someone other than the person(s) responsible for counting and depositing the cash receipts?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

School Tuition & Fee Income

Control Objective: To ensure that all tuition and fees are promptly collected at the authorized rates, deposited, properly recorded, reconciled and kept under adequate security.

1. Describe the procedures used for counting and depositing tuition and fees receipts. (Include the person accepting funds; the storage of funds' who prepares the deposit slip; who deposits the money, etc.)

2. Is tuition remitted by check, restrictively endorsed immediately upon receipt, payable only to the school?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Are pre-numbered receipts issued? Is adequate control maintained over the sequence of used and unused numbers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Is the initial listing of receipts sent directly to the person responsible for the general ledger and bank reconciliation functions?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Does a duplicate listing accompany the receipts for use in preparing deposit slips?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Is cash deposited in a bank account intact, and on a timely basis, by a person independent of the receiving and general ledger functions?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Is the initial listing of receipts compared with the bank deposit slip(s)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Is a receipts summary prepared for use in posting to the cash receipts journal or general ledger?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Are cash receipts posted by a person independent of the cash receiving and processing functions?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Parish and School Internal Control Self-Assessment Questionnaire	Yes	No	N/A
10. Are tuition receipts periodically compared with the tuition revenue estimates in the operating budget by an independent person?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Is tuition revenue periodically compared with enrollment data by an independent person?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Are tuition adjustments, allowances, and credits approved by an authorized individual (i.e., Pastor)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. If an outside service (i.e. FACTS or Smart) is utilized to collect tuition:			
a. Are bank deposits linked to a parish or school account?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Does the Principal review the external reports from the agency?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Does the Principal reconcile credits and adjustments to bank deposits or other supporting documentation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Are credit and adjustments approved by the Principal and in writing?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Does the school have a before / after school care program? Summer Camp? If so, how are these funds collected and deposited? _____			
15. Describe the procedures used for collecting and depositing money received for field trips, candy sales, books sales, etc. _____			

16. Who has access to undeposited cash receipts? _____			

Cafeteria

Control Objective: To ensure an adequate segregation of duties exists within the cafeteria operation. Please note the same general controls noted above are applicable for Cafeteria's also.

1. Do Cafeteria personnel turn in daily logs of sales and receipts?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
a. Are these logs compared to the actual cafeteria deposits on a weekly basis, by a person independent of both the cafeteria and bookkeeping functions?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Does the processing of items for payment include a final approval for payment by someone independent of cafeteria operations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Are internal routines under adequate control so that no one person has control over conflicting activities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Are internal financial statements available promptly after each month end?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Q. Regional School Attestation/Representation Letter

RE: _____
(Type or Print Name of Regional School)

Dear Bishop:

Enclosed is a copy of the _____ fiscal year annual report for the regional school named above. As its Canonical Administrator/Principal/business manager or bookkeeper, one of our primary duties is to be a good steward of the resources that have been entrusted to us in service of God's people. The attached annual report is an all-inclusive report accounting for our receipts and expenditures, loans and savings for the past year.

In making this report we personally, to the best of our knowledge and with due diligence, attest to the following and acknowledge our responsibility for it:

1. All accounts (bank or otherwise) and investments of or holding school funds are listed in this report, including stipend and auxiliary organization accounts. All account titles include the school name and match the name on file with the Internal Revenue Service and the Federal Employer Identification Number (EIN#) issued to the school. The canonical administrator is a signatory on all accounts.
2. There has not been and is no commingling of personal and school/institutional funds.
3. The Internal Control Self-Assessment Questionnaire has been completed and it accurately represents the internal controls in effect.
4. All known accounts and investments are under EIN# _____.

The above items 1-4 are hereby attested to by the canonical administrator/principal/business manager or bookkeeper:

Canonical Administrator	_____ / _____	
	Print/Type Name	Signature
Principal	_____ / _____	
	Print/Type Name	Signature
Business Manager/Bookkeeper	_____ / _____	
	Print/Type Name	Signature

5. To the best of our knowledge and belief, the annual financial report, including the accompanying schedules, is an accurate and complete accounting of our finances including all revenue, expense, saving, investment, and loan balances.
6. We are not aware of any instances of loss by fraud or theft in the past year, except for those which have already been reported to the diocesan Internal Audit Department, if any.
7. That the annual budget for the next fiscal year was made available to parents on _____(date).
8. There is a Board Budget, Finance and Investment Committee and an Audit and Compliance Committee in place that meets regularly to discuss and review actual and budgeted financial results, the internal controls of the school, and all expenditures greater than \$10,000.

Regional School Attestation/Representation Letter

9. Meetings of these two Committee's during the above period, and since the end of the period, were held on the following dates:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

10. We hereby affirm that the school has complied with the following provisions for internal controls:

- A. Communicate to employees and volunteers and implement a system of internal controls and a program of internal control review for the school as outlined in the Diocese of Buffalo Business Administration Best Parish Practices manual. The program of internal control review shall be a structured, continuing and well-documented system designed to identify internal control weaknesses, identify actions that are needed to correct these weaknesses, monitor the implementation of necessary corrective actions and periodically assess the adequacy of the school's internal controls.
- B. Make available to each employee and volunteer of the school the Diocese of Buffalo Fraud Policy and Fraud Response Plan which the employee and volunteer of the school shall be expected to comply to emphasize the importance of and responsibility for effective internal controls.
- C. Designate an internal control coordinator (Board Audit and Compliance Committee member), who shall report to the Board Audit and Compliance Committee, to implement and review the Internal Control Self-Assessment Questionnaire responsibilities.
- D. Implement education and training efforts to ensure that employees and volunteers within such school have achieved adequate awareness and understanding of internal control standards and, as appropriate, evaluation techniques.

11. We are responsible for programs and controls consistent with the current diocesan policies in accordance with the Diocese of Buffalo Business Administration Best Parish Practices "Financial Governance, Reporting and Controls" manual. We represent we have reviewed the attached Internal Control Self-Assessment Questionnaire (Addendum A), and have tested at least twelve internal controls at random within the past fiscal year. Any exceptions to these representations are noted on the attached page.

Regional School Attestation/Representation Letter

The above items 5-11 are hereby affirmed to by the Trustees and members of the School Budget, Finance & Investment Committee and the Audit & Compliance Committee:

TRUSTEES:

Printed Name

Occupation

Signature

_____	_____	_____
_____	_____	_____

SCHOOL BUDGET, FINANCE & INVESTMENT COMMITTEE MEMBERS:

Printed Name

Occupation

Signature

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

SCHOOL AUDIT AND COMPLIANCE COMMITTEE MEMBERS:

Printed Name

Occupation

Signature

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Trustees and/or Regional School Committee members may individually or as a group qualify any of the above affirmation items 5-11 if they believe it is necessary based on information made available to them or the lack of information to sufficiently carry out their responsibilities. The following exceptions are made:

Regional School Attestation/Representation Letter

In making this report it is understood by the undersigned and all Regional School Trustees and Board Committee members signing this report that Trustees and Committee members shall have no legal liability for a defalcation with the exception of any individual found to be complicit in such defalcation. As used in this report the term “complicit” shall mean aid and abetting the defalcation and/or having knowledge of a defalcation and failing to report it to the diocesan Internal Audit Department or to take action to prevent it and/or to engage in gross negligent conduct such that such conduct permitted the defalcation to occur.

Additionally, Regional School Trustees and Committee members are covered by the Diocese of Buffalo Directors and Officers Liability Insurance provided they have not been complicit in such defalcation.

Sincerely yours,

Canonical Administrator Signature

Principal Signature

Date _____

Date _____

R. Regional School Internal Control Self-Assessment Questionnaire

Introduction

This Internal Control Self-Assessment Questionnaire is a multipurpose tool to be used by regional school audit and compliance committees assessing the adequacy of internal controls within their organizations. The primary purpose of this tool is for the committee to **perform a self-review** in order to identify areas of weaknesses, non-compliance, and/or unsound business practices.

This assessment is **not** intended to cover all portions of the control environment and should be considered summary in nature.

This questionnaire is designed so that a “NO” response indicates an area of potential concern. A “NO” response suggests that the organization may be in non-compliance with a particular policy or procedure, and/or may have a missing or non-functioning control.

Regional School audit and compliance committees are encouraged to self-assess themselves at regular intervals, depending on the outcome of the initial self-assessment. A school with a significant number of “NO” responses should make needed changes and/or corrections, and then perform a follow-up self-assessment within a few months.

Regional School Assessment Questionnaire	Yes	No	N/A
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Bank Reconciliation

Control Objective: To ensure every bank statement is promptly reconciled by a person not otherwise involved in the cash receipts and disbursements functions. To identify errors, irregularities, and adjustments for the Cash account.

