



A CALL FOR TRANSPARENCY AND ACCOUNTABILITY

**Recommendation to the Archdiocese of
St. Paul and Minneapolis**

COUNCIL OF THE BAPTIZED

SERVING CATHOLICS IN THE ARCHDIOCESE OF ST. PAUL/MINNEAPOLIS



The Council of the Baptized

The Council of the Baptized is a 21 member panel of Catholics, chartered in January 2012, to be a collegial voice for a growing community of Catholics in the Archdiocese of St. Paul and Minneapolis and to honor their baptismal responsibility for their local church.

Catholic Coalition for Church Reform (CCCR), initiator of the Council charter, having listened to Catholics since its incorporation in 2009, recognized a need for a representative body to hear the people's concerns of conscience. The Council's role is to deliberate on concerns brought to them and to speak to them, fully grounded in the tradition of the Church and in its official teaching in the documents of the Second Vatican Council. The community in Synod on September 17, 2011, called members to leadership on the Council of the Baptized, representing the four geographical quadrants of the Archdiocese.

The Council of the Baptized is not an officially designated or recognized council of the Archdiocese.

For further history, go to About Us at www.cccrmn.org. To read the charter and job descriptions of the Council of the Baptized and to find the current membership, go to www.councilofthebaptized.org.

The Proposal for Financial Transparency and Accountability

Following CCCR's first Synod of the Baptized in 2010, a team formed to address questions about Archdiocesan finances. The CCCR Resource Team on Archdiocesan Financial Transparency and Accountability (Follow the Money) brought their proposal for recommendations to the Council of the Baptized on June 5, 2012. A Council of the Baptized Research/Drafting Committee, including members of the CCCR Resource Team, presented this document for approval to the Council of the Baptized on April 2, 2013.

CCCR Resource Team on Archdiocesan Financial Transparency and Accountability: Robert Beutel, Bruce Carlson, George Kohler, David Gibson, Benton Randolph, Bernie Rodel, Eileen Rodel, Paula Ruddy, Mary Woida, and Frank Goetz (deceased).

To communicate with the Resource Team, use info@cccrmn.org.

A CALL FOR TRANSPARENCY AND ACCOUNTABILITY

RECOMMENDATION TO THE ARCHDIOCESE OF ST. PAUL AND MINNEAPOLIS

To avoid a possible credibility gap between the laity and Archdiocesan leadership, the Council of the Baptized recommends that the Archdiocese develop regular channels of two-way communication with all the laity for transparency and accountability in matters of finance and governance. The Council recommends that the Archdiocese of St. Paul and Minneapolis and each of its parishes and subordinate entities adopt and implement the Standards for Excellence promulgated by the National Leadership Roundtable on Church Management.

The People's Concern

Ninety-five Catholics from 23 parishes attended a hearing held by the Council of the Baptized on November 15, 2012, to express their concerns about the use of funds in the Archdiocese. They expressed strong commitment to the Roman Catholic Church and testified to their love for and loyalty to their parish communities. They also reported the conflict they experience in contributing to the Archdiocesan assessment to their parishes. While they value the spiritual community of their parishes, many people said they were unaware of or do not value the services provided by the Archdiocese. Nevertheless, they expressed desire for communication with Archdiocesan officials. Of the people present at the hearing, 98% wanted the Archdiocese to commit to well-tested standards of excellence in openness and transparency represented by active membership in the National Leadership Roundtable on Church Management, and 89% would attend a question and answer ses-



sion with the Archdiocesan CFO or his representatives. See results of other survey questions, Appendix A.

Transparency and accountability are of great importance to us because the church as a community disintegrates when people lack trust and respect for leadership. For each of us, also, it is a matter of personal moral integrity. If we cannot support Archdiocesan priorities but want to honor our obligation to support our parishes, we are caught in a dilemma. Without communication and transparency about Archdiocesan priorities the people's experience of church and the church's mission to manifest the reign of God suffer.

Although the Archdiocese has a canonically mandated lay finance council and lay consultors, reporting on Archdiocesan finances to the large majority of contributors is minimal, i.e., a financial report appears annually in the *Catholic Spirit* with expenses lumped in categories totaling millions of dollars. See

www.thecatholicspirit.com/category/archdiocese/annualreport

To request more detailed reporting and communication with the Archdiocese, Catholic Coalition for Church Reform (CCCR) initiated a resource team following the Synod of the Baptized 2010. See the CCCR Resource Team's Statement of Purpose, Appendix B.

