

POLICY No. 16

CONTRACTS

1. Term definitions

A contract: is a legal document of agreement concerning a matter of mutual concern.

In the present policy, contracts for employment are not covered since they are the object of a separate policy (Policy No. 41).

2. Intent of the directive

To ensure that the RCECSSM is properly protected concerning matters that have been agreed upon by its representatives.

To ensure that the detailed regulations issued by the Canadian Conference of Catholic Bishops, in its decree No.16, regarding the renting or leasing of ecclesiastical property in Canada, are observed in the Diocese of Sault Ste. Marie.

3. Policy

- a. All legal matters must be directed to the Diocesan Financial Administrator who shall seek the appropriate legal advice. Parishes shall obtain legal advice from the diocesan lawyer, at their expense.
- b. No contract shall be entered into or signed on behalf of the RCECSSM without a special permission from the office of the diocesan financial administrator who will have consulted the Bishop.
- c. No contract for the purchase, sale or expropriation of land or buildings may be entered into without diocesan authorities being involved. These considerations are also subject to the norms of Policy NO 15 “Extraordinary (special) expenses”.
- d. Agreements relating to the use of land (i.e.; easements, rights of way, erection of permanent installations) require the prior involvement of diocesan authorities.
- e. Agreements relating to repairs, renovations or substantial changes in existing buildings are subject to Policy No. 15.
- f. The leasing of buildings or land is subject to the regulations approved by the CCCB in Decree No. 16.
- g. No parish, pastor or administrator can borrow money in the name of the parish, personally sign for a loan, be guarantor of a loan or enter into any other financial agreement in the name of the parish.

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- h. The diocesan financial administrator must be informed as soon as a parish is notified that it may receive a bequest. Only the diocesan authorities can grant permission to accept bequests. This is particularly important if conditions are attached to the Last Will and Testament. All correspondence and a copy of the Last Will and Testament should be submitted to the diocesan financial administrator.

- i. Permission of the Bishop is required to be involved in a lawsuit on behalf of the RCECSSM or one of its parts, or to respond to a lawsuit in the name of the RCECSSM or one of its parts (see Canon 1288 and CCCB Decree No. 9).

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