

How To Close a Conference

National Finance & Governance Committee

Approved by Governance Subcommittee

The Rule of the Society and the National Model bylaws provide a framework for closing Conferences. This document is intended to provide additional procedural details.

When the decision has been made to close a Conference, one thing must be kept in mind from the outset. From the founding of the Conference, donors have given funds and other assets to the Society of St Vincent de Paul. To honor donor intent, these funds and assets continue to be the property of the Society; the closing of the Conference does not eliminate the Society's ownership or responsibility for those resources. All funds and other assets must remain with the Society.

There are a number of steps that must be followed to close a Conference. The President of the District Council¹ (or his/her delegated representative) has the authority and responsibility to ensure that all steps are fulfilled properly.

- 1) All related parties (Conference members, Pastor, Bishop, District Council President, Diocesan Council President, and the Regional Vice-President) must be informed of the decision and kept up-to-date on the matter.
- 2) Determine if the conference is separately incorporated under State law. Most are not, but if this one is, then refer to important additional recommendations at the end of this document.
- 3) Conferences can only be closed by a voluntary decision of the Conference members, a decision by the parish pastor to remove the Conference, or a decision of the National President (acting on authority delegated from the President General). National Statutes provide a right of appeal against a decision of the National President. Conferences serve at the pleasure of the parish priest. Thus, the priest can request the Conference to be closed.

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- 4) Two key details must be decided:

¹ In this document, the term "District Council" refers to the immediately higher Council. For some conferences this might be the Diocesan Council. For isolated conferences this is the National Council.

- a) A formal date for the dissolution must be defined.
 - b) A determination must be made as to whether this is a temporary closure, with a new Conference to be formed at some time in the near future, or a permanent closure.
- 5) All Conference members must turn in all property used by/for the Conference such as keys, voucher books, check books, database or voicemail passwords, phones, case records, carts, etc. All property not owned by the Conference must be returned to its rightful owner.
 - 6) A plan must be set in place to transfer all assets and all records of the Conference to the District Council. "All assets" includes all funds and all properties (fixed or mobile) owned by the Conference. "All records" includes Secretary's records, Treasurer's records, and those of all officers and committee chairs. The data retention schedule provided in the "Manual" should be referenced in this process.
 - 7) All funds must be transferred to the District Council. This entails the following steps:
 - (i) all outstanding bills must be paid;
 - (ii) all vendor and utility accounts (if any) must be closed;
 - (iii) all financial accounts (including checking, savings, CDs, investments, etc) must be reconciled, and the reconciled balance must be transferred to the District Council;
 - (iv) once the preceding steps are done, all financial accounts must be closed.

This can be accomplished in one of two ways. Option "A" below is preferred.

OPTION A. The Conference Treasurer performs these steps. Once the Treasurer of the District Council has reviewed and approved that these steps were performed correctly, the final step – closing all financial accounts – is done as soon as possible.

OPTION B. The Treasurer of the District Council is added to all of the Conference's accounts as a signer, and then performs these steps directly. This might require a resolution of the Conference.

- 8) The officers of the Conference should prepare the final annual report and present it to the District Council.
- 9) Once all of the steps above are successfully completed, the Conference President (or a Conference officer if the President is unwilling or unable) should circulate a letter announcing the formal closure of the Conference. A form letter is attached, indicating the recommended

content and the required distribution list. If no Conference officer is willing or able to circulate this letter, this should be done by the President of the District Council.

10) If the closing is temporary:

- a) the National Council will temporarily remove the record from the database and move it to archives to be re-activated at some time in the future, and
- b) the District Council must keep the assets in trust to be returned to the new Conference after its formation.

11) If the closing is permanent:

- a) the National Council will remove the record from the database and move it to archives, and remove the Conference from the National SVDP Group (Tax) Exemption Directory (NSGED) and from the National Group Insurance. If the Conference was aggregated, the National Office will inform the Council General International of the closure.
- b) the District Council must make an attempt to use the assets of the closed Conference to serve the people of the area covered by the closed Conference.

The above steps assume the cooperation of the members and officers of the Conference to be closed. This is not always the case since forced closures sometimes create a hostile atmosphere. Every attempt should be made to enlist the cooperation of the Conference Officers during this process.

In a hostile atmosphere, it has happened that the Conference members have chosen to spend down the funds of the Society or distribute them to church or other organizations rather than transfer the funds to the District Council. If brought to court, each member may be held personally liable for restitution of those funds.

IMPORTANT NOTE — SEPARATELY INCORPORATED CONFERENCES

In the unusual case that the Conference to be closed is separately incorporated under State law, it is **OF VITAL IMPORTANCE** to refer to and follow the legal procedures required in your State to close a non-profit corporation. To learn more, contact either your state's Secretary of State or Corporations Department, your state's Attorney General, or a competent attorney.

IMPORTANT NOTE — TAX CONSIDERATIONS / IRS

Many Conferences have their results reported in their Council's annual 990 tax return. **HOWEVER** if the Conference to be closed has been filing separate 990 tax returns or e-Postcards, it is vital to file a final return with the IRS as the Conference is closed.

FROM: < Region - National Vice-President Name>

TO: Conference members

_____ Parish Pastor

Bishop _____

_____ District Council President, Society of St Vincent de Paul

_____ Diocesan Council President, Society of St Vincent de Paul

_____ National Regional Vice-President, Society of St Vincent de Paul

DATE: <Date of this notice>

NOTICE OF CLOSURE

CONFERENCE

DIOCESE _____ DISTRICT COUNCIL _____
(if applicable)

This notice is to inform you that effective _____ (insert date)
the above-named conference of the Society of St Vincent de Paul was officially
closed.

I also certify that the requirements of the National Council of the Society of St
Vincent de Paul have been fully complied with in regards to this closure, and that
in particular all assets and records have been duly transferred to the
_____ Council of the Society of St Vincent de Paul.

Authorized/Signed by (choose one): District/Diocesan President or Region National
Vice President)

Name & Title

Date