

FINANCIAL MATTERS	2.100
BUDGET PLANNING	2.101
CHART OF ACCOUNTS	2.102
COMPUTERIZED ACCOUNTING.....	2.103
BASIS IN PRINCIPLES OF ACCOUNTING	2.104
CHECKING AND SAVINGS ACCOUNTS	2.105
RECORDING CASH RECEIPTS.....	2.106
INVOICE PAYMENT AND FILING CASH DISBURSEMENTS	2.107
PETTY CASH	2.108
CASH IN SCHOOL BUILDINGS	2.109
GOVERNMENT PROGRAM FUNDS.....	2.110
RETENTION OF FINANCIAL SCHOOL RECORDS.....	2.111
RESTRICTED FUNDS	2.112
DELINQUENT TUITION	2.113
TUITION ASSISTANCE.....	2.114
TUITION REIMBURSEMENT	2.115
TUITION AND CHARITABLE CONTRIBUTIONS.....	2.116
FUND-RAISING	2.117
STUDENTS' CONTRIBUTIONS	2.118
STUDENTS' FUND-RAISING	2.119
RELIGIOUS CONGREGATIONS' FUND-RAISING.....	2.120
MISAPPROPRIATION OF FUNDS	2.121
TEMPORAL GOODS	2.200
BUILDING USE.....	2.201
RISK MANAGEMENT.....	2.202
TAXES	2.300
TAX EXEMPTION	2.301
PAYROLL TAXES.....	2.302
UNEMPLOYMENT COMPENSATION TAXES.....	2.303
SALES TAX	2.304
FINANCING PARISH CATHOLIC SCHOOLS	2.400
PARISH SUPPORT.....	2.401

THE PASTOR'S FISCAL RESPONSIBILITY IN PARISH SCHOOLS	2.402
TUITION RATES.....	2.403
INTERPARISH ASSESSMENTS	2.404
PARISH FINANCES AND SUPPORT.....	2.405
ANNUAL FINANCIAL REPORT	2.406
FUND-RAISING BY HOME-SCHOOL ASSOCIATIONS OR CLUBS.....	2.407
CAPITAL IMPROVEMENTS AND CONSTRUCTION PROJECTS.....	2.408
FINANCING AN ARCHDIOCESAN HIGH SCHOOL.....	2.500
CHIEF ADMINISTRATOR'S FISCAL RESPONSIBILITY	2.501
AUDITS AND FINANCIAL REPORTS	2.502
DEBTS, NOTES, LOANS, MORTGAGES.....	2.503
CAPITAL EXPENDITURES	2.504
INVESTMENT OF FUNDS.....	2.505
ACQUISITION AND DISPOSITION OF STOCKS	2.506
TUITION RATES.....	2.507
STUDENT TUITION ASSISTANCE	2.508
PARISH ASSESSMENTS.....	2.509
FUND-RAISING BY THE PARENT ORGANIZATION	2.510
CHANGE IN THE USE OF SCHOOL PROPERTY, LAND, BUILDINGS	2.511

2.100 FINANCIAL MATTERS

2.101 BUDGET PLANNING

POLICY

Approved: September 1, 2009

Schools must submit to the Office of Catholic Schools an annual operating budget, which is prepared on a template provided by the Office of Catholic Schools.

The fiscal year for all schools is July 1 to June 30.

School budgets and financial reports must account for all funds used by the school.

Archdiocesan grants and other funds providing operational support shall be awarded only to schools that have an approved budget on file with the Office of Catholic Schools.

PROCEDURE

Approved: September 1, 2009

The preliminary budget shall be submitted no later than February 15 and the final budget shall be submitted on or before October 1.

The school budget must provide for the true cost of operating the school plant. Provisions should be made for replacement costs of instructional material and technology.

Parish Schools

The Principal shall develop a preliminary school budget, with the finance committee of the school board and the Pastor, who shall obtain the parish Finance Council's recommendations and advice.

Parish elementary school budgets shall be reviewed and recommended by the school board and approved by the Pastor.

Once approved, the budget becomes a controlling document. Any revision of line item amounts within the total expenditure of the approved budget shall require the authorization of the Pastor and Principal.

Any revision increasing the total expenditure over the originally approved budget shall require the recommendation of the school board and the approval of the Pastor.

Consideration of capital improvements and/or major repairs should be made for the current and future years. These considerations or needs should be included on the “Budget for Capital Equipment and Building Improvements” form, as part of the budgetary process. Therefore, future capital needs can be planned and paid for gradually over several years.

Archdiocesan High Schools

The annual operating budget must be developed by the Chief Administrator, business manager, and finance committee of the high school board.

The Corporation Officers shall approve the budget at their annual meeting. Once approved, budgets become controlling documents. Any revision of line item amounts within the total of the approved budget requires the authorization of the Chief Administrator of the school. Any revision increasing the total over the originally approved budget requires the written authorization of the Superintendent.

2.102

CHART OF ACCOUNTS

POLICY

Approved: September 1, 2009

Schools shall use the chart of accounts issued by the Office of Catholic Schools.

PROCEDURE

Approved: September 1, 2009

Income and expenditures shall be classified according to the chart of accounts and recorded in the appropriate general ledger accounts, approved by the Office of Catholic Schools.

