

ARCHDIOCESE OF SEATTLE

VOLUME 10, ISSUE 11

# Merry Christmas from Parish Financial Services

*Ed*  
*Sarah*  
*Zaitter*  
*Austin*  
*Emily*

December 2013

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## **PLAN FOR CASH FLOW IMPACTS FROM THE NEW PAYROLL SYSTEM**

We know from the questions we are receiving that many PAAs and Administrators are planning for the cash flow impact of the new Payroll System. Although the gross amounts of payroll in the two paycheck months will be a little less than either monthly or semimonthly payroll amounts, they will occur earlier for former monthly payers. In addition, the three paycheck months will require more cash. If you haven't already modeled the impacts, it is important that you do so to be sure that you have adequate amounts of cash on hand to fund your Parish's and/or School's obligations. If you need assistance, please contact us.

### **HR MANAGER'S TOOLKIT**

Please take a moment to visit the HR Manager's Toolkit (<http://www.seattlearchdiocese.org/Archdiocese/HR/llposters.aspx>) to be sure you have the most current labor law posters up on your bulletin board(s), many have been updated in the past year. If you have any questions please email [HR@seattlearch.org](mailto:HR@seattlearch.org) or call (206) 382-4570.

**NOTE from PRF:** All parishes that have adjustments and or corrections included in the Quarter end statements for 12/31/13; please e-mail or fax the information to us **no later than the 27th of December**. We cannot assure that your adjustments or corrections will be processed before quarter end if we received the information after 12/27/13.

### **ANNUAL LAY PENSION BILL**

The Annual Lay Pension bill will be mailed on January 13, 2014. Please review the billing report thoroughly to make sure that all the information on it is accurate. If you find any information that is inaccurate, please make the necessary changes on the report to correct it. Mail a copy of the billing report along with your check to the Benefits Services Office in the envelope provided by January 31, 2014. Please note: if you are late with your payment, your employees may lose investment earnings on the amount that should be contributed to their account. A late contribution is a serious violation of the Lay Pension Plan document and significantly increases the liability of the parish or school as well as the Archdiocese. To reimburse employees for lost earnings we will bill a late charge to locations whose pension contributions are postmarked after January 31, 2014. The late charge is a per-day percentage of the total amount due.

**NOTICE :** The Chancery will be closed December 24th, 25th, 26th and January 1st. Please remind Parishioners that to qualify as a 2013 donation, all funds must be postmarked or received in the office by December 31st. This includes Donations of Stocks and Mutual Funds which must be received into our Brokerage account on or before the 31st.

## **TAX EXEMPTION RENEWAL AND REAL PROPERTY TAXES- REMINDER**

- \* **Tax Exemption Renewal** Paperwork will be mailed out to parishes and schools around the first week of January with a request to return the paperwork to the Property & Construction Office by February 1, 2014.
- \* **Real Property Taxes** are due April 30<sup>th</sup> and October 31<sup>st</sup>. Tax Statements will be mailed out to parishes around the Middle of March. Note that even though a property parcel is exempt, there may still be fees & special assessments associated with the property.

If you have any questions, please call Property and Construction Services at (800) 809-4923 or (206) 382-4283.

## **JANUARY PAA TRAINING**

**Don't forget to sign up for the fourth PAA Training Session on January 15, 2014. The topics will be: Stewardship & Development and Budget & Finances. Fill out the form attached and return by Tuesday January 7, 2014.**

## **ATTENTION ALL PAAs – NEW AND EXPERIENCED!**

**The Directors of the Office for  
Stewardship & Development  
invite you to attend our  
PAA TRAINING SESSION  
JANUARY 15, 2014  
Archdiocese Chancery,  
Isaac Orr Conference Room  
Our Session: 10:00 AM – 12:30 PM**

### **DID YOU KNOW?**

- \* Our parishes have the potential to receive nearly \$3,000,000 in ACA rebates this year. Did you get your share?
- \* The Strengthened Church movement has caught fire in and beyond our archdiocese! Come learn how this powerful stewardship movement can help your parish become full of actively engaged parishioners - and how our archdiocese is leading a national movement with our new and exciting pilot program.
- \* Our parishes received over \$4,000,000 in planned bequests last year! Did you get your share?
- \* Many of your parishioners support Archbishop and our Seminarians through the Crozier Society. Would you like to learn how?
- \* The world of digital communication is evolving quickly. Do you have the tools you need to properly position your parish?
- \* Come spend time with us to speak one-on-one with the Directors from each of the Stewardship & Development Offices. Come with your questions and leave with a greater understanding of the many ways we can serve you!

