

United We Stand

Vol. 2, No. 2 2011

OutReach

A Christian Brothers Services Publication



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From the desk of...

United we stand. Ten years ago that was the phrase that resonated throughout the United States. It was shortly after the terrorist attacks on September 11 that the country unified and stood together with 'united we stand' as the rallying cry.

The concept of unity, or working together for a common goal or cause, is a theme that has been repeated throughout history. Instinctually, we all realize that as the clichés suggest, two heads *are* better than one and there *is* indeed strength in numbers. It's these clichés that reinforce the idea we can accomplish more working together than we can individually, or to use another cliché - united we stand, divided we fall.

Unity or collaboration; however, is nothing new to Christian Brothers Services (CBS). We have administered our organization under those words for more than 50 years. As a matter of fact, CBS was founded by uniting Chicago area high schools run by the De La Salle Christian Brothers, giving them the financial strength to purchase better coverages, with higher limits, at significantly reduced costs. And today, we are still uniting Catholic organizations and providing the same types of services and benefits.

This past spring, we held a summit and brought together our board of directors and the trustees who serve on the different CBS trusts. This summit gave the directors and trustees an opportunity to meet and share ideas, in addition to allowing this diverse group of professionals the ability to discuss the future of CBS and its trusts. (*Trustee Summit Springboards CBS Into its Next 50 Years*, page 24.)

In recent years, we have brought together members of our different programs and trusts to form a Customer Advisory Board (CAB). The CAB provides us with feedback on program designs, plan administration and operations, as well as, customer service. These meetings allow us to develop new programs and ensure our customer service is meeting our members' expectations.

As we look to develop services and plans for the next 50 years, one thing is certain - it will take teamwork and collaboration from our board of directors, trustees, members and staff to ensure our mission to serve you, our members, continues into the future. Because Christian Brothers Services is proof that together we can make a difference as long as we stand united.

Fraternally,



Brother Michael Quirk, FSC, Ed.D. / President and CEO

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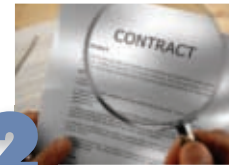
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MAIL BAG

Please let us know what you think. Email your comments, thoughts and suggestions to outreach@cbservices.org. We love hearing from you and may publish your comments in our next edition.



“Regardless of the size of the claim, I can truly say that CB Services consistently provides superior customer service. Claims are handled promptly by knowledgeable and courteous staff resulting in minimal turnaround time. CBU values its long standing partnership with Christian Brothers Services.”

– *Ken Massa*
Christian Brothers University, Memphis, TN

“When we placed all of our insurance needs with Christian Brothers Risk Pooling Trust we not only saved significant dollars but saved time in coordinating all of our insurance needs each year. We are grateful for Christian Brothers Services and all of the services they provide.”

– *Victoria Schmidt*
Thesians International, Springfield, IL

“Congratulations team of CBS! You have really achieved being a ministry, not just a business. Honestly, I feel better each time I speak with anyone connected with CBS. What an achievement. And the by-product is that I am more deeply motivated to give those I deal with in my corner of the world the same dignity you give me. Thank you and keep up the good work.”

– *Sister Jeanne A. Brendel, OP*
Harvest Houses, Syosset, NY

“We have been members of Christian Brothers Services since 2004. We have seen tremendous savings in the premiums for workers’ compensation, automobile, and property and liability insurance, and our relationship with our customer service representative is as important. How nice it is to have a person answer her own phone in these days of automation -- they are always available to advise and educate me on the best strategies for risk management. And in the case of losses, Christian Brothers is always a partner in our recovery. Christian Brothers Risk Pooling Trust is a great asset to our organization!”

– *Rebecca Boivin*
Sisters of the Divine Compassion, White Plains, NY

Hitting the Bull's-Eye with Online Advertising and Marketing

Online advertising and marketing are crucial components of running a business, one which many professionals miss the target on. In the electronic era we live in, just having a website doesn't provide enough advertising to attract the amount of visitors you would expect.

Using online advertising and marketing is a proven method to increase traffic to your website, and help grow your business at a faster rate. There are many ways to utilize the latest technologies to enhance the effectiveness of your website, and to make your advertising and marketing efforts beneficial.

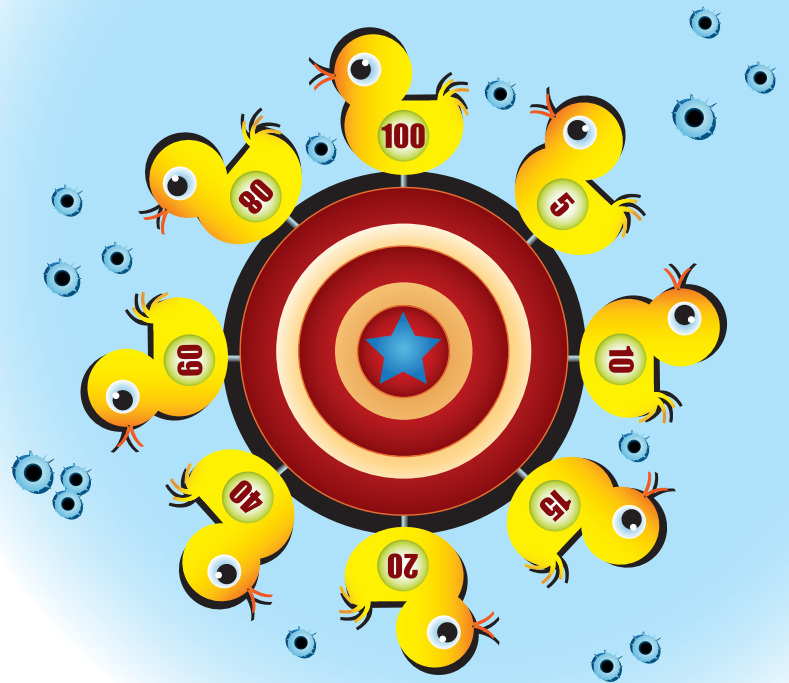
As you may know, Internet campaign advertising can be expensive, and might not produce the immediate results needed. To get the most out of online advertising and marketing, there are many ways to leverage the Internet and gain free publicity for your organization or business. The following are a few cost-free methods to advertising and marketing online.

Blogs

Categorized as social media, a blog is an online diary of sorts that can be a regular series of commentary, descriptions of events, or even graphics, photos, or videos. With the popularity of blogs rapidly increasing, now is the time to jump on the bandwagon. This doesn't mean you have to blog every day or discuss every eye-opening topic. What it does mean is that you are getting the information out there to be found and linked to by potential clients. Over time, these links will grow, and soon so will your website.

Email Signatures

An email signature is a block of text that is located at the end of an email you send. Don't underestimate the significance of an email signature. Ensure that your email signature includes your contact details and your website details as well. You could even run a promotion through your email signature.



