

**PARISH AND SCHOOL
BUDGET GUIDE
FISCAL YEAR 2022**

March 2021

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ADAPTIVE PLANNING BUDGET TEMPLATE

Adaptive Planning is a cloud-based tool for parishes and schools to utilize for budget development and reporting. To get access to adaptive, please contact your parish services consultant to assist you with getting a username and password.

You can log into Adaptive using the following link:

<https://login.adaptiveinsights.com>

There are two Adaptive User Guides available one for each accounting system, QuickBooks and Intacct, currently used by RCAB. In addition, there are training videos to assist users with Adaptive. Please contact your parish services consultant to obtain the password to access the videos available at the following link:

<https://www.bostoncatholic.org/adaptive-training-videos-0>

In addition, there are periodic hands-on training sessions in Adaptive. Speak to your Parish Financial Services Regional Consultant regarding any questions that you have.

Parish and School Budget Preparation Guide

SECTION I

Budgeting Revenue During Pandemic Recovery and the Impact on Expenses

Budgeting Revenue During Pandemic Recovery and the Impact on Expenses

RECOVERY BUDGET STRATEGY

As we enter year two of recovery from the COVID-19 Pandemic, the financial challenges our parishes face will continue into the FY 2022 budget year. While offertory partially returned when parishes were allowed to reopen at limited capacity levels, most parishes have seen a decline in giving levels.

Online giving has been an extremely important part of most parish revenue streams since the beginning of the pandemic. Parishes that have not fully utilized online giving options have seen a more significant reduction in their cashflow. Each parish should actively support and encourage online giving as a primary option for parishioners to provide support to their parish. Those parishes that have a robust online giving program have been able to maintain a regular stream of income during this pandemic period. This has allowed the parish to maintain a level of pastoral programming and outreach to their parishioners, while also maintaining the ability to retain and pay staff and meet their financial obligations.

In the Fall of 2020, the Archdiocese of Boston began piloting a program that reminds parishioners of the gift of their Faith and their Parish which they have been given. The *Grateful Discipleship* formalizes an annual process by which the entire parish community is asked to make an annual pledge: 1) How much time will I commit in the next 12 months to volunteering my skills to the parish, and 2) How much will I commit to donating to my parish for the next year?

Most everyone would agree, especially in these challenging times, that parishes would benefit greatly if more parishioners were to increase their commitment of time and talent by 1) taking on responsibilities that a shrinking staff cannot, and 2) committing to donating more of their income to the parish. These are the pillars of the *Grateful Discipleship* stewardship program. The word stewardship implies that someone has been given something of value and they are expected by the giver of that “something” to be grateful, but then to be generous in return. To learn more about the *Grateful Discipleship* program, please contact your Parish Financial Services Regional Consultant.

SUGGESTED GUIDELINES: Budgeting Offertory

Using actual offertory levels using the most current six-month period prior to your budget development, we recommend you use these guidelines for your FY 2022 Offertory:

1. July, August, and September – budget offertory at existing pandemic levels
2. October and November – budget existing pandemic levels plus 5%
3. December, January, and February – budget existing pandemic levels plus 10%
4. March, April, and May – budget existing pandemic levels plus 15%
5. June – budget existing pandemic levels plus 20%

Assumptions:

1. The analysis takes a very conservative approach to estimating offertory levels due to the uncertainty surrounding guidelines yet to be established for gathering set by the State and Federal agencies.
2. Social distancing of 6 ft will continue to be required at each Mass.
3. The assumptions would be subject to change based on guidance from State and Federal agencies on re-opening.

In applying these guidelines, you need to evaluate the level of consistent giving, particularly, online giving during the next year, as compared to prior year's level of giving.

It is impossible to measure the intangible impact of how people will feel about gathering in larger groups once most of the population has received the COVID-19 vaccine. It will be necessary to regularly monitor the actual results to the budget to ensure the budgeted giving level is meeting budget expectations. It will be critical to monitor your specific giving levels during the recovery period.

SUGGESTED GUIDELINES: Parish Fundraising

As we stated last year it may not be feasible or possible to have the same or typical fundraising events as in the pre-pandemic years. The ability to gather in larger numbers and parishioner's willingness to do so will inhibit the types of fundraising activities. Strict compliance with social distancing, limited crowds and mask wearing is expected to continue for some time based on the recommendations from local, State, and Federal governments.

Bingo is not permitted at this time; it is unknown when it will be permitted to resume. Alternative fundraising ideas need to focus on events or activities that don't require parishioners to gather in large groups and can be done digitally or by mail, such as raffles where tickets could be purchased. The activity for the upcoming year will be similar to FY 2021; planning for parish fundraising will be done through online "virtual" meeting formats. Fundraising examples might include:

1. An event with the highest efficiency and with the highest return – low overhead combined with the probability of income sufficient to meet the budgetary goals
2. Flexible dates of implementation may be necessary for the parish to do whatever preparation is required
3. Something that would lend itself to strong promotion in all forms of media.

SUGGESTED GUIDELINES: Expenses

Budgeting for expenses in FY 2022 will most likely require adjustments from last year's budget based on mass attendance and programmatic changes made during the past year of the pandemic. Due to limited programs in FY 2020 and FY 2021, some expenses such as building heat and air conditioning have been lower than pre-pandemic levels. If capacity levels and social distancing requirements are loosened during FY 2022, you may need to adjust your budget related to these types of expenses.

The first step is to identify and budget the fixed costs. Examples of costs that are unavoidable and paid on a regular basis would include:

1. Priest stipends and benefits
2. Utilities: heat, lights, cable, water and sewer, phone
3. Property Insurances
4. Food
5. Existing equipment leases or equipment contracts
6. Bank fees

The second step is to identify the core mission activity and programs necessary to continue to serve your community. This may need to be adjusted during FY 2022. Our capacity will be tied to Federal and State guidelines. As more information comes out, be aware of the changing guidelines and the impact on your budget. It is critical to continue the virtual base activity. People may not feel comfortable gathering in larger groups. The parish will need to continue to provide live streaming Masses as physical attendance at Mass will continue to be limited based on social distancing guidelines and restrictions.

The third step will be to back into the staffing model needed to continue the core mission-based activity identify in step two, balanced with the remaining resources available.

The fourth step leaves the discretionary (non-essential) expenses that can be considered if funding is available.

It will be critical during the fiscal year to monitor the parish revenue streams and adjust spending accordingly. Cost reduction and cost control will be necessary to maintain sufficient cashflow to pay parish bills.

Parish and School Budget Preparation Guide

SECTION II

Lay Compensation and Benefit Costs

Lay Compensation and Group Benefit

- Lay staff salaries should be based on planned performance review for budgetary purposes.
- The parish will make the determination of whether an individual providing services to the parish should be classified as an employee or as an independent contractor. This determination is based on specific criteria guidelines. For information to assist in determining whether an individual is an employee or independent contractor, please consult the following website from the Massachusetts Attorney General's Office at: <https://www.mass.gov/service-details/independent-contractors> .

SOCIAL SECURITY AND MEDICARE

The employer is liable for Social Security and Medicare taxes as follows:

- Social Security: 6.2 % on gross salary up to \$142,800 for period Jan 1, 2021 to Dec. 31, 2021.
- Medicare: 1.45% on gross salary for the period Jan 1, 2021 to Dec. 31, 2021.

MEDICAL AND DENTAL INSURANCE COSTS

The guidelines for the employer share of the total health insurance premium is as follows:

Enhanced Health Plan		
	Parish/School	Employee
Employee	75%	25%
Employee +1	60%	40%
Family	60%	40%
Basic Health Plan		
	Parish/School	Employee
Employee	85%	15%
Employee +1	65%	35%
Family	65%	35%
High Deductible Plan		
	Parish/School	Employee
Employee	95%	5%
Employee +1	75%	25%
Family	75%	25%
Dental Plan		
	Parish/School	Employee
Employee	0%	100%
Family	0%	100%

**ARCHDIOCESE OF BOSTON
PARISH SERVICES**

The total annual cost, for **budgetary** purposes only, are provided below based on the above guidelines. Each parish/school needs to evaluate the relevant percentage of the costs for Enhanced and Basic that can be covered by the parish based on their individual budgetary constraints. This budget amount is based on the current monthly rates as of July 1, 2021. Beginning in FY2022, the High Deductible Health Plan is a new plan that will be accompanied by an HSA. The cost share for the HDHP is set for all parishes as outlined on page 8.

There is no change to the Dental Plan rates. Dental coverage is paid in full by the employee and should not be included for budgeting purposes.

Enhanced Health Plan	
Annual Cost	Medical Plan
Employee	\$8,635.56 per employee
Employee +1	\$19,423.44 per employee
Family	\$24,171.24 per employee
Basic Health Plan	
Annual Cost	Medical Plan
Employee	\$7,341.72 per employee
Employee +1	\$16,513.32 per employee
Family	\$20,550 per employee
High Deductible Health Plan with HSA	
Annual Cost	Medical Plan
Employee	Employee = \$315.20 Employer= \$5,988.76
Employee +1	Employee = \$3544.77 Employer= \$10,634.30
Family	Employee = \$4,411.26 Employer= \$13,233.80
Dental Plan	
Annual Cost	Dental Plan
Employee	\$568.44 per employee
Family	\$1,301.64 per employee

MEDICAL INSURANCE FOR TEMPORARY EMPLOYEES

Pursuant to the Patient Protection and Affordable Care Act (PPACA), employees scheduled or reasonably expected to be compensated for 30+ hours per week must be offered medical insurance coverage no later than 90 days from date of hire. Therefore, when budgeting for employees who are considered “temporary,” including substitute teachers or per diem employees, locations should include the cost of medical insurance (and dental insurance if paid for by the location) if these individuals will be compensated for 30+ hours per week for more than 90 days.

GROUP LIFE INSURANCE, LONG-TERM DISABILITY, TRANSITION ASSISTANCE PROGRAM AND RETIREMENT PLAN

An employee becomes eligible for coverage in the Group Life Insurance Plan, Long Term Disability Plan, and the Transitional Assistance Program after working one continuous year as a full-time employee. To be considered a full-time employee, the employee must work 1,000 hours or more in a year.

Group Life Insurance (\$0.232 per \$1,000 of Covered Amount) based on eligibility.

The life insurance benefit coverage is 2 times annual salary, rounded up to next \$1,000, for employees up to age 65; 1.6 times annual salary for employees age 65-70; 1.2 times annual salary for employees age 70+.

Long Term Disability (\$0.252 per \$100 of covered salary per month) based on eligibility.

The salary used for calculating premiums for long term disability is the employee’s annual salary.

Transition Assistance Program (TAP) (0.394% X Salary) based on eligibility.

