POLICY HANDBOOK

RETREAT CENTERS
OF
HOLY CROSS PROVINCE

JESU XPI
PASSIO

Please note: This policy book is the foundational document in use at all four of the retreat centers of Holy Cross Province. This document is currently being edited by the Executive Committee, Retreat Director, and Administrator to be presented to the Board for review in the near future.

POLICY ON THE CHARISM

The governance, operation, and management of the Christ the King Passionist Retreat Center shall be based on the traditions, background and charism of the Passionists of Holy Cross Province as outlined in the document: *The Spirit of Passionist Retreat Centers*, as suggested by the Province Retreat Center Board and approved by the Provincial Council of Holy Cross Province.

POLICIES ON ROLES AND JOB DESCRIPTIONS

Role of Staff and Board of Directors Members (Overview)

The Retreat Director and Board of Directors are the "Leadership Team" of the Retreat Center. The Team members play in a particular part of the field. They all have to know what the others do, interact with them, but they don't play in the others' territory. This requires ongoing discussion between Board of Directors and Retreat Director about their appropriate roles.

Board of Directors Members

- Need to govern and represent the institution as a whole and take a long-term view of the Retreat Center by concerning themselves with the future of the institution.
- Need to understand basic economics, demographics and the politics of independent retreat centers.
- Need to be knowledgeable about what is of crucial importance to the Retreat Center so that they can make informed decisions and ask questions.
- Need to formulate questions and participate in the problem solving process.
- Need to set policy,
- Need to be accountable individually and as a Board.

Retreat Director

- Needs to "paint the big picture", to articulate the key questions and guide collaborative effort to formulate answers.
- Should review their Retreat Center's foremost strategic challenges annually with the Board of Directors.
- Should provide information which is directly linked to strategic priorities and is sufficient for each Board Member to know how the Retreat Center's systems are operating (finance, retreat league, charism, development).
- The information should be clear, accurate, and pertinent to the Board's agenda.
- The Retreat Director needs to be accountable to the Board of Directors.

POLICIES ON BOARD OF DIRECTORS AND ADMINISTRATION RELATIONSHIP

Global Governance Management Connection

The Board of Directors' sole connection to the operation of the Christ the King Passionist Retreat Center, its achievements and conduct will be through a Chief Executive Officer, titled Retreat Director.

Unity of Control

Only officially passed motions of the Board of Directors are binding on The Retreat Director.

Accordingly:

1. decisions or instructions by individual Board members, officers, or committees are not binding on the Retreat Director except in rare instances when the Board of Directors has specifically authorized such exercise of authority;

2. in the case of Board of Directors members or committees requesting information or assistance with Board authorization, the Retreat Director can refuse such requests that require, in the Retreat Director's opinion, a material amount of staff time or funds or is disruptive to administration.

Critical to the effective functioning of Retreat Centers is the development and vigilant maintenance of trust between the Board of Directors and the Retreat Director. Retreat Centers thrive when Boards and Retreat Directors work together with a clear understanding of expectations, responsibilities, and procedures. A fundamental principle is that Boards establish and Retreat Directors implement philosophy. In each Retreat Center, this will translate into a unique configuration, which must be clear to both Board and Retreat Director.

The translation into practice of this division of responsibility will be greatly enhanced by a policy of "no surprises." Neither the Board of Directors nor Retreat Director should be startled by an action of the other. The Board of Directors, not its individual members, governs the Retreat Center.

1. The chair should have prior knowledge of issues of importance to be raised by the Retreat Director at a Board of Directors meeting. The chair and the Retreat Director should have prior knowledge of issues of importance to be raised by Board of Directors members.

2. The chair is solely responsible for establishing and maintaining appropriate standards of conduct for Board members and for disciplining Board members who do not hold to these standards.

3. Board of Directors members receiving substantive complaints about the Retreat Center's Retreat Director should transmit such complaints to the Board chair who should in turn consult the Retreat Director.

4. Board of Directors members receiving substantive complaints about the Retreat Centers' program or operations should listen without comment and agree to transmit such complaints to the Retreat Director, or in the absence of satisfaction, to the Board chair.

5. Board of Directors members should never bring their own dissatisfactions with the Retreat Center to members of the team, staff or other constituencies, but should express them only to the Retreat Director and/or the Board chair.

6. The Board of Directors chair and the Retreat Director should always consult with each other on sensitive matters of importance to the Retreat Center.

7. No Board members should ever take action unilaterally in matters affecting Retreat Center policy or operations. Independent investigation of operations by a Board member is inappropriate.

8. Retreat Directors should never attempt to alter existing Board policies or create new ones.

9. Retreat Directors should transmit immediately to the Board chair and/or appropriate committee chairs any necessary information affecting the operations or personnel.

10. Retreat Directors and Board of Directors members must be absolutely clear about which actions of the Retreat Director do and do not require Board approval. Where doubt exists, consultation should precede action.

11. Procedures should be in place for a thorough, fair, and regular evaluation of the Retreat Director, thus precluding the possibility of arbitrary or unexpected dismissal.