2.103

COMPUTERIZED ACCOUNTING

POLICY

Approved: September 1, 2009

Every school shall maintain and use a computerized accounting system exclusively for the school.

PROCEDURE

Approved: September 1, 2009

Parish schools are to use QuickBooks for the schools' computerized accounting.

2.104

BASIS IN PRINCIPLES OF ACCOUNTING

POLICY

Approved: September 1, 2009

The financial records of the school are to be maintained on an accrual basis of accounting.

PROCEDURE

Approved: September 1, 2009

In order to ensure compliance with limitations and restrictions on the use of resources available, each school shall maintain its accounts according to the principles of fund accounting found in generally accepted accounting principles for not-for-profit organizations.

2.105

CHECKING AND SAVINGS ACCOUNTS

POLICY

Approved: September 1, 2009

Revised: May 17, 2010

Every school shall have its own checking, savings, and endowment account set up and maintained according to the Archdiocesan Fiscal Office's guidelines.

The Pastor shall be listed as the signatory and receiver of information on accounts held by parish school organizations.

The Chief Administrator and one additional administrator, approved by the Corporation Officers, shall be the co-signatories and receivers of information on all accounts held by the Archdiocesan High School Corporation.

The bank statement shall be "month end" and shall be reconciled monthly.

The name of the school checking account shall include the word "school" and must not include the words "parish" or "church." (A model name would be "St. Christopher School of East Hartford" or "Northwest Catholic High School." In order to avoid confusion, the name of the town should be included).

PROCEDURE

Approved: September 1, 2009

The checking account shall be opened and maintained in a local commercial bank, and the savings account should be an interest bearing account. The Pastor of a parish school or Chief Administrator of an Archdiocesan high school is responsible for establishing this account.

2.106**RECORDING CASH RECEIPTS***POLICY**Approved: September 1, 2009*

The school income must be posted to the general ledger and deposited in the general checking account of the school.

Under no circumstances shall income be deposited directly to the savings account, except for prepaid tuition or fees for the next school year.

Every school shall maintain a cash receipts book (duplicate format) for walk-in cash/check payments.

2.107

INVOICE PAYMENT AND FILING CASH DISBURSEMENTS

POLICY

Approved: September 1, 2009

School bills (vouchers, invoices) shall be paid from the school's checking account.

School expenses shall be paid by check, made payable to the vendor.

PROCEDURE

Approved: September 1, 2009

All correspondence relating to payment, along with copies of the invoices, shall be carefully filed and kept for a minimum of seven years. An “audit trail” shall be maintained.

If vendors are not corporations, proper 1099s must be issued to them and filed with the Internal Revenue Service.

2.108

PETTY CASH

POLICY

Approved: September 1, 2009

Under no circumstances may checks be written to “Cash.” If it is necessary to pay some small expenses in cash, such cash payment should be made from a petty cash fund.

PROCEDURE

Approved: September 1, 2009

The Pastor or Chief Administrator shall estimate a reasonable amount to start the petty cash fund, ordinarily not to exceed \$500.

The check for petty cash shall be drawn on the school checking account and shall be put in a locked box, along with a pad of petty cash slips.

As cash is paid out, a petty cash slip is to be completed, signed and maintained in a locked box in a secure location. These slips need to be listed and distributed by expense account in order to reimburse petty cash.

When the balance in the cash box reaches the point where more cash is needed, another check is to be drawn to petty cash in the amount equal to the total of all the petty cash slips in the box. The expenses are to be recorded in the general ledger in the appropriate expense categories distributed above.

Petty cash slips shall be maintained for seven years.

2.109

CASH IN SCHOOL BUILDINGS

POLICY

Approved: September 1, 2009

Large sums of money shall be kept in the school building in a safe and secure location.

Bank deposits shall be made as frequently as practical, but at least one per week.

Deposits in excess of \$500 are to be made the next business day or by night deposit the same day.

PROCEDURE

Approved: September 1, 2009

School cash, other than necessary petty cash, shall be receipted, entered into the general ledger, and prepared for bank deposit.

2.110

GOVERNMENT PROGRAM FUNDS

POLICY

Approved: September 1, 2009

If a government program, such as the Federal School Milk Program or the Federal School Lunch Program, requires a separate checking account in addition to the regular school checking account, then transactions of these separate checking accounts should be recorded using the Chart of Accounts provided by the Office of Catholic Schools and posted to the general ledger on a monthly basis.

Separate records should be kept for these accounts.

PROCEDURE

Approved: September 1, 2009

If any item of school income or expense is involved in whole or in part in a government program:

- The government agency shall be requested to charge and address all bills (vouchers, invoices) to the school, not the parish.
- The government agency shall be requested to make its check payable to the school, not the parish.
- When payments are made by the school, either directly to a government agency or to a private business firm for goods and/or services, to be reimbursed in whole or in part with government funds, such payments shall be made from the school checking account, and the private business in these circumstances should be asked to bill the school, not the parish.
- Detailed records shall be retained for seven years and an “audit trail” shall be maintained for each account.

2.111

RETENTION OF FINANCIAL SCHOOL RECORDS

POLICY

Approved: September 1, 2009

Every school shall retain financial, statistical and personnel records.

Every school shall preserve the records in a safe place (fire resistant vault, if possible), in accordance with applicable law and Archdiocesan guidelines.