The RCAB is not eligible to participate in the Massachusetts unemployment insurance program. The Transition Assistance Program (TAP) was instituted in the 1990’s as a self-funded unemployment program that provides eligible employees with unemployment benefits comparable to state unemployment benefits. Premiums are charged to all parishes for the TAP program as a premium of 0.394% of covered salaries.

MA Catholic Care Paid Family and Medical Leave Program

Due to the Covid 19 Pandemic during FY20 and FY21, the MA Catholic Care Paid Family and Medical Leave Program was not finalized. Discussions will begin again for the possible implementation in FY22. More information to follow.

401(k) Retirement Savings Plan based on eligibility

All benefit-eligible lay employees of RCAB are automatically enrolled in the 401(k) Plan with a 3% pre-tax payroll deduction during the first pay-period following 45 days after hire date. Employees may opt out of this automatic enrollment or may decide to defer more or less than 3% of pay.

All lay employees who meet the eligibility criteria below are entitled to a 401(k) Plan employer contribution from the parish of 4.15% of eligible wages (4.0% into the employee's account, and 0.15% to offset Plan expenses):

1. The employee has worked at least 12 months and
2. has worked 1000 hours during those 12 months of employment

The employer contribution formula is a dollar for dollar matching contribution on the first 3.0% contributed, plus 50 cents on the dollar matching contribution on the next 2.0% contributed. Thus, a lay employee must contribute at least 5.0% of his own compensation to receive the full 4.0% employer contribution. All wages are considered 401(k) eligible effective. Imputed income and non-taxable reimbursements are not considered eligible wages. Because all benefit-eligible lay employees are being encouraged to contribute this minimum amount, *for budget purposes, an amount of 4.15% of payroll wages should be used for the 401(k)-retirement plan.*

Budgeting for Pension Plan

For budget purposes, the parish will need to include an amount for the prior frozen Defined Benefit Pension Plan as well. This Plan billing was communicated to parishes in December 2011 as a bulk amount, not tied to specific employee participation in the Pension Plan. This bulk amount that is currently billed on your monthly central billing statement should be used as the budget amount in the line item 5106 Pension Plan for FY 2022.

Parish and School Budget Preparation Guide

SECTION III

Clergy Remuneration and Benefit Costs

ARCHDIOCESE OF BOSTON
REMUNERATION AND BENEFITS POLICY FOR
BOSTON AND OTHER DIOCESAN PRIESTS
Fiscal Year 2022 – For Budget Purposes Only
Introduction

The remuneration and benefits below are standard for any priest of the Archdiocese of Boston and any priest from another (Arch) diocese who is assigned by the Archbishop of Boston to an assignment within the Archdiocese. Any variation above or below these figures must be approved on an annual basis by the Episcopal Vicar for Clergy. For priests who are serving in two or more part-time assignments, combined remuneration and benefits are not to exceed what is allowed for in this policy. This does not include remuneration for additional ministry beyond one's official assignment[s] such as a parish priest teaching a course, a priest in special ministry assisting in a parish on weekends, or a priest invited to give an address/talk/workshop within or outside the Archdiocese, provided that the additional ministry does not have a negative impact on a priest's assigned ministry.

Please note the following Archdiocesan policies:

1. In accordance with the traditional custom, offerings to the parish may be accepted on the occasions of baptisms, marriages, and funerals: *Archdiocesan Policy Handbook p. 6315, #1*
2. All gifts and offerings of the faithful at Masses and on other occasions belong to the parish, except:
 - a. Special collections ordered and authorized by the Archbishop which are to be returned to the Pastoral Center or other agency in accord with his instructions,
 - b. The \$10 stipend for a Mass belongs to the celebrant. As stated in the *IRS Audit Guidelines for Ministers*, stipends paid to the celebrant for masses should be reported as income and thus processed through payroll; (*see #3 below*)
 - c. Personal gifts, individually given, which belong to the recipient when the intention of the donor is clearly stated: *Statutes of the Archdiocese of Boston, Book V — 8.*
3. As stated in the decree of the bishops of the Province, in accordance with canon 952, “the offering to be given for the celebration and application of both an announced Mass and an unannounced Mass is Ten Dollars (\$10.00).” This includes a Funeral Mass or Nuptial Mass. Canon 951 permits a priest to accept only one Mass stipend per day, except on Christmas and All Souls Day up to a maximum of three. When pastoral necessity requires a priest to celebrate more than one Mass per day to which an intention is joined, the priest is to donate those stipends to the purpose prescribed by the Ordinary which in the Archdiocese of Boston, is for the Formation of Candidates for the Priesthood – *Canon 951-1.*

REMUNERATION AND BENEFITS – BOSTON AND OTHER DIOCESAN PRIESTS

4. Modest and reasonable Christmas and/or Easter bonuses may be accepted from the parish as an expression of gratitude to priests (including the pastor himself). In total these bonuses should not exceed a maximum of 5% of a priest's annual payment. While giving pastors flexibility in this area, the value of such bonuses should be reflective of those given to other members of the staff. Payment of all bonuses should be made in the context of the parishes' ability to do so. Funds for any bonuses may not be taken from the Christmas or Easter collections, which belong to the Clergy Trust (aka Clergy Funds or Clergy Health and Retirement Trust) but may be drawn from parish/institution funds. All bonuses should be paid through payroll, documented in parish/institution records, and reported in gross income, as stated clearly in the *IRS Audit Guidelines for Ministers*.
5. The ownership, operation and maintenance of an automobile are the sole responsibility of the individual priest and not of the parish/institution/agency to which he is assigned.
6. Parishes are on a common pay period for all priests assigned to a parish. Remuneration for priests is paid in arrears. If a priest is paid monthly the parish where the priest was assigned as of the last day of the month is responsible to pay the priest for that month. Both the current parish and the former parish where the priest was assigned should review to ensure the appropriate amount is paid by the respective parishes during the transition.

If a priest is paid bi-weekly, the parish where the priest is assigned at the end of the pay period is responsible to pay the priest for that pay period. The previous parish and the new parish shall communicate with each other on the payroll transition to ensure the payroll is accurate. A priest remuneration payment can be paid on a bi-weekly or monthly basis. A priest remuneration payment can be paid on a bi-weekly or a monthly basis.

The above policies are those followed for all audits of parishes, institutions, and agencies. They will also be made available any time the Archdiocese is asked by the IRS and/or Commonwealth to provide information due to the tax audit of any individual priest.

REMUNERATION AND BENEFITS – BOSTON AND OTHER DIOCESAN PRIESTS

TAXABLE INCOME

REMUNERATION

1. Base Stipend:

The base stipend for an Archdiocesan priest for fiscal year 2022 is \$30,867 effective July 1, 2021. According to the new COLA (cost of living adjustment) policy, the annual salaries, wages, and stipends will be based upon the preceding year-over-year change in the Boston CPI-W as taken from the Bureau of Labor Statistics' November report. If the change in the Boston CPI-W increased year-over year, the COLA shall be the lesser of the actual change in the Boston CPI-W or double the previous COLA. If the change in the Boston CPI-W decreased year-over-year, the COLA shall be the greater of the actual change in CPI-W or half the previous COLA. If there is no change in the CPI-W year-over-year, then the COLA remains the same for the next year. The consumer price index for Boston CPI-W rose by 0.3% for the twelve-month period ending November 2020. See appendix.

2. Professional Allotment:

Each priest is responsible for his professional ministry expenses such as routine mileage, parking, tolls, and public transportation related to ministry, study weeks, workshop days and continuing education programs, publications, books, professional dues, clerical clothing and vestments for personal use, and days of recollection and spiritual enrichment programs except the Archdiocesan Convocation and the annual retreat [see below]. These ministry expenses are covered by the \$6,000 professional allotment portion of the Archdiocesan priest's remuneration.

3. Seniority Increment:

All priests ordained 0-10 years receive a ten-year fixed seniority increment of \$1,000; beginning at year eleven, the increment builds \$100 each year, capping at the fiftieth year.

4. Newly Ordained Priests:

Priest that are ordained during this fiscal year will be paid using the Remuneration Schedule in effect for the first year of ordination listed on the schedule.

5. Senior Priests:

In those circumstances when an Archdiocesan Senior Priest (of the Archdiocese of Boston) is officially assigned by the Archbishop, the receiving parish or agency is to pay the priest for the difference of what he would be making as an active priest (based on his year of ordination) less his senior priest stipend. The parish or agency is not responsible for the senior priest's medical insurance.

6. Guidance on Offerings to Visiting Priests:

Pastors may give an offering to a visiting priest for assisting at a parish to which he is not assigned to celebrate a mass. The suggested offering is \$100 and would be considered taxable income. This would include the \$10 for an intention mass and if applicable transportation costs.

Pastors may give an offering to a visiting priest for assisting at a parish to which he is not assigned to hear confessions. The suggested offering is a range of \$50-\$100 and would be considered taxable income.

REMUNERATION AND BENEFITS – BOSTON AND OTHER DIOCESAN PRIESTS

Please Note:

All priests are to enroll in Social Security. Not participating in Social Security may prevent a priest from accumulating 40 quarters which is needed to qualify for Medicare A and B at age 65 and therefore place an increased burden on the Clergy Trust.

Enrolled priests pay the total 15.3 percent Social Security tax on their income. The remuneration includes a supplement to assist with Social Security cost, and it is included as part of the base stipend since it is taxable for both Federal Income and Social Security taxes. There is a separate "Archdiocesan Priest Remuneration Payment Schedule" for priests "not participating in the Social Security Program." Remuneration for incardinated priests that do not participate in Social Security is reduced by 25 percent. To obtain a copy of this payment schedule for priests not participating in the Social Security Program contact the Episcopal Vicar for Clergy.

Each priest is to notify the parish or institution to which he is assigned as to whether he is part of the Social Security program. In turn, pastors/administrators/supervisors are to notify the Executive Director of the Clergy Trust in writing of all priests not participating in the Social Security Program. Each parish/institution will send Clergy Trust the 25% difference to assist with the greatly increased cost of health care needs for priests not eligible for Medicare.

Automobile Insurance

The parish or institution to which a priest is assigned will pay the first \$800 annually for automobile insurance, with the priest himself paying the balance. The priest must submit a copy of his auto insurance bill to secure reimbursement. Priests not assigned to a parish or Archdiocesan institution are not eligible for auto insurance assistance.

