

# ETHICS AND ACCOUNTABILITY IN CHURCH MANAGEMENT

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The Diocese of Bismarck, ND

March, 2013

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National Leadership Roundtable for Church  
Management



## Being Catholic

- What do we believe?
- What do we value?
- Who we are: Identity

## Right Relationships

- Bishop – Priest – Laity

## Behavior and Belief

- “Above and Beyond”
- Legal ethics
- Moral ethics



# THE NEW TRANSPARENCY

- **Engagement versus “I told them”**
- **Access to the full picture**
- **“Reasonable Person” standard**
  - Timeliness
  - Quality
  - Access to trends and patterns over time
  - Consistency in reporting format
  - Authoritative organizations: GAAP, FASB, etc.
- **According to standards of Excellence**



# THE NEW ACCOUNTABILITY

## ■ Actions

- have names attached
- have dates attached

## ■ Timeliness of access

## ■ Planning is part of accountability

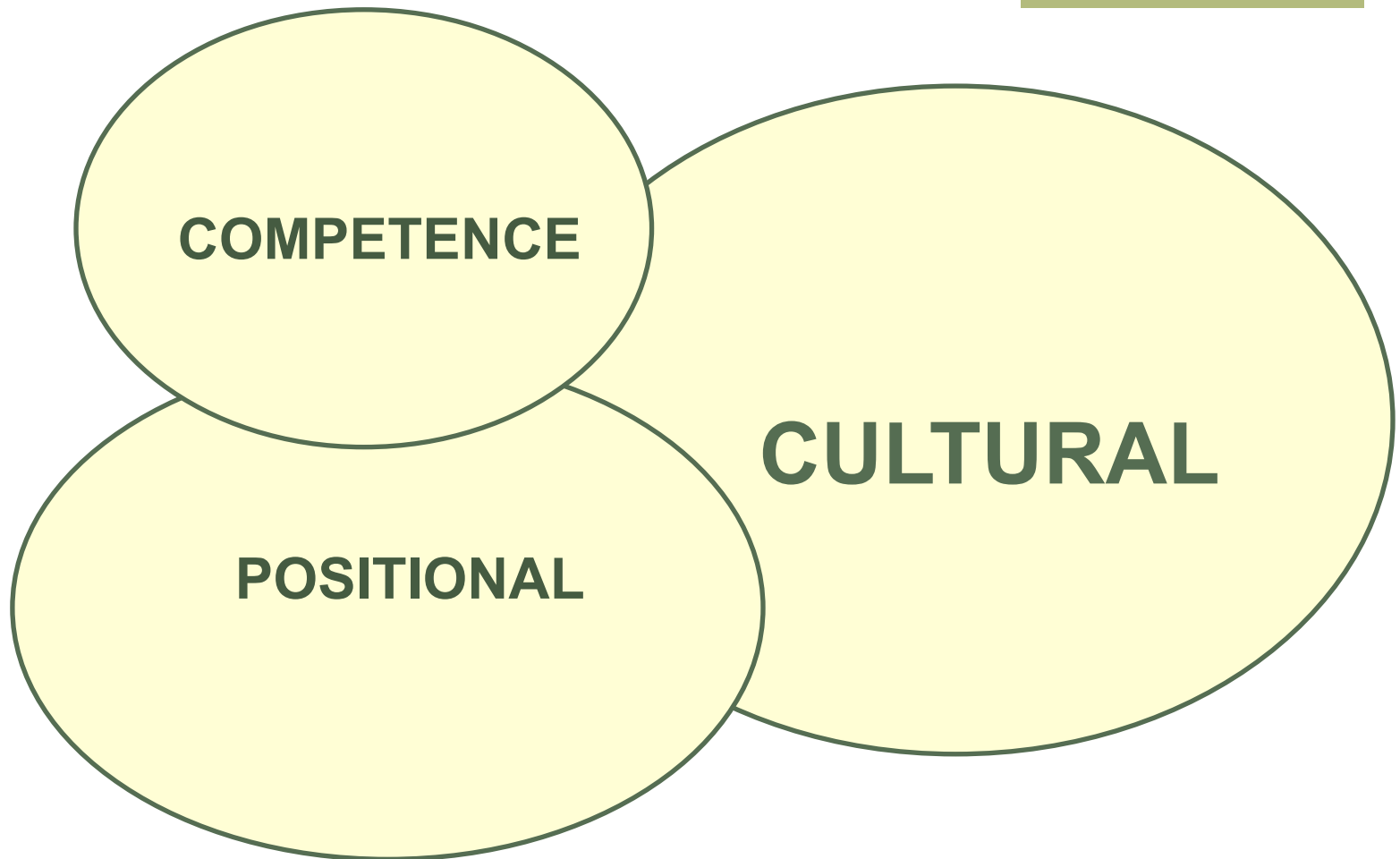
## ■ Execution is part of accountability

