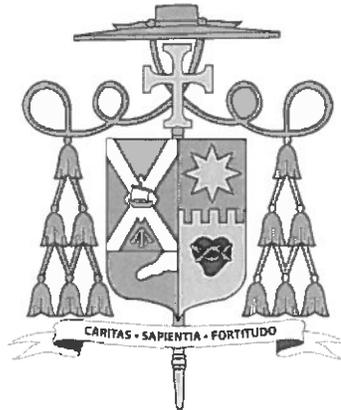


Most Reverend David Laurin Ricken, D.D., J.C.L.



By the Grace of God and the Authority of the Apostolic See
Bishop of Green Bay

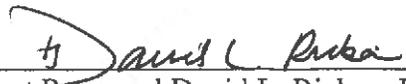
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PROXY GUIDELINES

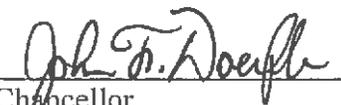
Christ has entrusted the Church with the stewardship of temporal goods to provide for divine worship, to carry out the mission to spread the Gospel, to care for the poor, and to provide for the support of clergy and lay ministers. In order to exercise the stewardship of the goods entrusted to the Church, in view of the norms of civil and canon law, the *Parish Manual for Proxies* has been revised and updated. Thus, in accord with canon 8, §2, I hereby establish and promulgate as particular law for the Diocese of Green Bay, the following *Parish Manual for Proxies*, effective July 1, 2012. This policy replaces all previous proxy policies.

May all be ever grateful for the blessings that God has bestowed and use them for his glory.

Given at the Chancery on May 11, 2012.



Most Reverend David L. Ricken, D.D., J.C.L.
Bishop of Green Bay



Chancellor

PARISH MANUAL FOR PROXIES: POLICY AND PROCEDURES

We are all stewards of God's property. As stewards, we have a responsibility to ensure that the property we hold is used to serve God's purpose in the most effective way possible. The procedures set out in this manual ensure this obligation is met. Although sometimes cumbersome and complex, these procedures combine the requirements set out under both civil and canon law. By following these procedures, we can be assured that we are being accountable to future generations.

Each parish in the Diocese of Green Bay is an independent religious corporation established according to the civil statutes of the State of Wisconsin. The members of each parish's board of directors are the Bishop, the Vicar General, the pastor and two lay members of the parish referred to as trustees. The pastor holds the position of vice-president, the trustee-secretary, the trustee-treasurer and the Vicar General are directors, and the Bishop is the president. Normally, the responsibilities of the civil corporation are exercised through the pastor and the two elected parish trustees.

A proxy is required in situations in which the corporation needs the unanimous consent of all the directors. A proxy is a legal document signed by the Bishop and Vicar General that allows them to be represented and give their vote at any meeting of the directors of the parish corporation.

Some proxy requests can be handled fairly quickly while other requests will require additional time and consideration.

When is a Proxy Needed?

A. Some proxies can be granted by the Bishop and Vicar General without consulting the College of Consultors or the Diocesan Finance Council. These are situations in which canon law classifies as "extraordinary administration" of the parish, and "alienation" or the selling of property that is below a certain dollar value.

A proxy for the following requests may be granted by the Diocese *without* the consent of the College of Consultors and the Diocesan Finance Council.

1. Construction of a new building or renovation of an existing building with a cost over \$100,000, but less than \$1,000,000. At least 50% of the estimated cost of a project must be held in cash reserves or in pledges prior to the date that construction or remodeling is to begin. **It also requires review by the Diocesan Building Commission prior to a proxy being issued and approval of the Finance Officer of the Diocese.** The Finance Officer may require a higher percentage of reserves, depending upon the financial condition of the parish.
2. The demolition of a building.
3. Purchase of any land with a cost over \$100,000, but less than \$1,000,000.

4. Any transaction or project with a cost over \$100,000, but less than \$1,000,000.
 5. Alienation of church property or stable goods with a value less than or equal to \$25,000, or 10% of the prior year's ordinary income, whichever is higher. Alienation means the transfer of ownership, for example selling property.
 6. Securing a loan or borrowing money in any amount.
 7. Any construction or renovation of worship space.
 8. Leasing parish property for one year or longer.
 9. Leasing parish property with a market value that exceeds \$100,000 regardless of the length of the term of the lease.
 10. A fund drive with the intention of raising 50% or more of the parish's annual offertory income.
 11. Establishment of an Endowment or Perpetual Fund that utilizes the name of a Catholic Institution.
- B. Some proxies require the consent of the College of Consultors and the consent of the Diocesan Finance Council. Canon law states that these situations could potentially jeopardize the economic condition of the parish or they involve the alienation of parish property that is above a certain dollar value.

