

**Mater Dolorosa Passionist Retreat Center  
Meeting of the Board of Directors  
December 5, 2018**

**Retreat Director's Monitoring Report**

**Introduction**

**I CERTIFY THAT THE FOLLOWING INFORMATION IS TRUE AND CORRECT AS OF 29 NOVEMBER 2018.**

This is our sixth Board meeting since the retreat center instituted the Policy Governance Model for the governance of the retreat center. According to this new model, the Retreat Director's monitoring report to the Board is to be based on a selection of the policies that have been designed to govern the retreat center. Therefore, this report will be formed around the following selected Executive Limitations policies, all the Ends, Governance Process and Board-CEO Linkage policies:

**ENDS POLICIES**

**EL 4: Personnel and Handbook Policies**

**EL 5: Hiring and Termination of Staff**

**EL 6: Compensation and Benefits**

**EL 8: Financial Conditions and Activities**

**EL 10: Fund Raising and Development Policy**

**ENDS POLICIES**

**EL.4: Personnel Policies**

***The CEO may not operate the Retreat Center without written personnel policies, contained in a handbook, which provide an environment within the retreat center community that is free from illegal labor practices. With respect to the treatment of paid and volunteer staff, the CEO shall not cause or allow conditions which are unfair, undignified, disorganized or unclear.***

***In addition, the CEO shall not fail to:***

- a) develop and implement a specific written policy and procedure that (1) provides a procedure for making complaints of illegal labor practices, (2) ensures that complainants will be free from retaliation, (3) ensures a prompt and reasonable investigation of all complaints of harassment, and (4) provides an effective correction of any incidents of harassment;***

- b) inform and educate all staff of all personnel policies;***
- c) provide harassment and safe environment training for all employees of the Retreat Center as required by law;***
- d) have all personnel and policy handbooks reviewed by outside counsel at least every two years or as revisions necessitate.***

## **CEO Interpretation**

To ensure a fair set of policies and procedures have been implemented and communicated to all staff during their employment at the center; and those policies are rigorously and justly administered by the management and staff at the center at all times. Mater Dolorosa is a sacred space for its visitors and needs to be the same for staff delivering the ministry at all times.

## **Report**

During September revisions were made to the Retreat Policy and Procedure manual to ensure the above policies were up to date and meeting legal, fair and Christian practices for the Retreat Center. A revised employee policy manual was reviewed with management, and all employees briefed and given a copy for their signature. Our HR director holds records of all these signatures and changes to policy and procedures have been communicated to all staff. This was reviewed in detail with outside counsel for compliance with CA and Federal law.

Revisions included a cell phone policy for employees while operating retreat center vehicles, removal of the policy regarding payment of sick leave upon separation from the retreat center and change of the paid holiday from Good Friday to Easter Monday.

Sexual harassment training is scheduled for all managers on December 12, 2018.

Also all (non-clergy) staff have attended Virtus training, Protecting God's Children, in accordance with the policy of the Archdiocese of Los Angeles. Livescan fingerprinting was completed on 9/26/18 for all staff.

**ACCORDINGLY, WE REPORT THAT THE RETREAT CENTER IS IN COMPLIANCE WITH THIS POLICY.**

### **EL.5: Hiring and Termination of Staff**

***With respect to the hiring and termination of staff, the CEO shall not cause or allow conditions, actions, procedures, policies or decisions which discriminate against any employee or applicant***

*for employment based on race, color, national origin, sex, age, or disability or which compromise the Catholic and Passionist character of the Retreat Center.*

**Accordingly, the CEO shall not fail to:**

- a) ensure that all employment is “at-will”;***
- b) give preference to persons who are qualified, practicing Roman Catholics (or another Christian in the absence of a qualified Roman Catholic applicant), and are willing to support the Passionist mission of the Retreat Center;***
- c) invite all personnel to support the formation of the Christian faith community in the Retreat Center; and***
- d) treat all employees and staff as ministers with varying degrees of responsibility to represent and carry out the Catholic and Passionist mission of the Retreat Center***

### **CEO Interpretation**

Implement, manage and support the mission of the retreat center through a fair means of hiring, monitoring and if needed, termination of staff in accordance with the current laws of CA and the USA. The teachings of the Catholic Church and the charism of the Passionist Congregation should guide our hiring process, and when needed, termination of staff in a fair and just manner.