Email Marketing

Email marketing is a form of direct marketing, and is one of the most powerful and effective marketing tools available to businesses today. Even small businesses are tapping into this incredible resource. There are a plethora of reasons to send out an email newsletter, e-vites, or an email marketing campaign. Even though it can be very time consuming, developing a monthly email publication can be an important promotional technique. Whether it is a newsletter or e-zine, a list of tips, industry updates, news, new product information, or any other valuable information your audience will appreciate, this is a very effective way to keep in contact with your prospects. Email marketing can generate trust, develop brand awareness, and build future business. While developing an email marketing campaign (such as a newsletter) may be free, there could possibly be a charge for distribution if you choose to utilize a service besides your basic email. You can distribute your newsletter inexpensively using email marketing services such as:

- iContact
- Constant Contact
- AWeber
- MailChimp

Email marketing is very popular because companies can track an exact return on investment, as well as help collect email addresses from those who visit your site.

Continued on next page

Network Socially

Social networking is another form of social media, and is a huge draw on the Internet today. Millions of people around the world use social networking sites like Facebook, MySpace, hi5, Orkut, LinkedIn and a number of other like sites. These websites have options to create/join communities or post a link so you can use your profile to publicize your services.

Social media has taken on a life all its own -- no wonder it's been called web 2.0! Social media allows real-time communication with your members and audience, something that your website might not support. Connecting with 'friends' on Facebook is a way to build a target audience, ultimately pulling people back to your website. There are four types of social media you should be well-versed in -- in addition to the blogs and social networking sites mentioned above, there are also social bookmarking sites, and forums.

Social networking sites have garnered at least half a billion active users.

Social bookmarking is a way for Internet users to organize, store, manage and search for bookmarks or resources online. With social bookmarking, users save links to web pages they want to remember and share. These bookmarks can be made public or private, and are shared with a specified group or network.

Forums, which are sometimes called message boards, are online discussion sites where people can participate in conversations by posting messages. Forums are different from chat rooms because the conversation is not real time in forums, but archived conversations.

Don't be upset if the distinctions between types of social media tend to blur. Social media helps promote your site by sending direct traffic-producing links to your site, and generating awareness. Social networking sites have garnered at least half a billion active users. Active users are those users that frequent the site on any given day. They put content on their pages quite often and actively use the site's features.

Although many online advertising and marketing efforts may be easy, they are not always free. Even if there is a "no upfront cost", developing a strategy and a campaign take time and often resources. For example, advertising on Google is relatively easy to do, but there are pay-per-click costs involved in doing so. If you want to put more money in your online advertising and marketing efforts, there are many paid ways to do so.

PPC, or Pay-Per-Click, is the number one paid way to increase traffic. Top on the list for PPC is Google AdWords. You set the bid amount for specific targeted keyword phrases in your Pay-Per-Click Management campaign. Choose the best keywords that you think your visitor (searchers/visitors) are using to find you.

This form of Internet marketing is simple. The higher your PPC bid amount, the higher your placement will be in the returned sponsored links results for those PPC keyword phrases.

If your PPC advertising efforts are successful and you are the highest bidder, you will be rewarded with the top listing in the "paid" or "sponsored" listing results, which are usually listed first, above the organic listing results on PPC search engines. Then, every time someone clicks through on your paid link you pay the bid amount you originally set. Basically, if you are willing to pay the top price, you get the top paid listing placement. Using PPC analytics, you can also measure your results and adjust your advertising to improve ad performance.

Advantages of Pay-Per-Click Advertising

- Pay-Per-Click advertising results can be immediate, delivering highly-targeted, motivated traffic. You will get qualified visitors who are actively looking for the products or service you have to offer.
- You can target your PPC advertising campaign to reach niche markets for local PPC advertising or to target specific countries and locations.
- You control all aspects of your PPC advertising management campaign.
- Using PPC analytics you can easily measure your Pay-Per-Click advertising campaign results to determine what is working and what is not.

Drawbacks of Pay-Per-Click Advertising

Unlike search engine optimization services where top listings in the organic search results can attain some longevity, there are several main drawbacks associated with PPC bid management and PPC advertising campaigns in general:

- Pay-Per-Click advertising results are temporary and last only as long as you are willing to pay the bid amounts.
- Pay-Per-Click advertising bids can become quite expensive especially if you get into a bidding war with a competitor.
- Your targeted traffic stops the moment you stop paying the PPC advertising bid amounts, either by halting the PPC advertising campaign or when your targeted keyword phrases are priced beyond your PPC campaign budget.

With all the many types of online advertising and marketing available today, it is your decision what to use, what to pay for, and how to use it. If you are considering hiring a professional to manage the online advertising and marketing portion of your organization or business, keep in mind the phrase “you get what you pay for.” Professionals will give you the expertise that might otherwise take years to master. Many of the do-it-yourself items can reap great results, but in most cases there is coding knowledge involved, as well as an understanding of

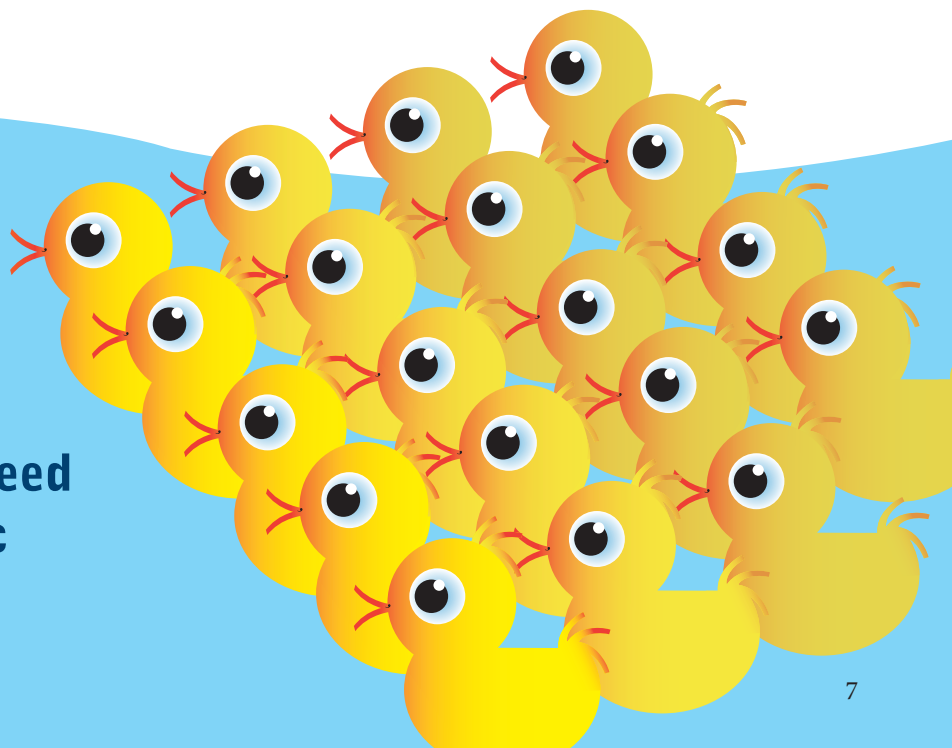
keywords. Take for example, keywords; you can add numerous amounts of keywords to your website to increase your ranking and exposure on Google; however, using too many keywords may cause you to loose ranking, in what experts call the spamming search engine rule. Even worse, you could get your website blacklisted all together. A professional will know where to place keywords to get the biggest bang for your buck.

