

**St. Vincent DePaul Church  
Parish Council Meeting  
June 8, 2011**

**MEMBERS PRESENT:** Linda McCrackin, Chair; Bob Bischoff (Finance), Jackie Hittner, Carolyn Hubler (Liturgy), Linda Janson (Fundraising), Jan Leone (Faith Formation), Bill Pues, Mary Vetter, Dennis Wells  
**ABSENT:** Craig Adams, Jane Lammers, Ray Martin (Hospitality), Jeff Pike, Fr. Otto  
**Guest:** Dennis Turek

Meeting began with prayer at 6:36pm.

**MINUTES APPROVAL:** The May 11, 2011 minutes were approved.

**PASTOR'S REPORT:** There was no Pastor's Report. Dennis Wells informed the Council of the details for Fr. Otto's last Mass on June 26, 2011.

**WEBSITE TRAINING:** A reminder was given to all committee chairs that they are expected to update their section on the parish website. If committee chairs need training, then the chair should contact Dennis Wells.

**OFFSITE COMMITTEE MEETINGS:** Concerns have been raised recently regarding parish committees not holding meetings at the parish. This issue was deferred to the next Parish Council meeting.

**COMMITTEE TEMPLATE:** Three completed committee templates were received by the Council. Completed council/committee templates need to be submitted to the Parish Council for the July meeting. Common language needs to be developed for use on the templates.

**STRATEGIC PLAN:** Discussion occurred regarding the proposed strategic plan. The Parish Council approved the proposed strategic plan (Version 2.1 – Dated May 12, 2011). June 18/19, 2011 Masses the parish community will receive an executive summary of the parish's strategic plan. Bob Bischoff will draft an announcement that Fr. Otto can read at all Masses regarding the parish's strategic plan. Dennis Wells will upload the parish's strategic plan on the parish's website prior to the June 18/19, 2011 Masses. The parish community will be able to comment on the strategic plan that is posted on the parish website.

**PROPOSAL FOR ST. VINCENT'S SOCIAL MINISTRIES:** Dennis Turek distributed a proposal for St. Vincent's Social Ministries. An ad hoc parish committee was formed to investigate the merits of incorporating St. Vincent's Social Ministries as a non-profit business organization. Discussion occurred on the proposal. The Parish Council is being requested to consider the proposal at the July Parish Council meeting. If the Parish Council approves the proposal then the Council will be recommending to Fr. Ed that this new corporation be formed. Attached to these minutes are the expanded version of the main proposal that was distributed at the meeting and a Q & A document.

**TO DO LIST:**

- Remind council/committee chairs to update their section on the parish website
- Remind council/committee chairs to complete and submit the committee template for the July Parish Council meeting
- Develop language to be used on the committee template so there is uniformity
- Get parish strategic plan executive summary written, copied and stuffed into parish bulletin
- Post strategic plan to parish website

**JULY PARISH COUNCIL AGENDA ITEMS:**

- Discuss offsite committee meetings
- Review committee templates
- Vote on social ministries proposal

**NEXT MEETING:** July 13, 2011 at 6:30pm. Mary Vetter will lead the opening prayer.

Meeting ended with a closing prayer at 8:32pm.

# Proposal for St. Vincent's Social Ministries

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## Background

In January 2011, at the request of the Parish Council, an ad hoc committee was formed to investigate the merits of incorporating St. Vincent's Social Ministries as a nonprofit business organization.

**Ad Hoc Committee Members:** Bob Bischoff, Jim Lammers, Dennis Turek, Dennis Wells

As part of the investigation process, the committee met with a diverse group of local professionals experienced in nonprofit business formation and management. Their advice has been invaluable, helping the committee better understand the challenges, and the opportunities, of establishing and running a charitable nonprofit organization.

## Recommendation

The committee has concluded that St. Vincent's parish, and the surrounding community at large, would be best served by incorporating Social Ministries as a nonprofit business organization. It is recommended that the parish proceed with the steps necessary to make that happen.

### Rationale for This Recommendation

#### *Potential Advantages*

- 1) Access to additional sources of support.
  - a) Volunteers and funding from other faith-based and fraternal organizations.
  - b) Grants from government agencies, foundations, and businesses.
- 2) Access to food banks and FDA food surpluses.
- 3) Strengthened capacity to deliver services to those in need.

