



The Episcopal Diocese of Olympia

The Episcopal Church in Western Washington

www.ecww.org

Guide to Congregational Financial Transactions in The Diocese of Olympia, Inc.

FORMERLY KNOWN AS CONGREGATIONAL
AUTHORITY TO ACT

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From the Office of the Bishop

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Guide to Congregational Financial Transactions in The Diocese of Olympia, Inc.

Following is the list of various financial transactions which either the Canons and/or policies developed by the Board of Directors (BOD), Standing Committee (SC) or Diocesan Council (DC) determine how parishes and missions are required to deal with various property (real or personal) transactions. This list also includes Release of Bequest Funds, receipt of gift of real property to missions and sale of movable assets.

Both the Canon to the Ordinary (CO) and the Joint Finance Panel (JFP) must be notified of all pending actions to determine which governing body will give final consent or approval. As noted there are times when the Commission on Church Architecture (CCA) must be involved and in just about every situation the Diocesan Chancellor will be required to review legal documents. The Board of Directors may appoint a member to be a mentor for a congregation to assist with preparation of the loan application and the presentation to the Board.

Time Frame: The time frame for various requests and actions will be determined by the governing body(s) that will make the decision(s).

- The JFP meets quarterly but can conduct business via email or schedule face-to-face meetings as warranted.
- The SC meets on the second Tuesday of each month.
- The BOD meets on the third Thursday of each month.
- The CCA can be contacted for a meeting as needed.

Parishes are separately incorporated and legally responsible for managing their property and paying their bills. Missions and Diocesan organizations, however, are incorporated under the laws and canons of the Diocese, and the Board of Directors exercises responsibility on their behalf.

Under a variety of circumstances broader church and Diocesan Canons require both parishes and missions to obtain approval from a governing body and the Bishop with consent of the Standing Committee.

The JFP is the formal vetting committee and makes recommendations to the appropriate governing body(s) and will require, at a minimum, the following to review the requests:

- Statement from the ordained parish leader outlining the action being requested: sale, transfer, purchase, remodel, build, apply for loan (from diocese, financial institution or parishioner), restructure a loan, grant easements, release bequest funds, receipt of gift of real or personal property lease, use of facilities, disposal of movable assets.
- A description of the decision-making process that has led to the conclusion to the actions requiring approval.
- In the case of request to sell, the estimated fair market value of the property along with supporting documentation.
- A description of how the action being requested promotes the greater mission and vision of the church.
- Minutes from the parish vestry or mission bishop's committee meeting approving the action requested, and, noting any serious opposition to the action.
- Church financial history over the last two to three years.
- If applicable, a narrative description of the property including building and land use with plot map and GPS location. If buying, include site and architectural plans.
- Copies of any legal documents involved with the anticipated action. Have them reviewed and approved by the parish church chancellor or, if a mission, the Chancellor of the Diocese.
- JFP asks the Diocesan Council for the status of assessments, existing grants and/loans, and possible effect on program(s).

The Joint Finance Panel will review all documentation, determine if there are questions, if more information is needed, and whether there is need for a face-to-face interview. Once the JFP feels they have reached a point where they can make a recommendation it will be forwarded to the specific governing body(s).

Additional Standing Committee requirements, where appropriate:

- Plan for on-site visit, by appointment, including church leadership.
- Allow 20 minutes for face-to-face presentation and 15 minutes for questions.
- Periodic reports may be required for a time following consent of Standing Committee.
- Presentation material should be submitted to the President of the Standing Committee two weeks in advance of the scheduled meeting.
- Standing Committee meets the 2nd Tuesday of the month, except August.

Additional Board of Directors requirements, where appropriate:

- May make on-site visit, by appointment.
- Face-to-face presentation time scheduled in advance.
- Board meets the 3rd Thursday of the month, except either July or August.

In both governing bodies, if there are meeting date conflicts, meetings may be changed, and presenters will be notified. All entities are cognizant of the fact that time is of the essence and will do everything in their power to move the process through in a timely manner.

List of Congregational Financial Transactions

The various requirements for both parishes and missions are summarized below, and references are added to current policies and procedures (in *italics*).

Key: JFP = Joint Finance Panel
 BOD = Board of Directors
 SC = Standing Committee
 CCA = Commission on Church Architecture

Part 1: Parishes

<i>Desired Action</i>	Sequence of reviews/approvals
A. Loan	
<i>Loan from Diocese</i>	
Standard	JFP review BOD approval – <i>Standard Procedure Loan Application</i>
Urgent	JFP review BOD approval – <i>Urgent Procedure Loan Application</i>
<i>Loan from Financial Institution</i>	JFP review SC advice & consent Bishop’s approval
<i>Loan from Congregation member</i>	JFP review SC advice & consent Bishop’s approval

B. Church Property

Remodel/ Build

Project Approval

CCA review
 JFP review
 SC advice & consent
 Bishop’s approval

Grant Easement

JFP review
 SC advice & consent
 Bishop’s approval

Property Purchase

JFP review
 SC advice & consent
 Bishop’s approval

Property Sale

JFP review
 SC advice & consent
 Bishop’s approval

Property Transfer

JFP review
 SC advice & consent
 Bishop’s approval

Part 2: Missions & Diocesan Organizations

Desired Action

Sequence of reviews/approvals

A. Loan

Loan from Diocese

Standard

JFP review
 BOD approval – *Standard Procedure Loan Application*

Urgent

JFP review
 BOD approval – *Urgent Procedure Loan Application*

Loan from Financial Institution

JFP review
 SC advice & consent
 Bishop’s approval
 BOD approval of contract

<i>Loan from Congregation member</i>	JFP review SC advice & consent Bishop's approval BOD approval of contract
B. Release of Bequest Funds	JFP review BOD approval – <i>Release of Bequest Funds</i>
C. Church Property	
<i>Remodel/ Build</i>	
<i>Project Approval</i>	CCA review JFP review BOD approval
<i>Hiring Project Mgr</i>	BOD approval – <i>Mission Construction Policy</i>
<i>Contract Approval</i>	Diocesan Chancellor review Treasurer sign
<i>Invoices</i>	BOD Prop Manager or BOD review
<i>Maintenance</i>	BOD Prop Manager review (for major items)
<i>Use of Facilities</i>	Diocesan Chancellor review - <i>Joint Use Agreement-Mission</i> BOD approval of Use Agreement Treasurer sign
<i>Lease Property</i>	Diocesan Chancellor review BOD approval of Use Agreement Treasurer sign
<i>Grant Easement</i>	JFP review BOD Prop Manager review Diocesan Chancellor review BOD approval SC advice & consent Bishop's approval Treasurer sign
<i>Property Purchase</i>	JFP review Diocesan Chancellor review

P&S Agreement
BOD approval
SC advice & consent
Bishop's approval
Treasurer sign

Property Sale

JFP review
Diocesan Chancellor review
P&S Agreement
BOD approval
SC advice and consent
Bishop's approval
Treasurer sign

Property Transfer

JFP review
Diocesan Chancellor review
BOD approval
SC advice and consent
Bishop's approval
Treasurer sign

Receipt of Gift of Real or Personal Property

JFP review if gift value over \$50,000
BOD approval if gift value over \$3,000
Canon to Ordinary or Treasurer approval if value less than \$3,000

D. Movable Assets

Sale/Disposal

JFP review
BOD Prop Rep review
BOD approval asset over \$5,000 –
Sale/Disposable Movable Assets-Missions
Treasurer approval for assets less than \$5,000