

Profile of CM Visitor as Administrator: An Econome's Perspective

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For almost three years now, I have been the Econome General for the Congregation of the Mission. My qualifications for this role guaranteed that I would not bring any pre-conceived notions to the job and much of my learning about finances in general and within the community in particular has come from my time in office. I suspect that this experience of mine is similar to your experience. Not many of you bring any special qualifications in the area of money management to the role of Visitor, yet you are expected to be responsible for the finances of your Province.

In many ways, my relation to the Superior General with his General Council is not much different from your Provincial Econome's relation to you and your Provincial Council. As many of you rely on your Provincial Econome to help in carrying out the financial concerns of your Province, so I find that Fr. Maloney relies on me for those of the Generalate. I know that the dialogue which takes place between Council and Econome--whether on the level of Provincial or General administration--is an essential element in effective financial management. Within that context, I have some appreciation of your responsibilities and difficulties, and the problems which can arise.

In my presentation this morning, I will focus on three aspects of the role of the Visitor in relation to the Financial Administration of a Province:

- 1) The Relationship to the General Curia
- 2) The Relationship to the Provincial Econome
- 3) The Relationship to the Goods of the Province.

1) The Relationship of the Visitor to the General Curia:

Every province has a financial relationship to the General Curia and one can identify at least these three points of contact.

a) An Account of the Province at the Generalate: Every Province has an account at the Generalate. Twice a year, in January and July, the Econome General sends a report of this account to the Provinces. The money in this account is used to pay the bills of the Province such as:

- the Tax of the Province which is \$42USD/year for every ordained confrere in a province;
- the cost of Vincentiana, the Catalogue, the Ordo;

--and other expenses such as students at the Leonine, documents from the Holy See, the "Center for International Formation" in Paris, and the costs of a General Assembly.

In this account is also deposited moneys received by a province for mass intentions, transfers from other Provinces, and donations from helping organizations (such as MISSIO, Kirche in Not), and so on.

The money in this account may only be used with the permission of the Visitor or the Provincial Treasurer. No interest is paid on this money, and the Provinces are asked to maintain a positive balance in their account.

b) Financial Report of Econome General to Provinces: The Econome General makes regular financial reports to the General Council regarding the finances of the Generalate. And each year the Econome General is required to make a brief report on the financial administration of the Generalate to the Visitors of the Congregation. We read in our Statutes (103 §5):

The treasurer general should give a general accounting of his administration to provincials at the end of each year; to the General Assembly every six years.

This report is an expression of stewardship which recognizes the co-responsibility between the Generalate and the Provinces for the goods of the community which are held in Rome. I have given each of you a copy of this report for 1995. It can give you a sense of the resources of the Generalate and the way in which the Generalate administers these resources. I will be happy to answer any questions about that report. The General Council, of course, and the Superior General in particular, have seen and approved more detailed versions of this accounting.

The document which you receive is for your consideration, perhaps with your Council and Provincial Econome, but it is not for general publication.

c) Financial Report of Visitor to the Superior General: Similarly, each year, the Visitor is required to send a financial report on his Province to the Superior General. Statute 103 §6: Provincials should submit a financial accounting for their provinces to the superior general at the end of the year.

This report is usually prepared by the Provincial Econome and sent to the Econome General, but, by our Statutes, the Visitor is the one responsible for this document and so he signs it. It is the responsibility of the Visitor to be sure that it is sent.

This document is important, not only because it reflects a proper attitude towards stewardship and informs the Generalate of the state of a Province, but also because it requires the Visitor to be aware of and accountable for the Financial condition of his province. This might also be done in other ways (and undoubtedly is done in other ways), but the yearly financial report provides one standardized means of expressing the information for the entire Congregation.

The fundamental goal of the report is to honestly reflect the financial situation of the Province. It is treated in confidence and is not available to anyone outside the General Council.

2. The Relationship of the Visitor to the Provincial Econome:

C. 128: In each Province there must be a treasurer to administer the goods of the province under the direction and vigilance of the provincial and his council, according to the norm of canon 636, §1 and of our own law.