A priest who is assigned to a parish or Archdiocesan institution in one of the following areas designated by the Commonwealth of Massachusetts as a high insurance area - Boston, Brockton, Chelsea, Everett, Lawrence, Lowell, Lynn, Revere and Somerville - and pays \$1,500 or more annually, may request an additional amount of compensation for the cost of his insurance from the parish or institution to which he is assigned, according to the following scale:

High Insurance Area Scale:

Total bill \$1,500 to \$1,600	... \$900 paid by parish/institution
Total bill \$1,601 to \$1,700	... \$1,000 paid by parish/institution
Total bill \$1,701 to \$1,800	... \$1,100 paid by parish/institution
Total bill \$1,801 to \$1,900	... \$1,200 paid by parish/institution
Total bill \$1,901 to \$2,000	... \$1,300 paid by parish/institution
Total bill \$2,001 to \$2,100	... \$1,400 paid by parish/institution
Total bill \$2,101 and over	... \$1,500 paid by parish/institution (<i>maximum payment</i>)

This compensation for auto insurance is taxable income for Federal, State and Social Security taxes and must appear on the W-2 form at the end of the year.

REMUNERATION AND BENEFITS – BOSTON AND OTHER DIOCESAN PRIESTS

Priests are encouraged to participate in the automobile insurance program offered through the Archdiocese of Boston. If you would like information on this program contact Joseph McEnness, Executive Director of the Office of Risk Management at (617) 746-5740 or email Joseph_McEnness@rcab.org.

Room and Board

The parish or institution to which the priest is assigned provides room and board. The fair market value for room and board remains at \$600 per month. This amount is \$7,200 annually and is taxable to the individual priest for Social Security purposes only.

Meals Policy

With many rectories no longer employing a cook, a priest is entitled to reimbursement for his meals, of a reasonable cost that are eaten offsite, with a properly completed expense report accompanied by receipts. A “stipend” for his periodic meals unsupported by specific receipts, is not permitted.

Moving Expenses at the Time of Transfer

The receiving parish is responsible to assist with the moving expenses up to a maximum of \$800. This reimbursement for moving expenses is taxable income for Federal, State and Social Security taxes and must appear on the W-2 form at the end of the year. For a priest moving to a seminary, the seminary pays for his moving expenses. For a priest going on Lend Lease, the receiving institution pays for his moving expenses. Retiring priests pay for their own moving costs unless the parish assists as a token of gratitude.

NON-TAXABLE INCOME/BENEFITS

Retreat

The parish or institution to which a priest is assigned will pay up to \$750 annually for a priest's retreat. These amounts include the fee paid directly by the parish/institution to the institution sponsoring the retreat and reimbursement for travel expenses up to the annual limit. Priests not assigned to a parish or Archdiocesan institution are not eligible for this retreat benefit. A priest is entitled to up to 8 days for a retreat annually. The retreat days do not carryover from one year to the next, if not used. "Each diocesan priest is to make a spiritual retreat every year. If a priest wishes to make a retreat at a time and place other than the retreats scheduled by the Archdiocese, he is to inform the Vicar General/Moderator of the Curia of his plans in writing." : *Statutes of the Archdiocese of Boston Book II — 17, Canon 276.*

Priest Convocation(s)

The parish or institution to which a priest is assigned is to pay the cost for the Archdiocesan priest convocation(s).

Continuing Education

It is the expectation of the Church that all priests participate in ongoing formation. This includes regular meetings with a spiritual director, an annual retreat and continuing education. This expectation is outlined in the documents *Pastores Dabo Vobis* and the *Basic Plan for the Ongoing Formation of Priests* by the United States Bishops. Part of the \$6,000 professional allotment is to help priests cover the cost of continuing education.

Those in the first 5 years of their priesthood are expected to participate in the Cardinal's program of Ongoing Formation. The cost for this is covered by the parish where the priest is assigned. The priest is entitled to 5 days away from his assignment each year to participate in ongoing education.

REMUNERATION AND BENEFITS – BOSTON AND OTHER DIOCESAN PRIESTS

Resources for Parish Ministry

It is expected that all priests assigned to parishes will be given the necessary tools for ministry. This includes a cell phone, office, computer, and a credit card for ministry related purchases. These are to be provided by and paid for by the parish to provide the tools necessary for the priests to carry out his pastoral ministry. Each priest is responsible for maintaining these items in good working order and ensuring their security and safe keeping.

When a priest is reassigned these items are to be returned to the parish or collaborative as they remain the property of the parish that purchased them. Equipment that is intended for personal use should be purchased directly by a priest.

Vacation Time

A priest is entitled to one month of paid vacation time each year. Each priest in consultation with their pastor or supervisor is to ensure coverage during this absence. The parish or institution to which a priest is assigned is responsible to pay the priest while on vacation. Vacation time is an annual allotment that does not carry over if unused, nor can it be paid out if unused — *Statutes of the Archdiocese of Boston, Book II — 51, Canon 533.2.*

Clergy Benefits (formerly Medical Insurance)

The parish or institution to which a priest is assigned pays the Clergy Trust benefits assessment which includes medical, dental, and other benefits. The annual assessment for fiscal year 2022 will remain at \$17,640; however, this amount is under review and may change prior to July 1, 2021.

An incardinated priest who is assigned, with the permission of the Archbishop, to a non-archdiocesan institution will either receive medical insurance from his employer, or the employer or the priest himself will pay the Clergy Trust benefits assessment.

Parish priests are eligible for Medicare at age 65 and should enroll in Medicare. For a priest working in a parish or who recently transferred to a parish with less than 20 employees, Medicare A and B then becomes the Primary insurance for medical expenses. Clergy Trust Tufts Health Plan becomes the Secondary insurance which will cover all other approved medical expenses and prescriptions beyond Medicare.

The parish or institution to which an active priest at age 65 qualifies for Medicare, based on the number of employees, pays the Clergy Trust benefits assessment minus the monthly cost of Medicare part B for the priest. The parish or institution reimburses the priest for the Medicare Part B payment.

Non-incardinated diocesan priests assigned by the Archbishop of Boston to an archdiocesan assignment may be insured through the priest's home diocese with the parish or archdiocesan institution to which he is assigned reimbursing the home diocese for the actual cost (the annual approved amount as stated above), or, if such coverage is not available, may, if approved, be insured through the lay-employee health plan of the Archdiocese of Boston, with the parish or archdiocesan institution paying the premium. Religious priests are provided for in the section of policy pertaining to them.

REMUNERATION AND BENEFITS – BOSTON AND OTHER DIOCESAN PRIESTS

The parish or Archdiocesan institution is responsible for paying the entire amount of both monthly premiums for non-incardinated diocesan priests assigned by the Archbishop of Boston to an Archdiocesan assignment that are on the lay employee health and dental plan of the Archdiocese of Boston. The parish or Archdiocesan institution is responsible to reimburse the priest for the first \$750 in deductibles and/or coinsurance costs under the Blue Cross Plan. The priest is responsible for deductibles and/or coinsurance costs above the \$750 under the Blue Cross Plan.

Retirement Funding

An incardinated priest who is assigned, with the permission of the Archbishop, to a non-archdiocesan institution will make an annual contribution of \$7,200 to the Clergy Trust, either through his employer or by himself directly, unless he is enrolled in a retirement or pension plan through that institution and as a result will not be eligible for retirement benefits from the Clergy Trust. Examples of such retirement or pension plans are priests who qualify for retirement benefits because of service as chaplain for: active duty military, VA Hospitals, state prisons, general hospitals or universities.

Incardinated priests assigned to locations within the Archdiocese are eligible to participate in the RCAB 401(k) Plan. Each eligible priest who makes contributions (either through Roth or pre-tax deferrals) will receive a matching employer contribution in an amount equal to 100% of the first 3% of compensation contributed, plus 50% of the next 2% of compensation contributed. To receive the full 4.0% employer contribution, the eligible priest must contribute at least 5.0% of his own eligible compensation to the 401(k) Plan effective January All wages (priest stipend, Mass stipends, bonuses, etc.) are considered 401(k)-eligible. Imputed income and non-taxable reimbursements are not considered eligible wages. Because all eligible priests are being encouraged to contribute this minimum amount, *for budget purposes, an amount of 4.15% of payroll wages should be used for the 401(k)-retirement plan.* The employer contribution amounts will be reviewed annually. *See appendices for examples of contribution levels for the 401(k) plan.* Information regarding priest participation is available on the Catholic Benefits website at:

www.catholicbenefits.org/401k/401k.htm and then select [RCAB 401\(k\) Plan Priest Highlights](#).

Personal Property Insurance

A priest of the Archdiocese of Boston serving in an assignment within the Archdiocese is provided \$20,000 of personal effects insurance through the Archdiocese (at no cost to the priest). All individual personal items valued at \$1,500 or more should be inventoried and sent to the RCAB Risk Management Department. Please contact the RCAB Risk Management Department for further details.

ADDITIONAL PERSONNEL REQUIREMENTS

Form I-9 Requirements

All persons providing services in exchange for wages or other compensation at any RCAB location (Parish, Shrine, Worship site, School, Hospital, Apostolate, Seminary or Pastoral Center) must comply with federal law using the Form I-9 process to verify both identity and employment eligibility. There is no exception for priests. If the Form I-9 process shows that the person is not in fact authorized to work, then the person may not work or provide services in exchange for compensation or hospitality. All persons in the United States enjoy freedom of worship, and a priest who lacks employment authorization is still free to say Mass as an act of worship. He is not,

REMUNERATION AND BENEFITS – BOSTON AND OTHER DIOCESAN PRIESTS

however free to provide religious services in exchange for compensation. Thus, a nonwork-eligible priest should not receive any stipend or have any appearance of employment such as an office or set schedule of duties.

Priests who are receiving compensation for religious services provided must have a Form I-9 completed on or before the first date of employment. The priest has three days from start of hire to provide supporting documentation to the employer (e.g. Pastor); the Parish or Institution must complete Section 2 at the time the documents are presented. All documentation is to be presented in person and must be original documents. The Form I-9 is to be kept in a separate secure location from the personnel file at that location and remain on file for time required by law at the end of that priest's services. If an RCAB location has questions on completing a Form I-9, that location should contact the Human Resources Department at the Pastoral Center.

The following resources are recommended for completing the Form I-9 form:

The handbook for employers: <https://www.uscis.gov/i-9-central/handbook-employers-m-274>

The most current Form I-9 and instructions: <https://www.uscis.gov/i-9>

R-1 Religious Workers and Sponsorship Requirements

For priests that are not U.S. Citizens nor are Permanent Residents, a common form of temporary work status will be that of an R-1 Visa.

Pastors and other RCAB agency/location heads that are seeking to employ a priest or deacon who might require temporary work status, should make a formal request to the Archdiocese's Secretariat for Ministerial Personnel. The Secretariat is responsible for authorizing all cases involving the sponsorship of priests and deacons. Costs associated with obtaining such a visa/status are normally borne by the entity requesting it.

