

## Appendix A

*The following legislation changes and additions to the Pastoral Handbook of the Archdiocese of Denver take effect July 1, 2018. These items are better understood when read in the context of their chapter and/or section. Presented below are only the changes and additions.*

The Initial section titled Principal Abbreviations and Definitions, which has been unintentionally left out of the last few version of the handbook, has been updated and now appears before the table of contents.

Specific dollar amounts have been removed from the chapters and placed into Exhibit V.

1.2.4.1 through 1.2.4.5 have been deleted as it is the case that Exhibit VIII governs the Presbyteral Council.

1.3.0.3. Definitions of Locations- C. Mission Church – A church that is associated with and situated within the territory of a parish designated as a place for divine worship by permission of the ordinary for the benefit of the territorial parish and the community of Christian faithful who gather in it. Although the mission church may operate under a different name than the territorial parish, generally, the mission church has not been individually and civilly incorporated as it necessarily exists under the auspices of the territorial parish. The mission church does not have its own finance council. The finance council governing the mission church is the finance council of the associated territorial parish. The mission church does not have a proper pastor assigned to it individually. The pastor of the mission church is the pastor of the territorial parish. All sacramental books and records are kept at the territorial parish.

Chapter 1, Part 4: Description of the Governance Structure of the Ecclesiastical Organizations within the Archdiocese. The list has been updated to reflect the current reality.

2.2.3.5. Archdiocesan priests also receive dental insurance through the Archdiocese of Denver Welfare Benefit Trust (Ref. Chapter 12) dental insurance plan. The priest's employer (e.g., a parish or Catholic institution) pays the insurance premium and the priest pays the employee shared costs consistent with the policies for shared expense as adopted by the priest's employer. Priests from religious orders or other communities receive such dental insurance from the respective orders/communities.

2.2.6.6. The cost of the sabbatical, including travel, living expenses and program costs will be shared by the Archdiocese through funds available to the Office of Continuing Education for Priests and by the priest himself. The priest is to pay a fixed percent of the total cost and the Archdiocese will pay the remaining percent of the cost up to a fixed dollar amount. See Exhibit V Section IX.

3.1.2.4. Teachers of religion in Catholic high schools operating within the territory of the Archdiocese of Denver are required to obtain approval to teach religion from the Archbishop of Denver, in accord with canon 805. It is the duty of the teacher to request approval in writing prior to entering the classroom. The approval to teach religion is valid for the duration of the teacher's tenure, unless it has been rescinded by the proper ecclesiastical authority. The procedure for obtaining approval to teach religion can be found in the policy (#3125) of the Office of Catholic Schools of the Archdiocese of Denver.

3.3.1. Catechists- Pastors are to hire or appoint qualified and competent catechetical leaders who are faithful to the teachings of the Church for the critical leadership positions of DRE, parish faith formation director, director of evangelization (or an equivalent title) within the parish as envisioned by numerous ecclesial documents and the General Directory for Catechesis (GDC).

3.3.1.2. The pastor and those who collaborate with him are to ensure that parish catechetical leaders and catechists working with all age levels within the parish receive training for the important ecclesial ministry to which they are called. This can be accomplished by providing [1] ongoing catechist training at the parish and archdiocesan levels, and/or [2] by completing the Catechetical Certificate through the Office of Evangelization and Family Life Ministries, and/or [3] by completing the Catechetical School program, which is a part of Saint John Vianney Theological Seminary. Completion of the Catechetical Certificate and the Catechetical School Program yields a Master Catechist Certification. Completion of the Catechist Certificate is encouraged for all catechists working in parishes and schools within one year of beginning their ministry, while completion of the Master Certificate is encouraged within five years of beginning ministry.

7.1.9.1. For inventory, security, and insurance reasons, all IT assets at Archdiocesan Corporation or Ecclesiastical Organization offices that are used for work purposes must belong to one of the above entities. Personal computer hardware or software should not be used for work purposes.

7.1.9.2. All software packages installed on computers at the Archdiocesan Corporation and an Ecclesiastical Organization must be the property of the Archdiocesan Corporation or the Ecclesiastical Organization. Employees are not permitted to install personal software programs on their assigned computers without the approval of the IT department.

7.1.9.3. Employees of the Archdiocesan Corporation and Ecclesiastical Organizations are not permitted to acquire computer software either by downloading from the Internet or from a retail outlet. Requests for computer software must

be submitted to the IT department for review. If approved, IT personnel will obtain and install the software package on appropriate computer systems.

7.1.9.4. All hardware and software will be installed by IT personnel after it is approved and obtained, unless not approved by IT department staff.

7.1.9.5. Removal of desktop computers from the Archdiocesan Corporation and Ecclesiastical Organizations facilities must receive approval from IT staff.

