

## **CANON 39**

### **Business Methods in Church Affairs**

In the Diocese of Chicago and in each Parish and Mission therein, and in each institution affiliated with the Diocese, the following standard business methods shall be observed.

**Sec. 1.** Trust and permanent funds and all securities of whatsoever kind shall be deposited with a Federal or State Bank, or a Diocesan Corporation, or with some other agency approved in writing by The Bishop and Trustees, under either a deed of trust or an agency agreement, providing for at least two signatures on any order of withdrawal of such funds or securities. This paragraph (1) shall not apply to funds or securities refused by the depositaries named as being too small for acceptance. Such small funds and securities shall be under care of the persons and corporations properly responsible for them. This paragraph shall not be deemed to prohibit investments in securities issued in book entry form or other manner that dispenses with the delivery of a certificate evidencing the ownership of the securities or the indebtedness of the issuer.

**Sec. 2.** Records shall be made and kept of all trust and permanent funds showing at least the following:

2a Source and date.

2b Terms governing the use of principal and income.

2c To whom and how often reports of condition are to be made.

2d How funds are to be invested.

**Sec. 3.** Treasurers and custodians, other than banking institutions, shall be adequately bonded, except treasurers of funds which do not exceed five hundred dollars at any one time during the fiscal year.

**Sec. 4.** Books of account shall be kept so as to provide the basis for satisfactory accounting.

**Sec. 5.** All accounts shall be audited annually by a Certified or Independent Public Accountant or by such accounting agency as shall be permitted by the Department of Finance and Administration.

**Sec. 6.** All buildings and their contents shall be kept adequately insured and adequate insurance against liability and other insurable risks shall be maintained.

**Sec. 7.** The Department of Finance and Administration may require copies of any and all accounts described in this Canon to be filed with it and shall report annually to the Convention upon its administration of this Canon.

**Note (Canon 39.5)** The term 'audit' is used in accordance with the national canons (EC Canon I.7.1(5)) and audit guidelines issued by the national church and available from the Treasurer of the Diocese; an audit in compliance with those guidelines shall comply with this Canon.