## ■ Actions have consequences





# AUTHORITY



# AUTHORITY AND TRUST

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## ESCHATOLOGICAL

JESUS WILL COME AGAIN

## ORGANIZATIONAL

THE MISSION IS WORTHWHILE

## LEADERSHIP

THE LEADERS ARE HEADING IN THE RIGHT DIRECTION

## PERSONAL

I KNOW YOU, I TRUST YOU



# EXAMPLE: PARISH PLANNING, ETHICS AND ACCOUNTABILITY

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- Planning is an intentional relationship
- Planning is a lifestyle, not an episodic event
- The Mission of the Church is clear to all



# PLANNING:WHAT ARE WE AGREEING TO DO?

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- **What will we see when that mission is alive here?**

- 4 to 7 statements

- **What are our priorities?**

- 3 to 5 priorities

- over the next 2 to 3 Years



# PLANNING QUESTIONS : ACCOUNTABILITY

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- Where will we be in each of those priorities in 3 months, 6 months, 12 months, etc.?
- What will we do to get there in this time frame?
- Who is going to do what in what time frame and who is going to check up on that?

**A Parish Strategic Plan:**  
**Limited to a 2 to 3 page document**



# TRUSTEES AND COUNCILS: A PRIMARY SOURCE OF ACCOUNTABILITY

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- Gathering for the mission of the Church
- Collaboration and partnership model
- Decision-making in the Church:  
“The will of God”



# BUDGETS

- **“A pastoral plan with numbers attached”**
  - Who does what first?
- **A flexible document as operational conditions change**
- **A means for keeping to the plan and avoiding management by “whim”**
- **Operational budgets**
- **Capital budgets**



# ACCOUNTABILITY: AUDITS AND REVIEWS

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- Internal and external audits and reviews
  - For whom are we auditing?
- Policies and Standards set minimums
- Costs of audits and reviews
- Reviewing financial controls





# HUMAN RESOURCES: ETHICS AND ACCOUNTABILITY

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- **“Be not afraid I am with you”**
  - “Reasonable Person Standard”
  - Compliance
- **Balancing accountability to the individual and the organization**
- **Being who we are**
- **Clear expectations: Job Documents**
- **Catholic performance reviews**
- **“Business necessity”**



# STANDARDS FOR EXCELLENCE®



*Standards for Excellence:  
An Ethics and Accountability Code for Catholic Parishes*





# STANDARDS FOR EXCELLENCE

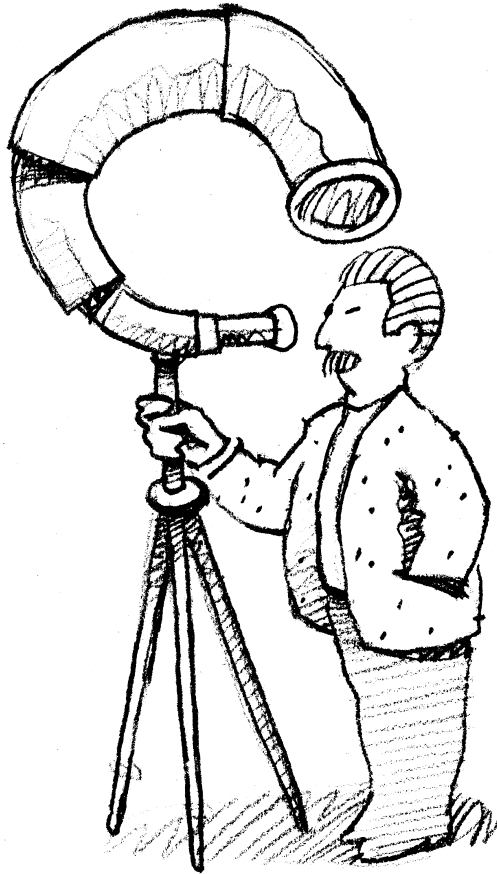
## WHAT ARE THEY?