Increasing traffic can take some time, but hitting the mark with the right strategy, tools, and expertise, you are nearly guaranteed to see increased traffic. However, don't let increased traffic be your only source for measuring success. Finding and serving your target audience is even more important than a simple increase in website visits. ☀

For more information on how to use online advertising and marketing to drive traffic to your organization's website, or for assistance with setting up a website for your organization, please call 800.807.0200 or visit cbprograms.com.

Greg Hays is the website services lead in Design & Development for Information & Technology Services at Christian Brothers Services and CB Programs, Inc.

With the right strategy, tools, and expertise, you are nearly guaranteed to see increased traffic to your website.





Feel Safe with Effective Generic Medications



FDA Approved

It's easy to become concerned about generic drugs. Many consumers worry and wonder about the quality and effectiveness of generics compared to their brand name counterparts. But the fact is, the Food and Drug Administration (FDA) requires all generic drugs to have the same quality and performance as the brand name equivalents. When a new generic drug product is approved, it has already met all of the standards established by the FDA.

Similar to any new product being developed, brand name drugs are created under patent protection. This patent protects the drug manufacturer's investment in the drug's development by giving the company the sole right to sell the drug while the patent is in effect. When these patents expire, other manufacturers then have the opportunity to apply to the FDA to sell generic versions.

To enable a generic drug to be created, manufacturers must submit an abbreviated new drug application (ANDA) for approval to market the generic product. Before the FDA approves new generic drugs, the drugs are put through a rigorous, multi-step approval process that covers everything from quality and performance

to manufacturing and labeling. According to the FDA, to gain approval a generic drug must:

- *Contain the same active ingredients as the brand name drug*
- *Be identical in strength, dosage form, and route of administration*
- *Have the same use of indications*
- *Be bioequivalent*
- *Meet the same batch requirements for identity, strength, purity, and quality*
- *Be manufactured under the same strict standards of the FDA's good manufacturing practice regulations required for brand name products*

The only differences in the generic compared to the original brand is that the drug may be a different color or shape, may have different dye or fillers, and may also be made by a generic manufacturer.

Currently, over 60 percent of all prescriptions filled in the United States are for generic medications.¹ These medications treat conditions from high blood pressure, high cholesterol, heartburn and stomach ulcers, to insomnia, allergies, arthritis, and more. According to the FDA, more than 70 percent of brand name drugs have generic counterparts, and are readily available to treat many common health conditions. Although most states allow pharmacists to automatically substitute generics for brand name drugs, unless the prescription is written as a DAW (dispense as written), it is up to the consumer to ask their doctor if a generic medication would work for them.

The price variations between brand name and generic drugs can sometimes be astonishing. On average, generic drugs can often save the consumer up to 80 percent on the cost of a prescription when compared with the brand name drug, with the median cost savings being anywhere from 30 percent to 50 percent. According to the National Association of Chain Drug Stores, in 2008, the average retail price of a generic prescription drug was \$35.22, compared to the retail price of the comparable brand name prescription drug, which was \$137.90. Generic drugs save consumers an estimated \$8 to \$10 billion a year at retail pharmacies, and billions more are saved when hospitals consistently use generic drugs.

Most prescription drug plans, including the Christian Brothers Employee Benefit Trust plan, have a lower co-payment for generic medications because the cost of generic medications are considerably less expensive than brand name medications. Staying informed about generic medications will allow consumers to make confident decisions, along with their medical providers, in helping to control prescription medication costs.

Below is a list of some well-known brand name medications that are due to have generic equivalents within the next year.

Generic Drug Release Dates 2011-2012

Cholesterol Lowering Agents

Lipitor®/*Caduet*®: Loses patent protection in November 2011.

Antidepressant

Lexapro®: An SSRI loses patent protection in March 2012.

Anti-Platelet Drugs

Plavix®: Loses patent protection in May 2012.

Miscellaneous Pulmonary Agents

Singulair®: Loses patent protection in August 2012.

Anti-Hypertensive Therapy

Diovan®/*Diovan HCT*®: Loses patent protection in September 2012. ☀

¹ "Helped by Generics, Inflation of Drug Costs Slows." New York Times, September 21, 2007.

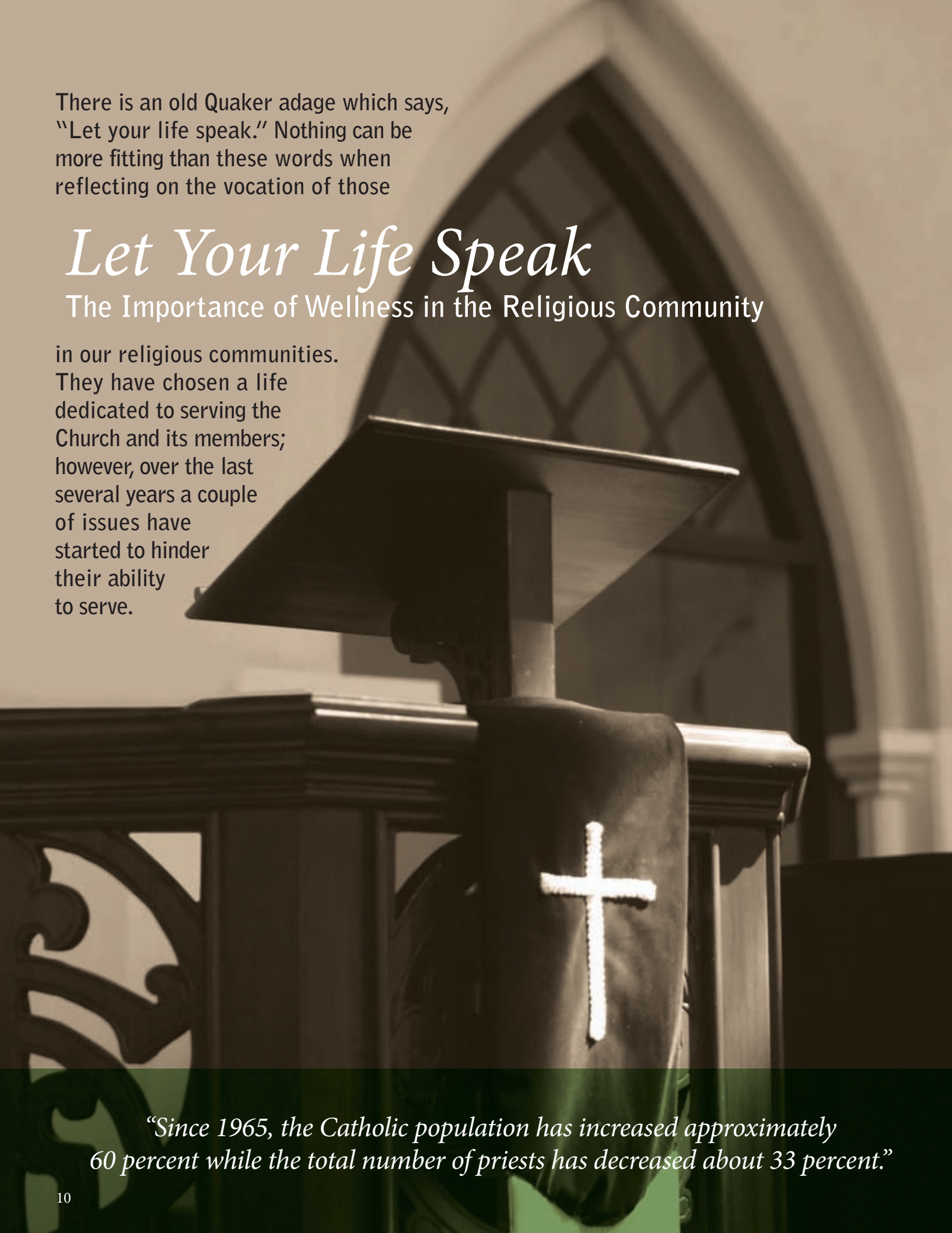
John Airola is the managing director of Employee Benefit Services at Christian Brothers Services.

