



## Decree On Administration of Ecclesiastical Goods

In the *Rite for the Dedication of a Church*, the Bishop prays:

*“Father in heaven,  
source of holiness and true purpose,  
it is right that we praise and glorify your name.  
For today we come before you,  
to dedicate to your lasting service  
this house of prayer, this temple of worship,  
this home in which we are nourished by your word and your  
sacraments.”*

Parishes, Catholic Schools and other Diocesan institutions are called to be pre-eminently the Church, for God’s People, they serve, and God’s People ‘are the Church.’ Of necessity our structures and facilities must be and must constantly become Houses of Prayer, Temples of Worship, Homes.

To dedicate a Church, Catholic School or Diocesan institution is to dedicate to God the lives of those who enter and those sent to serve. Those who enter and those sent to serve are responsible for building the Kingdom of God on earth. Those who serve are particularly responsible for the spiritual life of the Community and the proper administration of temporal goods. To administer responsibly is to consult with responsible people and to plan cautiously and carefully to assure that ‘the material’ advances ‘the spiritual.’ Although the spiritual life of the Community always takes precedence over its material welfare, the proper administration of temporal goods can advance significantly the Community’s spiritual life.

People truly dedicated to God evidence their dedication in part by managing well ‘the goods of this world.’ Ministers therefore, whether Clergy, Lay or Religious, must consider, as a significant dimension of ministerial service, involving significant others in decision which impact on the Community’s temporal welfare. Only in this manner will the Catholic Community exercise responsible stewardship. It was for this reason that we penned the following in our letter dated August 2nd, the Anniversary of the Dedication of Saint Peter Cathedral:

*“In an immediate way Pastors are builders of the Community entrusted to their care...It so happens that this task of building community in the Spirit through the preaching of the Gospel and the celebration of the Eucharist often requires Bishops and priests to be builders’ as well of the facilities, churches and schools, rectories and parish centers, so necessary to the life and work of the Church. As completely as they can Bishops and pastors will leave the details of this physical building to the laity, more expert than themselves. But theirs is a responsibility for leadership, even in this material enterprise, and a duty of accountable stewardship that cannot be separated from the pastoral office.”*

To insure that we use wisely what God has provided so generously, we now issue the following Normae, effective immediately, suggested by Canon 12761 of the Code of Canon Law:

### **A-15 Expenditure of Parish Money:**

The amount of money which Pastors, Parish Administrators and Principals of Diocesan High Schools may expend without the Diocesan Bishop’s prior approval is hereby set at \$25,000 or 10% of the ordinary income of the Parish or Institution, whichever is smaller, In the case of a Parish, the request to spend more than the amount stated above must be signed by the Pastoral Council, or at least its Officers, the Moderator of the Parish Finance Council and the Pastor. Diocesan norms with regard to the Parish Finance Council must also be observed in these cases. In the case of a Diocesan School, the request must be signed by the Board of Pastors and the Principal. This request should express the need, the amount of money involved, the method of financing and the financial capability of the Parish or Institution to undertake the project. The request should follow the accompanying format.

This limit is not only for individual transactions but is also applicable to any project or purchase whose completed or total price is in excess of the amount stated. This case is particularly applicable in building and renovation projects where the individual parts of the work are less than the spending limits. In these instances if the total of all the work to be done, when completed exceeds the spending limit, permission of the Diocesan Bishop is required. On all other major expenditures of funds by Parishes which fall below these Guidelines, the Dean should be informed of the transaction. Moreover, the norms on Parish Finance Councils should be observed.

**Building or Remodeling Non-Worship space:**

Building, renovation, or remodeling of Non-Worship facilities such as rectories, schools, auditoriums, social centers, with completed costs in excess of the spending limits set above require the permission of the Diocesan Bishop. When undertaking such a project the Pastor, Parish Administrator, or Principal should follow the procedures as outlined in the accompanying Manual entitled, *When Building or Remodeling*. Use flow chart A and all the other pertinent sections of the Manual.

**Building or Remodeling Worship Space:**

Building, renovation, or remodeling of Worship space, regardless of the cost, requires the permission of the Diocesan Bishop. When undertaking such a project, the Pastor, Parish Administrator or Principal should follow the procedures as outlined in the accompanying Manual entitled, *When Building or Remodeling*. Use flow chart A and all the other pertinent sections of the Manual.