PROCEDURE

Approved: September 1, 2009

The following fiscal records are to be preserved:

Salary administration

W-2 forms	Seven years from time of filing
W-4 forms	Seven years from date of filing
Time cards	Three years from date of filing
Time sheets	Three years from date of filing
I-9 form	Seven years after termination

Financial Records Type Retention Period

Banking

Bank deposits	Seven years
Bank statements	Seven years
Bank reconciliations	Seven years
Cancelled checks	Seven years
Check registers/stubs	Seven years

General

Audit reports	Permanently
Balance sheets, annual	Permanently
Balance sheets, monthly/quarterly	One year (then destroy)
Budgets, approved, revised	Seven years
Financial reports, annual	Permanently
Financial reports, monthly	One year (then destroy)
Financial statements	Permanently

Accounting

Accounts payable invoices	Seven years
Accounts payable ledgers	Seven years
Accounts receivable ledgers	Seven years
Credit card statements/charge slips	Seven years

Invoices and paid bills, major building construction	Permanently
Invoices and paid bills, general accounts	Seven years
Cash books	Seven years
Cash journals	Seven years
Cash journal, receipts on offerings and pledges	Seven years
Receipts	Seven years
Mortgage payments	Seven years
<u>Other Records</u>	
General ledger/annual	Permanently
Journals, general and specific funds	Permanently
Journal entry sheets	Seven years
Ledgers, subsidiary	Seven years
Payroll journals	Seven years
Payroll registers, summary schedule of earnings, deductions, and accrued leave	Seven years
Pension records	Permanently
Pledge registers/ledgers	Seven years
Permanently restricted gift documents	Permanently
Temporarily restricted gift documents	Seven years after meeting restrictions
<u>Tax Records</u>	
Employment taxes, contributions, and payments, including taxes withheld	
FICA	Seven years from date of filing
W-2 forms	Seven years from date of filing
W-4 forms	Seven years from date of filing
Form 1099	Seven years from date of filing

2.112

RESTRICTED FUNDS

POLICY

Approved: September 1, 2009

Revised: May 17, 2010

Funds over and above those needed for the annual operating budget may be restricted for such purposes as student tuition assistance, capital improvements, or building maintenance, only with the written permission of the Pastor, in the case of parish schools, and the Superintendent, in the case of Archdiocesan secondary schools.

Designated funds temporarily restricted by the donor shall be placed in a separate account.

Any such funds must be disclosed and identified on the “Advancement” page of the budget as restricted or unrestricted.

PROCEDURE

Approved: September 1, 2009

Archdiocesan High Schools

The school’s Chief Administrator shall contact the Superintendent for consultation when considering restricting funds. Restricted funds shall be reported annually in the school budget filed with the Office of Catholic Schools.

2.113**DELINQUENT TUITION***POLICY*

Approved: September 1, 2009

Schools shall have a written policy detailing how tuition delinquency shall be handled and applied in a consistent manner.

PROCEDURE

Approved: September 1, 2009

Schools shall make this written policy known to all parents in the Parent-Student Handbook, and bring delinquency to the attention of parents well before decisive action is to be taken.

Each school should establish its own method of reviewing individual cases and accommodating families with legitimate economic hardship.

Refer to Chapter 5, Withholding School Records

2.114 TUITION ASSISTANCE

POLICY

Approved: September 1, 2009

Schools shall establish a written tuition assistance policy.

PROCEDURE

Approved: September 1, 2009

Parish Schools

Tuition assistance policies, tuition payment plans and student assistance funds shall be reviewed annually by the Pastor, Principal, and the school board to ensure equity. Final approval of any tuition assistance is made by the Pastor.

All such assistance must be documented and reflected in the general ledger.

Archdiocesan High Schools

Tuition assistance policies, tuition payment plans and student assistance funds shall be reviewed annually by the Chief Administrator, admissions director, business manager, and finance committee of the school board to ensure equity. The Chief Administrator makes final approval of any tuition assistance.

All such assistance must be documented and reflected in the general ledger.

The total tuition assistance granted must agree with the submitted budgeted amount of tuition assistance for that school year.

2.115 TUITION REIMBURSEMENT

POLICY

Approved: September 1, 2009

Schools shall establish a written tuition reimbursement policy.

PROCEDURE

Approved: September 1, 2009

The school board shall formulate a written tuition reimbursement policy for approval by the Pastor or Chief Administrator.

The tuition reimbursement policy shall be reviewed annually by the school board to ensure equity.

Schools shall make this written policy known to all parents in the Parent-Student Handbook.

2.116**TUITION AND CHARITABLE CONTRIBUTIONS***POLICY**Approved: September 1, 2009*

Pastors, administrators and school boards shall be cognizant of Internal Revenue Service Rule No. 83-104 (deductibility of payments to organizations operating schools). Tuition rates shall not be tied in any way to charitable contributions to the parish or school.

No charitable contribution shall be accepted in consideration of a child's enrollment in a school.

2.117

FUND-RAISING

POLICY

Approved: September 1, 2009

Fund-raising projects undertaken by the school, or on behalf of the school, must adhere to the terms of Connecticut state law specifying the conditions under which bazaars, raffles and other fund-raisers may be held.

Any fund-raising that results in funds being identified as “restricted” must be identified as such in the accounting records. If deemed necessary to prevent commingling of funds and/or possible misuse for other than the purpose intended, such funds shall be put into a separate checking account and identified accordingly.