A proxy for the following requests will be granted by the Diocese only after the consent of the College of Consultors and the Diocesan Finance Council is obtained.

1. Alienation of church property or stable goods with of value of more than \$25,000 or 10% of the prior year's ordinary income, whichever is higher. The term alienation is the transfer of ownership of property, for example selling church property. (If the value exceeds \$3,500,000, the permission of the Holy See is required.)
2. Any project or transaction which costs \$1,000,000 or more.
3. Construction of a new building or renovation of an existing building which costs \$1,000,000 or more. At least 75% of the estimated cost of a project must be held in cash reserves or in pledges prior to the date that construction or remodeling is to begin. **This also requires a review by the Diocesan Building Commission prior to consent of the College of Consultors and consent of the Diocesan Finance Council.**
4. Projects in which the parish may incur a total debt at or above the parish's annual offertory income. (If the total debt exceeds \$3,500,000, the permission of the Holy See is required.)
5. Any project where there might be a controversial question that merits full discussion.

Requesting a Proxy

1. To make a request for a proxy, simply write a short letter (one page if possible) to the Bishop of Green Bay:
P. O. Box 23825
Green Bay, WI 54305-3825
2. The letter must be signed by the pastor, the two trustees and the pastoral council chair and the finance council chair.
3. In the letter please answer the following questions.
 - a. Describe the project for which the proxy is being requested.
 - b. How will this project enhance the mission of the parish?
 - c. When is the project to take place? What is the time frame involved?
 - d. What is the anticipated cost?
 - e. How does the parish plan to pay for the project?
 - f. Does the project have the support of the Parish Pastoral Council?
 - g. Does the project have the support of the Parish Finance Council?
4. Does the project have the general support of the people in the parish? Please provide supporting explanation.
5. If the request is for the sale of real estate, please include the following:
 - a. Two (2) appraisals from licensed appraisers;
 - b. To whom the real estate will be sold;
 - c. The sale price of the real estate;
 - d. What the buyer intends to use the real estate for,
 - e. If the real estate being sold is a church, the church must be reduced to secular use **before** the church can be sold and placed on the agenda for the College of Consultors and Diocesan Finance Council. The process of reducing a church to secular use requires that the Bishop consult with the Presbyteral Council. Please contact the Diocesan Chancellor regarding the appropriate procedures for reducing a church to secular use.
 - f. A parish may obtain conditional approval to sell the real estate **before a buyer is found** if the parish submits two appraisals from licensed appraisers and the lowest price at which they would be willing to sell the property.

- g. If the Consultors and Diocesan Finance Council grant their consent for this sale amount, once the parish finds an acceptable buyer, the parish should submit a copy of the Offer to Purchase to the Director of Facilities and Properties and a proxy will be issued.
 - h. If the parish would like to sell the property to a buyer for an amount which is less than the amount to which the Consultors and Diocesan Finance Council consented, or different from the conditions for the sale to which they consented, then the Bishop may or may not need to obtain the consent of the College of Consultors and Diocesan Finance Council before a proxy will be issued.
 - i. In all cases, the parish may not sell the property for any scandalous purpose and all liturgical and sacred items must be removed from the property prior to the completion of the sale.
 - j. In consultation with the Diocesan Director of Facilities and Properties, a parish may enter into a sales agreement for the property as long as the contract includes a contingency stating that consent by the Diocese or the College of Consultors and Diocesan Finance Council is also required.
6. The parish will receive a response from the Diocesan Director of Facilities and Properties as soon as possible.