Please note that R-1 status only allows the cleric to receive compensation from the entity that sponsored them – no one else. The name of the sponsoring agency should be shown on the documentation. Parishes or agency/locations that are looking to compensate a priest or deacon who already has R-1 status, should ensure this compliance in advance. Any questions about this can be brought to the Human Resources Department at the Pastoral Center.

Priests without a work-authorized status permitting them to work specifically for your organization (e.g. under appropriate circumstances R-1, CPT, OPT), as evidenced by a properly completed I-9, still have freedom of worship and may be permitted to celebrate Mass. They may not receive any form of compensation. They may not have an office or a set schedule of duties.

Reference Guide on Classifications of Priests

This guide is meant as a resource when determining how priests are paid, their benefits, and forms required based on the applicable priest category. See Appendices.

REVIEW

This remuneration policy will be in force for fiscal year 2022 and reviewed annually thereafter unless rescinded or amended by the Archbishop.

ARCHDIOCESE OF BOSTON
REMUNERATION AND BENEFITS FOR RELIGIOUS ORDER PRIESTS
ASSIGNED BY THE ARCHBISHOP TO AN ARCHDIOCESAN ASSIGNMENT
Fiscal Year 2022 – For Budget Purposes Only

Introduction

The remuneration and benefits below are standard for any priest of a religious congregation who is assigned by the Archbishop of Boston to an Archdiocesan assignment. Any variation above or below these figures must be approved on an annual basis by the Episcopal Vicar for Clergy. For priests who are serving in two or more part-time assignments, combined remuneration and benefits is not to exceed what is allowed for in this policy. This does not include remuneration for additional ministry beyond one's official assignment[s] such as a parish priest teaching a course, a priest in special ministry assisting in a parish on weekends, or a priest invited to give an address/talk/workshop within or outside the Archdiocese, provided that the additional ministry does not have a negative impact on a priest's assigned ministry.

Please note the following Archdiocesan policies:

1. In accordance with the traditional custom, offerings to the parish may be accepted for baptisms, marriages, and funerals. — *Archdiocesan Policy Handbook p. 6315, #1*
2. All gifts and offerings of the faithful at Masses and on other occasions belong to the parish, except:
 - a. Special collections ordered and authorized by the Archbishop, which are to be returned to the Pastoral Center or other agency in accord with his instructions.
 - b. The \$10 stipend for a Mass which belong to the celebrant; (*see #3 below*)
 - c. Personal gifts, individually given, which belong to the recipient when the intention of the donor is clearly stated. — *Statutes of the Archdiocese of Boston, Book V — 8.*
3. As stated in the decree of the bishops of the Province, in accordance with canon 952, “the offering to be given for the celebration and application of both an announced Mass and an unannounced Mass is Ten Dollars (\$10.00).” This includes a Funeral Mass or Nuptial Mass. Canon 951 permits a priest to accept only one Mass stipend per day, except on Christmas and All Souls Day. When pastoral necessity requires a priest to celebrate more than one intention Mass per day to which an intention is joined, the priest is to donate those stipends to the purpose prescribed by the Ordinary which in the Archdiocese of Boston, is for the Formation of Candidates for the Priesthood – *Canon 951-1.*
4. Modest and reasonable Christmas and/or Easter bonuses may be accepted from the parish as an expression of gratitude to priests (including the pastor himself). In total these bonuses should not exceed a maximum of 5% of a priest's annual payment. While giving pastors flexibility in this area, the value of such bonuses should be reflective of those given to other members of the staff. Payment of all bonuses should be in made in the context of the parishes' ability to do so. Funds for any bonuses may not be taken from the Christmas or Easter collections, which belong to the Clergy Trust (aka Clergy Funds or Clergy Health and Retirement Trust) but may be drawn from parish/institution funds.

REMUNERATION AND BENEFITS FOR RELIGIOUS ORDER PRIESTS

5. The ownership, operation and maintenance of an automobile are the sole responsibility of the individual priest or religious congregation and not of the parish/institution/agency to which he is assigned.
6. All parishes are on a common pay period for priests assigned to the parish. While the Priest Remuneration Policy expresses remuneration as a monthly amount, priest stipends may also be paid on a bi-weekly basis. If a priest is paid monthly the parish where the priest was assigned as of the last day of the month is responsible to pay the priest for the month. If a priest is paid bi-weekly, the parish where the priest is assigned at the end of the pay period will be responsible to pay the priest for that pay period. Remuneration for each priest is paid in arrears.

The above policies are those followed for all audits of parishes, institutions and agencies. They will also be made available any time the Archdiocese is asked by the IRS and/or Commonwealth to provide information due to the tax audit of any religious congregation or individual priest.

Remuneration

1. Base Stipend:

The base stipend for a Religious Order priest for fiscal year 2022 is \$28,390 effective July 1, 2021. According to the new COLA (cost of living adjustment) policy, the annual salaries, wages, and stipends will be based upon the preceding year-over-year change in the Boston CPI-W as taken from the Bureau of Labor Statistics' November report. If the change in the Boston CPI-W increased year-over-year, the COLA shall be the lesser of the actual change in the Boston CPI-W or double the previous COLA. If the change in the Boston CPI-W decreased year-over-year, the COLA shall be the greater of the actual change in CPI-W or half the previous COLA. If there is no change in the CPI-W year-over-year, then the COLA remains the same for the next year. The consumer price index for Boston CPI-W rose by 0.3% for the twelve-month period ending November 2020. See appendix.

2. Professional Allotment:

Each priest is responsible for his professional ministry expenses such as routine mileage, parking, tolls, and public transportation related to ministry; study weeks, workshop days and continuing education programs; publications, books, professional dues, clerical clothing and vestments for personal use; and days of recollection and spiritual enrichment programs except the Archdiocesan Convocation and the annual retreat [see below]. These ministry expenses are covered by the \$4,800 professional allotment portion of the religious order priest's remuneration.

3. Seniority Increment:

All priests ordained 0-10 years receive a ten-year fixed seniority increment of \$1,000. Beginning at year eleven, the increment builds \$100 each year, capping at the fiftieth year.

REMUNERATION AND BENEFITS FOR RELIGIOUS ORDER PRIESTS

4. Guidance on Offerings to Visiting Priests:

Pastors may give an offering to a visiting priest for assisting at a parish to which he is not assigned to celebrate a mass. Typically, such a stipend falls in the range of \$75 to \$125 and would be considered taxable income. This would include the \$10 for an intention mass and if applicable transportation costs. Pastors may give an offering to a visiting priest for assisting at a parish to which he is not assigned to hear confessions. The suggested offering is a range of \$50-\$100 and would be considered taxable income.

Automobile Insurance

The parish or institution to which a priest is assigned will pay the first \$800 annually for automobile insurance, with the priest himself paying the balance. The priest must submit a copy of his auto insurance bill to secure reimbursement. Priests not assigned to a parish or Archdiocesan institution are not eligible for auto insurance assistance.

A priest who is assigned to a parish or Archdiocesan institution in one of the following areas designated by the Commonwealth of Massachusetts as a high insurance area - Boston, Brockton, Chelsea, Everett, Lawrence, Lowell, Lynn, Revere and Somerville - and pays \$1,500 or more annually, may request an additional amount of compensation for the cost of his insurance from the parish or institution to which he is assigned, according to the following scale:

High Insurance Area Scale:

Total bill \$1,500 to \$1,600	... \$900 paid by parish/institution
Total bill \$1,601 to \$1,700	... \$1,000 paid by parish/institution
Total bill \$1,701 to \$1,800	... \$1,100 paid by parish/institution
Total bill \$1,801 to \$1,900	... \$1,200 paid by parish/institution
Total bill \$1,901 to \$2,000	... \$1,300 paid by parish/institution
Total bill \$2,001 to \$2,100	... \$1,400 paid by parish/institution
Total bill \$2,101 and over	... \$1,500 paid by parish/institution (<i>maximum payment</i>)

This compensation for auto insurance is taxable income for Federal, State and Social Security taxes and must appear on the W-2 form at the end of the year.

Priests are encouraged to participate in the automobile insurance program offered through the Archdiocese of Boston. If you would like information on this program contact Joseph McEnness, Executive Director of the Office of Risk Management at (617) 746-5740 or email Joseph_McEnness@rcab.org.

Room and Board

The fair market value for room and board remains at \$600 per month. This amount is \$7,200 annually. The parish or institution to which the priest is assigned provides room and board.

Meals Policy

With many rectories no longer employing a cook, a priest is entitled to reimbursement for his meals, of a reasonable cost that are eaten offsite, with a properly completed expense report accompanied by receipts. A "stipend" for his periodic meals unsupported by specific receipts, is not permitted.

REMUNERATION AND BENEFITS FOR RELIGIOUS ORDER PRIESTS

Retreat

The parish or institution to which a priest is assigned will pay up to \$750 annually for a priest's retreat. These amounts include the fee paid directly by the parish/institution to the institution sponsoring the retreat and reimbursement for travel expenses up to the annual limit. Priests not assigned to a parish or archdiocesan institution are not eligible for this retreat benefit. A priest is entitled to up to 8 days for a retreat annually. The retreat days do not carryover from one year to the next if not used: *Statutes of the Archdiocese of Boston, Book II - 17, Canon 276.*

Priest Convocation(s)

The parish or institution to which a priest is assigned is to pay the cost for the Archdiocesan priest convocation(s). These amounts include the registration fee paid directly by the Archdiocese and reimbursement for mileage expenses.

Continuing Education

It is the expectation of the Church that all priests participate in ongoing formation. This includes regular meetings with a spiritual director, annual retreat and continuing education. This expectation is outlined in the documents; *Pastores Dabo Vobis* and the *Basic Plan for the Ongoing Formation of Priests* by the United States Bishops. Part of the \$4,800 professional allotment is to help priests cover the cost of continuing education.

Those in their first 5 years of their priesthood are expected to participate in the Cardinal's program of Ongoing Formation. The cost for this is covered by the parish where the priest is assigned. The priest is entitled to 5 days away from his assignment each year to participate in ongoing education.

Resources for Parish Ministry

It is expected that all priests assigned to parishes will be given the necessary tools for ministry. This includes a cell phone, office, computer and a credit card for ministry related purchases. These are to be provided by and paid for by the parish to provide the tools necessary for the priests to carry out his pastoral ministry. Each priest is responsible for maintaining these items in good working order and ensuring their security and safe keeping.

When a priest is reassigned these items are to be returned to the parish or collaborative as they remain the property of the parish that purchased them. Equipment that is intended for personal use should be purchased directly by a priest.

