

# DFMC Herald

## Special Features:

### "Legal Seminar Information"

Page 3

### "Concurrent Session Previews"

Pages 6-7

### "Major Gifts - An Essential Development Component"

Pages 16-17, 19

By Calvin H. Stoney

## In this Issue:

Board of Directors .....	Page 2
The Shepherd Speaks .....	Page 2
Legal Seminar Information .....	Page 3
From the Desk of the Executive Director .....	Page 5
Concurrent Session Speakers ...	Pages 6-7
Socially Responsible Investing ...	Pages 8-11
Book Reviews .....	Page 20
Law Briefs .....	Pages 21-23
Address Change & Publication Schedule .....	Page 23
Association Meetings .....	Page 24

## Meet Me in St. Louis

The board and I are very excited about this year's conference, and the opportunity that we have had to work together to bring it to you. The conference is entitled *Administering The Temporal Good Leads Us To Law*.

We are very pleased to start out our conference with Sr. Mary Angela Shaughnessy as your keynote speaker. She is on the University Council, and is a Professor of Education at Spalding University, in Louisville, Kentucky. She will bring us a delightful, entertaining, and engaging beginning to our conference, which deals with law as it relates to our responsibilities in the church.

After the opening reception we will go in to Monday morning, which is a repeat format of last year, with the second session being two one hour presentations back to back entitled *The Law of the Church and Diocesan Fiscal Management*, which will be lead by Fr. Robert Kennedy, who is an associate professor of canon law at the Catholic University of America. Fr. Kennedy has been with us before in concurrent sessions on canon law, as well as at special conferences hosted by the university. We are very excited

to have Fr. Kennedy join us to bring us his expertise, insight and a great abundance of knowledge in this area.

The rest of the day will lead us through liability issues of e-mail and Internet, hiring and firing and the legalities of it, and the Accounting Practices Committee's report on the revised manual. On Tuesday we will start with *Show Me Your Checkbook! A Spirituality of Stewardship* by Fr. J-Glenn Murray, from the Diocese of Cleveland. Then this year's USCCB legal presentation will be lead by Deirdre Dessingue, who comes to us to talk about the *Top Ten Tax Topics*. This is a change in our usual schedule of having Mark Chopko present each year. At his suggestion we are moving to an alternate year presentation by him with another USCCB staff member presenting on a specific topic between his visits. And as usual, our Tuesday afternoon will be free. We come back Wednesday morning beginning with *The Spirituality of Fiscal Management: An Oxymoron? Not!*, lead by Gregory Augustine Pierce, Co-Publisher and Editor of ACTA Publications, followed by *Why Catholics Don't Give ... And What Can Be Done About It*,



Deacon Ronald D. Henderson

Program Chair

Diocese of Phoenix, Phoenix, AZ

lead by Charles Zech, Ph. D. from Villanova University, and rounding out the afternoon with concurrent sessions again; *Fraud from a Parish Perspective*; *Employee Benefits Strategies*; and *Parish Incorporations: Pro & Con*, leading us to our final Eucharist together as a group, followed by a reception and our banquet.

The board is pleased with this very exciting schedule. We thank Jennifer and Fr. Bob from the National Office and of course Debbie and Plaza Meetings for all of their tremendous work. St. Louis is a historic city and we will be in the shadow of the Arch and a beautiful appointed hotel that is right downtown. The board committees, working with the National Office, delights in bringing you the opportunity

Continued on Page 3

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## The Shepherd Speaks

With vacation months upon us, it is good to ask, are there any scriptural insights into rest and relaxation?

In Mark 6, Jesus says to his apostles: "Come away by yourselves to a deserted place and rest awhile."

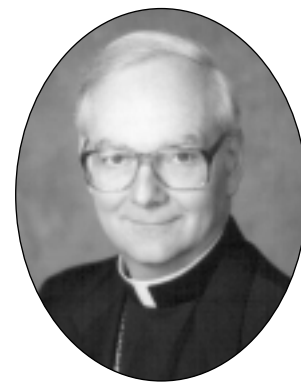
Jesus and the apostles are exhausted; they tried to get away from the clamoring crowds and get some rest. They could not even find time to eat with the people coming and going in such great numbers. So, they went off in a boat to a deserted place, but the crowds walked around the Lake of Galilee and were waiting as they landed.

The Gospel reports that when Jesus disembarked and saw the vast crowd, "His heart was moved with pity for them, for they were like sheep without a shepherd; and he began to teach them."

It is important for us to observe that the crowds took time out to search for Christ. They walked a good distance under the blazing sun. The Lake of Galilee is seven miles wide and ten miles long. These people were motivated by the miracles of Jesus and they were looking for help and guidance.

Who were they? They were the poor, the broken-hearted, the downhearted from all walks of life, human beings whose hearts were restless until they rested in God. They made time for God and they searched for the Lord.

Christ calls them sheep without a shepherd. Perhaps in our contemporary society, we need a new metaphor. Perhaps we should say they were like families without a father, or the sick without a doctor, or students without a teacher, or crowds without a leader. They were people without an inspiration, a model. They had inconstancy of heart, they were going in all directions.



Most Rev. Donald W. Trautman, STD, SSL  
Bishop of Erie

Christ did something about their plight: "He began to teach them at great length." Note, there were not miracles at first, but teachings – goals, perspectives, truths to live by. Then would come the feeding of the 5,000, then would come the miracle of the five loaves to feed to crowd.

According to a leading Harvard psychologist, 70 percent of all Americans tend to be workaholics; this means, anxiety, nerves, tensions, injury to loving relationships. This often means divorce and arguments because we do not have time for each other. Many are driven to become workaholics because of material goods.

But do we need all these material goods? Christ said, "Rest awhile." We need to slow down, have time for God and one another. We need inner peace.

May I suggest that every day we have a conversation with Christ, just as we would with a friend. Conversations tend to ramble from one topic to another. That is fine. Tell Christ what is on your mind. Conversations can take one minute or half an hour or three hours. But, take time to talk with Christ. Conversations take place any hour of the day or night. Talk with the Lord. Such a conversation is prayer.

During the summer months, let us heed the words of Christ, "Come away by yourself to a deserted place and rest awhile." Let us make time for God and one another. **f**

# Registration Open Now for Legal Seminar

Registration is being taken now by the National Office for the first-ever mid-year seminar entitled **The Law of the Church and the Diocesan Fiscal Manager** to be held May 20 and 21, 2002 at the Hyatt Regency Pittsburgh International Airport Hotel. Registration is on a first come, first serve basis and is limited to the number of participants that can be accommodated in the hotel. Members who register from now until the closing of the St. Louis annual conference will receive a special gift. The registration fee is \$200 and includes all lectures and instructional materials for the day and a half seminar, two continental breakfasts, two beverage breaks and one lunch. Air transportation and overnight accommodations at the hotel (\$109 single or double) are the responsibility of the registrant.

The seminar, whose instructor will be **Reverend Robert T. Kennedy, J.D., J.U.D.**, will begin on Monday morning, May 20, 2002 at 8:00 a.m. and conclude at noon on Tuesday, May 21, 2002. Father Kennedy will address a detailed study of the fundamentals of the law of the Church regarding the acquisition, ownership, use, administration and alienation of church property. He will include such topics as the concept of juridic personality in the Church, fund-raising in general, ecclesiastical taxes, collections, gifts, ordinary and extraordinary administration, alienation, Canon 1295 transactions and leasing. Additionally the seminar will address the rights and responsibilities of diocesan bishops, pastors, fiscal managers and other administrators of church property.

Father Kennedy is presenting a double session on Monday morning, October 1, at the St. Louis conference. An overview of this presentation is available in the preliminary program, as well as in the May 2001 issue of *The Herald* which remains available at the DFMC website. Father Kennedy is a priest of the Archdiocese of New York, who currently serves as Associate Professor Canon Law at the Catholic University of America (Washington, D.C.). He is the past chairman of the Department of Canon Law at the Catholic University and past president of the Canon Law Society of America. Father Kennedy has received the highest awards from the Canon Law Society and was a member of the Papal Commission for the Revision of the Code of Canon Law.

The DFMC program planning committee under the direction of Deacon Ronald D. Henderson (Phoenix) has prepared this seminar in response to many requests from members in recent years. A complete brochure, including registration materials, will be mailed to all Chief Fiscal Officers of arch/dioceses before September 1. Members are urged to bring their registration with them to the St. Louis conference where there will be a special registration area for the Pittsburgh seminar. Those who register between now and the close of the St. Louis meeting will receive a special portfolio gift for use at the seminar.