2.118

STUDENTS' CONTRIBUTIONS

POLICY

Approved: September 1, 2009

Students shall not be requested to contribute financially to any cause without the written consent of the Principal/Chief Administrator.

2.119

STUDENTS' FUND-RAISING

POLICY

Approved: September 1, 2009

Fund-raising shall not detract from the primary educational purpose of the school.

Students shall not be allowed to raise funds, sell or solicit without the approval and/or supervision of adults.

2.120

RELIGIOUS CONGREGATIONS' FUND-RAISING

POLICY

Approved: September 1, 2009

In accordance with Archdiocesan policy, religious congregations shall not be permitted to conduct, either personally or through others, any fund-raising program in the schools of the Archdiocese without the express permission of the Vicar for Religious.

2.121 MISAPPROPRIATION OF FUNDS

POLICY

Approved: September 1, 2009

Misappropriation of funds, that is, the use of school funds for personal use, shall be prohibited. Misappropriation of funds shall be grounds for disciplinary action, including termination. Guilty parties may be prosecuted criminally as well as civilly.

2.200 TEMPORAL GOODS

2.201 BUILDING USE

POLICY

Approved: September 1, 2009

The Pastor/Chief Administrator has the authority and responsibility for renting within the school facilities (i.e., gymnasium, fields, classrooms), in accordance with guidelines established by the Archdiocese of Hartford and its insurance provider, and in consideration of the primary use of a school building which is for children and youth. Any long-term lease agreement shall be formalized with a contract and reviewed by the Archdiocesan Attorney before its execution.

Schools shall not provide space (either on a rental or pro bono basis) to any political candidate or any group supporting a specific political candidate or political party and any organization whose purpose is not consistent with Catholic teachings.

Archdiocesan High Schools

Any parish, Archdiocesan organization, or other Catholic organization is to be charged per event or performance for the use of the auditorium, gymnasium, cafeteria or classroom. A dress rehearsal shall be included in the fee for the auditorium. For additional rehearsals, there shall be an additional charge per rehearsal.

Any parish, Archdiocesan organization, or other Catholic organization is to be charged per individual serving for the use of the cafeteria; this price is over and above the cost of the meal. Caterers other than the one providing the daily food service in the school shall be required to provide their own equipment for the preparation and serving of food.

PROCEDURE

Approved: September 1, 2009

Renters of facilities should submit written proof of liability insurance to the Pastor/Chief Administrator. The lessee shall provide written documentation of insurance and shall name the school, parish, and the Archdiocese as the additionally insured.

Archdiocesan High Schools

The Chief Administrator of an Archdiocesan high school, at his/her discretion, may decide to rent or not to rent the facilities. Long-term leases shall require the approval of the Superintendent.

The custodian shall be present whenever school facilities are used outside of school hours. His/her fee is over and above the rental fee. It is to be paid directly by the renter to the school at the appropriate rate per hour.

The lessee shall make good any damage inflicted upon school property by members of his/her organization. Vandalism may lead to the exclusion of the organization from the premises in the future.

Fees for the use of the various facilities in the schools shall be determined by the school administration. The written schedule of fees shall be published by the school annually.

The lessee, in each of the cases enumerated, must carry the proper liability insurance; he/she must provide police protection if the Chief Administrator judges it necessary, and he/she must pay the custodian's fee at the appropriate rate per hour.

2.202

RISK MANAGEMENT

POLICY

Approved: September 1, 2009

All schools in the Archdiocese of Hartford must have an annual safety inspection.

To report a loss or file a claim, schools shall contact the Archdiocesan insurance office.

PROCEDURE

Approved: September 1, 2009

The Risk Manager shall conduct an annual safety inspection of the school.

2.300 TAXES

2.301 TAX EXEMPTION

POLICY

Approved: September 1, 2009

Entitlement to tax exemption requires that all schools shall have a publicized policy of racial nondiscrimination as to students.

PROCEDURE

Approved: September 1, 2009

Schools shall publish in their parent-student handbooks and on their website the racial nondiscrimination policy.

2.302

PAYROLL TAXES

POLICY

Approved: September 1, 2009

Parish schools are considered as part of the parish corporation under which they are established. Parish school authorities shall report wages and taxes under the parish corporation employer tax number. A separate employer tax number shall not be obtained for the school.

An Archdiocesan secondary school is a separate legal corporation. Each Archdiocesan secondary school shall report wages and taxes under a separate employer tax number.

Payroll taxes shall be paid in accordance with current federal, state, and local law. Records of payroll, payroll deductions, and withholding shall be maintained according to generally accepted accounting and bookkeeping practices.

PROCEDURE

Approved: September 1, 2009

Schools shall use a payroll service company for preparing their payroll and use the payroll company recommended by the Archdiocese.

2.303

UNEMPLOYMENT COMPENSATION TAXES

POLICY

September 1, 2009

Parish schools may participate in the Connecticut Unemployment Compensation Program for the benefit of lay employees and in conjunction with the parish corporation.

Archdiocesan secondary schools shall participate in the Connecticut Unemployment Compensation Program for the benefit of lay employees.

