

Authorizations and Processes

PRESENTED TO THE FABRIQUES OF THE DIOCESE OF MONTREAL

January 19, 2023



Administrative Services to
Fabriques Department

Objectives of the presentation

- Help the Fabriques of parishes to recognize the situations where an authorization from the Archbishop is required.
- Communicate the process and documents required for authorization requests for major work projects and for rental agreements.
- Obtain a standardized model of resolutions to facilitate decision-making at Fabrique meetings.



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Context

- The parish finds its legal support in ecclesiastical and civil law.
- The Universal Law of the Church is mainly stated in the Code of Canon Law and the Civil Law in the Fabrique Act: both give the diocesan bishop the responsibility and power to regulate the administration of the parishes of his diocese.
- For the credibility of the Church and for equity among the parishes of the diocese, the fabriques administer the temporel goods entrusted to them in strict accordance with the laws and regulations that govern them.



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Authorizations

- The 194 Fabriques of the Montreal Diocese are therefore administrated under the Fabrique Act.
- The Fabrique is a civil corporation which may exercise its rights, powers and privileges only for the exercise of the Roman Catholic religion and under prior authorization of the bishop in the cases stipulated in article 26, 27 and 28 of the Fabrique Act.



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Important nuances

- Article 18 : defines the *powers and privileges* of the fabrique
- Article 26 : defines the *conditions* to exercise the powers and privileges of the fabrique



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Article 26

A Fabrique needs the authorization of the bishop to:

- a) Acquire, lease, alienate immovables.
- b) To make new constructions.
- c) Invest capital.
- d) Borrow money.
- e) Accept any liberality (except gifts by delivery).
- f) Accept endowments (*art.23*).

- g) Exercise the powers set out in section 18:
- ***Appear before the courts: proceedings or defendant.***
 - ***Hypothecate its movable or immovable property.***
 - ***Borrow via any method of loan recognized by law.***
 - ***Administer any work relating to its objects.***
 - ***Repair, equip, improve any buildings (authorization required for cumulative work of more than \$10,000 according to the Archbishop's decree of March 26, 2014).***
 - ***Cede (gratuitously or for a consideration) its undertakings (respect the Revenue Canada rules).***

- ***Make arrangements with public authorities.***
 - ***Obtain any statute, ordinance, authorization or provision, legislative or administrative, which could benefit the Fabrique (e.g., receive a grant from the CPRQ).***
 - ***Pay contributions or premiums (ex.: Voluntary Retirement Savings Plan of Quebec).***
- h) Require the services of persons or bodies for subscription purposes.
- i) Alienate movable property having a historic or artistic interest or acquired by the Fabrique more than 50 years previously.



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Sections 27 and 28

Specify conditions

- **Sec. 27:** Borrow money repayable during the current fiscal year;
The amount due must be less or equal to 25% of the ordinary revenues of the Fabrique for the preceding fiscal year.

The Archbishop may also grant loans on his conditions

- **Sec. 28:** Loans other than those contemplated in section 27 must be authorized by a meeting of the parishioners and by the Archbishop.



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For a request of authorization

- Any decision to request authorization from the Archbishop is made at a meeting of the churchwardens.
- An extract from the minutes is required in the form of a **resolution** passed by a majority vote.
- A resolution is a decision resulting from the adoption of a proposal or intention to act on a specific matter.

Why do we need a resolution?

Formalizing
a decision
Keep a record



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Template for resolution

- 1) EXTRACT from the minutes of a meeting of the Fabrique Assembly of the parish of (name of parish).
- 2) Held on (insert date) at which were present the following members: (insert all members present) at (place).
- 3) Under the leadership of (pastor or PAF) forming a quorum.
- 4) On motion duly made by (name of person) and seconded by (name of person) it is unanimously (or by majority) resolved to (transcribe here the text of the resolution as it appears in the minutes).
- 5) I, the undersigned, secretary of the Fabrique's meeting (or pastor) of the parish of (name), certify that the text reproduced above is a true extract of the minutes of the meeting held on (date) and that this resolution is still in force.

(insert place and date)

(signature of the secretary of the meeting or the pastor).



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Processes

The most common requests for approval are for:

- Cumulative work over \$10,000.
- Rental of premises for other than one-time purposes.
- Loans.
- Budgets and financial reports.



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Procedure to follow for major works (*more than 10 000\$*)

- 1) Determine what work needs to be done.
- 2) Hire a professional consultant when necessary.
- 3) Obtain at least 3 submissions.
- 4) Confirm the selection of the contractor by **resolution** following the recommendation of the professional, if applicable.
- 5) Submit the file to the ASFD (*to C. Clermont*)





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What documents to provide?

For major works of more than \$10,000

- 1) Resolution of the Fabrique assembly for the choice of contractor including the source of financing for the project.
- 2) Resolution of the parish assembly (for a loan or line of credit, if applicable).
- 3) All quotations received.
- 4) Proof of insurance + RBQ membership number of the selected contractor.
- 5) Professional recommendation (if applicable).
- 6) Plans/quotes/cost estimates, as much as possible.