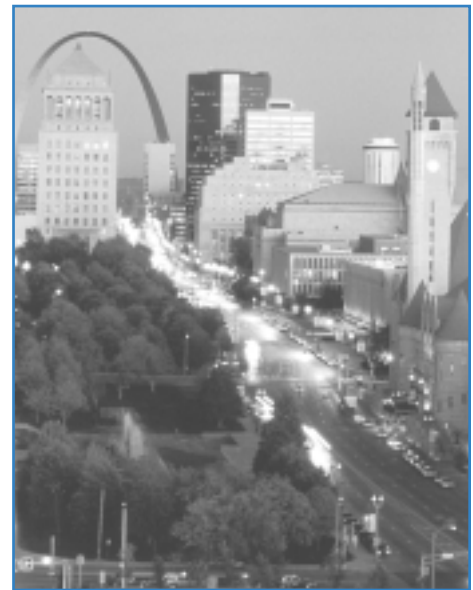


## Invitation

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to encourage our spiritual growth, to enrich our professional development and to spend time socially together to establish those important relationships with other dioceses who can help us with our questions, responsibilities and the challenges that are presented to us in our own home diocese.

Have a safe summer, safe travels; we look forward to hosting the conference in St. Louis. We want to thank Deacon Frank from the Archdiocese of St. Louis for his time, energy and effort as he prepares to be our host for this fall's conference. Thanks again for all of your support as we have called on you to help us with the things that we need to do.



*Downtown St. Louis*

St. Louis' diverse and beautiful architectural styles are evident in the downtown skyline.

(Photo courtesy of the St. Louis Convention & Visitors Commission)

## Tuesday Morning General Sessions Feature Spiritual and Legal Topics

Tuesday morning will open with two general sessions at the 32nd annual meeting of the Diocesan Fiscal Management Conference. In the first session **Reverend J-Glenn Murray, SJ** will address the subject, “**Show Me Your Checkbook!: A Spirituality of Stewardship.**” This session begins at 8:30 a.m. **Deirdre Dessingue** will continue the Tuesday morning sessions on October 2 from 10:00 a.m. to 11:00 a.m. with “**Top Ten Tax Topics.**” Ms. Dessingue is Associate General Counsel for the United States Conference of Catholic Bishops.

Father Murray notes that “Show me the money” was the rallying cry heard in the wake of the popular film *Jerry Maguire*. “Tell me your faith story” is the persistent call of those hungering for meaning in our age. In truth, an authentic spirituality for today must include “Show me your check book and I’ll tell you what you believe”. This session explores the meaning and consequences of such a statement for a genuine spirituality of stewardship today.

Father J-Glenn Murray, currently the director of the Office for Pastoral Liturgy (Cleveland) and a Jesuit for some 33 years, was ordained in 1979. He holds a Master of Divinity degree with a

concentration in liturgy from the Jesuit School of Theology (Berkeley, CA). He has also pursued studies in preaching at the Aquinas Institute at St. Louis University and studies in liturgy at the Catholic Theological Union (Chicago IL). In 1987 and 1997, Father Murray was liturgical coordinator for the National Black Catholic Congresses held in Washington, D.C. and Baltimore, MD respectively, as well as, a liturgical consultant for the same held in New Orleans in 1992.

Father Murray was the principal drafter of *Plenty Good Room: The Spirit and Trust of African-American Catholic Worship*, a document from the Bishops’ Committee on the Liturgy and the Black Catholic Secretariat. In addition to his diocesan duties and intense workshop schedule, he teaches from time to time at Saint Mary’s Seminary (Cleveland, OH) and the Jesuit School of Theology in the areas of liturgy, culture and preaching.

**Ms. Dessingue’s “Top Ten Tax Topics”** will review the past year’s legislative, judicial and administrative developments relating to tax-exemption, unrelated business income tax, deductibility of contributions, and other topics of relevance to Catholic dioceses as



*Reverend J-Glenn Murray, SJ*  
*Diocese of Cleveland, Cleveland, OH*

well as a discussion of current IRS guidance on Internet activities.

Deirdre Dessingue is Associate General Counsel of the United States Conference of Catholic Bishops, specializing in the law of tax-exempt organizations. Ms. Dessingue received both her undergraduate and law degrees from the Catholic University of America (Washington, D.C.). Ms. Dessingue served as Assistant General Counsel of USCC from 1981 to 1985 and prior to that spent five years as an attorney in the Exempt Organizations Division of the IRS National Office. She serves on the advisory board of the Exempt Organizations Tax Review, and as co-chair of the Religious Organizations Subcommittee of the ABA Tax Section’s Exempt Organizations Committee. From 1993-1999 Ms. Dessingue served on the board of overseers of the Pontifical Faculty of the Dominican House of Studies. Ms. Dessingue is admitted to the bar in the District of Columbia and New Jersey.

*“Tell me your faith story”  
is the persistent call of those hungering for meaning in our age.*

*In truth, an authentic spirituality for today must include  
“Show me your check book and I’ll tell you what you believe”.*



## From the Desk of the Executive Director

Viola! I have the unique opportunity this month to welcome you to participate in two very important DFMC events. On page one of this issue of *The Herald* Deacon Ronald Henderson (Phoenix) reports the work of his Conference Planning Committee for the upcoming 32nd conference in St. Louis September 30 – October 3. The second event is the first mid-year seminar conference, which will be held at the Hyatt Regency Pittsburgh Airport Hotel on May 22-23, 2002. Details of this event are to be found in another article in this issue. A brochure and registration form will be sent to Chief Fiscal Officers by early September 2001. I encourage you to bring your registration for the Pittsburgh seminar with you to St. Louis and complete the process at the registration desk. Those who register in St. Louis will receive a specially designed portfolio for the Legal Seminar. Please be sure to look for the article on this event and for the September mailing. Registration will be limited to the number of attendees that space will accommodate, so please bring your check and registration form with you to St. Louis.

If you have not done so already, please complete your registration for the St. Louis conference and send to the National Office now. Remember that requests for hotel rooms should be handled directly with Plaza Meetings. Recall also that air tickets purchased through Plaza Meetings obtain credit for the DFMC Board to reduce their travel expenses in the coming year. Again this year the National Office is mailing confirmations of all registrations to each registrant. If you mailed a registration to us and did not receive a written confirmation, please call at your earliest

convenience.

In preparation for the St. Louis meeting I know that certain regions like to meet together during the conference. Actually one of the DFMC's greatest strengths has always been putting finance managers into conversation and sharing with each other. To facilitate that purpose we again offer reserved tables at any of the breakfast sessions and also remind you that the planning committee has specifically suggested that the Wednesday luncheon seating be according to geographical region. If there are other times that a region would like to meet, please select a coordinator and have that person contact the National Office so that we might facilitate your meeting. It would be most helpful if those seeking reserved seating for a breakfast or the Wednesday luncheon notify us prior to September 8. If you notify us after arrival in St. Louis, we will be happy to do whatever we can, but cannot assure that your needs will be met. Please keep in mind that the table size is 10 persons at both breakfast and luncheon. This cannot be varied due to room constraints.

The Conference Planning Committee chaired by Deacon Ronald Henderson has worked diligently not only on this year's program, but has also sought and obtained several speakers for the Denver and Toronto conferences in 2002 and 2003. Looking to the future, I had the opportunity to meet with Dennis Russell and his staff in Denver in late May to assure the planning for next year's sight. Mr. Russell will issue his official invitation to Denver at the closing banquet in St. Louis. Our May meeting was a great success with a tour of the facilities. I left Denver with the feeling that the planning committee and the local staff are well on



*Rev. Robert J. Yeager, Ed. D.*  
*Diocese of Toledo*

their way to presenting our membership with yet another splendid conference in 2002.

If you haven't visited the DFMC website recently, please do so ([www.dfmconf.org](http://www.dfmconf.org)). There are current postings of employment opportunities, which are placed on the site as soon as they come to our attention. There is a new article on the site that adds to the discussion of socially responsible investing. This article will not appear in *The Herald*, so please go the website to review it. Just to remind you, each issue of *The Herald* is available on the website on the same day that it is published. If you prefer to receive your copy only from our website, just notify the National Office and we will delete your printed copy from our mailing list.

A special "thank you" to Calvin Stoney who over this and the past five issues of *The Herald* has given us an excellent overview of the role of Development in our dioceses. The intention of this series of articles was to give Fiscal Officers a more thorough understanding of the concepts with which development officers

*Continued on page 13*

## FASB, Legal Issues in Communication and Parish Incorporation Complete Concurrent Topics

There are six topics being addressed in concurrent sessions at the St. Louis Conference. Three of the subjects and their presenters were featured in the May 2001 issue of *The Herald*. This article outlines the additional three topics. In total during the presentation of the six topics, any individual member will be able to attend four of the sessions.