The resource team's repeated good faith efforts to ask for more information and for a discussion with archdiocesan financial personnel have been met with silence or a reiteration of policy: the annual report in the *Catholic Spirit* is the only report to the people.

We believe that lay contributions to the Archdiocese have diminished in recent years. We hear anecdotal evidence that parish collections are down and that there is pressure from the Archdiocese to increase giving. Currently, the Archdiocese has engaged professional fundraisers to gauge the feasibility of a campaign to raise 165 million in new funding. Without detailed disclosure we have no way to know the financial state of the Archdiocese.

We are concerned that lack of trust, lack of transparency and accountability, and lack of communication with laity are factors in a disintegration of community and a decline of resources for the church's mission.





Our Recommendation

Our recommendation urges two actions by the Archdiocese:

- To educate the laity about the role and value of the Archdiocesan structure and to educate the Archdiocesan leadership about how to better serve the life of the local church, the Council of the Baptized recommends that the Archdiocese report in detail through regular channels of two-way communication in matters of finance and governance,
- To sustain credibility, we recommend that it join the National Leadership Roundtable on Church Management.

Regular Channels of Communication with regard to Finances

The Council of the Baptized has recommended the re-establishment of an Archdiocesan Pastoral Council with a diverse representation of lay people, open agendas and open meetings. The Council's publication of January 17, 2013, entitled *Archdiocesan Pastoral Council in the Archdiocese of St. Paul and Minneapolis: A Recommendation for Re-establishment* gives the reasoning supporting the recommendation. The Archbishop responded to that call by letter dated February 1, 2013, saying that an Archdiocesan Pastoral Council has been in the planning stage since 2010. One way to establish a two-way channel of communication on financial matters would be to make financial transparency a function of the planned APC.

National Leadership Roundtable on Church Management

The Council of the Baptized further urges the Archdiocese to join the National Leadership Roundtable on Church Management (NLRCM). Founded in March 2005 and headquartered in Washington D.C., NLRCM has partnered with the Standards for Excellence Institute to certify parishes, dioceses or Catholic non-profit corporations that join the Partners in Excellence Program and fully implement the standards. The NLRCM provides resources—materials, assessment tools, advice, and networking for its Partners program.

The Standards of Excellence apply to three areas of operations: fiscal accountability, human resources, and general management. There are 55 standards, based on 8 principles. Each parish, diocese



or non-profit is asked to analyze its own operation and address a limited number of standards at a time. The code on which the program is based highlights “fundamental values—such as honesty, integrity, fairness, respect, trust, compassion, responsibility, and accountability.” It is “fully compliant with canon law and prescribes a set of best practices for the well-managed parish, diocese, and Catholic non-profit.” See www.nlrcm.org.

The eight principles underlying the Standards of Excellence for a diocese are quoted here. Principle 6, Openness, is the basis for our recommendation.

1. MISSION STATEMENT AND MINISTRY PROGRAM

Dioceses are established to continue the mission of the Catholic Church in particular geographic locations and carry out this mission through specific ministry program activities. Dioceses should have well-defined and locally adapted mission statements, and their ministry programs should effectively and efficiently work toward achieving these mission statements. Dioceses have an obligation to ensure ministry program effectiveness and to devote their resources to achieving its stated purpose.

2. DIOCESAN GOVERNANCE AND ADVISORY BODIES

Dioceses are governed by the bishop, who is required by canon law to establish certain advisory councils. The college of consultors, finance council and presbyteral (priests) council, are all required by canon law. Canon law further encourages the establishment of a pastoral council. In some matters of major import, the bishop requires the consent of the finance council and the college of consultors. Effective diocesan advisory bodies should serve to further the mission of the diocese, establish management policies and procedures, ensure that adequate human resources (volunteer and/or paid staff) and financial resources (earned income, grants, and charitable contributions) are available, and actively monitor the diocese’s financial and programmatic performance.



3. CONFLICT OF INTEREST

Both clergy and laity who serve on diocesan staff, either in paid positions or as volunteers, should act in the best interest of the diocese, rather than in furtherance of personal interests or the interests of third parties. Dioceses should have policies in place, and should routinely and systematically implement those policies, to prevent actual, potential, or perceived conflicts of interest.