Myths

Surrounding Generic Drugs

One myth is that some consumers believe they are more likely to cause side effects, which is not the case. The FDA conducts almost 3,500 inspections each year of manufacturing facilities to ensure that all quality standards are met.

Another myth is that many consumers feel lower cost equals lower effectiveness. Generic drugs are less expensive because the original manufacturer has already made the investment in the drug's development. Hence, the generic manufacturer does not have to incur the costs associated with creation, testing, sales and advertising, thereby leading to lower costs.



There is an old Quaker adage which says, "Let your life speak." Nothing can be more fitting than these words when reflecting on the vocation of those

Let Your Life Speak

The Importance of Wellness in the Religious Community

in our religious communities.

They have chosen a life dedicated to serving the Church and its members; however, over the last several years a couple of issues have started to hinder their ability to serve.

"Since 1965, the Catholic population has increased approximately 60 percent while the total number of priests has decreased about 33 percent."

The Aging Religious Population

The reality of the aging religious population was documented in a 2008 survey of Catholic diocesan priests which reported that nearly half of the priests surveyed plan to retire before 2019. However, nearly 80 percent of those retiring will continue to serve in some capacity after their retirement. *Our Sunday Visitor* (June 2010) reported that, “In the 1960’s and 1970’s, about one in 10 diocesan priests active in ministry was aged 65 or older. In 2009, a third of all active diocesan priests were aged 65 or older.” These statistics support the notion that the religious population of the United States is aging.

Decline in the Number who Serve

Looking at the numbers of those *who* serve, it is apparent there is a steady decline in those entering religious life, while the number of those *to* serve continues to rise. What does this mean? According to a 2008 study conducted by the Center for Applied Research in the Apostolate (CARA), since 1965 the Catholic population has increased approximately 60 percent while the total number of priests has decreased about 33 percent, and new ordinations are down over 53 percent. The total number of religious sisters during this same time period has declined almost 68 percent.

With these facts in evidence, health and wellness become more important than ever for those in religious life, and it is up to each individual to be proactive with their own health and wellness program.

Declining Catholic Leadership in the United States

	1965	2011
Total priests	58,632	39,466
Diocesan priests	35,925	26,837
Religious priests	22,707	12,629
Priestly ordinations	994	467
Graduate-level seminarians	8,325	3,608
Religious brothers	12,271	4,606
Religious sisters	179,954	55,944
Permanent deacons	898 (1975)	16,921

Data compiled by Center for Applied Research in the Apostolate (CARA)

The following tips help to ensure a health and wellness program that focuses equally on mind, body and soul.

MIND

We all deal with external pressures and working with others as part of your ministry adds an entirely different level to your own well-being. Knowing how to handle those pressures is important, so try these tips to help ensure your emotional wellness:

- **Recognize when you are stressed.** Try to relax through exercise, quiet times, or other activities.
- **Find someone to talk to.** Just talking will help you work through events that may make you angry or upset. Find non-confrontational ways to handle your daily stressors.
- **Be flexible.** It is important to adapt or adjust to situations presented in our daily life.

BODY

Staying healthy will help alleviate health issues down the line. Here are a couple of suggestions to help you maintain your physical wellness:

- **Know your numbers.** Getting a baseline to start with is very important to staying healthy. Know your blood pressure, body mass index (BMI), cholesterol, blood glucose, and pulse/heart rate and write them down along with the date you had them taken.
- **Know your medications.** Keep a list of your prescribed medications, as well as any herbal and over-the-counter medications you may be taking. Keep a copy of this list with you.
- **Stay active.** Staying mobile keeps your bones and joints strong and flexible which helps with balance, agility, and gets those endorphins going to help keep your mind clear.
- **Get plenty of sleep.** We should all get 7 to 8 hours of sleep each night. Getting plenty of rest revitalizes our mind and body which helps prevent medical issues.
- **Get your flu shot.** Working with others puts you in contact with many contagions. Get a yearly flu shot to help you stay healthy this flu season.

Continued on next page

SOUL

Remember what drew you to your vocation.

- **Take time to smell the roses.** Literally, take the time to enjoy nature and the beauty around you.
- **Take time alone to think about what's important in life.** Reflection helps us all seek out who we are and what is our life's purpose.
- **Take time to listen to others.** Giving time to others can revitalize your spirit.

It's important to incorporate wellness into your life especially as a member of a religious community. By keeping your mind, body and soul healthy, you will continue to let your life speak for a long time. ☀

Roy Wapiennik is the director of operations for Health Management Services for Religious at Christian Brothers Services.

Increasing Catholic Population in the United States

	1965	2011
Catholic population <i>(The Official Catholic Directory)</i>	45.6m	65.4m
Catholic population <i>(self-identified, survey based)</i>	48.5m	77.7m
Mass attendance <i>(Percentage of U.S. adult Catholics who say they attended Mass once a week or more)</i>	-	22%

Data compiled by Center for Applied Research in the Apostolate (CARA)

PEOPLE are the *Key* to Your Organization's SUCCESS

Christian Brothers Services can help your organization attract and retain quality leadership talent for your senior management positions.

Let our experts help your organization find the candidate who best meets your criteria. In partnership with Trinity Executive Partnership, our professional consultants have conducted more than 2,000 searches -- identifying, recruiting,

interviewing and evaluating qualified candidates on a confidential basis.

In addition to executive search, our professional consultants are experienced in:

- ▶ Management Assessment
- ▶ Organizational Review
- ▶ Compensation Analysis
- ▶ Executive Coaching/Mentoring
- ▶ Forensic Consulting

Executive Search



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What's NEWS...

Trustee Summit



The first **Christian Brothers Services Trustee Summit** was held June 8, 2011, at The Hyatt Lodge at McDonald's Campus in Oak Brook, Illinois. This marked the first event of its kind with the Board of Directors and Trustees in attendance.

Welcome

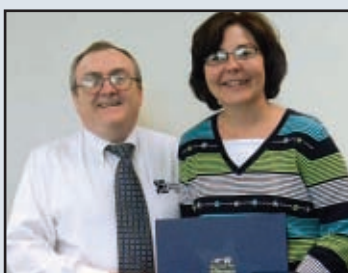


Terry Arya joined **Christian Brothers Services** in the role of chief marketing officer on February 1, 2011, to lead the communications and business development teams. Terry earned a bachelor's degree in Mass Communications and English from Illinois State University. A native of Illinois, Terry grew up in Arlington Heights and currently resides in Plainfield with her family.