**Paul A. Ward, Jr., CPA**

*Diocese of St. Petersburg, St. Petersburg, FL*

“**Diocesan Accounting and Financial Reporting – Revised Manual and Other Matters**” will be presented by **Paul A. Ward, Jr., CPA**, Executive Director of Finance, Diocese of St. Petersburg, FL and Chairperson for the United States Conference of Catholic Bishops (USCCB) Accounting Practices Committee, Washington, D.C. on Monday afternoon, October 1 at 1:30 p.m. and 3:00 p.m. The majority of this session will report on the Accounting and Financial Reporting Manual for Dioceses. The Accounting Practices Committee has completed a Supplement Manual of accounting and financial reporting matters specific to dioceses to be used in tandem with *The Guide to Preparing Non-profit Financial Statements*, published by Practitioners Publishing Company. This supplement will be pre-

sented to DFMC membership in this session. In the latter portion of the session, Mr. Ward will also review the recent promulgations of the Financial Accounting Standards Board, including an update on Consolidations, Accounting for the Impairment of Long-lived Assets and the Disposition Thereof, and any other pertinent Standards issued or contemplated to be issued by the Board of Standards.

Paul A. Ward, Jr., has served the Diocese of St. Petersburg as Executive Director of Finance for 14 years and has been a member of the USCCB, APC for 12 years. Prior to this, he was employed by a Big Six public accounting firm, serving clients in audit, tax and consulting matters. Earlier he was the CFO for a group of companies in the retail and wholesale distribution of consumer products.



**William J. Cook, Esq.**

*Winston & Strawn, Chicago, IL*

“**Liability Issues Surrounding Diocesan Usage of E-Mail, Internet and Web Sites**” will be a concurrent session on Monday, October 1, both at 1:00 p.m. and 2:30 p.m. presented by **William J. Cook, Esq.**, partner in the law firm of Winston & Strawn, Chicago, IL. The speed, communication power and allure of e-mail, websites and the Internet have

become an integral part of church operations. However, each of these technologies carries substantial, potential liability exposures. Attorney Cook will focus on the emerging liability issues surrounding e-mail abuse, hostile technologies outside the organization, and website design and operation issues.

As a partner at Winston & Strawn, William J. Cook is an experienced litigator (90 trials), focusing his international practice on emerging issues related to:

- Information security law, computer and network security liability issues, hostile technology, and appropriate legal audits;
- Intellectual property litigation including copyrights, trademarks, trade secrets, and unfair competition;
- Internet and Web liability and commerce issues including security, advertising databases, domain name transfers, and related issues;
- E-commerce transactions, contracts and consulting;
- Competitive intelligence issues surrounding corporate efforts to monitor their competitive environment and the resulting liability issues.

Before joining Winston & Strawn, Mr. Cook was a shareholder at the intellectual property firm of Brinks Hoffer Gilson and Lione. Prior to that he spent 16 years as an Assistant U.S. Attorney. From 1987 to October 1991 he prosecuted computer and telecommunications technology fraud, and the illegal transfer of controlled technologies from the U.S. He has lec-

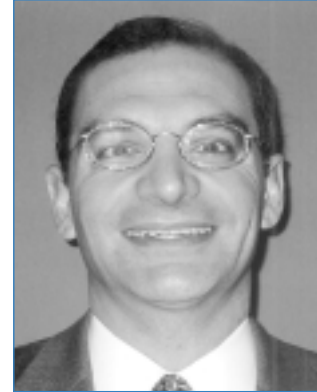
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tured and written extensively on computer and telecommunications laws, vulnerabilities, and pro-active countermeasures and criminal and civil liability for misappropriation of intellectual property.

Cook was born and raised in Kansas, and graduated from Creighton University and Law School in Omaha, NE. In 1968 he interrupted his education to become an infantry officer and an airborne-ranger in the U.S. Army. In 1969 and 1970 he served with distinction as an infantry platoon leader with the 25th Infantry Division in South Vietnam's Iron Triangle, where he was awarded three Bronze Stars, two Purple Hearts, two Army Commendation Medals, the Combat Infantry Badge and the Vietnamese Cross of Gallantry.

An additional concurrent session will be presented on Wednesday, October 3 at 1:00 p.m. and 2:30 p.m. entitled "**Parish Incorporations: Pros & Cons and Related Matters.**" The presenter for this session will be **David M. Rosenberg, Esq.** from Thompson & Knight LLP, Dallas, TX. Attorney Rosenberg will discuss several issues relating to the incorporation of parishes and other diocesan organizations, including, for example, advantages and disadvantages, liability, control, corporate governance, tax issues, administrative and record keeping covering and disclosure requirements.

Born in Pittsburgh PA, Mr. Rosenberg has been associated with Thompson & Knight since 1984 the same year that he was admitted to the State Bar of Texas by the Supreme Court of Texas. He has counseled clients in the areas of federal, state and local taxation of corporations, partnerships, individual and



**David M. Rosenberg, Esq.**  
*Thompson & Knight LLP, Dallas, TX*

nonprofit organizations, including planning matters and matters before the Internal Revenue Service. Additionally he has counseled clients in the organization, operation and termination of nonprofit corporations and trusts including public charities, hospitals and other health care organizations, religious organizations, private foundations and social clubs. He has been effective for clients in obtaining and maintaining exemptions from federal income tax, as well as, certain state and local tax matters.

Rosenberg holds a Juris Doctor degree from The University of Virginia School of Law (1984) and was the articles editor of *Virginia Tax Review*. His Bachelor of Science degree in accounting with high honors is from West Virginia University (1981). He has been honored by Beta Alpha Psi, Beta Gamma Sigma and Pi Kappa Phi scholastic honorary fraternities.

## Schmiedeler Presentation Changed

The subject of the concurrent session to be given by **Patrick Schmiedeler** in St. Louis on Wednesday, October 3 at 1:00 p.m. and 2:30 p.m. has been changed to "**Employee Benefits Strategies.**" This presentation will address recent developments and trends in the employee benefits area. Mr. Schmiedeler will focus on matters impacting tax-exempt organizations such as planning for compensation, benefits and taxes, as well as matters of general interest. Recent legislative and judicial developments will be discussed, and an update on employee benefit matters impacted by 2001 federal tax law changes will also be included.

## Introduction and Nature of Socially Responsible Investing

Faith and finance are a powerful combination for good. Socially responsible investment strategies are ways to integrate faith and finance and to use Church resources not only to support the mission of the Church but also to directly promote it by bringing our beliefs into the centers of economic decision-making. Through our economic power we have the ability to call corporate executives to lead their businesses for the good of all society and in accordance with gospel values.

Socially responsible investing is the incorporation of an institutional investor's mission in its investment decision-making process. Mission is the focus of institutional life. The mission of the Church is to preach the gospel. Socially responsible investing aligns decisions about investments of Church organizations with that mission. It deliberately incorporates Gospel values into the investment process.

### SOURCES

The current philosophy methods of socially responsible investing that we may employ are based on our fundamental beliefs as Church that recognize the sanctity of the human person, the care for and cultivation of the gift of God's Creation, and the development of the world and our society through a just sharing of the gifts that we have received.

As Catholic organizations contemplating socially responsible investing and its application to our stewardship of Church resources, we have a rich tradition of teaching from which to draw that gives it a special character for us as Catholics. More than one hundred years of Catholic social teaching, beginning with Pope Leo XIII and "Rerum Novarum," the documents of Vatican II and the contemporary writ-

ings of the Bishops of the United States give us a firm foundation on which to base our financial and social stewardship of Church investments. More basically, as Catholics we approach this work mindful of the Incarnation – God is present in the world and it is good. So, we are comfortable with the Gospel taking us into the world of money, because it is a part of that creation that God makes holy.

Socially responsible investing is becoming an increasingly accepted form of investing throughout our society, moving over the past three decades from church or faith-based investors to public funds and pension funds of various organizations to individual investors. It is Church investors that began a conscious socially responsible investment movement in the United States. Church investors began by asking how we might use invested assets as a means to bring moral concerns to the boardrooms of corporate America. At the end of 1999, the Social Investment Forum reported that \$1 out of every \$8 in the United States is invested in a socially responsible way – that is \$2.16 trillion. Some of the reasons for this movement are that socially responsible investing strikes some fundamental chords in us as human beings. It allows us to feel good about an activity that can otherwise be fundamentally viewed as a self-centered or even selfish one: increasing our net worth, accumulating more money. It removes the focus from us to larger causes or issues. It allows us an opportunity to use our money for purposes that we deem as good: cleaning up the environment, promoting just employment practices, defending human life. In other words, it is an additional way, other than charity, to believe that our money is doing



**Brother Michael W. O'Hern, F.S.C.**  
President and CEO of Christian Brothers Investment Services, Inc., New York, NY

good in the world. Those dispositions are good things, but they are only the thresholds of our consideration of socially responsible investing as Catholics.

Our contemplation of socially responsible investing taps into much deeper wells. We have the ability to align the investment of our funds with the mission of the Church in the world today. As stewards of the funds of Catholic organizations, we have the opportunity not only to utilize our funds to support the mission of the Church but also to invest them in ways that further promote that mission. By employing socially responsible investing, we make our investment activity itself a tool of mission, not only a support of it.