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- 8 Guiding Principles and 55 Benchmarks
  - Mission Statement and Ministry Program
  - Governance and Advisory Bodies
  - Conflict of Interest
  - Financial and Legal
  - Human Resources
  - Openness
  - Fundraising
  - Public Life and Public Policy



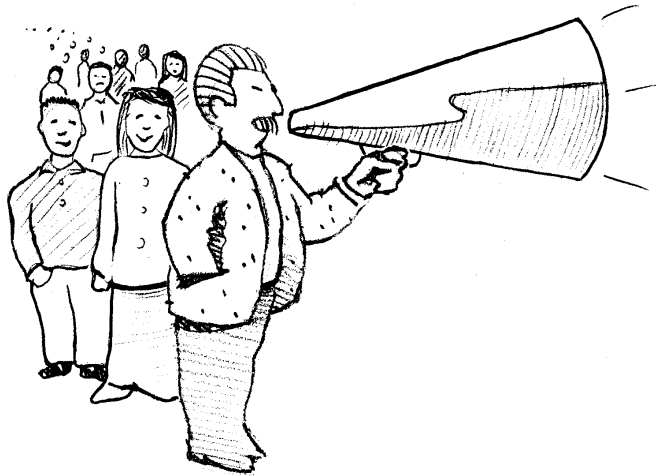
# MISSION STATEMENT AND MINISTRY PROGRAM