- | | | | |
|--|--------------------------|--------------------------|--------------------------|
| 1. Are the bank accounts reconciled within a timely period after the end of each month? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Does the canonical administrator (or other responsible person) receive the bank statements unopened from the bank(s)? (Including cafeteria and organization accounts) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Does the canonical administrator open and review the bank statements and cancelled checks prior to the business manager / bookkeeper? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Does the canonical administrator open and review all finance related mail? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Are bank reconciliations prepared by a person independent of the cash receiving, check processing, recording, and check signing functions? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. If the school processes financial transactions over the Internet, are appropriate safeguards in place? (i.e. dual authorization, https (security encryption), etc.) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Are all school bank accounts identified with the school's Federal ID #? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Are local banks surveyed at least annually to obtain a complete listing of all accounts using the school name and / or Federal ID #? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Petty Cash

Control Objective: To ensure that petty cash funds are disbursed only for proper purposes, are adequately safeguarded, and are properly recorded.

- | | | | |
|---|--------------------------|--------------------------|--------------------------|
| 1. If a petty cash fund is maintained, is it maintained on an imprest basis? (i.e., cash plus receipts equals fixed petty cash) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Is the responsibility of the fund vested in a single custodian? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Are the types and amounts of petty cash disbursements limited to incidental purchases? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Do persons receiving cash sign petty cash vouchers? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Are vouchers properly supported by invoices or receipts? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. Is petty cash reimbursed by check only? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Are petty cash reimbursement checks payable only to the custodian and not Cash? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Are periodic counts of the petty cash fund made by an individual other than the custodian? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Is the cashing of checks out of the petty cash fund prohibited? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Are there physical safeguards over petty cash funds, including fire-resistant boxes, vaults, etc.? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Regional School Assessment Questionnaire	Yes	No	N/A
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School Tuition & Fee Income

Control Objective: To ensure that all tuition and fees are promptly collected at the authorized rates, deposited, properly recorded, reconciled and kept under adequate security.

1. Describe the procedures used for counting and depositing tuition and fees receipts. (Include the person accepting funds; the storage of funds, who prepares the deposit slip; who deposits the money, etc.)

2. Is tuition remitted by check, restrictively endorsed immediately upon receipt, payable only to the school? ☐ Yes ☐ No ☐ N/A

3. Are pre-numbered receipts issued? Is adequate control maintained over the sequence of used and unused numbers? ☐ Yes ☐ No ☐ N/A

4. Is the initial listing of receipts sent directly to the person responsible for the general ledger and bank reconciliation functions? ☐ Yes ☐ No ☐ N/A

5. Does a duplicate listing accompany the receipts for use in preparing deposit slips? ☐ Yes ☐ No ☐ N/A

6. Is cash deposited in a bank account intact, and on a timely basis, by a person independent of the receiving and general ledger functions? ☐ Yes ☐ No ☐ N/A

7. Is the initial listing of receipts compared with the bank deposit slip(s)? ☐ Yes ☐ No ☐ N/A

8. Is a receipts summary prepared for use in posting to the cash receipts journal or general ledger? ☐ Yes ☐ No ☐ N/A

9. Are cash receipts posted by a person independent of the cash receiving and processing functions? ☐ Yes ☐ No ☐ N/A

10. Are tuition receipts periodically compared with the tuition revenue estimates in the operating budget by an independent person? ☐ Yes ☐ No ☐ N/A

11. Is tuition revenue periodically compared with enrollment data by an independent person? ☐ Yes ☐ No ☐ N/A

12. Are tuition adjustments, allowances, and credits approved by an authorized individual (i.e., canonical administrator)? ☐ Yes ☐ No ☐ N/A

13. If an outside service (i.e. FACTS or Smart) is utilized to collect tuition:

- a. Are bank deposits linked to a school account? ☐ Yes ☐ No ☐ N/A
- b. Does the Principal review the external reports from the agency? ☐ Yes ☐ No ☐ N/A
- c. Does the Principal reconcile credits and adjustments to bank deposits or other supporting documentation? ☐ Yes ☐ No ☐ N/A
- d. Are credit and adjustments approved by the Principal and in writing? ☐ Yes ☐ No ☐ N/A

14. Does the school have a before / after school care program? Summer Camp? If so, how are these funds collected and deposited? _____

15. Describe the procedures used for collecting and depositing money received for field trips, candy sales, books sales, etc. _____

Regional School Assessment Questionnaire	Yes	No	N/A
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16. Who has access to undeposited cash receipts? _____

17. Does your school use PDS Office and Ledger? ☐ Yes ☐ No ☐ N/A

If yes:

Is there a system administrator? _____ ☐ Yes ☐ No ☐ N/A

Passwords? ☐ Yes ☐ No ☐ N/A

User ID's? ☐ Yes ☐ No ☐ N/A

18. Is the system administrator someone other than the individual responsible for the day to day recordkeeping?

19. Are back-ups performed monthly? ☐ Yes ☐ No ☐ N/A

And at year end? ☐ Yes ☐ No ☐ N/A

How long are they retained? _____ years. ☐ Yes ☐ No ☐ N/A

Are backups secured in another building on school premises? ☐ Yes ☐ No ☐ N/A

Other Income

1. If the school receives income from rental activities, preschool programs, use of parking lots or any other non-school related activities - please describe these activities and the controls surrounding them:

2. Are pre-numbered triplicate copy receipts issued for funds received in the school office?
 By whom? _____ ☐ Yes ☐ No ☐ N/A

3. Are these receipts reconciled to the bank deposit receipt?
 By whom? _____ ☐ Yes ☐ No ☐ N/A

4. Are these receipts retained for supporting documentation? ☐ Yes ☐ No ☐ N/A

Cash Disbursements

Control objective: To ensure that cash is disbursed only upon proper authorization of the canonical administrator, for valid school business, and that all disbursements are properly recorded.

1. Are invoices or requests for expense reimbursements supported by appropriate receipts and / or approval indicating receipt of goods or services? ☐ Yes ☐ No ☐ N/A

2. Are supporting documents (such as invoices) cancelled (check #, date, and amount) when checks are written? ☐ Yes ☐ No ☐ N/A

3. Are all disbursements, except petty cash, made by check? ☐ Yes ☐ No ☐ N/A

4. Are checks pre-numbered and used in sequence? ☐ Yes ☐ No ☐ N/A

5. Are checks made payable to specific payees and not to Cash? ☐ Yes ☐ No ☐ N/A

6. Are unused checks kept in a secure location with limited access when they are not in use? ☐ Yes ☐ No ☐ N/A

7. Is a check register or computer generated cash disbursements journal maintained by the person processing the checks? ☐ Yes ☐ No ☐ N/A

Regional School Assessment Questionnaire	Yes	No	N/A
8. Is check-signing authority, on all school accounts, vested in the canonical administrator (and other approved check signers) other than the bookkeeper?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. If a rubber signature stamp is used, does it remain in the canonical administrator's custody at all times?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Is the signing of blank checks prohibited?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Does the canonical administrator review supporting documentation (i.e. invoices) prior to signing checks (or after, if signed by other authorized person)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. What procedures are used for the issuance of checks when the canonical administrator is away? _____			
13. Are cash disbursements posted to the cash disbursements journal or the general ledger by a person independent of the authorization, check processing and check signing functions?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Are disbursements posted to the records at least on a weekly basis?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Are paid invoices filed alpha, by year, and maintained by the school?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. Are paid invoices retained for seven years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Does only the canonical administrator authorize new vendors?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Payroll

Control Objective: To ensure that payroll disbursements are made only upon proper authorization of management, to bonafide employees, that payroll disbursements are properly recorded, and that related legal requirements are complied with.

1. Does the School maintain personnel files with the following information:			
a. Uniform employment application and reference check?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Job descriptions?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Background check?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Code of Conduct forms?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Performance reviews?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Does the School maintain payroll files with the following information:			
a. Salary or pay rates, changes in compensation and position?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Are compensation changes approved by canonical administrator in writing?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. All Federal and NYS required forms?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Is there a separate folder for employee I-9 forms?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Is there an employee handbook?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
a. Are vacations mandatory?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Is the payroll prepared and checks distributed by separate individuals?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Is the payroll register (or its equivalent) kept by the person processing the payroll checks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Are all employees and non-employees paid by a check for services performed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Regional School Assessment Questionnaire	Yes	No	N/A
8. Are all payroll checks issued with pre-numbered checks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Are payroll checks signed by the canonical administrator (or other approved check signer)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Is the summary of the payroll register posted to the general ledger by a person independent of the payroll processing, check signing and authorization functions?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Are bank statements and cancelled checks received directly and reconciled to the payroll register By a person independent of the processing, check signing and authorization functions?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Is the payroll distributed to the proper (general ledger) accounts?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Are the amounts withheld from the wages of each employee monitored?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Charitable Gaming

Control Objective: To ensure that all charitable gaming activities are conducted in accordance with the New York State Charitable Gaming Laws.

1. Are financial reports of the organization's charitable gaming activities reported to the appropriate governing body?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Are monthly financial reports of charitable gaming activity submitted to the parent organization (i.e. the school)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Is a separate checking account maintained for all receipts and disbursements related to each form of charitable gaming?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Do the checks on these account(s) have preprinted consecutive numbers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Are all checks made payable to a specific person or corporation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Are checks made payable to "Cash" forbidden?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Are all checks signed by at least two people?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Are all receipts from charitable gaming deposited no later than the next banking day following the date of the charitable gaming session?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Are the results of each gaming session fully and accurately documented?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Is the separate gaming account reconciled monthly by someone other than the person who is authorized to sign checks on that account?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Are all charitable gaming records retained for at least seven years?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Are all charitable gaming cash receipts counted by at least two people?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Are all charitable gaming financial reports prepared by someone other than the person(s) responsible for counting and depositing the cash receipts?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Regional School Assessment Questionnaire	Yes	No	N/A
--	-----	----	-----

Cafeteria

Control Objective: To ensure an adequate segregation of duties exists within the cafeteria operation. Please note the same general controls noted above are applicable for Cafeteria's also.