The Pastoral Constitution on the Church in the Modern World, *Gaudium Et Spes*, provides an ecclesiological foundation for the social ministry of the Church. The vision of the Church that emerges from that pivotal document and indeed from the Second Vatican Council is a socially engaged one. The Church's defense of the human person, advocacy for the poor and calls for justice in a variety of settings and situations is seen as central to a community of faith properly engaging society in a discussion based on its values and beliefs. An important pas-

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sage in that Pastoral Constitution states: “And so the Council, as witness and guide to the faith of the whole people of God, gathered together by Christ, can find no more eloquent expression of its solidarity and respectful affection for the whole human family, to which it belongs, than to enter into dialogue with it about all these different problems.” From this text we can see that an activity such as investing is not a merely secular one, but is a means by which we as Church enter into dialogue with others as a part of our work as Church. Socially responsible investing is for us a part of mission; it is an opportunity for evangelization.

The Bishops of the United States have applied this ecclesiology provided by Vatican II in their Pastoral Letter “*Economic Justice For All*” and its ten-year update “*A Catholic Framework for Economic Life*.” In that latter statement the bishops write: “All economic life should be shaped by moral principles. Economic choices and institutions must be judged by how they protect or undermine the life and dignity of the human person, support the family, and serve the common good.” But, the Bishops do not stop there. They also speak to each of us individually: “Workers, owners, managers, stockholders, and consumers are moral agents in economic life. By our choices, initiative, creativity, and investment, we enhance or diminish economic opportunity, community life, and social justice.” These are powerful and unambiguous statements, calling us to bring the Gospel to the marketplace; that the activity in the marketplace can build the Reign of God here and now. These statements provide the foundation for socially responsible investing policy and activity by Catholics in the United States. The National Conference of Catholic Bishops further applies this framework in its own Socially Responsible Investment Guidelines. We have in all of

these a rich treasure trove on which to base our policies and activities.

## POLICY DEVELOPMENT

Throughout their writings, the Bishops make clear that stewardship of Church resources entails a balance between financial and ethical or social principles. As stewards we must invest resources so as to achieve a reasonable return to support the ministries of the Church. As stewards we must also invest funds in ways that are consonant with all the other dimensions of the mission of the Church. This balance calls for a thoughtful reflection by the investor.

I propose that such reflection includes the following four steps: first, identification of core values, second, identification of issues of concern, third, a review of possible strategies to address those issues, and fourth, the application of the strategies as effectively as possible.

## CORE VALUES

The first step in policy development is to identify core values that need to be reflected in investment policy. I suggested some of these earlier in talking about stewardship: the sanctity of human life at all stages, the care of God’s creation, the development of society through creation of just structures, the sharing of financial resources with those denied them by other institutions. An articulation of these values will enable the investor to focus on the issues that can be addressed through investment policy.

## ISSUES

The second step in policy development is the identification of issues that will play a role in investment decisions. Many issues could be addressed, and there is much good work that needs to be done. No one investor can address every issue

or right every wrong, though that points to the need for coordination of such efforts with other investors who share our concerns. Nevertheless, it is important to identify the issues that represent some fundamental Church teachings or are matters of import to the local Church or organization so that those issues will be specifically addressed in investment policy. The Catholic Conference guidelines are helpful in this regard, again by way of example. The Conference addresses seven issues in its statement: abortion, affordable housing banks, contraceptives, gender discrimination, military spending, racial discrimination and South Africa.

Other Church investors focus on some of these issues and add or substitute issues such as weapons manufacture, tobacco, alcohol, pornography, and gambling or environmental concerns. As I said, the list of issues is endless, and there is much good work to be done. Every investor needs to determine the issues that will receive primary attention and to determine where to engage companies and which companies to avoid.

## STRATEGIES

The third step is to determine what strategies are appropriate to address the list of issues. There are a variety of strategies that might be employed. Most investors seeking to be socially responsible use some of four key strategies.

The first strategy is avoidance, what some call screening, what I will call principled purchasing. Socially responsible investing in the United States began with the utilization of this strategy. It has been an important one in the growth of socially responsible investing. It began even before the 1970s with screening out so-called “sin stocks” – tobacco, alcohol and gambling are the usual ones. This list

*Continued on page 10*

## Socially Responsible Investing

*Continued from Page 9*

betrays that the early development of socially responsible investing was led by Protestant denominations. During the 1970's, some Church investors began using multiple screens. By the 1980's, many Church and public fund investors began screening stocks of companies doing business in South Africa, as a statement against apartheid. Principled purchasing or screening was the first way that socially responsible investors expressed their core values in the marketplace. It has been effective, but it is now only one of the strategies employed. There are a number of possible motivations for using this strategy, but for the Catholic institutional investor, I suggest that the primary one be simply that avoiding ownership of a particular company ought to come from the determination that it is inappropriate for a Church organization to make money on this corporate activity in light of the public stance the Church has taken on the issue.

I suggest that discussion of avoidance that centers on sin stocks, bad companies and other attributions of evil to the company or its officers is counter productive to those opportunities that may have the potential for change and inconsistent with a Catholic view of the world that is based on sin and redemption. The question is not whether the company is a bad one, but whether the potential for change of the fundamental line of business exists or whether it is simply an inappropriate business on which to make money. This

points to what I believe is the principal Catholic Church contribution to socially responsible investing – shareholder advocacy or active ownership.

The second strategy is shareholder advocacy or what I will call active ownership. The purpose of active ownership strategies is to use our position as owners of a company to give direction to the management of the company, so that managers are conducting the business in ways that reflect our values. Through active participation in corporate governance we exercise not only our rights as owners of the corporation, but also our responsibilities as owners and as “moral

*“The Catholic tradition calls for a ‘society of work, enterprise and participation’ which ‘is not directed against the market, but demands that the market be appropriately controlled by the forces of society and by the state to assure that the basic needs of the whole society are satisfied.’”*

*Pope John Paul II from Centesimus Annus*

agents in economic life.” Active ownership strategies allow us to speak our values in the marketplace. We can engage managers of companies in the struggle with the moral implications of their activities and challenge them to balance the financial and social stewardship responsibilities they share as contributors to the common good. When we engage in active ownership strategies we become responsible owners of the company, living our role as “moral agents in economic life” to which the Bishops call us. This strategy most closely allows us to act as good stewards,

to bring the Gospel to the market place and to respond to the call of the Church to integrate our faith life and our daily activities. Catholic social teaching reminds us that the corporation has two purposes: to enhance the wealth of its shareholders and to contribute a useful good or service to society.

What are effective active ownership strategies? Proxy voting is the most basic, some might think the most mundane, but certainly the most readily implemented. A responsible owner of a company votes proxies in light of the values that he or she wants to see implemented in the conduct of the company. Proxies deal with a

wide variety of matters from shareholder rights to hiring and employment practices to adherence to environmental standards. By conscientiously voting proxies, we have the opportunity to support other socially responsible investors who raise issues arising out of our core values.

Correspondence and other forms of corporate dialogue is the second strategy of active ownership. There is tremendous power when a Church investor approaches a corporation. Corporations are sometimes uncomfortable when questioned by Church investors. We have power in such circumstances, and we can use it for good. In initiating such approaches, it is well to keep a few things in perspective. There are and will be a range of responses to such expressions.

*Continued on next page*

Some companies respond defensively, but others will work with a serious investor who has clear values that have the potential to assist the corporation be a better citizen. Often times, the raising of issues by a faith-based investor allows those inside the corporation who share those values to give voice to them and work with a legitimate shareholder concern to better a situation for the company.

Proposing a shareholder resolution – bringing an issue to the attention of other shareholders on the proxy ballot or to the floor of a corporate meeting with the purpose of having the company change its behavior – is the third strategy of active ownership. This increases the base of support for the issue. It too often resonates with people inside the corporation who share the values and can work with shareholders. It engages other concerned shareholders and enables them to also give voice to their values.

Returning to my list of four strategies to implement a socially responsible investing policy, a third strategy is to direct capital to companies that are conducting their business in ways consistent with the values of the investor. In this strategy asset managers are directed to identify companies whose activities reflect the values of the investors and include them in the portfolio of the socially responsible investor. This is the

newest of the four strategies and is growing in interest, but is not yet as widely practiced as the others.

A fourth strategy is sometimes called alternative investing, community investing and other times economically targeted investing. In this strategy, the investor directs capital to organizations that are engaged in an activity that the investor believes it is important to support or fund, but the organization may not have access to traditional pools of capital. At times, the investor may even take a lower rate of return to promote the activity. Examples of these investments are promotion of low income housing development, investing in financial institutions that grant mortgages to low income individuals whose application for financing may have been rejected by a traditional financial institution, investing in businesses that are owned by minorities, women or people with low incomes for whom their business is the first step up from poverty, and also investing in financial institutions that focus on development of poor, local communities.

## STRATEGIC IMPLEMENTATION

This review of strategies brings us to the fourth step in reflecting on our stewardship of Church resources and that is effective implementation. This entails a determination of how the strategies that have been selected can

be implemented: Who are the proper actors in implementing these strategies? What is the role of various councils and of staff offices? What can be done with the resources at hand? Are there other resources that can be used that are not currently used? These are questions that need to be answered by the investor itself.

