



The Advancement and Business Office Interface
Office of Catholic Schools
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Structure	Advancement Office	Business Office
Principal	Advancement officer works closely with principal to plan and report on advancement strategy for each year. Principal's understanding of and support for the advancement program is vital.	Business office supports (directly or indirectly) all day to day operations of the business of school by monitoring the operating budget.
Pastor	Advancement officer works with the pastor to secure parish support for advancement initiatives. Pastor's understanding of and support for the advancement program is key to its success.	Business office keeps pastor informed of all financial matters for the parish.
School Board	Advancement officer works closely with school board (in particular with the advancement committee) to maintain their engagement in and seek their support for all aspects of advancement program.	Business office provides information for the school board to assure accurate accounting and budgeting.
Business Manager	Advancement officer works closely with business manager to set-up systems for processing and reporting revenue that are mutually satisfactory. Business manager supports advancement program, particularly with parish finance committee.	Business manager oversees all business office operations.
Parish Finance Committee	Advancement officer communicates regularly with members of the parish finance committee to increase their understanding of the advancement program.	Business office provides information for the parish finance committee to assure accurate accounting and budgeting.

Board Support	Advancement Office	Business Manager
Board Leadership	With the principal, the advancement officer is responsible for helping the leaders of the board understand the full scope of advancement in order to garner the necessary endorsement of the board as a whole.	Business manager provides information regarding the financial state of the school to assist board with governance of school.
Board Committees	Advancement officer works closely with advancement committee to plan annual advancement goals and department calendar.	Business manager works with the principal and the finance committee of the board to plan and seek OCS approval of the school budget.
Board Resources	Advancement committee supports advancement office in securing the volunteer and leadership resources for the administration of all aspect of the program.	Business manager provides information regarding the scope of school budget and projected costs for proposed projects
Board Strategy	Full board meets with advancement as needed to discuss advancement strategy in order to understand scope of advancement work and provide necessary resources	Business manager works with finance committee of the board to ascertain that school will have the financial resources it needs to meet operating budget and advance the school as plans suggest.

Budget	Advancement Office	Business Office
Budget Creation	The advancement office works with parish / school leadership to determine the scope of advancement office revenue. Advancement provides business office with detail for budget	The business office requests the advancement details required for the complete parish / school budget. The collaborative process includes allowing time for reporting.
Advancement Goals	The advancement office works with principal and board leadership to determine annual and long term, measurable goals for revenue, engagement and data. Goals are shared with full board and supported by the board advancement committee.	Business office supports the goals of the advancement office by maintaining reports, endorsing the ethics of advancement and advocating for advancement when necessary.
Advancement revenue	Advancement office tracks donors, campaigns and appeals based upon a specific purpose.	The business office tracks advancement revenue in total based upon whether gifts are restricted or unrestricted and given for what purpose.
Reporting	Advancement and business offices collaborate on a reporting process that is thorough and meaningful to both: possibly a "schedule" of reports similar to tax documents that provide supporting detail for the school / parish budget.	Advancement and business offices collaborate on a reporting process that is thorough and meaningful to both: possibly a "schedule" of reports similar to tax documents that provide supporting detail for the school / parish budget.
Planning	Advancement office provides a budget (approved by school leadership) for business office; budget includes projections for income and expenditures with appropriate detail.	Advancement office provides a budget (approved by school leadership) for business office; budget includes projections for income and expenditures with appropriate detail.

Advancement Income	Advancement Office Budget	Parish or School Budget
Advancement income	Advancement income includes all revenue for which the office is responsible, whether the funds are unrestricted (operating budget) or restricted to a specific purpose by the donor.	Advancement office provides all detail for revenue that is requested by the business office but does not track expenditures or use of that revenue for its restricted purpose.
Advancement salaries	Advancement salaries are reported as such in the advancement office budget which is part of the administrative budget of school or parish. If the advancement office does not have a budget that is distinct from the school budget, the salaries and all other advancement expenses, are incorporated directly into the school budget.	Advancement salaries are reported as such in the advancement office budget which is part of the administrative budget of school or parish. If the advancement office does not have a budget that is distinct from the school budget, the salaries and all other advancement expenses, are incorporating directly into the school budget.
Advancement office expenses	Advancement office expenses are reported as such in the advancement office budget which is part of the administrative budget of school or parish. If the advancement office does not have a budget that is distinct from the school budget, the salaries and all other advancement expenses, are incorporated directly into the school budget.	Advancement office expenses are reported as such in the advancement office budget which is part of the administrative budget of school or parish. If the advancement office does not have a budget that is distinct from the school budget, the salaries and all other advancement expenses, are incorporated directly into the school budget.
Advancement event expenses	Special event expenses should be tracked and reported carefully; reports of event income should always be in net amounts	Special event expenses should be tracked and reported carefully; reports of event income should always be in net amounts

