

THE ROLE OF DIOCESAN FINANCE OFFICER: A COMPARATIVE STUDY OF THE EASTERN AND LATIN CODES

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The author makes a detailed study of the office of the diocesan finance officer. It is a comparative study of the Latin and the Eastern Codes. He covers all aspects of the office such as the obligation of the appointing a finance officer, the manner of appointment, qualifications, duration of the office, method of removal from the office, responsibilities of the finance officer etc. The differences found in CCEO and CIC, in this regard, are enumerated in the article. The author also deals with the advantages of appointing a lay person as the diocesan finance officer.

1. Introduction

Every diocese must have a finance officer to manage its finances under the direction of its bishop. The office of finance officer (cf. *CIC* c. 494 §1; *CCEO* c. 262 §1)¹ is one of the stable offices. The finance officer and finance council are the two offices which assist the bishop

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¹ Cf. Marie Breitenbeck, "The Requirements for Experts in Church Law," in *The Jurist* 50 (1990), 272.

in the administration of the temporal goods of the diocese. There are four purposes for having a diocesan finance officer and a diocesan finance council. The first purpose is decentralization, that is, the bishop is free from ordinary temporal administration. The second purpose is expertise, that is, employing those who are experts in financial matters. The third purpose is transparency, which frees the bishop from suspicions of dishonest dealing. The fourth and final purpose is freedom, that is, the bishop is free from temporal administration and can devote more time for pastoral ministry.²

2. The Appointment of the Finance Officer

In the early Church, the Apostles appointed seven deacons who were of good repute to serve the table so that they could be free for prayer and ministry of the Word (cf. Acts 6: 1-6). During the first five centuries, deacons, archdeacons, and archpriests administered the temporal goods of the diocese.³ The office of the finance officer arose when the Church obtained a public status in the Roman Empire and its right to own property was recognized by the civil authority. The emergence of this office relieved bishops of their temporal responsibilities and afforded them the freedom to fulfil their spiritual and pastoral ones.

The office of the finance officer is not optional but mandatory now under *CIC* and *CCEO*. The reason for a separate finance officer is that the bishop as the head of the diocese should be relieved from the temporal administration in order to be free to devote all his efforts to the pastoral aspects of his official duties.⁴ Therefore, the legislator expects that the bishop must appoint a finance officer personally; the vicar general or an Episcopal vicar cannot appoint a finance officer (cf. *CIC* c. 494 §1; *CCEO* c. 262 §1).⁵ According to *CCEO*, if the bishop,

² Cf. George Nedungatt, *Laity and Church Temporalities: Appraisal of a Tradition*, Dharmaram Publications, Bangalore 2000, 242.

³ Cf. John J. Myers, "The Diocesan Fiscal Officer and the Diocesan Finance Council," in *CLSA Proceedings* 44 (1982), 181.

⁴ Cf. Victor J. Pospishil, *Code of Oriental Canon Law; The Law on Persons*, St. Mary's Ukrainian Catholic Church, Philadelphia 1960, 192.

⁵ Cf. Frederick C. Easton, "The Appointment of the Diocesan Finance Officer," in Kevin E. McKenna, Lawrence A. Dinardo, Joseph W. Pokusa (eds), *Church Finance Handbook*, Canon Law Society of America, Washington D. C. 1999, 127.

after having been given a warning, still fails to appoint a finance officer, the metropolitan of the Patriarchal Church has the power to appoint a finance officer (cf. *CCEO* c. 133 §1, 6°). Nevertheless, the metropolitan who appoints a finance officer in this way does not acquire any power over the finance officer whom he has appointed (cf. *CCEO* c. 945).