Vacation Time

A priest is entitled to one month of paid vacation time each year. Each priest in consultation with their pastor or supervisor is to ensure coverage during this absence. The parish or institution to which a priest is assigned is responsible to pay the priest while on vacation. Vacation time is an annual allotment that does not carry over if unused, nor can it be paid out if unused: *Statutes of the Archdiocese of Boston, Book II — 51, Canon 533.2.*

Medical and Dental Insurance

The parish or institution to which a priest is assigned pays the benefits assessment premium. A religious order priest may be insured through his religious community with the parish or archdiocesan institution he is assigned to reimbursing the community for the actual cost of the medical insurance up to \$17,640 annually (however, this

REMUNERATION AND BENEFITS FOR RELIGIOUS ORDER PRIESTS

amount is under review and may change prior to July 1, 2021). If such coverage is not available, a religious order priest may, if approved, be insured through the lay-employee health plan of the Archdiocese of Boston, with the parish or archdiocesan institution paying the premium.

A religious order priest may, if approved, be insured through the lay employee health and dental plan of the Archdiocese of Boston, with the parish or Archdiocesan institution paying the entire amount of both monthly premiums.

The parish or Archdiocesan institution is responsible to reimburse the religious order priest for the first \$750 in deductibles and/or coinsurance costs under the Blue Cross Plan. The religious order priest is responsible for deductibles and/or coinsurance costs above the \$750 under the Blue Cross Plan.

Retirement Benefits

Funding for retirement benefits are generally provided to religious communities through the Christmas and Easter collections of the parishes in the Archdiocese staffed by the religious community. When a priest is assigned to a parish or archdiocesan institution other than one staffed by his religious community, his community shall be entitled to receive \$300 annually from the parish or the archdiocesan institution to which the priest is assigned.

Priests not incardinated in the Archdiocese of Boston do not qualify for retirement benefits provided by the Archdiocese of Boston.

ADDITIONAL PERSONNEL REQUIREMENTS

Form I-9 Requirements

All persons providing services in exchange for wages or other compensation at any RCAB location (Parish, Shrine, Worship site, School, Hospital, Apostolate, Seminary or Pastoral Center) must comply with federal law using the Form I-9 process to verify both identity and employment eligibility. There is no exception for priests. If the Form I-9 process shows that the person is not in fact authorized to work, then the person may not work or provide services in exchange for compensation or hospitality. All persons in the United States enjoy freedom of worship, and a priest who lacks employment authorization is still free to say Mass as an act of worship. He is not, however free to provide religious services in exchange for compensation. Thus, a nonwork-eligible priest should not receive any stipend or have any appearance of employment such as an office or set schedule of duties.

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REMUNERATION AND BENEFITS FOR RELIGIOUS ORDER PRIESTS

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R-1 Religious Workers and Sponsorship Requirements

For priests that are not U.S. Citizens nor are Permanent Residents, a common form of temporary work status will be that of an R-1 Visa.

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Priests without a work-authorized status permitting them to work specifically for your organization (e.g. under appropriate circumstances R-1, CPT, OPT), as evidenced by a properly completed I-9, still have freedom of worship and may be permitted to celebrate Mass. They may not receive any form of compensation. They may not have an office or a set schedule of duties.

Reference Guide on Classifications of Priests

This guide is meant as a resource when determining how priests are paid, their benefits, and forms required based on the applicable priest category. See Appendices.

REVIEW

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REMUNERATION AND BENEFITS FOR BOSTON AND DIOCEASAN PRIESTS

APPENDICES

COLA CALCULATION METHODOLOGY and EXAMPLES

	<u>IF FY21 COLA Was</u>	<u>Nov. 2020 CPI-W*</u>	<u>IF FY22 COLA Is</u>	
FY22 Budget	0%	0.3%	0.3%	See Calculation #5 Below
Example #1	2.60%	2.00%	2.00%	See Calculation #2 Below
Example #2	2.60%	3.00%	3.00%	See Calculation #1 Below
Example #3	2.60%	2.60%	2.60%	See Calculation #3 Below
Example #4	2.60%	-1.00%	0.00%	See Calculation #4 Below

Calculation #1 With an increase in the CPI-W year-over-year, the COLA shall be the lesser of the actual change in CPI-W or double the previous COLA.

Calculation #2 With a decrease in the CPI-W year-over-year, the COLA shall be the greater of the actual CPI of the current year or half the previous COLA.

Calculation #3 With no change in the CPI-W from prior year, the COLA is the CPI-W for the next year.

Calculation #4 When the CPI-W is 0% or negative, no change shall be made to the stipend amount for the next year.

Calculation #5 Due to extenuating economic conditions there was not an increase to the priest stipend in FY21.

***NOTE: CPI-W is the Consumer Price Index for Urban Wage Earners and Clerical Workers in five MA counties including: Essex, Middlesex, Suffolk, Norfolk, and Plymouth**

REMUNERATION AND BENEFITS FOR BOSTON AND DIOCEASAN PRIESTS

Calculation of Base Stipend FY22			
	0.3%		
Archdiocesan Priest	FY 2021	Increase	FY 2022
Base	\$ 30,775	\$ 92	\$ 30,867
Professional Allotment	6,000	-	\$ 6,000
Senior Increment	1,000	-	\$ 1,000
Total	\$ 37,775	\$ 92	\$ 37,867
	0.3%		
Religious Order Priest	FY 2021	Increase	FY 2022
Base	\$ 28,305	\$ 85	\$ 28,390
Professional Allotment	4,800	-	\$ 4,800
Senior Increment	1,000	-	\$ 1,000
Total	\$ 34,105	\$ 85	\$ 34,190

REMUNERATION AND BENEFITS FOR BOSTON AND DIOCEASAN PRIESTS

ARCHDIOCESAN PRIEST REMUNERATION PAYMENT SCHEDULE FISCAL YEAR 2022 (JULY 2021 - JUNE 2022)						
Year of Ordination	Base Stipend	Professional Allotment - *	Seniority Increment	Total Annual Payment	Total Monthly Payment	Total Bi-Weekly Payment
2021	\$30,867	\$6,000	\$1,000	\$37,867	\$3,155.58	\$1,456.42
2020	\$30,867	\$6,000	\$1,000	\$37,867	\$3,155.58	\$1,456.42
2019	\$30,867	\$6,000	\$1,000	\$37,867	\$3,155.58	\$1,456.42
2018	\$30,867	\$6,000	\$1,000	\$37,867	\$3,155.58	\$1,456.42
2017	\$30,867	\$6,000	\$1,000	\$37,867	\$3,155.58	\$1,456.42
2016	\$30,867	\$6,000	\$1,000	\$37,867	\$3,155.58	\$1,456.42
2015	\$30,867	\$6,000	\$1,000	\$37,867	\$3,155.58	\$1,456.42
2014	\$30,867	\$6,000	\$1,000	\$37,867	\$3,155.58	\$1,456.42
2013	\$30,867	\$6,000	\$1,000	\$37,867	\$3,155.58	\$1,456.42
2012	\$30,867	\$6,000	\$1,000	\$37,867	\$3,155.58	\$1,456.42
2011	\$30,867	\$6,000	\$1,000	\$37,867	\$3,155.58	\$1,456.42
2010	\$30,867	\$6,000	\$1,100	\$37,967	\$3,163.92	\$1,460.27
2009	\$30,867	\$6,000	\$1,200	\$38,067	\$3,172.25	\$1,464.12
2008	\$30,867	\$6,000	\$1,300	\$38,167	\$3,180.58	\$1,467.96
2007	\$30,867	\$6,000	\$1,400	\$38,267	\$3,188.92	\$1,471.81
2006	\$30,867	\$6,000	\$1,500	\$38,367	\$3,197.25	\$1,475.65
2005	\$30,867	\$6,000	\$1,600	\$38,467	\$3,205.58	\$1,479.50
2004	\$30,867	\$6,000	\$1,700	\$38,567	\$3,213.92	\$1,483.35
2003	\$30,867	\$6,000	\$1,800	\$38,667	\$3,222.25	\$1,487.19
2002	\$30,867	\$6,000	\$1,900	\$38,767	\$3,230.58	\$1,491.04
2001	\$30,867	\$6,000	\$2,000	\$38,867	\$3,238.92	\$1,494.88
2000	\$30,867	\$6,000	\$2,100	\$38,967	\$3,247.25	\$1,498.73
1999	\$30,867	\$6,000	\$2,200	\$39,067	\$3,255.58	\$1,502.58
1998	\$30,867	\$6,000	\$2,300	\$39,167	\$3,263.92	\$1,506.42
1997	\$30,867	\$6,000	\$2,400	\$39,267	\$3,272.25	\$1,510.27
1996	\$30,867	\$6,000	\$2,500	\$39,367	\$3,280.58	\$1,514.12
1995	\$30,867	\$6,000	\$2,600	\$39,467	\$3,288.92	\$1,517.96
1994	\$30,867	\$6,000	\$2,700	\$39,567	\$3,297.25	\$1,521.81
1993	\$30,867	\$6,000	\$2,800	\$39,667	\$3,305.58	\$1,525.65
1992	\$30,867	\$6,000	\$2,900	\$39,767	\$3,313.92	\$1,529.50
1991	\$30,867	\$6,000	\$3,000	\$39,867	\$3,322.25	\$1,533.35
1990	\$30,867	\$6,000	\$3,100	\$39,967	\$3,330.58	\$1,537.19
1989	\$30,867	\$6,000	\$3,200	\$40,067	\$3,338.92	\$1,541.04
1988	\$30,867	\$6,000	\$3,300	\$40,167	\$3,347.25	\$1,544.88
1987	\$30,867	\$6,000	\$3,400	\$40,267	\$3,355.58	\$1,548.73
1986	\$30,867	\$6,000	\$3,500	\$40,367	\$3,363.92	\$1,552.58
1985	\$30,867	\$6,000	\$3,600	\$40,467	\$3,372.25	\$1,556.42
1984	\$30,867	\$6,000	\$3,700	\$40,567	\$3,380.58	\$1,560.27
1983	\$30,867	\$6,000	\$3,800	\$40,667	\$3,388.92	\$1,564.12
1982	\$30,867	\$6,000	\$3,900	\$40,767	\$3,397.25	\$1,567.96
1981	\$30,867	\$6,000	\$4,000	\$40,867	\$3,405.58	\$1,571.81
1980	\$30,867	\$6,000	\$4,100	\$40,967	\$3,413.92	\$1,575.65
1979	\$30,867	\$6,000	\$4,200	\$41,067	\$3,422.25	\$1,579.50
1978	\$30,867	\$6,000	\$4,300	\$41,167	\$3,430.58	\$1,583.35
1977	\$30,867	\$6,000	\$4,400	\$41,267	\$3,438.92	\$1,587.19
1976	\$30,867	\$6,000	\$4,500	\$41,367	\$3,447.25	\$1,591.04
1975	\$30,867	\$6,000	\$4,600	\$41,467	\$3,455.58	\$1,594.88
1974	\$30,867	\$6,000	\$4,700	\$41,567	\$3,463.92	\$1,598.73
1973	\$30,867	\$6,000	\$4,800	\$41,667	\$3,472.25	\$1,602.58
1972	\$30,867	\$6,000	\$4,900	\$41,767	\$3,480.58	\$1,606.42
1971	\$30,867	\$6,000	\$5,000	\$41,867	\$3,488.92	\$1,610.27
1970	\$30,867	\$6,000	\$5,000	\$41,867	\$3,488.92	\$1,610.27
1969	\$30,867	\$6,000	\$5,000	\$41,867	\$3,488.92	\$1,610.27
1968	\$30,867	\$6,000	\$5,000	\$41,867	\$3,488.92	\$1,610.27
1967	\$30,867	\$6,000	\$5,000	\$41,867	\$3,488.92	\$1,610.27
1966	\$30,867	\$6,000	\$5,000	\$41,867	\$3,488.92	\$1,610.27
1965	\$30,867	\$6,000	\$5,000	\$41,867	\$3,488.92	\$1,610.27
1964	\$30,867	\$6,000	\$5,000	\$41,867	\$3,488.92	\$1,610.27
1963	\$30,867	\$6,000	\$5,000	\$41,867	\$3,488.92	\$1,610.27
1962	\$30,867	\$6,000	\$5,100	\$41,967	\$3,497.25	\$1,614.12
1961	\$30,867	\$6,000	\$5,200	\$42,067	\$3,505.58	\$1,617.96
1960	\$30,867	\$6,000	\$5,300	\$42,167	\$3,513.92	\$1,621.81
1959 & Before	\$30,867	\$6,000	\$5,400	\$42,267	\$3,522.25	\$1,625.65
*See page 2 of the Remuneration and Benefits for Archdiocesan Priests for ministry expenses covered under the professional allotment.						
Grandfathered rates						

