



DIOCESE OF
Jefferson City

BETTER
TOGETHER

INSTRUCTION ON TRANSPARENCY IN FUNDRAISING

In compliance with canon 1262 of the Code of Canon Law

EFFECTIVE JANUARY 1, 2024

DESCRIPTION

Canon 222 of the Code of Canon Law obliges the Christian faithful to assist the needs of the Church so that the Church has what is necessary for divine worship, the works of apostolate and charity, and the decent support of her ministers. While the ordinary means for the Christian faithful to support the Church is through their stewardship tithe they are also encouraged to give support by responding to Catholic fundraising appeals.

Canon 1262 assigns to the United States Conference of Catholic Bishops the duty to regulate such fundraising appeals. The conference implemented its binding norms on 15 August 2007. It is evident that within the Diocese of Jefferson City, these norms have not been routinely observed or enforced. The norms issued by the Conference are binding on all Catholic institutions and all institutions which raise funds for the benefit of Catholic institutions from the faithful.

This instruction is intended to clarify and elaborate on the methods by which those bound by the norms on fundraising must use in observance of the law (cf. canons 34 and 1276 §2).

Therefore the provisions of canon 1262 and its complementary legislation established by the United States Conference of Catholic Bishops are to be adhered to in the Diocese of Jefferson City and in the following manner:

ARTICLE I

GENERAL NORMS

§1. These norms apply to: Catholic organizations subject to the oversight of the Diocesan Bishop, any organization or individual that seeks to solicit funds on behalf of a Catholic organization subject to the Diocesan Bishop, and any group that raises funds from the faithful. Raising money from the faithful means any fundraiser on church property, at church sponsored events, or which utilize church resources such as donor databases and parishioner lists, etc. This includes national groups that operate primarily within a parish as well as booster clubs, alumni associations, foundations and parish groups.

§2. All fundraising efforts are subject to these norms. Any fundraising effort designed or expected to raise less than \$10,000 net proceeds is not required seek prior permission as further described in Article II. For these smaller fundraisers permission is presumed unless otherwise notified by the Diocesan Bishop or Pastor. These fundraisers are still required to make reports and abide by the remaining requirements of these norms. Please note: This exception applies only to the requirement to seek written Fundraising Permission — any group or individual that seeks to use parish or diocesan property must still have permission from competent authority (Diocesan Bishop or Pastor).

§3. The purpose of these norms is to ensure that:

- (1) Fundraising appeals are truthful and forthright, theologically sound, and strive to motivate the faithful to a greater love of God and neighbor;
- (2) Fundraising efforts are for defined, articulated, needs;
- (3) The relationship of trust between donor and fundraiser is always maintained, therefore:
 - (a) funds collected must be used for their intended purposes;
 - (b) funds collected are not absorbed by excessive fundraising costs, and;
- (4) Donors are informed regarding the use of donated funds and assured that any restrictions on the use of the funds by the donor will be honored.

§4. The competent ecclesiastical authority to grant approval to solicit funds according to these norms is the Diocesan Bishop of Jefferson City. Institutes of Consecrate Life and Societies of Apostolic Life also require the approval of their respective major superiors or competent authority.

§5. Approval must be granted, in writing, prior to the fundraising effort and must include reference to the purpose, time frame, and methods to be used in the solicitation.

§6. The Diocesan Bishop must maintain oversight of fundraising programs through periodic review and, when necessary, appropriate sanction.

§7. Those who solicit funds must maintain ethical business relationships and use industry standard best practices in their fundraising, communication, and accounting.

§8. Any contract between those subject to these norms and commercial consultants or suppliers are to insure that control over materials, designs, money, and general operation remain in the hands of the religious fundraiser.

§9. Payment or remuneration for either commercial or religious fundraisers may not be based on a percentage basis, either directly or indirectly.

§10. Complaints regarding fundraising in the Diocese of Jefferson City should be brought to the attention of the Chief Financial Officer for investigation.

