

Launch Q & A by Topic

From the August 10, 2021 Launch Webinar



2% Cathedraticum

What is the formula for calculating the 2% Cathedraticum?

Offertory

Plus Donations

Less School Support up to \$100,000

= Assessable Revenue

Times 2.0%

= Cathedraticum

What account numbers will be included in the above calculation?

- + 4000 Offertory: Weekend
- + 4001 Offertory: Christmas
- + 4002 Offertory: Easter
- + 4003 Offertory: Holy Days
- + 4004 Offertory: Weekday Mass
- + 4005 Offertory: Special Masses
- + 4012 Building Fund & Maintenance Collection
- + 4160 Donations
- 5210 School Assessment: Diocesan
- 5215 School Support: Transfers to Schools
- 5220 School Support: Tuition Assistance

What accounts are considered donations?

Anything in account 4160 (and its subaccounts). We will send out some guidance on items that some parishes are recording in 4160 that could be recorded in another account.

Does this mean collections for debt reduction will be assessed?

Although the deduction for Debt Reduction has been eliminated, revenue account 4110 Debt Reduction Collection is not one of the revenue accounts that are assessed, which will keep these contributions exempt from assessment. Please be certain to honor the intent of all donations made for a Debt Reduction Collection by using these funds to reduce debt. Part of the year-end review process at the Pastoral Center will be to determine this has been done within the fiscal year.

Are there any other collections that will not be assessed?

Yes. Account 4200 Capital Campaign Contributions is used to record collections for capital campaigns that have been approved by Bishop as exempt from assessment. These are generally very large projects with pledge campaigns, for which the construction and pledge campaign must be approved by Bishop, and approval of the construction or the campaign does not imply exemption from assessment.

My parish has a special collection to raise funds for the purchase of an organ. Will that be assessed?

Yes, unless the pastor seeks and obtains Bishop's approval of that "campaign" as exempt from assessment. Account 4100 Special Parish Collection that has been used for this purpose in the past will be closed effective July 1, 2022 and these collections should be recorded in account 4200 Capital Campaign Contributions if approved by Bishop, or in a subaccount of one of the offertory accounts if not approved (new subaccounts will be created before closing account 4100).

Will first payment on the new Cathedraticum be due on August 15, 2022?

Yes, based on July 2022 offertory plus donations less school support.

It was stated that the Cathedraticum will fund several national collections; does that mean national collections will be eliminated at the parish level effective July 2022?

There are no changes planned for national collections to be taken up at the parishes. The four national collections that were included in APA will be included in the Catholic Ministry Appeal.

Regarding monthly calculations and payments of the Cathedraticum, some parishes do not pay School Support on a monthly basis. Does it matter that school support payments are made on a quarterly, semi-annual basis (this may present the possibility of a negative calculation occurring during a month a large school support payment is made)?

The interim calculation will be made each month using year-to-date data, thus it is possible that a parish could have negative Assessable Income for the first month of the fiscal year if they fund a large amount of school support in July, in which case the Cathedraticum would be zero until the year-to-date Assessable Income equals a positive number. On September 15, 2023 Diocesan staff will calculate final Cathedraticum assessments and issue a statement to the parish indicating any amount remaining due or refundable based on the parish's final general ledger data. Please be certain all offertory, donations, and school support amounts are recorded in the appropriate accounts by that date.

Which parish fiscal year will be the basis for the calculation of the Catholic Ministry Appeal goal which commences July 2022? Will the parish staff or Diocesan staff calculate the goal?

The Catholic Ministry Appeal will be conducted January through December of each year. Diocesan staff will calculate the parish goals for the Catholic Ministry Appeal that begins January 2022 as 14% of Assessable Income for the 2020/2021 fiscal year.

Isn't there a double funding for Fiscal Year 2022 – 2023?

No. The current APA Campaign that began January, 2021 will fund Fiscal Year 2021/2022 assessment for leadership, shared services, and ministry. The Catholic Ministry Appeal that will begin January, 2022 will fund Fiscal Year 2022/2023 ministry. The Cathedraticum that will begin July 2022 will fund leadership costs for Fiscal Year 2022/2023.

Specific Capital/Restricted Gift Included in Cathedraticum 2%

If a parish is collecting money for a new roof for example, that will be part of the 2% Cathedraticum?

Capital campaigns that are approved as "assessment-exempt" by Bishop will not be included. Only approved campaigns are to be recorded in account 4200 Capital Campaign Contributions.

Grants and restricted donations (gift for youth center) are not taxed, correct? Bequests?

- Bequests will not be assessed.
- Grants and restricted donations that are part of an approved assessment-exempt campaign will not be assessed. Grants and restricted donations that are not a part of an approved assessment-exempt campaign will be assessed.

Parish Hall Kitchen needs \$5K for new equipment. Parish does not have this amount budgeted or available. One-time restricted donation for this parish need is received. Will this restricted gift be included in the total that is assessed the 2%?

Yes, unless it becomes part of an approved assessment exempt campaign, but these are normally six-figure amounts.

Will contributions toward parish capital improvements (sometimes in one-time large amounts) be excluded from the gross income calculation?

Only if they are part of a capital campaign that has been approved by Bishop as exempt from assessment.

Will fundraisers be assessed? And for (non-offertory) parish fundraising programs and events (e.g., hall rental, golf outing), will the assessable income be net of respective expenses?

No revenue from fundraisers will be assessed (gross or net).

Our previous APA donations (which were approximately \$300K per year) were not assessed at all. Does this mean that now we will have approximately \$300K of donations that will now be assessed?

