

LEADERSHIP SERVICES QUARTERLY

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THE MINISTRY OF LEADERSHIP

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An Overview

The past year has seen a lot of activity occasioned by the double punch from Hurricanes Katrina and Rita to our state. This heavily impacted all the dioceses in Louisiana. Catholicism is the major religion in the Southern part of the state and as such a lot of people depend on the Catholic Church for the necessities. The hardest hit, the Archdiocese of New Orleans had no significant disaster plan in effect for the archdiocese relative to communication, locating religious and clergy, accounting for temporal goods, maintaining sacramental records, the storage of accounting records in parishes, personnel records, backups for computer files all were compromised.

The Diocese of Shreveport was leaned on heavily during those early months in an effort to address the human needs and critical issues. Although our Diocese is less likely to be affected by Hurricanes from the Gulf, our vulnerability lies in tornado spin-offs from hurricanes and flooding as natural disasters as well as fire and theft. Any of these could be just as devastating for us as Katrina was for the New Orleans and South Louisiana areas.

This quarter, our contributors to LSQ have focused on the possibility of a disaster in our diocese and tried to give some insight into handling various concerns in the event of a local calamity.

As this is published, we are already into the 2006 Hurricane Season. Let us all pray that we do not experience a repeat of last year but that we can continue to rebuild.

RANDY TILLER

Director of Mission Effectiveness

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THE DIOCESE OF SHREVEPORT

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Business

2006-2007 Property, Liability & Workers Comp Insurance Renewal: The Good, the Bad and the Ugly

The Good

Due to the recent sales of properties in the diocese (Holy Angels, St. Catherine in Noble, and Holy Rosary Chapel in Doyline), this year's renewal included a decrease in our total reported property portfolio by over \$23 million dollars. As a result of those sales, the potential liability associated with each location was also removed from our portfolio.

The Bad

For years our insurance underwriters have explained that our increased insurance premiums were significantly affected by our large property value exposures and our potential liability exposures that exist, namely those liabilities associated with operations of a residential facility. However, during this year's renewal process the underwriters "changed their tune." This year our insurers stated that we are evaluated only on our claims experience. They continued by stating that with our excellent claims history for these past five years, we are receiving the lowest premium possible. Naturally, we find this explanation difficult to accept.

Additionally, since 1995 our insurance company and underwrit-

ers have recommended that we divest ourselves of all 15-passenger vans because of their potential liability. This year we received a penalty on our premium because we have failed to completely rid ourselves of these vans and the associated risk. However, our locations are now acting on this recommendation, and in June 2006 alone four out of nine vans were sold and removed from our property listing. I can only hope that the other locations with 15-passenger vans are in the process of getting rid of them.

The Ugly

Unfortunately all organizations whose zip codes fall within the state of Louisiana have been affected by the losses created from Hurricane Katrina. As a result, this year's property renewal was especially tough. Many of the companies we looked to for excess property coverage bids in the past are no longer doing business in Louisiana. Those that continue to write coverage in the state are reducing their coverage limits and are charging exorbitant premiums for that coverage. As a result, we saw an increase of 81% in our excess property coverage layer.

What does all of this mean?

Overall, our Property/Liability/Worker's Comp insurance renewed with a 41% increase for the 2006-2007 fiscal year. However, because we have experienced five very good years with low claims and costs, we will rely on the reserves of our Insurance Fund to cover any portion of the renewal costs that will not be billed to all locations. This year locations that experienced no activity in claims or costs will see approximately an 8% increase, as noted in the budget letter that was mailed to all locations in February. Those locations with claims and cost activity for 2005-2006 will see slightly higher premium increases depending on the size and number of claims for the year. We are expecting to bill out the Property/Liability/Worker's Comp insurance for 2006-2007 fiscal year by August. Please contact the Diocesan Business Office (318-868-4441) if you have any questions.

Enjoy the remainder of your summer!

JILL BRANIFF

Diocesan Business Officer



Emergency Preparedness for Accounting Systems

Please remember these three simple steps for a plan of action:

1. Back up your accounting system daily or weekly (at a minimum) onto a separate tape/jump drive/cd.
2. Store the backup at a secure off-site storage facility (i.e. safety deposit box, Diocesan archives, etc.)
3. Test your backup annually to ensure that the procedures you have in place actually work.

Disaster Response: The Media and the Message

Disasters make big news. Last year the national media reported on more than 700 disasters. Private individuals shared their feelings, and spokespersons commented on the impact to organizations and businesses. In a crisis, the press may call upon clergy and parish leaders to answer questions about a parish's status. Parish disaster planning includes preparation for responding to the news media. Designating a spokesperson, compiling information and relating to the media are elements of a communication plan for disasters.

