

**ST. SUSANNA CHURCH  
FINANCE COMMISSION  
MINUTES  
JULY 27, 2008**

**Attending:**

Fr. Kevin  
Barb Buschman  
Gloria Costello  
Al Czyzewski  
Lance DeNardin  
Katie Kuka  
Mary Matarazzo  
Joe Sandifer  
Joe Schembre  
Mike Witka (Archdiocese Rep.)

**Absent:** Kevin Cassidy, Chris Kelly

Fr. Kevin opened the meeting with a prayer. Barb Buschman ran the meeting.

The minutes for the June 29, 2008 and July 15, 2008 meetings were approved.

Barb Buschman asked if there were any questions on the June financials. Joe Schembre had compiled a listing of questions regarding budget to actual variances in the School budget. He had reviewed those with Barb prior to the meeting.

Beginning with July 2008 financial statements, each member will be expected to perform a monthly review of the financial statements for their assigned area(s) of responsibility. These monthly reviews should include a budget to actual variance analysis and discussions with individuals responsible for the budgets. Information gained from these reviews will be shared with the entire commission at monthly meetings.

Fr. Kevin noted that Margie Spencer, a parishioner, has volunteered to help the Finance Commission. She has audit experience, but she indicated to Fr. Kevin that she is not interested in serving on the Finance Commission. Fr. Kevin asked Barb Buschman to contact Ms. Spencer. Joe Sandifer also offered to pass her name on to the Parish council.

Barb Buschman and Fr. Kevin thanked everyone who helped with the parish festival. The festival is projected to earn a net income of approximately \$4,000. This is a slight decrease from the \$10,000 net income earned last year from the festival. Barb noted that the festival is intended to be a community-building activity, not a fundraiser. Fr. Kevin informed the group that the festival committee is considering some changes for next year, including modifications to activities offered and the time of year the festival is held.

Barb Buschman noted that she has only received one response regarding when members will perform the annual reviews of their areas of responsibility. The following members responded at the meeting with their months: Joe Sandifer (October), Joe Schembre (February), Lance DeNardin (March), Al Czyzewski (August), and Katie Kuka (June for Auction/February for Scrip and PTP). All other members need to respond to Barb by the August meeting. At the August meeting, we will review the questionnaire used for annual reviews and discuss potential modifications.

Lance DeNardin is working to improve the formatting of our monthly financial reports. He will provide an update next month.

Fr. Kevin and Mary M. reported that the carpet fund is now over \$20,000. We need approximately \$21,000 to cover the entire cost. Mary M. will include a thank you to the parish, in next week's bulletin, regarding these donations.

Barb Buschman asked if there were any questions or comments on the 2008/2009 budget. Barb reported that the number of students forecasted had decreased from 314 to 309. That number includes all grades. Fr. Kevin noted that the addition of an "intermediate school" for 4<sup>th</sup> and 5<sup>th</sup> graders in the Plainfield schools has negatively impacted our enrollment.

Barb Buschman explained to Mr. Witka that the budget for the 2007/2008 school year had been based on a much higher enrollment number than was realized. Thus, we had hired additional teachers based on that higher number. For the 2008/2009 school year, the school commission required families to pay the first month's tuition with their registration fee, if their oldest child was in the first grade or younger.

Barb Buschman also highlighted additional changes we have made for the 2008/2009 fiscal year in order to improve our financial situation:

- Assigned areas of responsibility for each commission member
- Areas submitting their own budgets
- Fr. Kevin will give 5<sup>th</sup> Sunday reports on our financial situation
- Enhanced financial reporting in the weekly bulletin

Joe Sandifer also noted that for the 2009/2010 school year, we will be adding a parishioner/non-parishioner tier to the tuition rates. Mr. Witka asked if we would dictate a tithing amount to be considered a parishioner. Joe Sandifer indicated that we would not dictate a dollar amount, just require giving of some amount. Fr. Kevin noted that the parish subsidizes \$851/student per year.

Mr. Witka asked how we advertise our school in other parishes. The group informed him that we include announcements in their bulletins. The school has also formed an enrollment group which will be conducting more "marketing" efforts going forward.

Regarding the 2008/2009 budget, Mr. Witka asked how we determined our projected collections number. Fr. Kevin told him it was the number that balanced the budget. Fr. Kevin feels that our parish is capable of giving more than we currently do. Tithing has increased after Fr. Kevin's recent appeal to the parish. We are also instituting the 5<sup>th</sup> Sunday campaigns in hopes of increased collections.

Mr. Witka asked about the bequest line item in our 2008/2009 budget. Fr. Kevin told him that we typically get one bequest per year.

Joe Sandifer asked Mr. Witka what the national average is for percentage of parishioners who give to their parishes. Per Mr. Witka, 25% of envelopes are used in parishes who do not talk about stewardship. In parishes who do discuss stewardship, 35% of envelopes are used. Per Fr. Kevin, we have approximately 1,100 families registered and we have received some sort of financial gift from 900 of those families. Mr. Witka noted that we should "clean our list" periodically to ensure the 1,100 number is accurate. He also suggested eliminating individuals (or families) who give less than \$200/year to eliminate those who give two times a year (Christmas/Easter).