- | | | | |
|---|--------------------------|--------------------------|--------------------------|
| 1. Do Cafeteria personnel turn in daily logs of sales and receipts? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| a. Are these logs compared to the actual cafeteria deposits on a weekly basis, by a person independent of both the cafeteria and bookkeeping functions? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Does the processing of items for payment include a final approval for payment by someone independent of cafeteria operations? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Are internal routines under adequate control so that no one person has control over conflicting activities? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Are internal financial statements available promptly after each month end? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

S. Fraud Policy and Fraud Response Plan

Objective

The revised Code of Canon Law, effective November 27, 1983, addresses extensively the responsibilities of bishops and their delegates as administrators of the Church's temporal goods. Ultimately, the Bishop has the duty to ensure that no abuses exist in the administration of Church goods within the Diocese. This policy is promulgated to support and assist the Bishop in that responsibility.

The Diocesan Finance Council provides review, oversight and counsel to the Bishop at the Diocesan level. At the local level, the parish finance council is to provide the Pastor or Administrator with similar advice and counsel. The Diocesan internal auditors also serve a vital role in the review and monitoring of various internal controls at the parish level. This document should be made available to all parish and school employees and volunteers and studied together for sound parish stewardship in this matter.

The Diocese of Buffalo is committed to the highest possible standards of accountability in all its affairs. It is determined to develop a culture of the Gospel, one of honest and accountable stewardship and opposition to fraud and embezzlement. An environment, which allows any embezzlement or fraud, is not acceptable, and all criminal, civil and canon laws will be strictly enforced and obeyed.

In line with that commitment, this document outlines the principles we are committed to in relation to reporting and investigating fraud and embezzlement. The principles for preventing fraud and safeguarding assets are outlined in the Diocese of Buffalo Business Administration Best Practices Manual. This document in no way supersedes those requirements, but is intended to reinforce them. It will outline the steps that are to be taken in the event of suspicion of fraud or actual fraud and communicate how it will be dealt with. These actions apply to priests, religious, lay employees, volunteers, parishioners or any person suspected of fraud or embezzlement.

The Diocese encourages all clergy, religious, lay leaders, employees, parishioners and volunteers to come forward on a timely basis and report instances of fraud and embezzlement and provides assurance against recrimination or retaliation.

Fraudulent activities at the parish, school or any other level at the Diocese represent a unique problem which must be responded to in an appropriate manner. The problem is unique in so far as, an inappropriate or premature response may allow the suspected offender to cover-up or hide the suspected activity.

Course of Action

1. All suspected or documented fraud or embezzlement should be immediately reported to the Internal Audit Department. An initial report of the incident must be documented in writing by the complainant and provided to the Internal Audit Department. All complaints and reports of suspected embezzlement or fraud will be kept confidential, other than the timely reporting by the Diocese of the suspected activity to law enforcement, in order to protect both the complainant and the suspected embezzler. The complainant will be notified of the action taken by the Diocese within fourteen days.
2. The Internal Audit Department will coordinate closely with the Pastor, as necessary, during the investigative process until final resolution.
3. The suspected embezzler should not be approached or apprehended. No personnel action shall be taken without prior consultation with legal counsel and the Internal Audit Department.
4. The premature approach might jeopardize the gathering of necessary evidence, result in a needless lawsuit or cause physical harm to the persons involved. The clergy, religious, lay employee or volunteer, reporting the suspected activity to the Diocese, shall not communicate with any other priest, lay person, employee, parishioner, volunteer or finance council member concerning the suspected embezzlement until he/she is notified by the Internal Audit Department. All information

regarding the incident should remain confidential by the complainant, unless the complainant is contacted by law enforcement, in which case the complainant should cooperate fully.

5. Neither the Pastor, associate pastor, parish finance council nor any person at the parish level has the authority to release the suspected person from liability or agree to terms of restitution. There should be no attempt to contact law enforcement agencies or a lawyer at the parish level, or to deal with the suspected embezzler at the parish level. The office of the Internal Audit Department will coordinate contact with appropriate law enforcement agencies on behalf of the Diocese.
6. The Internal Audit Department will consult with the proper Diocesan officials and consultants to discern appropriate actions to pursue in light of canonical, civil and criminal statutes, the nature of the allegation and other significant circumstances.
7. In order to protect the innocent and secure the evidence, no internal control procedures or other operating controls, or employees, should be changed until requested or instructed by the the Internal Audit Department. The parish must contact the Internal Audit Department immediately upon suspicion of fraud or embezzlement. In all instances the parish shall work in conjunction with the Internal Audit Department and the Diocese to resolve the fraudulent financial situations. The matter must not be handled at the parish level in any way. The parish should not attempt to conduct its own investigation. This could lead to erroneous information being obtained, improper allegations being leveled or the inability of the Diocese to properly pursue the matter in line with canon, civil and criminal law.
8. The Director of Insurance Services shall notify the appropriate insurers.

Fraud Response Plan

The Bishop, Moderator of the Curia, Executive Director of Financial Administration and the Internal Audit Department, in consultation with legal counsel as deemed necessary, will make the determination of how fraud and embezzlement is handled. This includes decisions regarding when criminal and civil authorities and insurers are to be notified. All civil, criminal and canon laws will be strictly adhered to.

General guidelines are as follows:

- Once sufficient facts have been uncovered to determine that a fraudulent activity has occurred, the Internal Audit Department or designee shall contact appropriate law enforcement authorities. The Director of Insurance Services shall notify the insurers.
- In all instances the offender will be removed from the situation in which the fraud occurred. At the direction of the Internal Audit Department, administrative leave may be invoked on a temporary basis during the investigative process.
- As a matter of justice and vigilance in preventing the creation of an environment which allows for fraud, restitution will be sought in all cases, regardless of the amount of the embezzlement, theft or fraud.

Types of Fraud

The following list includes fraud and embezzlement to be aware of and watch for. While several types are listed below, others may happen that are not included in the list.

Collusion

Two or more individuals overriding the control system can collectively perpetrate and conceal actions from detection. This could include collusion between an employee and a vendor or customer, or another employee.

Lapping

This is one of the most common types of fraud. It is the postponement of entries for the collection of receivables to conceal a cash shortage. The fraud is perpetrated by a person who records cash in the cash receipts journal and the accounts receivable journal. The employee defers the recording of the cash receipts from one source and covers the shortage with receipts from another source.

Theft

Theft is the diversion of cash, checks or other assets before they are recorded by the accounting system of the parish or school. It can take the form of removing cash from the collections basket or mail, taking cash or goods donated to the parish or school or diverting checks to another bank account.

Forgery

Occurs when a person passes a false or worthless instrument, such as a check, with the intent to defraud or injure the recipient.

Accounts Payable

An employee may create payments to false vendors or create phony addresses to which payments are sent. Invoices could also be overpaid, with the refunds pocketed by the employee.

Payroll Ghosts

Another common form of fraud is to create false employees. Paychecks are then issued to the false employee and diverted into a bank account. Unauthorized pay charges and not recording vacations taken are other frequent forms of fraud.

Kickbacks

An employee may take bribes or kickbacks from suppliers or vendors. This is more difficult to document because they are usually in cash.

Supplies or Inventory Embezzlement

An employee may purchase, with the parish or school's funds, supplies or equipment for personal use. Inventory or supplies may also be stolen from the parish or school.

Other Types of Fraud or Embezzlement

Individuals may come up with other methods of fraud or embezzlement. These include inflating personal expense reimbursement amounts, using the parish sales tax exemption for personal purchases, stealing stamps or other office supplies, falsifying time cards, misappropriating petty cash, or other theft.

I have read the “**Fraud Policy and Fraud Response Plan**” and understand its purpose and content.

Signature

Position

Printed Name

Date

(To be placed in personnel file or volunteer's record of service file)

T. Gift Substantiation

Governance

IRS publication 1771 *Charitable Contributions – Substantiation and Disclosure Requirements* explains the federal tax law for charities that receive tax deductible charitable contributions.

Gift Substantiation Rule

The gift substantiation rule provides that no deduction will be allowed for a donation of \$250 or more in cash or property unless the donor has a contemporaneous written acknowledgement from the charity. Although it is the responsibility of the donor to obtain the written statement and charities are not required to provide such statements by law, it is good business practice to provide such information to your donors.

Gift substantiation letters must contain the following information:

- The amount of a cash gift
- A description, but not the value, of a non-cash gift
- The name of the organization receiving the gift (parish letterhead is sufficient)
- The date of the gift
- A statement indicating whether the charitable organization (your parish) provided any goods or services, in whole or in part, for the donation

It is suggested that the gift substantiation letter include both the date on the check as well as the date the gift was received by the parish. This will aid the donor if the gift is made close to the end of the year but received in early January.