7.1.10.1. There are three primary areas for consideration in the overall Protection Plan: physical security, software security, and backup procedures. The following requirements are a minimum of what is recommended to protect the critical Information Systems assets:

- a. Physical Security – Review the environment in which computers operate. Computers should be located in a dust-free setting (if possible), placed in a normal office temperature environment, placed in an area free from water exposure, and utilize proper electrical surge protection. The file servers should be placed in a room that has limited access (if possible).
- b. Software Security – The Archdiocesan Corporation and those Ecclesiastical Organizations using the services of the IT department have a formal procedure for maintaining passwords. The procedure begins by issuing passwords to new employees. Thereafter, passwords are required to be changed at least every 180 days.
- c. Backup Procedures – The protection and retention of vital records is critical to the Protection Plan. At a minimum, a full backup should be initiated at least once a week (for example Friday); partial backups should be performed (Monday through Thursday); and an off-site storage (e.g., Cloud based) program should be utilized for securing the complete backups. Three or more of the last full backups should be stored off-site. Records that are stored on other devices, such as workstations, laptops, and other mobile devices, must be backed up at least once per week.

7.1.15.12. Meals – Exempt employees may be reimbursed subject to their supervisor's approval, for meals when working 3 consecutive hours in excess of a standard workday on a scheduled workday or working 4 or more hours on a weekend. Employees must coordinate with their supervisor when planning on working in excess of the standard workday. When an employee is traveling out-of-state on behalf of the Archdiocesan Corporation or an Ecclesiastical Organization, actual expenditures for meals will be reimbursed.

7.1.15.19. Credit Cards – The Archdiocesan Corporation or the Ecclesiastical Organization will not reimburse employees for credit card fees or late charges. Credit card statements are not considered sufficient for supporting documentation. The original invoice must be submitted to substantiate the expense for reimbursement.

7.1.15.24. Non-Reimbursable Expenses – Personal expenses are generally not reimbursed. See 7.1.15 for a description of reimbursable expenditures. Expenses not reimbursable by the Archdiocesan Corporation and the Ecclesiastical Organizations include but are not limited to the following items:

- a. Travel expenses incurred for personal reasons are not reimbursed. For example, this includes, travel insurance, upgrades, traffic tickets, accidents or damages, thefts or loss of personal property while traveling.
- b. Costs for personal entertainment, health club fees, medical costs, personal cell phones. (*"c" through "r" have been deleted.*)

7.2.2.6. Purchases – The Archdiocesan Corporation and the Ecclesiastical Organizations are exempt from sales tax. The exemption only applies to items purchased for use in the regular operations of the organization. It is the responsibility of the employee to obtain the tax-exempt form from the Accounting department of the Office of FAP, or from the respective Ecclesiastical Organization's accounting department, prior to incurring an expense.

7.2.2.7. Sales Tax Exemption - Individuals are encouraged to purchase items in a manner that allows the items to qualify for a sales tax exemption. In order to qualify, the individual purchaser must provide or show the vendor a copy of the organization's sales tax exemption certificate. Another option is to use vendors who have the sales tax exemption certificate on file.

7.2.5.1. Re-Hire Policy – Employees who have resigned, or been a part of a reduction in force from employment within the Archdiocese, the parishes within the Archdiocesan Corporation or Ecclesiastical Organizations ("the Archdiocesan system"), are eligible for re-hire by the Archdiocesan Corporation or Ecclesiastical Organization. However, in recognition that all Archdiocesan entities are called to assist one another in building the Kingdom of God, employees who have been terminated either for cause or at-will within the Archdiocesan system are not eligible for re-hire without advance approval by the Director of the Office of Human Resources of FAP (the Director). It is very important to contact the Director to determine the re-hire status of prospective candidates who have been previously employed by the Archdiocesan Corporation, a parish within northern Colorado or an Ecclesiastical Organization.

8.3. Project Financing Review Committee (PFRC)- The purpose of this section is to highlight the norms and operating procedures for the PFRC. The PFRC is comprised of individuals with professional competence and expertise in areas of

parish administration, construction, and finance. The PFRC members serve in an advisory capacity in areas pertaining to parish construction, major remodeling or renovation, Catholic educational facilities, and capital fund-raising for projects exceeding the limit (see Exhibit V) in estimated costs. Except for schools, oratories, or churches, projects that are estimated to be less than the limit in total expenditures will be reviewed solely by the Directors of Planning and Construction, Real Estate, and Parish Finance, the CFO and the Moderator of the Curia for approval in order to simplify and expedite the process. Building projects involving oratories and churches follow the guidelines in Chapter 8 – Building, Property and Construction Projects of Special Projects – Liturgical Design Procedures. and those involving schools follow the guidelines of Catholic School Projects.