Fund Development	Advancement Office	Business Office
Restricted gifts	Advancement office introduces definition of restricted gifts to parish / school leadership and business office so that all understand the ethics and best practices of gift acceptance.	Business office looks at current gift recording process and works with advancement office to find ways that new funds could be incorporated into tracking/ reporting process.
Designated Gifts	A gift that is not restricted by the donor may be designated by school leadership with the cooperation of the business office. The donor should be informed (in the thank you letter) of the internal designation.	The business office records the designation as directed by school leadership.
Fund structure	Working with parish / school leadership, advancement office develops structure for restricted gift acceptance / solicitation that will be the foundation for a successful advancement effort	Business office works with the advancement office to adjust standard budget structure to incorporate advancement funds (restricted, named funds, etc.)
Expenditures from restricted funds	Advancement and business offices, parish / school leaders determine guidelines for expenditures of restricted funds.	Business office records and reports on all expenditures from restricted funds, and on all fund balances.
Tracking expenditures from restricted funds	The advancement office does not track expenditures of restricted funds unless the office is using accounting software to track all advancement income and expenditures.	Business office records and reports on all expenditures from restricted funds, and on all fund balances. Expenditures are not reported as an expense of the fund but as the intended use of the fund.

Restricted Gifts	Advancement Office	Business Office
Funding priorities	Funding priorities rise out of the strategic plan, are reviewed annually and are confirmed by school leaders. School / parish communities are aware of priorities which are described on the school / parish website.	Funding priorities rise out of the strategic plan, are reviewed annually and are confirmed by school leaders. School / parish communities are aware of priorities which are described on the school / parish website.
Soliciting restricted gifts	Restricted gift solicitations rise out of funding priorities in accordance with school needs consistent with strategic plan.	The business office accepts the gifts based upon the restrictions.
Gift acceptance policy	School / parish should have in place a gift acceptance policy that establishes guidelines for the acceptance of gifts. All community leaders are aware of this policy which is available in print or on parish / school website.	School / parish should have in place a gift acceptance policy that establishes guidelines for the acceptance of gifts. All community leaders are aware of this policy which is available in print or on parish / school website. The business office should manage the restricted gifts for the stated purpose.

Special Events	Advancement Office	Business Office
Revenue	Depending on the complexity of the event, the advancement office may need to record the revenue from some elements as individual gifts, therefore will follow the protocol for typical handling of gifts from individual donors.	The business office should be given a report that indicates the income from each element of the event, even if their standard practice is to list the total income, and only the total, from the event.
Expenses	Typically the advancement office tracks expenses for an event but does not record them in a donor management program. The office should collect and record all expenses and then turn them over to the business office.	The business office collaborates with the advancement office in tracking all expenses, paying bills, making reimbursements and determining for certain that the offices have the <i>same net figures for the event</i> .
Restricted funds	Any event funds that are restricted (a paddle raise, for example) should be carefully recorded as such in donor management software so that donors receive credit, including tax credit, for these gifts.	When the income from restricted funds is used, it should not be subtracted from the income for the event. The restricted funds should be recorded as income for their specific purpose (i.e. technology) and the expenditure listed accordingly; not as an expense of the event.
Reconciliation	Detailed reporting from the advancement office simplifies the process of reconciling records between the two offices. The full reconciliation includes income by event element; expenses; and net income.	Advancement and business offices should collaborate on a reconciliation process that is thorough and meaningful to both: possibly a "schedule" of reports similar to tax documents that provide supporting detail for the school / parish budget.
Reporting	The advancement office produces reports from event software that include constituent data, revenue data, etc. in addition to a profit and loss statement in the format agreed upon with the business office	The business office reconciles the advancement income and expenses to the bank deposits for accurate general ledger reports which agree with the advancement office reports.

Advancement Office
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Business Office

Gift Processing	Advancement Office	Business Office
Gift reception and initial processing	Advancement office receives the gift; records the gift in donor management program; batches gifts by date received; produces report that matches bank deposit information; prepares and sends thank you.	Business office either receives check from advancement office to prepare bank deposit or receives advancement report / copies and prepares reciprocal report.
Gifts deposited	Either advancement or business office makes bank deposit; shares copies of checks and / or deposit information with other office as necessary.	Either advancement or business office makes bank deposit; shares copies of checks and / or deposit information with other office as necessary.
Reciprocal reports	Advancement office tracks gifts by fund, purpose, solicitation, date and is able to report on gift income in any of those categories.	Business office tracks income in the way that is most meaningful to them and in keeping with business office best practices but with regard to advancement office language and policies
Monthly reconciliation reports	Advancement office prepares reports that are designed to provide reconciliation tools for both offices. At the end of the month, both offices are in agreement regarding gift totals and fund balances.	Business office provides advancement office with the language of accounting and an understanding of current reporting methods. Business office adjusts / adds reports as necessary to make reconciliation possible.
Donor relationships	All processes are developed around best advancement practices which begin with the prompt processing and acknowledgement of the gift. It is the responsibility of each office to establish a procedure that begins with the respect paid to the donor.	All processes are developed around best advancement practices which begin with the prompt processing and acknowledgement of the gift. It is the responsibility of each office to establish a procedure that begins with the respect paid to the donor.

