

The Standards for Excellence Code for the Catholic Sector and Canon Law

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INTRODUCTION

The National Leadership Roundtable on Church Management has published a series of three booklets based on *Standards for Excellence: An Ethics and Accountability Code for the Nonprofit Sector* developed by the Standards for Excellence Institute in Baltimore, MD. The original Code was designed for nonprofit entities and lays out principles and standards or performance benchmarks to assist nonprofit organizations “strengthen their operations” and maintain the “public confidence and broad general support” on which they depend critically for their success by raising “the level of ethical and accountable practices.”

The original publication has been adapted to be applicable to Catholic dioceses, parishes and nonprofit organizations. This adaptation was undertaken because although the entities which comprise the Catholic Church in the United States are nonprofit organizations in the broad sense and have chosen to organize themselves in corporate or quasi-corporate forms under the laws of their respective jurisdictions, church leaders and members seldom speak explicitly (or even think) of the Church in corporate terms. Instead, they tend to frame discussions of the Church, its organization, and its operations in theological language redolent of familial imagery. Attempts to frame discussions of the Church in language derived from the secular world are often dismissed peremptorily since “the Church is not a business.” As a result, the principles and standards enunciated in *Standards for Excellence* have been modified so that they are applicable to the operations of the Church and are consistent with its canon law.

To adapt the principles and standards of *Standards for Excellence* to Catholic dioceses, parishes and nonprofits one must locate a point of contact within the religious structure of these entities which provide a foundation upon which *Standards for Excellence* can build. The Church’s own canon law which articulates the internal structures of dioceses and parishes provides such a point of contact. By analogy these same canonical structures can be related to Catholic nonprofits. Thus, what follows will display how canon law provides a foundation onto which the principles and standards enunciated in *Standards for Excellence* have been grafted and on which they build without introducing an element alien to the Church’s own tradition.

PREAMBLE TO STANDARDS FOR EXCELLENCE: AN ETHICS AND ACCOUNTABILITY CODE FOR CATHOLIC DIOCESES, PARISHES AND NONPROFITS

The Catholic Church is committed to continuing the mission of Jesus Christ as priest, prophet and king. Across the country, the Church is serving and meeting the spiritual and temporal needs of women, men and children, and strengthening communities. In pursuit of this religious mission, Catholic organizations seek and use temporal goods “to order divine worship, to care for the decent support of the clergy and other ministers, and to exercise the works of the sacred apostolate and of charity, especially toward the needy.” (Code of Canon Law, canon 1254, §2)

Catholic dioceses, parishes and nonprofits are supported by individuals, corporations and foundations through charitable contributions and volunteer efforts and by the general public through state and federal tax laws. The ability of Catholic dioceses, parishes and nonprofit organizations to raise the revenues necessary to support the ministry programs through which they carry out their mission depends in some degree upon public confidence and public support.

These Standards for Excellence have been produced to present an appropriate level of ethical and accountable practices for Catholic dioceses, parishes and nonprofits. They respond to the call to good stewardship and accountability in the U.S. bishops’ pastoral letter, *Stewardship: A Disciple’s Response*. The Standards serve as a model for nonprofits to implement in their operations and governance.

Catholic dioceses, parishes and nonprofits must comply with the Church’s own canon law as well as applicable local, state, and federal laws. These Standards for Excellence build upon that foundation and describe how Catholic organizations should act to be ethical and accountable in their program operations, governance, human resources, financial management and fundraising. They are based on fundamental values of honesty, integrity, fairness, respect, trust, compassion, responsibility, and accountability. Eight (8) guiding principles are provided, along with fifty-five (55) standards - more detailed performance benchmarks that will enable Catholic organizations to strengthen their operations.

The Standards for Excellence are intended to describe how the most well managed and responsibly governed Catholic dioceses, parishes and nonprofits operate. They provide benchmarks related to temporal affairs to determine how well a Catholic organization is fulfilling its obligations to those who benefit from its ministry programs, its contributors, and to the public both inside and outside the Church. Catholic dioceses, parishes and nonprofits are encouraged to pledge to commit to the guiding principles of the Standards for Excellence and to work toward implementing the practices and principles outlined.

The National Leadership Roundtable on Church Management (Leadership Roundtable) is dedicated to helping individual Catholic organizations to implement these Standards for Excellence. Working in partnership with other national Catholic organizations and in collaboration with bishops and diocesan leadership, the Leadership Roundtable provides educational resources and training to assist Catholic dioceses, parishes and nonprofits in complying with the performance indicators outlined in these Standards.