Important Notes to Remember

A. Financial Considerations:

1. The Parish should be financially viable prior to engaging in planning any potential project.
2. If the cost of the project is under \$1,000,000 it is expected that the parish have at least 50% of the estimated cost of the project in cash reserves or in pledges to be paid over a three-year period before the proxy is issued to begin construction or remodeling. The pastor must send a letter to the Bishop indicating that this financial threshold has been achieved. The letter needs to include attachments showing the current balance sheet of the parish and its most recent financial operating statement. The Diocesan Finance Officer will conduct a financial analysis for the Bishop's review.
3. If the cost of the project is \$1,000,000 or more, it is expected that the parish have at least 75% of the estimated cost of the project in cash reserves or in pledges to be paid over a three-year period before the proxy is issued to begin construction or remodeling. The pastor must send a letter to the Bishop indicating that this financial threshold has been achieved. The letter needs to include attachments showing the current balance sheet of the parish and its most recent financial operating statement. The Diocesan Finance Officer will conduct a financial analysis for the Bishop's review.
4. If bids exceed the approved costs by more than 10%, the pastor is to consult with the Diocesan Director of Facilities and Properties, to see if further review by the

College of Consultors and Diocesan Finance Council will be necessary.
Submission of bid information to the Bishop may be required.

B. Construction Contracts:

For new buildings and major renovations, all construction contracts are to be submitted to the Diocesan Director of Facilities and Properties for review and approval prior to the final execution by the parish. The Diocese has developed a set of contracts and related documents for construction projects. These are the only contracts that can be used for construction projects.

C. Normal Parish Activities

It is assumed that parishes are prepared to continue their normal and usual activities and not use the project as an excuse to terminate or withdraw from activities. It is assumed that parishes should be meeting their targeted goals for the annual Bishop's Appeal, Cathedraticum and school subsidies. Parishes should not use this project as a reason to discontinue its financial support for other Diocesan fundraising programs as well.

Overview of Diocesan Building Commission, College of Consultors and Diocesan Finance Council

**-To be followed for new construction projects or renovations in excess of \$100,000-
All requirements of the Diocesan Building Commission must be completed before a parish will be placed on the agenda for the College of Consultors.**

Meeting with the Building Commission:

A major construction project is any renovation of an existing building or construction of a new building with a cost in excess of \$100,000. Approval will be required whether the project is paid in one lump sum or over a period of years.

After meeting with the parish, the Commission will either recommend approval of the project to the College of Consultors and Diocesan Finance Council or refer the project back to the parish for additional work and/or consultation. No parish project will be passed or placed on the agenda of the College of Consultors and the Diocesan Finance Council unless the Diocesan Building Commission has recommended its approval. Please see the Building Commission Procedures below for the information required to be submitted to the Commission for review and approval.

Meeting with the College of Consultors and Diocesan Finance Council for projects of significant amounts or potentially creating economic jeopardy (See p. 2, sec. B):

After a recommendation for project approval has been made by the Diocesan Building Commission, final review of the project will be scheduled with the Bishop, the College of Consultors and the Diocesan Finance Council. After the meeting, the pastor will receive a letter recording the decision made by the Bishop.

The following materials must be received by the Director of Facilities and Properties before the meeting with the College of Consultors and the Diocesan Finance Council:

1. The final building floor plan.
2. The final site plan.
3. An updated financial plan with cash flow analysis that spans the project financing time-frame.
4. Copy of the parish's current balance sheet and its most recent full year operating statement.
5. Anything specifically requested to be addressed by the Diocesan Building Commission.

If the Bishop approves the project, proxies can then be issued. One proxy approving the start of construction will be drafted by Facilities and Properties. If financing is required, the Diocesan Finance Officer will draft a separate proxy. Please be aware that no architectural or construction contracts may be signed by the parish before they are reviewed by the Diocesan Director of Facilities and Properties and the Diocesan insurance company.

Assistance: Please contact the Diocesan Director of Facilities and Properties if there are any questions or the parish needs assistance with this process.

Building Commission Procedures

Upon receipt of the proxy request letter, the parish will be scheduled for a Building Commission meeting. The Pastor must be in attendance at the Commission meeting. The trustees, key parish leadership, architect and/or liturgical consultant are also encouraged to attend.

Preparatory Work Prior to Meeting with Diocesan Building Commission: The parish is expected to work with the Diocesan Director of Facilities and Properties to address the matters listed below. The meeting with the Diocesan Building Commission will occur only after the following eight steps are completed.

1. A parish meeting open to all parishioners, is held to present and discuss the project.
2. The project has been approved by the Parish Council.
3. A financial plan with a cash flow analysis has been prepared and approved by both the Parish Finance Council and the Parish Pastoral Council. In developing these documents, the Parish Finance Council is required to work with the Diocesan Director of Finance and, as needed, the Diocesan Development Department.
4. A meeting with the appropriate staff of the Stewardship and Pastoral Services Department must be held regarding the long range plan of the parish in relationship to surrounding parishes.