Last summer at about this same time, as you all know, I gathered the Provincial Economes of our community at a meeting in Paris. It was very informative for me and for many of them. It provided the Economes with the opportunity to speak of common concerns, and for us to share experiences and to learn from one another. At that meeting, several themes arose which touch on the important relationship in administration between a Visitor with his Council and the Provincial Econome.

a) The Financial Element in Decision-making: The Provincial Econome recognizes his place in carrying out the ministry of the Province and wants to be valued as a genuine contributor to the mission of the Province. He does this by assuming a primary responsibility for the financial condition of a Province, but always in connection with the Visitor and his Council:

Statutes 104 §2: With respect to the ... provincial treasurer... an account of receipts and expenditures and a report on the status of the patrimony are to be examined . . . twice a year by the provincial with his council.

Different provinces have different concerns: some provinces experience great needs and the Visitor and Econome are involved in the task of seeking and distributing funds. Some provinces have adequate financial resources and much of the energy in that province is directed toward managing and maintaining the patrimony.

What is clear in both situations is that the decisions of the Provincial Council have significant impact on the finances of a province. Opening and closing works, moving men from one place to another, retirement and illness, all these considerations have significant financial consequences. In the Provincial Council, someone, if not the Provincial Econome himself, should have the responsibility to ask the question regarding the financial implications of a decision. Once the decision is made, it is often too late to ask the question. Clearly, finances should not be the first consideration for a ministry, but it must always be a realistic factor. It falls to the Econome to carry out the financial implications of a decision and so it is good for his voice to be heard.

b) Sharing Financial Decisions: As noted in our Statutes, the Visitor and his Council have a responsibility in making financial decisions. Some decisions, however, can and perhaps should be shared with other members of a province through the Provincial Econome. A finance committee and/or an investment committee in a

province enables other confreres to participate in and become knowledgeable about financial decisions. In this way, we become more competent to make decisions and less likely to make errors with more minds and talents involved. The issues involved in financial decision-making should not focus on the question of power but leadership. And good leadership involves delegation, consultation, and informed decision-making.

c) Employing Experts from Outside the Community: In many cases, experts should be involved in the administration of a province, and in particular to help the Econome in his work. This is true, for example, in the areas of accounting, bookkeeping and investments. Final responsibility should never be surrendered to anyone outside the community, but neither should decisions be made without the aid of those who are most competent. Honest and trustworthy laypeople who are friends of the community can be very useful in the areas of business. They can also serve on investment committees and finance committees to aid in directing our decisions in those areas where we need advice.

d) Some Suggestions from the Provincial Economes: The relationship between a Visitor and the Provincial Econome is an important one. At the meeting in Paris, some suggestions were made to promote this relationship, and I offer them for your consideration:

- 1) A dialogue between the Visitor with his Council and the Econome should be the normal process on important issues.
- 2) The new Econome for a Province should be selected early, trained to be the Econome, and allowed to spend some time with the outgoing Econome; this is a role which requires some preparation and continuity.
- 3) The Visitor could invite the Provincial Econome to accompany him on visits to houses of a Province (Statute 77.2) so that financial considerations become an ordinary part of the visitation;
- 4) Men in formation should be given some training in financial matters; this prepares them to carry out the task of local Economes and makes reporting easier.

Cultivating a good relationship with the Provincial Econome can make the Visitor's responsibility for the finances of a Province much easier.

3. Relationship to the Goods of a Province:

The Visitor with his Council has the final responsibility for the goods of his province and particularly the ways in which these goods must be maintained for the needs of the ministry and the care of the confreres. I have some particular suggestions to make in this regard with regard to your role as financial administrators in your provinces. I can honestly say that each of the following recommendations flows from a particular experience with which I have been involved in the past three years. What I present are reminders and encouragements for your work.

a) *Future planning based on physical resources and needs:* Planning for the future clearly involves not only the manpower but also the financial resources of a Province. The financing of new ministries, the maintenance of established ministries, and formation are important budget items, but a Province must also be careful to set aside some resources for the care of the sick in the Province and the support of the elderly. All these are expenses which a province can project and which are an important part of the longterm planning. Young provinces may not see this need immediately, but it is one which requires early attention so that resources may be allowed to grow in this direction.

b) *Protection of Patrimony:* In the past, the material goods of a province such as land or buildings were often referred to as the patrimony of a province. And this is true, those items were obtained (often at great effort) to provide stability and longterm protection for a Province and its ministry. In these days, in some places, such possessions are sometimes looked at as a liability to a Province and a financial burden. And so a province can decide to sell these buildings or this property. Frequently, this may be a good decision which unburdens the province to serve the needs of the mission more freely, but a province should also be careful about selling its future stability for a quick solution to a present problem. It is important to maintain the patrimony of a province.