The gift substantiation letter must be provided to the donor on a contemporaneous basis. This means that the written acknowledgement must be provided no later than the date the donor files the tax return for the year in which the donation was made or the due date (including extensions) of the return.

Gift substantiation letters are not required for individual gifts under \$250 which in the aggregate equal or exceed \$250. Individual letters may be sent to donors for each single gift of \$250 or more or one letter may be sent detailing all gifts of \$250 or more received for the year. Letters should be signed by the Pastor.

Separate gift substantiation letters will be sent by other Catholic organizations such as Catholic Charities which receive gifts of \$250 or more from donors. The parish should send letters only for those gifts received directly by the parish.

Quid Pro Quo Rule

The quid pro quo rule requires non-profit organizations to provide the donor with a written disclosure statement for payments received in excess of \$75 if the amount received is partly a donation and partly payment for goods or services provided to the donor. For purposes of the \$75 threshold, separate payments of less than \$75 made throughout the year are not aggregated.

The written disclosure statement must contain the following information:

- Inform the donor that the part of the payment that is deductible for Federal income tax purposes is limited to the excess of any money, and the value of any property other than money, donated above the value of goods or services provided
- Provide the donor with a good faith estimate of the value of the goods or services provided

Disclosure statements are required to be provided to donors in a timely manner. Statements may be provided with either the solicitation or upon receipt of the quid pro quo donation and be of either paper or electronic form. As an example, the required written disclosure can be printed on promotional materials or tickets for an event. Failure to provide disclosure statements will result in penalties being levied by the Internal Revenue Service.

The following circumstances do not require disclosure statements be provided to the donor.

- Goods or services given to the donor have an insubstantial or de minimus value
- There is no donative or gift element in the transaction
- There is only an intangible religious benefit provided to the donor

The gift substantiation rules and quid pro quo rules do not apply to tuition payments because tuition payments are not charitable contributions. No acknowledgements should be provided with respect to tuition. In addition, the issuance of a fraudulent receipt should never be permitted. Copies of gift substantiation letters and quid pro quo statements should be maintained by your parish and copies may be provided to donors who may have misplaced the original. In no circumstances should gift substantiation letters or quid pro quo statements be backdated.

U. Raffles and Games of Chance

Governance

Raffles and Games of Chance are governed by the New York State Racing and Wagering Board. Charitable gaming defined as Raffles and Games of Chance include:

- Bingo
- Bell Jar (rip tickets, including vending machines)
- Raffles (Basket Raffles, Split Club, Big Money, etc.)
- Las Vegas Nights (Gambling: Card Games, Wheels)

Specific guidelines including required forms for conducting charitable gaming in New York State can be found on the New York State Racing and Wagering Board website at www.racing.state.ny.us/ under the “Charitable Gaming” tab.

NOTE: Lotteries are not permitted by New York State law. A lottery differs from a raffle in that a raffle is defined by there being a winner in every game or drawing. Therefore, Lotteries or Raffle based on the NYS Daily Numbers (or any other State raffle number) are prohibited by the NYS Gaming Commission.

Licensing and Reporting Requirements

Bingo, Bell Jar and Games of Chance:

- Apply for and obtain a Registration and Identification Number from the Board
- Apply for and obtain a license from the municipal clerk
- File applicable reporting forms with the municipal clerk
- Maintain separate bank accounts for bingo, bell jar and raffles & games of chance
- Review the list of authorized games of chance found on the Board’s website

Raffles:

Raffles are grouped into the following three categories based on the anticipated net proceeds.

Category 1: cumulative net proceeds of all raffles conducted during the calendar year meet or exceed \$30,000

- Apply for and obtain a Games of Chance Identification Number from the Board and a Games of Chance License from the municipal clerk.
- Maintain a separate bank account for raffles and games of chance activity.
- File a financial statement of raffle operations (GC-7R) with the municipal clerk and the NYS Gaming Commission by January 30 of the following year.
- Remit additional license fee on profits of \$30,000 or more.

Category 2: net proceeds from a single raffle meet or exceed \$5,000 or cumulative net proceeds of all raffles conducted during the calendar year are less than \$30,000 .

- Apply for and obtain a Games of Chance Identification Number from the Board.
- Maintain a separate bank account for raffles and games of chance activity.
- File a verified statement with the municipal clerk and the Board attesting that the cumulative net proceeds for all raffles conducted during that calendar year will be less than \$30,000.
- File a verified statement (GCVS-2) with the municipal clerk and the NYS Gaming Commission at the end of the calendar year attesting that the cumulative net proceeds for all raffles conducted during that calendar year were less than \$30,000.
- If during the course of the year cumulative net proceeds meet or exceed \$30,000, category 1 requirements must be followed.

Category 3: net proceeds from a single raffle will be less than \$5,000 and the cumulative net proceeds of all raffles conducted during the calendar year will be less than \$30,000

- No special reporting is required
- Maintain a separate bank account for raffles and games of chance
- If during the course of the year the net proceeds from one raffle meet or exceed \$5,000 or the cumulative net proceeds meet or exceed \$20,000, category 1 or 2 requirements must be followed

Winning raffles numbers must be selected from sold tickets and cannot be based upon the New York State lottery or any similar organization.

Income Reporting Requirements

Each winner of \$600 and if the net prize is more than 300 times the amount of the wager (\$1,200 for Bingo) must complete federal tax form W-9 *Request for Taxpayer Identification Number and Certification*. The W-9's should be retained by the parish. If the winner does not complete a W-9, federal tax must be withheld.

A winning ticket purchased by two or more individuals requires the parish to complete federal tax form 5754 *Statement by Person(s) Receiving Gambling Winnings*. Individual checks can be written to the winners however federal tax form W-2G's must be issued to all individual winners if the aggregate winnings total \$600 or more. The amount listed on W-2G will be the individual's winnings.

All gambling winning of \$600 and if the net prize is more than 300 times the amount of the wager (\$1,200 for Bingo) require filing of federal tax form W-2G *Certain Gambling Winnings* which must be issued by the parish and received by the winner no later than January 31 of the year following the drawing. Contact the Internal Audit Department for Specific directions and sample forms.

Net winnings in excess of \$5,000 are subject to withholding of federal income tax. State income tax withholding is not required. All taxes withheld from gambling winnings must be processed in a separate tax deposit by the 15th of the following month.

Federal tax form 1096 *Annual Summary and Transmittal of U. S. Information Returns* must be filed by February 28 of the year following the drawing along with the W-2G's.

Federal tax form 945 *Annual Return of Withheld Federal Income Tax* must be completed at year end for all tax deposits from gambling withholdings as well as any other federal tax withholdings excluding payroll.

V. **Budgeting**

Budget preparation and monitoring represents a valuable tool in the effective financial management of your parish and/or school.

General Instructions

- Budgets should be based upon the prior year actual revenues and expenses, prior year budget, parish size, participation trends and projections, enrollment trends and projections, current or anticipated staff, as well as current economic trends
- Preliminary school budgets should be prepared in conjunction with the setting of tuition and fee rates; refined after the registration process is complete; and finalized in the fall based upon the official enrollment as reported on the NCEA School Summary Form
- Supporting schedules should be used to calculate the main budget categories (tuition, fundraising, and salaries and benefits)
- Budgets should be allocated based upon expected cash flow to aid in the actual to budget analysis
- Actual to budget comparisons should be made on a monthly basis and provided to the Pastor and finance council of the parish or canonical administrator and school board of the regional school for review
- Adjustments should be made through-out the year to address significant variances from budget such as decreased offertory, decreased enrollment, tuition delinquencies, fundraising falling below projections, unanticipated expenditures, etc.

Specific Budget Guidelines

The guidelines below offer suggestions for certain major categories which should be considered when preparing your budget.

Revenues

Sunday and Holyday Collections

- Estimate based upon historical data adjusted for unique circumstances such as a material change in the number of parishioners, increased offertory campaign, etc.

Various Fundraising Activities (lawn fetes, bingo, raffles, etc)

- Estimate based upon a review of previously held fundraisers including adjustments for new or discontinued fundraisers, current economic trends and changes in enrollment

Parish Drives

- Estimate based upon previously received or anticipated commitments, historical data and economic conditions

Merged Parish Income (if applicable)

- Estimate based upon purchase commitments from outside parties for assets which are being sold as a result of a merger of parishes

Religious Education / Faith Formation

- Estimate based upon the anticipated number of participants in the programs and the fees which are charged for such programs

Tuition and Fees

- This category includes:
 - Tuition paid by the family
 - Tuition aid (parish based and outside sources such as Bison Fund)
 - CTPG Tuition Grant Program funds (CTGP) received from the Diocese for families who are active parishioners at a parish without a school and other financial scholarships
 - Fee income
- Prepare a tuition analysis based upon the number of students enrolled per tuition category
- The total of these accounts should equal 60% of the total school budget
- It is very important to set the first child and multiple child family tuition and fee rates so that the 60% Diocesan benchmark is met

Subsidy Accounts

- Parish Schools: This category should include the parish subsidy
- Regional Schools: This category should include the Regional School Subsidy received from the Diocese which is calculated on a per pupil basis using the prior year's official NCEA K-8 enrollment
- The total for this category should not exceed 25% of the total school budget

Expenses

Salary and benefits

- Staffing levels should be reviewed to ensure that they are appropriate based upon the size of the parish or school
- Prepare a salaries and benefits worksheet based upon projected staffing levels
- Increases to salaries should be affordable and approved by the Pastor and the parish finance council or canonical administrator and school board

NYS Unemployment Insurance

- It is recommended that parishes opt for the reimbursement method
- Unemployment expenses are incurred only if an unemployment claim is filed
- Unless employee turnover is anticipated, this line should be zero

Legacy Pension Expense

- The Legacy Diocese of Buffalo pension plan was a non-contributory defined benefit plan. Parish and school contribute monthly by ACH to contribute the unfunded pension amount for the parish/school.