3. The Manner of Appointment

Because the finance officer has extensive responsibilities, the bishop must take the utmost care in selecting a person to fill this office.⁶ Therefore, before appointing a finance officer, the bishop must separately consult two bodies, that is, the college of consultors and the diocesan finance council (cf. *CIC* c. 494 §1; *CCEO* c. 262 §1). They must be convened according to the norm (cf. *CIC* c. 166; *CCEO* c. 948), unless particular or proper law has established differently.⁷ It must be convoked formally and the bishop must seek out the opinion of each member of both groups in a face-to-face meeting.⁸ Asking the advice individually and not in a group may be necessary in cases where there is great difficulty and cost involved in bringing a large consultative body together, or due to great distances or the urgency of an issue. There should be an atmosphere of open discussion and free exchange of opinions in the meeting. All members must be given sufficient information regarding the persons presented. This consultation would include a discussion of the candidate and his qualifications, character, family life, ecclesial life, etc. This consultation should be as thorough as possible, as the finance officer plays an important role in the financial management of the diocese.⁹ However, the bishop need not obtain the consent of either of these two bodies. Consultation with these two bodies is essential to the extent that if the bishop neglects it or does not follow

⁶ Cf. Adrian Farrelly, "The Diocesan Finance Council: Functions and Duties according to the Code of Canon Law," in *Studia Canonica* 23 (1989), 165.

⁷ Cf. *Communicationes* 14 (1982), 146.

⁸ Cf. Thomas J. Green, "Shepherding the Patrimony of the Poor: Diocesan and Parish Structures of Financial Administration," in *The Jurist* 56 (1997), 711.

⁹ Cf. Adrian Farrelly, "The Diocesan Finance Council: Functions and Duties according to the Code of Canon Law," 164-165.

the procedure required by the law, the appointment of the finance officer will remain invalid.¹⁰

Because the offices of finance officer and diocesan administrator are incompatible, a priest serving as finance officer who is subsequently elected diocesan administrator cannot continue as finance officer (cf. *CIC* c. 152; *CCEO* c. 942). Therefore, a new interim finance officer is to be elected by the finance council (cf. *CIC* c. 423 §1; *CCEO* c. 225 §2). If the term of the finance officer comes to an end during the vacancy of the diocese, the diocesan administrator can appoint a new finance officer as he has the rights and obligations of the bishop (cf. *CIC* c. 427 §1).¹¹ According to *CCEO*, an eparchial administrator cannot appoint a finance officer during the vacancy of the eparchy. It is the right of the Patriarch, if the eparchy is in his proper territory, to appoint a new finance officer after consulting the bishops of the patriarchal curia, if there are any, or after consulting the permanent synod. If the eparchy falls outside the proper territory of the Patriarch, the finance officer is elected by the college of consultors (cf. *CCEO* c. 232 §3).¹²

4. The Qualifications

The qualifications of the finance officer are twofold: professional and personal. The law has no qualifying statement regarding the state of life of the finance officer. The *CCEO* states that the finance officer must be a member of the Christian faithful (cf. *CCEO* c. 262 §1). The Latin term used in the canon is *christifidelis*. Therefore, the finance officer can be a cleric, religious, or a lay person of either gender.¹³ As

¹⁰ Cf. Marco Brogi, "Eparchies and Bishops," in George Nedungatt (ed.), *A Guide to the Eastern Code: A Commentary on the Code of Canons of the Eastern Churches*, Pontifical Oriental Institute, Rome 2002, 239.

¹¹ Frederick C. Easton says that during the vacancy of diocese it is the finance council who elects the temporal finance officer in case the office becomes vacant (cf. Frederick C. Easton, "The Appointment of the Finance Officer," 129).

¹² Cf. Thomas J. Green, "Diocesan and Parish Structures: A Comparison of Selected Canons in the *Codex Iuris Canonici* and *Codex Canonum Ecclesiarum Orientalium*," in *Studia Canonica* 33 (1999), 375.