Designating a Spokesperson

A parish media spokesperson should be identified before a crisis occurs and provided with training and guidance. The role of the spokesperson in an emergency is to remain fully, immediately and continually informed of the details of the situation and be able to communicate information to the media calmly, correctly, clearly, candidly and cooperatively.

Under ideal conditions this individual is the central communications person for the press. Having a single spokesperson provides a consistent contact for reporters and minimizes miscommunication. Parish staff should be informed to direct the press to the spokesperson. Reporters may want to interview the pastor-priest, other parishioners or staff. The spokesperson can facilitate these interviews.

Preparation for the role of spokesperson is essential. Good oral and written communication skills are needed along with a general knowledge of parish and diocesan policies related to disasters, insurance coverages, parish statistics and community resources. A spokesperson must prepare emotionally to view the scene of the disaster, be able to deliver a

basic, prepared statement and anticipate questions of interest to reporters. To assist the spokesperson, the parish disaster plan should include a chart of the lines of communication with contact information for the pastor and parish leadership, the process for determining who decides what to say in an emergency and for directing inquiries from the media.

Compiling Information

When a disaster occurs, the spokesperson is among the first notified. The spokesperson, along with the pastor and/or designated parish leaders, prepares a brief statement about the disaster. Taking into consideration that human life is always the first priority, a basic message for the media can be drafted ahead of time.

An initial statement includes the name of the parish, type of disaster and extent if known, number injured if any (always protecting individual privacy), statement about insurance coverage and the parish disaster plan, instructions to the public/parishioners about alternate locations for mass or other activities as necessary. This statement also mentions how updates will be given, for example, notices posted on the parish web site or recorded on the parish office phone number. Plans for recovery can be mentioned if known. As more information is gathered, the spokesperson should be the first informed and given the opportunity to notify reporters. Written notes of information provided to the media should be maintained as a church record.

The parish spokesperson and other parish leaders may want to anticipate questions that the media might ask and draft logical responses in advance. If information on a particular topic is not available, it is best to respond honestly rather than

replying with "no comment." Not responding usually leads to reliance on rumor and supposition.

Relating to the Media

News, especially broadcast news, has to be interesting and short. Interviews offer a very brief opportunity to tell our story. The message must be given at the beginning of the response, usually in about 30 seconds. In a disaster a spokesperson knows the message from advance preparation and repeats that message as often as possible. If a few memorable quotations or interesting stories can be offered, reporters are likely to use them. The parish disaster plan for the media can designate certain parish leaders to monitor broadcasts and newspapers so that errors can be corrected promptly.

Creating a connection with the reporter and the audience is important. The behavior of a spokesperson creates either credibility or suspicion. Acting with cooperation and consideration toward the press helps to get the correct information to the public. Exhibiting hostility toward the media is counterproductive. An effective spokesperson delivers a message, listens to questions, thinks before responding and challenges untruths with correct information. A spokesperson never speaks off the record and avoids negative wording.

After a disaster, the parish plan is evaluated for effectiveness. Communication with the media should be included in this assessment so that future improvements can be made. Good crisis communication is an essential part of a parish disaster plan.

CHRISTINE RIVERS
Chancellor

Human Resources

Are We Prepared to Pay Just Wages?

In order to evaluate whether or not we are paying our employees just wages, we first need to define some terms. Please don't consider this expert advice but more of an invitation to explore the ideas that you may have heard expressed as "paying a just wage" or "paying a living wage."

The Code of Canon Law describes the requirement that church administration must provide a just compensation program for those who work for the church:

"Administrators of Goods:

- 1) are to observe meticulously the civil laws pertaining to labor and social policy according to church principles in the employment of workers;
- 2) are to pay employees a just and decent wage so that they may provide appropriately for their needs and those of their family." (Canon 1286)

Therefore, the idea that we must pay "just wages" comes from our Catholic Church law and refers, not only to the employee's pay rate, but to the benefits available as well. We are obligated to offer medical, long-term disability and life insurance and a retirement program. For this short article, we will put the other benefits aside and focus on the pay. The term "just wage" refers to paying employees fairly but it is not as precise as "living wage."

There are many cities and counties nationwide who are advocating for companies to pay a living wage as a minimum for their workers rather than the minimum pay rate for their areas. The groups that are proposing living wage measures use specific numbers as recommendations of minimum pay levels. For instance, some cities recommend the living wage be set at the federal poverty level for a family of four. The 2006 poverty level for a family of four is \$20,000, which would equate to an hourly pay rate of \$9.62.