The pastor, his parish building committee, parish finance council and parish architect will make a project presentation to the PFRC and respond to inquiries about the project's financial feasibility, estimated project cost, and parish master planning. Ecclesiastical Organizations that are responsible to the Archdiocese shall present their projects to the PFRC, after approval by their respective Board of Directors.

The Chairperson of the PFRC reports to the AFC on a quarterly basis.

8.7.3. Construction Contract – The Director of Planning and Construction, the Director of Parish Finance and Parish Controller, the CFO, the Moderator of the Curia and/or the Archbishop will review and approve the contractor and related construction documents for parish construction and renovation contracts. The pastor of the parish and the Archbishop or his designee, as Trustee for the benefit of the parish, will sign the contract.

8.7.4. Construction Administration – The construction is authorized to commence following the full execution of the contract by the contractor, pastor and the Archbishop or his designee. Construction administration is a service provided by the architect. If the pastor chooses to hire a separate project manager for construction administration services, the project manager must comply with similar requirements as those used to select an architect, including, but not limited to, professional licensure and insurance.

8.7.5. Use of Volunteers and Staff – As a general rule, the use of parishioner volunteers and staff to perform construction services is discouraged. Personal safety as well as worker qualification issues are a significant concern. Additionally, volunteer worker availability cannot be readily integrated into contractor scheduling. While the use of parishioner volunteers and staff is not absolutely forbidden, requests for the use of volunteers and staff must be submitted to and approved by the Directors of Planning and Construction and Risk Management before volunteers and staff can be utilized on any parish construction project, preferably when the project is presented to the PFRC for approval. Consideration will be given to allowing volunteers and staff to assist in limited tasks. In short, construction projects are much different than ongoing maintenance projects due to the degree of complexity, licenses and certifications in areas of required expertise, and contractual obligations. More specific, guidance is provided in the AOD Risk Management and Insurance Manual.

8.7.6. Budget Monitoring and Administration – The components of project budgets generally consist of the following: 1) Construction Costs; 2) Project Contingency; 3) Architect's Fees; 4) Furniture, Fixtures & Equipment (FF&E), and 5) Miscellaneous Costs. As a general rule, budget monitoring and compliance of Construction Costs, Project Contingency and Architect's Fees are relatively easy to accomplish because it is performed by the architect and are based on well-defined contract terms. Budget monitoring and compliance of FF&E and Miscellaneous Costs have proven to be a challenge on Archdiocesan projects. This is an important issue because failure to control these costs can cause the total budget to be exceeded, resulting in project cost overages which cannot be funded by the parish. Accordingly pastors sponsoring construction projects must designate a competent staff person or parish volunteer whose duty will be to monitor budgeted project expenditures, particularly the FF&E and Miscellaneous Costs. The person is to coordinate these efforts with architect and Director of Planning and Construction, including the submission of monthly project expenditures and budget performance reports to the Office of Planning and Construction.

8.7.7. Budget Overages – With respect to any contract price revision, all change order claims shall be processed in accordance with the terms of the agreements between the parish and the architect or contractor and shall be submitted for consideration and approval to the Director of Planning and Construction, Director of Parish Finance and Parish Controller, the CFO, and the Archbishop's designee. Additionally, with respect to project capital budget expenditures authorized by the Archbishop's designee via the PFRC project approval process, if it is determined that budget overages will occur, all transactions resulting in such overages shall be provided to the Director of Planning and Construction and the Director of Parish Finance and Parish Controller for submission to the CFO and/or Moderator of the Curia for further action, including potential re-consideration via the PFRC process. All contract changes shall bear the signatures of all of the parties to the original contract.

8.8.4.12. Exterior of the Church – The exterior of the church should be identifiable as a church. Incorporating a large, recognizable cross on the exterior is suggested. The interior design of the church should be compatible with the exterior design.

8.9.3. The Superintendent of Catholic Schools, with the Director of Planning and Construction, is to review school projects at critical phases of design, expansion, development or other significant change of use in order to evaluate the impact upon the school. Typical critical phases of design are at the completion of schematic design, design development, and construction documents.

8.9.4. If there are occasions in which a significant change in the design is proposed either prior to or during construction, the Superintendent of Catholic Schools is to be notified by the pastor, school principal and Director of Planning and Construction and given an opportunity to evaluate the effect of the change on the overall project and the serviceability of the school.

8.10.6.1. Written request signed by the pastor.

8.10.6.2. A summary of the financial plan including total project cost and resources (cash and pledges) available.

8.10.6.4. Exact amount of loan requested.

8.10.6.7. Financial history including Statements of Financial Position and Activities (e.g. balance sheet and income statement).

8.10.6.8. A five to ten-year financial projection for the parish and project cash flow analysis, as determined by the Director of Parish Finance of the Office of FAP, which reflects the financial impact on the parish finances and operating budget of the proposed property/ construction/ renovation project, and the repayment of the proposed loan.

