

Initiation to the role of churchwarden

February 2023



Administrative Services to
Fabriques Department

Objectives of this information session

- Legal and administrative initiation: familiarization with requirements of Act Respecting Fabrique and good financial and administrative practices
- Gain a better understanding of the intention of the law, its possibilities and limits
- Proposal of tools for good management



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Presentation synopsis

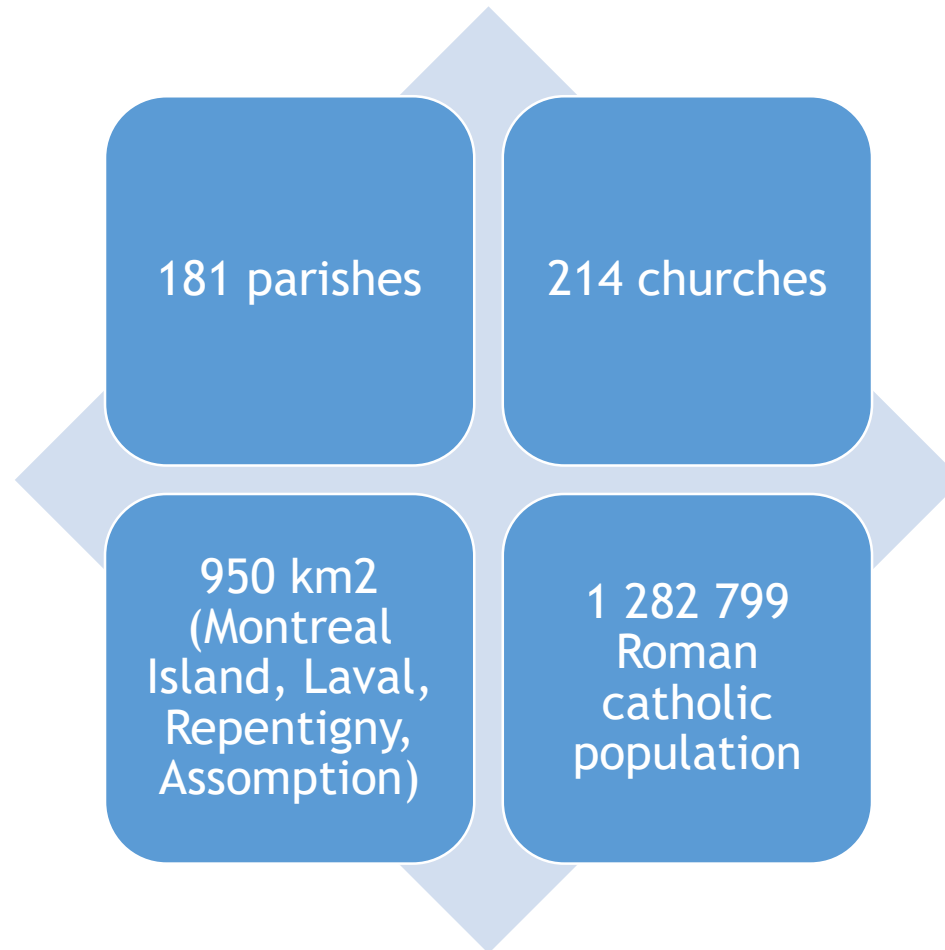
Part one: legal aspects

- Statistics
- Act Respecting Fabrique (Fabrique Law)
- Churchwarden
- Churchwarden's role
- Rights, powers, and privileges of the fabrique
- Conditions to exercise powers and privileges
- Fabrique meeting
- Meeting of parishioners

PART ONE

Legal aspects

Statistics





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Fabrique Act

- Roots from beginnings of the colony of New France
- First version in 1965
- Useful and relevant for managing a variety of common situations in parish fabriques
- One of the 4 laws concerning Quebec's Catholic Church:
 - Roman Catholic Bishops Act
 - Act Respecting Roman Catholic cemetery companies
 - Religious Corporation Acts
 - Act Respecting Fabriques



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Fabrique Act

Bishop:

the cleric who, according to the rules of the Roman Catholic Church is appointed to administer a diocese (Art. 1f)

3 categories of powers:

- adopt a decree(art. 2, 3)
- all powers needed for proper functioning(art. 4)
- ecclesiastical authority: the right of review and the duty of care



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Fabrique Act

Fabrique

- Civil corporation created by the Government of Quebec
 - 1 -Corporation has only the powers given by its constitutional law or chart
 - 2 -The responsibility of the administrators (wardens) is limited as far as they exercise their function within the legal framework
 - 3 -Corporation has perpetual succession
- A Fabrique exists for one purpose which is to “favor the expansion of the Roman Catholic religion.”