**Now that you know – can we count on seeing you?**

**REGISTER NOW!**



## ARCHDIOCESE OF SEATTLE

### PARISH FINANCIAL SERVICES

710 9th Ave  
Seattle, WA 98104

Phone: (800) 422-5417

Fax: (206) 382-4279

[parishfinancialsvcs@seattlearch.org](mailto:parishfinancialsvcs@seattlearch.org)

Ed Williams: Director of PFS  
(206) 382-4585  
[edw@seattlearch.org](mailto:edw@seattlearch.org)

Sarah Diamo: Assistant Director of PFS  
(206) 382-4573  
[sarah.diamo@seattlearch.org](mailto:sarah.diamo@seattlearch.org)

Loretta Griffin: Savings & Loan Manager  
(206) 382-4501  
[lorrettag@seattlearch.org](mailto:lorrettag@seattlearch.org)

Justin Schrier: Savings & Loan Accountant  
(206) 382-4845  
[justin.schrier@seattlearch.org](mailto:justin.schrier@seattlearch.org)

Emily Lee: Administrative Assistant  
(206) 382-7316  
[emily.lee@seattlearch.org](mailto:emily.lee@seattlearch.org)



### 2014 Campaign Material Order Site is open –

An email was sent to all parishes on Dec. 12<sup>th</sup> with instructions. If you did not receive this email, please contact us at [aca@seattlearch.org](mailto:aca@seattlearch.org) to request instructions.

### ACA Payments Bulletin Article -

#### Still need to make your Annual Catholic Appeal payment by year-end for tax purposes?

Any new gifts or payments you want credited to the 2013 calendar year for tax purposes needs to be in the Annual Catholic Appeal office by December 31<sup>st</sup>.

Payments online - [www.seattlearchdiocese.org/pp](http://www.seattlearchdiocese.org/pp)

Stock gifts, call 206-382-7316 or 800-422-5417

New gifts – [www.seattlearchdiocese.org/donate](http://www.seattlearchdiocese.org/donate)

If mailing in the payment, the *postmark must be stamped* by Dec 31, 2013 in order to be applied in the calendar year. Please do not put ACA payments in the parish collection basket. Mailing directly to:

Annual Catholic Appeal, PO Box 14964, Seattle 98114

Your generous support is greatly appreciated – thank you!

### 2014 Leadership Sessions – Registration coming soon (January)!

Mark your calendar! 12:00-3:00pm. (Lunch will be included)

February 21	Friday	St. Charles Borromeo, Tac
February 26	Wednesday	Sacred Heart, Lacey
February 27	Thursday	St. Thomas, Tukwila
February 28	Friday	Isaac Orr, Seattle
March 6	Thursday	St. Pius X, MLT
March 7	Friday	St. Joseph, Vancouver
March 12	Wednesday	St. Charles, Burlington
March 13	Thursday	St. Madeleine Sophie, Bellevue
March 14	Friday	Isaac Orr, Seattle

### Annual Catholic Appeal 2014 Campaign Dates

Appeal Kick-Off Weekend - April 26/27, 2014

Presentation/Ask Weekend1 – May 3/4 2014

Presentation/Ask Weekend2- May 10/11 2014

Follow-up/Ask Weekend1 - May 17/18, 2014

Follow-up/Ask Weekend2 - May 24/25, 2014



RETREAT CENTER AT  
THE PALISADES

A very Merry  
Christmas to you and  
yours, from all of the  
staff at the  
Archbishop Brunett  
Retreat Center at the  
Palisades!