STANDARDS FOR EXCELLENCE – 8 GUIDING PRINCIPLES FOR CATHOLIC DIOCESES *

1. MISSION AND MINISTRY PROGRAM – Dioceses are established to continue the mission of the Catholic Church in particular geographic locations and carry out this mission through specific ministry program activities. Dioceses should have well-defined mission statements, and their ministry programs should effectively and efficiently work toward achieving these mission statements. Dioceses have an obligation to ensure ministry program effectiveness and to devote their resources to achieving its stated purpose.

2. GOVERNANCE AND ADVISORY BODIES – Dioceses are governed by the bishop who is required by canon law to establish certain advisory councils. The college of consultors, finance council and presbyteral (priests) council are all required by canon law. Canon law further encourages the establishment of a pastoral council. In some matters of major import, the bishop requires the consent of the finance council and the college of consultors. Effective diocesan advisory bodies should serve to further the mission of the diocese, establish management policies and procedures, ensure that adequate human resources (volunteer and/or paid staff) and financial resources (earned income, grants, and charitable contributions) are available, and actively monitor the diocese’s financial and programmatic performance.

3. CONFLICT OF INTEREST – Both clergy and laity who serve on diocesan staff, either in paid positions or as volunteers, should act in the best interest of the diocese rather than in furtherance of personal interests or the interests of third parties. Dioceses should have policies in place, and routinely and systematically implement those policies, to prevent actual, potential, or perceived conflicts of interest.

4. HUMAN RESOURCES – A diocese’s relationship to its ministerial personnel, both clergy and lay, paid and volunteer, is fundamental to its ability to achieve its mission. The roles and responsibilities for bishops and priests are contained within canon law. Volunteers occupy a special place in dioceses serving in governance, administrative and programmatic capacities. Diocesan human resource policies should address both clergy and laity, paid staff and volunteers, and should be fair, establish clear expectations, and provide for meaningful and effective performance evaluation.

5. FINANCIAL AND LEGAL – Dioceses must practice sound financial management and comply with a diverse array of legal and regulatory requirements, including those of canon law. Financial systems should assure that accurate financial records are kept and that the organization’s financial resources are used in furtherance of its religious mission. Dioceses should conduct periodic reviews to address regulatory and liability concerns.

6. OPENNESS – Although dioceses are private entities, they operate in the name of the Church in service to members and the community at large with support from the faithful and the general public. As such, all dioceses should provide the faithful and the public with information about their mission, ministry program activities and finances. A diocese should also be accessible and responsive to members of the faithful and members of the general public who express interest in their affairs.

7. FUNDRAISING – Dioceses depend on charitable fundraising for the support of their work. All fundraising activities should be conducted on a foundation of truthfulness and responsible stewardship. Diocesan fundraising policies should be consistent with its mission, compatible with its organizational capacity, respectful of the interests and intentions of donors and prospective donors, and in compliance with applicable civil and canon law.

8. PUBLIC AFFAIRS AND PUBLIC POLICY – “Faithful citizenship calls Catholics to see civic and political responsibilities through the eyes of faith and to bring our moral convictions to public life.” (Faithful Citizenship, US Conference of Catholic Bishops (USCCB), 2003) Dioceses provide an important vehicle through which individuals may choose to organize and work together to improve their communities. Therefore they should represent Catholic Social Teaching and the interests of the people they serve through public education and public policy advocacy, as well as by encouraging clergy, staff, volunteers and the faithful to participate in the public life of the community.

* Equivalent guiding principles exist in the Standards for Excellence code for Catholic parishes and for Catholic nonprofits.

1. MISSION STATEMENT AND MINISTRY PROGRAM

MISSION

Although the language of “mission statements” is not native to the Catholic Church, the concept that lies behind the phrase is perfectly compatible with a theological understanding of the Church and with its canon law. Magisterial documents on the nature and mission of the Church, most notably the Second Vatican Council’s dogmatic constitution on the Church *Lumen gentium*, abound and are authoritative “mission statements.” Canon 1254, §2 provides a capsule “mission statement” in its assertion of the purposes for which it is legitimate for the Church to acquire and hold property: “The proper purposes are principally: to order divine worship, to care for the decent support of the clergy and other ministers, and to exercise works of the sacred apostolate and of charity, especially toward the needy.”