¹³ Cf. *Communicationes* 13 (1981), 128; Luigi Chiappetta, *Il Codice di Diritto Canonico: Commento giuridico-pastorale*, vol. 1, Third edition, Edizione Dehoniane Bologna, Bologna 2011, 604.

per CCEO, he must be a Christian and need not be a Catholic.¹⁴ According to Green, since the finance officer holds an ecclesiastical office, the candidate must presumably be a catholic.¹⁵ The CIC does not say anything of this sort. We have to apply the general norm that in order to promote a person to an ecclesiastical office he must be in communion with the Church (cf. CIC c. 149 §1), but not necessarily in full communion.¹⁶ Though appointing a non-Catholic as finance officer is not against the law, a Catholic is to be preferred, insofar as possible, since his role is very important in the diocese. There are many who argue that bishops, priests, and religious are to be freed from the general duties of day-to-day administration so that they can devote their time and energy to the Word of God and to the administration of Sacraments.¹⁷ Moreover the office of finance officer does not require the *potestas ordinis*. From the wordings of the Directory for the Pastoral Ministry of Bishops *Apostolorum successores*, it seems that a priest is not expected to be appointed as the finance officer. It says: "The finance officer, who may be a permanent deacon or a lay person, must possess extensive experience in the administration of financial affairs. He must have a good knowledge of civil and canonical legislation concerning temporal goods and of any legal agreements with the civil authority concerning the ecclesiastical goods."¹⁸ Traditionally, priests are appointed as finance officers. It is time to change our mindset and to accept a lay person as the finance officer. It is an open secret that

¹⁴ Cf. John D. Faris, *Eastern Catholic Churches: Constitution and Governance*, Saint Maron Publications, New York 1992, 534.

¹⁵ Cf. Thomas J. Green, "Shepherding the Patrimony of the Poor: Diocesan and Parish Structures of Financial Administration," 724.

¹⁶ Cf. Nicholas Cafardi, "Religious Affiliation of the Diocesan Financial Officer," in K. W. Vann, Lynn Jarrell (eds), *Roman Replies and CLSA Advisory Opinions 1992*, Canon Law Society of America, Washington D. C. 1992, 73.

¹⁷ Cf. Marie Breitenbeck, "The Requirements for Experts in Church Law," in *The Jurist* 50 (1990), 273; Adrian Farrelly, "The Diocesan Finance Council: Functions and Duties according to the Code of Canon Law," p. 166; Charles J. Ritty, "Changing Economy and the New Code of Canon Law," in *The Jurist* 26 (1966), 483.

¹⁸ Directory for the Pastoral Ministry of Bishops *Apostolorum successores* 192.

clerics, who are trained to care for souls, often are not trained for financial administration. There are many lay persons who are experts in the field of finance management who could be appointed as finance officers, thereby allowing priests to engage themselves in pastoral works. Appointing a lay person as the finance officer may be advantageous for dioceses in which there is a shortage of priests, or for mission dioceses where many priests are required for evangelization. In these situations, a suitable lay person can function as the finance officer and leave priests free for pastoral works.

Both codes summarize the most important qualities of the finance officer in one sentence: he must be an expert in financial matters and outstanding in integrity/honesty (cf. *CIC* c. 494 §1; *CCEO* c. 262 §1).¹⁹ Though it is a simple sentence, it is an important one and its meaning is manifold: honesty must be evident in everything that the finance officer does. Unless he is an honest person, the bishop and finance council members will not trust the accounts he presents. He must be sincerely accountable to the bishop and to the members of the finance council as well. Unless they receive a sincere and clear picture of the diocese's financial situation, they may not be able to appropriately plan for the future. He must not only have true skills in financial matters and have the ability to comprehend the breadth of the temporal holdings of the diocese, but also be able to supervise others for the purpose of accomplishing the common goal.²⁰ The bishop may not be an expert in financial matters; therefore, he may have to depend on the finance officer. If the finance officer does not have a basic knowledge of canon law or the administration of temporal goods, he should be given basic training in these areas.

While *CIC* makes no reference to civil law expertise, this quality might nevertheless be very useful for the diocesan finance officer. Whereas the eparchial finance officer should be an expert in civil law, as he belongs *ipso iure* to the finance council, whose members are to be experts in civil law whenever it is possible (cf. *CCEO* c. 263 §1).

¹⁹ Cf. Joseph T. Martin De Agar, *A Handbook on Canon Law*, Wilson & Lafleur Limitée, Montréal 1999, 90.

