

## SECTION VI (6)

## PARISH FINANCIAL ADMINISTRATION

**Sanctionné par Mgr l'Évêque, le 16 janvier 2017**  
**Sanctioned by the Bishop, on January 16, 2017**

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**PARISH FINANCIAL ADMINISTRATION**

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**Introduction:**

The pastors, who are charged with the financial administration of a parish do so in the name of the Bishop, who is the President of the Episcopal Corporation and not in their own name. They are to respect the spirit and the letter of the present legislation and the Code of Canon Law.

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**Role of the Diocesan Financial Administrator**

The Diocesan Financial Administrator, with the Chancery Office and the Bishop, is to ensure a uniform application of this legislation in all parishes of the diocese.

Such uniformity fosters unity and makes it easier for all pastors.

**Basic Principles**

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1. The priest, as servant of the people of God, must never refuse ministry to those who ask for it, regardless of their social condition.

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2. The exercise of ministry is, above all, a service and not a means or an opportunity for financial gain.

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3. Wherever and whenever possible, the right of a person to choose a particular priest for a service is to be respected. Nevertheless, priests should show due discretion in regarding to the various requests made of them always respecting rights of the parish priest.

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4. All the parishes, autonomous missions and chapels throughout the Diocese are bound by the legislation regarding suggested donations that have been put forth in the Diocesan Code.

**Baptisms**

- 603.7 1. The faithful are not obliged to make a donation on the occasion of the celebration of their child's baptism, or for the liturgy for a child's burial, or for a home visit to a sick person.
- 603.8 2. If a donation is made spontaneously, the priest concerned keeps it for him even, if the donation is in cash, but if it is by check, the celebrant gives it to the parish which gives a charity receipt and these amounts are added to the priest's income on his pay sheet.
- 603.9 3. For the issuing of a baptism certificate, please refer to the suggested donation # 801.2

**Second and third mass celebration on the same day and masses with collective intentions**

- 603.10 The donation collected from the second and third celebrated masses on the same day shall be remitted to the Episcopal Corporation. However, the intentions called «collective intentions» shall be given to the Caisse de Compensation. (See # 801.18)

**Wedding and Anniversary Masses**

- 603.11 1. For wedding masses, please see the section on suggested donations, section VIII, and their distribution has set out in the Diocesan Code.
- 603.12 2. An outside priest who has been invited by the betrothed to officiate at their wedding has a right to remuneration as agreed before hand. This remuneration is part of his taxable income. However, all additional expenses are the responsibility of the parties.
- 603.13 3. For anniversary masses, please see the section VIII, 601.7, suggested donations.

**Funerals and Anniversary Masses.**

- 603.14 1. For funerals and anniversary masses, please see the section on suggested donations (VIII) and their distribution as set out in the Diocesan Code.

- 603.15** 2. Unless the family opposed, it is permitted to have a collection at funeral masses which is to be divided as follows: mass intention for the deceased, 50% and 50% for the parish. (See, # 801.9) <sup>1</sup>

**Sunday Offerings**

- 603.16** 1. Everything must be done to promote the offering made during Sunday masses thus emphasizing that this offering symbolizes the spiritual offering of one's labour and personal life.
- 603.17** 2. Although the amount of the offering is left to the discretion of the individual in justice, it is be pointed out that there is a necessity to support the Church.
- 603.18** 3. It is desirable that this offering be made and presented as part of the offertory rite.
- 603.19** 4. The faithful will be regularly informed of each Sunday's general collection through the parish bulletin.

**Special and Prescribed Collections**

- 603.20** 1. The prescribed collections in the Diocese are as follows:
- Diocesan Pastoral Needs - *2<sup>nd</sup> Sunday in February*
  - During Lent: Catholic Missions in Canada
  - The Pope's Pastoral Works
  - Needs of the Canadian Church
  - World Mission Sunday
  - Compensation fund - end of November <sup>1</sup>
- 603.21** 2. The Good Friday collection for the Holy Land is highly recommended. Pastors could simply leave a basket at the back of the church and invite people to make an offering.
- 603.22** 3. For all prescribed collections, specially marked envelopes are to be included in the parish envelope box set or printed by the parish.
- 603.23** 4. Only the money in the specially marked envelopes constitute the special or prescribed collections. All other donations, whether in the regular Sunday envelopes or the loose offering, is considered a part of the ordinary Sunday collection.

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<sup>1</sup>- Meeting of presbyterium and Caisse de Compensation, #9, February 12, 2020

**603.24** 5. Money from the prescribed and special collections should be sent to the Chancery as soon as possible so that they can be forwarded to their the designated purpose in the case of who people have contributed for a specific purpose, these funds should be forwarded as soon as possible to the Chancery.

**603.25** 6. If after one month, the money from a special or prescribed collection has not yet been received by the Chancery, the Diocesan Financial Administrator will contact those parishes who have not done so, to remind them to forward these collections.

**Diocesan Contribution (see section - Donations, Section VIII,801.36)**

**603.26** 1. All parishes, missions and chapels are to contribute annually to the needs of the Diocese.

**603.27** 2. Since the first of January 2001, the diocesan levy was a percentage of the gross income for the two previous years. This percentage will be determined by the diocesan finance council after consultation with parish leaders. This levy will be paid in the manner determined by the diocesan finance council.

**603.28** 3. Where applicable, all parishes, missions and chapels, will also contribute to “*La Caisse de Compensation*”.

