



CATHOLIC DIOCESE OF CLEVELAND

Financial Policy & Procedure Statement L

PARISH ASSESSMENTS



PARISH ASSESSMENTS

The primary source of revenue to the Diocese of Cleveland is the Parish Assessment. The information to compute and invoice the Parish Assessment amounts is derived from the Annual Report submitted to the Finance Office.

BASIS OF CALCULATION

The Annual Report submitted for June 30th of the fiscal year prior to the assessment is the basis for the annual amount. The balances in accounts 1001.01 through 1001.04 are included in the calculation of the base amount. The base amount is multiplied by the appropriate percentage depending if the Parish operates a grade school. As of November of 1997, the rate is 11.5 percent if the Parish operates a grade school, and 16.5 percent if the Parish does not operate a grade school. The calculation basis changes January 1st of each year.

EXAMPLE OF ASSESSMENT CALCULATION

Annual Report submitted June 30, XXXX

ACCOUNT	BALANCE
1001.01	\$ 15,000.00
1001.02	3,000.00
1001.03	6,000.00
1001.04	<u>2,000.00</u>
	\$ 26,000.00

For a Parish with a school:

Annual Assessment, effective January 1, XXXX
 $\$ 26,000.00 \times 11.5\% = \$ 2,990.00$
 Monthly invoice amount \$ 249.17

For a Parish without a school:

Annual Assessment, effective January 1, XXXX
 $\$ 26,000.00 \times 16.5\% = \$ 4,290.00$
 Monthly invoice amount \$ 357.50

PAYMENT ASSESSMENTS

The Annual Assessment amount is divided by 12 and a monthly statement is sent to the Parish. Payment of the invoice should be received at the Finance Office by the 20th of the month. Every effort should be made to keep the Parish Assessment current. Payments should be sent to the lock box using the pre-addressed envelopes. If you need additional envelopes, contact the Diocesan Finance Office.

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DEFINING "PARISH WITH A SCHOOL"

The following guidelines are in effect, since December of 1994 to classify a Parish with a school:

1. The Pastor or Administrator of the Parish has an authoritative role in the governance and administration of the school consistent with Canon Law. This role includes decision-making regarding the hiring and firing of school personnel as well as other administrative policies and practices in collaboration with the role of the principal (and the ecclesiastical liaison where designated).
2. If there is co-ownership/sponsorship of the school by more than one Parish, then the Parishes must submit a plan for supporting a balanced budget for the operation of the school. This plan needs to be approved by the Diocese and would indicate that any deficit for the operation of the school will be paid by said co-owning/sponsoring Parishes without any Diocesan subsidy.
3. Where there is co-ownership/sponsorship of a school, the supporting Parish must make up a substantial proportion of the student population.
4. Where there is co-ownership/sponsorship, there must be a written agreement, approved by the Diocese, of such co-ownership/sponsorship.
5. All of the above guidelines must be met to claim ownership or sponsorship in order to be approved as a Parish with a school for assessment purposes.

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