

STATUTES FOR THE DIOCESE OF JOLIET FINANCE COUNCIL

Article I: Purpose

The Diocese of Joliet Finance Council (“DFC”) for the Diocese of Joliet, Illinois (the “Diocese”) has been established by the Diocesan bishop (the “Bishop”) in accordance with canon 492.1 of the Code of Canon Law (“Canon Law”) for the purpose of advising and assisting him in financial matters.

Article II: Duties and Responsibilities

A. *Affirmative Duties*

The DFC has the following affirmative duties:

- i. Using the services of the Diocesan finance office, to prepare, approve, and recommend to the Bishop an annual budget for the coming year for the governance of the entire Diocese, in accordance with the directions of the Bishop, and after appropriate consultation with the heads of the Diocesan agencies and departments.
- ii. Using the services of the Diocesan finance office, to review an annual report of the income and expenditures of the Diocese at the end of each fiscal year.

B. *Consent Duties*

The DFC, consistent with Canon Law and the guidelines of the United States Conference of Catholic Bishops (“USCCB”), must give its consent to the Bishop before he may take action on the following matters:

- i. Performance of an act of extraordinary administration, which is defined by the USCCB as:
 - a. Initiating a program of financing by the issuance of instruments such as bonds, annuities, mortgages or bank debt in excess of \$750,000;
 - b. Resolving an individual or aggregate claim(s) by financial settlement in excess of \$750,000;
 - c. Engaging in the regular management or operation of a trade or business that is not substantially related to the performance of the religious, spiritual, educational or charitable purposes of the Church, for the purpose of generating income to carry on such activities; or
 - d. Entering into any financial transaction or contractual agreement, the terms of which address matters involving an actual or potential conflict of interest for the Bishop or any auxiliary bishop, vicar general, episcopal vicar, or Diocesan finance officer.

- ii. Leasing of ecclesiastical goods owned by the Diocese when the market value of the property to be leased exceeds \$1,000,000 or the lease is to be for three years or longer.
- iii. Alienation of property at or above \$750,000.
- iv. Alienation of property of other public juridic persons subject to the Bishop at or above \$25,000 or 10% of the prior year's ordinary annual income, whichever is higher.
- v. In addition to alienation, the entering into any transaction that worsens the financial condition of the Diocese.

C. Counsel Duties

The DFC is to give counsel to the Bishop on the following matters:

- i. Appointment, replacement, or removal of the Diocesan finance officer.
- ii. Imposition of assessments or taxes, either ordinary or extraordinary.
- iii. Decisions relative to the more important acts of administration.
- iv. Determination of the meaning of acts of extraordinary administration for institutes subject to the Bishop's control if the statutes are not specific.
- v. Review of annual reports submitted to him by clerical and lay administrators of any ecclesiastical goods.
- vi. Leasing of ecclesiastical goods owned by the Diocese when the market value of the property to be leased exceeds \$400,000.
- vii. Investment of tangible and intangible property assigned to an endowment.
- viii. Modification of the obligations imposed in executing last wills for pious causes if obligations cannot be fulfilled.

D. Additional Duties

In addition to the duties required under canon law (as described in Sections A, B, and C of this Article III), the DFC will have the following additional duties:

- i. To recommend the appointment of auditors.
- ii. To recommend the appointment of legal counsel.
- iii. To review insurance programs and risk management strategies.
- iv. To review auditor reports on internal controls.

- v. To review development/fundraising within the Diocese.
- vi. To review banking arrangements.
- vii. To review investment and gifting policies.
- viii. To review property management arrangements.
- ix. To review construction management arrangements.
- x. To inform the Bishop regarding financial trends, which could affect the stable patrimony of the Diocese.
- xi. To provide advice regarding fulfillment of the requirements of the Resolution on Diocesan Financial Reporting that became effective January 1, 2001.
- xii. To advise on the substance and frequency of reviews of annual reports of the parishes and the other public juridic persons subject to the Bishop.
- xiii. To present to the Bishop other recommendations regarding fiscal policy in the Diocese.