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Fabrique Act (cont'd)

Parish

A territory canonically erected as a parish for the purposes of the Roman Catholic religion

Parishioner

A person of full age of the Roman Catholic religion who belongs to a parish and is not a cleric assigned to administer that parish

Pastor

The cleric entrusted with the administration of a parish in accordance with the canon law of the Roman Catholic Church



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Chairperson

- Appointed by Archbishop
- Chosen from members or from outside
- Calls, presides over Fabrique meetings
- Calls, presides over meetings of Parishioners
- Unless there is a specific appointment, the pastor is the chairperson by default



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Vice-Chairperson

- Is a Warden (*i.e. chosen among members*)
- Appointed by the Archbishop
- Calls, presides over Fabrique meetings in absence, refusal or incapacity of the Chairperson
- Only presides over meetings of Parishioners in absence, refusal or incapacity of the Chairperson



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Secretary of the Fabrique

- Chosen from members or outside
- Drafts up minutes of meetings
- Co-signs with chairperson minutes of meetings
- A Secretary must be available at each meeting
- Certifies extracts from registers
- In collaboration with Pastor, maintains records, registers



Churchwarden

- A parishioner elected to be a director or administrator of a civil and religious Corporation which owns material goods for the purpose of facilitating the practice of the Roman Catholic religion.
- Becomes director of civil corporation which has religion as its objective.
- Prohibited from exercising office (Section 39)
 - *Churchwarden cannot have a direct or indirect interest in a contract to which the Fabrique is a party (Section 39-f); he ceases to be a churchwarden.*
- Direct/Indirect Interests (Section 46)
 - *Churchwarden is prohibited from participating/voting on any question in which he has direct/indirect interests distinct from those of other parishioners.*



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Churchwarden

Election (art. 35)

Elected at a meeting of the parishioners called for that purpose during the last 2 months of each fiscal year

Nomination (art.36)

Any parishioner who consents upon motion of two parishioners. Must have an address on the territory of the parish.

Term (art.37)

3 years from the beginning of fiscal year following the month of the election



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Churchwarden

End of term (art. 38)

- Spirit of the law: not to prolong unduly churchwarden's mandate
- Churchwardens in succession leave their duties , one third of them at a time at the end of each fiscal year.
- Never more than two mandates of three years in a row.



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Churchwarden

Vacant position (art.40)

If the office of a churchwarden becomes vacant during his term: his successor shall be elected for the balance of the term by a meeting of parishioners

Appointment by Bishop (art. 41)

After a period of 60 days the Bishop can order that a meeting of parishioners be convened to elect the churchwarden(s)

The office of chairman and churchwardens are gratuitous

Fabrique must update its file with the Registraire des entreprises within 30 days.



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Churchwarden's Role

- Ensuring financial support to the Pastor -exercising stewardship and avoiding financial conflict of interest
- Distinguishing between financial and pastoral goals of the Parish
- Protocol for requesting information or making suggestions
- Setting up sub-committees, as required



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Rights, powers and privileges of the Fabrique

It may only exercise those powers for the attainment of its purpose

General powers (art. 18)

➡ appear before courts, acquire, erect, borrow, build, transform, accept donations, gifts, or legacy, etc...

Powers to make by-laws

➡ By-laws come into force upon approval by the Bishop

Rights, powers and privileges of the Fabrique

Obligation to dispose of immovables which have not been used for 7 consecutive years for the pursuit of its objects (art. 20)

Obligation to keep registers (art. 25):

- Certified copy of the decrees of the Bishop
- By-Laws of the fabrique
- A summary of the provisions of the endowments accepted by the fabrique
- The minutes of meetings of the fabrique and the parishioners (public documents)
- Baptism, confirmation, marriage, funeral registers to be maintained forever.
- Name, address of each member of the fabrique (past and active)



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***Conditions* for the exercise of the power of the Fabrique**

**Every Fabrique must be previously and specially authorized by
the Bishop:**

-To make by-laws come into force (art. 19)

-To exercise the powers described in art.26:

- . Acquire, lease, or alienate immovables
- . Make new constructions (repairs over 10 000\$, by Bishop's 2014 decree)
- . invest capitals
- . Accept or refuse liberality
- . Appear before the courts ...