§11. All groups that operate primarily within a single parish or are sponsored by a parish, such as scouting troops, must comply with these norms. In these cases the Diocesan Bishop delegates to the Pastor or Administrator of the parish the right to grant permission according to these norms and the duty to ensure they are followed. If such a group is sponsored or chartered by a parish their annual financial statement should be submitted to the parish and incorporated into the annual parish report. They do not need to be separately submitted to the Diocesan Bishop.

ARTICLE II

PROCEDURES

§1. Prior to any fundraising subject to these norms, fundraisers must submit a written request to the Diocesan Bishop (or Pastor as described in Article I §11). This request must include a description of fundraiser, the purpose for which the funds will be raised, the time frame of the fundraiser, the methods to be employed, and the expected amount to be raised. The request must be made at least 30 days prior to the beginning of the proposed solicitation of funds. For a sample form see: Appendix II.

§2. Standing permission for a regularly recurring fundraisers may be requested. This permission may be granted for regularly occurring fundraisers that do not require substantive changes in their method, purpose, or procedures between events. If granted, the permission will explicitly state that it is a standing permission. Any substantive changes to the fundraiser must be submitted in advance to the Diocesan Bishop. Such standing permissions may be revoked at any time at the discretion of the Diocesan Bishop. For a sample form see: Appendix III.

§3. If approved, the Diocesan Bishop will issue a letter granting permission and stating the purpose, time frame, and methods to be used by the solicitation of funds. The fundraising may not begin until the approval letter has been received. If any substantive changes must be made to the fundraiser after the approval letter is received, amended approval must be sought immediately.

ARTICLE III

REPORTING

§1. Any organization or individual subject to these norms must provide regular reports on their fundraising efforts. These reports must be made to all of the applicable following parties:

- (1) The Diocesan Bishop or Pastor;
- (2) The governing body and/or membership of the organization;
- (3) The major superior, or competent authority, of an Institute of Consecrated life or Society of Apostolic Life, if applicable;
- (4) The donors of the organization, and;
- (5) The beneficiaries of the funds raised.

§2. The reports must be made at least annually and must include an individual summary of each fundraiser conducted since the previous report. If the fundraising is undertaken by an organization which exists primarily to raise funds as described in Article I §1 the reports must include a comprehensive financial statement prepared in accordance with generally accepted accounting principles and, if the organization raises more than \$100,000 in a year, the comprehensive report must be prepared by a certified public accountant. The individual summary reports must contain the amount of money collected, the cost of conducting the fundraising effort, and the amount and use of the funds disbursed. The comprehensive financial statement should include the same information as contained on the IRS Form 990.

§3. For fundraisers that last longer than one year the report must be submitted to all relevant parties immediately at the conclusion of the fundraiser.

§4. It is strongly encouraged, but not required, that each individual or organization subject to these norms also publish to the general public all the same information. If an organization subject to these norms publishes annual financial statements to the general public it does not have to send the report to the Diocesan Bishop, only a notice that the statement has been published including reference to the location of the statement.

§5. Parishes' annual reports satisfy the requirement for parish and parish school annual financial statements, but each fundraiser must be documented individually.

This instruction is intended to clarify the prescripts of canon law related to fundraising in the Diocese of Jefferson City. This instruction is given to elaborate on and further define the methods to be observed in fulfilling the law. Nothing in this instruction is to be interpreted to derogate or take anything from the universal law of the Catholic Church.

APPENDIX I
RELEVANT LAW

CANON 222

§1. The Christian faithful are obliged to assist with the needs of the Church so that the Church has what is necessary for divine worship, for the works of the apostolate and of charity, and for the decent support of ministers.

§2. They are also obliged to promote social justice and, mindful of the precept of the Lord, to assist the poor from their own resources.

CANON 1261

§1. The Christian faithful are free to give temporal goods for the benefit of the Church.

§2. The diocesan bishop is bound to admonish the faithful of the obligation mentioned in canon 222 §1 and in an appropriate manner to urge its observance.

CANON 1262

The faithful are to give support to the Church by responding to appeals and according to the norms issued by the conference of bishops.

CANON 1265

§1. Without prejudice to the right of religious mendicants, any private person, whether physical or juridic, is forbidden to beg for alms for any pious or ecclesiastical institute or purpose without the written permission of that person's own ordinary and of the local ordinary.