Article III: Powers

The DFC has those powers accorded to it in the Code of Canon Law. The Bishop is not bound to follow the advice given in those cases where the law requires him to consult the DFC. In those cases where the law requires, he obtains the consent of the DFC, a withholding of consent bars the Bishop from proceeding with the proposed act.

Article IV: Membership and Terms of Office

The members of the DFC ("Members") are appointed by the Bishop. Members are to be outstanding for moral integrity, actively involved in the life of the local church, capable of evaluating financial choices with an ecclesial spirit, and expert in civil law, finance, insurance, real estate, or investments, as testified by their professional qualifications and testimonials. Members should be representative of the diverse community of the faithful in the Diocese, including members of the clergy, religious sisters and brothers, permanent deacons, and members of the laity from different backgrounds, professions, and parishes.

Persons who are related to the Bishop up to the fourth degree of consanguinity or affinity cannot be appointed to the DFC.

Members are appointed for a five-year term, renewable for a second term at the discretion of the Bishop. The Bishop may authorize extraordinary terms beyond the two-term limit in the event he deems an exception to be appropriate.

The Executive Committee of the DFC shall advise the Bishop on appointments.

Article V: Vacancy

In the case of death, removal, resignation, or permanent disability of a Member, the Bishop will proceed as soon as possible to appoint a replacement. A Member thus appointed remains in office to the end of the original Member's term and may be reappointed for other terms.

Article VI: Leadership

A. Bishop

The Bishop shall convoke and preside at DFC meetings, either personally or through a delegate.

B. DFC Chairperson

The DFC is led by a Chairperson, who is appointed for a three-year term by the Bishop.

C. DFC Vice Chairperson

A Vice Chairperson may be appointed by the Bishop, to serve during the final year of the Chairperson's term.

Article VII: Executive Committee

The executive committee of the DFC (the "Executive Committee") shall consist of the Chairperson, Vice Chairperson, the chairpersons of each of the current standing committees, and other Members as determined by the DFC Chairperson and the Bishop.

The Executive Committee shall meet between DFC meetings to discuss special, strategic, or urgent issues deemed necessary by the Bishop or the Chairperson.

Article VIII: Standing Committees

Standing Committees of the DFC shall be led by a chairperson. Standing Committee members and chairpersons shall be appointed by the Chairperson.

A. The DFC shall constitute the following standing committees:

- i. The Audit & Budget Committee.
- ii. The Development Committee.
- iii. The Insurance Committee.
- iv. The Investments & Pensions Committee.
- v. The Legal Committee.

- vi. The Property Committee.
 - vii. The Schools Committee.
- B. The DFC may establish other standing committees as it deems appropriate with the approval of the Bishop.
- C. Members shall serve on at least one standing committee. Members may indicate their committee preference prior to appointment.

Article IX: Meetings, Quorum and Voting

Meetings are to be held quarterly, or as otherwise determined by the Bishop. A quorum shall consist of a majority of the Members.

Special meetings may be called from time to time by the Bishop or the Chairperson with the consent of the Bishop.

Member participation in meetings is expected to be in-person; provided, however, that Members may, given a good reason, participate via audio or video conference.

Any actions taken in writing, via email or otherwise, that require consent of the DFC must be unanimous.

The minutes of the meetings of the DFC are to be recorded in the proper minutes book after approval by the DFC.

Article X: Reference to General Norms

With regard to any matters not treated in the present statutes, the norms of canon law shall be applied.

Article XI: Amendments

Amendments to these statutes may be proposed at any meeting of the DFC upon a two-thirds vote of the Members. The amendments will be effective upon the approval of the Bishop.

Article XII: Waiver by the Bishop

The Bishop may waive all or part of these statutes in the event he deems an exception to be appropriate, except for any parts of these statutes that are mandated by Canon Law or required by a particular guideline or norm of the USCCB.