The Defined Pension Plan (403b)

- Employee participant through payroll withholding. Matching employer contributions are made after each payroll, using the Valic, Who's Where system.

Diocesan General Assessment

- Generally the calculation is primarily based upon a percentage of regular receipts.
- Limits are set on the minimum assessment as well as annual increases or decreases

Assessment calculation is reviewed annually to meet the needs of the Diocese.

Subsidy to Elementary School (parishes with a school)

- Funds provided to a parish elementary school by the parish to subsidize the operation of the school
- The amount is the difference between revenue sources (tuition, fundraising, etc.) and the total expenditures necessary to operate the school
- The parish subsidy should not exceed 35% to 40% of the regular receipts of the parish

Diocesan School Assessment (parishes without a school)

- Calculated based upon a graduated percentage of regular receipts for parishes which do not have a parish school
- Parishes greater than 15 miles from a school receive a discount in their assessment rate

Priest Pension Assessment

- Calculated for Diocesan priests based upon a percentage of regular receipts

Merged Parish Expenses (if applicable)

- Expenses related to former parish buildings acquired as a result of a parish merger and maintained by the new / surviving parish
- Such expenses include insurance, utilities, repairs, maintenance, etc.

Religious Education / Faith Formation:

- Expenses such as salaries, benefits, supplies, etc. related to religious education and faith formation programs

Utilities

- Utilities should be allocated to the various departments (i.e. parish, school, religious education) based upon an equitable method such as square footage, time usage, etc.

Contract Services

- Estimate based upon current service contracts and historical data

Sisters Car Expense

- The Leadership Conference of Women Religious (LCWR) agreed to phase out the requirement to provide vehicles or a car allowance for Sisters effective August, 2009.
- Unless there is an agreement with the Pastor or canonical administrator to provide a car, this line should be zero

Textbooks, Supplies, etc.

- Estimate based upon historical data, projected enrollment and scheduled textbook replacement

Capital Expenditures

- All expenditures exceeding \$10,000 require the pre-approval of the Bishop of the Diocese of Buffalo
- Projected expenditures should be included in a 3 year strategic budget for the parish

Section 6 – Risk Management/Insurance

TEL: (716) 847-8396

FAX: (716) 847-5538

E-MAIL: is@buffalodiocese.org

A. Statement of Risk Management Policy

The Diocese of Buffalo, its parishes, schools and institutions are exposed to risks of loss resulting from occurrences involving damage, destruction and disappearance of our own property and property of others, injuries to employees or others, dishonesty and unforeseen liabilities imposed by law or assumed by contract.

The philosophy of the Diocese of Buffalo is oriented toward affirmative control and minimizing risk to the greatest extent practicable, retention of the remaining risk when within established guidelines and, protection against unpredictable loss by reasonable use of available insurance when there is a significant possibility of loss in excess of the amount established as a reasonable self-insured retention.

Of vital importance toward the accomplishment of the objective is a strong safety and loss prevention program, supplemented by a safety consciousness and awareness on the part of all parishes, schools and institutions and their personnel at all levels.

Recognizing the need for a systematic and coordinated approach to the handling of risk, the Diocese of Buffalo has established a Risk Management Policy.

B. Combined Insurance/Self-Insurance Loss Program

All locations are insured through a combination of self-insurance and insurance policies purchased on their behalf by the Department of Insurance Services. All locations are encouraged to engage in practices and programs that will help manage, control, minimize or eliminate risk.

Self-Insured Coverages

- property (buildings and their contents)
- general liability
- directors and officers liability
- sexual misconduct
- errors or omissions/school board legal liability
- employment practices liability
- automobile (liability and physical damage on diocesan vehicles, physical damage only on priests' personally owned vehicles)
- workers' compensation
- Comprehensive Crime

Insured Coverages (insurance policies purchased by Department of Insurance Services)

- student accident
- boiler and machinery/equipment breakdown
- automobile liability on priests' personally owned vehicles
- NYS Disability
- Paid Family Leave

C. Loss Reporting

Property, General Liability and Automobile Losses

Property including boiler/machinery losses should be immediately reported by either completion of a property loss notice (found in Risk Management Policies and Procedures Manual – RMPPM) or by calling the Insurance Services Department.

General liability losses should be immediately reported by either completion of an incident report (found in RMPPM) or by calling the Insurance Services Department.

Automobile losses should be immediately reported by either completion of an automobile loss notice (found in RMPPM) or by calling the Insurance Services Department.

Workers Compensation Losses (Injuries or Occupational Illnesses to Employees)

Workers' Compensation losses must be immediately reported by completion of a C-2F form (found in RMPPM) and either mail to the Insurance Services Department or fax to 847-5538.

Statutory NY Disability Losses (non work-related employee injuries or illnesses lasting more than one week)

Statutory NY disability losses must be immediately reported by completion of a DB 450 form (found in RMPPM) and either mailing it to the Insurance Services Department or faxing it to 847-5538.

Student Accident Claims

Student Accident Claims should be immediately reported to the Insurance Services Department by either completing an incident report (found in RMPPM) or by calling the Insurance Services Department. In addition, a student accident claim form should be given to the student's parent(s)/guardian who will then be responsible for sending documentation to the student accident insurance company for reimbursement of their out-of-pocket medical expenses.

Crime Losses

Employee dishonesty claims or suspicion of same should be immediately reported to the Insurance Services Department (and Internal Audit) by phone.

Theft of money/cash (non-employee) should be immediately reported by either completion of a property loss notice (found in RMPPM) or by calling the Insurance Services Department.

D. Use of Employee and Volunteer Labor

Employees and volunteers should be encouraged to complete their work in a safe, thoughtful manner. Volunteers should not engage in hazardous activities, which normally include electrical, mechanical and plumbing, activities involving ladders or scaffolds and activities involving dangerous equipment or chemicals. Volunteers will be required to sign a Voluntary Release of Liability form (found in RMPPM)

E. Diocesan Safety Inspections/Loss Control Recommendations

Periodic loss control and safety inspections will be conducted by the diocesan loss control and safety engineer. Any mandatory recommendations will be completed within the allotted timeframe published in the

report.

F. Annual Asbestos Awareness and Blood-Borne Pathogen Training

The Insurance Services Department conducts annual asbestos awareness (2 hours) and blood-borne pathogen (1 hour) training classes for all maintenance personnel in the Diocese as required by OSHA. Mandatory attendance is required.

G. Prevention Systems and Devices

All locations are encouraged (unless mandated by municipal ordinance or law such as schools) to obtain and activate prevention devices, i.e. alarm systems (ex. fire, smoke, heat, intrusion), sump pumps, emergency generators, etc. Investment in such equipment will qualify a location for possible rate credits on insurance premiums.

H. Detailed Inventory of Contents

Covered locations must maintain a detailed inventory of certain assets. Items to include are works of art, items of significant cultural value, movable items of sufficient monetary value including these items: televisions, VCRs, DVD players, computers, printers, etc. The inventory must list the name of the item, description of the item, acquisition cost, date of acquisition and serial number. Include a copy of appraisal for items that are unique. Videotape and/or photographs can be attached to supplement any worksheets. One copy of the inventory should be maintained off-site at the Catholic Center.

I. Department of Insurance Services - Service Providers

A complete list of service providers such as insurance agents, brokers and companies involved in the diocesan master insurance program, third party claims administrators for workers' compensation and disability, property appraisers, etc. can be found in the RMPPM.

J. Fleet Auto Policy

- | | |
|--|------------------------------|
| • General Policy Statement | - refer to RMPPM for details |
| • Driver Selection and Training | - refer to RMPPM for details |
| • Preventive Maintenance – Autos | - refer to RMPPM for details |
| • Buses, Mini-Buses and Vans | - refer to RMPPM for details |
| • Changes / Deletions - Auto and Driver | - refer to RMPPM for details |
| • Mandatory Attendance at Defensive Driving Course (every 3 years) | - refer to RMPPM for details |

K. Policy for Contract and Certificate Review

Statement of Explanation

One of the most important steps you can take to protect your parish, school, or institution is to obtain certificates of insurance from any non-church affiliated groups using your facilities, as well as from contractors hired to perform construction, renovation, repair or regular service (i.e. contractor hired for snow removal). This is a common business practice and assures that individuals using your facilities or working on your buildings carry their own insurance to protect your parish, school or institution and the Diocese of Buffalo from risk of loss if an accident occurs as a result of their negligence.

