

POLICY No. 6
BANKING AND THE CONSOLIDATED BANKING SYSTEM WITH RBC

1. Term definitions

For the purposes of this policy, bank is the institution where financial accounts are held in the name of the RCECSSM in trust for a parish or pastoral work.

Banking is the action of depositing or withdrawing funds from the bank.

Consolidated Banking System, refers to the arrangement entered into by the diocesan corporation, with a bank, whereby the bank pays the diocese a daily rate of interest on the total balance, comprised of the registered parish bank accounts. The parishes participating in the program enjoy privileges such as: no service fees, unlimited transactions, return of cancelled cheques, etc. The interest generated from the consolidated banking system is remitted to the diocese to be used, upon recommendation of the diocesan finance committee, to supplement a pastoral ministry or account.

2. Intent of the directive

To direct accrued interest earned through the consolidated banking system to a diocesan pastoral work or account experiencing the greatest need in any given year. The chosen accounts are determined by the Bishop upon recommendation of the diocesan finance committee. Accounts that could be chosen are: missionary activities, benefit plans for lay employees and/or clergy, etc..

3. Policy

- a. Parishes are to bank with the selected bank when one is located within reasonable distance from the parish.
- b. Parishes not dealing with the selected bank are to contact the Diocesan Financial Administrator in order to discuss how they can become part of the consolidated banking system or how the parish can receive the same benefits from the financial institution with whom they currently do business.
- c. Parishes not participating in the consolidated banking system may be subject to a higher DAE in order to maintain equity with those who do cooperate in the plan.

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