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Fabrique Meeting

- Convocation of a Meeting (Section 43)

Three conditions must be met :

- 1) A written Notice
 - 2) Given three clear days before the Meeting
 - 3) Purpose of Meeting included in the Agenda
- Who can call a meeting? Chairperson or vice-chairperson, or 2 wardens
 - Quorum: half +1
 - Voting at a Fabrique meeting: **importance of the resolution for consigning decisions**
 - Signing of minutes of Fabrique meeting
 - By-Laws of a Fabrique (Section 19): come into force upon Bishop's approval

Agenda template for a meeting of the fabrique

AGENDA

- 1. Call to order, prayer, quorum count**
- 2. Adoption of the agenda**
- 3. Approval of the minutes of the previous meeting**
- 4. Business arising from the minutes**
- 5. Treasurer's report**
- 6. Correspondance and information**
- 7. New business**

- 8. Next meeting**
- 9. Close of the meeting**



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Meeting of Parishioners

Two mandatory objectives:

- 1- election of wardens
- 2- approval of loans

(if the loan is over 25% of the previous year revenue and will not be reimbursed during the present fiscal year; opening of a credit line; needs also the Bishop's approval)



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Meeting of Parishioners

➤ Notice of Meeting (Section 51)

Must indicate the place, day, hour, purpose of meeting and be published for minimum of six clear days before the date of Meeting.

Ways to publicize Notice of Meeting

- 1) Read at Sunday Masses
- 2) Posted on Bulletin Board at entrance
- 3) Printed in Parish Bulletin

➤ **Vote: by show of hands**

➤ **Quorum: 10**

➤ **Minutes of meeting to be signed by Chairman and Secretary**

END OF PART ONE

RECESS

For any information, please do not hesitate to contact us at

servicesfabriques@diocesemontreal.org

PART TWO



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Accounting Reports

Budget

- Budgets have to be completed in the Archdiocese provided electronic formats
- Budgets are to be approved by the wardens and forwarded to the Économat by October 31th for approval
- The budget are to be communicated to the parishioners following diocesan approval



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Accounting Reports (cont'd)

Financial Statements

- Financial statements must be submitted in the Archdiocese computerized formats and emailed back to the Économat by end February
- All funds and bank accounts of the Parish including those of a parish cemetery must be incorporated in the financial statements of the Parish

MONTHLY AND ANNUAL FINANCIAL STATEMENTS	6 YEARS AFTER YEAR END (however, keep the annual reports)
DEDUCTIONS AT SOURCE	6 YEARS AFTER YEAR END
CASHED CHEQUES AND COLLECTION ENVELOPES	6 YEARS AFTER YEAR END
INVOICES AND OTHER SUPPORTING DOCUMENTS	6 YEARS AFTER YEAR END, EXCEPTION FOR CERTAIN INVOICES (keep those that have a historical value : Organ, bells, major repairs etc.)
CATHOLIC REGISTERS (Baptisms, confirmations, marriages, funerals and burials)	TO BE CONSERVED FOREVER
MINUTES AND GENERAL LEDGER	TO BE CONSERVED FOREVER



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Diocesan Contribution

➤ What is it used for?

- Helps to support the Mission of the Church
- Provides funding for common services to all Fabriques

➤ Rate of 9% since 1988

➤ Calculated on total gross revenues

- Includes all parish funds
- Includes all proceeds from sales of assets
- Exclusions (approval of Diocese):

- 1) *25% of rental revenues*
- 2) *Amounts for major repairs*
- 3) *Direct costs of specific activities*



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No Tax Receipts for :

- **Marriage** *(to cover liturgy, cost of organist, cantor, hall etc.)*
- **Funerals** *(to cover liturgy, cost of organist, cantor, hall etc.)*
- **Catechesis**
- **Volunteers**
- **Lotteries Raffles and Draws**



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Tax Receipts for :

- Free will offerings for baptisms
- Weekly collections
- Mass intentions **\$10** (*from amount of \$15*)
 - T4A to priests for \$5 paid for masses celebrated and all other payments such as for retreats, homilies and other ministries
- Fundraising



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Tax Receipts

- Tax receipts issued for cash donations made to Fabrique only to identified donors (name and address)
- For Corporate donations, tax receipts should be made in the name of the corporation, not to any individual
- Use of envelope system or signed check. Envelopes to be stored as proof of payment.
- Internet donations
 - Parishes that have used CanadaHelps have had positive results

web address is: www.canadahelps.org



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Government Declarations

- Relevé 1 and T4 slips must be issued to all employees
- Annual Declarations by June 30th :
 - Federal Form T-3010.1
 - Provincial Form TP-985.22

Copies of these forms to be sent to the diocese

- Annual return must be filed with the “Registraire des Entreprises”

Priests' Salaries and Benefits

- Bishop approves salaries and all forms of remuneration paid by Fabriques to priests and seminarians.
- For further info, please refer to the document “Remuneration of Priests and other provisions of ministry in 2023”.