Field Consultant Week

Risk Management Services held their bi-annual Program Development Conference for the risk control specialists the week of June 14th. A number of new programs and topics were discussed in the areas of driver evaluations, online training, physical security, and regional workshops.

Awards



Buffy Blanton of **Christian Brothers Services** Human Resources division was selected as our "You Make the Difference: Honored Employee" for Spring 2011. The selection committee decided that Buffy is truly an example of someone who does make a difference. Congratulations Buffy!

Staying Healthy

May marked the 6th anniversary of **Christian Brothers Services** annual wellness screening. The screening is available to all employees and their families and helps identify possible health risks long before any symptoms are present. It's the first step on the way to a healthy workplace.

Philanthropy

In March, the Heartland Blood Bank mobile coach pulled up to **Christian Brothers Services** as part of an onsite blood drive. A number of employees donated blood to benefit hospitals located in northeast Illinois and Lake County, Indiana. Nearly 60 percent of the U.S. population is eligible to donate blood...only 5 percent do. We're among the 5 percent!

In honor of Brother William Walz, an annual Jeans Day fundraiser was held in April benefitting the scholarship fund established in his name. The employees of **Christian Brothers Services** donated generously to the fund, which will be awarded to a senior at Lewis University majoring in Computer Science or Business.

Customer Advisory Board



Christian Brothers Services Customer Advisory Board (CAB) met April 6, 2011, in Romeoville, Illinois. The CAB consists of 18 member representatives who meet to discuss industry trends and lend their expertise and knowledge to better enhance the Christian Brothers Services member experience.

Member Spotlight:

The Archdiocese for the Military Services, USA

In Service of GOD and Country

Serving Those Who Serve

They minister on military bases, at military academies and in VA hospitals. They serve overseas and in war zones. They have earned Medals of Honor, been prisoners of war and have sacrificed their lives in service of God and country. They serve in all branches of the military and never carry a weapon into battle; however, the Catholic chaplains in the U.S. military carry something far more powerful - a cross and their faith.

History

The history of Catholic chaplains in the United States military can be traced back to 1824, when the first Catholic priest, Father Adam Marshall, SJ, was commissioned to serve in the U.S. Navy. Since then, Catholic chaplains have served in all five branches of the military. In 1917, a bishop was appointed by Rome to oversee the pastoral care of military personnel in the United States and in 1939 the Archbishop of New York was appointed as the Military Vicar. The Military Vicariate was officially formed in 1957 and in 1985, Pope John Paul II established The Archdiocese for the Military Services, USA (AMS).

The Archdiocese for the Military Services, USA

The AMS provides pastoral and spiritual services to the active duty men and women in the military and their families, the patients in VA hospitals along with those that work and live there, any Catholic student attending a military academy, and anyone who works for the federal government overseas. In addition to pastoral and spiritual duties, the AMS is responsible for maintaining the sacramental records for all sacraments celebrated on any U.S. military installation. Normally, the parish would keep these records; however, the AMS has no parishes and has no claim to any chapels on government property, (the chapels belong to the U.S. government) which leaves the AMS tasked with the record keeping of any marriage, baptism, confirmation or sacrament that has taken place on any military installation throughout the world.



The main difference between the Archdiocese for the Military Services and its diocesan counterparts is that its members are part of the diocese based on what they do rather than where they reside. While a typical diocese serves those within a specific territorial boundary, the AMS serves a specific group of people, U.S. military personnel, worldwide.

The Archdiocese for the Military Services is currently lead by Archbishop Timothy P. Broglio, JCD and he is assisted by four auxiliary bishops. The Archbishop and the auxiliary bishops are the only clergy incardinated into the AMS. While the AMS acts as the sole endorser for all Roman Catholic chaplains to the U.S. military, the chaplains are not incardinated in the Archdiocese for the Military Services, they are merely on loan from their territorial diocese or religious Order during the time of their active military service.



Catholic chaplain Father Michael R. Duesterhaus, LCDR, USNR on left with religious program specialist. Iraq 2009.

Continued on next page

“The men and women serving in the military would not have access to Catholic ministries or the celebration of the sacraments, if there were no Catholic chaplains.”



Chaplains

Chaplains perform many duties from visiting VA hospitals and working with the casualty assistance call officer (CACO) notifying families of dead or missing soldiers to serving overseas on active duty. It's the latter that requires personal sacrifice and puts the chaplains in harm's way, yet it is an extremely important duty. "The men and women serving in the military would not have access to Catholic ministries or the celebration of the sacraments," explains Broglio, "if there were no Catholic chaplains."

The chaplains themselves realize the importance of meeting the needs of a modern day military. "I don't do it because I really want to be in the military," relates Father Michael R. Duesterhaus, a lieutenant commander in the U.S. Naval Reserves and a Catholic chaplain, "my knees are killing me and I've lost all my hair. The reason I do it is because there's a need." Duesterhaus, who learned of the chaplain program while in the seminary was commissioned an ensign in 1988, and has since served three tours of duty in Iraq.

The U.S. military functions and survives on a stringent hierarchal ranking system, and so assigns rank to everyone in the military including doctors, dentists and chaplains, to name a few. Currently a lieutenant commander in rank (the equivalent of a major in the Army and Marine Corps), Duesterhaus makes it clear that for chaplains, a rank is simply a by-product of

serving in the military. "I'm a chaplain and they address me as chaplain or by my faith group designator, Father," he explains, "but no one addresses me as commander. It's Father or chaplain."

Chaplains wear the same uniform as the branch of service in which they are commissioned, minus, of course, the weapons. They also eat, sleep and live in the same area as the other military personnel. That type of close quarters provides a unique opportunity for the Catholic chaplains. "It is an evangelical missionary opportunity," claims Duesterhaus, "because there are misconceptions about the Catholic religion. Just by virtue of proximity, many times you open up all sorts of discourse with people who know nothing about our religion. Those people wouldn't normally get the opportunity to have a conversation with a priest."

Challenges for the Chaplains

Deployment, of course, presents its own unique set of challenges. "In general, the most challenging thing about chaplaincy today," explains Broglio, "is most priests are one deep. When they're in a war zone, they travel constantly, they hop from one FOB (forward operating base) to the next, and it's very unlikely they will see another priest." Duesterhaus reiterated that fact by describing how during his second tour in Iraq he went seven weeks without confession because of a lack of Catholic chaplains in the area.



Left – Duesterhaus says Lenten Mass at one of Saddam Hussein’s palaces. Iraq 2006.

Center – Duesterhaus leading a memorial ceremony. Ramadi 2009.

Right – Duesterhaus and Marines pre-IED hit. Ramadi 2006.

In a war zone, the chaplain is that one touch point to something that’s real, that connection to home. “Being in a combat zone is very different than what people are traditionally used to,” says Richard McKenna, an Army Specialist 4th Class during the Vietnam War, and currently the managing director of Christian Brothers Risk Management Services, “Some people might not be prepared for that kind of a change in their culture or environment and a chaplain is a little piece of home.” But with everyone looking to the chaplains for faith and comfort, where do the chaplains turn? “First of all you’ve got to have your bedrock of prayer,” Duesterhaus stresses, “you’ve got to have your faith together. I have a spiritual director back here and I would call him about once a week and we’d chat on the phone. It’s not perfect, but nothing’s perfect in this world. It’s just keeping yourself grounded.”