REMUNERATION AND BENEFITS FOR BOSTON AND DIOCEASAN PRIESTS

RELIGIOUS ORDER PRIEST						
REMUNERATION PAYMENT SCHEDULE						
FISCAL YEAR 2022 (JULY 2021 - JUNE 2022)						
Year of Ordination	Base Stipend	Professional Allotment - *	Seniority Increment	Total Annual Payment	Total Monthly Payment	Total Bi-Weekly Payment
2021	\$28,390	\$4,800	\$1,000	\$34,190	\$2,849.17	\$1,315.00
2020	\$28,390	\$4,800	\$1,000	\$34,190	\$2,849.17	\$1,315.00
2019	\$28,390	\$4,800	\$1,000	\$34,190	\$2,849.17	\$1,315.00
2018	\$28,390	\$4,800	\$1,000	\$34,190	\$2,849.17	\$1,315.00
2017	\$28,390	\$4,800	\$1,000	\$34,190	\$2,849.17	\$1,315.00
2016	\$28,390	\$4,800	\$1,000	\$34,190	\$2,849.17	\$1,315.00
2015	\$28,390	\$4,800	\$1,000	\$34,190	\$2,849.17	\$1,315.00
2014	\$28,390	\$4,800	\$1,000	\$34,190	\$2,849.17	\$1,315.00
2013	\$28,390	\$4,800	\$1,000	\$34,190	\$2,849.17	\$1,315.00
2012	\$28,390	\$4,800	\$1,000	\$34,190	\$2,849.17	\$1,315.00
2011	\$28,390	\$4,800	\$1,000	\$34,190	\$2,849.17	\$1,315.00
2010	\$28,390	\$4,800	\$1,100	\$34,290	\$2,857.50	\$1,318.85
2009	\$28,390	\$4,800	\$1,200	\$34,390	\$2,865.83	\$1,322.69
2008	\$28,390	\$4,800	\$1,300	\$34,490	\$2,874.17	\$1,326.54
2007	\$28,390	\$4,800	\$1,400	\$34,590	\$2,882.50	\$1,330.38
2006	\$28,390	\$4,800	\$1,500	\$34,690	\$2,890.83	\$1,334.23
2005	\$28,390	\$4,800	\$1,600	\$34,790	\$2,899.17	\$1,338.08
2004	\$28,390	\$4,800	\$1,700	\$34,890	\$2,907.50	\$1,341.92
2003	\$28,390	\$4,800	\$1,800	\$34,990	\$2,915.83	\$1,345.77
2002	\$28,390	\$4,800	\$1,900	\$35,090	\$2,924.17	\$1,349.62
2001	\$28,390	\$4,800	\$2,000	\$35,190	\$2,932.50	\$1,353.46
2000	\$28,390	\$4,800	\$2,100	\$35,290	\$2,940.83	\$1,357.31
1999	\$28,390	\$4,800	\$2,200	\$35,390	\$2,949.17	\$1,361.15
1998	\$28,390	\$4,800	\$2,300	\$35,490	\$2,957.50	\$1,365.00
1997	\$28,390	\$4,800	\$2,400	\$35,590	\$2,965.83	\$1,368.85
1996	\$28,390	\$4,800	\$2,500	\$35,690	\$2,974.17	\$1,372.69
1995	\$28,390	\$4,800	\$2,600	\$35,790	\$2,982.50	\$1,376.54
1994	\$28,390	\$4,800	\$2,700	\$35,890	\$2,990.83	\$1,380.38
1993	\$28,390	\$4,800	\$2,800	\$35,990	\$2,999.17	\$1,384.23
1992	\$28,390	\$4,800	\$2,900	\$36,090	\$3,007.50	\$1,388.08
1991	\$28,390	\$4,800	\$3,000	\$36,190	\$3,015.83	\$1,391.92
1990	\$28,390	\$4,800	\$3,100	\$36,290	\$3,024.17	\$1,395.77
1989	\$28,390	\$4,800	\$3,200	\$36,390	\$3,032.50	\$1,399.62
1988	\$28,390	\$4,800	\$3,300	\$36,490	\$3,040.83	\$1,403.46
1987	\$28,390	\$4,800	\$3,400	\$36,590	\$3,049.17	\$1,407.31
1986	\$28,390	\$4,800	\$3,500	\$36,690	\$3,057.50	\$1,411.15
1985	\$28,390	\$4,800	\$3,600	\$36,790	\$3,065.83	\$1,415.00
1984	\$28,390	\$4,800	\$3,700	\$36,890	\$3,074.17	\$1,418.85
1983	\$28,390	\$4,800	\$3,800	\$36,990	\$3,082.50	\$1,422.69
1982	\$28,390	\$4,800	\$3,900	\$37,090	\$3,090.83	\$1,426.54
1981	\$28,390	\$4,800	\$4,000	\$37,190	\$3,099.17	\$1,430.38
1980	\$28,390	\$4,800	\$4,100	\$37,290	\$3,107.50	\$1,434.23
1979	\$28,390	\$4,800	\$4,200	\$37,390	\$3,115.83	\$1,438.08
1978	\$28,390	\$4,800	\$4,300	\$37,490	\$3,124.17	\$1,441.92
1977	\$28,390	\$4,800	\$4,400	\$37,590	\$3,132.50	\$1,445.77
1976	\$28,390	\$4,800	\$4,500	\$37,690	\$3,140.83	\$1,449.62
1975	\$28,390	\$4,800	\$4,600	\$37,790	\$3,149.17	\$1,453.46
1974	\$28,390	\$4,800	\$4,700	\$37,890	\$3,157.50	\$1,457.31
1973	\$28,390	\$4,800	\$4,800	\$37,990	\$3,165.83	\$1,461.15
1972	\$28,390	\$4,800	\$4,900	\$38,090	\$3,174.17	\$1,465.00
1971	\$28,390	\$4,800	\$5,000	\$38,190	\$3,182.50	\$1,468.85
1970	\$28,390	\$4,800	\$5,000	\$38,190	\$3,182.50	\$1,468.85
1969	\$28,390	\$4,800	\$5,000	\$38,190	\$3,182.50	\$1,468.85
1968	\$28,390	\$4,800	\$5,000	\$38,190	\$3,182.50	\$1,468.85
1967	\$28,390	\$4,800	\$5,000	\$38,190	\$3,182.50	\$1,468.85
1966	\$28,390	\$4,800	\$5,000	\$38,190	\$3,182.50	\$1,468.85
1965	\$28,390	\$4,800	\$5,000	\$38,190	\$3,182.50	\$1,468.85
1964	\$28,390	\$4,800	\$5,000	\$38,190	\$3,182.50	\$1,468.85
1963	\$28,390	\$4,800	\$5,000	\$38,190	\$3,182.50	\$1,468.85
1962	\$28,390	\$4,800	\$5,100	\$38,290	\$3,190.83	\$1,472.69
1961	\$28,390	\$4,800	\$5,200	\$38,390	\$3,199.17	\$1,476.54
1960	\$28,390	\$4,800	\$5,300	\$38,490	\$3,207.50	\$1,480.38
1959 & Before	\$28,390	\$4,800	\$5,400	\$38,590	\$3,215.83	\$1,484.23

*See page 10 of the Remuneration and Benefits for Archdiocesan Priests for ministry expenses covered under the professional allotment.