Many, if not most, Catholic dioceses, parishes and nonprofits in the United States have formulated the sort of explicit “mission statements” called for in *Standards for Excellence*. These mission statements give concrete specification to the more general theological assertions of the nature and mission of the Church for the particular circumstances of the places where these dioceses, parishes and Catholic nonprofits are located. The more general theological articulations of the Church’s mission are “defined and approved” by the Church’s magisterium; the more specific mission statements of dioceses and parishes are “defined and approved” by, respectively, diocesan bishops and pastors, although there may be a considerable degree of consultation during their drafting.

ORGANIZATIONAL EVALUATION

Dioceses are subject to an organizational evaluation every five years in the form of the “quinquennial report” submitted to the Holy See and the diocesan bishop’s personal *ad limina* visit to the Holy See, part of which is devoted to a discussion of the report with the competent authorities of the Roman Curia. Canon 399, §1 stipulates: “Every five years a diocesan bishop is bound to make a report to the Supreme Pontiff on the state of the diocese entrusted to him, according to the form and time determined by the Apostolic See.” The formulary provided by the Apostolic See for this quinquennial report allows for a thorough evaluation of the diocese and its operations. Canon 400, §1 requires that “during the year in which he is bound to submit a report to the Supreme Pontiff, a diocesan bishop is to go to Rome to venerate the tombs of the Blessed Apostles Peter and Paul and to present himself to the Roman Pontiff.” This *ad limina* visit provides the occasion for often candid and sometimes critical discussions with the authorities of the Roman Curia about the state of the diocese and its operations.

Parishes too are subject to regular evaluation. Pastors are required to submit annual financial reports to the diocesan bishop (c. 1287, §1) and, according to the norms of particular law, to the faithful of the parish (c. 1287, §2). Most dioceses also require the

submission of a parish “spiritual report” on the condition of the parish along with its annual financial report. The diocesan bishop is to present parish financial reports to the diocesan finance council “for examination” and, presumably, evaluation. (c. 1277, §1) In addition, the bishop’s canonical visitation of the diocese is a traditional, but often underutilized, vehicle for evaluation of parishes and their programs. “A bishop is obliged to visit the diocese annually either in whole or in part, so that he visits the whole diocese at least every five years.” (c. 396, §1) Historically, the diocesan visitation was an opportunity for the bishop to see for himself what was happening in parishes and other institutions, to assess their effectiveness, and to order needed changes.

MINISTRY PROGRAM EVALUATION

Program evaluation has not been the strong suit of parishes and dioceses in the United States. However, the program evaluations called for in *Standards for Excellence* are not inconsistent with canon law. Indeed, the logic of the vehicles for accountability cited in the previous section call for some kind of regular program evaluations. Thus, canon law provides a foundation on which the structure for such regular program evaluations could be built.

MINISTRY PROGRAM SERVICE

Canon 208 states: “From their rebirth in Christ, there exists among all the Christian faithful a true equality regarding dignity and action by which they all cooperate in the building up of the Body of Christ according to each one’s condition and function.” The listing of the rights and obligations of the Christian faithful in general and of lay people in particular that follows (cc. 209-231) gives further specification to this “equality and dignity” which are to be respected by the Church in its provision of programs and services. A variety of provisions of the Code of Canon Law are meant to enforce professional standards on the Church’s ministers, especially the clergy, and to insure non-discrimination in access to the services the Church provides. Most of the obligations incumbent on diocesan bishops (cc. 383-394) and pastors (cc. 528-530) are meant to insure “professionalism” in their provision of services. The requirement that churches be open to the faithful free of charge at time of services (c. 1221), the relatively stringent conditions under which the faithful can be denied the sacraments (cc. 868, 889, 912-915, 987, 1004-1007, and 1058), and even the requirement that diocesan bishops and pastors reside in the territories assigned to them (cc. 395 and 533) are meant to insure accessibility of the Church’s ministrations to all without discrimination. Although canon law does not provide regular and easily accessible procedures for monitoring the “satisfaction of program participants,” such procedures, if developed, would not be inconsistent with canon law. Indeed, since a pastor’s neglect of or incompetence in performing his obligations is a ground for his removal (c. 1741), the Code seems to presume some mechanism for monitoring parishioner satisfaction.