Another major challenge in a war zone is the constant travel. “By the time I was halfway through my third tour, my bodyguard and I had the most amount of time on the road, even more than the guys that run convoys. We rotated into a different convoy each week,” remembers Duesterhaus. It’s that travel which also put’s them in dangerous situations. In January of 2006, Duesterhaus was riding in a military vehicle when it was hit by an IED (improvised exploding device); everyone survived but the vehicle was destroyed. In spite of the danger, he jokes about his routine while serving in Iraq, “I would travel, give

classes in sacramental preparation, hear confessions, offer mass, have a meal, get shot at, take a shower and go on. But not always in that order!” In all seriousness, it is a dangerous job, so the military assigns the chaplains either a religious program specialist (RPS) or a bodyguard. They travel with the chaplains, assist them in their duties and keep them safe.

While military chaplains only preside over their own faith-based services, they make sure each faith group has the opportunity to worship. In addition, chaplains are expected to counsel and support all faiths, as Duesterhaus puts it, “you care for all and you represent your own.” That counseling extends to all ranks, from the junior troops right up to the commanding officers and all contact with a chaplain is confidential, both the conversation and the visit are covered by absolute blanket confidentiality. Commanding officers are the first ones to realize that chaplains are a tremendous asset to their troops. Retired Army Lt. Col. Michael Edwards explains, “When you get to the mental preparation and the emotional events that occur in dealing with combat in particular, chaplains provide invaluable counseling to soldiers but also to the commanders to ensure that the commanders are doing everything they can to continue their soldiers readiness for the next mission.”

Continued on next page



Challenges for the Archdiocese

The Archdiocese has a few challenges of its own. Broglio elaborates, “The greatest challenge is having a sufficient number of priests. To serve active duty alone I would need about 800 priests.” Edwards agrees, “I did my very best as a commander to make sure I had a chaplain on site at some point during the week. Chaplains are difficult to find when you’re in the field; but, from a faith point of view, a military chaplain is your center of faith while you’re on active duty.” The Archdiocese currently has 260 chaplains on active duty, and 293 chaplains at VA hospitals.

There are a couple of contributing factors to the need for more chaplains. One is the decrease in the number of priests in general. Another is interested priests must meet specific criteria to even be considered for the military chaplaincy – they must be in the age group eligible for military service and they must meet the physical eligibility requirements. The AMS tries to create an interest among priests by speaking with seminary groups and using chaplain recruiters to reach possible chaplain candidates.

A co-sponsored seminarian program was created by the AMS in partnership with several dioceses, to share the cost of educating seminarians who are interested in the chaplaincy. Seminarians are able to choose the branch of service in which they’d like to serve and upon ordination they are required by the AMS to complete three years of pastoral ministry before entering

active duty. “A large number of our co-sponsored seminarians have served in the military and actually discovered their vocation there,” states Broglio.

The second challenge is reaching young adults. The AMS is the youngest archdiocese in the United States with most of their members falling between 18 and 28 years of age, the primary age for military service. “We have to find a better way to reach out to young people and to involve them in the life of the Church.” Broglio continues, “Statistically, we’re told that if you’re practicing your Catholic faith at age 24 you will probably practice it for the rest of your life. So it’s important for us to reach those people now.” The Archdiocese has been holding round table discussions on young adult ministries in hopes of developing a program or programs that reach this important demographic.

Finally, the AMS needs to raise 4.5 million dollars each year to keep the Archdiocese afloat. They receive no funding from the government and with the exception of the Most Holy Trinity Catholic Chapel, located on the grounds of the U.S. Military Academy at West Point, they have no parishes, which means no cathedraticum, a part of the Sunday collection that bishops receive in territorial dioceses. The Archdiocese can take up a collection four times a year; however, the bulk of the funds to run the AMS come from fundraisers, project and program benefactors and the chaplains themselves.



CBS Salutes Its Service Men

Left – Broglio visits with service men and women in Iraq.

Center – Broglio blesses a patient at Landstuhl Regional Medical Center, Germany.

Right – Broglio on the flight deck of an aircraft carrier.

The largest single expense for the Archdiocese is the co-sponsored seminarian program followed closely by travel expenses. With the obvious separation of church and state, Broglio and his auxiliary bishops must pay their own way wherever they go. “If we’re going to be present,” Broglio explains, “if the bishops and myself, the vocation director, are going to be present to our people, then we have to go to them because they can’t come to us.” The chaplains on active duty are of course provided free travel courtesy of the U.S. military.

As U.S. military personnel continue to serve in far off corners of the world, the need for Catholic chaplains will be even greater. It will be up to the Archdiocese for the Military Services and the chaplains to meet these needs. “My sense of duty comes from my faith,” explains Duesterhaus, “if I could stay home I’d love to, but they’re not given that option, so I go and take care of them.” Broglio’s goal for the Archdiocese and the chaplains is simple, “We meet the pastoral needs of the people. Our first concern is to be a good shepherd and take care of the people that have been assigned to our pastoral care.”

Today’s Catholic chaplains continue the tradition and long history of military chaplains who put themselves at great risk to accomplish their unique mission – serving those who serve. ☀

Daniel McGrievy

Workers’ Compensation
Claim Consultant

Served as a Sergeant in the
131st Tactical Fighter Wing,
St. Louis, Missouri

United States Air Force-MOANG



Robert Manfred

Maintenance Supervisor

Served as a Private First Class
in Bravo Company,
1st Battalion, 3rd Platoon,
Fort Leonard Wood, Missouri

United States Army



Richard McKenna

Managing Director-
Risk Management Services

Served as a Specialist 4th Class
in the 388 Trans Company,
1st Helicopter Aviation Brigade,
Vung Tau, Republic of Vietnam

United States Army



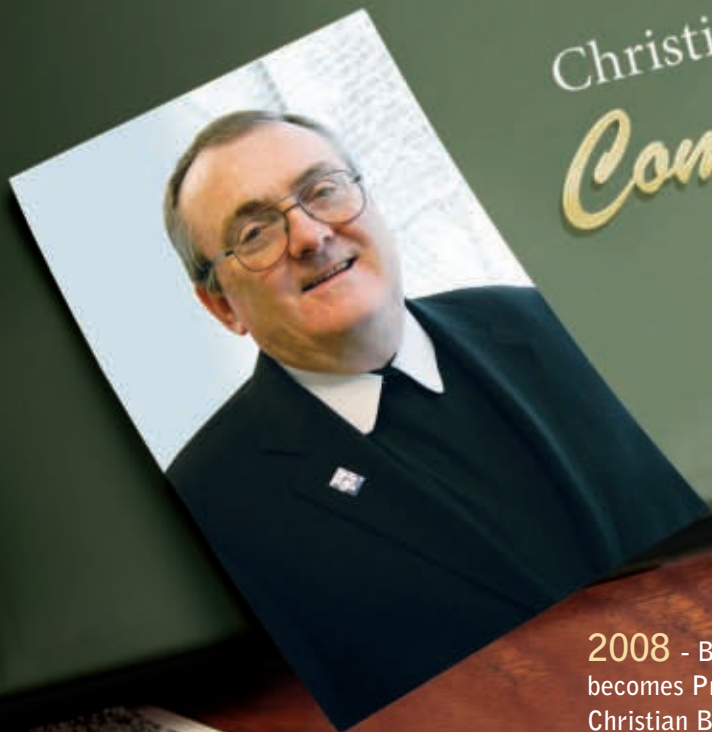
1993 - Christian Brothers Services moves from Lewis University to their current headquarters, in Romeoville, IL.