4. HUMAN RESOURCES

A diocese's relationship to its ministerial personnel, both clergy and lay, both paid and volunteer, is fundamental to its ability to achieve its mission. The roles and responsibilities for bishops and priests are contained within canon law. Volunteers occupy a special place in dioceses, serving in governance, administrative, and programmatic capacities. Diocesan human resource policies should address both clergy and laity, paid staff and volunteers, and should be fair, establish clear expectations, and provide for meaningful and effective performance evaluation.

5. FINANCIAL AND LEGAL

Dioceses must practice sound financial management and comply with a diverse array of legal and regulatory requirements, including those of canon law. Financial systems should assure that accurate financial records are kept and that the organization's financial resources are used in furtherance of its religious mission. Dioceses should conduct periodic reviews to address regulatory and liability concerns.

6. OPENNESS

Although dioceses are private entities, they operate in the name of the Church in service to members and the community at large, with support from the faithful and the general public. As such, all dioceses should provide the faithful and the public with information about their mission, ministry program activities, and finances. A diocese should also be accessible and responsive to members of the faithful and members of the public who express interest in its affairs.





7. FUNDRAISING

Dioceses depend on charitable fundraising for the support of their work. All fundraising activities should be conducted on a foundation of truthfulness and responsible stewardship. Diocesan fundraising policies should be consistent with its mission, compatible with its organizational capacity, respectful of the interests and intentions of donors and prospective donors, and in compliance with applicable canon law.

8. PUBLIC LIFE AND PUBLIC POLICY

Dioceses provide an important vehicle through which individuals may choose to organize and work together to improve their communities. Therefore they should represent Catholic Social Teaching and the interests of the people they serve through public education and public policy advocacy, as well as by encouraging clergy, staff, volunteers, and the faithful to participate in the public life of the community.

The 55 Standards for Excellence can also be found at www.nlrcm.org.

In the interests of full disclosure, Catholic Coalition for Church Reform (CCCR) has signed on to implement the Standards in its own organization as a Catholic non-profit. Another Catholic reform organization, FutureChurch, endorses the NLRCM in the following words:

Encourage your parish, diocese, or Catholic non-profit organization to become a Partner in Excellence with the National Leadership Roundtable. Catholic entities commit to implementing Standards for Excellence, which describe how Catholic dioceses, parishes, and nonprofits should act to be ethical and accountable in their program operations, governance, human resources, financial management, and fundraising. The dioceses of Gary, Indiana, Anchorage, Alaska, and many parishes, and non-profit organizations have already become Partners in Excellence. The Leadership Roundtable does not charge for these services.

See www.futurechurch.org/statements/StatementOnFinancialAccountabilityintheChurch.





The following parishes in the Archdiocese of St. Paul and Minneapolis are reported as Partners in Excellence on the NLRCM website: Holy Rosary, Minneapolis; Lumen Christi, St. Paul; Risen Savior, Burnsville; St. Bridget of Sweden, Lindstrom; St. John the Baptist, Savage; St. Joseph the Worker, Maple Grove; St. Katharine Drexel, Ramsey; St. Lawrence, Minneapolis; St. Patrick, Edina; St. Raphael, Crystal; St. Thomas Becket, Eagan.

Support for Our Recommendation in the Renewal of Vatican II

In the spirit of Vatican II, it is past time for renewal in church governance at all levels, with policies and practices that embrace the fullness of Christian values and integrity in ecclesial management. In his opening message at Vatican II, Pope John XXIII said his intent was to renew “ourselves and the flocks committed to us, so that there may radiate before all people the lovable features of Jesus Christ, who shines in our hearts that God’s splendor may be revealed.”

In 2003, two years after the 10th Post-Conciliar Synod of Bishops, Pope John Paul II issued an apostolic exhortation entitled *The Bishop, Servant of the Gospel of Jesus Christ for the Hope of the World (Pastores Gregis)*.

“If communion expresses the Church’s essence, then it is normal that the spirituality of communion will tend to manifest itself in both the personal and community spheres, awakening even new forms of participation and shared responsibility in the faithful of every category. Consequently, the Bishop will make every effort to develop, within his particular Church, structures of communion and participation which make it possible to listen to the Spirit who lives and speaks in the faithful, in order to guide them in carrying out whatever the same Spirit suggests for the true good of the Church” (PG 44).

