



N° 3

# S.M. 3 OFFICES

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MARIANISTI – AMMINISTRAZIONE GENERAL – Via Latina, 22 – 00179 Roma – Italia

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Rome, March 25, 2007

TO: All religious of the Society of Mary (Marianists)

Dear Brothers,

Lenten blessings from Rome!

Below you will find a copy of a letter that I recently addressed to the Unit Heads of Temporalities in the Society about the implementation of the directives of the *General Finance Directory*, which was approved by the 33<sup>rd</sup> General Chapter this past summer.

Paragraph 2 of the *General Directory* indicates that the directory is primarily addressed to General Administration, Unit Superiors, their Councils, especially to the Unit Heads of Temporalities, as well as to those who are responsible for managing the material goods of the Society. The paragraph also points out that Directory addresses each community and each religious, as we are all responsible for the use of the “common goods” of the Society.

We are distributing a copy of this letter to you because we, the General Council, sense it is important for all the members of the Society to be informed about the *General Finance Directory* and what is envisaged to implement its directives throughout the Society. We encourage your support for this process and, indeed, your participation, should you be asked to assist with the implementation in your Unit.

If I can be of assistance for further clarification, please do not hesitate to contact me.

Fraternally,

Bro. Edward A. Violett, SM  
Assistant General for Temporalities



## Curia Generalizia dei Marianisti

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Assistant General  
for Temporalities

March 2007

To the Unit Heads of Temporalities

Dear Brothers,

The 33<sup>rd</sup> General Chapter approved the *General Finance Directory on the Use and Administration of Material Goods in the Society of Mary (Marianists)* [GFD]. By now all units of the Society should have received the Directory in one of the three official languages. It is now time to address the directives contained in the Directory.

The first and most important directive is contained in paragraph 3:

*The Units in the Society will produce Directories according to their own reality in compliance with what has been established at the general level in this text.*

In order to fulfill this directive I would propose that between now and September 2008, each Unit undertake a review of any existing unit level financial directory, policy manual or written principles/guidelines in light of the GFD and the *Rule of Life*. As a result of the review, if any changes or additions are necessary, that these are made and approval sought from the appropriate authority (in most cases, the unit Chapter).

The modified/updated unit level directories would then be sent to the General Council for review and comment by September 2008 so that a definitive progress report on implementation of paragraph 3 can be prepared for the General Leadership Assembly in 2009.

For those units that do not have a finance directory or financial policy manual, one would need to be developed in this time frame and approved by the appropriate authority.

I would suggest that along with modifying or developing the unit directory, a preamble be created that would amplify the principles contained in Section II of the GFD. This amplification would provide an opportunity for 'localizing' the general principles to a particular reality according to unit and country. Moreover, it would give space for the unit to frame its philosophy around economic sustainability, lifestyle, the temporal use of goods, option for the poor, solidarity between units and advancing justice, peace and the integrity of creation.

I would also like to call your attention to directives in the GFD that will require some immediate consideration and action:

- Temporalities Committee and Expert Advisors

Paragraphs 35 and 36 direct us to establish a Temporalities Committee for each of our units and to have expert advisors for the management of our financial resources. The membership of these groups is left open to the discretion of the unit. Nevertheless, it would seem advantageous for us in the spirit of our charism (and the section of the Code Canon Law that animates this directive) to have some lay representation in both groups.

While it appears that the directive calls for two groups, I do not believe they are mutually exclusive and could conceivably be convened as one committee. However, I would caution that as the Temporalities Committee is to be consulted on “adopting decisions with important economic or patrimonial consequences” that those who serve on the committee particularly the outside experts, for obvious reasons, should have no conflicting or competing interests in the decisions and or deliberations.

- Audits and Analysis of Accounts

Paragraph 34 directs that the units determine the frequency of the audits and analysis of the accounts of the units. The directive is silent on the manner (external or internal) of these reviews and or whether they should include the community accounts thus giving space for country and cultural variations. Nonetheless, I would like to recommend that as a general principle of good financial management practice in the Society, that we would at least submit our unit level accounts to external audit once every two years as well as an external audit prior to any transition in the unit Head of Temporalities.