**May God bless you with joy and peace  
this season.**

We now offer gift certificates! Gift certificates allow easy payment for the giver and flexibility for the recipient. We invite staff and parishioners to give ones a spiritual gift this Christmas: the gift of a retreat. We will mail you a beautiful certificate to stuff in their stocking. Gift certificates will also be available throughout the year.

Purchase a gift certificate by clicking [HERE](#). The retreat fee is \$199 per person and includes all presentations, six meals, and a single room with a private bath.

Questions? Contact us at (206) 748-7991 or email [palisades@seattlearch.org](mailto:palisades@seattlearch.org).

# **PAA TRAINING SESSION** **REGISTRATION FORM**

WEDNESDAY, JANUARY 15, 2014

10:00am-3:00pm  
**Isaac Orr Conference Room 10:00am-3:00pm**  
**910 Marion St, Seattle 98104**

Name: \_\_\_\_\_

Parish: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Phone: \_\_\_\_\_

The agenda for this meeting will be Stewardship & Development and Budget and Finances.

**REGISTER BY: TUESDAY JANUARY 7, 2014**

Please return this form to: Emily Lee  
Parish Financial Services  
710 – 9<sup>th</sup> Avenue  
Seattle, WA 98104

Questions, Concerns and Cancellations (please notify us of cancellations 24 hours prior to the session)

Phone: (206) 382-7316

Email: [emily.lee@seattlearch.org](mailto:emily.lee@seattlearch.org)



# Memo

To: PAAs, Bookkeepers and Payroll Administrators  
From: Payroll Services Office  
Date: December 5, 2013  
Re: **Action Needed:** Paying for the Services of Vowed Religious Members

During the transition to our new payroll system we realized that a few parishes and agencies currently use the ADP Payroll system to pay vowed religious orders for the services of their members. ***Beginning in January, 2014 you will need to pay them through accounts payable instead; they will not be paid through UltiPro.***

There were a couple of reasons for this decision. First of all, the payroll system will try to issue IRS W2 forms to everyone paid via the system, but vowed religious members should not receive W2s. The other reason is that the locations that are currently paying their Vowed Religious order members via payroll actually enter the name of the religious organization into ADP and use another field for the person's name. This would not transmit correctly from UltiPro to HRInTouch because only the name of the organization would be transmitted and not the name of the vowed religious member, so the benefit enrollment and eligibility system would not be able to identify the member.

Vowed religious members will still be tracked in the UltiPro system, but for benefit enrollment and demographic information only. They will be reported with zero hours and zero rates, and so vacation and sick leave will not accrue and cannot be tracked in UltiPro. ***This means that locations who have vowed religious members who earn vacation, sick and personal leave time will need to track the time manually and not through the payroll system.***

Thank you for your attention to this.

BSO\Projects\Current IPBS Work\Memo re Using AP to Pay VR.docx

BENEFITS SERVICES  
206-382-4566  
TOLL FREE: 1-800-950-4904  
FAX: 206-382-3493  
[Benefitservices@seattlearch.org](mailto:Benefitservices@seattlearch.org)

PAYROLL SERVICES  
206-274-7662  
TOLL FREE: 1-800-348-9092  
FAX: 206-957-8898  
[Payrollservices@seattlearch.org](mailto:Payrollservices@seattlearch.org)

WORKERS' COMPENSATION  
206-903-4618  
TOLL FREE: 1-800-457-9306  
FAX: 206-382-4372  
[Workerscompensation@seattlearch.org](mailto:Workerscompensation@seattlearch.org)



## ARCHDIOCESE OF SEATTLE

OFFICE OF ADMINISTRATION AND FINANCE  
206-382-4529  
FAX: 206-274-3199



710 9TH AVE  
SEATTLE, WA 98104-2017  
[www.seattlearchdiocese.org](http://www.seattlearchdiocese.org)

December 3, 2013

Dear Pastors, Pastoral Assistants for Administration, Principals, and Chancery Staff,

