

## **Monitoring Overview: June 27, 2022**

### **ENDS Policy 6 & Executive Limitations: 8 and 11**

**Executive Limitations** policies and **Ends** policies monitoring require information from the CEO.

**Board Executive Linkage** is reported on by the Board Chair and reports annually or more often as needed.

**Governance Policies** are monitored by the Board Affairs committee and reported to the full board throughout the year.

Steps for the CEO in writing a monitoring report:

- Step 1: Restate the policy
- Step 2: State the reasonable interpretation of the policy, (may include defining words in the policy). State why this interpretation is reasonable.
- Step 3: State what compliance looks like (observable condition).
- Step 4: Provide evidence of achievement and compliance. Format: observable condition with data.
- Step 5: Report of compliance or steps moving toward compliance.

The report is submitted to the Board in advance of their meeting, and members review the report ahead of the meeting. If more data is needed or if there are any other questions, the CEO will address it at the next meeting. If policy needs to be revised, that can be passed by the Board at any Board meeting.

### **Ends Policy 6:**

1. A culture of Passionist vocational encouragement exists at St. Paul of the Cross Passionist Retreat Center. People who work, visit, retreat, and volunteer have the knowledge and encouragement to prayerfully consider and support vocations to Passionist life as a priest, brother, sister, nun, or life as a lay Passionist.

Reasonable interpretation: While it is highly desirable to create a “culture of Passionist vocational encouragement” here at the retreat center, we are still a good ways away from achieving this end. While we do have a wonderful location in our main corridor off the lobby with a table displaying new Passionist priests, brothers, and religious in our Congregation, including some literature, we can do much better in promoting vowed membership for Holy Cross Province. To achieve this end, we need the help of our Board members, along with better promotional efforts among our own staff. In addition, we need to create an additional promotional effort that can inform those who come here about the possibility of what it means to be a non-vowed member of the Passionist Family as a whole.

## **Executive Limitations: 8, 11**

### **EL 8 - FINANCIAL CONDITIONS AND ACTIVITIES**

With respect to the actual, ongoing financial condition and activities, the Director of Mission and Ministry shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from the budget. Accordingly, he/she shall not:

1. Acquire, encumber, or dispose of real property;
2. Use any restricted funds for any other purpose than that designated by the donor(s);
3. Fail to provide for the Board of Directors an annual external Audited Financial Statement or Review.
4. Fail to provide programming in line with our Mission.

Reasonable interpretation of this policy: We are not to sell or acquire land or buildings, use any restricted funds differently than requested. We are to have an audit or review and be sure all programming fits within our Mission. We also shall not cause material deviation from our budget and if it should occur we follow the guidelines in the Policy Handbook. Compliance to this policy is evidenced by our financial statements presented to the Audit and Finance committee and to the Province regularly. Compliance is also achieved through an audit or review.

To this end:

- We have not caused a material negative deviation from the budget. As of April 2022, total revenue is 27% above budget (a positive variance) and expenses are 10% under budget (also a positive variance.)
- Revenues are up due to well received Lenten and Christmas appeals, strong general donations, and Hosted retreat revenue although endowment investment earnings are below budget.
- We are always looking at opportunities to reduce costs and while costs FYTD are below budget, we believe that certain cost (energy, food, materials) next year will be difficult to contain.
- Currently we have 350k in cash (checking).
- We have not acquired or disposed of any real property.
- All restricted funds are utilized in accord with the donor's specifications. The Finance and Audit committee review and inspect detailed financial records regularly.
- We have contacted our Auditors regarding filing for the Employee Retention Tax Credit. Two other Passionist retreat centers have filed and are expecting tens of thousands of dollars.

We are in compliance with this policy.

## EL 11 - COMMUNICATION AND SUPPORT TO THE BOARD

The Director of Mission and Ministry shall not permit the board to be uninformed or unsupported in its work. Accordingly, the Director of Mission and Ministry shall not:

1. Neglect to submit monitoring data required by the board (see policy on Monitoring Executive Performance) in a timely, accurate and understandable fashion;
2. Let the board be uninformed of relevant trends, anticipated adverse media coverage, or material external and internal changes, particularly changes in the assumptions upon which board policy has previously been established;
3. Fail to advise the board if the board is not in compliance with its own policies on Governance Process and Board-Executive Linkage, particularly as it relates to board behavior which is detrimental to the work relationship between the board and the Executive;
4. Fail to report in a timely manner an actual or anticipated noncompliance with any policy of the board.

Reasonable interpretation of this policy: We will not let the board be uninformed of material changes, trends or changes in assumptions. We will report according to the pre-set monitoring schedule and add areas as needed to keep the board informed of any noncompliance. Compliance to this policy will be through the monitoring reports, to acknowledge and inform the board of any material changes in assumptions and also if the BEL policies are out of compliance.

To this end:

- We are preparing monitoring reports following the provided schedule and following up with any changes if needed. We will provide data as evidence of compliance or some form of communication of achievement where metrics may not be relevant.
- We expect that we will be opening the preached retreats to full capacity and that Covid19 virus variants will not cause us to reduce capacity in FY23. We continue to monitor and stay in compliance with the City of Detroit as well as MIOSHA. We are continuing our cleaning regiments and staff who contract COVID are staying away for the prescribed time.
- At this time there are no issues with the Board over-stepping or hindering our performance. The committees are working independently of management where needed.
- The policies are reviewed periodically to see how we are going to provide evidence of accomplishment. This review helps to proactively look for any anticipated noncompliance.

We are presently in compliance with this policy.