BOARD OF DIRECTORS Job Description

The Board of Directors has the responsibility to take those effective and necessary actions to assure, maintain and develop the mission of a Passionist Retreat Center, in light of the charism of St. Paul of the Cross and in keeping with the traditions of Holy Cross Province and the Retreat Center.

The duties of the Board of Directors shall include but not be limited to the following:

1. To appoint new members of the Board of Directors as required and to select the Chairperson, the Vice-Chairperson and Secretary of the Board of Directors.
2. To hire, evaluate and when necessary terminate the Retreat Director.
3. To oversee the development of the Mission Statement and strategic planning for the Retreat Center and to submit these to the Board of Trustees for approval.
4. To establish short range and long range goals.

5. To monitor and evaluate the Retreat Center's progress.
6. To ensure the Retreat Center's compliance with applicable laws and ethical standards.
7. To implement the financial policies of Holy Cross Province and to develop local financial policies, ensure accountability and approve the annual capital and operating budgets of the Retreat Center.
8. To establish policies and plans for acquiring the Retreat Center's needed financial resources, including policies regarding the participation of the members of the Board of Directors.
9. To approve any amendment, revision or restatement to the Articles and by-laws of the Board of Directors.
10. To maintain regular communication with the Board of Trustees and submit reports as required.
11. To recommend to the Board of Trustees any substantial change in the assets or real property of the Retreat Center.
12. To conduct annual Board self-evaluation
13. To participate in Board development and formation processes.

POLICY ON BOARD OF DIRECTORS ATTENDANCE

It is the policy of the Board of Directors of the Christ the King Passionist Retreat Center that all Board of Directors members attend all Board and Committee meetings, including the Board Retreat. If professional/personal circumstances prevent attendance, a minimum of four Board meetings, plus the Board Retreat is required. If a Board Member is unable to meet the minimum requirement, he/she may be asked to resign as a member of the Board of Directors.

Governing Style

In light of Passionist Charism and its own Mission Statement, the Board of Directors will govern with an emphasis on:

(a) outward vision rather than an internal preoccupation,

(b) encouragement of diversity in viewpoints,

(c) strategic leadership more than administrative detail,

(d) clear distinction of Board of Directors and chief executive roles,

(e) collective rather than individual decisions,

(f) the future rather than the past or present, and

(g) proactivity rather than reactivity.

Accordingly, the Board of Directors will:

- cultivate a sense of group responsibility. The Board of Directors, not the staff, will be responsible for excellence in governing. The Board of Directors will be the initiator of policy, not merely a reactor to staff initiatives. The Board of Directors will use the expertise of individual members to enhance the ability of the Board of Directors as a body, rather than to substitute individual judgments for the Board of Directors' values;

- enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policymaking principals, respect of roles, and ensuring the continuance of governance capability;

- provide for the orientation of new Board of Directors members, continuing education in Catholic and Passionist traditions and spiritual values, opportunities to evaluate the Board's governance process and periodic Board discussions of process improvement;

- allow no officer, individual or committee of the Board of Directors to hinder or be an excuse for not fulfilling its commitments;

- monitor and discuss its process and performance at each meeting.

POLICIES ON BOARD OF DIRECTORS GOVERNANCE

Board of Directors Member's Code of Conduct

The Board of Directors commits itself and its members to religiously appropriate, ethical, and lawful conduct, including proper use of authority and appropriate decorum when acting as Board member.

Accordingly, members of the Board of Directors:

1 must represent unconflicted loyalty to the interest of the ownership-the Congregation of the Passion, Holy Cross Province. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups within or outside of the Retreat Center and membership on other Boards or staffs. It also supersedes the personal interest of any Board member acting as a beneficiary of the Retreat Center;

2. must avoid conflict of interest with respect to their fiduciary responsibility;

   a. members will annually disclose their involvement with other organizations, with vendors, or any other associations which might produce a conflict;

   b. there must be no self-dealing or any conduct of private business or personal service between any Board of Directors member and the Christ the King

Passionist Retreat Center except as procedurally controlled to assure openness, competitive opportunity and equal access to "inside" information;

c. when the Board of Directors is to decide upon an issue about which a member has an unavoidable conflict of interest, that member shall absent herself or himself without comment from not only vote, but also from the deliberation;

d. Board members must not use their positions to obtain employment for themselves, family members or close associates. Should a member desire employment, he or she must first resign;

3. may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies;

4. do not have any power or individual authority over The Retreat Director or staff, unless explicitly authorized by the Board of Directors;

5. in their interaction with the public, press or other entities, must not speak for the Board of Directors except to repeat explicitly stated Board decisions;

6. will not express individual judgment of Retreat Director or staff performance;

7. respect the confidentiality appropriate to issues of a sensitive nature;

8. will be properly prepared for Board of Directors deliberation.

9. will actively participate in formation programs sponsored by Holy Cross Province.