Canon 220 stipulates: “No one is permitted to harm illegitimately the good reputation which a person possesses nor injure the right of any person to protect his or her own privacy.” Canon law does provide stringent penalties for the violation of privacy entailed in the breach of the sacramental seal of confession (c. 1388), provides norms to protect privacy in the context of seminary formation (c. 240, §1) and religious life (c. 630, §5), and exempts from testifying in canonical trials those “bound by professional secrecy even by reason of having given advice, regarding those matters subject to this secrecy.” (c. 1548, §2, 1°) Although the Code provides no specific grievance procedure for those whose privacy is violated, they do enjoy a civil action for damages before a competent church tribunal. The availability of such a remedy, albeit a cumbersome and little known one, suggests that further specification of the right to the confidentiality of personal information and grievance procedures in case of violations of this right would be consistent with canon law.

2. GOVERNANCE AND ADVISORY BODIES

ADVISORY BODIES RESPONSIBILITIES

The Code of Canon Law requires that dioceses and parishes establish certain largely consultative bodies, recommends the establishment of others, and allocates to these bodies a number of functions usually performed by a board of directors in a nonprofit organization. Every diocese must have a presbyteral council representing the presbyterate, which “is to be like a senate of the bishop and which assists the bishop in the governance of the diocese” (c. 495, §1) and a finance council (c. 492, §1) whose role includes drawing up an annual diocesan budget at the beginning of the year and examining the end of the year financial report. (c. 493) Although it is primarily a consultative body, the diocesan finance council (along with the college of consultors, a sort of executive committee of the presbyteral council) must give its consent before the diocesan bishop can validly perform acts of extraordinary administration as defined by the episcopal conference (c. 1277), alienate or permit the alienation of church property above limits specified by the episcopal conference (c. 1292, §1), and perform transactions which could worsen the financial condition of the diocese. (c. 1295) It is recommended that each diocese also have a pastoral council which “investigates, considers and proposes practical conclusions about those things which pertain to pastoral works in the diocese.” (c. 511)

Every parish must have a finance council (c. 537) and, if the bishop so decides, a pastoral council (c. 536, §1). The Code of Canon Law itself describes the functions of these parish councils only generally. The pastoral council assists the pastor in fostering pastoral activity in the parish (c. 536, §1) and the finance council assists “the pastor in the administration of the goods of the parish.” (c. 537) However, more specific functions can be given them by the norms issued by the diocesan bishop to govern their operation. (c. 536, §2 and 537).

Standards for Excellence allocates to advisory bodies responsibilities for planning, defining goals and objectives, and evaluating program effectiveness which dovetail with those assigned by canon law to diocesan pastoral councils and presbyteral councils and responsibilities for financial oversight which correspond to those assigned by canon law to diocesan finance councils. Similar functions could be assigned to parish pastoral and finance councils. Thus, diocesan and parish councils provided for in canon law together approach the role in diocesan governance foreseen in *Standards for Excellence*.

ADVISORY BODIES' COMPOSITION

Canon law's specification of criteria for membership on diocesan finance councils (c. 492), presbyteral councils (c. 497), and diocesan pastoral councils (c. 512) are consistent with the suggestion of *Standards for Excellence* that council members be personally committed to the mission of the organization, possess the specific skills required, and reflect the diversity of the community. Moreover, canon law makes provision for these participants to serve defined terms and for them to serve without compensation. Although the diocesan bishop is not, strictly speaking, a member of these councils, he does establish or at least approve their statutes, convoke and preside over their meetings, set their agendas, and have the decisive voice in their deliberations. The same can be said of the pastor with regard to parish finance and pastoral councils.

ADVISORY BODIES' CONDUCT

The provisions of *Standards for Excellence* regarding responsibility for training of council members, evaluation of council performance, and policies on attendance and preparation and distribution of written minutes are not specifically addressed in the Code of Canon Law, but they could well be incorporated, and indeed in many places already have been so incorporated, into the statutes of the various councils. Selection of members is the prerogative of the diocesan bishop and pastor respectively. Nevertheless, canon law does make provision for some form of election of about half the members of the presbyteral council (c. 497, 1°) and it is not unusual for the statutes of parish pastoral council to make provision for the election of at least some members. The frequency of meetings of diocesan and parish councils is left to the discretion of the diocesan bishop and pastor unless some provision is made in the councils' statutes. However, where one exists, a diocesan pastoral council is to meet at least once a year (c. 514, §1) and it is hard to imagine how a diocesan finance council could fulfill the responsibilities entrusted to it in canon law unless it met at least four times a year as recommended in *Standards for Excellence*.