- Procedures of Review and Transition

The GFD does not treat this process in detail except to direct in a general manner in paragraph 33 that the “finance officers and other administrators are to render an account of their administration to the competent authority” as prescribed by proper law.

The *Rule of Life* and indeed the GFD have requirements with regard to the “rending of account.” Specifically, the responsibility for the review is lodged with the Chapter, unit council, and in certain circumstances, advice is to be sought from the Temporalities Committee. Both the *Rule* and the General Directory are silent on what should happen during times of transition.

I would like to suggest that a formal process be established in each unit that specifies what steps are to be taken during the transition from one unit head of temporalities to another. Beyond an external audit as mentioned above, elements of this process could include procedures to transfer signatories on the banking and investment accounts, notification to the appropriate authorities of a change in officers, joint verification of fund balances, outstanding receipts and payments, etc.

- Alienation of Property

Paragraph 47 details the directive on the alienation of property. It is important that each unit familiarize itself with what is required by Canon Law, the Rule of Life, and the GFD in this regard.

If there is a plan to alienate property that would exceed the limit for religious institutes, prior permission must be sought from the Congregation for Institutes of Consecrated Life and Societies of Apostolic Life (CIVCSVA). The petition for permission is addressed to the Superior General and should include the request, rationale for alienation, valuations of the property (two independent valuations required), planned use of the proceeds and opinion of the local ordinary. Contracting loans, lease agreements, mortgages above the limits are treated in the same manner.

Please find attached to this letter the current list (2004) from the CIVCSVA detailing the limits. Please verify these limits with the conference of religious in your country. In the event that your country is not listed, I would ask that you confirm from the conference of religious if a limit has been established. We would appreciate a copy here in Rome of the limits verified or obtained.

- Distinct Finance Officer

Paragraph 28 quotes Canon 636.1, “In each institute and likewise in each province which is governed by a major superior, there is to be a Finance officer, distinct from the major superior and constituted according to the norm of proper law, who is to manage the administration of goods under the direction of the respective superior. Insofar as possible, a Finance officer distinct from the local superior is to be designated even in local communities.”

As we know, the underlying principle of this canon is enshrined in Marianist tradition through our division of responsibility in the three offices. As we endeavor to live our corporate vocation, we must be careful that this directive is implemented in letter and spirit to ensure the natural checks and balances are maintained in to our social system.

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So as to have a better understanding of what financial policies and directives currently exist in the Society, I would ask that you send to me here in Rome copies of any unit level financial directory and or written policies. Electronic copies would be most helpful. If not detailed in the directory, it would be important for me to also have:

- Procedures and policies of how personal expenses of the brothers are handled at the community level (petty cash, personal budgets, personal bank accounts, etc.).
- Policies of community/individual contributions to the Unit administration

- Retirement Plans/Policies
- Health Care Plans/Procedures/Policies
- Policies on financial aid to a brother's family
- Financial Aid for brothers who depart from the SM
- Investment policies, procedures
- Last Wills and Testaments
- "Living Wills"
- Procedures and policies on inheritances and family patrimonies

[While I would not consider the above list to be exhaustive, the elements contained therein are what I would deem critical areas to our common life. Should they not be treated in the financial directory of the unit or in some policy statement, I would strongly recommend they be included in the revision and or development of the unit directory. ]

Having the copies in Rome will allow me to have a depository of the documents where I can send examples to those who need them. **Please send the existing financial documentation to Rome by 1 May 2007.** At this time please include whatever plans you have made for the review or development of the unit level financial directory. This will assist us on the General Council in understanding what is being done.

Thank you for your understanding, support and cooperation in this matter. I am at your service for further clarification or assistance. Know of our solidarity in prayer with you, the council and your community during this holy season.

Fraternally,



Bro. Edward A. Violett, SM