²⁰ Cf. Frederick C. Easton, "The Appointment of the Finance Officer," 128.

Both *CIC* and *CCEO* say that persons related to the bishop up to the fourth degree of consanguinity or affinity cannot be appointed as members of the finance council (cf. *CIC* c. 492 §3; *CCEO* c. 263 §3). Since the finance officer, according to *CCEO*, is an *ex officio* member of the finance council, he cannot be closely related to the bishop. *CIC* 1983 does not provide that the finance officer is a member of the finance council *ipso iure*. Therefore, a close relative of the bishop can function as finance officer provided he is not a member of the finance council. Even though *CIC* does not prohibit it, it is nevertheless wise and prudent to avoid appointing a close relative of the bishop as finance officer since the general intent of the code is to avoid any appearance of nepotism in the governance of the diocese.²¹

5. The Term of Office

The office of finance officer is more stable than any other office in the diocese. Like a vicar general or episcopal vicar, the finance officer does not cease from office when the diocese becomes vacant. Since his office is a stable one, *CIC* prescribes that the finance officer must be appointed for five years (cf. *CIC* c. 494 §2). This is the only office in the diocesan curia for which *CIC* prescribes the term of office. After the completion of five years, the appointment can be renewed (cf. *CIC* c. 494 §2). Each renewal must be for five years.²² There is no limit on the number of terms for which the finance officer can be reappointed. *CCEO* does not prescribe the term of office, but leaves it to the particular law of each Church *sui iuris* (cf. *CCEO* c. 262 §2). The particular law of each Church *sui iuris* can decide whether such an appointment is renewable or not upon the expiration of the time, how many times the appointment can be renewed, etc.

²¹ Cf. Marie Breitenbeck, "The Requirements for Experts in Church Law", 273; John A. Alesandro, "The Internal Ordering of Particular Churches," in James Coriden, Thomas J. Green, Donald E. Heintschel (eds), *The Code of Canon Law: A Text and Commentary*, Theological Publications in India, Bangalore 1991, 399.

²² Cf. *Communicationes* 5 (1973), 228; Luigi Chiappetta, *Il Codice di Diritto Canonico: Commento giuridico-pastorale*, vol. 1, Third edition, 604; Francesco Coccopalmerio, "The Chancellor, Other Notaries and the Archives," in Ángel Marzoa, Jorge Miras, Rafael Rodríguez -Ocaña (eds), *Exegetical Commentary on the Code of Canon Law*, vol. 2, Midwest Theological Forum, Chicago 2004, 1177.

6. Removal from Office

The finance officer enjoys a certain stability because of the nature of his responsibilities. Like the vicar general or the episcopal vicar, he cannot be removed from the office *ad nutum episcopi*.²³ He cannot be removed merely for a just reason, but there should be a grave reason for the removal from the office prior to the expiration of his term (cf. *CIC* c. 494 §2; *CCEO* c. 262 §2).²⁴ The law does not define the grave reason, but it is to be assessed by the bishop after consulting the college of consultors and members of the finance council.²⁵ The bishop losing faith in the finance officer could be considered a grave reason.²⁶ Even if there is a very grave reason for removing the finance officer, the bishop must still consult the college of consultors and members of the finance council prior to the removal (cf. *CIC* c. 494 §2; *CCEO* c. 262 §2)²⁷. This is the one office in the diocese where the bishop has to follow a procedure to remove the person whom he has appointed. The consultation is to be done in separate meetings with both groups.²⁸ The bishop need not explain the reason in detail if it is very confidential or to protect the good name of the finance officer, but he at least has to present the matter in a summary form. This consultation is not only for liceity but also for validity.²⁹ The

²³ Cf. John J. Myers, "The Diocesan Fiscal Officer and the Diocesan Finance Council", 186; Barbara Anne Cusack, "The Internal Ordering of Particular Churches," in John P. Beal, James A. Coriden, Thomas J. Green (eds), *New Commentary on the Code of Canon Law*, 651.

