



Operating Cash and Reserves

As the AUSCP St. John XXIII Award to the Founding Fathers in 2023 emphasized, the organization owes a debt of gratitude to all who had the vision and foresight to establish a priest association and set it on sound financial footing.

That foundation included the establishment of an Endowment Fund, which has remained healthy despite the turbulence in the stock market. As of June 10, this fund's value was \$216,102.12, very close to its \$217K high prior to the stock market upheavals since January. Pursuant to the Fund Guidelines for use of the interest accumulated by the fund, AUSCP has about \$40,000 available to support projects that can be funded under the guidelines set up for the Endowment.

Operating cash for an organization fluctuates differently from the value of an endowment that is invested. Operating funds pay the bills, support projects, finance meetings like the Assemblies, advertise both the organization and our work, keep our members informed via emails and the website, and tell others about AUSCP and our work. Those funds rise and fall in an annual cycle based on donation cycles as well as expenditure cycles.

Typically, a nonprofit with three to six months of cash on hand is deemed healthy—because that usually encompasses at least one major donation appeal campaign—as long as additional funds are invested (like the Endowment Fund) for long-term sustainability. As of June 10, the operating cash for AUSCP was \$150,066.18. Assuming a typical month's operation, that is close to five months of operation. *Considering that the bulk of the payments for the current Assembly have already been paid, this leaves the organization in reasonable health for the coming year.*

Note that the *operating cash status* is shared consistently with both the Finance Committee members and the Leadership Team, including just two weeks ago when they received the Cash Flow report along with the latest Finance Statements.

The usual distribution of reports to the Finance Committee includes comparison statements—depending upon the meeting date—for the previous year's month and/or quarter and/or year and, at half-year intervals, a comparison to the budgeted

amounts for the fiscal year. For example, the January Finance Committee meeting included, along with the standard monthly profit & loss statement, activities statement, and operating cash flow, a comparison of the Jan-Dec 2024 finances with Jan-Dec 2023. The April meeting included six printouts:

- Operating cash flow
- Financial position as of March 31, 2025
- Statement of activity Jan-March
- Budget and expenses
- Quarterly budget vs FY total
- Comparison of financial statements of activity for Jan-March 2024 with Jan-March 2025

The recent June distribution of reports via email with both the Finance Committee and the Leadership Team included:

- The operating cash flow report (attached)
- Profit & Loss statements for May and the fiscal year to-date
- A comparison of the Balance Sheet May 2024 with May 2025
- The Balance Sheet for May

Our bookkeeper not only provides any reports and comparisons that we request, she also has set up QuickBooks access for Finance Committee members to review any statements and reports stored in the accounting systems.

As regards a downturn in the association's finances, there have been no significant losses in the Endowment Fund at all. Fluctuations in the operating cash flow in any nonprofit are always expected based on the particular organization's fundraising cycle. However, AUSCP has had an unexpected downturn in operating cash apart from the normal fluctuation, and both the Finance Committee and the Leadership Team have been addressing these issues.

There are two causes for the most recent downturn. One, the major factor, was an unexpected and significant loss when expenses for the 2024 Assembly far exceeded revenue (see Cash Flow table at end). Assembly shortfalls have occurred in the past as well, but at a time when AUSCP operations were on a primarily volunteer basis, so that the impact on monthly cash flow was minimized. The Planning Committee has paid close attention to costs this year to guard against a

reoccurrence, although there is never a guarantee that an Assembly will yield a profit.

The second factor in the downturn was a budgeted and expected increase in the monthly operating expenses of AUSCP. This is much smaller than the downturn from the Assembly losses and is not a significant factor, but it is ongoing.

To appreciate this difference requires a brief historical recap. At the start of the Association, the Leadership Team performed each organization function needed without pay, taking only reimbursals for some of the expenses they incurred. One staff person, an Executive Secretary, received minimum pay and one bookkeeper from a church provided services at an hourly rate.

This mostly volunteer operation lasted for several years, at which point it was deemed necessary for the association's advance to "employ" an Executive Director. However, this Executive Director (Bob Bonnot) continued to perform all the organization functions free of charge, taking reimbursals only for a few of his expenses, and engaging other volunteers to carry on "staff" work.

Ultimately, as the Association grew and the demands of media-based activities increased, AUSCP began paying for a communications director, a web designer, an assistant to our (overworked) Executive Secretary, webinar tools, and an Executive Director who succeeded Bob Bonnot in 2021 when he retired. The expenses are neither unexpected nor out of alignment with practices in other nonprofits. They were approved by both the Leadership Team and the Finance Committee, and they continue to be monitored by both. They also increase slowly as costs for items such as insurance and internet access and database maintenance increase.

Returning to the sag in operating cash that occurred as a result of last year's Assembly, this problem has been addressed by both the Finance Committee and the Leadership Team. The operating cash flow is recovering (as the attachment shows) and both the Finance Committee and the Leadership Team anticipate continuing increases as negotiations by the Executive Director with key sponsors and grant foundations begin to bear fruit—not to mention the continuing support of members with their donations, responses to appeals, and "time and treasure" contributions.

Comparisons of a five-year trend in the Association finances will of course show declines: from the previously mentioned unbudgeted loss on an Assembly and from the evolution of the Association as a volunteer-run organization to one with paid staff and subcontractors. But it has been addressed, continues to be addressed, and

more importantly has not hindered AUSCP's outreach or its projects and work to carry out our mission and live our vision today and in the future.

Attachment: Operating Cash Flow June 2024 through May 2025

Cash Flow AUSCP 06/10/25

		Operating			
Month	Cash at Start	Revenue	Expenses	Monthly Net	Reserve
2025					
June	\$133,745.				
May	\$141,751.	\$29,107.5	\$37,113.6	(\$8,006.09)	\$133,745.
April	\$122,151.	\$43,570.6	\$23,970.6	\$19,599.95	\$141,751.
March	\$109,931.	\$28,444.5	\$16,224.7	\$12,219.79	\$122,151.
February	\$103,198.	\$23,378.8	\$16,645.9	\$6,732.92	\$109,931.
January	\$98,304.4	\$35,734.1	\$30,839.8	\$4,894.31	\$103,198.
2024					
Decemb	\$77,295.1	\$49,142.4	\$28,133.2	\$21,009.25	\$98,304.4
Novemb	\$70,719.4	\$23,672.5	\$17,096.8	\$6,575.69	\$77,295.1
October	\$58,695.5	\$36,181.9	\$24,158.0	\$12,023.95	\$70,719.4
Septemb	\$58,089.8	\$16,933.5	\$16,327.8	\$605.66	\$58,695.5
August	\$112,455.	\$3,318.12	\$57,683.2	(\$54,365.14)	\$58,089.8
July	\$120,621.	\$7,297.37	\$15,464.3	(\$8,166.95)	\$112,455.
June	\$238,842.	\$54,494.5	\$172,714.	(\$118,220.1)	\$120,621.