- Defined Mission Statement
- Evaluation
- Program Service Standards



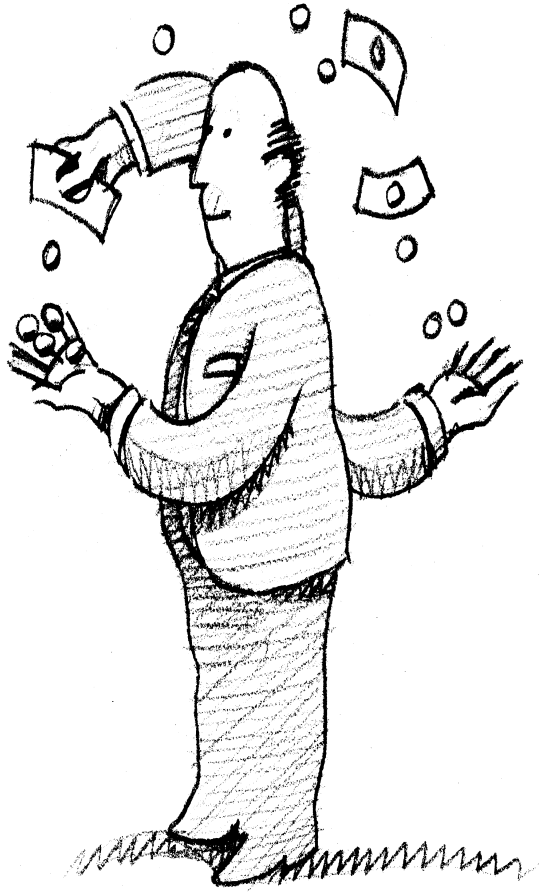
# GOVERNANCE AND ADVISORY BODY



- Roles and Responsibilities
- Board Composition
- Board Conduct



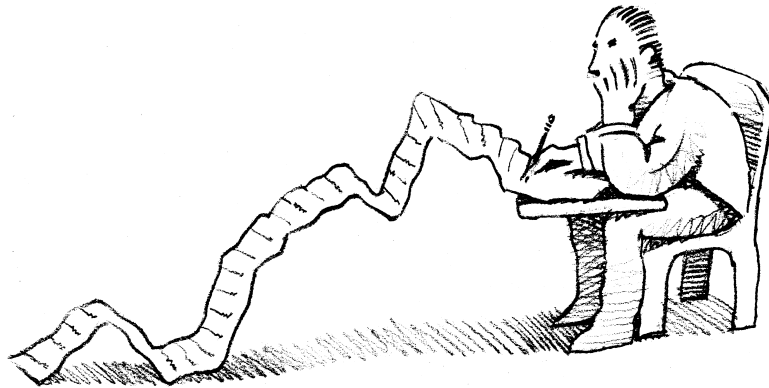
# CONFLICT OF INTEREST



- Disclose Everything
- Define Interested Parties
- How Decisions Are Made?
  - Conflict of Interest Policy
  - Conflict of Interest Statement
  - Disclosure Forms



# HUMAN RESOURCES



- Personnel Policies
- Volunteer Policies
- Employee Evaluation
- Employee Orientation



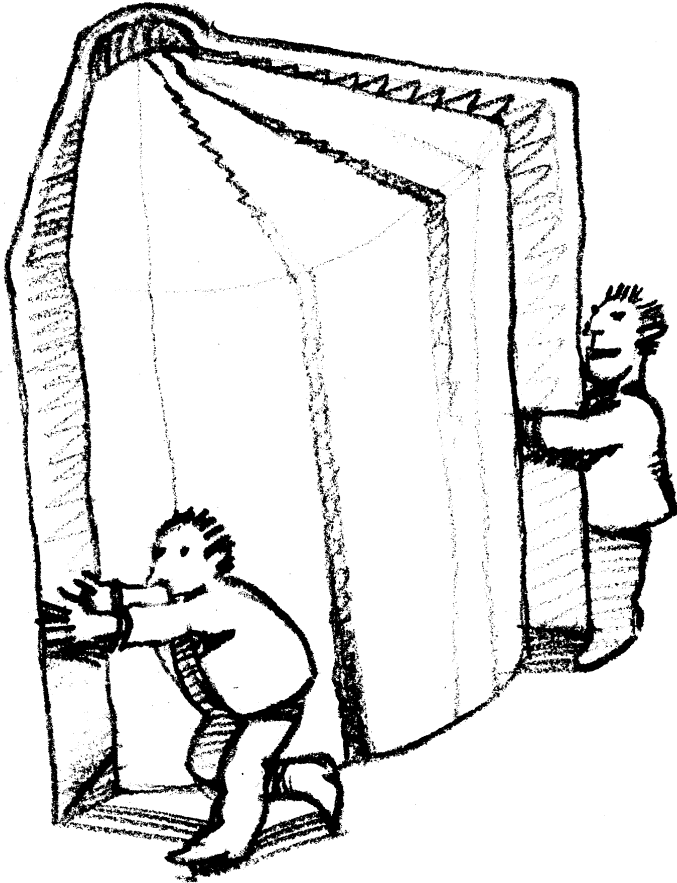


# FINANCIAL AND LEGAL

- Budgets
- Audits
- Financial Reports
- Financial Impropriety
- Written Financial Policies
- Legal Compliance