3. CONFLICT OF INTEREST

Although the Code of Canon Law does not elaborate on the sort of conflict of interest policy called for in *Standards for Excellence*, it does evidence concern about the sorts of ethical dilemmas such policies attempt to address. The greatest historical source of conflicts of interest in the Church is the involvement of the bishop's own family in the governance of the diocese and the possibilities this involvement opened for family members to enrich themselves to the detriment of the Church. Thus, relatives of the bishop up to and including the fourth degree of consanguinity (first cousins, nieces and nephews) and affinity (brother- or sister-in-law's siblings, nieces or nephews) are barred from serving as members of the diocesan finance council (c. 492, §3) or as vicar general or episcopal vicar, the chief administrative officers of the diocese (c. 478, §2). In addition, unless it is of minimal value, church property, real or personal, is not to be sold or leased to relatives of the administrator of the property (pastor or bishop) up to the fourth degree of consanguinity or affinity. (c. 1298) Other provisions attempt to draw a clear line between the property of the church and that of the bishop or pastor. Thus, gifts given to the administrator of a church are presumed to be given to the church unless the contrary is evident (c. 1267, §1) and, when they assume their office, pastors and bishops are to make an inventory of the property of the church entrusted to them and compare it with previous inventories. (c. 1283) In light of this long standing concern of canon law for eliminating conflicts of interest, the development of more elaborate policies adapted to contemporary circumstances would be perfectly consistent with canon law.

4. HUMAN RESOURCES

PERSONNEL POLICIES

Canon 1286 requires that all administrators of church goods “in the employment of workers are to observe meticulously also the civil laws concerning labor and social policy, according to principles handed on by the Church” and “are to pay a just and decent wage to employees so that they are able to provide fittingly for their own needs and those of dependents.” More specifically, canon 231, §2 asserts that lay persons who devote themselves to the service of the Church “have the right to decent remuneration appropriate to their condition so that they are able to provide decently for their own needs and those of their families. They also have a right for their social provision, social security, and health benefits to be duly provided.” These general provisions of the Code of Canon Law provide an opening for the elaboration of more detailed personnel policies consistent with the prevailing civil law and the social teaching of the Church. Thus, the sort of personnel procedures recommended in *Standards for Excellence* are perfectly consistent with canon law. In fact, many dioceses, parishes and Catholic nonprofits already have such personnel policies. Although canon law gives little explicit attention to volunteers, extending such policies to include volunteers seems a natural development.

EMPLOYEE PERFORMANCE EVALUATION

Canon law structures the provision of ministry in the Church through a system of interlocking offices. According to canon 145, §1, an ecclesiastical office is “any function constituted in a stable manner by divine or ecclesiastical ordinance to be exercised for a spiritual purpose.” Each ecclesiastical office is to have a job description, a written statement of “the obligations and rights proper to individual offices. . . defined either in the law by which the office is constituted or in the decree of competent authority by which the office is at the same time constituted and conferred.” (c. 145, §2) Canon law specifies in considerable detail how such offices are to be provided (cc. 146-183) and lost (cc. 184-195). In particular, the Code of Canon Law is insistent that office holders can be removed only for cause (c. 193). As a result, canon law presumes some sort of performance evaluation, at least when consideration is being given to removal of a person from an ecclesiastical office. Thus, the recommendation of *Standards for Excellence* that all employees have written job descriptions and that there be a system for regular performance evaluations is consistent with canon law. In fact, most dioceses and parishes in the United States largely ignore the canonical system of ecclesiastical offices and operate in a system of “employment at will.” However, the provisions of *Standards for Excellence*, if implemented, would actually be more consistent with canon law than what is sometimes the practice.

EMPLOYEE ORIENTATION

Although canon law is silent about new employee orientations, the recommendation of *Standards for Excellence* is consistent with the provision of canon 231, §1 that “lay persons who permanently or temporarily devote themselves to special service of the Church are obliged to acquire the appropriate formation required to fulfill the function properly and to carry out this function conscientiously, eagerly, and diligently.”