The Pastor, Parish Administrator or Principal, along with the appropriate Parish or School Committees should familiarize themselves with the contents and intent of the Manual and follow the steps as outlined in flow chart B.

**Repair/Replacement – Existing facilities:**

Repair or replacement of existing facilities, such as electrical/mechanical equipment, heating systems, window, in excess of the established spending limits require the permission of the Diocesan Bishop. If such repair or replacement is of an emergency nature the work may be done immediately, however it is expected that the Pastor, Parish Administrator or Principal notify the Diocesan Bishop or Administrative Coordinator as soon as possible after the emergency occurs and should provide documentation of all expenses incurred.

**Other Property Transactions:**

Any transaction on the part of the Pastor or Administrator of a Parish or Principal of a Diocesan High School requires the permission of the Diocesan Bishop for its validity if said transaction involves the alienation of real property belonging to the Parish, regardless of its value. An alienation of temporal goods is any act which transfers ownership of parish property, encumbers ownership of such property or may worsen the financial situation of the Parish. In addition, the following transactions shall be considered acts exceeding the limits of ordinary administration for whose valid performance Pastors, Parish Administrators or Diocesan Principals must receive the permission of the Diocesan Bishop: Acceptance of gifts and bequests imposing obligations on the Parish, purchase or lease of mineral rights entering into right of way agreements, founding or suppressing Schools and other Parochial Institutions, initiating fund raising campaigns, entering into civil law suits either as litigant or defendant in the name of the Parish. Other acts of parochial administration or similar gravity should be considered acts exceeding the limits of ordinary administration. (The last items on the list are generally considered acts of extraordinary administration.)

**Contract Work:**

Any contractor performing work on Parish or Diocesan property must furnish a certificate validating current insurance coverage for comprehensive general liability insurance (including project liability) and complete operations liability coverage. The highest possible limits should be sought for the coverage to best protect the Parish, Institution and Diocese. The ideal would be \$500,000 to \$1,000,000 in general liability. Under no circumstances can the coverage be less than \$250,000/\$500,000 bodily injury and \$50,000 property damage coverage. Limits will vary due to the size of the building, the scope and precariousness of the work, and location of the project. No undue hardships are to be placed on the Institution or Contractor by excessive amounts, and standard forms are available to eliminate misunderstanding. Smaller projects might feature appropriate reductions lest added costs be included in the documents.

A Contractor should not be allowed to work on Parish, Diocesan School, or Diocesan projects without furnishing a valid certificate of Workers' Compensation insurance. This is extremely important since Workers employed by a Contractor working on Parish or Diocesan properties and who may be injured may make a claim against the Diocesan Self-Insurance Program for Workers' Compensation coverage in the absence of valid coverage in the name of the Contractor.

A contractor working on a Parish, Diocesan School or Diocesan property must provide a "hold harmless" agreement in favor of the Parish, School, or Diocesan agency for whom the work is being performed. Contractors should also name the Diocese of Erie as "additional insured."

All Contractors working on a Parish, Diocesan School, or Diocesan properties must provide a performance bond and lien waiver for projects whose total completed cost is over \$15,000. This will provide protection of the Parish, School and the Diocese. This requirement may be waived for firms of proven reliability upon the written permission of the Diocesan Bishop or the Administrative Coordinator.

Diocesan approval for a Parish or a Diocesan School building or renovation will be withheld until the above certificate of insurance, hold harmless agreements, and performance bond have been received.

All contracts should be reviewed by the Parish Finance Committee and Parish Legal Counsel before signing. In the case of a Diocesan High School, contracts should be reviewed by the board of Pastors and legal council for the School.

*Given at Erie, Pennsylvania on the 2nd day of August, 1985.*

‡Michael J. Murphy  
Bishop of Erie

Robert J. Smith  
Chancellor

<sup>1</sup>*Can. 1276 - § 1. It is the responsibility of the ordinary to supervise carefully the administration of all the goods which belong to the public juridic persons subject to him with due regard for legitimate titles attributing even more significant rights to the same ordinary.*

*§ 2. Ordinaries are to see to the organization of the entire administration of ecclesiastical goods by issuing special instructions within the limits of universal and particular law with due regard for rights, legitimate customs and circumstances.*