PROCEDURE

September 1, 2009

Revised: May 17, 2010

Parishes can elect to “Participate”:

- Via the Connecticut State Unemployment Compensation Program
- Pay claims “as you go” by reimbursing the state

Parishes can elect NOT to “Participate” (with guidance from the Chancery)

- Parishes must provide letters to current employees and new employees that they are NOT participating in the Connecticut Unemployment Compensation Program, and therefore employees cannot put in a claim for unemployment compensation. Employees should sign that they have received this notice.

2.304**SALES TAX***POLICY*

Approved: September 1, 2009

Parish schools are exempt by law from the Connecticut sales tax and shall use the tax exemption number of the parish corporation.

Archdiocesan high schools are exempt by law from the Connecticut sales tax and shall use the tax exemption number of the school corporation.

Administrators shall insure that the tax-exempt number is used in accordance with the current law.

PROCEDURE

Approved: September 1, 2009

The use of tax-exempt certification is limited to purchases related to the school and school-related activities and is not to be used for items that are for personal use.

2.400 FINANCING PARISH CATHOLIC SCHOOLS

2.401 PARISH SUPPORT

POLICY

Approved: September 1, 2009

The parish operates on a calendar year beginning January 1, while the school operates on a fiscal year. In the preparation of the parish budget, the parish shall consult with the school to determine the parish financial support to the school for the next school year.

The Pastor shall inform the school of the amount of the financial support by January 1 for the school year that begins in July of that year and ends in June of the following year.

PROCEDURE

Approved: September 1, 2009

Parish support to the school reflects the parish's concern and responsibility for the school. The amount of support must be determined by an assessment of the needs of the school and of what the parish can afford to provide.

Parish support shall be recorded in the appropriate income category in the general ledger of the school.

THE PASTOR'S FISCAL RESPONSIBILITY IN PARISH SCHOOLS

POLICY

Approved: September 1, 2009

The Pastor is legally and canonically responsible for the fiscal administration of the parish school.

Any fiscal accounts related to the parish school, including endowments, must have the Pastor as a signatory on the accounts.

The Pastor has authority to sign all checking accounts and to withdraw from school savings accounts, and school-related accounts and savings. The Pastor may delegate this authority to another person only with the permission of the Archbishop, who shall make his determination in consultation with the Fiscal Office of the Archdiocese.

PROCEDURE

Approved: September 1, 2009

The Pastor shall review all school bank statements each month and review all cancelled checks. He shall initial the bank statements indicating he has reviewed them.

Someone other than the Principal reconciles the bank statements and enters all financial activity into the general ledger.

In carrying out his fiscal responsibilities, the Pastor shall involve the Principal in both the preparation and monitoring of the budget.

2.403

TUITION RATES

POLICY

Approved: September 1, 2009

The tuition rates will be established by the Pastor after consultation with the Principal and school board.

Annual tuition rates shall be determined by February 15 as part of the budget process.

PROCEDURE

Approved: September 1, 2009

Tuition rates shall be set in conjunction with the annual budget development process. It is the responsibility of the Principal to recommend tuition rates to the Pastor and the school board for approval.

In setting tuition rates, consideration shall be given to families with more than one child in the school through the use of a sliding scale.

Tuition rates for Catholic non-parishioners shall be the same as those for parishioners. If they are not registered parishioners in another parish, they may be charged higher tuition.

Schools shall set tuition and fee rates equal or comparable to other parish schools in their town/city.

Schools shall explore the implementation of a formal tuition payment plan, which offers various payment options.

The finance chair of the school board, in collaboration with the Pastor, Principal and the full board, shall hold an annual meeting with parents to inform them of the tuition and fee rates. Parents shall be provided the actual cost of educating a child in the school.

Tuition contracts shall be executed by parents/guardians of students and will include the stated tuition rate, documentation of any financial assistance provided or discounts given (i.e. student of a teacher, etc.) and payment terms. These agreements will be signed and dated by the parent/guardian of the student.

Within these tuition contracts there will be NO discounts in the form of labor or other means of bartering in lieu of financial payment.

2.404

INTERPARISH ASSESSMENTS

POLICY

Approved: September 1, 2009

The annual interparish assessment shall be recommended by the Archdiocesan School Board and reviewed and supported by the Presbyteral Council before approval is given by the Archbishop. The interparish assessment shall not be deducted from the individual student's tuition.

When a Catholic student accepted at a parish school is from a parish in the Archdiocese that does not have its own school, or whose school does not have room for the student in question, the student's parish shall pay directly to the school the per pupil assessment designated by the Archdiocese.

The parish shall be assessed in the amount of \$250 per elementary/middle school student in grades K-8.

PROCEDURE

Approved: September 1, 2009

It is the responsibility of the Pastor to verify with the appropriate Pastor the student's status as a parishioner.

This assessment shall be due and payable in two equal installments, on October 1 and February 1. For students enrolled after October 1, only the February payment shall be due. No payment for that school year shall be due for students enrolled after February 1. No refunds shall be made if a student withdraws from the school. It is the responsibility of the school to bill for and collect the assessment from each parish.

The school authority shall ask, as part of the application procedure, whether parents are registered in a parish. (Registration is understood in this context as the parent/guardian's having, in accord with the parish procedures, signed a census card or other parish form). The term "registration" presumes active parish membership and parish support. The use of parish envelopes may be required; however, no minimum contribution to the parish is to be set down as a precondition for parish registration or for paying the assessment to the school.