No. Parishioner's donations to the Catholic Ministry Appeal are revenues of the Pastoral Center and should not be recorded at all by the parish as revenue. This eliminates one of the most confusing parts of the present APA/Assessment methodology.

How do we manage special Mass pleas for donations that go directly to those in need that make these special Mass plea presentations such as Nuns & Clergy from South American parishes, African parishes, etc. Do we count this in our Offertory to be assessed?

Any collection sent outside the parish needs Bishop approval. This approval is granted collectively for Mission Sunday Collections and Mission Co-op Collections. Approved collections should be recorded as a liability to the mission/order and not recorded as revenue.

Assessment S&L/Current Assessment/Old Assessment Debt

For parishes that have \$\$ in DSL accounts earmarked for APA use, what happens to those funds?

It can be used to meet the 2% Cathedraticum.

What about past APA goals that were not reached? Is that forgiven or wiped clean to zero, or are we expected to pay the balance due by July 2022.

All outstanding assessment amounts will remain due, however, we will continue to work with financially challenged parishes on payment plans.

I understand the 2021 APA campaign will end on Dec 31st. Is our total 2021 APA due at that time or by May 31st, 2022?

May 31, 2022, and past due on June 30, 2022.

Catholic Ministry Appeal Timeline

What was the reason for not moving the timeline from a calendar year to a fiscal year, given that every other thing is a fiscal year?

While the school year and financial reporting operate on a fiscal-year calendar, people in general operate on a traditional calendar year from January 1 through December 31. Holidays, seasons and reporting for taxes operate on a calendar year. As this appeal is at its heart, a direct appeal to donors, we have chosen the calendar year.

Catholic Ministry Appeal Goal

Is the Catholic Ministry Appeal goal in addition to the 2% tax or is it one in the same?

They are very separate. The 2% Cathedraticum is a diocesan assessment of the parish. The Catholic Ministry Appeal is an appeal by the Pastoral Center directly to parishioners, with your support, with parishioners responding directly to the Pastoral Center.

For the Catholic Ministry Appeal goal of 14%, will the parish be responsible for any short fall?

If a parish puts forth a Best Effort as detailed on the handout titled "Definition of a Best Effort/Parish Implementation of the Catholic Ministry Appeal" available on the parish resource page, then no, the parish is not responsible for what is not raised.

Is there any Catholic Ministry Appeal resource (\$) sharing with a parish that is "overly successful" in its CMA campaign?

No. A critical aspect of the Catholic Ministry Appeal is that all donations will be spent on the ministries the appeal was made for.

If we exceed the goal for a year will it impact the goal in the coming year?

At this time, we are basing the goal for the appeal as 14% of the same assessable revenue formula developed for the Cathedraticum (offertory plus donations minus school support). It is a baseline that allows the goal for the appeal to respond to fluctuations in parish income and not simply increase each year. If a parish's income goes up, the total goal in dollars would go up, but the percent would remain at 14%. In the same vein, if a parish's income goes down, the goal for the appeal would go down.

If for example the 14% goal is not met for couple of years, is 2% Cathedraticum going to go up?

That is not the intent. It is expected there will be a period of transition to meet or exceed the \$7 million goal in this new appeal. If we do not meet it in the first couple years, we will work to fund our ministries and live within our means, evaluating how we did with the transition, where we can improve and how we can grow to ultimately fully fund diocesan ministry through the appeal.

Will the same progress reporting be in place for the 14% goal?

For APA, weekly reporting on progress was done through the APA Messenger. We will be designing a new e-newsletter for the Catholic Ministry Appeal, and working through the process of providing summary reports for each parish and detail donor reports upon request.

Catholic Ministry Appeal Materials

What materials will be provided for parishes?

- Weekly, step-by-step plan
- Talking points
- FAQs
- Brochures
- Draft pastor letter
- Pulpit announcements
- Bulletin inserts
- Social media posts
- Champion & appeal videos
- Pre-written emails
- In-pew pledge cards

I don't see envelopes on the list of support materials.

In-pew pledge cards were the last item on the list. As with APA in the past, these are cards and envelopes all in one and are included in the planned materials for the Catholic Ministry Appeal.

Will DOSP representatives be available for pulpit talks like we had in APA?

Yes.

Is the letter from the pastor sent through letter concepts or something that the parish sends out at their cost?

As part of the Best Effort, the letter will be sent by the Pastoral Center on behalf of the pastor on a black and white version of the parish letterhead as bulk mail. If a parish chooses to take the extra step of placing it on real parish letterhead and mailing with a first-class stamp to their people, that is a financial responsibility the parish takes on.

Will you have a detailed list of the ministries or departments supported by the new Catholic Ministry Appeal?

It will be available on the resource page by the end of this week, ready for publication by the September presentation of materials to pastors and parishes.

New Ideas for the Catholic Ministry Appeal

Will there be a social media poll?

I love this idea! Perhaps we can implement with the help of our Communication team.

Will the first three parishes reach their goal in a certain time frame be rewarded?

Great idea. We will discuss.

Slightly peripheral, but, assuming diocesan budget transparency, is there any chance that donors could designate the uses to which they wish to apply (or exclude) their donations?

Yes, we have worked through the process of restricted gifts and gift allocation to allow donors to direct and select the ministries they support.

Can we set up a Fund in Online Giving for this as well?

We prefer a using an easy to locate graphic link from your website to the online giving page for the new Catholic Ministry Appeal to speed up the process of acceptance and acknowledgement for the donor.

Launch Q & A by Topic