Leases and Rental of Parish or Institution Property

Long Term – Any time a long term lease is entered into by a parish, school or institution, the Buildings and Properties Department must be contacted to coordinate execution of the diocesan lease agreement. All insurance and risk management requirements are outlined in this agreement.

One Day Events – Usage of your property for one day events such as a wedding reception, retirement or birthday party, fund raiser, etc requires completion of a diocesan rental agreement form (sample in RMPPM).

Building Use Agreement – This agreement is generally used when an individual or group who don't have their own liability insurance coverage wishes to use your property for usage on a short term or regular basis such as weekly or monthly meetings. A sample of the building use agreement is included in the RMPPM

Inspection of Premises

When parish property is rented out for use by others or when a parish -sponsored event (ex. lawn fete, fund raiser, after mass breakfast, etc.) is planned, the parish, school or institution should perform a facilities inspection prior, during and after the event to reduce the risk of injury. Commonly inspected areas should include:

- parking lots and exterior stairs (shovel, salt and sand as necessary)
- exterior handrails to ensure they are secure
- interior stairs/floors – must be kept clean, dry and free of debris (use Caution signs as necessary)
- interior stairs and exit ways properly lit, exits clearly marked and emergency lights in working order
- all tables and chairs inspected to insure they are safe to use
- parish grounds including any playgrounds are kept free of debris and checked for any unsafe conditions such as pavement cracks, holes or uneven surfaces

Construction, Repair and Renovation Projects

- Instructions for Obtaining Certificates of Insurance can be found in the RMPPM.
- Diocesan Contract for Use with Contractors – Any time an outside contractor is hired to perform work at a parish, school or institution, the diocesan contract found in the RMPPM will be used. All contractors will be required to submit a certificate of insurance evidencing the coverages and additional insureds stipulated in the contract.

L. Guidelines for Protecting of Parish / Institutions Following a Loss

If a parish, school, or institution suffers a physical damage loss to a structure or its content by fire, wind, water, snow, etc., the following guidelines should be complied with:

- Contact the Insurance Services Department (leave a message if after normal business hours) to report the loss.
- Contact the Buildings and Properties Department for assistance in identifying contractors or service providers necessary to effect repairs.
- If contacted by an adjuster from an insurance company, notify Insurance Services who will coordinate any claim investigation; do not offer any information to an adjuster unless specifically requested; compile an inventory of items destroyed prior to an adjuster's inspection.
- Log the names, addresses and hours that employees and/or volunteers expend in aiding you in general cleanup after a loss.
- Do NOT sign any contracts with service providers, contractors or public adjusters unless prior approval is obtained from the Insurance Services Department

M. Diocesan Self-Insurance Program Deductibles

(deductibles incurred by parishes, schools and institutions)

- Property, boiler and machinery, crime \$1,000 per occurrence
- Automobile
 - comprehensive (diocesan owned vehicles) \$250 per loss (except glass claims which are covered in full)
 - comprehensive (priests' vehicles) \$200 per loss (full glass coverage)
 - collision (diocesan and priests' vehicles) \$500 per collision
- No deductibles apply to workers' compensation, disability, general liability, auto liability, no-fault, or student accident claims

Section 7 – Safe Environment

TEL: (716) 847-5532

FAX: (716) 847-5538

E-MAIL: SafeKids@buffalodiocese.org

A. **Safe Environment Program Policies**

In June 2002, the United States Conference Catholic Bishops (USCCB) mandated certain policies for individuals throughout the country who work with youth. The result is the creation of the “Charter for the Protection of Children and Young People” (AKA “The Charter”). The Charter is a living document with planned reviews at least every 7 years. The full document can be found on the U.S.C.C.B. website (www.usccb.org). In the Charter, the bishops recognized the problem of child sexual abuse as a significant problem world-wide and that as a Catholic community; we have a responsibility to protect children from sexual predators.

In simple terms, The Charter outlined standards for key groups of people including all clergy and candidates for ordination, as well as others who work with youth. This includes educators, diocesan employees, parish/school employees, volunteers and youth. At the school and parish-level, this includes:

- Safe Environment training and background screening for these identified categories of adults
- Safe Environment training for children in schools and faith formation programs
- Provide outreach and support to victims of clergy abuse
- Properly report potential or suspected abuse to civil authorities and Church leaders.

The Charter’s 17 sections further require each diocese to develop their own response to the Charter, detailing the implementation of the Charter within their own diocese.

The main emphasis of the document for schools and parishes is that ALL active clergy and all candidates for ordination, as well as adult educators, employees and volunteers who work with youth or vulnerable adults are to be pre-screened for their role, and be trained to recognize the warning signs of abuse and what actions to take when they have a concern. This includes notifying the proper civic and Church authorities.

The Charter includes requirements for each diocese to provide outreach and care for victims of clergy abuse.

The Diocese has developed a Code of Conduct and a policy statement which describes appropriate and inappropriate behavior when working with youth and vulnerable persons and the process for removal from ministry in cases of substantiated “Charter” complaints.

The Charter mandates that proper applicant screening be conducted on adults who work with youth or vulnerable persons. The screening must include reference checks, a criminal background check and an application for the position that they will serve.

In addition to the training requirements for adult volunteers and employees, the Charter mandates that dioceses offer training to parents, and that children in Catholic schools and religious education programs are to be provided age-appropriate training.

A Safe Environment Office was created within the Diocese of Buffalo to ensure that the policies of the Diocese are fully communicated and implemented. At the local level, each parish, school and Catholic organization has a Local Safe Environment Coordinator. The local coordinator is generally the pastor or administrator of a parish and the principal and canonical administrator of a school. Additional administrators may also be appointed. Administrators have responsibility for fully implementing these policies at their location. Special privileges on the Virtus website facilitate monitoring of local compliance through reports and capabilities to update participant records.

All forms and updates to policy are published on the diocesan website and www.virtus.org website in the "My Diocese" section for "local coordinators" to view or download.

B. Annual Audit

The Charter requires that each diocese submit to an annual audit to ensure compliance with USCCB and diocesan Safe Environment mandates. Each diocesan location must report and provide access to records for adult and youth training, applicant screening, background checks and other records at the request of the diocese or auditors. Each location must manage and update their records in order to provide complete, up-to-date and accurate picture of compliance at their location.

C. For All Employees

1. A completed **employment application** must be completed and on file at the location of the hiring entity (parish, school or organization).
2. During the hiring process, at least **2 references** must be checked, by phone or in person, and documented by the hiring supervisor. References for employees should not include relatives. References should include former supervisors. If the employee has regular contact with children, references should be told that the applicant may be working regularly with children. The reference should be asked if they would have any concerns about the applicant working alone with or around children. Other questions in the reference check should include a discussion about character and competency to perform the job for which they are being hired. Note that distribution of a form letter is not an appropriate method of conducting a check of references.
3. All employees must sign the **Code of Conduct** which must be filed for the employee at the local entity's facility.
4. All employees must submit to a **criminal background check**. These checks are conducted by the Diocese in cooperation with information provided by the schools, parishes and organizations. Background checks must be renewed every five (5) years.

D. All Volunteers

1. **Volunteer Questionnaire** to be completed by the applicant and to be maintained in a file at the location of the hiring entity (parish, school or organization). Note that the Volunteer Questionnaire may not provide space for phone numbers of volunteer references. However, it is necessary to collect contact names and phone numbers in order to conduct the reference checks. Be sure to collect that information. Volunteer references do not need to be employment references.
2. During the selection process, at least **2 references** must be checked, by phone or in person, and documented by the volunteer coordinator. Reference checks should be performed by an assigned "employee" of the school or parish, or diocesan organization. Preferred references are from persons who have worked with the individual in volunteer or other activities. Relatives of the applicant may not be used a reference. If the volunteer has regular contact with children, references should be told that the applicant may be working regularly with children. The reference should be asked if they would have any concerns about the applicant working alone with or around children. Note that distribution of a form letter is not an appropriate method of conducting a check of references.

3. **Code of Conduct** to be signed and maintained in a file for the volunteer at the local entity's facility. Note that the signature on the back of the code of Conduct form authorizes the diocese to conduct a criminal background check.

4. Volunteers that work with children must go through a **criminal background check**. These are conducted by the Diocese with information provided by the individual through the school, parish or diocesan affiliate. There are no exemptions for those who may have a background check as a result of prior employment background checks. Background checks must be renewed every five (5) years

E. All Children in Catholic Schools and Religious Education Programs

Safe Environment training is mandated for all children in Catholic schools and in all parish-based religious education programs. Curricula have been developed by the Office of Lifelong Faith Formation that integrates the training into regular classroom instruction. Training is to be provided each year, allowing parental opt-out as needed (with documentation).

F. Protecting God's Children™ Workshop and Ongoing Training:

The Protecting God's Children™ workshop is required for the categories of individuals indicated above. The main purpose of the initial training is to help the community become aware of the extent of the problem of child sexual abuse in society, and provide solutions to prevent abuse from occurring. Additionally, periodic training bulletins and annual re-certification are required as follow-up for anyone who is required to attend the workshop. Pre-registration is encouraged at www.virtus.org.