The Principal shall notify the Pastor in writing no later than July 1 of enrollment of students from his parish in the school. Late registrations must be submitted immediately.

Pastors are to respond, in writing, by August 1, or in the case of late registrants, within 30 days. The response letter to the Principal shall indicate those students whose parents are not registered in his parish. Failure of the Pastor to respond within 30 days shall be interpreted as meaning that all names on the list are registered and all assessments are payable.

The school shall notify parents who are not registered in a parish, indicating whether and how much additional tuition is applicable. The tuition schedules in such cases are at the discretion of the parish operating the school.

The policy is compulsory for all parishes. Once a student has been accepted at a school outside the parish, the student's own parish must pay the assessment to the school on a per capita basis. Any questions that cannot be settled by the Principal and Pastor concerned are to be referred to the Superintendent.

Any Pastor who feels it is financially impossible for his parish to comply with this plan must present the matter, in writing, to the Fiscal Office of the Archdiocese for review and decision. The Office of Catholic Schools shall be informed by the Pastor of any such appeal.

PARISH FINANCES AND SUPPORT

POLICY

Approved: September 1, 2009

When a parish is providing support for its school and is, or anticipates, operating at a deficit, the Pastor shall initiate a study of school and parish finances, with the assistance of the Superintendent, the Director of School Finances, and the Archdiocesan Fiscal Office.

PROCEDURE

Approved: September 1, 2009

If financial support is needed from the Archdiocese, a comprehensive study of the school and parish finances along with financial benchmarks for sustainability shall be part of the process before funding is to be considered.

The school shall produce monthly financial reports comparing actual results against their operating budget to insure the school is in compliance with the budget and make recommendations for changes if not in compliance.

ANNUAL FINANCIAL REPORT*POLICY**Approved: September 1, 2009*

Annual financial reports of school finances, actual as of June 30, shall be sent to the Office of Catholic Schools.

*PROCEDURE**September 1, 2009**Revised: May 17, 2010*

A budget template shall be issued by the Office of Catholic Schools.

The school financial report and operating budget shall be transmitted *together* on the forms supplied by the Office of Catholic Schools. The school financial report and budget shall be signed by the Pastor, Principal, and school board Chairperson.

Upon submission of a properly prepared final budget by October 1, the Office of Catholic Schools will distribute the annual Catholic Schools Support Plan tuition assistance check.

Throughout the school year a “cash flow” report will be submitted monthly to the Office of Catholic Schools showing the “budgeted” monthly cash flow, the “actual” monthly cash flow, and the “projected actual” cash flow for the remaining months.

Additionally, a financial report called a “Compilation” shall be prepared by a Certified Public Accountant (CPA) each year and submitted to The Office of Catholic Schools by October 1. The financial report shall be done on an accrual basis recognizing unpaid bills applicable to the just completed school year in “accounts payable” and recording tuition paid in advance before June 30 for the coming school year as “deferred tuition revenue.” Any unpaid tuition is to be recorded as “tuition receivable” with a “reserve for uncollectibility.” This therefore necessitates that a balance sheet be provided as part of the financial report submitted to the Office of Catholic Schools.

The “Compilations” and financial statements are requirements of the New England Association of Schools and Colleges (NEASC) for accreditation purposes.

These financial statements shall be the initial basis for developing your budget for the following year.

FUND-RAISING BY HOME-SCHOOL ASSOCIATIONS OR CLUBS*POLICY**Approved: September 1, 2009*

All monies raised for, or in the name of, the parish or parish school shall be subject to the control of the Pastor.

*PROCEDURE**Approved: September 1, 2009*

In order to assist the Pastor in fulfilling his canonical responsibility and to assist the home-school association (or club) in fulfilling its fund-raising goals, home-school associations and school-related clubs may open checking and savings accounts with the permission of the Pastor as the sole signer.

All bank statements shall have the rectory or parish office as the address of record.

It shall be the responsibility of the association or club treasurer to report to the full association or club, and to the Pastor and Principal, in writing at each meeting, with regard to activity in the account, including receipts, disbursements, and fund balances. Copies of the bank statements and cancelled checks shall be provided to the Pastor and Principal at the end of each month.

It shall be the responsibility of the association or club treasurer to provide a full, detailed annual report to the association or club, Pastor and Principal, at the close of each school year. This report shall include a summary of all income and expenses by category or fund-raiser model.

It is recommended that home-school association officers be directly involved in the school budget development process, with regard to the fund-raising goal of their associations. They may also participate in discussions with the school administration concerning the allocation and use of funds raised by the association. However, for the good of the entire school and parish, final spending decisions shall rest with the Pastor, after consultation with the Principal and school board.

Monies from association or club accounts must be turned over to the school administration periodically, and all monies (with the exception of a small opening balance), must be turned over to the school administration at the close of each year.

Transfers from associations and club accounts must be deposited in the regular school checking account and posted to the appropriate category in the general ledger.

2.408

CAPITAL IMPROVEMENTS AND CONSTRUCTION PROJECTS

POLICY

Approved: September 1, 2009

The parish corporation is responsible for the funding and management of any capital improvements to the school.

Repairs and alteration to existing school buildings which cost more than \$15,000, shall, in accordance with the Archdiocesan capital project policy, require the recommendation of the Superintendent and the written approval of the Archbishop.