The living wage initiatives coincide with Catholic Church social teachings that stress the importance of paying just wages. In keeping with that line of thought, The National Association for Church Personnel Administrators (NACPA) has been publishing an annual

recommendation for paying a living wage to our employees. Their estimate is based on the eligibility cutoff for the federal Food Stamps program for a family of three. This estimate of the living wage assumes that the health insurance and other benefits are provided. NACPA's Estimated Living Wage Minimum for 2006 is \$10.06 per hour, which annualized for a full-time employee, would be about \$20,917 per year. Further, NACPA adjusts their recommendation based on geographical areas. The 2006 rate for New Orleans is \$9.07. In Shreveport, we can assume a similar rate.

Now, you might wonder how we assimilate this information into pay ranges. There is a huge amount of information to consider when setting up pay scales and pay ranges so let's limit it to one example that may help get us thinking more effectively about



Human Resources

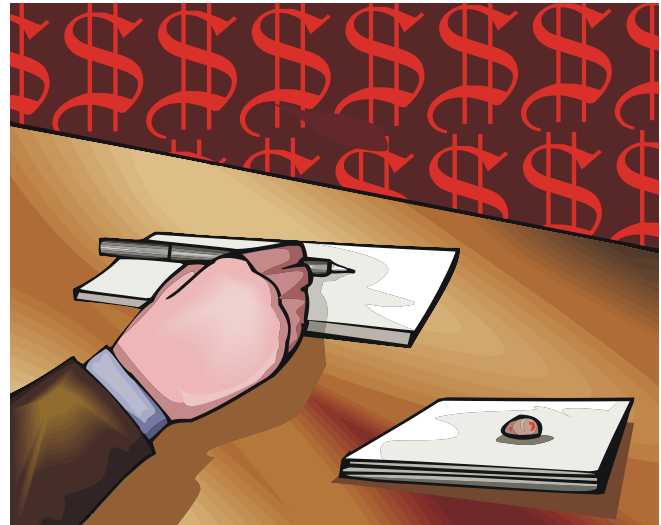
just wages. If the current pay range for a janitor in the Diocese is \$ 5.65 -- 11.00 per hour, we can quickly see that we probably need some adjustment. The next step might be to look at the market rate for similar positions in the Shreveport or Monroe area. The federal minimum wage of \$5.15 applies to Louisiana but you will probably find that many employers pay some amount above that rate in Northern Louisiana. While researching janitor pay, we might find that we are within the market range but the idea is that we, as part of the Catholic Church want to set an example by paying just wages. Even if we can find employees who agree to work for \$5.15 an hour that doesn't mean that is all we should pay them.

Pay ranges that exist for positions within the Diocese can be provided to the Pastors and Finance Councils. Just call or email me to get that information. I also have access to salary survey information that NACPA has published based on input from dioceses across the nation to use as a guide as well. If you have an unusual situation with an employee covering two different jobs, please call me for guidance. If you have

an employee working for you and one or more other locations within the diocese, please call me for guidance on that as well since it may affect benefits and overtime payment requirements.

Please remember that typical positions needed to run your location must be paid positions. Even if a potential employee is willing to volunteer or receive a reduced salary to help out the parish, you must still pay that person a just wage. The wage is attached to the position not the person. So many times we are tempted to pay a person based on their personal situation. For instance, one might want to pay a single mother more than another woman in the same position who we think is being well-supported by her husband. We cannot make those types of adjustments. We must pay for the skills required by the position.

Look at your pay ranges and start evaluating when you will be able to adjust those



that are low. It is okay to tie the pay to performance. You might want to pay someone a training rate for six months to be sure they are meeting work standards but once they are fully trained, there is a benefit to the organization to keeping a good employee on with appropriate pay. We need to be prepared to move toward paying at least the recommended living wage in coming years because that, after all, is just.

Please call the main Catholic Center number or email me at dschmidtke@dioshpt.org if you have any questions on setting appropriate pay rates within your location.

DEBBIE SCHMIDTKE
Director of Human Resources

Stewardship

Maintaining Stewardship at Home When Disasters Strike

It is a common occurrence these days when speaking with my colleagues up and down the gulf coast to hear of annual appeals that are sluggish, capital campaigns that are stalled, and parish giving that is on a downward spiral. It certainly seems that the generosity our parishioners have displayed to victims of last year's storms have impacted our ability to adequately provide for those here at home. How can we manage to remain strong in the wake of disasters that might pull our donors and volunteers elsewhere? Doesn't God promise to provide for us, even through the tough times?