New employees and volunteers who are required to attend the workshop are required to attend within 90 days of their start date. The local organization may grant a thirty (30) day extension as needed. However, volunteers are not permitted to work without direct, on-site supervision until the training is completed.

Who needs to attend? All adults over the age of eighteen (18) who have regular contact with youth are required to attend. Minors, those individuals that are under the age of eighteen, are specifically discouraged from attending this program, as it is geared for adults. Seventeen year olds may attend with a parent or guardian, however they are NOT required. The final decision on specific job functions that require attendance may be made at the local school or parish level. Some guidelines are listed below to clarify the intent. In the examples below, we are **always referring to adults**.

In the parish: All clergy (priests and deacons), candidates for ordination, youth ministers, religious education coordinators must attend. All staff or volunteers involved with music, spiritual or sports programs (where youth may be involved) must attend. Eucharistic Ministers who take the Eucharist to homes where youth may be present must attend. All adult catechists must attend. Facilitators for the Children's Liturgy of the Word must attend. The parish secretary must attend as they may be in regular contact with youth.

In the school: All clergy (priests and deacons), candidates for ordination, administration, secretaries, guidance counselors, teachers, aides, nurses, cafeteria workers, coaches and maintenance personnel must attend. Each school secretary or administrative staff person is required to attend the training. All employees and volunteers who have regular contact with children including lunch monitors and all parent or community volunteers who come in contact with youth through school programs must attend the training. Volunteers who accompany children on field trips or other school activities should attend. Individuals who are certified social workers or state mandated reporters are NOT exempted.

Scout Leaders. Scout leaders who go through scout training on child sexual abuse prevention are granted an exemption from the diocesan live training, Code of Conduct, Volunteer Questionnaire and criminal background check if their work is limited to the Scouts. Those individuals receive their training and clearance through the scout program. If these leaders work in another ministry in the Diocese, they should participate in the Protecting God's Children™ training.

Ongoing Training Requirement. Periodic training bulletins and periodic re-certification are an integral part of the training mandate for everyone who has had Safe Environment training. The Protecting God's Children Workshop provides only an overview of the training program and diocesan policies. Thus ongoing training is an important component of the complete training required for the protection of youth. Individuals who do not comply with the ongoing training requirement will have their training account suspended, and therefore no longer have access to ongoing training material. The employee or volunteer owners of these suspended accounts will be considered as persons who have been allowed to continue to work or volunteer in clear violation of diocesan mandates with full knowledge of the diocesan location which is responsible for that individual. Administrators must take measures to bring these individuals into mandated compliance by providing printed copies of the Virtus training bulletins and ensuring that a criminal background check has been completed before an individual can be reinstated.

G. Note on Privacy:

Collection of personal information is essential in order to conduct criminal background checks and reference checks. According to counsel, it is entirely legal and appropriate to request this type of information from all volunteers and employees. In many cases, our volunteers have not been asked previously to provide their personal information as a condition of their ministry. Note that anyone seeking employment will always provide their Social Security Number to their employer. Likewise, it is now necessary for our volunteers to provide this information so that we can protect the safety of our children through criminal background checks. All personal information must be maintained in the parish or school in a secure and locked location so that this information is not available for inappropriate use. Appropriate measures should also be taken to maintain confidentiality of information kept on computers and computer networks. For those instances where information is to be transmitted over the Internet, secure technology, encryption and password protection should be utilized to maintain security. This same level of confidentiality will be maintained at the diocesan level.

Revised: 20 April 2021

Section 8 – Priest Personnel

A. The Rectory as the Priest's Home

The rectory is the priest's home and his place of ministry. A priest needs to be able to consider the rectory as his home, where there is an expected level of privacy, where the priest can relax, and where he can welcome guests. These are essential to having a healthy lifestyle, a lifestyle that can support them in their ministry of service.

It would be healthy to encourage an approach that would provide the priest living accommodations distinct from the business side of the parish. As the demands of the business side of the parish have expanded over the years, it is harder for the priest to have personal space in the rectory, where common areas are often used by the parish staff and parishioners. It is the ideal to have a separation between private living space and office space, but the limitations of the buildings might not make this possible.

Since the rectory often serves as the business office and place of ministry there must be sensitivity to balance the needs of the parish community and the living space of the priest.

Although residences differ one from the other, the policy presented here offers several basic considerations:

Residents

The rectory is the designated residence of priests officially assigned there by the Diocesan Bishop. Permission for anyone else to live in the rectory, including the relatives of a priest, must first be obtained from the Bishop or his representative. In those instances where permission is granted, the expense for such an arrangement is not to be borne by the parish but by the person and/or the priest who made the request. In the event that the rectory is a common house for more than one priest, the consent of all priests must first be obtained prior to bringing the request to the Bishop or his representative. When the Bishop assigns new priests to residence in the rectory, such an arrangement for others to reside in the rectory must be renegotiated among the priests and with the Bishop or his representative.

Room and Board/Rectory Food Budget

Every parish or diocesan institution will provide the priests living in the common house with the ordinary amenities of room and board (e.g. meals, basic furniture, laundry, telephone, etc.) or reimbursement for those amenities not provided. Food expenses are paid by the parish for actual expenses incurred and are not paid directly to the priest as a lump sum on a monthly basis. A parish credit card can be used for charging board expense and the priest is not reimbursed directly except in rare circumstances and only with proper documentation. Rectory food expense per priest should not exceed a fixed amount. Pastors at their discretion will determine their own rectory food budget based upon the circumstances of their parish and in consultation with the parish finance council. Actual costs must be verified by original receipts.

Rectory food expense is defined as food provided to a priest living in the rectory and ministry related food expenses. Rectory food expense may vary from one parish to another depending on parish specific circumstances.

Pets

The pastoral needs of the Church require that priestly assignments not be contingent on pet ownership. It is understood however there are some circumstances when a pet would be considered a part of the security for the Rectory. In those instances expenses for the pet might be shared by the parish and the owner.

A great deal of caution and concern needs to be exercised should a priest decide to own a pet. In a rectory with more than one priest, it is strongly recommended that pets not be permitted in the rectory. In every case the rights of others and the value of parish property needs to be respected. The owner will be responsible for all costs associated with the care and feeding of his pet. When a pet causes damage to the rectory (e.g. to furniture, flooring, wall coverings, etc.), the damage must be repaired and the owner of the pet shall be directly responsible for the cost of such repairs. It shall not be the responsibility of parish staff to care for or feed the pet.

Personal Living Expenses

Priests' personal living expenses not directly related to their priestly ministry are their own responsibility. These would include, but are not limited to personal hygiene items, medicines, vitamins, etc. Excessive personal long-distance phone calls are the financial responsibility of the individual priest. Cable TV services within reason are the financial responsibility of the parish. Automobile repair costs and car/lease payments would also qualify as personal expenses of the priest.

There is to be no commingling of personal and of parish/school/institutional funds.

Personal Property

Each parish and each priest assigned to a residence in that parish should maintain a written or video inventory of personal versus parish property. A copy of this inventory, which is to be updated annually, is to be kept on file at the parish. All furnishings purchased by the parish are to remain at the parish and not moved when a priest is reassigned.

B. Vacation, Time Off, Retreat, and Continuing Education

Vacation

According to the universal discipline of the Church, every priest is entitled to one month of vacation annually, continuous or otherwise (Canon 533, §2). For purposes of this policy, one month is considered to be a time period of 31 days and includes no more than four weekends.

The month of vacation allotted to each priest is figured on the basis of the parochial fiscal year, which runs from September 1st – August 31st each year. Vacation time may not be “banked”, that is carried over from one fiscal year to the next. It must be used annually, or it is lost.

A priest who finds it necessary to be absent from his assignment for personal reasons beyond the 31 days or four weekends per year should consult the chancery.

Time Off

Every priest is entitled to one day off every week, preferably involving an overnight. This is important for his rest and rejuvenation. It should not be omitted except for serious reasons or out of necessity.

To help ensure that priests do avail themselves of a day off each week, “banking” or accumulation of days off is discouraged, except out of necessity.

Being visibly present in the parish is very much a part of the pastoral responsibility of the parish priest. The policy allowing for one day off each week is to be strictly observed. It is very important that the parish priest takes some personal time off each week in the form of a day away, which includes an overnight and part of the following day. However this does contribute to an unreal expectation for a daily mass in parishes served by one priest. This does not preclude the validity of personal time in the course of the day for a reasonable amount of the rest, recreation and for social commitments.

Retreat

Priests are encouraged to fulfill their annual requirement for a retreat.

Each parish will pay the retreat institution directly (in the extreme rare instance where a priest pays the institution directly with personal funds he shall be financially reimbursed for those retreat expenses, only upon submission of actual receipts), at the prevailing rate authorized by the Bishop (see the Priests' Salary Scale).

Continuing Education

Each priest with a diocesan assignment is entitled to an annual Continuing Education allowance to assist with the fulfillment of continuing education requirements. The amount is standard for every priest and can be found on the Priests' Salary Schedule. Each parish will pay the institution directly (in the extreme rare instance where a priest pays the institution directly with personal funds he shall be financially reimbursed for the submission of actual receipts), at the prevailing rate authorized by the Bishop.