I am pleased to enclose the new Gift Acceptance Policy for the Archdiocese. This policy is meant to provide guidance to the Chancery, Parishes, and Schools on the acceptance of all gifts other than Sunday collections and other routine contributions. Unusual gifts may include the following:

1. Closely held stock transfers that are subject to restrictions or buy-sell agreements
2. Transfers of "S" Corporation Stock, Partnership, or LLC interests
3. Documents naming the Archdiocese, Parish or School as Trustee
4. Gifts involving contracts such as bargain purchases, annuity contracts (charitable or commercial), or other documents requiring the Archdiocese to assume an obligation
5. Gifts that may result in future encumbrance or substantially worsening the stable patrimony of the Archdiocese
6. Other instances in which use of counsel is deemed appropriate

Although this Policy applies to all gifts, its specific provisions apply to unusual gifts. It is not expected that those provisions need be applied to gifts occurring in the ordinary course of the operations of a school or parish—normal contributions, fund raising proceeds, etc.

The policy is written so that it may be provided to potential donors and their advisors for information and planning purposes.

It is likely that parishes and schools will need assistance with gifts to which the policies apply. Inquiries should be directed to me in the Office of Finance and Administration ([Frank.Feeman@seattlearch.org](mailto:Frank.Feeman@seattlearch.org) or (206) 382-4588). In addition, the following are contacts for specific types of gifts or compliance issues:

1. For Annuities (charitable or commercial) or Planned Giving (estates, trusts, etc.) please contact JoAnne Strom in the Planned Giving Office ([Joanne.Strom@seattlearch.org](mailto:Joanne.Strom@seattlearch.org) or (206) 382-4373)
2. For Real Estate Transactions please contact Ed Foster in the Property and Construction Office ([Edward.Foster@seattlearch.org](mailto:Edward.Foster@seattlearch.org) or (206) 382-2064)
3. For State or Federal Tax compliance issues please contact Ed Williams in the Parish Financial Services Office ([Ed.Williams@seattlearch.org](mailto:Ed.Williams@seattlearch.org) or (206) 382-4585).

Please implement the provisions of this policy immediately.

Sincerely in Christ,

Frank Feeman  
Chief Financial Officer



## **Gift Acceptance Policy**

The following policy governs acceptance of gifts other than Sunday collections and other routine contributions made to The Corporation of the Catholic Archbishop of Seattle, a Washington nonprofit corporation (the "Archdiocese" or "CCAS"). This policy applies to the Central Offices of the Archdiocese of Seattle as well as Archdiocesan Parishes and Schools. References below to the Archdiocese also refer to Parish or School as appropriate. Parishes and Schools considering acceptance of gifts to which this policy applies should contact the Chief Financial Officer of the Archdiocese for assistance prior to gift acceptance.

In this policy the "Archdiocese" also refers to the juridic person known in the Code of Canon Law of the Catholic Church as the Archdiocese of Seattle. Since the Archdiocese is subject to the norms of canon law, this policy is to be interpreted in the light of those same norms, especially those found in "Book V: The Temporal Goods of the Church." More specific to this policy, but not exhaustively, the following canons are highlighted: the Archdiocese, its parishes and its schools are capable of accepting gifts (see: cc. 1254, §, 1255); these same juridic persons are also capable of refusing said gifts with cause (see: c. 1267, §2). When they accept gifts, these juridic persons must honor the intention of the donor whenever a modal obligation or condition is attached (see: c. 1267, §3). Sometimes universal or particular canon law requires consultation with or approval by higher ecclesiastical authority before certain gifts may be accepted.

### **I. Purpose of Policy and Guidelines**

This policy and the related guidelines govern the acceptance of gifts by the Archdiocese and provide guidance to prospective donors and their advisors. The provisions of this policy shall apply to all gifts received by the Archdiocese. The Archdiocese does not intend to limit philanthropic creativity and the intent of this policy is to provide prospective donors with the greatest freedom possible in formulating their gifts subject to the framework of this policy.