PROCEDURE

Approved: September 1, 2009

Revised: May 17, 2010

In parish schools, capital funding comes from the parish through their operating funds or a special school capital campaign project.

Capital items may also be included in the budget and funded through school surpluses.

2.500 FINANCING AN ARCHDIOCESAN HIGH SCHOOL

2.501 CHIEF ADMINISTRATOR'S FISCAL RESPONSIBILITY

POLICY

Approved: September 1, 2009

Upon the approval of the Corporation Officers, the Chief Administrator is legally responsible for the fiscal administration of the Archdiocesan high school.

PROCEDURE

Approved: September 1, 2009

The Chief Administrator has authority to sign all checking accounts and to withdraw from school savings accounts, and school-related accounts and savings.

All checks over \$5,000 must be cosigned.

Someone other than the Chief Administrator reconciles the bank statements and enters all financial activity into the general ledger.

Other than the Chief Administrator, the same person may not both prepare and sign checks.

In carrying out the fiscal responsibilities of the school, the Chief Administrator shall involve the finance committee of the school board and business/finance manager in both the preparation and monitoring of the budget as well as the review of the annual audit.

2.502

AUDITS AND FINANCIAL REPORTS

POLICY

Approved: September 1, 2009

The school shall have an annual audit as determined by the Corporation Officers.

The Chief Administrator shall send quarterly financial reports of school finances to the Director of School Finances within 30 days of quarter end.

PROCEDURE

Approved: September 1, 2009

Annual audited financial reports of school finances shall be sent by the Chief Administrator to the Superintendent, and to the Director of School Finances on or before October 1.

The school financial report and operating budget shall be transmitted on the forms supplied by the Office of Catholic Schools. The Chief Administrator, business/finance manager, and Chair of the school board shall sign the school financial report and operating budget.

2.503

DEBTS, NOTES, LOANS, MORTGAGES

POLICY

Approved: September 1, 2009

The contracting of debts, notes, loans, or mortgages shall require the approval of the Superintendent and the written authorization of the Corporation Officers.

CAPITAL EXPENDITURES

POLICY

Approved: September 1, 2009

After the approval and finalization of the school's operating budget by the Corporation Officers, any capital expenditure in excess of \$2,000.00 during the term of the budget which has not been discussed and approved during the budget development process shall require prior written approval by the Superintendent and written authorization by the Corporation Officers.

INVESTMENT OF FUNDS*POLICY*

Approved: September 1, 2009

In reviewing the school's audited financial statement, the Office of Catholic Schools, in consultation with the Archdiocesan Fiscal Office, shall consider how cash reserves are invested and, if appropriate, recommend more effective forms of money management.

PROCEDURE

Approved: September 1, 2009

Funds intended to be placed for long-term investment (normally more than one year) shall be deposited within the portfolio of funds recommended by the Archdiocesan Fiscal Officer, or a portfolio of the *Hartford Investment Trust*. Such funds shall not be withdrawn without the approval of the Superintendent.

Funds are to be invested with a minimum of risk. Those funds intended to be invested short-term shall be deposited either, a) in a fund recommended by the Archdiocesan Fiscal Officer, b) in a local bank certificate of deposit (excluding savings and loan associations), or, c) within the portfolio of the *Hartford Investment Trust*.

ACQUISITION AND DISPOSITION OF STOCKS

POLICY

Approved: September 1, 2009

Archdiocesan secondary schools shall not purchase stock (common or preferred). Disposition of stock acquired by the school shall follow Archdiocesan guidelines.

PROCEDURE

Approved: September 1, 2009

When stock is acquired by a gift or bequest, the Chief Administrator shall immediately notify the Archdiocesan Fiscal Office, which shall convert the stock into cash and send the proceeds to the Chief Administrator.

2.507

TUITION RATES

POLICY

Approved: September 1, 2009

The tuition rates for Archdiocesan secondary schools shall be established by the Chief Administrator and the finance committee of the high school board, and subject to the approval of the high school corporation officers.

PROCEDURE

Approved: September 1, 2009

Annual tuition rates shall be determined by April 1 of the preceding year. Tuition rates shall be set in conjunction with the annual budget development process. It is the responsibility of the Chief Administrator to recommend tuition rates to the high school board. With board input, the Chief Administrator then recommends tuition rates to the Superintendent for approval by the corporation officers at their annual meeting.

In setting tuition rates, consideration shall be given to families with more than one child in the school.

Ordinarily, the finance chair of the school board, in collaboration with the Chief Administrator and the full board, shall inform parents in writing of the tuition and fee rates.

Tuition contracts shall be executed by parents/guardians of students and will include the stated tuition rate, documentation of any financial assistance provided or discounts given (i.e. student of a teacher, etc.) and payment terms. These agreements will be signed and dated by the parent/guardian of the student.

Within these tuition contracts there will be NO discounts in the form of labor or other means of bartering in lieu of financial payment.

2.508**STUDENT TUITION ASSISTANCE***POLICY*

Approved: September 1, 2009

Each Archdiocesan secondary school shall develop a program of student tuition assistance for families with financial need.

PROCEDURE

Approved: September 1, 2009

The secondary school will use a financial need assessment program available from a number of tuition management companies to assess properly a student's parents or guardians need for financial assistance. The amount of financial assistance available for all families will be determined at the time of preparing the school's preliminary budget. The Superintendent must approve any variance from this budgeted amount.

