

Accountability in the Church

By Tony Salgado, Chief Financial Officer, Archdiocese of Santa Fe

When I first started over twenty years ago as Chief Financial Officer for the Archdiocese of Santa Fe accountability was not a priority in the church. Today, this is not true in the Archdiocese of Santa Fe. We take accountability very seriously and are stewards of church offerings and assets.

At the Archdiocesan administrative offices which include the Archbishop's office and the Finance Division, the Finance Council on a monthly basis provides oversight on major financial and administrative matters. Required by Canon Law, the Finance Council members are professionals with the expertise in; banking, accounting, civil and canon law, and investments. Annually in December, an abbreviated form of the audited financial statements of the Archdiocese are printed in the People of God Catholic Newspaper.

My position as Chief Financial Officer is also required by Canon Law. As a Certified Public Accountant, I bring the expertise required to carry out the responsibilities of my office. There are six individuals with accounting degrees and other qualified staff that assist me with my responsibilities.

Sheri Reading, CPA, Director of Internal Audits, manages an audit staff and they perform compliance review procedures at parishes and schools. Mrs. Reading is also a Certified Fraud Examiner. These reviews are not new to the Archdiocese as we have been doing them for many years. Every three years parishes and schools are reviewed. The staff review accounting, internal control, and finances and provide a letter of recommendations for the pastor and the parish finance council members to review and implement. Sometimes smaller parishes find it difficult to implement all recommendations but we advise them on how best to address any findings.

Each parish must have a finance council to assist the pastor in financial and administrative matters. They are required to meet on a quarterly basis and membership must include expertise in finance and administration.

The parishes and schools use state of the art accounting software which assists in financial reporting, payroll processing, and payment of disbursements. It also provides the necessary reports to meet tax requirements such as payroll reporting and 1099's to independent contractors.

To assist the parishes, the Archdiocese provides a parish administrative manual which contains norms required to be adhered to in areas such as; construction projects, real estate, finances, insurance, employer tax guidelines, and internal control.

In the area of internal control, requirements are mandated for parishes and schools to follow because we believe that safeguarding assets is essential in the life of the church. For example, a parish or school must have separation of duties to process miscellaneous monies received. We also require rotating count teams for counting Sunday collections. In addition, all parishes are required to utilize plastic tamper proof bags to safeguard Sunday collections.

The Archdiocese of Santa Fe is committed to the highest possible standard of accountability in all its affairs. In this regard, several years ago the Archdiocese adopted a "Fraud Policy and Fraud Response Plan" which can be viewed at the Archdiocesan website. Many businesses, not-for-profits, and religious organizations are impacted by fraud. Our church is not excluded from these issues and the key is to prevent these with proper internal controls and effective management.

Over the past several years we have had a few embezzlements occur at our parishes, fortunately not large dollar amounts. All were investigated by our internal audit team and reported to civil authorities. We have a zero tolerance stance in the area of fraud just like the stance in sexual misconduct.

The better accountability and financial structures we have in the church the better we can carry out God's mission. But even in being good stewards and caretakers, we must have an attitude of faith and gratitude. We must receive God's gifts gratefully and care for them in a responsible and accountable manner.