#### *Potential Drawbacks*

- 1) Parishioners may conclude that, as a parish, St. Vincent's will be less committed to Social Ministries.
- 2) Additional regulatory and reporting requirements associated with existence as a nonprofit organization.
- 3) Greater administrative overhead (cost of doing business) may increase staff requirements and workload.

### *Conclusion*

The committee has concluded that the potential advantages associated with the establishment of Social Ministries as a nonprofit organization outweigh potential drawbacks. Careful planning and implementation will provide acceptable risk mitigation. It will be important to make sure parishioners understand that their continued support for Social Ministries will be vital to the success of this effort.

## Proposed Structure (Governance)

### Board of Directors

The Board of Directors will have a minimum of 5 members, a maximum of 15, and will initially be established as follows:

- President
  - Secretary
  - Treasurer
- } Elected annually by the board
- Pastor – Ex-officio member for as long as he is pastor (not subject to term limits).
  - One position nominated by Parish Council – Does not have to be a Parish Council member.
  - One position nominated by Finance Council – Does not have to be a Finance Council member.

The board will appoint its own members. Terms will be for 3 years, with a maximum of 3 consecutive terms.

## Proposed Services / Programs

The new nonprofit organization will continue to provide the same services and programs now supported by Social Ministries.

- Meals
- Lunch Window
- General assistance (assistance with rent, utilities, Rx prescriptions, etc.)
- Seniors program
- Food pantry
- Christmas program

A review of the services and programs provided by other area agencies and organizations should be conducted, to identify gaps and redundancies.

## Administration

### Executive Director

The executive director will be appointed by, and report to, the Board of Directors. This position may, or may not, be filled immediately when the nonprofit organization is first established.

### Lease Agreement for Premises and Property

In regards to the premises and property belonging to St. Vincent's, this agreement will specify what can, and cannot, be used by the nonprofit organization.

### Personnel / Staffing Agreements

Initially, the nonprofit organization will enter into a contract agreement with St. Vincent's, so that parish employees will continue to provide needed services (kitchen support, bookkeeping, maintenance, etc.).

### Insurance

- Business liability – For directors and officers.
- General liability – For premises.
- Property – For equipment, etc.

The lease agreement between St. Vincent's and the nonprofit organization should specify who is responsible for providing general liability and property coverage.

## Appendix A – Supporting Notes

This section contains additional details that support the main proposal document (pages 1 and 2).

### Background

#### Outside Consultation

During the investigation process, the ad hoc committee consulted with the following individuals, with experience and expertise in various aspects of establishing and operating a nonprofit organization.

<ul style="list-style-type: none"> <li>Fr. Mark Pranaitis, CM Assistant Provincial Congregation of the Mission (Western Province)</li> </ul>	Experienced guidance and support from Catholic/Vincentian leadership.
<ul style="list-style-type: none"> <li>Rev. Kathleen Wilder Pastor Centenary United Methodist Church</li> </ul>	Involved with nonprofit incorporation and management of “The Bridge” at Centenary.
<ul style="list-style-type: none"> <li>Regina Lamason Insurance Services Manager Sisters of Mercy Health System</li> </ul>	Paralegal background and experience with legal aspects of nonprofit business incorporation.

### Recommendation

#### Notes on Rationale / Justification

##### *Potential Advantages*

Another way of expressing the advantages noted in the main document.

- 1) Improved financial sustainability for St. Vincent’s Parish.
  - a) As it becomes more self-sufficient, the new nonprofit organization will require less financial support from the parish. As a result, parish financial overhead will eventually decline.
  - b) Rent and contract agreements with the new nonprofit organization will help defray parish operating expenses.

##### *Potential Drawbacks*

Another way of conveying the risk noted in the main document.

- 1) Some may perceive nonprofit incorporation as a sign that the parish is no longer involved with, or cares about, Social Ministries.
  - a) There may be a risk of losing parishioner support for Social Ministries as a nonprofit organization.

**Something to keep in mind:** Legal incorporation doesn’t have to diminish faith-based commitment to serving those in need.

## Administration

### Lease Agreement for Premises and Property

- 1) Between The Congregation of the Mission and St. Vincent DePaul Church. This needs to be established first.
- 2) Between St. Vincent DePaul Church and the new nonprofit organization.

### Personnel / Staffing Agreements

The contract agreement with St. Vincent's for staff support should ensure that the nonprofit organization has a say in job descriptions, job search, and any hiring for these positions.