1960 - Brother Joel Damian organizes a mutual cooperative purchasing group for Chicago-area high schools conducted by the De La Salle Christian Brothers, run through Christian Brothers Conference.



Christian Brothers Services
*Company Album
of Trusts*



2008 - Brother Michael Quirk becomes President/CEO of Christian Brothers Services.



1987 - NOSC becomes Christian Brothers Services, Inc.

Timeline: An Organization Built On Trust(s)

Over the past 50 years

Christian Brothers Services has continually responded to the needs of the Catholic community by developing collaborative and cost-effective programs and services designed specifically for Catholic organizations, dioceses and religious Orders. More recently, we've added several consulting and technology services in addition to our Plans and Trusts.



1985 - Brother William Walz becomes President/CEO of National Office Service Company, Inc.

1964 Defined Benefit Plan started.

1967 Office opened at Lewis University.
The Religious Comprehensive Trust is formed.

1970 The Brothers Retirement Plan is established.

1976 Unemployment Reimbursement Program started.

1977 The Employee Benefit Trust is established.
The Community Deductible Trust is formed.

1979 The Religious and Charitable Risk Pooling Trust of the Brothers of the Christian Schools and Affiliates began accepting other Catholic Orders and organizations into the program.

1985 National Office Service Company, Inc. becomes new company name.

1986 The Student Accident Plan becomes part of the Risk Pooling Trust.

1994 Prescription Drug Program is established.
Christian Brothers Services drops Inc. and becomes a nonprofit.

1995 403(b) Retirement Savings Plan introduced.

1998 401(k) Retirement Savings Plan started.

Repairing the Roof While the Sun is Shining

The Importance of Contract Review and Risk-Shifting Measures



In his first State of the Union Address in 1962, President John F. Kennedy said, “The time to repair the roof is when the sun is shining.”

With this wisdom, President Kennedy was instructing the nation on his belief that in good weather we need to prepare for the rain; or, in good times we need to prepare for the bad times that, inevitably, will come. The same is true with contracts. When drafting and negotiating a contract, it is imperative to formulate terms that will guard against risks, or “bad times,” that may come years after the contract is executed. This article will primarily focus on risk-shifting measures within a contract, like *indemnity*, *insurance coverage*, and *waivers of subrogation*, that will help protect your organization against those risks, or “bad times,” that will come.

While a contract can be as simple as an exchange of promises, most contracts will contain additional terms and conditions. It is within these terms and conditions that the risk-shifting provisions normally fall. To be a valid and enforceable contract, it does not need any risk-shifting provisions. These clauses only add clarity to the agreement between the parties under particular circumstances. Therefore, many contracts do not contain any of the terms discussed in this article. Even if these terms do not fall within a contract, it is advisable to seek professional assistance to assess whether adding such terms may be beneficial.

Indemnification

An indemnification clause is a promise to protect and defend another in the event a particular set of circumstances, as outlined within the clause, that leads to a loss, or potential loss, suffered by another party.

Indemnification provides an avenue to contract your exposure to potential risks to another party. In effect, when, and if, a party agrees to indemnify, defend, and hold you harmless, if a claim arises that fits within the parameters of the subject indemnification clause, you may tender the cost of the defense for such a claim to the other party, and, if a settlement or judgment is reached, the other party will pay your proportional share. There are several ways to draft and phrase an indemnification clause in order to shift risk. However, in any indemnification clause, you should be looking for key components that will ultimately allow your organization to shift your risks to the other party if a claim arises. These components include, (1) which party or parties are required to provide indemnification; (2) what type of claims are covered; (3) does the agreement require the indemnifying party to indemnify and defend; and (4) is the clause one-sided or mutual.

Coverage

When reviewing a contract, it is important to look for language that requires the other party to the contract to purchase and maintain insurance and to name your organization as an additionally insured party. Most insurance policies will provide coverage to a third party if the coverage provider's insured promises to add that party as an additional insured, but only if the insured is bound to do so by a written contract. The amounts and types of coverage necessary can be different for each specific circumstance. However, when looking through a contract, you should be looking for language that provides your organization with protection outside of your own insurance company. Specifically, the contract language should provide that the other party will purchase and maintain coverage, in an agreeable amount, naming your organization as an "additional insured." Also, to protect your organization and your coverage provider further, the language should provide that all coverage the other party has agreed to provide will be primary with respect to claims made, and any similar or additional coverage maintained by your organization will be excess to any coverage carried by the other party, including any excess coverage. This way, your organization's coverage will only be affected and come into play if and when the resources of the other party's coverage have been fully exhausted.

It is also advisable to include language within the coverage clause that the other party will provide proof of coverage in the form of a "Certificate of Insurance," naming your organization as an "additional insured." If possible, the contract should require the contracting party to provide copies of all applicable policies and endorsements. The Certificate should be provided prior to any performance under the contract; however, if it is not given to your organization before work under the contract is performed, the language in the

contract should provide that your organization has not waived its right to such protection. Moreover, if the other party ultimately fails to procure the agreed upon coverage, the clause should provide that your organization will be entitled to pursue a claim against the other party, including a claim for all attorneys' fees and costs associated with such a claim.

Finally, documented on the Certificate of Insurance should be the relevant policy period for which the coverage will be effective. Typically, the policy period covers a 12 month period of time. Therefore, depending on the term of the particular contract, your organization may need to request subsequent Certificates of Insurance evidencing coverage for the appropriate time period. Moreover, at the time the contract is executed, your organization should make certain the original Certificate of Insurance provides for coverage during the agreed upon time period in the contract, and for a reasonable time period thereafter. Your organization needs to be aware of any lapses in coverage.

Waiver of Subrogation

A waiver of subrogation clause may protect you if the other party to a contract agrees to maintain insurance coverage; however, it can hinder your organization, and your insurance provider, if your organization has agreed to maintain insurance for the benefit of the other party. In practice, once a loss occurs, if one party has agreed to maintain insurance to protect the other party, the insurance company will be forced to cover the loss, even if it was caused by the negligence of the other party. If the contract also contains a waiver of subrogation clause, the insurance company will have no recourse to recoup these funds from the at-fault party. However, without the waiver of subrogation clause, the insurance company would be free to pursue a claim against the at-fault party.

Continued on page 25

"When drafting and negotiating a contract, it is imperative to formulate terms that will guard against risks, or 'bad times,' that may come years after the contract is executed."

Trustee Summit Springboards CBS Into its Next 50 Years

2011 Trustee Summit Attendees



Christian Brothers Services (CBS) hosted a trustee summit to better understand emerging trends and factors shaping the future of CBS and its members. Trustees from all CBS trusts, as well as the CBS board of directors, united to learn from experts and exchange information. This first-ever summit was held this past June in Oakbrook, Illinois.