The Holy See is now beginning to consider the question of alienation of patrimony in a new way. In the past, this patrimony was often described in terms of property and institutions/buildings; now there is a greater awareness of how these physical assets can be converted into more liquid assets (such as cash or investments) and how these latter assets become the patrimony of a community which canon law describes in this context as that which enables a community to carry out its mission. A generally accepted canonical description of stable patrimony is this:

Stable patrimony is to be understood as the sum of the goods which constitute the secured minimum economic base necessary for the juridic person to subsist in an autonomous manner and fulfill the purposes and the services which are proper to it.

The bottom line is this: ***Alienation of property and houses should not deplete the permanent patrimony of the province.*** The Visitor has the responsibility to protect this patrimony.

c) *Clarity in Agreements:* When entering into agreements with anyone and even other provinces, be sure that the terms of the agreement are written down clearly and mutually understood in the same way. The time for discussion is at the beginning of an agreement. Sometimes we are embarrassed to talk about money matters because we seem to be overly interested in "mammon", but clarity at the beginning saves bad feelings at the end when the decisions have the weight of years and involve people's lives. Clear agreements serve everyone's needs effectively and writing out these agreements is essential for future reference.

d) Clarity in Knowing and Protecting the Status of Confreres: Along this same line, it is important for a Province to know the status of each of its members. The Generalate has been asking the Provinces to clarify the status of men who have separated themselves from the community in one way or another. This is important and can have significant financial implications, but it is not what I am suggesting here. My concern is confreres who remain within the Congregation.

If someone is no longer working within a Province, such as in an International Mission, it is important to know the status of that confrere regarding his health insurance and his retirement. If a confrere joins another Province for a particular work, is it clear whether he will return to his Province of Origin at some time and will need the care of that Province? What has been decided on these matters?

Again clarity in these situations should be sought at the beginning of the process and should be obtained in writing. When a problem arises, it is often too late to handle the difficulty amicably, and confreres who are sick or elderly or desirous of returning to their homeland seem unwanted. In his role as administrator, the Visitor assumes a responsibility for the pastoral care of the confreres of a Province.

e) Clarity Regarding the Official Documents of a Province: A Visitor should know the status of the properties of a Province. Be sure that all bank accounts, investment accounts, property deeds, and so on, are kept up-to-date in terms of signatures and descriptions. These should all be stored somewhere known to the Visitor and the Provincial Econome. It is very easy for all of us to tell stories of accounts and properties which are owned by confreres who are dead or otherwise outside the Congregation. For good administration, all the official documents of a Province should be properly maintained and this is not always easy. It requires regular attention and effort.

f) Clarity Regarding Professional Reports: When professionals are hired by a Province, the Visitor should be sure that reports are received regularly, and that these reports are clear and understandable. All of us are reasonably intelligent men. If we and our Provincial Economes receive reports which we cannot understand from our lawyers, accountants, investment consultants, or other managers, then there is something wrong. The time has come to change the professionals with whom we deal. It is the responsibility of these men and women to make matters clear to us. That is why we hire them.

A word of caution may also be expressed here with regard to dealing with family and close friends as professional consultants. Sometimes the line of professionalism becomes obscure and it is difficult to require the kind of results which are necessary. It is good to have a positive relation with one's professional consultants, but that relationship should not get in the way of the results demanded. When dealing with professionals, a professional distance is also helpful.

These are some of my thoughts on the role of the Visitor as Administrator as seen from the perspective of an Econome. Few of these thoughts will seem new to

most of you, but I offer them out of the perspective of my own experience. I also recognize the limitation of my vision; two matters are especially clear to me:

1. I do not have a clear grasp on all the responsibilities of a Visitor which are outside those in the financial sphere;
2. I know that it is not possible for any Visitor to do everything, to do everything himself, and to do everything at once.

Thus, I would summarize many of the elements made in my presentation in four obvious observations:

1. Communicate with and empower other members of the Province in the areas of finance and listen to their advice. This is fundamentally true of the Provincial Econome.
2. Do longterm financial planning in regard to the future needs of the confreres and the Province.
3. Seek clarity in all financial dealings and express this clarity in writing.
4. Establish a timetable for solving financial problems. Everything cannot be done at once. But, once problem areas are identified, it is possible over the course of three or five years to get things in some order.

In order for a Visitor to carry out effectively his role of administrator in the financial realm, I envision these things as essential.

Thank you for your attention.