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Investments

- Fabriques must adhere to the Diocesan Investment Policy for Fabriques.
- Every investment must be approved by the Diocese prior to signing the contract.
- Option of Diversified Portfolio with Banque Nationale.

Accounting - Investments

- All investments appearing on the balance sheet must be reconciled with the Bank statements
- Interest income must be accounted every year (*to correspond with statement from financial institution*)
- The annexure of the Annual report must always be filled and the total must correspond with the balance sheet.



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Borrowing

- Requires the approval of the Diocese (art. 26, 27, 28)
- Consent of the meeting of the parishioners is required for loans that are due beyond the current fiscal year and exceed 25% of the previous year's revenues (art. 28)



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Mass Account

- All payments for masses that have been celebrated must be debited to the same account
- The mass account needs to be reconciled each year even when the account is maintained outside the books of the parish.

Bank Accounts

- Always 2 signatories regardless of the amount
- Best practice:
 - Have the pastor as one signatory and the second to be one of the wardens, who will be signing based on an agreed rotation over the year. This is to avoid the same warden being the second signatory throughout the year.
- Must ensure pastors are not involved in the counting of cash
- Must ensure pastors do not receive or handle cash (*even for mass intentions or for any other reason*)

Calendar

JANUARY

- Salary Adjustments for Priests and LPAs and DAS Calculations for current rates
- ➡ See Guide and Grids on the Diocesan site: [Parish Ressources/Finance and Administration/ Priests or Lay Pastoral Agents](#)
- Calculation of the Parish's share of the salary expense
- Reception of the Annual Report form.
- GST & QST Refund request (period of July 1st to December 31st)

Calendar (cont.)

FEBRUARY

- **February 8:** Production of tax slips T4/Relevés 1/Summary and T4A/Relevés 1/Summary
 - ➔ T4A is required for any independent worker with earnings in excess of \$500

- **February 28:** Production of donation tax receipts

- **February 28:** Submitting copies of registers to the Chancery
 - ➔ Consult the Diocesan site : [Parrish Resources/Chancery](#)

Calendar (cont.)

March 1 : Submitting Annual Report to the ASFD (Administrative Services to *Fabriques Department*)

March 15: CNESST annual salary declaration

➡ Important to include volunteers; la Mutuelle does not compensate undeclared volunteers.

June 30 : Annual tax returns (T1235 + T3010 + TP985)

➡ Consult the Diocesan site : [Parish Resources/Finance and Administration/Accounting](#)

Issuance of the Diocesan invoice for all unpaid Diocesan Contributions

Calendar (cont.)

JULY

- GST & QST Refund request (period of January 1st to June 30th)

SEPTEMBER

Publication of the calendar of mandatory Quests.



Consult the Diocesan site : [Parish Resources/Finance and Administration/Wardens](#)

OCTOBER

Reception of Budget form to complete

Calendar (cont.)

November 1 : Remittance of completed Budget form to the ASFD along, if applicable, a Request for a reduction of Diocesan Contribution.

November 15: Annual Registraire des Entreprises du Québec declaration
Instructions for the elections of Wardens

DECEMBER: Election Of Wardens



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Checklist for Wardens

- Ensure that diocesan approvals are obtained for:
 - Major repairs over \$10,000
 - Sale or lease of land / building
 - Accepting bequests and moneys from wills
 - All borrowing
 - All investments

Checklist for Wardens (cont'd)

- Ensure that all bank accounts and funds are being reported by the Fabrique
- Ensure that bank accounts are regularly reconciled with the bank statements
- Ensure Diocesan Annual Reports and Government reports are in agreement with Fabrique accounts

Checklist for Wardens (cont'd)

- Ensure that all employees are listed on the Diocesan Annual Report
- Ensure that all Government filings are made by the deadline
(*T3010, TP985, Registraire des Entreprises*)

Website and available documents

For any information, please contact us at :

servicesfabriques@diocesemontreal.org

Or visit :

[**www.diocesemontreal.org**](http://www.diocesemontreal.org)

End of Session

THANK YOU FOR YOUR PARTICIPATION !