### **Report**

All new hires have been advised that their employment is “at-will”. There have been two new hires this fiscal year. We have initiated the process of terminating one employee for the abandonment of her position. Volunteers are interviewed to determine if they will be a good fit in the retreat center. All employees, volunteers and contractors, are aware of the Passionist charism and expected to conduct their duties in a manner that carries out the Catholic and Passionist mission of the Retreat Center.

A Passionist staff formation program begins in December 2018. This will be a one-hour meeting/conference followed by lunch and fellowship.

**WE REPORT THAT THE RETREAT CENTER IS IN COMPLIANCE WITH THIS POLICY.**

### **EL.6: Compensation and Benefits**

***With respect to employment, compensation, and employee benefits, the CEO shall not fail to make good faith efforts to provide compensation and benefit programs for staff taking into consideration the following factors:***

- a) the social teachings of the Church on fair wages and benefits;*
- b) approximate salary and benefits as measured by local market benchmarks for comparable positions; and*
- c) the financial condition of the Retreat Center.*

*In addition, the CEO shall not:*

- a) change his or her own compensation and benefits;*
- b) promise or imply permanent or guaranteed employment; and,*
- c) establish or change pension or other benefits which cause unpredictable or inequitable situations, including those that incur unfunded liabilities or treat the CEO differently from other employees.*

## **CEO Interpretation**

To provide a fair and just set of policies regarding compensation and benefits, based on the teaching of the Church and the Word of God in providing employment which supports our ministry. And to execute this policy according to the resources available to us at the Retreat Center, without prejudice or bias in our management or delivery of mission.

## **Report**

MDPRC continues to participate in and use the Los Angeles Nonprofit Management Center's Compensation and Benefit Survey. This is used as a basis of comparing our salaries and hourly wages with the Southern California nonprofit sector. Necessary adjustments to ensure compliance with federal and state regulations with regard to pay, working conditions, overtime and all legislated stipulations, have been made.

With the exception of donating all of his stipends and gratuities to the staff gratuity account, the CEO has not changed his compensation or benefits. He has not guaranteed permanent positions to any staff, and has made no changes to pensions or benefits.

**ACCORDINGLY, WE REPORT THAT THE RETREAT CENTER IS IN COMPLIANCE WITH THIS POLICY.**

### **EL.8: Financial Conditions and Activities**

*With respect to the actual, ongoing financial condition and activities, the CEO shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from the budget.*

**Accordingly, the CEO shall not:**

- a) expend more funds than have been received in the fiscal year to date unless board authorized guidelines are met;***
- b) use any long-term reserves for current operations, special projects or debt retirement without obtaining prior board approval;***
- c) acquire, encumber or dispose of real property without prior authorization of the board;***
- d) dispose of religious art or icons without prior authorization of the board;***
- e) use any restricted funds for any other purpose than that designated by the donor(s);***
- f) fail to provide for the Board of Directors an annual external Audited Financial Statement by a board approved CPA firm;***
- g) fail to provide appropriate internal financial controls.***

### **CEO Interpretation**

I interpret this policy to direct and specify the standards (a-g) to be maintained in the financial management of the retreat center.

### **Report**

The day to day activities of Mater Dolorosa continue to be guided by the current fiscal year budget and, as such, the retreat center remains in a sound financial position. Further, the annual outside audit is being completed by the accountancy firm of CliftonLarsonAllen, Pasadena, California. This audit fieldwork was performed on October 8, 9 and 12, and follow-up work continued in the weeks that followed. The auditors are currently preparing a draft of the financial statements. The auditors will meet with the Finance and Audit Committees on Monday, December 17, 2018.

The Mater Dolorosa Financial Report for the period ending September 30, 2018 is included in this report and reflects the financial condition of the retreat center as of that date.

The Center can report we are ahead of budget expectations in both revenue and net income for the Q1 FY2018.

Highlights from Operations include:

- Revenue for Passionist retreats and Passionist sponsored retreats are \$10k above first quarter projections at \$186k versus a budget of \$179k
- Revenue for hosted programs are \$43k above budget at \$297k versus YTD projected \$254k
- Expenses are \$22k below budget primarily due to lower than expected salary and benefit costs of \$36k. (Primarily due to some staff shortages and unfilled openings during the first quarter) and careful cost control in Table and Room (food) expenses which came in \$14K under budget.
- Net income is \$72k higher than expected from \$550k operations revenue with \$521k in expenses delivering a net income of \$25k (after transfers)

In addition, we can confirm:

- a) We have not expended more funds than have been received in the fiscal year to date.
- b) We have not used any long-term reserves for current operations, special projects or debt retirement without obtaining prior board approval;
- c) We have not acquired, encumbered or disposed of real property.
- d) We have not disposed of religious art or icons.
- e) We have not used any restricted funds for any other purpose than that designated by the donor(s).
- f) We have not failed to provide for the Board of Directors an annual external Audited Financial Statement by a board-approved CPA firm.
- g) We have maintained all appropriate internal financial controls in the work of the retreat center.