"Look at the birds of the air; they neither sow nor reap nor gather into barns, and yet your heavenly Father feeds them."
Matt 6:26

Matthew's Gospel can certainly give us a bit of comfort in hard times, but anyone who has ever served on a finance council or in a diocesan development office knows that God does not expect us to sit idly by and wait to be fed. Feeding our flock takes effort, and keeping them fed after a disaster has dampened spirits and drained pocket-books presents its own unique challenges.

Perhaps being prepared for the inevitable drain on our resources could help us form a plan.

It has long been said in the development world, "giving begets giving". If this is true, why are we seeing such frightening trends in post-hurricane stewardship campaigns? I think the answer lies in the interpretation of this saying.

If you interpret this to mean simple dollars and cents, the logic does not hold true. In reality, there is a limited amount of money that people earmark for charitable giving. Our donors may indeed be "tapped out" and unable to contribute at the level they have in previous years. However, it is entirely possible that some of our donors have given of their surplus, and feel that their obligation has been met. In order to combat this thinking, we must educate even further. It needs to be made abundantly clear that while support for unplanned disasters in our global community is needed, our home fires must be kept burning. Transparency with your budget is especially needed in times like this. If your parishioners know how much is budgeted, and what will suffer if the budget is not met, it is brought into perspective that their contributions to outside charitable entities cannot pay the parish bills. Also, a focus on the sacrificial part of sacrificial giving is in order, as well as planned major gifts from those with the financial

backing to support them.

On the other hand, if you broaden your view of giving to include all of the facets of stewardship, I do believe the old adage rings true. Giving makes people feel good. Giving of ourselves blesses others, and we are, in turn, blessed. Giving is invigorating to our faith and spirit and those with a vibrant faith and spirituality are more likely to not only give of their time and talent here at home, but also of their treasure, where it is available.

If we proceed into the future with a plan to approach the inevitable financial lull that follows a natural disaster by increasing our efforts toward major gifts and an emphasis on sacrificial giving, then we will come closer to meeting our own needs, while also benefiting at home from the spiritual invigoration that comes from reaching out to our fellow man at their darkest hour. It's up to us to keep the momentum of giving going, and in this way, your parish's response to crisis can actually be an opportunity for growth in your own Stewardship efforts.

KATIE H. SMITH

*Director of Stewardship and
Diocesan Development*

Scheduling Our Next Disaster

Hurricane season for this year has already dawned, and after last year's storms, we know what this could mean for our region. Since the horrific arrival of hurricane Katrina, this has been twelve months of planning for the diocese as the Vicar General's Office has worked diligently to prepare for future events of this type. We all know it is not a case of "what if" but simply "when" we as a Catholic Community will be faced with another Katrina, Rita, or another type of calamity to befall our portion of Louisiana. Thanks to the efforts of the Diocesan Disaster Committee, we now have an official Diocesan Disaster Plan to help all of us cope with future events of this nature, and if you haven't seen it and would like a copy, contact the Office of Communication 800-256-1542 or jwillcox@dioshpt.org.

Another task of equal importance has been the creation of a Disaster Plan for each of our worship locations. Some parishes have already completed a plan of this nature while others are still working toward that goal. Are you aware that each place of worship has been asked by our Vicar General to designate a "Disaster Coordinator" to stand in charge of implementing these plans



in light of an emergency situation? Feel free to check with your parish leadership to see whom that person is, and if one is needed, why not volunteer yourself or someone you feel could adequately handle this important work for your worship community? Having these plans in place along with key people to facilitate them is a critical part of our proper response to care for those in need as a result of natural or other disasters.

The events of the past year have also taught us many pastoral lessons, and these are discussed within our Diocesan Disaster Plan. This plan, along with ones formed for our worship locations will need to be reviewed on an annual basis, so that proper updates can be facilitated and we can remain an effective response team to those in need. Remember that for a small diocesan family, there

are some things we can provide ourselves, and many others that require our collaboration with helping agencies already in place. Now is the time to give serious thought and planning to how you and your place of worship will respond when faced with this type of ministry challenge. Make no mistake, displaced victims from foul weather that happens to strike the lower regions of Louisiana are predominantly Catholic, and they arrive in our region looking for and expecting help from the Church. Working together with effective plans and personnel in place, we can offer the very best we have to our brothers and sisters in need.

JOHN MARK WILLCOX
*Director of Vocations &
Communications*