5. If fundraising for the parish will be involved, the parish should consider hiring a professional fundraiser. Please contact the Executive Director of the Catholic Foundation for a list of potential fundraisers if one is desired. Additionally, a letter requesting permission to begin fundraising must be sent to the Executive Director for the Catholic Foundation.
6. If worship space is involved, a Liturgical Consultant must be hired and a meeting with the Director of Worship must be held. The purpose of the meeting with the Department of Worship is to review the preliminary design and assure the design is within Diocesan policy. The pastor and liturgical consultant are expected to be present along with some key parishioners. After the meeting, the Director of Worship will prepare a report to be reviewed by the Diocesan Building Commission.
7. If any of the space involved will be used for school or religious educational purposes, the Department of Education needs to review the plans. After the meeting, the Director of Education will prepare a report stating the plans appear acceptable or, if not acceptable, detailing the modifications which are needed.
8. Early in the planning process, pastors in neighboring parishes are to be advised of the project and invited to share with the Bishop their support or concern.

Parish and Project Update

To be completed by parish and submitted to the Director of Facilities and Properties and reviewed by the Building Commission

Parish: _____

Address: _____

Pastor: _____

(or Priest Moderator and Parish Director)

Please submit the following materials with this form.

- A. Statements of:
 - the summary of this project;
 - the long-range viability of the project in light of the membership/number of contributing units of the parish;
 - and how this project will further the mission of the parish.
- B. A tentative site plan.
- C. A tentative schematic drawing of the building floor plan.
- D. The financial plan with cash flow analysis, including the current status of any fundraising and copies of the most recent balance sheet and latest full year operating statement.

I. Description of the Project

Architect (if applicable): _____

Liturgical Consultant (if applicable): _____

General Contractor (if applicable): _____

II. Demographic Data

- _____ Children in Catholic School, grades K-8
- _____ Children in religious education program, K-8
- _____ Students in Catholic high school, 9-12
- _____ Students in high school religious education program, 9-12

III. Parish Financial Data

A. *Have all elementary school obligations been paid?* Yes No

If not, what is the exact amount outstanding? \$ _____

What is the date that outstanding obligations will be paid? _____

B. *Have all high school obligations been paid?* Yes No

If not what is the exact amount outstanding? \$ _____

What is the date that outstanding obligation will be paid? _____

C. *Parish Bishop's Appeal Funding* Goal \$ _____
(Not to include \$ taken from parish funds)
Total Amount Actually Raised \$ _____
(In the last completed Bishop's Appeal)

D. *Has the Diocesan Assessment, Cathedraticum, Retirement and Insurance obligations been paid?* Yes No

If not what is the exact amount outstanding? \$ _____

What is the date that outstanding obligation will be paid? _____

IV. Financing of This Project

1. A financial plan with a cash flow analysis must be submitted with this form.
2. Estimated cost of the project: \$ _____ Preparer _____
3. Money already collected for this project: \$ _____
4. Pledges to be collected over the next three years for this project: \$ _____
5. Other sources of income for this project: \$ _____
6. Total dollars available for this project: \$ _____

For projects of less than a million dollars at least 50% of the cost must be in hand or in pledges (to be paid over a three-year period of time) before a proxy will be issued. Fifty percent of the project would cost: \$ _____

For projects of a million or more dollars at least 75% of the cost must be in hand or pledges (to be paid over a three-year period of time) before a proxy will be issued. Seventy-five percent of the project would cost \$ _____

7. Fundraising - has the parish hired a Fundraising Consultant? _____

If yes, name consultant _____

V. If a Loan is Necessary

1. Amount to be borrowed: \$ _____

2. Length of the loan: _____ Interest rate: _____ %
 Fixed or
 Variable

3. How much will the cost of interest be: _____

4. Will it be necessary to provide interim financing for the project? _____

VI. Consultation with Neighboring Parishes

List the neighboring parishes and pastors who have been informed of this project:

VII. Comments

VIII. Signatures

Pastor _____ Date _____

OR

Priest Moderator _____ Date _____

and

Parish Director _____ Date _____

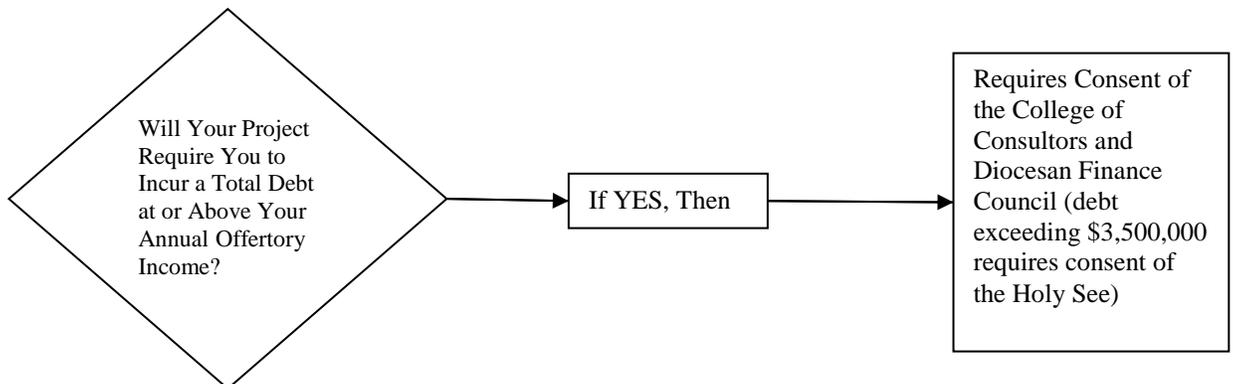
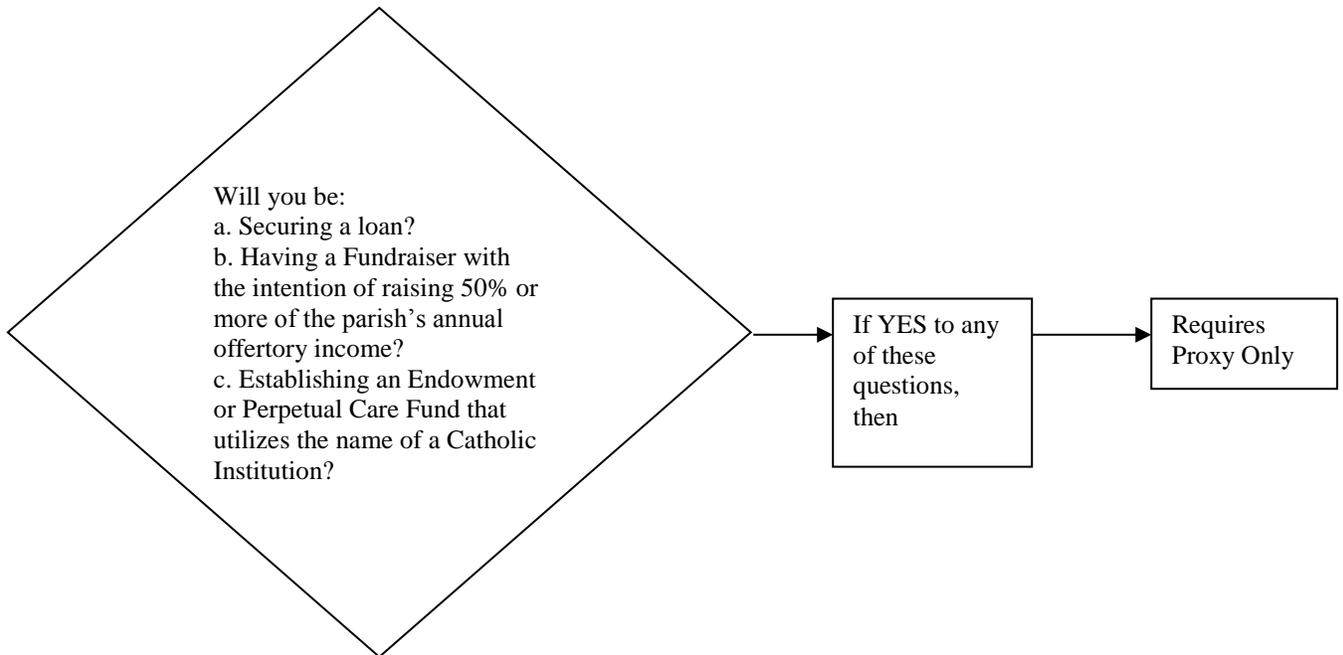
Trustee (Secretary) _____ Date _____