Cost of Governance

1. Board of Directors skills, methods, and supports will be sufficient to assure governing with excellence;

   a. training and retraining will be used liberally to orient new members and candidates for membership, as well as to maintain and increase existing members skills and understandings;

   b. outside monitoring assistance will be arranged so that the Board of Directors can exercise confident control over organizational performance. This includes, but is not limited to, fiscal audit;

   c. various means will be used as need to ensure the Board of Directors's ability to reflect the standards and traditions of the Passionist Congregation, Holy Cross Province.

2. All Board of Directors costs (include directors and officers liability insurance) will be prudently incurred and will be included in the Retreat Center's annual budget.

Exit Interviews

Exit Interviews will be conducted by the Executive Committee of the Board of Directors for any member leaving their position on the Board. Such interviews will include an evaluation of the time spent in service.

The evaluation will include at least the following information:

- Whether or not he/she received an adequate orientation,
- Whether or not Board expectations were clearly stated;
- If the member felt that the Board of Directors accomplished their goals during his/her tenure;
- Whether or not he/she believed the Board of Directors and its committees had effective leadership,
- Whether or not he/she received adequate support from administrative staff and any other information that will be helpful in the development of Board operations.

The interview will also seek Board members recommendation for further actions by the Board of Directors.

Hiring the Retreat Director

The Retreat Director is hired by the Board of Directors, collectively. The entire Board extends the offer of employment and supports the Director in the important work of the Retreat Center. Because hiring the Retreat Director is the most important act the Board of Directors can do, it is an act that should be done carefully and following set procedures.

The Board of Directors offers a written contract to the Retreat Director, delineating
Responsibilities
Terms of compensation
Evaluation process
Terms of contract, renewal and termination provisions

The Board of Directors with the Retreat Director, sets annual goals for the Retreat Director's performance and for its own performance, and is organized to conduct annual evaluations in three areas:
The Retreat Director
The Board of Directors itself
The Board leadership, especially the chair

Evaluations of the Retreat Director are shared with the Retreat Director and should be placed in the Retreat Director's personnel file.

Evaluations of the Board of Directors should be shared with the Board itself. Evaluations of the Board leadership should be shared with the entire Board and with the Board of Trustees.

POLICIES REGARDING THE RETREAT DIRECTOR

Retreat Director's Job Description

The Retreat Director is the Chief Executive Officer of the Christ the King Passionist Retreat Center. The Retreat Director is hired by, evaluated by, and reports to the Board of Directors.

The Retreat Director's Primary Responsibilities:

The Retreat Director serves as the principal representative of the Christ the King Passionist Retreat Center. He/she is responsible for managing the Christ the King Passionist Retreat Center according to the Charism of St. Paul of the Cross and Holy Cross Province and for successfully implementing the Mission Statement of the Christ the King Passionist Retreat Center. He/she is also charged with all administrative and financial responsibilities for the Christ the King Passionist Retreat Center's budgets.

The Retreat Director is responsible to create an atmosphere that includes and welcomes the participation of all within the deepest traditions of Passionist life and the standards of Gospel Justice.

The Retreat Director is responsible for the implementation of the policies set by the Board of Directors.

The Retreat Director is responsible to initiate, implement and manage clearly stated goals, objectives and action steps for the Christ the King Passionist Retreat Center.

The Retreat Director is responsible for submitting or having submitted to the Provincial Office of Holy Cross Province all requested reports and documentation, and for complying with the norms and regulations established on a Province level.

The Retreat Director is responsible to maintain a direct ministerial involvement, to coordinate the ministry team and participate in the retreat program and other ministerial activities.

The Retreat Director is responsible for ongoing theological, spiritual and prayer formation for herself/himself and for the Christ the King Passionist Retreat Center team and staff.

The Retreat Director is responsible for maintaining the facilities and ground of Christ the King Passionist Retreat Center in such a way as to maintain the value of the property.

The Retreat Director interacts with benefactors, supporters and retreatants to develop funds in support of the mission of the Christ the King Passionist Retreat Center.

Duties of the Retreat Director:

The Retreat Director's duties include but are not limited to the following:

Working with the Board of Directors, the Retreat Director sets the direction for the Christ the King Passionist Retreat Center. He/she sets priorities, coordinates functions, and reports to the Board.

- Working with the Retreat Team, the Retreat Director assures that the Passionist preached/conducted retreat is structured and scheduled so as to remain the primary work of the Christ the King Passionist Retreat Center.

- The Retreat Director holds final responsibility for all the daily activities of the staff and team of the Christ the King Passionist Retreat Center.

- The Retreat Director provides leadership for the staff and team of Christ the King Passionist Retreat Center.

- The Retreat Director plans and manages in such a way so as to maintain the fiscal viability of the Christ the King Passionist Retreat Center.

- The Retreat Director insures the promotion and development of the preached retreat programs; working with retreat captains, retreat leagues and other involved in this ministry.

- The Retreat Director maintains, creates and promotes to all the Christ the King Passionist Retreat Center's publics, benefactors, supporters and others the intrinsic sacredness and Passionist values of the Christ the King Passionist Retreat Center.