## CONCLUSION

To conclude my remarks, I would like to cite Pope John Paul II from *Centesimus Annus* as the Bishops do in “A Catholic Framework for Economic Life”:

“The Catholic tradition calls for a ‘society of work, enterprise and participation’ which ‘is not directed against the market, but demands that the market be appropriately controlled by the forces of society and by the state to assure that the basic needs of the whole society are satisfied.’”

In the United States, institutional investors are a force of society who can work to assure that the needs of all are satisfied. We have the capital to bring the mission of the Church to the marketplace and the tools to give voice to the Gospel in the marketplace. When we are called to account for our stewardship, we need to be prepared to show that not only have we done well with the talents given us, but that we have done good for our sisters and brothers while doing so.



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This classic residential neighborhood is fortified with an array of shops, sidewalk cafes, restaurants, and nightclubs.

(Photo courtesy of the St. Louis Convention & Visitors Commission)

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## Noise by the Numbers

Normal conversation usually equals about 60 dBA (decibels), while someone shouting in your ear generates dBA levels of 110. Here, to contrast and compare, are typical decibel levels of other common sources, as listed by the League for the Hard of Hearing. Keep in mind that a ten-decibel increase effectively doubles a sound's loudness.

Normal breathing.....	10
Soft whisper.....	30
Quiet office.....	40
Quiet residential area.....	40
Refrigerator.....	50
Rainfall.....	50
Electric toothbrush.....	50-60
Air conditioner.....	50-75
Hair dryer.....	60-95
Power mower.....	65-95
Moderate freeway traffic.....	70
Flush toilet.....	75-85
Kitchen blender.....	80-90
Noisy restaurant.....	85
Electric drill.....	95
Motorcycle.....	95-110
Boom box.....	100
Snowmobile.....	100
Snow blower.....	105
Leaf blower.....	110
Car horn.....	110
Busy video arcade.....	110
Orchestra concert.....	110
Baby crying.....	110
Squeaky toy (held close to ear).....	110
Band concert.....	120
Ambulance siren.....	120
Auto stereo.....	125
Chain saw.....	125
Jackhammer.....	130
Firecracker.....	150
Jet engine at takeoff.....	150
Shotgun.....	170
Rocket blastoff at launchpad.....	180

*This article is reproduced from the Minneapolis-St. Paul Magazine, May 2001.*

## Executive Director

*Continued from Page 5*

work each day. With this understanding in mind it's hoped that more and better communication can take place between these two positions. With the current article on the use of volunteers in the major gift phase of development, Mr. Stoney completes his current commitment to the DFMC. On behalf of Bishop Trautman and our Board of Directors, I express our sincere appreciation.

The DFMC National Office will close for the conference beginning on Wednesday, September 26. Please mail your registration or other materials to the office so that they are received before that date. After September 26 all further registration can only be completed in St. Louis after the registration desk opens on Saturday, September 29. If you anticipate difficulties, please call in advance and we will do all that we can to accommodate you.

*See you in St. Louis!* 

## Seven Candidates for Board of Directors

The DFMC Communications Committee under the leadership of Bernadette W. Faretra (Charleston) and composed of Jack F. Benware (Savannah), Margaret M. Fisher (Youngstown), Kevin J. Heffernan (Burlington), John J. Maxwell (Springfield IL), and John L. Hoffman (Wheeling-Charleston) will present seven candidates for five positions that will be available on the Board of Directors at the annual meeting to be held in St. Louis, Monday, October 1. The Board of Directors is composed of 15 representatives of the member dioceses. The Committee is presenting a slate of candidates in an effort to balance the membership of the board, listing clergy, religious and lay persons; large, medium and small dioceses; and various geographic regions.

Each year the terms expire for one third of the board members. Board members are limited to two consecutive terms. Leaving the board in St. Louis after two terms will be Bernadette W. Faretra (Charleston) and David A. Malanowski (Kansas City-St. Joseph). Completing first terms and electing not to be a candidate for a second term are Kevin J. Heffernan (Burlington) and John J. Maxwell (Springfield IL). Richard L. Runde (Dubuque) who is completing an unexpired term to which he was appointed will be running for his first elected term.

Candidates to be presented to the general membership in St. Louis include the following:

**Robert (Bob) Cox** is currently the Treasurer of the Diocese of Evansville, IN, a position he has held for the past six years. He has attended DFMC for four of these years. Prior to his diocesan employment he was employed by an insurance company for five years. Cox was lead accountant for the company and responsible for tax filings and was an underwriter. Prior to that he was employed by a regional CPA firm working with the tax, audit, consulting and computer applications. He holds a Bachelor of Arts degree (magna cum laude) from the University of Southern Indiana and is two classes away from completion of a Masters degree in Religious Education.

**Lawrence (Larry) J. Dose** has been the Director of Finance for the Diocese of Winona, MN for one year and will be attending his second DFMC meeting. In addition to overseeing all financial management activities of the diocese he has worked extensively with the Board of Directors of the Deposit and Loan Fund and formulated a comprehensive business plan for the Diocese of Winona Cemetery Association. In the past he has been employed by IBM in Rochester, MN for three years as a Financial Analyst and served as Controller of a large southeast-

ern Minnesota not-for-profit mental health center for nine years. Dose holds a Masters degree in Business Administration from Winona State University.

**Toby A. Gualandri** has been employed by the Diocese of Peoria, IL for the past six years, the first five years as Associate Director of Finance and for the past year as Director of Finance. He has worked in public accounting as an auditor and tax preparer for four years and just prior to joining the Diocese of Peoria for a Catholic health insurance company. Gualandri holds a Bachelor of Science degree from Franciscan University of Steubenville, is a Certified Public Accountant and a member of the AICPA (national) and ICPAS (state).

**Barbara Henderson** currently serves as Assistant Director of Finance for the Archdiocese of Atlanta, GA. She has been in this position for the past five years and has been present for five DFMC meetings. In her current position, Henderson manages personnel in the business office, overseeing employee benefits administration and the insurance program. Prior to coming to the archdiocese she was a neonatal respiratory therapist for 17 years. Henderson holds a B.B.A. in Business Administration from Georgia State University (Atlanta) with a major in Accounting.

**Reverend Daniel J. Maher** is the Episcopal Vicar for Finance in the Diocese of Arlington, VA. In this position Fr. Maher is responsible for the long term financial strategic planning in the diocese and the implementation of fiscal policies on the bishop's behalf. Currently he is giving a great deal of his attention to assisting in the direction of the quiet phase of the diocese's first capital campaign. Father Maher has been ordained for ten years, spending the first four as a parochial vicar in a local parish where he was in charge of the parish's finances. The next five years of priestly ministry was spent as Director of Liturgy at the Basilica of the National Shrine of the Immaculate Conception in Washington, D.C. Father Maher holds a B.B.A degree from the College of William & Mary (Williamsburg, VA) and a M.Div. degree from St. Charles Seminary (Baltimore, MD).

**Richard (Rick) L. Runde** is completing an unexpired term on the DFMC Board of Directors and has been the Finance Officer for the Archdiocese of Dubuque, IA for the past 11 years. In his archdiocesan position he is responsible for all areas of financial management including financial reporting, budgeting,

*Continued on next page*

## Board Candidates

*Continued from previous page*

investments, insurance and fringe benefits. He reports that he has developed a good rapport with the priests and parish staffs, which has resulted in great collaboration and cooperation between the administrative offices and institutions throughout the archdiocese. Runde holds a B.A. degree from Loras College (Dubuque) and is a certified public accountant.

**Michael F. Sabatino** has served the Diocese of Providence, RI for the past nine years in the internal audit function. He became Chief Financial Officer within the last year. Sabatino had worked closely with the former CFO for the three years prior to his acceptance of the new position. Prior to joining the diocese he was with two public accounting firms for seven years, four years with Deloitte and Touche and three years with Ernst and Young. Sabatino is a certified public accountant and participated and graduated from the Leadership Rhode Island program in 1999.

**Douglas P. Toups** has been the Business Manager for the Diocese of Houma-Thibodaux (LA) for the past 24 years. He has attended the annual DFMC conference for 22 of those years. Toups was hired by the diocese in June 1977, the month that the diocese was formed. Prior to that he worked for a large mechanical contracting firm to establish and strength an automated accounting system. As Business Manager, Toups is responsible for budgets, the loan & deposit program, the finance office, investments and fiscal components of the protected self-funded health program. He also heads the prepaid tuition program and a number of additional initiatives the diocese has spearheaded over the years. He has a strong background in technology, insurance and the Internet. Toups has a Bachelor of Science degree in Accounting with a minor in Finance.

Candidates will be introduced during the annual conference with voting and announcement of winners to follow before leaving St. Louis. More detailed resumes of the candidates will be available during the conference on a bulletin board displayed for that purpose.

