
**The Roman Catholic Church of the Diocese of Phoenix
Catholic Schools Office Policies and Procedures**

Policy 3-1 Catholic Schools

The following policies and procedures are established by the Diocese to assist the Superintendent of Schools (in the case of a Diocesan School), the Pastor (in the case of a Parish School) and Principals and Preschool Directors in the administration of Catholic schools in the Diocese.

3-1.5. FINANCE

3-1.5.01 CIVIL CORPORATE STATUS

EACH PARISH SCHOOL IS PART OF THE PARISH CIVIL CORPORATION – A NON-PROFIT ARIZONA CORPORATION THAT IS CIVILLY SEPARATE AND DISTINCT FROM EVERY OTHER PARISH OR DIOCESAN HIGH SCHOOL CORPORATION AND FROM THE DIOCESE OF PHOENIX. ALL ACTIONS THAT ARE TAKEN IN THE NAME OF THE SCHOOL SHALL BE TAKEN IN THE NAME OF THE CORPORATION. ALL CONTRACTS AND BUSINESS AGREEMENTS SHOULD BE ENTERED INTO BY THE CORPORATION, AND SHOULD BE SIGNED BY THE PASTOR (IN THE CASE OF A PARISH SCHOOL) OR BY THE PRINCIPAL (IN THE CASE OF A DIOCESAN SCHOOL), AS PRESIDENT OF THE CORPORATION. ALL APPROPRIATE STEPS SHOULD BE TAKEN TO ENSURE THAT EACH PARISH CORPORATION OR DIOCESAN HIGH SCHOOL CORPORATION MAINTAINS ITS CIVIL CORPORATE STATUS.

3-1.5.02 FINANCIAL ADMINISTRATION OF DIOCESAN AND PARISH SCHOOLS

THE SUPERINTENDENT OF SCHOOLS IS RESPONSIBLE FOR SUPERVISING AND APPROVING THE FINANCIAL ADMINISTRATION OF DIOCESAN SCHOOLS. THE PASTOR IS RESPONSIBLE FOR SUPERVISING AND APPROVING THE FINANCIAL ADMINISTRATION OF A PARISH SCHOOL.

A. Financial System

Each school will implement and maintain an organized financial system.

B. Financial Procedures

Each school will follow the financial procedures established by the Diocese, including the Parish Finance Guide, and all financial policies and procedures promulgated by the Diocese

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C. Proposed Budget

1. Each Diocesan School Principal, in consultation with the Local School Advisory Board, will submit a proposed annual budget for the following year to the Superintendent of Schools on or before May 1 of each year. The Superintendent of Schools shall review that budget with the Diocesan School Advisory Board Finance Committee, who shall either approve or reject the budget.
2. Each Parish School Principal, in consultation with the Local School Advisory Board, will submit a proposed annual budget for the following year to the Pastor on or before May 1 of each year. The Pastor shall review that budget with the Parish Finance Council, and the Pastor shall either approve or reject the budget.
3. All Diocesan and Parish Schools shall set their own tuition rates. The tuition rate for any given year shall be determined through the budget process. Diocesan School tuition rates shall be approved by the Superintendent of Schools. Parish School tuition rates shall be approved by the Pastor.
4. Tuition rates should be set at a rate that insures the long term financial stability of the school.

D. Budget Approval

1. After a Diocesan School's proposed budget has been approved by the Diocesan School Advisory Board Finance Committee, the Superintendent of Schools, and the Diocesan School Board, the final budget shall be submitted to the Diocesan High School corporation's board of directors (including the Bishop) for final approval.
2. After a Parish School's proposed budget has been approved by the Parish Finance Council, and the Pastor, the final budget shall be submitted to the parish corporation's board of directors (including the Bishop) for final approval.

E. Compensation and Benefits

Diocesan and Parish Schools shall provide compensation and benefits to their employees in accordance with the pay scales and benefits package provided by the Diocese.

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F. Financial Requirements for Students

Each school shall establish a clear and consistent written explanation of the financial obligations that will be required of students and their parents or legal guardians, including tuition and school fees, and of the procedures that will take place in the event of a student's financial delinquency. Such explanation shall be published in the Parent/Student Handbook.

