



Policy Regarding Cathedraticum

[Owner: *Office of Finance and Accounting*]

1. All true and spendable parish income shall be included in the calculation of the Cathedraticum for each parish (formerly called Cathedraticum).
 - 1.1. exceptions to the above being parochial school tuition and other parochial school student-paid fees (such as registration fees, book fees, etc.), 50% of other school income (interest, annual fund and other income not derived on a per student basis), grant income in which the Bishop has designated as an eligible granting institution, activities of parish youth groups and donations to the poor.
 - 1.2. True and spendable income is any receipts of income which the parish or school is free to expend either for current operations, major repairs and/or improvements, new buildings, etc. Examples of receipts of income not considered to be true and spendable income are cited at # 3 below.
2. All donations or bequests either monetary or in-kind either for general or specific purposes or projects, as well as the net income from all fund-raising projects or programs, whether they are specifically for the benefit of the parish as a whole, or for a particular program or project of the parish, such as the parochial school or the religious education program, are considered to be "true and spendable" parish income.
3. Non-income cash receipts are *not* considered as true and spendable parish income. Examples include:
 - 3.1. Proceeds of the sale of parish assets, such as real estate, buildings, furniture, and equipment unless acquisition of these assets was by unencumbered specific donation or bequest.
 - 3.2. Donations or bequests specifically designated by the donor for "endowment" purposes.
 - 3.3. Withdrawals from parish or school deposit accounts in the Central Finance Plan or proceeds from loans to parishes or schools by the Central Finance Plan.
 - 3.4. Proceeds of insurance loss claims.
 - 3.5. Proceeds of diocesan, national, and international collections.

4. Cathedraticum CALCULATIONS will be made on the income of the preceding fiscal year, with PAYMENTS to be made by the parishes in 50 equal weekly installments in the SECOND FISCAL YEAR following the current one. Thus, calculation of Cathedraticum made on parish income during the 2018-2019 fiscal year will be paid by the parishes in the 2020-2021 fiscal year.
- 4.1. For example: A parish - whose graduated scale is 12% - receiving \$100,000 during the 2018-2019 fiscal year in "true and spendable income" as described above would make 50 payments of \$240 (\$12,000) in the 2020-2021 fiscal year.
- 4.2. NB The reason for this delayed payment process is to allow both the parish and the diocese to do accurate planning and budgeting in advance of each fiscal year. This process also is advantageous to the parishes in that they have use of these funds for up to two years before they become due and payable to the diocese.
- 4.3. The formula for calculating parish Cathedraticum is as follows:

Total Parish Income (from all sources)
Plus Other School Income (not student paid income)
Equals BASE INCOME
Less Approved Fund Raising Income
Less Parish Grant Income
Less School Grant Income
Less 50% Other School Income
Equals INCOME SUBJECT TO CATHEDRATICUM

As of January 2020, the assessment rates are as follows:

FROM	TO	RATE
\$ -	\$ 100,000	7.0%
\$ 100,001	\$ 200,000	10.0%
\$ 200,001	\$ 350,000	11.5%
\$ 350,001	\$ 700,000	13.0%
\$ 700,001	\$1,250,000	13.5%
\$1,250,001	unlimited	17.0%

Cemetery Cathedraticum is calculated at a flat rate of 13.0%.