Fr. Kevin reported that a few parishioners have asked that we include a breakdown of the financial information in the bulletin. In other words, report revenue/expense by school, parish, religious education, etc. Members were opposed to this idea, because they felt it would foster division within the parish.

Members discussed the 5<sup>th</sup> Sunday reports. The group resolved the following:

- Joe Sandifer will gather ideas of discussion topics from the Parish council. He will present these at the Finance Commission meetings preceding the 5<sup>th</sup> Sundays.
- Mary M. will compile the financial report, distribute it to Commission members and incorporate any suggested changes. The financial report will be finalized at the Finance Commission meetings preceding the 5<sup>th</sup> Sundays. The reports will have 4 columns: 2007/2008 Actual, 2008/2009 Budget, 2006/2007 Actual, and 2005/2006 Actual.
- Finance Commission members will assist Fr. Kevin in the drafting of the talk at the commission meeting preceding the 5<sup>th</sup> Sundays.
- Ushers will distribute the financial report during Fr. Kevin's talk. (675 copies)

Mr. Witka posed questions and offered suggestions:

- 1) Do we have a separate Stewardship committee?
  - a) Per Joe Sandifer: Yes. It is being revived currently. Mr. Witka encouraged us to do stewardship education with the parish.
- 2) Present an annual financial report to the parish. (We will do this as part of the 5<sup>th</sup> Sunday campaign.)

- 3) Fr. Kevin should know who the top 20 donors are and should meet with them. These meetings should not involve asking for money but, rather, should be about asking the donors for suggestions, concerns, and ideas. Fr. Kevin should also know who the next 20 donors are, to prepare for the future.
- 4) Can your parishioners give electronically? Not currently, but we are starting to use FACTS for the school which could lead to online giving for the parish.
  - a) Mr. Witka noted that electronic giving appeals particularly to younger families. Fr. Kevin commented that the average age of our parishioners is 31 ½ years.
- 5) Mr. Witka noted that it is unusual to include a line item for bequests in the budget. Since we do that, he suggested that we enact a bequest/gift policy to dictate the use of unrestricted funds when they are received.
- 6) School and religious education are typically a parish's largest expenses and most significant ministries. As a Church, we have made a commitment to pass on our faith. Mr. Witka stressed the importance of communicating to school and parish families the average cost we incur to educate the child and how much of that cost is subsidized by the parish.

Gloria Costello asked if the archdiocese has a recommended subsidy level for how much the parish subsidizes the school. Mr. Witka reported that it used to be that 42% of weekly collections went to the school. Now, the benchmark is that 25% of weekly collections go to the school.

Mr. Witka noted that he did not see loan repayment in the budget. Fr. Kevin clarified that we have included those payments in other line items.

Closing comments:

Al Czyzewski plans to meet with Joe Sandifer and Joe Schembre to discuss the lunch program. Mr. Witka asked if we plan to increase the price, and Al indicated that was a possibility.

Katie Kuka asked Barb Buschman if there is a suggested materiality threshold for the monthly reviews. Barb indicated we should use our own judgment.

Fr. Kevin asked members to include him on the e-mails regarding budget to actual variance questions.

Respectfully submitted by Katie Kuka.

**ACTION ITEMS:**

All:

- Review July financial statements. Perform analysis of budget to actual variances for areas of responsibility and present findings at August meeting.

- Determine in which month you will complete the annual review of your area of responsibility. Consider which month will be most convenient for the group being reviewed, as well as the Commission member performing the review. Notify Barb of the month selected.

Barb Buschman:

- Contact Margie Spencer to determine if/how she would like to help/serve on the Finance Commission.
- Print off review questionnaires from archdiocese's website for review at August meeting.
- Remind Tina to include the "principal's notes" in the bulletin.

Fr. Kevin:

- Ask Jackie to pull out all givers under \$200 and determine percentage of giving without those individuals/families. (In theory, that would pull out those who give two times per year – Christmas and Easter.)

Katie Kuka:

- Draft Conflict of Interest and Whistleblower policies for review by the Finance Commission at the August meeting. Distribute to members for comments prior to the meeting.

Joe Sandifer:

- Share Margie Spencer's offer of help with the Parish Council.
- Include 5<sup>th</sup> Sunday idea generation on Parish Council agenda for next Sunday. Present ideas at August Finance Commission meeting.

Lance DeNardin:

- Assist Mary M. with efforts to consolidate monthly reports into one document.

Mary Matarazzo :

- Include a thank you note in next week's bulletin regarding donations to the carpet fund.
- Be sure that Jackie includes envelope count in bulletin.
- Compile financial report for 5<sup>th</sup> Sunday campaign and e-mail to group prior to August meeting. Ask for feedback Mary, asking members to "reply all." The report will be finalized at the August meeting. The report will include four columns: reply all, to finalize at next August meeting – 4 columns: 2007/2008 Actual, 2008/2009 Budget, 2006/2007 Actual, and 2005/2006 Actual.