G. Financial Delinquency

1. In the event of a Diocesan School student's financial delinquency, that student will not be permitted to take end-of-semester examinations or register for the following semester of school until all financial obligations have been met.
2. In the event of a Diocesan or Parish School student's financial delinquency, the school may withhold credits and/or diplomas from the student, or may take other appropriate action until all financial obligations to the school have been met.
3. In the event of a Diocesan or Parish School student's financial delinquency, the student will not be permitted to register at the same school or at another Catholic school within the Diocese of Phoenix until all financial obligations have been met.

H. Fundraising Projects

Diocesan and Parish Schools shall not permit any organization to use the school's or the Diocese's name or image or logo or mascot to promote a fundraising project without the prior approval of the school's Principal or Preschool Director, in consultation with the Superintendent of Schools (in the case of a Diocesan School) or the Pastor (in the case of a Parish School).

I. Fundraising Revenue

All funds raised or collected by any school, or by its students, parents, employees, volunteers or activity groups (such as Student Council or Mothers' Guild), shall be strictly accounted for and reported to the Principal or Preschool Director. All such funds shall be deposited in an authorized school account and shall be disbursed with the approval of the Principal or Preschool Director. Each school shall formally adopt a fundraising policy which shall include a procedure for the proper accounting of funds.

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J. Ordering Goods and Services

No one may bind or obligate the school for any purchase or service without the prior express approval from the Principal or Preschool Director or his/her delegate. (Refer to Norms for Diocesan Finance Committees.) No school personnel shall have the authority to sign any contract or any agreement for services other than the Principal or Preschool Director or his/her delegate.

K. Federal Programs

A separate bank account or line item should be kept for federal lunch and milk programs. All records must be kept on file for a period of five years.

L. Retaining Financial Records

Diocesan and Parish Schools shall keep school ledgers and payroll records on file in the school office or through the payroll service vendor on a permanent basis. Diocesan and Parish Schools shall keep all other financial records and receipts on file in the school office for at least five years after those records and receipts are generated.

M. Gifts, Grants and Bequests (Restricted Contribution Policy-Diocese)

Principals or Preschool Directors may accept any bequest or gift of money or property on behalf of and for the school, provided that the gift or bequest:

1. Has a purpose consistent with that of the school;
2. Is not restricted to a program for which the school would be unwilling to assume continued financial support when gift or grant funds are exhausted;
3. Will not bring undesirable or hidden costs to the school;
4. Will not be inappropriate or harmful to the best education of students;
5. Is not from any organization or business that sponsors or promotes adult entertainment, pornography, the storage, sale or consumption of liquor, gambling, or any other activity that is contrary to the basic tenets of the Catholic Church;
6. Will not imply endorsement of any business or products that are in any way related to adult entertainment, pornography, the storage, sale or consumption of liquor, gambling, or any other activity that is contrary to the basic tenets of the Catholic Church;

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7. Will not be in conflict with any applicable law; or
8. Will not place any restriction on the school operation.

In the event that a Principal or Preschool Director accepts a bequest or gift of money or property on behalf of and for the school, the Principal or Preschool Director shall acknowledge that bequest or gift in a manner that is consistent with the financial policies and procedures promulgated by the Diocese.

N. Transfer of Real Property

All acquisitions of real property by a Diocesan or Parish School, whether by purchase or gift, must be conducted in a manner that is consistent with the financial policies and procedures promulgated by the Diocese, which shall include obtaining the approval of the Diocesan Office of Building and Real Properties, as well as the approval of the Diocesan High School or Parish corporation's board of directors.

All sales or transfers of real property by a Diocesan or Parish School, whether by sale or gift or long-term lease, must be conducted in a manner that is consistent with the financial policies and procedures promulgated by the Diocese, which shall include obtaining the approval of the Diocesan Office of Building and Real Properties, as well as the approval of the Diocesan High School or parish corporation's board of directors.