5. FINANCIAL AND LEGAL

FINANCIAL ACCOUNTABILITY

Dioceses are required to operate according to an annual budget prepared by the finance council. (c. 493; see also c. 494, §3) Budgets for parishes are “strongly recommended” by the Code of Canon Law and can be mandated by particular law. (c. 1284, §3) Canon 494, §4 requires that “at the end of the year, the [diocesan] finance officer must render an account of receipts and expenditures to the finance council.” Parishes are required to submit annual financial reports to the diocesan bishop who is to submit them for examination to the finance council (c. 1287, §1) and “to render an account to the faithful concerning the goods offered by the faithful to the Church” in a format determined by particular law. (c. 1287, §2) All of these provisions are in line with the

recommendations of *Standards for Excellence*. Its recommendations for at least quarterly financial reports and outside audits of financial reports go beyond the explicit requirements of canon law but are consistent with them. Canon law has no norms governing reporting of suspected financial improprieties. However, in light of recent unfortunate experiences, such norms are sorely needed and are consistent with the obligation and right of the faithful to “manifest their opinion on matters which pertain to the good of the Church.” (c. 212, §3)

The Code of Canon Law authorizes the diocesan bishop to establish for parishes financial policies governing investments of assets, internal control procedures, purchasing practices, and unrestricted current net assets. (c. 1276, §2). Even in the absence of such policies, pastors must have the consent of the diocesan bishop to invest surplus parish funds (c. 1284, §2, 6°) and to invest endowed funds (c. 1305). The diocesan bishop can also exercise control over the financial practices of parishes by specifying acts of extraordinary administration for whose valid performance the pastor must have his prior consent. (c. 1281, §2) The Code itself imposes fewer constraints on the financial practices of the diocesan bishop himself. However, the Code of Canon Law does have several provisions for the episcopal conference to confine the diocesan bishop’s administrative discretion by enacting norms to govern fundraising (c. 1262) and begging by private persons on behalf of church institutions (c. 1265, §2), by defining acts of extraordinary administration for which the bishop needs the consent of the diocesan finance council and college of consultors (c. 1277), by setting the limits for alienating or permitting the alienation of church property without consultation and consent (c. 1292, §1), and by establishing norms for the leasing of church property. (c. 1297) Thus, a bishop’s decision to confine and structure his own discretion by adopting and complying with the sort of policies recommended by *Standards for Excellence* would not be inconsistent with canon law which quite consistently insists that important financial decisions should not be made unilaterally.

LEGAL COMPLIANCE AND ACCOUNTABILITY

One of the canonical duties of administrators of ecclesiastical goods is to “exercise vigilance so that goods entrusted to their care are in no way lost or damaged, taking out insurance policies for this purpose insofar as necessary.” The recommendation of *Standards for Excellence* that “organizations should periodically assess the need for insurance coverage in light of the nature and extent of the organizations activities and its financial capacity” nicely complements the canonical provision. Administrators of ecclesiastical goods are also required to “observe the prescripts of both canon and civil law. . . and especially [to] be on guard that no damage come to the Church from the non-observance of civil laws.” (c. 1284, §2, 3°) Thus, the counsel of *Standards for Excellence* on compliance with applicable laws and periodic internal reviews of compliance are ways of insuring that the canonical requirement is met.

6. OPENNESS

As was noted above, the issuing of regular reports on the diocese's or parish's mission, activities, and financial situation is consistent with, indeed in some respects required by, canon law. Providing an opportunity for members of the faithful to communicate with representatives of the Church is also consistent with the rights of the faithful asserted in canon 212.

7. FUNDRAISING

FUNDRAISING ACTIVITIES

In 1977, the then National Conference of Catholic Bishops issued *Principles and Guidelines for Fundraising by Arch/Dioceses, Arch/Diocesan Agencies and Religious Institutes* to guide fundraising activities of dioceses, parishes and other entities operating under Catholic auspices (see *Canon Law Digest* 8: 415-421). Pursuant to canon 1262, the United States Conference of Catholic Bishops in 2004 transposed the basic principles of these guidelines into binding norms to govern fundraising activities of Catholic agencies in the United States and enacted them as particular law. They have received the confirmation (*recognition*) by the Apostolic See. However, since these norms go well beyond the recommendations of *Standards for Excellence* in regulating fundraising activity, it can be fairly concluded that these recommendations are perfectly consistent with canon law. Indeed, the requirement that “offerings given by the faithful for a certain purpose can be applied only for that same purpose” (c. 1267, §3; see also 1300) is a cardinal principle of canon law.