Pope John Paul II reiterated this message to 30 U.S. Bishops on their *Ad Limina* visit of 2004:



In our meetings, many of you have expressed your concern about the crisis in the Church's leadership provoked by the recent sexual abuse scandals, the general call for accountability in the Church's governance on every level and the relations between Bishops, clergy and lay faithful... In this regard, the Synod of Bishops acknowledged the need today for every Bishop to develop 'a pastoral style which is ever more open to collaboration with all' (*Pastores Gregis*, 44). Within a sound ecclesiology of communion, a commitment to creating better structures of participation, consultation, and shared responsibility should not be misunderstood as a concession to a secular 'democratic' model of governance, but as an intrinsic requirement of the exercise of episcopal authority and a necessary means of strengthening that authority (*Address*, 2-3).

The United States Conference of Catholic Bishops (USCCB) published *Stewardship: A Disciple's Response* in November 1992. In it the bishops not only point to the responsibility of the laity to support their diocese, they say lay Catholics should be informed of diocesan finances.

At the same time, stewardship in and for the parish should not be narrowly parochial. For the diocese is not merely an administrative structure but instead joins communities called parishes into a "local church" and unites its people in faith, worship, and service. The same spirit of personal responsibility in which a Catholic approaches his or her parish should extend to the diocese and be expressed in essentially the same ways: generous material support and self-giving. As in the case of the parish, too, lay Catholics ought to have an active role in the oversight of the stewardship of pastoral leaders and administrators at the diocesan level. At the present time, it seems clear that many Catholics need to develop a better understanding of the financial needs of the Church at the diocesan level.

Most recently, July 2012, the Vatican made a move toward transparency in submitting its own financial records to the audit of Moneyval, the European arm of the Financial Action Task Force created in 1989 to watchdog money laundering. John Allen, Jr., reports in *National Catholic Reporter*, July 30, 2012, that the Vatican cooperated fully with the outside regulators. Setting an example to other governments is cited as one motivator; another is that confidence in the Vatican Bank might be eroded without the move toward transparency.

Although the issues of transparency in our Archdiocese will be different from those of the Vatican bank, we hope the Vatican willingness to open its books will be an example to our Archdiocese to exercise good faith in communicating with its own contributors.

Conclusion

The community of Catholics served by the Council of the Baptized and Catholic Coalition for Church Reform is concerned about the moral dilemma faced by Catholics in contributing to the Archdiocese. They are also concerned about polarization in the local church and lack of trust in leadership. The Council of the Baptized believes that communication, transparency, and accountability are necessary for the local church to work together in its mission.

The Council of the Baptized calls for detailed reporting and regular channels of two-way communication between the archdiocesan leadership and the laity in matters of finance and governance. In addition, to maintain transparency and accountability, the Council recommends that the Archdiocese of St. Paul and Minneapolis and each of its parishes and subordinate entities adopt and implement the Standards for Excellence promulgated by the National Leadership Roundtable on Church Management.

SOURCES

Official Documents:

Pope John Paul II, *The Bishop, Servant of the Gospel of Jesus Christ for the Hope of the World (Pastores Gregis)*, an apostolic exhortation, 2003.

Pope John Paul II, *Address to the Bishops of the Ecclesiastical Region of Pennsylvania and New Jersey (USA)* on their Ad-Limina visit, September 11, 2004. www.adoremus.org/AdLimina091104.html

United States Conference of Catholic Bishops (USCCB), *Stewardship: A Disciple's Response*, November 1992.

Secondary Sources:

John Allen, Jr., reports in *National Catholic Reporter*, July 30, 2012. www.catholicnews.com/data/stories/cns/0405001.htm

Council of the Baptized, *Archdiocesan Pastoral Council in the Archdiocese of St. Paul and Minneapolis: A Recommendation for Re-establishment*, January 17, 2013, available at www.councilofthebaptized.org.

National Leadership Roundtable on Church Management, www.nlrcm.org.

FutureChurch, www.futurechurch.org/statements/StatementOnFinancialAccountabilityintheChurch.

APPENDIX A

Results of a written survey from the hearing held by the Council of the Baptized, November 15, 2012

People in attendance: approximately 100
 People responding to survey: 87

Commitment to Roman Catholicism

Strong commitment	51
Somewhat committed	20
Less and less	10
Not Roman Catholic	2
No answer	4

People registered in an archdiocesan parish 74

This is significant because for those in non-juridical parishes the contribution to the archdiocese does not apply.