### Insurance

Property and general liability insurance may, or may not, be covered by the parish policy with the Archdiocese.

### Operational Issues

Things to keep in mind when it comes to running a nonprofit organization:

- 3) At some point, the nonprofit may want to use an accounting system other than the one used by St. Vincent's (which is provided by the Archdiocese).

## Summary of Incorporation Steps

- 1) Choose a name for the new nonprofit organization.
- 2) Draft and file the Articles of Incorporation with the Missouri Secretary of State. This will establish a new nonprofit business organization, with the name selected in Step 1, in the state of Missouri.
- 3) Appoint an initial board of directors.
- 4) Draft bylaws to define organization governance.
- 5) Submit an SS-4 form to the IRS in order to obtain an Employer Identification Number (EIN).
- 6) Establish a bank account for the new organization.
- 7) Submit a 1023 form to the IRS in order to obtain federal tax exemption.
  - a) The 1023 must be submitted within 27 months after incorporation. Once approved, the tax exempt status will be retroactive back to the date of incorporation.

## Proposal for St. Vincent's Social Ministries – Q & A

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As proposed in a separate document, a special ad hoc committee has concluded that St. Vincent's parish, and the surrounding community at large, would be best served by incorporating Social Ministries as a nonprofit organization.

Here are questions and answers that will hopefully help clarify that recommendation.

**Q:** What does incorporation as a nonprofit business organization really mean?

**A:** *Some organizations will not donate to a nonprofit that is directly affiliated with a church. As a separate nonprofit organization, Social Ministries would gain access to funds, materials and services from these organizations, i.e., foundations, government agencies and even churches that would see Social Ministries as agency to help the poor and not just another church. This would be an opportunity to involve people from outside the parish—people willing to share their special talents and expertise as board members, and advisors. This could include members of other faiths who share a passion for outreach service to the poor but who might not donate time, talent or funds to a Catholic church.*

**Q:** Will Social Ministries, as we now know it, cease to exist if/when this happens?

**A:** *The change would be largely transparent to most parishioners and others who currently volunteer and support Social Ministries.*

**Q:** What will the new organization be called?

**A:** *Although some suggestions have been made, a name has not been determined.*

**Q:** What will be the relationship between the parish and the new nonprofit organization? What role, if any, will the parish have?

**A:** *The parish will become the landlord of the new nonprofit organization. The pastor and at least two parishioners will serve on the board to maintain a formal link to the parish. The new organization will initially contract the services of parish employees to perform functions for it. Over time, the new organization might have its own employees and payroll.*

*For most parishioners there will be no visible changes. Parish volunteers will continue to be needed for Meals, the Seniors Program, Christmas Program, etc. The only difference would be that contributions to the new nonprofit organization would be in the new organization's name and not the name of St. Vincent's. Any monies sent to the parish for social ministries would be transferred to the bank account of the new organization, as is currently done today with the Social Ministries bank account.*

**Q:** Will the parish be responsible for fundraising efforts for the nonprofit organization?

**A:** *Parishioners will have opportunities to volunteer and participate in fundraising events for the new nonprofit organization, as they do today for Social Ministries. Continuing support from parishioners will be essential to the success of the new organization.*

**Q:** What will be the role of St. Vincent's new Social Ministries Committee in relationship to the nonprofit organization?

**A:** *This will require some thought and discussion to determine an answer. The Committee would most likely have an interest in the success of the new nonprofit organization. But as a parish whose mission is to the poor,*

*perhaps this committee would have a broader perspective that would also include a look at the needs of the poor outside parish boundaries.*

**Q:** What is the role of an Executive Director?

**A:** *In time, as the nonprofit organization grows and can support such a position, the Executive Director will be the chief operating officer.*

**Q:** How will the organization initially operate? What staff will be required? How will that be funded?

**A:** *Initially there would be no visible changes in how the organization will operate. People currently doing work for Social Ministries would do those same activities for the new organization. As stated above, the services of parish employees would initially be utilized (under contract) to operate the new organization.*

**Q:** How will the new nonprofit organization become financially viable and self-sufficient?

**A:** *Initially the new organization will continue to rely on the parish for support (both financial and people resources). In time, it is expected that it will become self sufficient and serve as a source of revenue to the parish by paying rent and fees for services.*

**Q:** What is meant by “new sources of revenue?” Give an example.

**A:** *There are examples of this in the answer to the first question above.*