Authority of the Retreat Director:

The Retreat Director has authority for the following specific areas as well as for overseeing all the activities of the Christ the King Passionist Retreat Center.

- He/she has authority to create positions as needed for effective management.

- He/she has authority to hire, evaluate and terminate the Administrator, Retreat Team Members, Department Managers or any other employees. In the case of the Administrator, this is done only in consultation with the Board of Directors.

- He/she has authority to obtain any consultations or advisors he/she deems necessary for the successful management of the Christ the King Passionist Retreat Center.

- He/she has authority to make fiscal decisions within the boundary of the approved annual budget.

- He/she has authority to make decisions regarding scheduling and any other programming issues.

Above all else, the Retreat Director is charged with managing the Christ the King Passionist Retreat Center as a place where the love of Christ Crucified is preached and promulgated.

Global Executive Constraint

The Retreat Director shall not cause or allow any practice, activity, decision, or organizational circumstance which violates the mission and policies of Holy Cross Province, or of the Christ the King Passionist Retreat Center or the teachings and Canon Law of the Roman Catholic Church or is either unlawful, imprudent or in violation of commonly accepted business and professional ethics.

Relationships with local Dioceses

The Retreat Director shall not cause or allow conditions, activities, or decisions that jeopardize or adversely affect its relationship to the Diocese, local parishes, other local church entities, or other Passionist ministries.

Accordingly, The Retreat Director shall not fail to:

1. Maintain the rights of a Catholic Retreat Center in the local Diocese.

2. consult immediately with the Chairperson of the Board of Directors if the Retreat Director determines that an employee, volunteer, or any other person connected with or involved in the operation of the Christ the King Passionist Retreat Center has engaged in conduct that has caused or may cause legal, financial, social, or religious scandal to the Passionist community;

Public Relations

The Retreat Director shall not cause or allow conditions, activities, or decisions that endanger or adversely affect the Retreat Center's public image or credibility.

Accordingly, The Retreat Director shall not fail to:

1. Develop an effective public relations and communications program that enhances mutual understanding and respect among the administration, the Board of Directors and the staff and all local publics;

2. strengthen the bond between the Retreat Center and its publics-the Diocese, local parishes, retreatants, friends and benefactors, neighboring entities, civic and governmental agencies, the general public and residents living within the Retreat Center's neighborhood.

Retreat Director Leadership

The Retreat Director shall not fail to lead and administer the Retreat Center according to the principles, practices and values of the Passionist tradition as outlined in the publication "*The Spirit of Passionist Retreat Centers*" and generally accepted managerial principles, systems, and practices.

Accordingly, The Retreat Director shall not fail to annually conduct a performance self-evaluation process for the purpose of assuring the effectiveness of his/her leadership ability and administrative skill.

Financial Planning/Budgeting

Financial planning for any fiscal year or the remaining part of any fiscal year shall not deviate materially from the Retreat Center's Mission, Board policies, risk fiscal jeopardy, or fail to be derived from a multi-year plan.

Accordingly, The Retreat Director shall not allow budgeting which:

1. fails to include a credible projection of revenues and expenses; separation of capital, restricted, and operational items; cash flow; and disclosure of planning assumptions;

1. plans the expenditure in any fiscal year of more funds that are conservatively projected to be received in that period;

Financial Conditions and Activities

With respect to the actual, ongoing financial condition and activities, The Retreat Director shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from the budget or deviation from the policies of Holy Cross Province.

1. use any long-term reserves for current operations, special projects or debt retirement without obtaining prior approval by the Board of Directors;

2. acquire, encumber or dispose of real property;

3. use any restricted funds for any other purpose than that designated by the donor(s).

Asset Protection

The Retreat Director shall not allow corporate assets to be unprotected, inadequately maintained or exposed to unnecessary risk.

Physical Plant

The Retreat Director shall not authorize or enter into contracts or agreements for any unbudgeted physical plant expenditures that exceed a total cost of $10,000 without Board approval.

Compensation and Benefits

With respect to employment, compensation, and employee benefits, The Retreat Director shall not fail to make good faith efforts to provide compensation and benefit programs for staff taking into consideration the following factors:

1. the social teaching of the Church on fair wages and benefits;

2. approximate salary and benefits as measured by local market benchmarks for comparable positions;

3. the financial condition of the Retreat Center;

In addition, The Retreat Director shall not:

1. change his or her own compensation and benefits;

2. promise or imply permanent or guaranteed employment;

3. establish or change pension benefits which cause unpredictable or inequitable situations, including those that incur unfunded liabilities or treat The Retreat Director differently from other employees.

Fund Raising and Development Policy

With respect to the acquisition and allocation of funds received through fund raising activities or the development program, the Retreat Director shall not cause or allow conditions, actions, procedures, or decisions that are imprudent, illegal or violate professional standards, ethical values or relevant stewardship responsibilities.