Of the 74 people registered in an Archdiocesan parish:

Withholding funds	9
Considering withholding funds	3
Contributing to their parish general collections	62

Of the 62 contributing regularly to the general parish collection:

"I want my parish to be financially secure enough to continue operating at its current level."

Very much	54
Somewhat	7
Doesn't particularly matter	1

"I don't want to contribute to the Archdiocese through the parish assessment" 27

"I feel conflicted that part of my financial contribution to my parish goes to support the archdiocese."

Very much conflicted	26
Somewhat conflicted	29
Not at all conflicted	6
No Answer	1

"I value the archdiocesan role in ordaining and assigning priests to preside at the parish Eucharist."

Very much	9
Somewhat	23
Not at all	15
Not sure it is necessary	12
No answer	3

"I value the services other than assigning sacramental ministers that the Archdiocese provides for my parish."

Very much	6
Somewhat	21
Not at all	17
Not aware of them	18

"I value the archdiocesan role in unifying the church community in this 12 county area." (no distinction between role and current archbishop's performance)

Very much	5
Somewhat	20
Not at all	25
Never thought about it	12

APPENDIX B

STATEMENT OF PURPOSE OF THE CCCR RESOURCE TEAM ON ARCHDIOCESAN FINANCIAL TRANSPARENCY AND ACCOUNTABILITY

Origin and Purpose of the CCCR Resource Team

The Catholic Coalition for Church Reform (CCCR), a Minnesota non-profit incorporated in 2009, represents a growing community of Catholics in the Archdiocese of St. Paul and Minneapolis who, inspired by the teachings of Vatican II, are seeking more active participation in the direction of their local church. CCCR appointed a committee in October 2010 called Archdiocesan Financial Transparency and Accountability Resource Team. The team's purposes are to promote

- full reporting of the sources and uses of archdiocesan income
- regular channels of communication for retrieval of information by the laity

The Responsibility of the Laity

The Roman Catholic laity is authorized by baptism to participate as fully responsible adults in the mission of the Church through parish and diocesan structures. The laity is obligated to support their parishes and dioceses financially. To do that responsibly they need full disclosure of the sources and uses of income and regular channels of communication for the retrieval of information.

Current Practice in the Archdiocese of St. Paul and Minneapolis

There is one regular channel of communication open to the laity for information on Archdiocesan finances, i.e., the annual financial report in the Archdiocesan newspaper, *The Catholic Spirit*. The report contains broad categories of expenses in the millions of dollars. The departmental budgets and who is responsible for them are not included. There are no criteria listed for evaluating the effectiveness of any of the funds expended.

Examples of Specific Requests for the Archbishop or his Office of Finance:

- Establish a schedule of open meetings with open agendas for the laity with archdiocesan financial consultants
- Provide an organization chart including all entities depending on Archdiocesan funding
- Provide an explanation of the budgeting process with a complete itemization by funds and departments
- Explain the process by which priorities for spending are established
- Establish a policy of openness and transparency so that questions such as the following may be addressed:

What is the salary of the Archbishop as the CEO and what additional sums are made available for disposal at his discretion?

How many seminarians are covered by the seminary expenses and for whose benefit are they being trained?

What are the specific costs of the department of marriage and family? How is the effectiveness of the department evaluated?

How many students are included in the expenses for schools?

What programs are funded for the ethnic ministries and how are they evaluated?

How many marriage annulments are handled by the marriage tribunal?

What is the average cost of each? Who pays for them?

What are the Cathedral expenses covered by the Archdiocese?

How many employees are involved in the administrative budget and what are their duties?



Proposals to the Council

The Catholic people gathered at Synod 2011 not only called forth its leadership for the Council of the Baptized, it also addressed concerns of conscience raised in listening sessions throughout the archdiocese during 2011. To honor our baptismal responsibility in the local church, we must act on our concerns of conscience. We can address our concerns either with programs we implement ourselves or with programs we recommend to the Archdiocese to implement. We can also research and draft statements that ground the community's thinking in the spirit of the Second Vatican Council. The participants at Synod 2011 began the work of articulating some programs, recommendations, and position papers to propose to the Council of the Baptized for publication and promotion.

Anyone may submit a proposal to the Council of the Baptized. Please submit proposals in writing to **info@councilofthebaptized.org**.







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