**ACCORDINGLY, WE REPORT THAT THE RETREAT CENTER IS IN COMPLIANCE WITH THIS POLICY.**

**EL 10: Fund Raising and Development Policy**

***With respect to the acquisition and allocation of funds received through fundraising activities or the development program, the CEO shall not cause or allow conditions, actions, procedures, or decisions that are imprudent, illegal, or violate professional standards, ethical values or relevant stewardship responsibilities.***

***In addition, the CEO shall not fail to:***

- a) develop a fundraising and development program for the retreat center's current and capital needs;***

- b) achieve or exceed the fundraising and development goals, as established in the current year's operational and capital budget and in the retreat center's long-term fundraising and development plan.**

## **CEO Interpretation**

This policy directs the CEO to be a good and careful steward of the resources of the retreat center and to oversee ongoing efforts to develop sufficient financial resources to assure the continuance of the mission of the retreat center.

## **Report**

### 2018 Harvest on the Hill - Saturday, October 20, 2018

The evening was festive and seemed to be enjoyed by all. The new bidding opportunity was a challenge for some, but enthusiastically accepted by a majority of our guests. There were several other learning curves: The little glitch during Fund a Need (formerly known as Raise Your Paddle); taking pictures to upload to the bidding website (we're almost pros now); and working with two databases – our own and Give Smart – to combine both processes. The team from GiveSmart was very helpful and we will certainly consider them for next year's Harvest on the Hill. Donations from the board helped with the cost of this service and we are grateful to you.

#### *Preliminary Numbers:*

Gross:	\$113,147.00*
Less Expenses:	\$ 23,128.00
Net Revenue:	\$ 90,019.00

\* Budgeted amount for Harvest on the Hill was \$125,000.00 so we are slightly under budget on this fundraising activity but expect this shortfall to be covered by other donations in the second or third quarter FY 2018.

We are blessed to already have co-chairs for next year. Kate Kenney and Jennifer Gowen have committed to chairing our 16th Annual Harvest on the Hill. This will be Kate's fifth year as a co-chair and Jennifer's second year as co-chair.

### 2019 Golf Tournament

Monday, May 20, 2019 – Glendora Country Club

We are in discussion with several capable volunteers to act as our golf chairs or possibly as a committee.

#### 2018 Year-End Appeal

This is the fourth year for our year-end appeal. Letters were mailed on Tuesday, November 27<sup>th</sup>.

#### Stewardship Events

Sunday, March 10, 2019 – Major Benefactors and Friends - Mass & Luncheon

Sunday, July 21, 2019 – All Donor Mass and Luncheon.

#### Donor Visits

Visits are being scheduled for after the holidays to meet with various benefactors that have not been introduced to the new Retreat Center Director.

#### Staffing for the Development Office

Postings have been made on Indeed, and we are reviewing those in the hopes of finding a replacement for the part-time person who left our employment several months ago.