Trustee (Treasurer) _____ Date _____

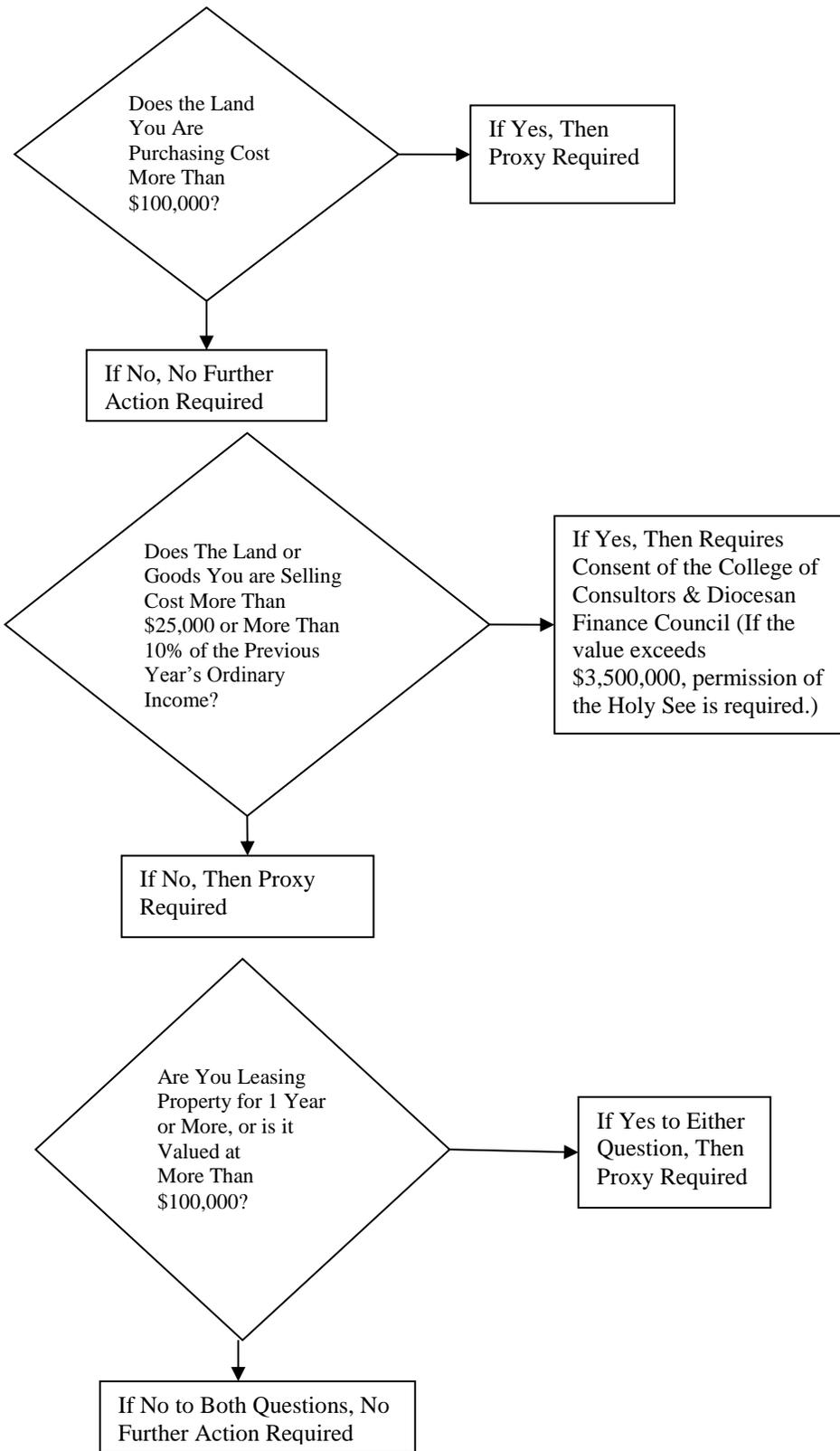
Parish Council Chair _____ Date _____

Parish Finance Council Chair _____ Date _____

PARISH TRANSACTIONS: DEBT, FUNDRAISING, ENDOWMENTS



PARISH TRANSACTIONS: LAND, LEASE, SALE of CHURCH GOODS



PARISH TRANSACTIONS: CONSTRUCTION, RENOVATION OF BUILDING,
OTHER PROJECTS OR TRANSACTIONS

If construction or renovation involves worship space, a proxy is always required.

The demolition of a building always requires a proxy.