In addition, the Retreat Director shall not fail to:

1. develop a fund raising and development program for the Retreat Center's current and capital needs;

2. achieve or exceed the Board of Directors's fund raising and development goals, as established in the current year's operational and capital budget and, if applicable, in the Retreat Center's long-term fund raising and development plan.

Emergency Operation in the Absence of a Retreat Director

In order to protect the Board of Directors and the Retreat Center in case of a sudden loss of Retreat Director's services, the Retreat Director must have in place an Administrator who is familiar with Board and Administrative issues and processes.

POLICIES REGARDING THE RETREAT CENTER ADMINISTRATOR

Job Description for the Administrator of the Retreat Center

The Administrator under the supervision of the Retreat Director, is responsible for the administration and supervision of finances, lay personnel, facilities and grounds maintenance and usage, kitchen and dining, and office management. The Administrator collaborates with the Retreat Director and other designated personnel to create and implement an effective Mission Fulfillment program for the employees and volunteers of the Retreat Center. He/she collaborates with the Retreat Director in the development and implementation of policies and procedures for the Retreat Center.

The Administrator is an ex officio member of the Lay Advisory Board and Province Retreat Center Board. He/she is required to attend Board meetings, and to participate in Committee meetings.

The Administrator fulfills the various functions of the position by responsibilities and duties including but not limited to the following:

Financial Responsibilities
Prepares and administers the operating and development budgets. Performs monthly audit of general ledger, provides status report to the Retreat Director. Prepares and provides quarterly reports to the Provincial Office Finance Director. Oversee accounts payable transactions, bank deposits and general ledger adjustments. Monitors and prepares fee schedule for hosted groups. Maintains record of weekend attendance and donations.

Lay Personnel
Responsible for supervising all lay personnel. Provides training and guidance in job responsibilities. Facilitates staff meetings on a regular basis. Interviews, hires, performs annual evaluation, maintains personnel records, administer benefits and salaries. When necessary, dismisses lay personnel; consults with Retreat Director in these situations, ensure proper and just employment practices are followed.

Facilities and Grounds Maintenance and Usage
Oversees housekeeping and maintenance to assure the cleanliness and safety of facility. Deals with vendors and service companies. Coordinates projects with the Retreat Director and maintenance personnel. Oversees scheduling of facility for hosted groups and coordinates extraordinary situations with reservations personnel. Ensures groups who use the Retreat Center comply with the Retreat Center's mission statement.

Kitchen and Dining
Oversees the Kitchen management and service. Ensures that the meals provided are of good quality, appropriate and service is timely and hospitable.
Oversees budget of food purchasing and staffing costs, replacement or repair of equipment. If food service company is used, the Administrator works directly with company to negotiate contract and address personnel or operation concerns.

Office Management
Supervises and manages all office functions. Works with and guides personnel in performance of daily responsibilities. Coordinates and authorizes replacement of office equipment and computer hardware/software.

The Administrator works with the Retreat Director in promoting Passionist values and traditions as expressed in the Mission Statement.

The Administrator is hired by and is directly responsible to the Retreat Director. He/she performs other functions as requested by the Retreat Director.

FINANCIAL POLICIES

Finance Committee

The Christ the King Passionist Retreat Center will adopt sound financial policies in order to assure a stable environment, permitting each Retreat Center to continually strengthen its financial position in order to carry out their policies and programs. To this end, the individual Finance Committee will:

Propose and support annual budgets that are both reasonable and achievable. No budgets or programs should result in deficit spending.

The Finance Committee will work closely with Administration in the preparation and review of the annual budget.

The budget process will begin with the Administration's review, at least annually, of all expenditures for reasonableness and a determination made as to whether such expenditures are meeting their stated objectives.

The financial impact of all new programs or major cost related changes to current programs should be determined by the Administration and all proposals should be prioritized before being presented to the Finance Committee for consideration. The Finance Committee, along with the Administration, should review the financial impact each of these proposals will have on the operations and fees of the Christ the King Passionist Retreat Center.

Gifts of Appreciated Securities

The Christ the King Passionist Retreat Center will follow the financial policies of Holy Cross Province in accepting as gifts readily marketable securities. All such securities shall be transferred to the Financial Officer of Holy Cross Province for immediate sale and reimbursement to the Retreat Center.

The Christ the King Passionist Retreat Center will follow the decisions of the Financial Officer of Holy Cross Province in determining the acceptability of such securities.

Policy for Reserve Funds

The Christ the King Passionist Retreat Center will deposit their excess funds in the Holy Cross Province's Reserve Funds.

Such excess funds would include surplus from operational income as well as surplus from fund raising such as fiestas, century clubs, golf outings, and capital improvements. It would also include surplus from wills and bequests, funds solicited for long term support from wealth benefactors, trusts or foundations.

These funds will be deposited in the Province's Reserve funds. They will pay the ninety-day T-bill rate. The Christ the King Passionist Retreat Center will maintain the Investment Policy of Holy Cross Province, insofar as it pertains to the Retreat Center. The Province Investment Policy is cited below.