O. Maintenance of School Buildings, Facilities and Vehicles

1. Diocesan and Parish Schools shall maintain all school buildings and physical facilities in a clean, safe and operational condition, in compliance with state and local regulations and codes. All schools shall comply with the Arizona State Health and Safety Codes, including the installation of protective warning devices and intrusion alarms, or any other requirement that the Fire Marshall certifies as necessary for fire and panic safety in any school building. All schools shall also comply with any federal, state and Diocesan regulations that are applicable to Catholic schools and that relate to asbestos reporting, abatement, and surveillance.
2. When a Diocesan or Parish School must make a significant expenditure to repair, maintain or renovate a building or physical facility, the school shall follow the financial policies and procedures promulgated by the Diocese, including the three-bid process outlined in the Procedures and Guidelines for Construction and Real Estate Projects handbook.

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3. Diocesan and Parish Schools shall maintain all school vehicles in a clean, safe and operational condition, and in compliance with all state and local regulations and codes.
4. Diocesan and Parish Schools shall maintain property, casualty, automobile and general liability insurance coverage through the Diocesan self-insurance program. In the event that a Diocesan and Parish School acquires real property, vehicles or other assets that must be insured, or in the event that a Diocesan and Parish School sells or transfers real property, vehicles or other assets that are insured, the Diocesan and Parish School must notify the Diocesan Finance Office and the insurance carrier so that insurance coverage can either be added or dropped, as appropriate.

P. Use of School Facility by Others

1. Diocesan and Parish Schools may, at their discretion, permit outside groups, organizations or individuals to use school facilities so long as the following conditions are met:
 - a. The group or organization does not sponsor or promote adult entertainment, pornography, the storage, sale or consumption of liquor, gambling, or any other activity that is contrary to the basic tenets of the Catholic Church;
 - b. The group or organization signs a facility use agreement with the school, whereby the group or organization agrees to abide by certain rules and regulations. (Facility Use Agreement.)
 - c. The group or organization signs an indemnity agreement with the school, whereby the group or organization agrees to defend, indemnify and hold the school (or parish in the case of a Parish School) harmless to and from any liability associated with the use. (Indemnity Agreement.)
 - d. The group or organization must present a valid certificate of liability insurance in the amount of at least \$1,000,000, naming the school, the parish in the case of a Parish School, and the Diocese as additional insureds under the policy;

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- e. Any fees charged by the school for the use are paid directly to the school;
and
- f. The proposed use of the school property complies with the Policy on Use of Diocesan Property by Entertainment Enterprises and Advertising Agencies, Appendix A.2.

Q. Safety

1. All Diocesan and Parish Schools shall have a written crisis procedure plan, which shall be reviewed annually. Included in the plan will be a system to contact students' parents or legal guardians in case of a general emergency/crisis. A copy of the plan shall be provided to all school personnel, students and families and to the Catholic Schools Office. Specific examples of emergencies/crises include, but are not limited to the following: bomb threat, fire, suicide, fatality, death in a family, and violent acts.
2. All schools shall conduct monthly fire drills, in accordance with State and City Fire Codes, as they apply to schools. A written record of such drills shall be kept on file in the school office. All schools shall also maintain a "shelter in place" plan, lockdown drill procedures, classroom safety kits, and a school office safety kit.

3-1.5.03 FINANCIAL ASSISTANCE

ALL SCHOOLS WILL MAKE EVERY REASONABLE EFFORT TO ASSIST STUDENTS IN MEETING THEIR FINANCIAL OBLIGATIONS TO THE SCHOOL.

A. Financial Aid

Any student who is in need of assistance to meet his/her financial obligations of the school shall follow the school's procedures for applying for financial aid, which may include completing a financial aid form, providing financial information such as tax returns, and providing other information as requested by the school.

B. Scholarships

Diocesan and Parish Schools may award scholarships to students based on demonstrated financial need alone. No Diocesan or Parish School shall award any scholarship to a student based on athletic performance.