## **II. Use of Legal Counsel**

The Archdiocese shall seek the advice of Archdiocesan approved legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is required for:

1. Closely held stock transfers that are subject to restrictions or buy-sell agreements;
2. Transfers of "S" Corporation Stock, Partnership or LLC interests;
3. Documents naming the Archdiocese as Trustee;
4. Gifts involving contracts such as bargain purchases, annuity contracts (charitable or commercial) or other documents requiring the Archdiocese to assume an obligation;
5. Gifts that may result in future encumbrance or substantially worsening the stable patrimony of the Archdiocese;
6. Other instances in which use of counsel is deemed appropriate.

## **III. Restrictions on Tax Advice**

The Archdiocese will urge all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences. The Archdiocese does not provide legal or tax advice.

## **IV. Restrictions on Gifts**

The Archdiocese may accept unrestricted gifts and gifts for specific programs and purposes provided that such gifts are not inconsistent with the Archdiocese's stated mission, purposes, and priorities. The most desirable gifts are those with the least restrictions, as unrestricted gifts allow the Archdiocese to address the most pressing needs of the Archdiocese. The Archdiocese will not accept gifts that are too restrictive in purpose. Gifts that are too restrictive are those gifts that are too difficult to administer or gifts that are for purposes outside the mission of the Archdiocese. All final decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Archbishop or his designee(s). Endowment grants will be accepted by the Archdiocese and will be subject to minimums established by the Archbishop or his designee(s).

## **V. Types of Gifts**

The following gifts are generally acceptable:

- Cash
- Tangible Personal Property
- Securities
- Real Estate
- Remainder Interests in Property

- Bargain Purchases
- Life Insurance
- Retirement Plan Beneficiary Designations
- Bequests
- Life Insurance Beneficiary Designations
- Charitable Gift Annuities
- Trust Interests

The following criteria govern the acceptance of each gift form:

1. **Cash** - Cash is acceptable in any form. Checks shall be made payable to The Corporation of the Catholic Archbishop of Seattle and shall be delivered to the Archdiocese's Administration and Finance Office.
2. **Tangible Personal Property** - All other gifts of tangible personal property shall be examined in light of the following criteria:
  - a. Does the property further the mission of the Archdiocese?
  - b. Is the property marketable?
  - c. Are there any undue restrictions on the use, display, or sale of the property?
  - d. Are there any carrying costs for the property?
  - e. Are there any environmental issues?

The Archbishop or his designee(s) shall make the final determination on the acceptance of other tangible property gifts.

3. **Securities** - The Archdiocese can accept both publicly traded securities and closely held securities.
  - a. **Publicly Traded Securities.** Marketable securities may be transferred to an account maintained at one or more brokerage firms or delivered physically with the transferor's signature or stock power attached. As a general rule, all marketable securities shall be sold upon receipt unless otherwise directed by the Archbishop or his designee(s). In some cases marketable securities may be restricted by applicable securities laws; in such instance the final determination on the acceptance of the restricted securities shall be made by the Archbishop or his designee(s).



b. **Closely Held Securities.** Closely held securities, which include not only debt and equity positions in non-publicly traded companies but also interests in limited partnerships and limited liability companies, or other ownership forms, can be accepted subject to the approval of the Archbishop or his designee(s). However, gifts must be reviewed prior to acceptance to determine:

- there are no restrictions on the security that would prevent the Archdiocese from ultimately converting those assets to cash;
- the security is marketable; and
- the security will not generate any undesirable tax consequences for the Archdiocese.

If potential problems arise on initial review of the security, further review and recommendation by an outside professional may be sought before making a final decision on acceptance of the gift. The Archbishop or his designee(s) shall make the final determination on the acceptance of closely held securities when necessary. Every effort will be made to sell non-marketable securities as quickly as possible.

4. **S Corporation Stock, Partnership or LLC Interests** - S corporation stock, partnership, or LLC interests are forms of closely held business interests. Because the income and gain associated with these interests will be unrelated business taxable income to the Archdiocese, any proposed gift S corporation stock, partnership or LLC interest must be reviewed by legal counsel. An appropriate stockholder, partnership or members' agreement must be in place prior to acceptance of the stock and the gift must be approved by the Archbishop or his designee(s).