Credit Card Gifts	Advancement Office	Business Office
Credit card administration	Both advancement office and business office should have access to credit card processor reports. Two offices should determine, when setting up processor accounts, the way which will help them track gifts for different programs / purposes.	Both advancement office and business office should have access to credit card processor reports. Two offices should determine, when setting up processor accounts, the way which will help them track gifts for different programs / purposes.
Credit card fees	Fees are a cost of doing business and are not, except for special events, deducted from the revenue for the project. Fees are never deducted from the amount of the gift; nor are they ever passed on to the donor.	Business office tracks credit card processing fees and adds those fees to advancement office budget. The fees are not subtracted from gift income reporting.
Credit card reporting	Administrator from either office should be able to track donor, date, amount and purpose of gift and report that information to their counterpart in the other office. Advancement office will add information to donor management system.	Administrator from either office should be able to track donor, date, amount and purpose of gift and report that information to their counterpart in the other office.
Credit card reconciliation	Advancement office produces a report from the credit card processor that allows them to track gifts and determine that they are correctly deposited into restricted or unrestricted funds. Business office uses this report to reconcile bank card deposits, donor management software reports, and operating budget.	Advancement office produces a report from the credit card processor that allows them to track gifts and determine that they are correctly deposited into restricted or unrestricted funds. Business office uses this report to reconcile bank card deposits, donor management software reports, and operating budget.

Reports for Donors	Advancement Office	Business Office
Thank you letters	A thank you letter should include the IRS language indicating that "no gifts or services" were received for the gift. It does not include a FEIN number or other information that is used to identify the school or parish for the government.	Business office has no responsibility.
Tax deductible gifts	Acknowledgement of cash gifts includes the amount of the gift; acknowledgement of <i>items</i> received should be listed on a form that is signed by the parish / school but in which the item's value is assigned by the donor. Only the portion of a gift that is fully deductible (that portion for which nothing was received, excluding the cost of a dinner from an event ticket, for example) should be included.	Business office should be aware of basic tax guidelines and should support advancement office in preparing tax statements as necessary.
Year-end gifts	Gifts that come in at year-end, when donor wants the full benefit for the tax year that is ending, should be processed as soon as possible. It is not necessary that the check be entered by year end but the thank you letter should dated for the year end and the gift recorded with the year end date.	The business office should support the advancement office in honoring the intent of the donor to receive the full end-of-year tax benefit.
Year-end tax statements	If the advancement office uses donor management software and tracks gifts independently of the business office, they should produce reports for individual donors. If they do not, the business office should be sure to include all donors to the school in their own year end tax statements.	If the advancement office uses donor management software and tracks gifts independently of the business office, they should produce reports for individual donors. If they do not, the business office should be sure to include all donors to the school in their own year end tax statements.
Annual or giving reports	The advancement office should produce a report, to be shared with all constituents, that recognizes individual giving, restricted fund giving, and a picture of the overall health of the school.	The business office should produce a year-end budget, for the use of school leadership that is a full profit and loss statement for the year.

Reporting Documents	Advancement Office	Business Office
Event Revenue	Advancement office itemizes revenue from all aspects of event for event summary reports; (i.e. ticket sales; drink sales; raffle sales; silent auction proceeds; game proceeds; live auction proceeds; paddle raise proceeds; sponsorships; advertising revenue;	Business office tracks total event revenue and expenses and reconciles to the advancement reports.
Fiscal Year Revenue	Advancement office tracks advancement office revenue by event; by solicitation; by purpose; by donor affiliation	Business office tracks total advancement revenue and expenses and reconciles to the advancement reports.
Annual Appeal Revenue (by appeal component)	Advancement office tracks revenue by segment; by solicitation method;	Business office tracks total appeal revenue and expenses and reconciles to the advancement reports.
Solicitation Revenue (by solicitation)	Advancement office tracks revenue by solicitation: by direct appeal; personal ask; online gift; unsolicited gift; newsletter; e-newsletter;	Business office tracks total solicitation revenue and expenses and reconciles to the advancement reports.
Fundraising Revenue (by program)	Revenue from some other programs might be tracked as if from one donor (small ticket raffle sales, for example or drink sales from a parish picnic).	Business office tracks total fundraising revenue and expenses and reconciles to the advancement reports.