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## Major Gifts – An Essential Development Component



Calvin H. Stoney

*Gonser Gerber Tinker Stuhr Naperville, IL*

### Volunteers Can Be Key Players In Your Major Gifts Program

Diocesan organizations rely increasingly on major gifts to enhance the overall quality of their programs, facilities and endowments. As more professionals are hired by the organizations to lead major gift efforts, has the role of the volunteer been diminished or overlooked? Some non-profit leaders and volunteers answer yes. Others see major gift work as increasingly complex and sophisticated. This article encourages diocesan leaders and development professionals to consider or reconsider, the important role volunteers can play in enhancing an organization's success in securing major gifts.

### What Is A Major Gift – Clarify Your Definition

Volunteers and professionals have varying understandings of the term "major gifts". No single definition is appropriate for all organizations due to the varying potential among the different constituencies. Therefore, organizations must develop their own definition of "major gifts" in order to enhance understanding. Major gifts can be defined by size of gift, type of gift, purpose of gift and other criteria.

Most often major gifts are defined as those gifts that have a special impact or significance to the organization and the donor. Of course, they are larger gifts that are typically multi-year in nature, and donors don't normally make them frequently. Donors may choose to make major gifts in one lump sum of cash or appreciated assets. Major gifts are most often given in support of an organization's capital, programmatic or endowment priorities. Major gifts are often planned or deferred.

As development officers seek to identify major gift prospects they normally create a definition that guides them. Such a definition might be individuals, or foundations and corporations who are perceived to have the potential of pledging \$100,000 or more over three years. Sharing this definition with volunteers helps those involved in the major gifts program understand the criteria being used for prospective donor selection.

### Focus On Volunteer Selection To Insure Maximum Effectiveness

Organization presidents, executive directors, and development officers are sometimes skeptical of the effectiveness of volunteers in the major gifts process. Our firm finds the root of this skepticism comes from prior experiences in working with volunteers who were unproductive or not well suited for the tasks they were being asked to perform. Most often the organization itself is to blame for underperforming volunteers because of poor selection or inadequate preparation of those who were asked to serve.

In working with any volunteer, the tasks an organization asks them to per-

form must be suited to their skills, experiences or passion. A clearly stated job description, including the various attributes a volunteer needs to have to be effective in major gift work for your organization, is a prerequisite. An organization must itself be clear about the type of volunteer who will be most effective as a part of the major gifts team.

Diocesan organizations need to focus on identifying volunteers who have special traits vital to the identification, cultivation and solicitation of major gifts. These traits include: stature in the community, recognized leadership, history of philanthropy, passion for your institution and its mission, dependable, good team player, influences the opinions of others and knowledge of others' interests, prior experience in fundraising, and understanding of the importance of the art of inquiry and listening. Identifying and involving volunteers with these characteristics in major gift efforts is an important step toward enhancing major gift programs.

### How Volunteers Help You – Six Appropriate Roles

*The first role for volunteers in the major gifts program is in identification of prospective donors.* The knowledge and experience volunteers have in the community and their own professions can be extremely helpful in identifying major gift prospects. Organizations must be skilled in eliciting volunteer input into this aspect of the program. Too often volunteers are simply asked whom they know who has major gift potential and volunteers respond with little or no feedback.

Development officers should meet personally with major gift volunteers and have

*Continued on next page*



them look over prepared lists of individuals, corporations, businesses, and foundations that have been pre-qualified as potential major gift prospects. List the names of persons involved with businesses, corporations and foundations in order to remind the volunteer of who the decision makers are among these prospective donor groups.

The results of such review sessions and screening meetings are almost always productive. Not only does the volunteer experience a worthwhile use of his or her time, the development officer learns in detail the knowledge and perspective the volunteer has on the prospective donor base and the major gifts process. Ongoing efforts with major gift volunteers to identify new and emerging major gift prospects is central to the success of a strong major gifts program.

*The second role of volunteers in the major gifts program is to enlist them to share information about your organization with selected major gift prospects.* Many volunteers have close personal or working relationships with your major gift prospects that no chief executive or development professional can ever hope to have. When major gift volunteers share information about your organization with prospective major donors, formally or informally, it can have special impact by enhancing the awareness such prospects have of your organization and its successes. Volunteers can share such information directly with prospective donors, invite organizational leaders to speak to civic or social organizations, and host luncheons or dinners for small groups of prospective donors to introduce the organization's president. These are only a few ideas that represent ways volunteers can be meaningfully involved in sharing information about your organization with prospective major donors.

Remember that volunteers can and will

play an active role in furthering the understanding and awareness of your organization among prospective major donors if asked and directed to do so. It is up to the leadership of the organization to organize this process intentionally as part of the overall major gifts program.

*The third role of volunteers in the major gifts program is involving major donors with your organization.* Chief executives and development professionals know that those donors who are more intimately involved with the organization are also those who are often most committed to seeing the priorities fulfilled. Therefore, as the major gifts process unfolds, the organization must work with major gift volunteers to determine where there are opportunities to get prospective major donors meaningfully involved with the organization. For some prospective donors this may mean a position on the governing board or national advisory council, for some it may mean speaking to student groups or providing presentations, for others it may be as simple as gaining their interest in visiting the organization to meet informally with administrators, staff and others.

Everyone involved in the major gifts process wants the organization to succeed not only in funding its priorities, but also for donors to find meaning and fulfillment in making major gifts. Having volunteers assist in involving prospective donors with the organization can increase the odds that donors will develop a relationship that will be fulfilling to them. It is important to note that this step of involving donors must be intentional and closely coordinated between volunteer and administration. Volunteers must not offer opportunities for donor involvement that organizations are unprepared or unable to deliver.

*The fourth role of volunteers in the major gifts process is helping to determine donor*

*interests.* Anyone who has experience in developing major gifts knows that if you request a major gift from someone who has the capacity, but not the interest in the project or organization, such efforts most often fail. Volunteers who are close to major gift prospects or who are knowledgeable about their philanthropic patterns can be very helpful in determining the past or emerging interests of prospective donors. Chief Executives and development officers should be in constant dialogue with major gift volunteers regarding the known or perceived interests of major prospects. Often these interests emerge during visits with prospective major donors. The major gifts team of Bishop, president or chief executive and volunteer, or development professional and volunteer, is the ideal combination for the organization and the donor in clarifying donor interest.

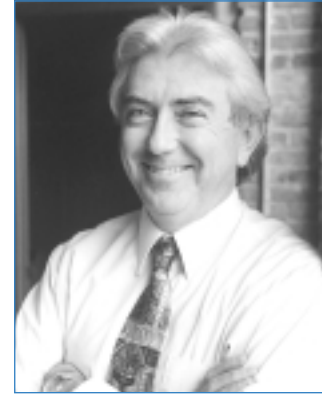
*The fifth role of volunteers in the major gifts process is the request for gift support.* Some volunteers are quite skilled and well positioned in the eyes of the donor to make the eventual request for a major gift. This is particularly true if the volunteer has personally made a major gift and if the prospective donor respects the volunteer. Volunteers who are asked to provide leadership in major gift cultivation and solicitation should see themselves as part of the major gifts team and not in isolation. The goal of the major gifts process is to develop a strong bond between the prospective donor and the organization over the long run, not only a strong relationship between the volunteer and prospective donor.

Volunteers must receive careful training and preparation in advance of all major gift cultivation and solicitation calls. Don't assume that volunteers are skilled at the major gift process simply because they

*Continued on page 19*

## The Spirituality of Fiscal Management: An Oxymoron? Not!

Gregory F. Augustine Pierce will address the subject of spirituality for fiscal officers under the title “*The Spirituality of Fiscal Management: An Oxymoron? Not!*” on Wednesday morning, October 3 at 8:30 a.m. The basis for his comments will be material that he developed for his recently published book “*spirituality @ work: 10 ways to balance your life on-the-job.*” Doubting that spirituality is only practiced by getting away from the hustle and bustle of the daily grind, Pierce will suggest that the daily grind itself can provide the grist for our spiritual mills. This talk will give a whole new direction to the outlook that fiscal officers can have toward the spirituality of work.



Gregory F. Augustine Pierce  
ACTA Publications, Chicago, IL

Gregory F. Augustine Pierce is the co-publisher and editor of ACTA Publications (Assisting Christians To Act), a publisher of books and tapes for the Catholic/Christian market. He is a past president of the National Center for the Laity, a Chicago-based organization which promotes the vocation of the laity in and to the world. He is a founder of a group of area Catholic business leaders called Business Leaders for Excellence, Ethics and Justice and a member of the National Catholic Book Publishers Association. He is the recipient of the 1997 Hillenbrand Award for Social Justice, awarded by the Archdiocese of Chicago, and active as a leader in United Power for Action and Justice.

Pierce is married to Kathleen Augustine Pierce, a Catholic school teacher. The couple are the parents of thirteen year old twins – Abigail and Nathaniel – born on their father’s 40th birthday and eleven year old Zachary.