PARISH ASSESSMENTS*POLICY**Approved: September 1, 2009*

The annual parish assessment shall be recommended by the Archdiocesan School Board and reviewed and supported by the Presbyteral Council before approval is given by the Archbishop for any increases mandated.

When a Catholic student, a member of a parish of the Archdiocese, is accepted at one of the designated Archdiocesan high schools, the student's parish pays a parish assessment.

This policy applies to the four Archdiocesan high schools: Northwest Catholic High School, West Hartford; East Catholic High School, Manchester; St. Paul Catholic High School, Bristol; and Sacred Heart High School, Waterbury.

This assessment shall be \$150 if the parish has a school and \$250 if the parish does not have a school (\$150 in Waterbury for Sacred Heart High School if the parish does not have a school) and shall be due and payable in two equal installments on October 1 and February 1. For students enrolled after October 1, only the February payment shall be due. No payment for that school year shall be due for students enrolled after February 1. No refunds shall be made if a student withdraws from the school. It is the responsibility of the school to bill and collect the assessment from each parish.

*PROCEDURE**Approved: September 1, 2009*

It is the responsibility of the Chief Administrator to verify with the appropriate Pastor the student's status as a parishioner.

No minimal contribution to the parish is to be set down as a pre-condition for registration or for paying assessments.

The school shall also inform the parent(s) at the time of registration, that in the event they do not fulfill the requirements for parish registration, they shall be liable for the additional \$150 or \$250 in tuition, based on whether a parish has a school or not.

The school shall notify parents who are not registered in a parish, indicating whether and how much additional tuition is applicable. Parents are responsible for the payment of the additional \$150 or \$250 tuition. However, the school should consider cases of financial need on an individual basis. Students should not automatically be excluded from the school if their parents refuse to pay the

additional tuition. Should Chief Administrators judge such action warranted, they may indicate that the student shall not be accepted for the subsequent year unless such tuition surcharge is also fully paid. Such action would be preferable to dismissal of the student during the school year.

The school authority shall ask, as part of the application procedure, whether parents are registered in a parish. (Registration is understood in this context as having, in accord with the parish procedures, signed a census card or other parish form). The term “registration” presumes active parish membership and parish support. The use of parish envelopes may be required; however, no minimum contribution to the parish is to be set down as a pre-condition for parish registration or for paying the assessment to the school.

The Chief Administrator shall notify the Pastor in writing no later than July 1 of enrollment in the school of students from his parish. Late registrations must be submitted immediately.

Pastors are to respond, in writing, by August 1, or in the case of late registrants, within 30 days. The response letter to the Principal shall indicate those students whose parents are not registered in the Pastor’s parish. Failure of the Pastor to respond within 30 days shall be interpreted as meaning that all names on the list are registered and all assessments are payable.

The policy is compulsory for all parishes. Once a student has been accepted at a school outside the parish, the student's own parish must pay the assessment to the school on a per capita basis. Any questions that cannot be settled by the Principal and Pastor are to be referred to the Superintendent.

Any Pastor who feels it is financially impossible for his parish to comply with this plan must present the matter, in writing, to the Fiscal Office of the Archdiocese for review and decision. The Office of Catholic Schools shall be informed by the Pastor of any such appeal.

2.510

FUND-RAISING BY THE PARENT ORGANIZATION

POLICY

Approved: September 1, 2009

All monies raised for, or in the name of, the school, shall be subject to the control of the Chief Administrator.

Normally, monies raised by parents and booster clubs shall be turned over to the school and deposited in the general checking account. Expenditures associated with fund-raising shall be made from the school general checking account and accounted for in the name of the club.

On June 30 of each year, all club account monies shall be turned over to the Chief Administrator.

When establishing a club account, the Chief Administrator shall cause a check to be issued from the school general account to the club checking account for a specified dollar figure (recommended \$200).

Club officers shall be empowered to spend money from the club checking account, retaining invoices and bills to substantiate payments.

When the account needs to be replenished, the club officer shall submit to the school bookkeeper copies of the invoices and bills paid from the checking account, and the school bookkeeper shall reimburse the account for that amount. At this point, the account shall be returned to its original balance (recommended \$200).

In effect, these accounts shall operate similarly to a “petty cash” fund.

Profits shall be turned over to the Chief Administrator periodically but no later than June 30 each year.

It shall be the responsibility of the association or club treasurer to provide a full, detailed annual report to the association or club, and to the Chief Administrator at the close of each school year.

Copies of the bank statements and cancelled checks shall be provided to the Chief Administrator at the end of each month.

The Chief Administrator shall review, and initial their review, on a monthly basis.

2.511

CHANGE IN THE USE OF SCHOOL PROPERTY, LAND, BUILDINGS

POLICY

Approved: September 1, 2009

A change in the use of school land and buildings shall require the approval of the Superintendent and the written authorization of the Archbishop.

Archdiocesan secondary schools shall not enter into preliminary negotiations regarding alternate use of school land and buildings without prior authorization of the Superintendent and the written authorization of the Archbishop.

All agreements to buy, sell, rent, lease, grant easements, or otherwise encumber school property must be approved in advance by the Superintendent and with the written authorization of the Archbishop.