Grandfathered rates

REMUNERATION AND BENEFITS FOR BOSTON AND DIOCEASAN PRIESTS

Example A - priest contributes 3% of pay	
bi-weekly priest stipend	\$1,456.42
401(k) bi-weekly priest contribution %	3%
401(k) bi-weekly priest contribution \$	\$43.69
bi-weekly 401(k) employer contribution (100 cents on the dollar for the first 3% contributed, aka 3%)	\$43.69
annual 401(k) priest contribution	\$1,136.01
annual 401(k) employer contribution	\$1,136.01

Example B - priest contributes 5% of pay	
bi-weekly priest stipend	\$1,456.42
401(k) bi-weekly priest contribution %	5%
401(k) bi-weekly priest contribution \$	\$72.82
401(k) employer contribution (100 cents on the dollar for the first 3% contributed, plus 50 cents on the dollar for the next 2% contributed, aka 4%)	\$58.26
annual 401(k) priest contribution	\$1,893.35
annual 401(k) employer contribution	\$1,514.68

Example C - priest contributes 10% of pay	
bi-weekly priest stipend	\$1,456.42
401(k) priest contribution %	10%
401(k) priest contribution \$	\$145.64
401(k) employer contribution (100 cents on the dollar for the first 3% contributed, plus 50 cents on the dollar for the next 2% contributed, aka 4%)	\$58.26
annual 401(k) priest contribution	\$3,786.69
annual 401(k) employer contribution	\$1,514.68

REMUNERATION AND BENEFITS FOR BOSTON AND DIOCEASAN PRIESTS

FEBRUARY 2020

GUIDE ON CLASSIFICATIONS OF PRIESTS

CATEGORY	IS THE PRIEST INCARDINATED FOR THE ARCHDIOCESE OF BOSTON?	NAME OF THE REMUNERATION PAYMENT AND BENEFITS* SCHEDULE TO USE	DOES THE PRIEST FILE FEDERAL & STATE TAXES?	IS SOCIAL SECURITY AND MEDICARE PARTICIPATION REQUIRED?	WHO PROVIDES HEALTH & DENTAL INSURANCE COVERAGE?	DOES THE PRIEST'S IMMIGRATION STATUS REQUIRE A VISA?	PLACE OF ASSIGNMENT RESPONSIBLE FOR CORI/BACKGROUND SCREENING.	IS AN USCIS FORM I-9 REQUIRED TO BE COMPLETED?	RESPONSIBLE LOCATION FOR COMPLETING AND FILING THE I-9
Diocesan Priest – US Citizen	Yes	Archdiocesan Priest	Yes	Yes	Clergy Health and Retirement Trust - 100% Paid by Parish	No	Place of Assignment	Yes	Parish
Diocesan Priest -US Citizen- from another US Diocese	No	Archdiocesan Priest	Yes	Yes	RCAB Lay Health Plan - 100% paid by Parish	No	Place of Assignment	Yes	Parish
Diocesan Priest from Outside US	No	Archdiocesan Priest	Yes	Yes	RCAB Lay Health Plan - 100% paid by Parish	Yes	Place of Assignment	Yes	Parish
Religious Order Priest - US Citizen- where religious order is in US	No	Religious Order Priest Paid to the Priest's Congregation	No	No	Insurance provided by Religious Order. Parish Reimburses Order up to maximum of \$17,640	No	Place of Assignment	Yes	Religious Order
Religious Order Priest from another country with a US Based Provincial	No	Religious Order Priest Paid to the Priest's Congregation	No	No	Insurance provided by Religious Order. Parish Reimburses Order up to maximum of \$17,640	Yes	Place of Assignment	Yes	Religious Order
Religious Order Priest from another country with no US Based Provincial	No	Religious Order Priest Paid to the Priest's Congregation ***** Archdiocesan Priest Paid to Priest directly	No	No	Insurance provided by Religious Order. Parish Reimburses Order up to maximum of \$17,640 ***** RCAB Lay Health Plan - 100% paid by Parish	Yes	Place of Assignment ***** Place of Assignment	Yes ***** Yes	Parish ***** Parish

*Per Remuneration Policy Benefits include: Vacation, Retreat, Auto, Room and Board, Meals, Moving Expenses, Continuing Education and Retirement

Parish and School Budget Preparation Guide

SECTION IV

Women Religious and Religious Brothers Stipend and Benefit Costs

**Archdiocese of Boston
Stipend and Benefits for Women Religious
Fiscal Year 2022 for Budget Purposes Only**

Stipend

The stipend for a sister's services is determined annually and reflects changes in the economy as much as possible. Any stipend changes would take effect on July 1 each year. The stipend and benefits remain the same as FY2020.

The stipend consists of an annual amount that is dispersed in twelve monthly payments. For sisters that are working in a Catholic School, in her last year of service a sister would receive the full twelve payments. The Ordinary, on the recommendation of the Sisters' Stipend and Benefits Committee, authorizes all stipend and benefit amounts. This committee is appointed by the Ordinary, on the recommendation of the Delegate for Religious.

Medical

The parish or institution employing a sister for full-time or part-time service is to pay over the twelve-month period an amount agreed upon annually toward the cost of hospital visits and medical insurance.

Retirement

An amount agreed upon annually will be paid toward the retirement of any sister serving the parish or institution on a full-time basis. Sisters serving part-time receive a retirement amount pro-rated according to service time.

Housing

Active Sisters

The parish or institution is responsible for providing a housing allowance for each sister who shares in its apostolate. The amount of this allowance is determined on an annual basis and included in the amount of the base stipend.

Retired Sisters

In recognition of their years of service, retired sisters, that is, those who did receive compensation for ministry, and who live in convents, are not required to pay rent.

When a convent closes, retired sisters of that convent who wish to remain in the geographic area may reside rent-free in another parish convent with the agreement of the pastor, the major superior and the local community.

Change in the Use of a Convent Building

When the purpose of a convent building becomes a serious concern due to spatial needs or finances, or because of the number of the sisters living there, the Pastor/Administrator or the congregational leadership may initiate dialogue concerning the future use of the convent. A rent increase or change in the terms and conditions of a sister's living arrangements in property owned by the parish or the Archdiocese should be discussed with the major superior of the religious community. The Delegate for Religious is available to initiate the conversation with the religious community.

Transportation

The parish or institution is responsible for providing transportation that is required for ministry. Financial arrangements for the use of a car should be made with the major superior of the religious community and the pastor/ administrator of the parish, school or Archdiocesan-related institution.

When the parish or institution provides an automobile, the religious community reimburses the parish or institution the cost of personal or congregational business use of the automobile. When a sister uses other means of transportation for her ministry, the parish or institution reimburses the congregation for actual costs.

Archdiocese of Boston
Stipend and Benefits for Women Religious
Fiscal Year 2022 for Budget Purposes Only

Professional Expenses

The parish or institution is responsible for agreed upon professional expenses involved in the sister's exercise of ministry. Such expenses are determined in dialogue between the Pastor/Administrator and the sister.

Vacation Time

A minimum of four (4) weeks of vacation (20 business days).

Retreat/Study Time

One week for retreat (5 business days) for sisters working in parishes and diocesan offices. In addition, the sisters have the option of an annual study week (5 business days). Participation in a day or an evening of professional development will be addressed on an individual basis.

Sick Time

When a sister becomes ill for an extended period of time, i.e. ten business days or more within a calendar year, and the parish or institution is notified that her absence will be prolonged, the parish or institution continues to pay her stipend and benefits for a period of ten weeks. This benefit takes effect on the 11th business day of her illness.

Resolution of Differences

Policy: The Pastor/Administrator has the right to make personnel changes in the parish, school, or other pastoral institution. In the light of justice and charity, the sister involved should be the first one informed of any impending changes in her position for purposes of discussion before any action is taken. Further discussion might need to take place with the sister and her major superior.

Procedure: If a Pastor/Administrator believes that a sister should have a change in her position, he should meet with the sister prior to taking any action or, if need be, with her major superior. The purpose of the meeting is to discuss with the sister the reason for the proposed change in her assignment. The Pastor/Administrator should identify and review circumstances contributing to or leading up to this change. This would include situations deemed in the best interest of the Church. The intent of this discussion is to strive for mutual understanding and fair resolution.

The Pastor/Administrator is required to document this conversation(s). A copy of documentation should then be forwarded to the Delegate for Religious.

Appeal Process: If the sister does not agree with the change, she may appeal to the Delegate for Religious, who will review the procedural process with the appropriate authorities.

**Archdiocese of Boston
Stipend and Benefits for Women Religious
Fiscal Year 2022 for Budget Purposes Only**

For Parishes, Agencies and Institutions

	Annual	Monthly
Stipend	\$39,284.82	\$3,273.74
Medical	\$19,484.83	\$1,623.74
Retirement	\$5,574.52	\$464.54
	\$64,344.17	\$5,362.01
Stipend Breakdown:		
Base Stipend	\$35,372.82	\$2,947.74
Rent	\$3,912.00	\$326.00
Stipend & Rent	\$39,284.82	\$3,273.74

Procedure for payment of rent (housing allowance)

- Sisters who live in a convent, other than retired sisters, pay rent to the parish. This can be done on a cash basis or by a bookkeeping entry.
- Unless a bookkeeping arrangement has been previously agreed to between the congregation and pastor or agency director, rent will be paid the first day of each month by those living in a convent.
- The rent beginning July 1, 2021 for fiscal year 2022 will be \$326 monthly.

**Note: The medical benefit is intended to reflect the actual costs for women under the age of 65 up to a maximum of \$19,484.83 in FY 2022. The costs for sisters both under and over the age of 65 varies among congregations.*

For further information please contact:

Sister Germana Santos
 Delegate for Religious
 Phone: (617) 746-5637
 Email: sistergermana_santos@rcab.org

**Archdiocese of Boston
Stipend and Benefits for Religious Brothers
Fiscal Year 2022 for Budget Purposes Only**

Stipend

The stipend for a brother's services is determined annually and reflects changes in the economy as much as possible. Any stipend changes would take effect on July 1 each year. The stipend and benefits remain the same as FY2020.

The stipend consists of an annual amount that is dispersed in twelve monthly payments. In the last year of service, a brother receives the full twelve payments.

The Ordinary, on the recommendation of the Stipend and Benefits Committee, authorizes all stipend and benefit amounts. This committee is appointed by the Ordinary, on the recommendation of the Delegate for Religious.

Medical

The parish or institution employing a brother for full-time or part-time service is to pay over the twelve-month period an amount agreed upon annually toward the cost of hospital visits and medical insurance.

Retirement

An amount agreed upon annually will be paid toward the retirement of any brother serving the parish or institution on a full-time basis. Brothers serving part-time receive a retirement amount pro-rated according to service time.

Housing

A. Active Brothers

The parish or institution is responsible for providing a housing allowance for each brother who shares in its apostolate. The amount of this allowance is determined on an annual basis and included in the amount of the base stipend.

B. Retired Brothers

In recognition of their years of service, retired brothers, that is, those who did receive compensation for ministry, and who live in convents, are not required to pay rent.

When a convent closes, retired brothers of that convent who wish to remain in the geographic area may reside rent-free in another parish convent with the agreement of the pastor, the major superior and the local community.

C. Change in the Use of a Convent Building

When the purpose of a convent becomes a serious concern due to spatial needs or finances, or because of the number of the brothers living there, the Pastor/Administrator or the congregational leadership may initiate dialogue concerning the future use of the convent. A rent increase or change in the terms and conditions of a brother's living arrangements in property owned by the parish or the Archdiocese should be discussed with the major superior of the religious community. The Delegate for Religious is available to initiate the conversation with the religious community.

D. Transportation

The parish or institution is responsible for providing transportation that is required for ministry. Financial arrangements for the use of a car should be made with the major superior of the religious community and the pastor/administrator of the parish, school or Archdiocesan-related institution. When the parish or institution provides an automobile, the religious community assumes the cost of the personal or congregational business of the brother. When a brother uses other means of transportation for her ministry, the parish or institution reimburses the congregation for actual costs.