DONOR RELATIONSHIPS AND PRIVACY

Canon 1265 which regulates “begging” or face-to-face solicitation on behalf of the Church evidences a concern that “solicitations should be free from undue influence and pressure.” The other recommendations of *Standards for Excellence* concerning donor privacy are consistent with canon law and many of them are incorporated in the USCCB norms on fundraising.

ACCEPTANCE OF GIFTS

Canon 1267, §2 stipulates that gifts “cannot be refused except for a just cause and, in matters of greater importance if it concerns a public juridic person, with the permission of the ordinary; the permission of the same ordinary is required to accept offerings burdened by a modal obligation or condition.” This provision of canon law opens the door for the sort of policies “to govern the acceptance and disposition of charitable gifts” called for in *Standards for Excellence*.

FUNDRAISERS

The concerns addressed in this section of *Standards for Excellence* are either incorporated into or are consistent with the proposed USCCB norms on fundraising.

8. PUBLIC LIFE AND PUBLIC POLICY

Like most strongly hierarchical organizations, the Catholic Church and its several dioceses, parishes and Catholic nonprofits have clear lines of authority identifying who can act and speak in the name of the organization. The diocesan bishop represents the diocese in all its juridical affairs (c. 393) and the pastor represents the parish in its (c. 532). On public policy matters, the diocesan bishop or, for matters of more than local import, the episcopal conference or the Holy See speaks on behalf of the Church. Dioceses and parishes in the United States have historically been quite aware of the restrictions on their public policy advocacy as IRS §501 (c) (3) organizations and have scrupulously adhered to them.

CONCLUSION

The recommendations put forward in *Standards for Excellence* are compatible with canon law, even though not all of them have yet been incorporated explicitly into the law itself. The major obstacle to the implementation in the Church of the recommendations of *Standards for Excellence* lies not in canon law, but in an organizational culture in which structures of accountability upward along the hierarchical chain of command have been emphasized and structures of accountability downward have been either stifled or allowed to wither.

In the Church, the long struggle to resist the encroachment of secular authorities on the liberty of the Church since the Gregorian Reform of the eleventh century and, in the United States, the bitter aftertaste of the lay trustee conflict of the nineteenth have made church authorities deeply suspicious of lay involvement in church management. Even participation of the clergy in the governance of the local church was allowed to wither in the modern era as too much of a concession to a democratic spirit. The tendency toward eroding downward accountability is not, however, a purely inner-Church phenomenon. It seems to be endemic to hierarchical organizations. The history of business corporations in the United States also shows a strong tendency on the part of managers to concentrate power, to disenfranchise shareholders, and to turn boards of directors into figureheads.

There are, however, precedents in canon law for a more consultative and participatory style of diocesan and parish governance. For example, the cathedral chapter was, from the Middle Ages until almost the French Revolution, so co-responsible with the diocesan bishop for the financial affairs of the diocese that, when convoking councils, popes regularly summoned not only diocesan bishops but also representatives of their cathedral chapters.

Adoption by diocese, parishes, and Catholic nonprofit organizations of the *Standards for Excellence* would, therefore, mark not a radical break with the Church's canonical tradition but an attempt to recover a forgotten chapter of that tradition.

APPENDIX – Resources for Implementing the Standards for Excellence

The Leadership Roundtable provides educational resources and training to assist Catholic dioceses, parishes and nonprofits to comply with the performance indicators outlined in the Standards for Excellence.

Recommended resources for Catholic dioceses, parishes and nonprofit organizations working to implement the Standards for Excellence:

www.ChurchEpedia.org. Online library of resources relating to the Standards for Excellence areas.

www.nlrcm.org. Education program components for each of the Standards for Excellence.

The Church in America: A Resource for Diocesan Planning (DVD and workbook). National Leadership Roundtable on Church Management, 2006.

The Church in America: A Resource for Parish Planning (DVD and workbook). National Leadership Roundtable on Church Management, 2006.

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Catholic dioceses, parishes and nonprofits are encouraged to become Partners in Excellence. Partners in Excellence pledge to commit to the Guiding Principles of the Standards for Excellence and to work toward implementing the best practices and principles outlined. This code is voluntary, self-regulatory and in conformity with the Code of Canon Law.

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