### Employment Opportunities

#### Director of Insurance Programs and Risk Management Diocese of St. Petersburg FL

The Diocese of St. Petersburg, Florida needs a Director of Insurance Programs and Risk Management, to administer their property, liability, worker’s compensation and vehicle insurance programs. The Diocese includes a five-county area on the west coast of Florida that has 140 parishes, schools and other diocesan institutions. The position requires five or more years of recent experience in the administration of such insurance programs, and related risk management areas. Some knowledge of the administration of health, life and disability programs would be a plus.

Resumes with a cover letter may be submitted to:  
Diocese of St. Petersburg  
Office of Human Resources  
P.O. Box 40200  
St. Petersburg FL 33743  
Fax 727-343-7729  
E-Mail: tps@dosp.org

#### Director of Business Services Diocese of Raleigh NC

The Diocese of Raleigh is seeking an individual, reporting to the Chancellor, who will oversee the administration of financial controls, coordinate capital budgets, provide long range financial planning, supervise the accounting and computer services areas and provide financial advice and counsel. BA/BS in Accounting with five years management experience in a similar role and computer literacy required. MBA and or CPA preferred. Competitive salary and excellent benefit package. EOE.

Send resume with salary requirements to:  
Director of Human Resources  
Catholic Diocese of Raleigh  
715 Nazareth Street  
Raleigh NC 27606

## Major Gifts

*Continued from Page 17*

have been successful in their own businesses. Rehearsing cultivation and solicitation calls, and clarifying the role of the volunteer, chief executive officer, or development officer are vital. Reviewing donor history, organizational relationship and involvement, and potential objections are all part of being well prepared to make a successful request for a major gift. Volunteers can be vital to the ultimate success of your major gifts program if the organization is intentional and thorough about preparing volunteers and staff for the moment of truth – the gift request.

*The sixth role of the volunteer in the major gift program is that of donor appreciation and donor recognition.* Most organizations are skilled at thanking donors from the Bishop's or chief executive's perspective and development office perspective. However, too few organizations utilize volunteers effectively in the process of thanking and recognizing donors of major gifts. This is particularly effective if those persons writing, calling or personally thanking the donor for his or her major gift are known to the donor and respected by the donor. Such efforts must be intentional, carefully managed and strategically implemented for the

purpose of helping donors receive increased satisfaction from their acts of generosity.

### Make Volunteers A Key Part Of Your Major Gift Program

Whether your organization involves volunteers on a major gifts committee, a foundation board, or a campaign steering committee, the message is the same – volunteers can add great value to your major gifts program and major gift results. Not everyone has the interest or the capacity to fulfill the role of major gift volunteer. However, those select individuals who have this ability are invaluable to organizations.

Since most major gift volunteers are also major givers, what better way to keep them meaningfully involved with the organization than asking them to encourage others to follow the example they have already exhibited. We urge chief executives and development officers to re-examine the ways they utilize volunteers in their pursuit of major gifts. We believe that better identification, selection and involvement of volunteers in the major gifts process can greatly enhance the strength and results of major gift efforts.

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*Gonser Gerber Tinker Stuhr LLP is a consulting firm dedicated to helping educational, healthcare, religious human service, cultural, and other not-for-profit organizations clarify their aims, build their leadership and attract the human and financial resources they need to achieve their highest destiny.*

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## America Reborn: A Twentieth-Century Narrative in Twenty-Six Lives

By Martin Walker

ISBN: 0-375-40316-7

Walker and Watson Plc. © 2000

Here is the story of America in the twentieth century as told through the lives of twenty six of its most remarkable and historically crucial men and women.

The people Martin Walker has chosen to portray are presidents, industrialists, artists, thinkers, entertainers, soldiers, spies, criminals, and evangelists, among others, and he makes the life of each individual serve as a framework for a discussion of the nation as a whole in a century when it was reinventing itself.

Through Theodore Roosevelt, Walker examines America's ambition; through Woodrow Wilson, our idealism; through FDR, our triumph on the world stage; through Richard Nixon, our retreat into cynicism; through Bill Clinton, globaliza-

tion and controversy about the right way to use America's unprecedented power.

In Henry Ford he finds the creator of both the mass-market product and the mass-market consumer, and in Walt Disney, the revolutionizer not only of America's entertainment but also of the world's. William Boeing is the innovator who spurs the behemoth of American aviation; Walter Reuther defines labor's struggles; George C. Marshall represents the spread of America's economic genius in a war-ravaged Europe.

In the lives of Duke Ellington, Frank Lloyd Wright, Katharine Hepburn, and John Steinbeck, Walker traces America's far-reaching cultural influences. Babe Ruth leads to a consideration of the role of

sports in our society; William F. Buckley, Jr., to a discussion of conservatism; Martin Luther King, Jr., to matters of race; Betty Friedan to the shifting role of women; Billy Graham to an examination of religion; Emma Goldman to minority viewpoints and dissent; Black Jack Pershing to the place of the military; Lucky Luciano to crime and corruption; Albert Einstein to immigration; Richard Bissell to spies and the intelligence network; Alan Greenspan to finance and banking, and Winston Churchill to the American diaspora.

At once intimate and wide-ranging, *America Reborn* is an altogether engrossing work of narrative history.



## Night Falls Fast: Understanding Suicide

By Kay Redfield Jamison

ISBN: 0-375-40145-8 (hc)

Random House © 1999

\$26.00

From the best-selling author of *An Unquiet Mind*: the first major book in a quarter century on suicide, with a particular focus on its terrible pull on the young. *Night Falls Fast* is both compelling and timely: in the United States and around the world there has been a frightening surge in suicides committed by children, adolescents, and young adults. It is the third leading cause of death in nineteen- to twenty-four-year-olds, and the second in college students.

Dr. Kay Redfield Jamison, an internationally recognized authority on depressive illnesses and their treatment, knows this subject firsthand. At the age of twenty-eight, after years of struggling with manic-depression, she attempted to kill herself. Her survival marked the beginning of a life's work to investigate both mental illness and self-inflicted death.

Weaving together a psychological and scientific exploration of the subject with personal essays about individual suicides,

Dr. Jamison in this book brings not only her compassion and literary skill but all of her knowledge, research, and clinical experience to bear on this devastating problem. In tracing the network of reason underlying suicide, she gives us astonishing examples of the methods and places that people have chosen to kill themselves and a startling look at their journals, drawings, and farewell notes. She also brings us vivid insight into the most recent findings from hospitals and laboratories across the world; the critical biological and psychological factors that interact to cause suicide; and the powerful but still insufficiently used treatments available from modern medicine.

*Night Falls Fast* dispels the silence and shame that too often surround suicide. It helps us to understand the suicidal minds, to better recognize the person at risk, and to comprehend the profound and disturbing sense of loss created in those left behind.



## Hospital's Indigent Care Policies in Conflict with Actual Operations Fail to Satisfy 501(c)(3) Standards



Although generally accepted legal concepts of “charitable” include the promotion of health, a hospital or other health care organization does not automatically qualify for exemption under section 501(c)(3) simply because it promotes health.

A recent IRS Field Service Advice has concluded that a hospital stated policy to provide health care services to the indigent is insufficient to satisfy the community benefit requirements first articulated in Rev. Rul. 69-545, 1969-2 C.B. 117, when there is not record demonstrating that the policy actually resulted in the delivery of significant health care services to the indigent. In Rev. Rul. 69-545, IRS concluded that a hospital which operated a full-time emergency room that provided care to those who could not afford to pay qualified for exemption under section 501(c)(3). The charitable indicia outweighed the fact that the hospital ordinarily limited admissions to those who could afford to pay and referred indigent patients requiring hospitalization to another hospital in the community that served such patients.

Thus, a hospital will not qualify for section 501(c)(3) exemption under the community benefit standard merely by stating that its policies are designed to provide health care services for the indigent. Its actual operations must also yield significant health care services to the indigent. The Field Service Advice listed 14 questions for evaluating hospital charity care:

- Does the hospital have a specific, written plan or policy to provide free or low cost health care services to the poor or indigent?
- Under what circumstances may or has the hospital deviated from its stated policies on providing free or low-cost health care services to the poor or indigent?
- Does the hospital broadcast the terms and condition of its charity care policy to the public?

- Does the hospital maintain and operate a full-time emergency room open to all persons regardless of their ability to pay?
- What directives or instructions does the hospital provide to ambulance services about bringing poor or indigent patients to its emergency room?
- What inpatient, outpatient, and diagnostic services does the hospital actually provide to the poor or indigent for free or reduced charges?
- Under what circumstances does the hospital deny health care services to the poor or indigent?
- Does the hospital operate with the expectation of receiving full payment from all persons to whom it renders service?
- How and when does the hospital ascertain whether a patient will be able to pay for the hospital's services?
- What documents or agreements does the hospital require poor or indigent patients to sign before receiving care?
- What is the hospital's policy on admitting poor or indigent patients as inpatients and outpatients?
- Under what circumstances does the hospital refer poor or indigent individuals who require services to other hospitals in the area that do admit poor or indigent patients?
- Does the hospital maintain separate and detailed records about the number of times and circumstances under which it actually provided free or reduced-cost care to the poor or indigent?
- Does the hospital maintain a separate account on its books that segregates the costs of providing free or reduced-cost care to the poor or indigent? Does this account include any other items, such as write-offs for care to patients who were not poor or indigent?