**Archdiocese of Boston
Stipend and Benefits for Religious Brothers
Fiscal Year 2022 for Budget Purposes Only**

For Parishes, Agencies and Institutions

	Annual	Monthly
Stipend	\$39,284.82	\$3,273.74
Medical	\$19,484.83	\$1,623.74
Retirement	\$5,574.52	\$464.54
	\$64,344.17	\$5,362.01
Stipend Breakdown:		
Base Stipend	\$35,372.82	\$2,947.74
Rent	\$3,912.00	\$326.00
Stipend & Rent	\$39,284.82	\$3,273.74

Procedure for payment of rent (housing allowance)

- Brothers who live in a rectory, other than retired brothers, pay rent to the parish. This can be done on a cash basis or by a bookkeeping entry.
- Unless a bookkeeping arrangement has been previously agreed to with the pastor, rent will be paid the first day of each month by those living in a rectory
- The rent beginning July 1, 2021 for fiscal year 2021 will be \$326 monthly.

**Note: The medical benefit is intended to reflect the actual costs for women under the age of 65 up to a maximum of \$19,484.83 in FY 2022. The costs for sisters both under and over the age of 65 varies among congregations.*

For further information please contact:

Sister Germana Santos
 Delegate for Religious
 Phone: (617) 746-5637
 Email: sistergermana_santos@rcab.org

Parish & School Budget Preparation Guide

SECTION V

Information Technology Costs

Information Technology

As you develop your annual parish budget, the RCAB Information Technology Department encourages you to plan for your Information Technology (IT) needs for the new Fiscal Year. IT plays a vital role in supporting your efforts to effectively manage the business of running a parish or a collaborative. Though specific technology costs will vary by parish or collaborative and by needs and projects, a parish may expect the average cost of IT services to be approximately \$6,000 per year. The IT budget would include the following types of expenditures:

- IT services and support, ideally through an outsourced IT provider either via a monthly service plan or on an as needed basis.
- Computers, which should be replaced every three to four years. Use the Parish Dell Portal to take advantage of discounted prices for new computers and other hardware (<https://dell.com/RCAB>)
- Internet access and Firewall.
- Off-site data backup and recovery services.
- Software purchases including anti-malware for all devices including desktops, laptops, and mobile devices. Create an account with TechSoup to purchase software at a discount (<https://www.techsoup.org>).
- Website and domain hosting. Consider hosting your website with the Digital Initiative for free (<https://www.bostoncatholic.org/digital>).
- Email and office productivity. Consider the RCAB Office 365 solution. Contact Karina Salas for more information.
- Information Technology evaluation and needs assessment.
- Capital Improvements may include upgrades to network and wiring, wireless access, a new or upgraded digital or IP phone solution. IT is not a “set it and forget it” operation. It is important to update and replace old equipment which may be liable to break as it ages or to be cyber compromised.

When IT issues occur, there is a cost to any resolution or recovery. At times, and based on the type of issue, the cost may be large. When planning your IT budget, a portion should also be set aside for unplanned events.

For further information please contact:

Deacon Peter Bujwid
Chief Information Officer
Phone: (617) 746-5930
cio@rcab.org

Parish and School Budget Preparation Guide

SECTION VI

Insurance Costs

INSURANCE

What we saw last year the insurance markets is continuing this year, with the markets going through an extreme period of adjustment with considerable increases across all lines of coverage, but especially property. The July renewal period is still months away, but we are receiving some indication of what we will be facing in the negotiations. The markets have tightened up and additional increases are being pursued, with 15-30% in the property markets and low double digits in the other lines, and auto being the only exception. Unfortunately, the second major rectory fire in as many months will have a detrimental impact on our leverage in the market negotiations.

We generally see such losses every five to ten years, but we have now had two in a span of only two months while also amid a hard market and an exodus of insurers from the religious non-profit business. We are continuing to explore a wide range of possible options to mitigate the impact of this market, including possible increased utilization of Fides Insurance Group, Inc. in the property coverage however you should be prepared for property increases in the 20-30% range.

Please remember that the markets, as we saw last year, can turn dramatically in just a few weeks, resulting in much higher increases and more challenging negotiations on terms and conditions. The global catastrophe activity during the last 12 months has been high with high cyclone activity and the wildfires in Australia.

The markets are also pushing very hard for increases in the insured values of our buildings due to the increased cost of construction. While we are working with the underwriters to spread the impact of such adjustments out over a three-year period, the impact of such additional adjustments must be kept in mind when planning and budgeting.

We will continue to strive to develop effective education programs and bring them to our parishes in our efforts to continue to bring safety to your staffs and parish communities, as well as financial benefits to your parishes.

INSURANCE

We are just beginning the renewal process and negotiations, and we must be cognizant of the fact that should our loss experience deteriorate any further during this time, or if there is additional catastrophe activity around the globe, our negotiations and costs could be adversely affected. Conversely, our mitigation efforts and negotiations may, hopefully, result in actual increase below those being recommended. With those considerations in mind, the Office of Risk Management is recommending conservative a conservative approach to the planning in your budget preparations.

Estimated insurance cost adjustments for FY 2022:

Property insurance premiums: 30%	Crime: 10%
Boiler and machinery: 15%	Auto: 5%
General liability: 15%	Scheduled property program: 10%
Workers compensation: 3%*	

*This is an average and can be higher or lower based upon payroll classification codes.

For further information please contact:

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Office of Risk Management
Phone: (617) 746-5740
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Alicia Gray, Claims Manager
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Parish & School Budget Preparation Guide

SECTION VII

Capital Acquisitions and Improvements

CAPITAL ACQUISITIONS AND IMPROVEMENTS

Capital Expenditures

All expenditures, subject to the following conditions should be recorded in either the 7000 series (QB) or 529xxx series (Intacct) in the chart of accounts. In general, any acquisition with a life expectancy greater than three years and a cost of \$3,000 or more should be recorded to 7000 series (QB) or 529xxx series (Intacct). All projects should be assigned a unique identifying code which should be included in the QuickBooks memo for each payment.

Land and Land Improvements

Include all acquisitions of land and any pertinent purchase costs, regardless of the dollar amount in account number 7001 (QB) or 529000 (Intacct). Include expenditures for parking areas, drainage, sewers, cabling, fences, and non-routine land- scaping or shrubbery costs, if the costs are \$3,000 or more in account 7001 (QB) or 529000 (Intacct)–Acquisition/Improvement–Site/Land. If a project costs less than \$3,000, and/or if the project relates to routine maintenance (cutting the grass, snowplowing, etc.) the costs should be recorded to account 6308 (QB) or 520007 (Intacct)- Maintenance Grounds.

Note: if individual capital improvements less than \$3,000 are part of an overall project that costs more than \$3,000, they should be recorded in account number 7001 (QB) or 529000 (Intacct)-Acquisitions and Improvements/Sites.

Buildings and Improvements

Include the purchase of all buildings and their acquisition costs, regardless of the dollar amount, in account number 7003 (QB) or 529003 (Intacct). Include the acquisition of the structural shell and all other integral parts including heating equipment, plumbing, central air conditioning, elevators, etc. In addition to these costs, new construction or renovations should also include architectural and other professional fees, site preparation, legal fees and interest during construction, etc. in account 7003 (QB) or 529003 (Intacct). Improvements that cost less than \$3,000 per event or project should be recorded in building maintenance. Additionally, if improvements do not increase the useful life of the building, provide a betterment, adapt the property to a new use or are routine building maintenance the costs should be coded to 6309 (QB) or 520006 (Intacct)–Maintenance Buildings.

Note: if individual projects/invoices or improvements less than \$3,000 are part of a larger project or action plan that costs more than \$3,000, they should be charged to the appropriate account(s): 7003 (QB) or 529003 (Intacct) -Acquisitions and Improvements/Buildings.

All building alterations that enhance the estimated useful life of the building, should be recorded in 7003 (QB) or 529003 (Intacct)- Acquisition and Improvements/Buildings. Note: consider entire contracts and project expenditures when evaluating costs as capital expenditures.

Note that roof repairs should be closely reviewed to determine whether they truly add to the estimated useful life as originally estimated. Interior painting costs that are not part of a larger project, acquisition or addition should be coded to 6309 (QB) or 520006 (Intacct)– Maintenance Buildings.

Furniture and Fixtures

Furniture and fixtures include -- furniture, machinery and equipment such as computers, desks, smart boards, etc. These should be recorded in account 7002 (QB) or 529001 (Intacct) - Furniture & Equipment if costs exceed \$3,000 per item. Group purchases of furniture and fixtures that exceed \$3,000, even if individual items do not meet the guide- lines, should also be recorded in account number 7002 (QB) or 529001 (Intacct).

For example, a school may purchase 10 or more computers at a time, a rectory may place air-conditioners in each of six rooms, and a bedroom set may be purchased. A combination of disparate items may also qualify as a capital acquisition as in the purchase of a computer, monitor, printer, desk and the necessary software if the total is equal to \$3,000 or more and if these items are purchased as a group or in a relatively short time frame as part of the same project. When groups of items are purchased, the QuickBooks memo should clearly identify what purchases are part of that group or project.

Automobiles, Trucks, Plows, Tractors, etc.

All vehicle purchases should be recorded in account number 7004 (QB) or 529004 (Intacct) - Acquisitions of Vehicles if the cost is \$3,000 or more and the estimated useful life is three years or more. If an outside loan was obtained to purchase a vehicle, the total loan balance should be recorded as a credit to 2899 (QB) or 224001 (Intacct) - Other Indebtedness with an offsetting debit against 7004 (QB) or 529004 (Intacct). The deposit related to the loan should also be recorded against 7004 (QB) or 529004 (Intacct).

Repairs

Repairs should only be recorded to the 7000 (QB) or 529xxx (Intacct) account series if they are considered an improvement to an existing asset that would extend the useful life greater than three years and the cost is \$3,000 or more. Only repairs that materially increase the value of an item should be recorded to the 7000 (QB) or 529xxx (Intacct) account series. Repairs for normal wear and tear should not be recorded to the 7000 (QB) or 529xxx (Intacct) account series. Repairs to physical plant, boilers, central air units, etc. should only be recorded to the 7000 (QB) or 529xxx (Intacct) account series if the repair extends the life of the asset a year or more **beyond the original expected** life or if the repair involves replacement of a major component. An example of a major component would be the engine in a car, not the battery or a starter.

Capital Campaigns

All fundraising expenses for Capital Campaigns should be coded to 6701– Fundraising Expense as incurred and never recorded to the 7000 (QB) or 529xxx (Intacct) account series. Capital Campaign revenue should never be entered in the 7000 (QB) or 529xxx (Intacct) accounts. Only direct project/building or acquisition costs relating to a Capital Campaign should be recorded to the 7000-account series.

For further information please contact parish and school accounting:

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