Investment Policy

Objectives and Guidelines

The following policies, objectives and guidelines for the invested capital of Holy Cross Province takes the place of all previously adopted statements.

The Provincial Council of Holy Cross Province realizes that ultimate responsibility for satisfactory investment performance rests with it. However, it believes that this responsibility is best exercised by managing the investment management function rather than itself being the investment manager.

Therefore, the council believes it can best exercise its responsibilities by:

1. Establishing an investment philosophy, setting policy guidelines and objectives which will be reviewed on an annual basis.
2. Appointing an internal Investment Officer who would report directly to the Provincial Council.
3. Appointing an Advisory Investment Committee to work with the Investment Officer. This committee's membership should be drawn from qualified lay persons and knowledgeable members of the Province.
4. Communicating regularly with the Investment Officer and Advisory Investment Committee.
5. Selecting qualified independent investment management.
6. Monitoring investment results to assure that objectives are being met.
7. Taking appropriate action if objectives are not being met.

Governing Philosophy and Norms

1. The investment funds of Holy Cross Province are fiduciary or quasi-fiduciary funds.

2. The Province recognizes the legal obligations it has undertaken in issuing annuity contracts. A segregated portfolio is maintained to guarantee these obligations.

3. Investment funds have the following purposes in a general order of priority:

   A. to provide a reliable source of income for sick members resident in Daneo Hall;

   B. to provide income for the education of Province members and preserve principal of endowment funds;

   C. to preserve the patrimony of members who have designated the Province to administer their goods;

   D. to preserve the principal of the reserve funds established by related corporations;

   E. to provide income to meet the operating expenses of Provincial Administration not covered by by ordinary sources of revenue;

   F. To preserve and grow the principal of invested funds to provide for future needs.

4. The Province investment fund is a permanent fund. As such, the investment objectives will require discipline and consistent management philosophies that accommodate all those events which are relevant, reasonable, and probable. Extreme positions or variations of management style are not consistent with these objectives.

5. The province aims for an investment performance that ensures total return (yield plus capital appreciation) that will preserve and enhance in real dollar terms the principal of the fund, while providing income for province purposes. An annual withdrawal rate of no more than 5% of total fund assets should be the norm of province fiscal policy. To provide flexibility, the 5% withdrawal rate is computed over a three year rolling average of total fund assets.

6. The purpose of equity investments is to provide current income, growth of income and appreciation of principal.

7. The purpose of fixed income investments is to provide a predictable and dependable source of income and to reduce portfolio volatility.

8. All investments should be properly diversified so that no single security or class of securities will have disproportionate or significant impact on the total portfolio.

9. External investment managers will have complete investment discretion within the guidelines of this policy. It is expected that the assets will be invested with care, skill, prudence and diligence.

Corporate Responsibility

In so far as our investments make the Congregation a shareholder in corporations, vigilance shall be exercised by the Province Investment Officer so that ethical and social principles are always observed. He and another religious of the Province shall be members of the Inter-Province Committee on Corporate Responsibility. He shall keep the Investment Advisory Committee and the Provincial Council informed on a regular basis.

1. **Divestment and Non-purchase:**

   The Congregation will not be shareholders in corporations which are primary military manufacturers, which are engaged in any way in the production of nuclear weapons or in the production or sale of tobacco. The Congregation may employ investment managers or invest in mutual funds which have stricter social criteria.

2. **Action for Corporate Accountability:**

   The Congregation will address its concerns through voting its proxies, communication with management, sponsoring stockholder meetings. A decision to sponsor a shareholder resolution should be approved by the Provincial Council.

   In order to assist the Congregation to become more informed in the area of shareholder responsibility, the Congregation will maintain membership in the Interfaith Center for Responsible Investment. At times, in order to address corporate management and act in concert with the shareholders, equities will be purchased solely for the purpose of pursuing a social concern agenda with management. The total value of such purchases should not be more than 1% of invested funds. These purchases should be reviewed periodically to be sure that action continues to be pursued with all targeted corporations or the stock should be sold.

3. **Alternative Investments:**

   The Congregation will also make investments outside the traditional financial markets in what are called community development funds and not for profit organizations providing low income housing or employment opportunities for minorities and low income people. The Congregation recognizes that such "high impact social loans" are usually non-liquid, provide a rate of returns below the market and have aspects which are riskier than in the traditional financial markets. However, such investments yield a social return not available in the traditional financial market place. Each such investment requires the approval of the Provincial Council. These alternative investments should total approximately 1% of invested funds.

Investments Objectives and Guidelines:

1. Portfolio for Designated Retirement Fund, Endowment Fund, Patrimony and Reserve Funds of related corporations and General Operating Funds of the Province.

   Preservation of principal is an important consideration that calls for a conservative allocation between equities and fixed income. The investment objective is a total real rate of return of 5%-8%, as measured over three to five year market period. The equity manager will use a large cap value style and will use Russell 1000 Value Index as his benchmark. This manager will maintain an overall quality rating of AA- and will not purchase emerging market debt.