Notification of Absence to the Bishop

If a Pastor is to be away from his parish for an extended period, he is to inform the Bishop or his representative before his departure (cf. Canon 533, §2).

C. Leave of Absence – Authorized Leave

Authorized leave is defined as time off from official assignment with permission of the Diocesan Bishop. Application for such leave must be made to the Bishop who must approve each request.

Types of Authorized Leave

1. Personal Leave

Authorized personal leave may be granted with the following provisions:

The priest will be interviewed by the Director of Priest Personnel and/or the Bishop.

A leave of absence ordinarily will not exceed six months, with the possibility of an extension depending on circumstances. The total length of time is not to exceed three years.

Health insurance will be continued for a period of six months with the option to extend it another six months, unless the priest on leave receives health insurance through other employment. This benefit will cease entirely after three years, unless the priest secures health insurance earlier through other means. He may be eligible for long and short-term disability insurance.

The priest will continue to be enrolled in the automobile insurance plan during the period of *authorized* leave, and the priest will reimburse the Diocese for the premiums.

Ordinarily, salary will not be provided to a priest by the Diocese during a time of authorized personal leave.

Residence is not provided by the Diocese to a priest on personal leave.

Faculties are ordinarily withdrawn during a time of personal leave, and the priest will agree not to exercise priestly ministry during this time.

2. Health Leave

“Health leave”, as it is used here, does not include normal absences from work due to illness, doctor’s appointments, etc.

With the certification of a physician and the approval of the Bishop of Buffalo, health leave may be granted for a period of time necessary for the recovery of the priest. During the period of health leave the priest’s salary, health, dental and auto insurance shall be paid by the Diocesan budget.

3. Sabbatical

A sabbatical is an official extended period away from current ministry and responsibility for the purpose of ministerial, personal, spiritual and theological development and enrichment.

The ordinary length of a sabbatical is four months.

A request for an exception to the length of the sabbatical can be made to the Diocesan Director of Priest Personnel for the Bishop’s consideration when the special needs of the priest/pastoral coordinator or the purpose of the sabbatical requires a program that extends beyond four months.

Funding

- a) The cost of room, board, tuition and required textbooks for a priest on sabbatical will be paid as follows:
 - ☐ One-third by the priest himself.
 - ☐ One-third by the place of ministry
 - ☐ One-third by the Diocese.
- b) Transportation to and from the place of sabbatical will be paid in the same manner outlined above. Contributions by the place of ministry and the Diocese will be based on current economy rates.
- c) The priest is to submit all bills for costs to the Chancery Office. The Chancery Office will pay all outstanding bills and bill the priest and the place of ministry for their share of the costs. The Chancery Office will proportionally reimburse the priest and the place of ministry for bills already paid in full.
- d) Base salary and all benefits during the sabbatical will continue to be paid for by the place of ministry.
- e) If a priest is between assignments, the Diocese will pay the salary and benefits. The former place of ministry will be billed for one-third of this cost. The Diocese will ask the future place of ministry to reimburse the Diocese for one-third of this cost.
- f) A priest is encouraged to apply for other outside funding (grants and fellowships).

Application Process

- a) Those planning to request sabbatical leave must first, before submitting an application, contact the Vicar General/Moderator of the Curia, who will serve as a resource for planning. Sabbatical policies and applications are available through him.
- b) Application for a sabbatical leave is to be made in writing to the Bishop c/o the Vicar General/Moderator of the Curia at least six months in advance.

D. Extended Care and Retirement Benefits

Extended Care

Any priest who is admitted to a nursing home or any type of institutional setting is responsible for his expenses in the Health Care Facility. If the priest's funds have been exhausted, the Priest Personnel Office should be contacted regarding obtaining governmental assistance with the individual priest's retirement benefits (Pension and Social Security) subsidizing that assistance.

Retirement Benefits

The amount of benefits for which the priest is eligible shall be determined in accord with the priest retirement plan document.

E. Civil Attorney's Fees

If a priest becomes involved in a civil or criminal action due to the exercise of the office entrusted to him by the Bishop, or in the exercise of his priestly ministry per se, civil attorney fees will be the responsibility of the parish or ecclesial institution to which he is assigned and/or of the Diocese of Buffalo. If the cause of the civil or criminal action is personal in nature and not related to the exercise of an ecclesial office or priestly ministry, then the civil attorney fees are the responsibility of the priest himself.

F. Gifts

Gifts paid to a priest with parish or organization funds must be reported through payroll. Christmas and Easter gifts and gifts given on special occasions, such as an anniversary, must be reported through payroll and must be reasonable in amount.

G. The Administration of Ecclesiastical Goods

Ecclesiastical goods do not belong to any individual. Rather, they are considered to be part of the common possessions of the Church, to be used to further those purposes for which the Church may acquire, retain, administer and alienate temporal goods (c.1254, §1). The principal purposes of ecclesiastical goods are fourfold: divine worship, the support of the clergy and of other persons who work for the Church, the works of the apostolate, and works of charity.

This implies a twofold duty: to administer the entrusted goods as a prudent householder would do (as mentioned in c. 1284, §1) and to give an account to the faithful of the goods received and the uses to which these were put (as prescribed in c. 1287, §2).

There is to be no commingling of personal and parish/school/institutional funds.

1. Parish Property

Canon 1283, has stringent norms relating both to the preparation and updating of inventories, so that a clear record may be kept of the goods that are held, and, more particularly, to the necessity of observing the intentions of donors.

c.1283, §2 -The administrator is to prepare and sign and regularly update a detailed inventory of all parish property and assets. This list should be detailed and reflect the true standing of the parish. It should include a detailed description of all goods movable and immovable, either precious or of cultural value, along with all the material holdings of the parish.

c. 1283, §3 – Copies of this inventory are then to be kept on file with the parish archives and the chancery archives and regularly updated as needed.

2. Good Stewardship and Administration of All Parish Property and Assets

Canon 1284, §2 – outlines several duties of the administrator in carrying out his responsibilities of sound fiscal management of the parish. Administrators must:

- a. take care of the goods entrusted to their care and make sure that nothing is in any way lost or damaged and see that proper insurance policies are in place to meet the needs of the parish;
- b. take care that the ownership of ecclesiastical goods is safeguarded through civilly valid methods;
- c. observe the prescriptions of both canon and civil law, and particular law of the diocese, and especially be careful so that the Church is not harmed through non-observance of civil laws;
- d. accurately collect the revenues and income of goods when they are legally due, safeguard them once collected and apply them according to the intention of the founder or according to legitimate norm;
- e. pay the interest on a loan or mortgage when it is due and take care that the capital debt itself is repaid in due time;
- f. with the consent of the ordinary invest the money which is left over after expenses and which can be profitably allocated for the goals of the parish;
- g. keep well-ordered books of receipts and expenditures - A priest must maintain adequate records to substantiate items of income and expenses incurred. The evidence should be written and expenses should be maintained in an account book, diary, statement of expense, or similar record. All documentary evidence, such as receipts, canceled checks, or bills should be retained to support each statement of expense. Records should be maintained for seven years.
- h. as has been the custom, a financial report on their administration is made at the end of each year (c. 1287, §1)

CONCLUSION: This policy is meant to provide general civil, canonical, and procedural guidance in certain areas of parish life. Any exceptions of such should be addressed individually and handled accordingly by the Bishop or his representative. The Diocese reserves the right to revise, amend, or rescind these Best Practices and Guidelines at any time. Should any discrepancy or conflict exist within these guidelines, the determination of the Bishop is final.

H. Priest Compensation Tax Reporting

	Reportable by Employer	Subject to Federal & State Income Tax	Subject to Social Security Tax
Remuneration (i.e. salary)	Yes	Yes	Yes
Gifts (i.e. Christmas, Easter) *	Yes	Yes	Yes
Offerings for regular weekday/weekend supply ministry	Yes	Yes	Yes
- Offerings for irregular weekday/weekend supply ministry, less than \$600 per year	No	Yes	Yes
- Retired priests offerings for irregular weekday/weekend supply ministry, greater than \$600 per year (Form 1099-Misc)	Yes	Yes	Yes
- Active priests offerings for regular (weekly or monthly) weekday/weekend supply ministry (Form W-2)	Yes	Yes	Yes
Mass stipends paid by parish to priest **	No	Yes	Yes
Ministerial fees paid by parish to priest	Yes	Yes	Yes
Ministerial fees paid directly from family, funeral director, or wedding couple directly to priests **	No	Yes	Yes
Dental and health insurance coverage paid by parish	No	No	No
Fair rental value of room & board (including utilities)	No	No	Yes
Auto insurance	Yes	Yes	Yes
Quarterly ministry allowance:			
- If sufficient accounting of business mileage is submitted to parish	No	No	No
- If accounting of business mileage is <u>not</u> submitted to parish	Yes	Yes	Yes
Continuing Education & Retreat Allowance ***			
- Paid directly by parish to institution	No	No	No
- Reimbursed to priest with receipts	No	No	No
Rectory table with receipts ***	No	No	No

* Limited to a reasonable amount.

** Other income subject to federal income tax but not included as wages would be reported by the priest as self-employment earnings on Schedule C of their Form 1040 (Mass stipends) not on Form 1099-Misc.

*** Payable only when expenses are incurred