



Diocese of Scranton

Policy and Procedure for Real Estate Transactions

The authority of the Diocesan Bishop includes his exercise of careful vigilance over the administration of the finances of the diocese and all Church property (canons 375, 1276).

Property Alienation (Disposal) or Property Purchase:

Alienation:

Written permission of the Diocesan Bishop is required prior to alienating any Church property (that is, prior to selling, leasing, assigning, donating, transferring, razing, exchanging, bartering, or granting right-of-way easement). Church property includes: church building, rectory, convent, school, parish center, cemetery, diocesan office building, land, etc. Some examples of change of ownership include: a parish or the diocese sells property to an individual or corporation; one parish sells property to another parish; a parish sells property to the diocese; the diocese sells property to a parish. In accord with the *Code of Canon Law* (canons 1292 and 1293) and the *USCCB Complementary Norms* (as of March 31, 2010), if the property alienated by the Diocese of Scranton is between the minimum of \$250,000 and the maximum of \$3,500,000, the Diocesan Bishop must receive consent of both the Diocesan College of Consultors and the Diocesan Finance Council before he is able to give permission for a parish to alienate its goods/property or before he alienates the goods/property of the Diocese of Scranton. If the amount to be alienated exceeds \$3,500,000, permission from the Holy See is also required. Permission of the Holy See is also required to alienate goods given to the Church by vow, or goods precious for artistic or historical reasons.

Purchase:

Written permission of the Diocesan Bishop is required prior to purchasing any property.

Procedure:

1. The Pastor/Administrator/Parish Life Coordinator, the Chief Executive Officer of the Diocesan School System, etc. (referred to as the “requesting party”) shall write the Diocesan Bishop for permission for the proposed real estate transaction (that is, in regard to sell, lease, assign, donate, transfer, raze, exchange, barter, grant right-of-way easement or otherwise alienate or purchase property). In advance of submitting said letter, the following items must be addressed:
 - a. The Pastors must consult with their Parish Pastoral Council and Parish Finance Council to ensure that support for the property purchase or property alienation exists. All others must consult with their organizational governing boards to ensure proper support prior to continuing.
 - b. For Parishes, if the project involves over \$50,000, the members of the Parish Finance Council must indicate, in writing, that they approve of the proposed transaction. All others must indicate support from their organizational boards.
 - c. For the razing of Church property, please see the *Policy and Procedure for Capital Improvement Project Requests*.

2. The requesting party then writes to the Bishop requesting permission for the proposed alienation of Church property or for the proposed purchase of property. A checklist for the items that need to be included in the request should be attached. No agreements for the transfer of property are to be entered into until permission to proceed is granted. All agreements, leases, etc. are to be signed by the Diocesan Bishop as trustee of the property involved.
3. The request for permission must contain the following information (checklist is provided):
 - a. The reason for the proposed purchase of property or proposed alienation of Church property.
 - b. For Parishes, confirmation that the Parish Pastoral Council and Parish Finance Council give consent. The Pastor and the Chairperson of the Parish Finance Council must both sign the letter of request. In matters over \$50,000, all members of the Parish Finance Council must sign off on the project by affixing their signatures to the letter of request.
 - c. For the purchase of property, an explanation addressing how this is to be funded, including specifying if the requesting party has funds on deposit to pay for the property or if funds need to be raised or borrowed.
4. The Diocesan Office of Property and Risk Management will provide consultation and oversight.
5. If the value of the goods whose alienation is proposed falls between \$250,000 and \$3,500,000, the Diocesan Bishop must obtain the consent of both the Diocesan Finance Council and College of Consultors before he may give his consent. Additionally, the permission of the Holy See is also required for the valid alienation of good whose value exceeds the maximum amount, which is currently \$3,500,000.

Questions regarding this policy are to be directed to the Property and Risk Management Office. Additionally, if further assistance or guidance is needed to determine whether a particular project should commence, raising funds for a project, or verifying the financial status of a particular parish account, support is available through the following diocesan offices:

Vicar General and Moderator of the Curia

Rev. Gerald W. Shantillo, S.T.L., V.G.

Vicar General

Rev-Gerald-Shantillo@dioceseofscranton.org

Phone: (570) 207-2269

Development

Joseph D. Strubeck

Secretary for Development

jstrubeck@dioceseofscranton.org

Phone: (570) 207-2250

Property and Risk Management

Joseph Dunda

Secretary of Property and Risk Management

jdunda@dioceseofscranton.org

Phone: (570) 558-4310

Financial Services

Eileen Giombetti

Secretary for Financial Services/CFO

egiombetti@dioceseofscranton.org

Phone: (570) 207-2232

Real Estate Transactions Request Checklist

Date: _____

Requesting Party: _____

Pastor/Administrator/Officer: _____

Please provide:

- ☐ Description of the proposed transaction/project:
- ☐ Reason for the transaction/project:
- ☐ Cost of the transaction/project:
- ☐ Funding for the transaction/project
 - Confirmation that the requesting party has the funds available to cover the costs
 - If the funds must be raised, explain the fundraising activities that will occur
 - If the funds must be borrowed, explain how that will be accomplished
- ☐ For Parishes: Parish Pastoral Council
 - Confirm that the Parish Pastoral Council agrees with and consents to the project/transaction
- ☐ For Parishes: Parish Finance Council
 - The chair of the Parish Finance Council must co-sign the letter of request with the Pastor
 - If the cost of the project will exceed \$50,000, all the members of the Finance Council must sign the letter of request indicating their consent for the project