**ACCORDINGLY, WE REPORT THAT THE RETREAT CENTER IS IN COMPLIANCE WITH THIS POLICY.**



**Mater Dolorosa Passionist Retreat Center**  
**Financial Report 9/30/2018**

**11/12/2018**

**Income Statement - Operations**

Amounts shown in \$1,000	Prior Yr	YTD Actual	YTD Budget	Variance to Budget	Comments - Variance to Budget
<b>Revenues</b>					
Passionist Preached Programs	\$ 86	\$ 84	\$ 76	\$ 9	
Passionist Sponsored Programs	104	104	103	1	
Hosted Programs	296	297	254	43	Includes deposits for future events.
Other Income	27	27	33	(6)	Bookstore sales lower than anticipated.
Century Club & Sponship Transfers	10	39	30	8	Century Club lower than expected.
<b>Total Operating Revenues</b>	<b>522</b>	<b>\$ 550</b>	<b>\$ 496</b>	<b>\$ 54</b>	
<b>Expenses</b>					
Table & Room	\$ 50	\$ 34	\$ 46	\$ 12	
Auto & Travel	4	2	2	0	
Maintenance	51	46	45	(1)	
Utilities	43	44	30	(14)	
Building Insurance	57	46	29	(16)	Budget understated as coverage is paid early in fiscal year.
Administration	35	48	53	5	
Salaries & Benefits	220	225	262	36	There are two staff vacancies.
Local Assessment	59	52	51	(0)	
Provincial Assessment	13	13	17	4	
Other Costs	3	11	7	(4)	
<b>Total Operating Expenses</b>	<b>\$ 535</b>	<b>\$ 521</b>	<b>\$ 544</b>	<b>\$ 22</b>	
<b>Net Income</b> (before deprec and transfers)	<b>\$ (12)</b>	<b>\$ 29</b>	<b>\$ (48)</b>	<b>\$ 77</b>	
Depreciation (non-cash)	(73)	(69)	(65)	(4)	
Transfers (for capital projects)	70	65	65	-	
<b>Net Income</b> (after transfers)	<b>\$ (16)</b>	<b>\$ 25</b>	<b>\$ (48)</b>	<b>\$ 72</b>	

Mater Dolorosa Passionist Retreat Center  
Financial Report 9/30/2018

11/12/2018

**Income Statement - Development**

Amounts shown in \$1,000	Prior Yr	YTD Actual	YTD Budget	Variance to Budget	Comments - Variance to Budget
<b>Revenues</b>					
Century Club & Sponsorship	10	39	31	7	
Auction & Golf	18	39	5	34	Advanced reservations for auction included.
Year End & Lenten Appeals	-	-	-	-	
Bequests	14	18	-	18	
Temporarily Restricted Donations	-	-	-	-	
Other Restricted Donations	3	2	6	(4)	
Unrestricted Donations	6	8	12	(4)	
Interest Income	3	7	7	(0)	
<b>Total Development Revenues</b>	<b>\$ 54</b>	<b>\$ 113</b>	<b>\$ 61</b>	<b>\$ 51</b>	
<b>Expenses</b>					
Century Club & Sponsorship	-	-	1	1	
Auction, Golf, Raffles, Year End & Lenten Appe	5	3	18	15	Auction expenses will appear in 2nd Quarter report.
Salaries Assessment	46	48	48	-	
Consultants	-	-	3	3	
Provincial Assessment	4	4	5	0	
Other Costs	11	13	17	5	
<b>Total Development Expenses</b>	<b>\$ 66</b>	<b>\$ 67</b>	<b>\$ 91</b>	<b>\$ 24</b>	
<b>Net Income</b> (before investment and transfers)	<b>\$ (12)</b>	<b>\$ 45</b>	<b>\$ (30)</b>	<b>\$ 75</b>	
Current Campaign - (net of expenses)	\$ (0)	\$ -	\$ (0)	\$ 0	
Investment Gain (Loss)	\$ 63	\$ 39	\$ 17	\$ 22	
Transfers (to Operations)					
Century Club	(7)	(34)	(24)	(9)	
Sponsorship	(2)	(5)	(6)	1	
Capital Improvements	(70)	(65)	(65)	-	
<b>Sub-Total Development Transfers</b>	<b>\$ (79)</b>	<b>\$ (104)</b>	<b>\$ (95)</b>	<b>\$ (8)</b>	
<b>Net Income</b> (after investment and transfers)	<b>\$ (29)</b>	<b>\$ (19)</b>	<b>\$ (108)</b>	<b>\$ 88</b>	

**Mater Dolorosa Passionist Retreat Center**  
**Financial Report 9/30/2018**

11/12/2018

**Consolidated Income Statement - Operations + Development**  
**(excludes all transfers)**

Amounts shown in \$1,000	Prior Yr	YTD Actual	YTD Budget	Variance to Budget
Revenues	\$ 566	\$ 624	\$ 527	\$ 97
Expenses (Cash)	600	589	635	46
<b>Net Income (before investment &amp; depreciation)</b>	<b>\$ (34)</b>	<b>\$ 36</b>	<b>\$ (108)</b>	<b>\$ 143</b>
Current Campaign (net of expenses)	\$ (0)	\$ -	\$ (0)	\$ 0
Investment (Gain/Loss)	63	39	17	22
Expenses - Depreciation (Non-Cash)	(73)	(69)	(65)	(4)
<b>Net Income including non-cash</b>	<b>\$ (44)</b>	<b>\$ 5</b>	<b>\$ (155)</b>	<b>\$ 161</b>