When does the parish receive approval from the archbishop?

If the file is complete, the archbishop will send a letter of authorization within 2 weeks.

Is it possible to obtain grants for the work?

Only eligible churches can receive a grant from the Conseil du patrimoine religieux du Québec.
(Contact ASFD)

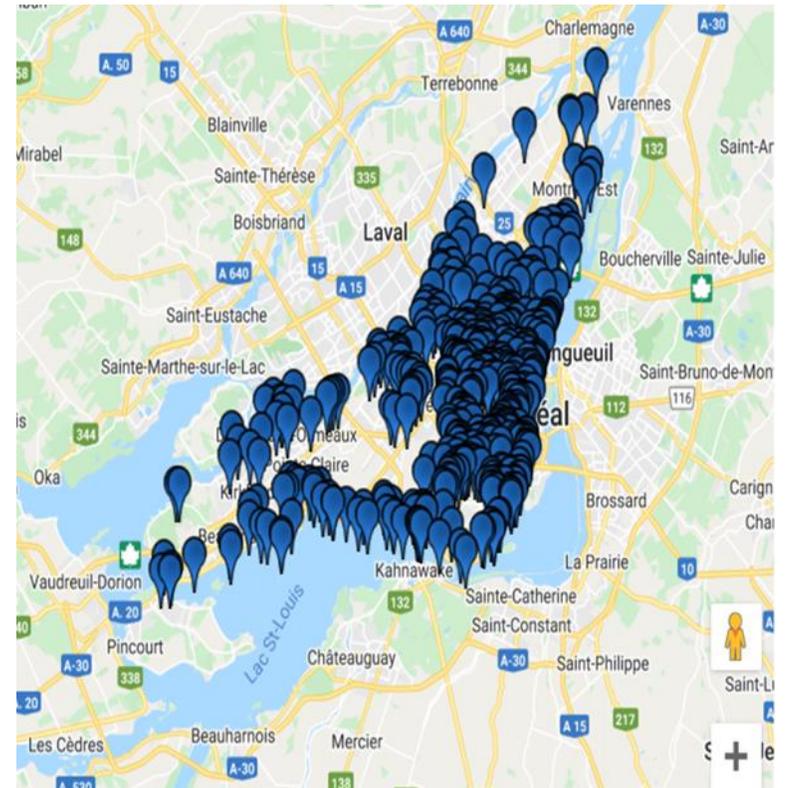




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Guidelines for leasing premises

- Archbishop's authorization required for any medium or long term lease.
- One-time rentals are pre-authorized if the Fabrique uses the lease agreement proposed by the archdiocese (*One-time lease*).





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Guidelines for leasing premises

- Make sure that the tenant's activities are compatible with those of the parish.
- Send the proposed lease to ASFD for discussion/amendments if it is not a one-time lease.

*Templates for occasional or long term leases are available at the
ASFD or on the website*



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Guidelines for leasing premises

- Accept the final version by resolution of the Fabrique Assembly.
- Acquire the resolution of the potential tenant if it is an organization with a board of directors.
- Send the resolution(s) and the final version of the agreement to
C. Clermont or the ASFD who will have it authorized by the archbishop.



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What documents to provide?

To obtain the archbishop's authorization

- Resolution of the Fabrique Assembly.
- Resolution of the tenant (long term).
- Copy of the proposed lease to be signed.



Photo: Upperkut, paroisse Saint-Jean-Baptiste



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When does the parish receive Archbishop's permission?

- If the file is complete, letter of authorization is sent within 2 weeks.

When can the Fabrique's Representative sign the lease agreement?

- Upon receipt of the authorization from the archbishop.

❖ **A signed copy is then sent to the ASFD**





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What about a lease renewal?

The Fabrique submits to the ASFD:

- The proposed renewal in the form of an addenda to the current lease.
- A resolution of the Fabrique Assembly.
- A copy of the renewed lease signed after the authorization of the Archbishop.



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Authorizations for loans

Line of credit, bank loan, loan from another parish

Required documents:

- Justification for the loan request and prospects for reimbursement.
- Resolution of the Fabrique Assembly.
- Resolution of the Assembly of Parishioners if the amount exceeds 25% of the revenues of the Fabrique or if the reimbursement will not be made in the current fiscal year.
- For a loan from FEAPAM, the parish must also fill out a form available at the ASFD.



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Master agreement with telecom companies: Telus, Videotron, Rogers

- All terms have been renegotiated for the benefit of parishes
- Authorization still required because of the material location that is specific to each building



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Notes :

Please refer to the diocesan website at the following address :

<https://www.diocesemontreal.org/en/parish-resources/administration>

and then go to the tab **WARDENS / Useful Documentation** to access the following documents:

- **One-time Lease.**
- **Template of a Resolution.**

Thank you for your attention...