COMPLEMENTARY NORMS TO CANON 1262

Wherefore, and in accord with the prescripts of canon 1262, the United States Conference of Catholic Bishops decrees that the following norms shall govern fundraising appeals to the faithful for Church support:

Motivation

- (1) Fundraising appeals are to be truthful and forthright, theologically sound, and should strive to motivate the faithful to a greater love of God and neighbor.
- (2) Fundraising efforts are to be for defined needs.
- (3) The relationship of trust between donor and fundraiser requires that
 - (a) funds collected be used for their intended purposes;
 - (b) funds collected are not absorbed by excessive fundraising costs.
- (4) Donors are to be informed regarding the use of donated funds and assured that any restrictions on the use of the funds by the donor will be honored.

Competent Ecclesiastical Authority

- (5) Institutes of consecrated life and societies of apostolic life require approval of the respective competent major superiors and the diocesan bishop to solicit funds; diocesan entities require approval of the diocesan bishop to solicit funds; other Catholic entities and organizations require the approval of the diocesan bishop to solicit funds.
- (6) Approval for fundraising by the competent authority is to be given in writing with reference to the purpose for which the funds are being raised, the time frame, and the methods to be used in raising them.
- (7) Oversight of fundraising programs is to be maintained by competent authority through periodic review and, where necessary, appropriate sanction.
- (8) Competent major superiors of institutes of consecrated life and societies of apostolic life are to submit to the diocesan bishop of the place where the fundraising originates periodic reports on the fundraising programs and the apostolic activities they support.

Accountability

- (9) Fundraisers are to provide regular reports to competent authority on the extent to which promises expressed or implied in the solicitation of funds have been fulfilled.
- (10) Fundraising reports are to be prepared in scope and design to meet the particular concerns of those to whom the reports are due:
 - (a) the governing body and membership of the fundraising organization;
 - (b) the competent authorities who approved and monitor the fundraising effort;
 - (c) the donors to the organization;
 - (d) the beneficiaries of the funds raised.
- (11) Annual fundraising reports are to provide both financial information and a review of the apostolic work for which the funds were raised. They are to set forth, at the least, the amount of money collected, the cost of conducting the fundraising effort, and the amount and use of the funds disbursed.

Procedures

- (12) Funds beyond operating expenses are not to be accumulated or invested by a fundraising office, but are to be turned over to the appropriate office for allocation and investment.
- (13) Special care is to be taken to see that ethical business relationships are maintained by fundraisers with suppliers of goods and services.
- (14) Contracts between a religious fundraiser and commercial suppliers and consultants are to insure that control over materials, designs, money and general operations remain in the hands of the religious fundraiser.
- (15) Agreements are not to be made which directly or indirectly base payment either to the commercial firm or to the religious fundraiser on a percentage basis.

Oversight

- (16) Competent authority is to ensure that fundraising organizations:
 - (a) make available fundraising reports to benefactors on a regular basis or upon reasonable request;
 - (b) provide their governing bodies with an annual financial statement prepared in accordance with generally accepted accounting principles and, where size warrants, by a certified public accountant.
- (17) In response to formal complaints, competent authority is to promptly investigate charges, remedy abuses and, when necessary, terminate the fundraising program.

APPENDIX II
REQUEST TO RAISE FUNDS

This form is provided for convenience. Approval should not be presumed and therefore no steps should be taken to implement the proposed fundraising activity until the approval has been granted in writing.

Name of Group _____

Name of Contact Person _____

Title or Position _____

Telephone _____ Email _____

Address _____

City _____ State _____ Zip Code _____

Parish _____

I. GENERAL PURPOSE

What is the name of this fundraising activity?

What is the reason for the fundraising?

Who or what is the fundraising activity intended to benefit?

II. DETAILS CONCERNING THE FUNDRAISING ACTIVITY

Beginning date _____ Concluding date _____

Method(s) of raising funds (e.g., raffle, parish festival, direct mail solicitation, etc):

What is the estimated gross revenue?