# OPENNESS

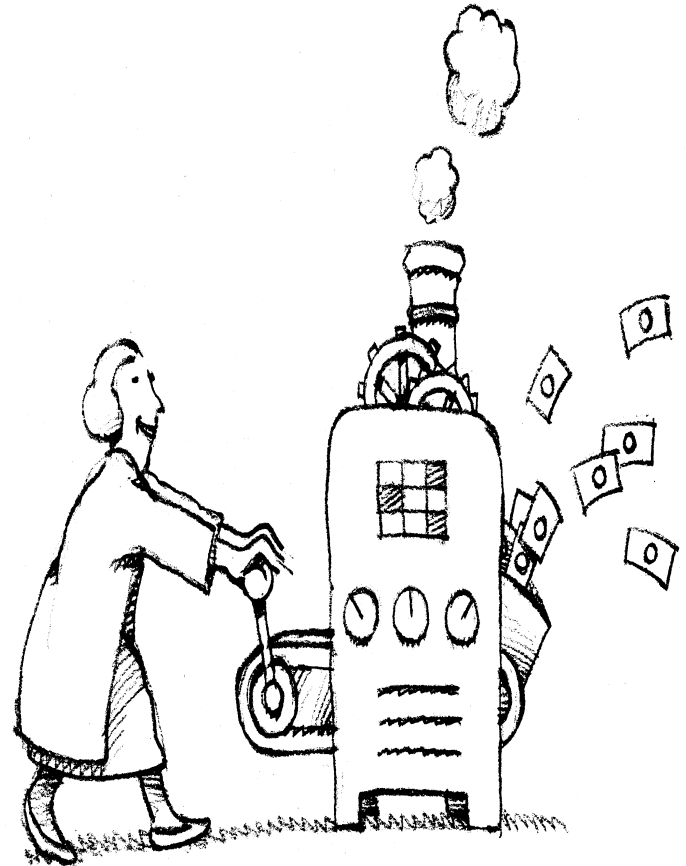


- Annual Reports
  - Pastoral and Finance Councils
  - Key Staff & Volunteers
  - Financial Reporting
  - Ministry Activity
  - Parish Mission
- Public Access



# FUNDRAISING

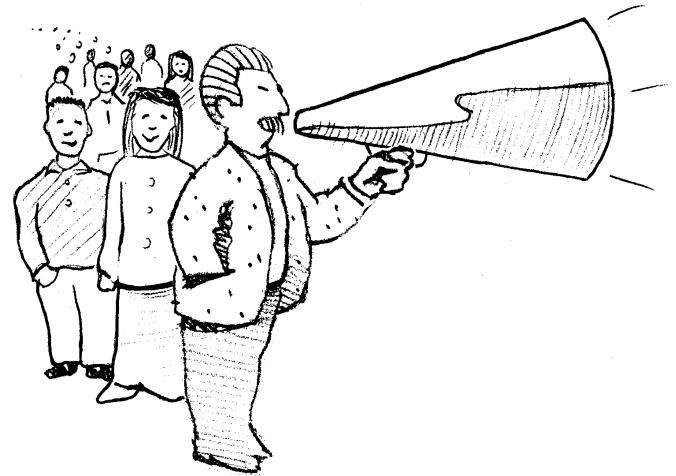
- Fundraising Activities
- Donor Relations/Privacy
- Acceptance of Gifts
- Fundraising Personnel



# PUBLIC LIFE AND PUBLIC POLICY

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- Public Policy Advocacy
- Public Education
- Promoting Public Participation



# MOST CHALLENGING BENCHMARKS

- Conflict of Interest Policy/ Statements (61%)
- Program Evaluation (55%)
- Advocacy Policy (51%)
- Confidential Means to Report Impropriety (47%)
- Financial Policies (46%)
- Gift Acceptance Policy (43%)
- Board Development (39%)
- Employee Orientation (39%)
- Internal Review of Legal, Regulatory Requirements (36%)



# THE ROADMAP TEMPLATE

TIME FRAMES	STANDARDS	ACCOUNTABILITY	RESOURCES NEEDED		
			People	Money	Facilities



# SAMPLE RESOURCE PACKET TITLES

- Developing and Revising the Mission Statement
- Ministry Program Evaluation
- Ongoing Planning by Advisory Bodies
- Compensation and Employee Evaluation
- Conflict of Interest
- Personnel Policies and Employee Orientation
- Volunteer Policies
- Financial Planning and Monitoring
- Reporting Financial Improprieties
- Financial Policies
- Legal Compliance Checklist
- Legal Compliance – Liability Issues
- Openness
- Fundraising Costs
- Fundraising Practices
- Solicitation and Acceptance of Gifts
- Public Policy Advocacy Promoting Public Participation
- Efforts to Educate the Public



WWW.CATHOLICSTANDARDSFOREXCELLENCE.ORG





# STANDARDS FOR EXCELLENCE FORUM

## Catholic Standards for Excellence®

A LEADERSHIP ROUNDTABLE INITIATIVE

SHARING CHURCH MANAGEMENT BEST PRACTICES IN THE CATHOLIC CHURCH

- Main
- About Us
- Standards for Excellence
- Members
- Discuss
- Best Practice Resources
- Events
- My Network

### Welcome to Catholic Standards for Excellence Forum



Fr. David Boettner  
Mar 9:00 AM (2 days ago)

Catholic Standards for Excellence from The Leadership Roundtable on Vimeo.