*See: FSA 2001-10030 (Feb. 5, 2001 – Released March 9, 2001).*

### *Go Rams!*

Enjoy an NFL football game featuring the St. Louis Rams in the Trans World Dome at America's Center.

(Photo courtesy of the St. Louis Convention & Visitors Commission)



## First Amendment Bars Tort Suit Against Church Officials Based on Allegedly Poor Advice and Referral to Unlicensed Psychologist



The Utah Supreme Court has held that a counselee may not sue church officials for what she claimed to be “bad advice” and for referring her to an unlicensed mental health professional.

Lynette Earl Franco claimed that, beginning in 1986 while she was seven, she was sexually abused by a 14-year old boy. Franco allegedly repressed memory of the abuse. Upon recalling it, she and her parents sought counseling from officials of The Church of Jesus Christ of Latter-day Saints (“LDS” or “Church”), including an LDS bishop. These Church representatives advised Franco to “forgive, forget, and seek Atonement.”

At some point, Franco decided she needed additional help and asked LDS for a referral to a licensed mental health professional. The LDS officials referred Franco and her parents to Dr. Paul Browning, stating that he was “well qualified to help them.” Browning held himself out as practicing “Individual, Marital, and Family Counseling,” under the heading of “General Psychiatry.” He was not, however, a licensed mental health professional in the State of Utah.

Browning advised Franco to forgive her abuser and forget the incidents of abuse rather than inform the police. Franco sought advice from another secular counselor, who then reported the abuse to the police. Franco alleges that she was subsequently “ostracized and denigrated” by

members of the LDS Church with the acquiescence of Church officials.

Based on these allegations, Franco sued LDS and its representatives in state court for clerical malpractice, gross negligence, negligent infliction of emotional distress, breach of fiduciary duty, intentional infliction of emotional distress, and fraud.

The trial court dismissed the case, finding that Franco was essentially asking the court to impose a secular duty of care on pastoral counselors, which is forbidden by the First Amendment.

A unanimous Utah Supreme Court agreed and affirmed. The gist of each of Franco’s claims is that LDS and its representatives breached a duty owed to her by advising her to “forgive and forget” and to seek help from Browning, an unlicensed therapist. Those claims could not be decided without first ascertaining whether the defendants performed within the level of expertise expected of similar professionals. Defining such a duty would necessarily require the court to express the standard of care to be followed by other “reasonable clerics” in the performance of their ecclesiastical counseling duties. This would excessively entangle the state with religion, in violation of the Establishment Clause.

The court dealt separately with Franco’s emotional distress and fraud claims, and disposed of them on non-constitutional grounds. Franco had not alleged that the defendants’ actions were for the purpose of

inflicting emotional distress, as required to state a claim under Utah law, so that claim too was properly dismissed. Franco’s fraud claim failed because the defendants made no false statement of material facts. Franco claimed that the Church had told her Browning had a Ph.D. in counseling or was a licensed psychiatrist. In fact, Browning did have a Ph.D. in counseling. Furthermore, there was no allegation of a knowing misrepresentation, as required to state a claim of fraud under Utah law.

Judge Durrant concurred, but suggested that the claims were barred by both the Free Exercise and Establishment Clauses, provisions that are complimentary, he wrote, and which have the same ultimate end, namely, to protect religious liberty:

“[T]o the extent we make the Establishment Clause do the work of both clauses, we sap some of the life from the Free Exercise Clause. Further, we lose the benefits that come from examining the clauses in tandem. I think we would be better served if, in the development of our religion clauses’ jurisprudence, courts more often examined the full picture and conducted their analysis with reference to both clauses, taking into account both their mutually reinforcing aspects as well as the distinct rights they protect.”

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*See: Franco v. Church of Jesus Christ of Latter-day Saints, 21 P.3d 198 (Utah 2001).*

## Appellate Court Agrees that Statement by LDS Bishop Protected by Qualified Privilege



In the March 2000 issue of Law Briefs we reported on *Sborgi v. Green*, which held that a Mormon bishop's negative statements regarding a member of his congregation were protected by a qualified privilege.

The plaintiff, a member of the LDS Church, had applied for a job at a church-run university, and in connection with that application was required by church policy to submit a report on her personal, moral and religious fitness, completed by her bishop. The report was negative and plaintiff did not get the job, so she sued the bishop on a defamation theory. The bishop was found to have had

a "qualified privilege" to make the statements he did, and the action was dismissed by the trial court for failure to state a cause of action.

That decision has not been unanimously affirmed by the New York Supreme Court, Appellate Division, First Department. The opinion holds that, as a matter of state law, the bishop's privilege could only be overcome by a showing of spite or ill will, a reckless disregard for the statement's truth, or a high degree of belief that his statements were probably false. No such showing was made, and the court added that the simple factual falsity of the statements – if they indeed were false – would

be insufficient to make such a showing.

The opinion, however, does not speak specifically to any of the obvious constitutional concerns implicated when a civil court is asked to premise civil liability upon communications made by a religious official, to his religious organizations, regarding the fitness of a congregation member for a church position. This decision may nevertheless be of assistance in other such disputes in New York State, and will be published.

*See: Sborgi v. Green, 722 N.Y.S.2d 14 (N.Y. App. Div. 2001).*

### What would you like to see in The Herald?

Members are encouraged to submit items as well as articles for consideration in *The Herald*. Notices of Position Availability are held in confidence until publication date.

#### The Herald Publication Schedule

*DFMC Herald* will accept notices and articles for future issues according to the following schedule:

<u>Deadline Date</u>		<u>Publication Date</u>
October 15	<i>Fall Issue</i>	November 12
January 18	<i>Winter Issue</i>	February 15
April 12	<i>Spring Issue</i>	May 10
July 16	<i>Summer Issue</i>	August 16

We would appreciate your comments and input on items for future issues. Please mail to:

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# Association Meetings

## National Association of Church Personnel Administrators (NACPA)

November 8, 2001 November 11, 2001	Denver, CO	Hyatt Regency Denver
November 7, 2002 November 10, 2002	Orlando, FL	Disney's Coronado Springs Resort
October 26, 2003 October 29, 2003	Mesa, AZ	Sheraton Mesa Hotel & Convention Center

## Nat'l Assoc. for Treasurers of Religious Institutions (NATRI)

October 31, 2001 November 3, 2001	Milwaukee, WI	Midwest Exposition Conference Center
November 18, 2002 November 24, 2002	Tampa, FL	To Be Announced

## International Catholic Stewardship Conference (ICSC)

September 16, 2001 September 19, 2001	San Diego, CA	Marriott Hotel and Marina
October 27, 2002 October 30, 2002	Toronto, Ontario Canada	Sheraton Centre Hotel
October 5, 2003 October 8, 2003	Chicago, IL	Hyatt Regency Hotel
September 12, 2004 September 15, 2004	New Orleans, LA	Hyatt Regency Hotel
October 2, 2005 October 5, 2005	San Francisco, CA	Marriott San Francisco Downtown
October 1, 2006 October 4, 2006	Boston, MA	Hynes Convention Center

## Legal Resource Center for Religious (LRCR)

April 4, 2002 April 7, 2002	Greensboro, SC	Holiday Inn Four Seasons/ Jos. S. Koury Conv. Center
April 24, 2003 April 27, 2003	Milwaukee, WI	Four Points Milwaukee Airport

## Canon Law Society of America (CLSA)

October 7, 2001 October 12, 2001	Albuquerque, NM	Hyatt Regency Albuquerque
October 14, 2002 October 17, 2002	Cincinnati, OH	Omni Netherland Plaza
October 13, 2003 October 16, 2003	Portland, OR	Double Tree
October 2004 October 2005 October 2006 October 2007 October 2008 October 2009	Pittsburgh, PA Rome, Italy Dallas, TX Las Vegas, NV Philadelphia, PA Indianapolis, IN	Hilton To Be Announced To Be Announced To Be Announced To Be Announced To Be Announced

## National Federation of Priests' Councils (NFPC)

April 15, 2002 April 19, 2002	Toronto, Ontario Canada	Weston Harbour Castle
2003 2004	Kansas City, KS Atlanta, GA	To Be Announced To Be Announced

## Conference for Catholic Facility Management (CCFM)

2002 2003 2004 2005	Tampa, FL San Diego, CA Washington, DC New York / New Jersey	Hilton U.S. Grant To Be Announced To Be Announced
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## Diocesan Information Systems Conference (DISC)

2002 2003	St. Paul, MN St. Petersburg, FL	Airport Hilton To Be Announced
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## Diocesan Fiscal Management Conference

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