**Accounting and Bookkeeping**

**603.29** 1. All parish expenses must be paid by cheque.

**603.30** 2. A parish must balance its receipts and expenses, taking into account all diocesan levies.

**603.31** 3. The same bookkeeping system is to be used in all parishes, without exception. Where possible, all parishes throughout the diocese are to be computerized.

**603.32** 4. It is the duty of the Diocesan Financial Administrator to ensure that the parish bookkeeping practices meet the norms of diocesan legislation.

- 603.33** 5. Those in charge of the parish financial administration must ensure that it is up to date upon leaving office. That person must close the books and prepare a complete and detailed financial report for the current fiscal year, a copy of which is to be sent to the diocese and a second given to their successor.
- 603.34** 6. Since the accounting books are the property of the parish, and since the one in charge of the parish acts in the name of the president of the Episcopal Corporation, namely the Bishop, it is therefore prohibited to modify or destroy any documents such as invoices, receipts, etc...
- 603.35** 7. According to the civil charter of the diocese, the Bishop alone, as president of the Episcopal Corporation, or his delegate (the parish priest in the case of the parish) can sign cheques for the parish.
- However, the parish cheques are to be signed by two people, the parish priest being one of them.
- 603.36** 8. All parish revenues, both ordinary and extraordinary, are to be deposited in a single bank account.
- 603.37** 9. Each year, the person responsible for the administration of the parish will publish a complete financial report for the people entrusted to his care.
- 603.38** 10. The one responsible for the parish financial administration is appointed by the Bishop and is to answer for his administration to him or his delegate. Nevertheless, that person must seek the assistance of the parish finance council, as required by Canon law.

**Envelopes System**

- 603.39** The envelope system is compulsory in all parishes of the diocese. Moreover, it is a requirement of the Canadian Revenue Agency in order to be able to issue valid charitable income tax receipts.

**Financial Report**

- 603.40** Each parish is to prepare a financial report at the end of each fiscal year. A copy of which is to be sent to the Diocesan Financial Administrator before the end of March. The fiscal year is from January 1<sup>st</sup> to December 31<sup>st</sup>.

**603.41**      **Parish and Diocese Budget**

Each parish as well as Episcopal Corporation is to prepare an annual balanced budget. This budget is to be prepared, annually, by the finance council by January 15. This budget must contain a list of plans for renovations foreseen in the coming year.

**603.42**      **Reserve Fund**

A reserve fund is to be established in order to deal with urgent and unforeseen circumstances, for urgent and necessary repairs, and new pastoral initiatives. It is up to each parish to determine the amount to be put into this reserve fund.

**Annual Parish Contribution** *(see also section VIII "Suggested donations")*

**603.43**      Regarding the annual parish contribution, after hearing those in charge of parishes, the diocesan finance council will set a minimum weekly amount for the contribution. This minimum amount is the same for all parishes across the diocese.

A "contributor" may be a family, a widow, a widower, a single person, or anyone receiving a salary. This is a voluntary contribution. This minimum amount is not to be considered as an imposition on a contributor. It is a suggestion, intended to help our communities survive in the long run.

The best time to for this collection is the 3<sup>rd</sup> week of October.

**Construction, repairs, improvements, alienation**

**603.44**      For any alienation of the goods of the parish, renovation, major repairs or construction except for emergency repairs or regular maintenance, the following procedure must be observed:

1. All applications for construction, repairs, improvements, alienations totaling 10% of the previous year's annual revenues for each parish up to a maximum of \$ 15,000.00 for parishes with higher incomes do not have to be reviewed/approved by the diocesan CAE. However, these constructions, repairs, improvements, alienations must still be reported to the Corporation.

2. Proposed projects should be discussed by the parish finance council, along with the committees involved for example the liturgy committee, artistic committee, or other, experts, even the former pastor;
3. The project is then presented to the diocesan finance council;
4. Please avoid presenting the diocesan finance council with a *de facto* situation, especially where government grants are involved. Do not wait too long.
5. For repairs and construction projects, two estimates are to be submitted along with the choice of estimate agreed to by the parish finance council along with the reasons for their decision.

**603.45** The Diocesan Finance Council requires six weeks to study all requests for renovation made by the Parish Finance Council. Please allow for this delay when you make an application. All requests that do not follow the steps mentioned in Diocesan Code no. 661.44 will be refused.

**Canada Revenue Agency requirements for payments to individuals<sup>1</sup>**

**603.46** The Diocesan Administration and parishes are now obliged to issue T4's or T4-Xs to individuals receiving \$500.00 or more in a given year Effective January 1 , 2017, we are to abide by the following directives:

**603.47** 1 ) Mass stipends, and any other amount paid for the celebration of a sacrament, paid to the pastor and associate pastors — and those holding equivalent appointments in a parish — are to be included when calculating employment income on the priest's annual T4. The usual payroll deductions for Income Tax, EI and CPP should be done at the time of payment and remitted to the CPA on a monthly basis.

**603.48** 2) Payments to visiting priests - excluding the mileage refund portion - are to be reported on an annual T4 for each priest. Payroll deductions (Income Tax, EI, CPP) are to be made at the time payments are made. The monthly remittances to the CRA, are to be done. including the employee deductions and the employer contributions

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1- Memo from the Financial Administrator and Bishop Bourgon, December 8, 2016

**603.49**        3) Musicians, including choir members, who are compensated on a per actum basis and not by virtue of employment, are not considered employees but self-employed contractors. Therefore, an annual T4-A is to be issued for payments made to them if \$500 or more per year. In the case of self-employed contractors, no deductions are made. It is the contractor's responsibility to report their income. Musicians who are employees of the parish are subject to the standard regulations of the CPA for employees. Administrator

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