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What are the expected administrative costs of the fundraising activity?

What is the estimated net revenue?

III. INFORMATION GIVEN TO DONORS

How will donors be informed about the uses of the funds to be raised?

How will donors be assured that their wishes will be honored?

IV. OTHER

For Institutes of Consecrated Life and Societies of Apostolic Life, please attach a copy of the previously obtained approval of the major superior(s) who are competent in law to grant such approval.

V. SIGNATURE(S)

Name _____ Position _____

Name _____ Position _____

Name _____ Position _____

Name _____ Position _____

Date _____

The signers hereby request permission to conduct the above described fundraiser. They agree to abide by all universal and particular law of the Catholic Church as well as all relevant civil laws and regulations.

VI. APPROVAL

Signature _____ Date _____

APPENDIX III
REQUEST FOR STANDING APPROVAL TO RAISE FUNDS

This form is provided for convenience. Approval should not be presumed and therefore no steps should be taken to implement the proposed fundraising activity until the approval has been granted in writing.

Name of Group _____

Name of Contact Person _____

Title or Position _____

Telephone _____ Email _____

Address _____

City _____ State _____ Zip Code _____

Parish _____

I. GENERAL PURPOSE

What is the name of this fundraising activity?

What is the reason for the fundraising?

Who or what is the fundraising activity intended to benefit?

How often will this fundraising activity recur (e.g., yearly, twice a year, etc.)?

II. DETAILS CONCERNING THE RECURRING FUNDRAISING ACTIVITY

Next beginning date _____ Next concluding date _____

Future dates (if known) _____

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Method(s) of raising funds (e.g., raffle, parish festival, direct mail solicitation, etc):

What is the estimated gross revenue for the next fundraising event?

What are the expected administrative costs of the next fundraising event?

What is the estimated net revenue for the next fundraising event?

III. INFORMATION GIVEN TO DONORS

How will donors be informed about the uses of the funds to be raised?

How will donors be assured that their wishes will be honored?

IV. OTHER

For Institutes of Consecrated Life and Societies of Apostolic Life, please attach a copy of the previously obtained approval of the major superior(s) who are competent in law to grant such approval.

V. SIGNATURE(S)

Name _____ Position _____

Name _____ Position _____

Name _____ Position _____

Name _____ Position _____

Date _____

The signers hereby request permission to conduct the above described fundraiser(s). They agree to abide by all universal and particular law of the Catholic Church as well as all relevant civil laws and regulations.

VI. APPROVAL

Signature _____ Date _____

APPENDIX IV
FUNDRAISING REPORT

Name of Group _____

Name of Contact Person _____

Title or Position _____

Telephone _____ Email _____

Address _____

City _____ State _____ Zip Code _____

I. GENERAL INFORMATION

This report covers activity that took place during the fiscal year beginning on

(date) _____ and ending on (date) _____ .

II. DETAILS CONCERNING THE RECURRING FUNDRAISING ACTIVITY

What fundraising activities are you reporting?

A. Event: _____

What was the stated purpose and what restrictions (if any) were placed on the donations?

What was the gross revenue? _____

What was the total cost to raise funds? _____

What was the net revenue? _____

How were donors informed of the results of the fundraiser and the distribution of funds?

B. Event: _____

What was the stated purpose and what restrictions (if any) were placed on the donations?

What was the gross revenue? _____

What was the total cost to raise funds? _____

What was the net revenue? _____

How were donors informed of the results of the fundraiser and the distribution of funds?

C. Event: _____

What was the stated purpose and what restrictions (if any) were placed on the donations?

What was the gross revenue? _____

What was the total cost to raise funds? _____

What was the net revenue? _____

How were donors informed of the results of the fundraiser and the distribution of funds?

D. Event: _____

What was the stated purpose and what restrictions (if any) were placed on the donations?

What was the gross revenue? _____

What was the total cost to raise funds? _____

What was the net revenue? _____

How were donors informed of the results of the fundraiser and the distribution of funds?

V. SIGNATURE(S)

Name _____ Position _____

Name _____ Position _____

Name _____ Position _____

Name _____ Position _____

Date _____