The normal asset allocation of this portfolio is 60% equity and 40% fixed. A band of 5% will be allowed for market fluctuation. The Investment Officer will monitor the portfolio's allocation and rebalance as the 5% band is breached.

Normal Allocation

Normal Portfolio Benchmark

Performance should:

A. not fall below the 50th percentile of Capital Resource Advisors accepted universe of large cap value neutral managers or fixed income managers for a period of 3 years;

B. not fall below the normal portfolio benchmark for a period of 3 years

Cash will be withdrawn as needed. The treasurer shall provide the investment managers with a yearly forecast of withdrawals after the budgets of the Province have been approved.

2. Portfolio for the Missions

There is a need to increase these funds over a five or seven year time frame. Growth of principal is an important consideration that calls for an aggressive allocation to equities. No income withdrawals are expected during this period. This investment objective should be reviewed during the time period 2001-2002.

The allocation mix shall be 80% equity and 20% fixed income. The equity benchmark will be the S&P 500. The investment objective will be a real rate of return between 8-12%.

Equity Performance should:

A. not fall below the 50th percentile of Capital Resource Advisors accepted universe of Large Cap Growth managers;

B. not fall below the S&P 500 benchmark for a period of three 7 years.

3. Portfolio for Annuity Obligations

These funds must be invested in accord with the norms of the California Department of Insurance. Therefore, the required actuarial reserve will be invested in U.S. Treasury Bonds in a segregated account. The remaining funds will be invested in individual equity securities. The equity benchmark shall be the S&P 500. The same equity performance standards of the Mission Fund applies to this portfolio. The Treasurer will provide the investment manager with a schedule of withdrawals.

Prohibited Investment Strategies

The Congregation or its investment managers shall not purchase securities on margin or with borrowed funds for the purpose of leveraging the portfolio. We will not establish commodity-trading accounts.

Investment Managers

1. Investment managers should have a proven track record of a minimum of three years, preferably ten years. This record should exhibit consistency of performance and no more than average risk characteristics.

2. The Provincial Council, upon advice of the Investment Officer and the Advisory Investment Committee, shall allocate funds between managers.

3. Custodial responsibilities should be with a large viable financial institution.

4. Investment managers are responsible for frequent and open communication with the internal Investment Officer and Advisory Investment Committee on all significant matters pertaining to the assets managed.

5. The internal Investment Officer and the Advisory Investment Committee should meet with each manager at least once a year.

EMPLOYMENT POLICIES

Full Time Employees – It is the policy of the Christ the King Passionist Retreat Center to consider employees who work 21 hours or more per week as full time employees. Full time employees are entitled to full benefits.

Part Time Employees - It is the policy of the Christ the King Passionist Retreat Center to consider employees who work 20 hours or less per week as part time employees. Part time employees are not entitled to employee benefits.

Non-Exempt and Exempt Employees

All employees of the Christ the King Passionist Retreat Center are classified as either "exempt" or non-exempt." Employees in certain types of jobs are entitled to overtime pay for hours worked in excess of eight (8) hours per day or forty hours (40) hours per work week. These employees are referred to as "non-exempt" in this Policy Handbook. This means that they are not exempt from and should receive overtime pay.

Exempt employees are professional staff, technical staff, and others whose duties and responsibilities to allow them to be "exempt" from overtime pay provision as provided by the Federal Fair Labor Standards Act (FLSA) and any applicable state laws. If you are an exempt employee, you will be advised that you are in this classification at the time you are hired.

At Will Employment

Based upon the religious "grounding" of our Congregation and of our function, all employment and compensation with Christ the King Passionist Retreat Center is "at will," which means that your employment can be terminated with or without cause, and with or without notice, at any time.

Bonding Requirement

Depending upon positions, certain employees of Christ the King Passionist Retreat Center may be required to be bonded. It is the employee's responsibility to assure that he/she is bondable. The Christ the King Passionist Retreat Center will pay the cost of bonding.

Equal Employment Opportunity

Based upon principals of moral justice, the Christ the King Passionist Retreat Center will always enforce nondiscrimination in employment and opportunity because of race, color, national origin, sex, age, ancestry, marital status, disability, veteran or draft status.

It is further the policy of Christ the King Passionist Retreat Center to:

1. strictly follow personnel procedures that will ensure equal opportunity for all people w/o regard to race, national origin, sex, age, ancestry, marital status, disability, veteran or draft status;

2. comply with all the relevant and applicable provisions of the Americans with Disabilities Act (ADA). The Christ the King Passionist Retreat Center will not discriminate against any qualified employee or job applicant with respect to any terms, privileges or conditions of employment because of a person's physical or mental disability;

3. make reasonable accommodations wherever necessary for all employees or applicants with disabilities, provided that the individual is otherwise qualified to safely perform the duties and assignments connected with the job and provided that any accommodations made do not require significant difficulty or expenses;

4. achieve understanding and acceptance of the Christ the King Passionist Retreat Center policy on Equal Employment Opportunity by all employees;

5. thoroughly investigate instances of alleged discrimination and take corrective action if warranted;

6. be continually alert to identify and correct any practices by individuals that are at variance with the intent of the Equal Employment Opportunity Policy.