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3-1.5.04 TRANSPORTATION

THE DIOCESE RECOGNIZES THE IMPORTANCE AND VALUE OF SCHOOL TRIPS FOR EDUCATIONAL FIELD STUDY, ATHLETIC EVENTS AND CO-CURRICULAR ACTIVITIES. ALL DIOCESAN AND PARISH SCHOOLS SHALL USE A COMMERCIAL CARRIER OR CONTRACTED TRANSPORTATION TO TRANSPORT STUDENTS TO ANY ACTIVITY OR EVENT OUTSIDE OF THE METROPOLITAN AREA. THE ONLY EXCEPTION TO THIS RULE IS IF A DIOCESAN OR PARISH SCHOOL HAS A FULLY OPERATIONAL MINI-BUS, AND USES THAT MINI-BUS TO TRAVEL TO A LOCATION THAT IS 150 MILES OR LESS FROM THE SCHOOL CAMPUS. DIOCESAN AND PARISH SCHOOLS SHALL COMPLY WITH THE DIOCESE'S TRANSPORTATION POLICY AT ALL TIMES WHEN TRANSPORTING STUDENTS TO ANY ACTIVITY OR EVENT.

A. Commercial Carrier or Contracted Vehicles

1. If a Diocesan or Parish School contracts with a commercial carrier to transport students, the school shall obtain a copy of the company's liability insurance certificate and declarations page for the current policy term, and require that the school (and parish, in the case of a Parish School) be named as an additional insured on the commercial carrier's automobile insurance policy for the duration of the trip.
2. If a Diocesan or Parish School contracts with a commercial carrier to transport students, the vehicle used to transport the students must be in a good, safe and operational condition, and may never be overloaded. There must be a seat belt available for each passenger and the seat belts must be used by the driver and by all passengers.

B. Rented/Leased Vehicles

1. If a Diocesan or Parish School rents or leases a vehicle to transport students, it must purchase automobile liability insurance from the car rental or leasing agency. The minimum acceptable limits for such automobile liability insurance shall be \$100,000/300,000, or a combined single limit of \$300,000.
2. If a Diocesan or Parish School has permission from the Superintendent of Schools to travel to Mexico, and if the school intends to drive a rented or leased vehicle to Mexico, the school must do the following:
 - a. Make certain that the rental contract or lease does not prohibit travel to Mexico;

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- b. Obtain Mexican insurance from the car rental or leasing agency or from a reputable insurance broker;
 - c. Keep a copy of the Mexican insurance certificate in the vehicle at all times and keep a separate copy with the teacher or school official who is responsible for the school trip to Mexico.
3. If a Diocesan or Parish School rents or leases a vehicle to transport students, each driver of each vehicle must meet the following requirements:
 - a. The driver must be at least 25 years of age or older;
 - b. The driver must complete a signed driver information sheet;
 - c. The driver must have a valid driver's license; and
 - d. The driver must have no physical disability that could in any way impair his or her ability to drive the vehicle.
4. Any vehicle used to transport students must be in a good, safe and operational condition, and may never be overloaded. There must be a seat belt available for each passenger and the seat belts must be used by the driver and by all passengers.
5. Students shall not be allowed to ride in the cargo area of a vehicle or in a bed of a truck.
6. Students shall never be allowed to drive the vehicle.

C. Personal Vehicles

1. If a personal vehicle is used to transport students to a school activity or event, the following requirements must be met:
 - a. The driver must be approved by a school official who is authorized to make such approval;
 - b. The driver must be at least 25 years of age or older;
 - c. The driver must complete a signed driver information sheet;
 - d. The driver must have a valid driver's license;

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- e. The driver must have no physical disability that could in any way impair his or her ability to drive the vehicle;
- f. The driver must have completed Safe Environment training in the Diocese of Phoenix;
- g. The driver must have automobile liability insurance in the minimum limits of \$100,000/300,000, or a combined single limit of \$300,000;
- h. The vehicle must be in a good, safe and operational condition, and must not be overloaded;
- i. There must be a seat belt available for each passenger in the vehicle;
- j. The driver and all passengers in the vehicle must use the seat belts in the vehicle at all times when in the vehicle; and
- k. All vehicles used must contain a first aid kit.

D. Vans

Under no circumstances shall any Diocesan or Parish School allow a 10 or 15 passenger van to be used to transport students.

Approved by Bishop Thomas J. Olmsted on November 24, 2011