

CONFERENCE CAPITAL ASSET FUND POLICY

Diocesan Council Funds for Equipment Repairs or Purchases

CONFERENCES OBTAINING ANNUAL COUNCIL BUDGET FUNDS FOR CAPITAL EXPENDITURES

- Amended Date: **November 1, 2024**
- Review Date: Each year the policy must be reviewed as part of the Budget Committee’s review of the Annual Council Budget.
- Affected: All Conferences seeking Capital Asset funds from the Annual Council Budget
- Attachments: Application Form
- History: Original Effective Date October 1, 2012

PURPOSE AND STATEMENT OF POLICY

The purpose of this policy is to facilitate the distribution of funds to aid conferences in response to the recommendation of the Council Board of Directors (“Council Board”) to provide a provision for the funding up to 50% of an anticipated Conference capital expenditures.

SOURCE OF FUNDS

Each year a Capital Asset budget will be approved through the budget process.

For 2024/2025 Fiscal Year

APPROVED: FOR FISCAL YEAR BEGINNING OCTOBER 2024	\$30,000
MAXIMUM FUNDING LIMIT IN FISCAL YEAR:	\$ 2,200

APPLYING FOR FUNDS

Conferences may apply for funds by submitting a completed Capital Asset Funds Application to the Council’s Conference Resources Committee (CRC) at capitalassetrequest@svdpaz.org.

Conferences may apply at any time during the fiscal year for funding available during that same fiscal year as the asset was purchased. Every dollar the Conference commits to the acquisition of a Capital Asset is matched up to a Maximum Funding Limit set each fiscal year during the budget approval process.

However, under extenuating circumstance, the CRC will review a Conference's request for additional Capital Asset assistance above the maximum. Conferences may submit up to 2 Capital Asset Requests per year, approval is based on available funds. Funds are available on a first-come, first served basis.

QUALIFYING CAPITAL ASSETS

Only Capital Assets may be acquired using these funds. Capital

Assets ("Assets") is a class of assets characterized by:

- having useful lives greater than one year.
- are infrequently purchased.

To qualify, the Assets must be one of the types noted below and have a total cost of \$250 or more.

Assets purchased must be solely for the benefit and use of the Conference in the course of its normal Conference operations of serving the poor and needy, including the operation of a pantry.

The Assets that may be funded are:

- Furniture – Items such as desks, tables, chairs, file cabinets and bookcases.
- Fixtures – Items such as racks, awnings, bookcases, lighting and electrical, or plumbing that are attached to a real property in a manner that it becomes a part of that property.
- Equipment – Items such as freezers, refrigerators, computers and printers.
- Project – A major undertaking by a Conference where several items are purchased that together cost greater than \$1,000. An example of a project is the modernization of the Conference office in which desks, chairs, computer, printer and file cabinets are bought.
- To extend the life of an Asset, rather than purchase a new Asset (e.g., a compressor for a refrigerator).

Funds cannot be used to acquire:

- Land
- Buildings
- Improvements to owned or leased land or buildings (owner is responsible for cost)
- Vehicles

- Extended product warranties
- Utility deposits
- Assets used in the operation of a thrift store.

FULL COST OF THE ASSET

The Full Cost of the Capital Asset includes:

- Sale price of the Capital Asset
- Applicable state and local sales/use taxes
- Transportation and shipping costs
- Installation costs
- Related modifications and fixtures to accommodate the installation and use of the Asset
- Disposal costs related to existing Assets
- All fees and permits required by local, county or state agencies for the installation and use of the Asset.

MATCHING FUNDS

Money is available to Conferences on a matching basis up to the Maximum Funding Limit. Every dollar the Conference commits to the acquisition of Capital Asset is matched up to a Maximum Funding Limit set each fiscal year during the budget approval process.

ABILITY TO PAY

Before any funds are disbursed, the Conference must:

- Demonstrate an ability to pay its portion of the Full Cost of the Capital Asset by providing a bank statement.

Or

- Request and receive approval for an exception to the matching provision.

On an exception basis only, all or a portion of the Conference's matching share may also be paid by the Fund when the Conference establishes that all of the following criteria apply:

- There is a compelling and immediate need for the Asset.

- Funds are not available in the Conference to pay all or a part of its matching share.
- Reasonable effort was made by the Conference without success to obtain its match from other Conferences, Districts and non-SVdP sources such as donors.

It is the responsibility of the Conference to demonstrate that it meets all of the exception criteria. Any Conference meeting these criteria will be given the same consideration for funding as is given to Conferences that can fully pay their share. All Conferences will be treated equally regardless of their financial condition.

APPLICATION DOCUMENTS

Conferences must provide a completed Application which consists of the:

1. Application form
2. Sale invoice or other evidence of the sale price of the Asset and any additional costs such as sales taxes and delivery and installation fees.
3. Written estimate of modification costs.
4. Copy of building permits or approved drawings.
5. Other documents that may be required at the time to support the cost and usability of the item.
6. The District President must confirm that the Conference is a qualified conference.
7. Conference must provide copy of Conference minutes approving the purchase.
8. All completed documents should be submitted to capitalassetrequest@svdpaz.org

APPROVAL

Approval of Applications will be made by the CRC based only on the criteria contained in this policy. Requests from Conferences for funds cannot be unreasonably denied or withheld without the prior approval of the Council Board.