10.4.3. The following internal control procedures are to be implemented in order to provide a high degree of protection:

- a. Limiting the use of Electronic Funds Transfers (EFT) for payroll, payroll withholding and taxes, transfers to or from the Revolving Fund Trust and payments for capital expenditures from the Revolving Fund Trust should be the norm. However, parishes may utilize EFT for unique circumstances provided appropriate internal controls are maintained and followed. Specifically, the EFT process must separate the ability of one individual to input, review and initiate an EFT.
- b. When utilizing electronic banking or EFTs, parishes must develop and maintain a system to produce information documenting the banking activity in a manner that requires the pastor to approve the transactions in writing in advance. The procedures must be developed to preserve the signature authority of the pastor in accord with 10.4.0. Invoices for EFT payments should be attached to the bank statements each month for review by the Pastor or his designee. The parish finance council is to review the electronic banking activity and systems of documentation and internal controls on an annual basis. At a minimum, parishes should verify all EFT transactions within 24 hours of initiating the transaction in order to verify the transactions occurred as intended. If any discrepancy in an EFT transaction occurs, parishes must notify their bank immediately.

10.6.4. Parishes are strongly encouraged to use tamper-evident, pre-numbered bags to secure the offertory after mass. After the offertory is placed in the tamper evident bag, it is sealed, and placed into a safe until it is counted. The supply of tamper evident bags should be controlled and their use should be tracked by individuals who cannot access the safe that secures the offertory after mass.

10.9.2. Effective for all parish reviews for the fiscal year ending June 30, 2017 and thereafter, the Office of Internal Audit (Internal Audit) will visit all parishes within the territory of northern Colorado individually and perform a review of internal financial controls in conjunction with the Office of Parish Finance (OPF) performing a review of the parish financial statements. (Full-Scope Parish Reviews) as follows:

- a. Internal Audit will visit parishes on a regular basis to perform Full-Scope Parish Reviews. Internal Audit will visit those parishes with total revenues greater than or equal to the amount defined in Exhibit V II-n (the Amount) on an annual basis, and parishes with total revenues less than the Amount no less than once every 5 years. The requirement of annual visits to parishes with revenues greater than or equal to the Amount may be modified by Internal Audit based on the results of the parish's most recent Full-Scope Parish Review. For those parishes with less than the Amount in revenues, Internal Audit may also annually distribute an internal control checklist to each parish for completion. Exceptions for parishes with less than the Amount in revenues are described in 10.9.2.b.

10.10.8. Parishes may hold bonds traded on public exchanges with a bond rating of AA or better from reputable companies. Additionally, and with the proper due-diligence, parishes may consider investing in Archdiocese and Diocese fixed income debt obligations, rated or un-rated, if the issue remains a direct obligation of the Catholic Church. Due to the inherent risks of investing in securities that are not reviewed or approved by the Securities and Exchange Commission (SEC), parishes should use caution when considering investments in un-rated securities, and should consult with the Office of Parish Finance (OPF) prior to making this type of investment decision.

Chapter 12 has been deleted.

EXHIBIT XIV  
POLICY ON LOCATION FILMING OR PHOTOGRAPHY REQUESTS

Sometimes Archdiocesan locations receive a request to use their grounds and/or buildings as a backdrop for a professional film or photography project that is not associated with an event sponsored by the Church. Such a request should only be approved if the promoters clearly demonstrate that the project can provide a positive benefit to the Catholic Church and its efforts to evangelize. If approved, an agreement must be in place addressing access, insurance, (possible) use fees, assurances regarding consistency with Church teachings, and related topics. Those interested in conducting professional film or photography projects on Church grounds of entities subject to the Pastoral Handbook, must ultimately obtain approval from the Office of the Chancellor before the project may continue.

Amateur film or photography projects that seek to use Church grounds and/or buildings as a backdrop, may be approved by a pastor or local authority. That said, the Chancellor is available for consultation if desired.

Process to follow when a request for a professional project is received:

1. Upon receiving a request, the location may always say “no” without consulting the Office of the Chancellor.
2. If the location is amenable to the request, provide the following to the Office of the Chancellor:
  - a. on a cover page, note:
    - i. the location’s contact information
    - ii. the requestor’s contact information
    - iii. a brief description of the request
    - iv. a succinct few sentences on the location’s wishes and opinion of the request
  - b. as an attachment to the cover page, provide the completed script if the project is a film project, or a full project description if the request is a photo shoot request (the production of a draft or partial script will not result in approval; it is imperative that the entirety of the project be transparent so as to assess the message being conveyed; as well, the requestor should be put on notice at the outset that the location will reserve rights to view the final product and approve it prior to the Church permitting release)
3. Be ready to provide such other information as the Chancellor may require to assess the project.
4. If the project is approved, the location will be directed to work with the Legal Department and the Office of Communications to finalize details.