The summit topics included critical trends in the economy, the responsibilities of trustees, trends within the Catholic church, and how religious groups will be continuing their missions in changing times.

“The summit event provided this group of CBS ambassadors with renewed commitment and enthusiasm to lead CBS into its next 50 years,” stated Brother Michael Quirk, FSC, Ed.D., president and CEO of Christian Brothers Services. Quirk continued, “We’re poised and ready to move into the future.”

The theme of the summit, *One Company: A Mosaic of Services*, describes how CBS has evolved to provide many services including health, retirement, property/casualty, website services and several consulting services. Ultimately, CBS is one company with a reputation for superior customer service, fair practices and benefits and services that are in-line with Catholic teachings and doctrine.

The next Trustee Summit will be held in 2013. Trustees will again reflect on emerging trends impacting the trusts and further strategize; positioning CBS to best serve its members. ☀

Terry Arya is the chief marketing officer for Christian Brothers Services.

Trustee Summit 2011

Repairing the Roof continued from page 23.

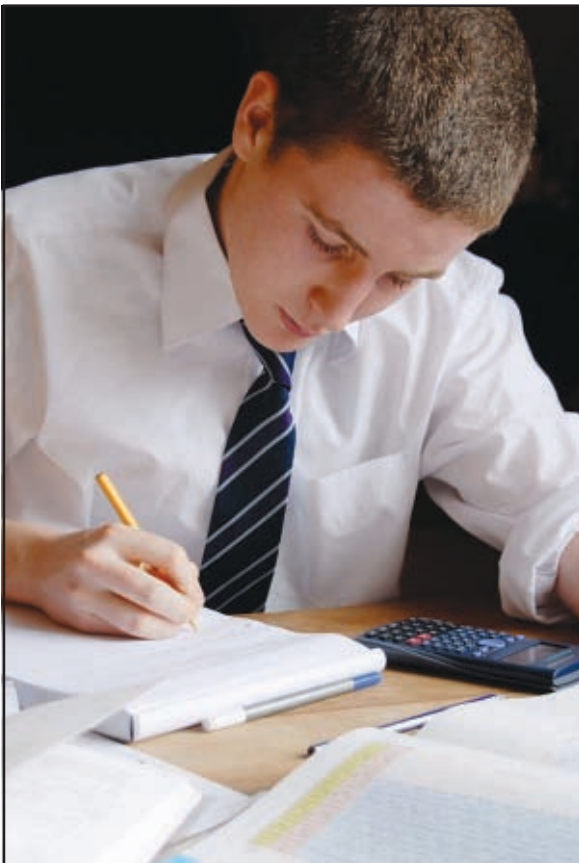
Therefore, when your organization agrees to maintain insurance coverage for both your organization and the other party, it will be important to look for a term within the contract that would waive your organization's ability, through its coverage provider, to pursue a subrogation claim against the other party. Of course, the converse is true, as well. If another party has agreed to maintain insurance for your organization, then a waiver of subrogation clause is recommended to protect your organization against a potential subrogation action by the other party's insurance company.

It is highly recommended that all contracts be reviewed by an attorney and/or insurance professional before agreeing to the terms, including any and all risk-shifting

terms. By carefully drafting and negotiating a contract before execution, during the "good times" while the sun is still out, you can best protect your organization from the rain during the "bad times" that will inevitably come.

Members of Christian Brothers Risk Pooling Trust have free access to risk evaluation of contracts and agreements by a contractual risk transfer analyst. Contact your account manager for more information. ☀

P. Patrick Cella is an attorney specializing in contract formation, policy implementation and complex civil litigation. He is a member of the law firm Kopon Airdo, LLC, which is the national coordinating council for Christian Brothers Risk Management Services.



Protect Your School and Students

Christian Brothers Services Tuition Refund Program

protects schools from the financial consequences of a student's forced or voluntary withdrawal prior to completion of the term or school year. This program pays benefits to the school, subject to the terms, conditions and

limitations of the Plan and provides substantial assistance in allowing the school to either cancel the parent's unpaid tuition obligation or refund the unused portion of tuition.

For more information on the
Tuition Refund Program
contact us at:
tuitionrefund@cbservices.org



A Few Moments with... Jim Ceplecha



Jim Ceplecha has over 28 years of experience working with Catholic organizations, with the last 20 of those years overseeing the defined benefit and defined contribution plans for Christian Brothers Services. He is a Fellow in the International Society of Certified Employee Benefit Specialists and has been the managing director of Christian Brothers Retirement Planning Services since 1982.

What are the current trends in retirement plans?

Over the past decade, the main trend has been a shift from traditional defined benefit plans to defined contribution plans. This trend has been more pronounced in the for-profit world and is now occurring in the not-for-profit world.

Why has this trend occurred?

In the for-profit world, the switch can be attributed to the change in government regulations. The government has made defined benefit plans difficult and potentially expensive to offer for these types of employers. In the church plan arena, we are not subject to these regulations, so the change has been for other reasons. Many employers are facing funding problems and have difficulty committing to a consistent funding.

A defined contribution plan offers more flexibility. Unfortunately, other organizations are simply jumping on the bandwagon; they feel if the corporate world is making the change

it must be right. Also, many consultants who do not understand church plans are advising their clients to make the change without any in-depth analysis.

What are your thoughts on this?

A switch from defined benefit to defined contribution does not solve the problem of whether employees working for the Church will be able to retire. It is simply a transfer of risk from the employer to the employee. There are many instances where the change is valid, but an analysis of the pros and cons needs to be developed before making this change. After the decision is made to change, it is imperative that the employer design a defined contribution plan that provides protection to their employees.

What do you mean by providing protection through plan design?

As I previously mentioned, a switch from a defined benefit plan to a defined contribution plan is a transfer of risk. These risks are costs, investment and mortality.

How do you design a plan to lessen these risks, such as costs?

In terms of costs, you would hope that the employer could make some type of contribution to the plan, either a match or discretionary contribution. In the defined benefit plan, the plan is usually funded by the employer. It's important to select a service provider that charges the administrative fee in hard dollars and has low expense ratios on the funds. Too many plans saddle the employees with high costs in these areas.

How about the risks of investment and mortality?

The plan should provide a suite of investment assistance. First, is to offer target date retirement funds for those employees not comfortable in selecting their own allocation. Also, offer various forms of cost-efficient advice services. These services should not be automatically built into the plan. Not all participants will use these services, but the pricing will be built into the plan as a whole. In terms of mortality risk, the plan should provide an avenue for participants with large account balances the option of annuitizing. This option should be available, but the plan also should provide financial consultation prior to this option being chosen.

Any final thoughts?

My hope is that Catholic employers do a thorough evaluation before making any changes in their retirement plan. What may be a prudent decision for one employer could be an unwise decision for another. Also, make sure the firm you hire to perform the analysis has experience with church plans and church organizations. Do not simply settle for an easy answer. ☀



The Last Word

*“Let every nation know,
whether it wishes us well or ill,
that we shall pay any price,
bear any burden, meet any hardship,
support any friend, oppose any foe,
to assure the survival and success of liberty.”*

President John F. Kennedy