5. **Real Estate** - Gifts of real estate may include developed property, undeveloped property and gifts subject to a prior life interest. Prior to acceptance of the real property, the gift shall be approved by the Archbishop or his designee(s). Questions to be addressed in evaluating the gift may include:

- Is the property useful for the purposes of the Archdiocese?
- Is the property marketable?
- Are there any restrictions, reservations, easements or other limitations associated with the property?
- Have other organizations been offered the property and declined the gift? If so, why?

6. **Bargain Purchases** - The Archdiocese will enter into a bargain purchase arrangement in instances in which the bargain purchase furthers the mission and purposes of the Archdiocese. All bargain purchases must be approved by the Archbishop or his designee(s). Factors used in determining the appropriateness of the transaction include:
- The Archdiocese must obtain an independent appraisal substantiating the value of the property.
  - If the Archdiocese assumes debt with the property, the debt ratio must be less than 50% of the appraised market value.
  - The ability of the Archdiocese to use the property or to sell the property within a reasonable time frame should be evaluated.
  - The Archdiocese must calculate the costs to safeguard, insure, and maintain the property (including property tax, if applicable) during the holding period.
7. **Retirement Plan Beneficiary Designations** - Donors and supporters of the Archdiocese will be encouraged to name the Archdiocese as beneficiary of their retirement plans. Such designations will not be recorded as gifts to the Archdiocese until such time as the gift is irrevocable. When the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.
8. **Bequests** - Donors and supporters of the Archdiocese will be encouraged to make bequests to the Archdiocese under their wills and trusts. Such bequests will not be recorded as gifts to the Archdiocese until such time as the gifts are irrevocable. When a gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable. Any non-cash bequests are subject to the guidelines ascribed to the form of the gift
9. **Life Insurance Beneficiary Designations** - Donors and supporters of the Archdiocese will be encouraged to name the Archdiocese as beneficiary or contingent beneficiary of their life insurance policies. Such designations shall not be recorded as gifts to the Archdiocese until such time as the gift is irrevocable. Where the gift is irrevocable, but is not due until a future date, the present value of that gift may be recorded at the time the gift becomes irrevocable.
10. **Other Gifts** – All other gifts must be approved by the Archbishop or his designee(s).



**VI. Consultation**—The Archbishop or his designee(s) will consult with the appropriate Consultors (the Archdiocesan Finance Council, Presbyteral Council, and/or College of Consultors) and seek legal advice about the decision to accept gifts when required by canon law or as is deemed appropriate in the circumstances.

**VII. Miscellaneous Provisions**

- 1. Securing appraisals and legal fees for gifts to the Archdiocese.** It will be the responsibility of the donor to secure an appraisal (where required) and independent legal counsel for all gifts made to the Archdiocese.
- 2. Responsibility for IRS Filings upon sale of gift items.** The Archdiocese is responsible for filing IRS Form 8282 upon the sale or disposition of any asset sold within two years of receipt by the Archdiocese when the charitable deduction value of the item is more than \$5,000.
- 3. Archival Materials.** For gifts of archival materials or artifacts, the Acquisition Policy of the Archives of the Archdiocese of Seattle will apply. Donors of archival material and their advisors should consult the Acquisition Policy of the Archives of the Archdiocese of Seattle for additional conditions and requirements related to these gifts.

Acknowledgement of all gifts made to the Archdiocese and compliance with the current IRS requirements in acknowledgement of such gifts shall be the responsibility of the Archdiocese.

**VIII. Changes to Gift Acceptance Policy**

This policy and the related guidelines are promulgated by the Archbishop of the Catholic Archdiocese of Seattle in consultation with the Archdiocesan Finance and Presbyteral Councils. They are effective immediately. The Archbishop must approve any changes to this policy.

Dated this 20<sup>th</sup> day of September, 2013.



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Most Rev. J. Peter Sartain  
Archbishop of Seattle