The CRC provides Conferences with written notice of their approval or rejection of a request for funds and arranges for the distribution of checks or ACH payments for the amounts approved.

Conferences receiving a rejection may file an appeal with their District President within 15 days of receiving notice. Following a review by an appeals committee, the request may be approved or again rejected. If rejected, the decision of the appeals committee is final. (See Procedure and Instructions below.)

PUBLICATIONS AND ANNOUNCEMENTS

The following criteria must be approved and communicated to all Conferences and Districts on an annual basis following approval of the Diocesan Annual Budget in the September General Membership Meeting:

- Amount of the Capital Asset Fund
- Maximum Funding Limit per purchase request

Once approved, the criteria will be disseminated in the next Newsletter, and will be posted on the Bulletin Board prior to the beginning of the new fiscal year.

During the fiscal year, the CRC is responsible for publishing and announcing any changes in the amount of authorized funds as may be approved by the Council Board from time to time. The CRC must announce any changes made to this document and approved by the Council Board.

This announcement requirement also applies to a decision of the Council Board to replenish a depleted Fund.

No changes may be made to the amount of the Fund or the Maximum Funding Limit without the prior approval of the Council Board.

The CRC informs the Board monthly of the year-to-date number of requests approved, the total amount of funds disbursed and committed, and the current uncommitted balance of the Fund.

Any reference in this policy to writing, publishing or announcing means the task may be accomplished by handwritten, typed, and emailed communications, but not by texting.

AUTHORITY

Authority for overseeing the Fund and its administration is held solely by the Budget Committee.

The CRC is authorized to administer this policy and to make all communications, updates and modifications as required by this policy.

PROCEDURE AND INSTRUCTIONS

1) Applying

- a) Conference obtains and completes a copy of the Application form which the CRC has posted and can be found on the Vincentian Engagement Support Services website.
- b) Conference collects and attaches applicable documents as outlined above in the Application Document section.
- c) Conference makes and distributes at least three copies of the completed Application:
 - i A file copy with attachments
 - ii A copy of the Application to the District President
 - iii A copy to the CRC along with all attachments.

2) Reviewing, Accepting and Rejecting

- a) The CRC reviews the Application and attachments and determines that:
 - i The application is complete and, if not, requests any missing documents.
 - ii The Capital Asset to be purchased qualifies under this policy.
 - iii The amount of funds requested is within the Maximum Funding Limit.
 - iv Conference requesting funds has the ability to pay its share of the Asset cost.
 - v Confirms Conference is in good standing.
- b) An Application is considered complete, and the “first-come, first served” clock begins, on the date that the last required paperwork is received by the CRC.
- c) The CRC reviews the amount of unused and uncommitted funds still available and determines if sufficient funds are available to fund the Conference’s request.
- d) If in the opinion of the CRC the Application does comply with this policy and that sufficient funds are available, the CRC notifies the Conference President.
- e) A copy of the notification also is sent to the Chief Financial Officer for payment.
- f) If in the opinion of the CRC the Application does not comply with this policy, the CRC notifies the Conference President of that determination within two days after the application was reviewed by the CRC.

3) Exception Process

- a) Conference states in its Application that it cannot pay all or a portion of its share of the Asset’s cost.

- b) Conference provides supporting documents showing that it meets the three criteria for an exception to the matching requirement.
- c) The CRC reviews the Application and additional documentation to determine if the exception criteria have been met and makes a decision to accept or reject the request for the exception.
- d) The CRC provides written notice of the decision.

4) Appeals Process

- a) Within 15 days following receipt of written notice of a rejection a Conference may appeal that decision in writing to its District President who forwards the matter for review to the CRC Chair. The Chair appoints an appeals committee comprised of 2 District Presidents, one of whom who oversees the requesting conference, Chief Mission Engagement Officer, and a member of the Conference Resources Committee.
- b) If the President of the appealing Conference and the District President are the same person, which causes a conflict of interest, then the District's Vice President, Secretary or Treasurer (in that order) instead must represent the District.
- c) The written decision of the ad hoc committee is sent to the Conference President, other members of the ad hoc committee and the CRC.
- d) The decision of the ad hoc committee is final.

5) Disbursement of Funds

- a) The CRC's notification of approval, the completed Application and all required documents together provide sufficient supporting documentation to disburse the funds through the CRC.
- b) Within 14 days following the approval of the Application, a check or ACH payment is sent to the Conference to the attention of the Conference President.
- c) The Conference makes the purchase and sends a copy of the receipt(s) or paid invoice(s) to the CRC within five days of the purchase date.
- d) The CRC files the Application and other documentation supporting the purchase in accordance with its procedures.

6) Replenishing the Fund

If all Capital Asset funds authorized for the Conferences are used prior to the end of the fiscal year, the Council Board, at its sole discretion, may authorize that an additional amount from the Council's Budget be earmarked for the specific use of the Conferences.

7) Unused Funds

Any earmarked funds not used or committed to the Conferences during the fiscal year are forfeited and not carried over into the next fiscal year.

8) Attachments

All attachments are material parts of this policy and carry the same authority as the policy and related procedure.

9) Assistance

Conferences may request help in completing their Application by contacting the CRC or its designee.

ATTACHMENTS

Copy of Application Form