7. provide each employee with an employee handbook from Christ the King Retreat Center.

Harrassment Policy

It is the policy of the Christ the King Passionist Retreat Center to provide work environments that are pleasant, healthful, comfortable and free from intimidation, hostility or other offenses which might interfere with work performance. Harassment of any sort - verbal, physical, and visual - will not be tolerated.

What is harassment?
Harassment can take many forms. It may be, but is not limited to words, signs, jokes, pranks, intimidation, physical contact, or violence. Harassment is not necessarily sexual in nature.

Sexually harassing conduct may include unwelcome sexual advances, requests for sexual favor or any other verbal or physical contact of a sexual nature that prevents an individual from effectively performing the duties of their position or creates an intimidating, hostile or offensive working environment, or when such conduct is made a condition of employment or compensation, either implicitly or explicitly.

All the Christ the King Passionist Retreat Center employees have a responsibility for keeping our work environment free of harassment. Any employee who becomes aware of an incident of harassment, whether by witnessing the incident or being told of it, must report it to their supervisor. When the Christ the King Passionist Retreat Center becomes aware that harassment might exist, it is obligated by law to take prompt and appropriate action, whether or not the victim wants or requests the Christ the King Passionist Retreat Center to do so.

Reporting

Any incidents of harassment must be immediately reported to the supervisor. Appropriate investigation and disciplinary action will be taken. All reports will be promptly investigated with the due regard for the privacy of everyone involved. Any employee found to have harassed a fellow employee or subordinate will be subject to severe disciplinary action or possible discharge. The Christ the King Passionist Retreat Center will also take any additional action necessary to appropriately remedy the situation. No adverse employment action will be taken for any employee making a good faith report of alleged harassment.

The Provincial Office accepts no liability for harassment of one employee by another employee. The individual who makes unwelcome advances, threatens or in any way or manner harasses another employee is personally liable for such actions and their consequences. The Christ the King Passionist Retreat Center will not provide legal, financial or any other assistance to an individual accused of harassment if a legal complaint is filed

Policy on Sexual Misconduct

I. Introductory Remarks

Passionists believe that the Passion of Jesus "reveals the power of God which penetrates the world, destroying the power of evil and building up the Kingdom of God." (Constitutions #5) That evil is found in those patterns of behavior which disregard human dignity, among which are the various forms of sexual misconduct. As they esteem the reverence for human personhood so characteristic of the Kingdom of God, sexual misconduct is behavior unacceptable for Passionists.

For the purpose of this policy, sexual misconduct always takes place when there is sexual activity between an adult and a minor. Otherwise sexual misconduct takes place when there is unsolicited and unwelcome sexual activity of a heterosexual or homosexual nature irrespective of the age or marital status of the complainant, and any inappropriate sexual conduct, including words or gestures which offend and/or abuse a complainant, or any lewd conduct whether in private or public. This is not a legal definition but merely one describing the conduct to which this policy shall apply. Of course, we recognize that not all situations are unambiguous, and there may be instances of words or gestures which are not abusive, but which may be perceived as such.

This policy binds all Passionists of Holy Cross Province and their employees and volunteers when active as agents of the Passionists.

It is the policy of Holy Cross Province to ensure that justice is carried out for all parties involved and everyone's human, civil and legal rights are respected. Ways of complying with this policy would include the following:

1. to treat each allegation of sexual misconduct with the seriousness it deserves;
2. to investigate any allegations of sexual misconduct involving its members;
3. to cooperate with each entity that has authority in regard to each particular case of alleged sexual misconduct;
4. to treat the one who is making the allegation with dignity and compassion;
5. to treat the accused with dignity and compassion.

Holy Cross Province will foster among its membership an informed awareness of the issues addressed by this policy. It will periodically review the policy in the light of developing insights concerning sexual misconduct. Educational activities in the Local Community and policy review by Province Leadership should occur at least every four years.

BOARD OF DIRECTORS MEMBER CONFLICT OF INTEREST DISCLOSURE

Christ the King Passionist Retreat Center has a policy that requires its Board Members to notify the Retreat Center if the Board Member occupies any position with another organization or engages in any transaction or relationships that would create a conflict of interest with the individual Board Member's fiduciary duty to the Retreat Center. Any Board Member with a concern regarding a potential conflict of interest should notify the Secretary of the Board for review of the potential conflict. As a reminder of our policy, each year each Board Member is asked to acknowledge the Retreat Center's conflict of interest policy and disclosure requirements. Please list below any position held in other organizations and/or any transactions or relationships that may be subject to the Retreat Center's conflict of interest policy or otherwise acknowledge that you are not aware of any conflict as it relates to the Retreat Center. If there is nothing to disclose at this time, state NONE.

I acknowledge the Retreat Center's Conflict of Interest Disclosure Policy and certify that the foregoing is true, complete and correct.

DATED: ______________________

NAME ______________________