

## **Appendix 31: The Bank Signatory Authority for Parishes**

### **1. Parish Entity Signatory Authority.**

All checks drawn on parish funds in parish checking accounts must bear the actual signature of the pastor or parochial administrator of the parish, except as noted in the third paragraph of this appendix. Permitting business managers, and other staff persons, to sign parish checks, is not in accord with Canon law and constitutes improper delegation.

The pastor or parochial administrator must ensure that the Vicar General/Moderator of the Curia of the Diocese is identified at the bank as the back-up signer on parish general checking and savings accounts. Thus, if a case of real necessity arises, Diocesan Vicar General/Moderator of the Curia will be able to fulfill the pastor or parochial administrator's duty of check signing. In affirming these principles for the Diocese of Bismarck, it has been directed that all checks properly drawn on parish accounts are to be signed by the pastor or parochial administrator, and no mechanical method of reproducing a signature is to be employed. There shall be no requirement of two signatures on parish checks.

Pastors or parochial administrators may request permission for additional signatories on altar society accounts when beneficial for the parish. Those permissions must be approved by the Vicar General and remain in effect for the duration of the term of the volunteer signatory or requesting pastor/administrator.

### **2. Trustee Corporation Signatory Authority.**

All checks drawn on trustee corporation funds in trustee checking accounts must bear the actual signature of the Director and President of the corporation (pastor/parochial administrator of the parish).

No other signatories are authorized on trustee corporate accounts. Permitting business managers and other staff persons, to sign parish checks is not in accord with Canon law and constitutes improper delegation.

### **3. General Principles for Bank Signatory Authority:**

First, the execution of any draft or check drawn on a parish or trustee corporate account is the transfer or alienation of Church property. Second, alienation of Church property is a "juridic act" as described by Canon Law, and for such an act to be valid, "it is required that it be placed by a person capable of placing it" (Canon 124).

Canon Law provides that the diocesan bishop represents his diocese in all juridic matters (Canon 393) and the power to alienate Church property is delegated by the Holy See to the diocesan bishop as part of his executive power of governance (Canons 135,

931, 1292). Church Law allows the diocesan bishop to subdelegate certain powers of governance, such as the alienation of property, to pastors or parochial administrators (Canon 137). However, the power to delegate is limited to the one who delegates and further, no sub-delegated power can be delegated again unless expressly granted by the one empowered to delegate (Canons 129, 1437). Thus, no pastor or parochial administrator may delegate any other person in his parish to sign parish checks (to include online bill paying), not even an associate pastor.

The corollary of this directive is that in executing such checks, the pastor or parochial administrator is to possess actual knowledge of the purpose of the check and the sufficiency of funds available to cover the amount of the check. Not only is this legally required from a civil law standpoint, it is also required due to the juridic nature of the authority being subdelegated by the diocesan bishop. Specifically, this sub delegation of power concerning check writing goes beyond the issue of whose name is on a check to the larger issue of the pastor's or parochial administrator's responsibility of ensuring the proper administration of Church property.