This forum is an online learning community for Catholics interested in, and making use of, best management practices in the Church. Based on the **Leadership Roundtable's Standards for Excellence** program this forum facilitates the sharing of ideas, practices, and management challenges.

### Forum

**Examining how well parish and diocesan finances are managed**

Started by Michael Brough in *Financial and Legal* 22 hours ago.  
0 Replies 1 Like

**Working Effectively with "Vatican II Priests"**

Started by Michael Brough in *Human Resources*. Last reply by Father Stephen Fichter on Monday.  
2 Replies 0 Likes

**HHS Mandate and your donors reactions**

Started by James Friend in *Stewardship and Development*. Last reply by James Friend on Monday.  
1 Reply 0 Likes

**Developing a Parish Census**

Started by Jeffrey Odell Korgen in *Governance and Advisory Bodies* Mar 15.  
0 Replies 0 Likes

**Diocesan appeal procedures guides**

Started by Michael Vanderburgh in *Governance and Advisory Bodies* Mar 14.  
0 Replies 0 Likes

+ Add a Discussion View All

### Peter Denio

Sign Out

- Inbox (2 new)
- Alerts
- Friends – Invite
- Settings

### Awaiting Approval

6 New Members

Edit

Share 2

### Events

NACPA's 2012 Convocation: Waves of the Future



# PROVIDING THE HELP YOU NEED

- Direct technical assistance
  - Scheduled follow up with Point of Contact every 2 weeks/month
  - Web meetings and Webinars
- Impact assessment and implementation assessment at beginning, mid-way, and end of implementation
- Site visits
  - 6-9 months from first site visit
  - Near end of implementation



# IMPLEMENTATION TEAM'S GUIDING PRINCIPLES

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- Stability
- Respect of parish history and culture
- Engagement
- Action-oriented
- System/structure minded individuals



# IMPLEMENTATION TEAM

## RESPONSIBILITIES

- Coordination
- Reporting/  
Communication

Move Implementation  
Forward

## ACCOUNTABILITY

- To pastor

## TIME

- 1-2 years
- Frequency of meetings
  - Prayer
  - Coordination of current  
and future activity
  - Communication/  
Reports
  - Movement Forward



# SEAL OF EXCELLENCE

- Seal ready
- External audit by Standards for Excellence Institute
- Good for 3 years
- Good stewardship of resources
- Elective by parish
- Modest application fee



**STANDARDS FOR  
EXCELLENCE**



# QUESTIONS AND ANSWERS



# NEXT STEPS

- Become a Partner in Excellence
- Complete the online Parish Assessment
- Designate a Point of Contact
- Add Shared Members (Priest)
- Create an Implementation Roadmap
- Register for Standards for Excellence Forum
- Complete Impact Assessment
- Schedule Meetings
  - Implementation Team



## WHERE DO I START?

USING WHAT YOU KNOW OF YOUR PARISH, WHICH GUIDING PRINCIPLE CATEGORIES DOES YOUR PARISH NEED TO WORK ON RIGHT NOW?

GUIDING PRINCIPLE	USE CHECKMARKS FOR YOUR RESPONSES
1. MISSION STATEMENT AND MINISTRY PROGRAMS	
2. GOVERNANCE AND ADVISORY BODIES	
3.. CONFLICT OF INTEREST	
4. HUMAN RESOURCES	
5. FINANCIAL AND LEGAL	
6. OPENNESS	
7. FUNDRAISING	
8. PUBLIC LIFE AND PUBLIC POLICY	





# SEQUENCING

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- a. Look at the Standards for the guiding principle you have chosen.**
- b. Discuss which specific Standards will be the first your parish will address.**
- c. Start to write a list the specific Standards your parish will begin to implement**
- d. Order them according to priority for implementation**



# NECESSARY DISCUSSION AND COMMUNICATIONS TOOLS

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What is the impact on the parish implementing the Standards for Excellence?

1. IDENTIFY THE PROS AND CONS
2. CREATE A LIST OF VALUE STATEMENTS FOR PARISHIONERS
3. WHAT ELSE DO PARISHIONERS NEED TO KNOW?



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