²⁴ Cf. Mario Marchesi, *Il Laico e l'amministrazione dei beni nella chiesa*, in *Quaderni di Diritto Ecclesiale* 2 (1989), 339.

²⁵ Cf. Marie Breitenbeck, "The Requirements for Experts in Church Law," 274.

²⁶ Cf. Adrian Farrelly, "The Diocesan Finance Council: Functions and Duties according to the Code of Canon Law," 165.

²⁷ Cf. *Communicationes* 13 (1981), 128; Charles Torpey, "Offices of the Diocesan Curia Interrelationships and Creative Possibilities," in *CLSA Proceedings* 45 (1983), 115.

²⁸ Cf. Luigi Chiappetta, *Il Codice di Diritto Canonico: Commento giuridico-pastorale*, vol. 1, Third edition, 604.

²⁹ Cf. Juan Ignacio Arrieta, *Governance Structures within the Catholic Church*, Wilson & Lafleur Ltée, Montréal 2002, 231; Barbara Anne Cusack, "The Internal Ordering of Particular Churches," 652.

bishop himself judges the seriousness of the reason. There is no other specific process for the removal, but exigencies of justice and equity are to be considered. When the bishop removes the finance officer, he has to see that the diocese does not suffer in any way due to his removal.

In the Latin Church, the diocesan administrator can remove the finance officer after consulting the college of consultors and members of the finance council (cf. *CIC* c. 427 §1).³⁰ Although the finance council has the right to elect a new finance officer if the finance officer is elected as the diocesan administrator (cf. *CIC* c. 423 §1), the council has no power to remove the finance officer. In the Eastern Churches, the patriarch, with the consent of the permanent synod, can remove the finance officer of an eparchy inside the patriarchal territory. In all other cases, only the Apostolic See can remove a finance officer (cf. *CCEO* cc. 231 §2, 232 §2).

7. Resignation from Office

The finance officer can resign from his office. In order to do so, he must submit his resignation in writing to the bishop or express his intention of resignation before two witnesses (cf. *CIC* c. 189 §1; *CCEO* c. 969). Acceptance of resignation is not required since it is not specified in the codes. The finance officer should continue in office until his resignation is accepted by the bishop. If he arbitrarily relinquishes the office and any damage takes place as a consequence, he is bound to make restitution (cf. *CIC* c. 1289; *CCEO* c. 1033).

8. The Functions of the Finance Officer

The functions of the finance officer are summarized in *CIC* c. 494 §3-4.

It is the responsibility of the financial administrator, under the authority of the Bishop, to administer the goods of the diocese in accordance with the plan of the finance committee, and to make those payments from diocesan funds which the Bishop or his delegates have lawfully authorized (§3).

At the end of the year the finance administrator must give the finance committee an account of income and expenditure (§4).

³⁰ Cf. John A. Alesandro, "The Internal Ordering of Particular Churches," 400.

The canon prescribes three functions of the finance officer: 1) to administer the goods of the diocese according to the plan of the finance council, 2) to make payments from the diocesan funds which the bishop or his delegates have lawfully authorized, and 3) to prepare a financial report to be submitted to the finance council.

CCEO c. 262 §3 is broader in its description of the finance officer's functions.

Under the power of the eparchial bishop, who is to determine in greater detail the rights and relationships of the eparchial finance officer to the finance council, the eparchial finance officer is to administer the temporal goods of the eparchy, to oversee the administration of the ecclesiastical goods throughout the eparchy, to provide for their preservation, safety and increase, to supply for the negligence of local administrators and to administer the goods that lack an administrator designated by the law.

CCEO prescribes five functions for the finance officer in the canon: 1) to administer the temporal goods of the eparchy, 2) to supervise the administration of ecclesiastical goods³¹ in the entire eparchy, 3) to provide for their preservation, safety and increase, 4) to compensate for the negligence of local administrators, and 5) to administer the ecclesiastical temporal goods which lack an administrator designated by the law. The finance officer exercises his office under the direction and supervision of the bishop because the bishop is the head and legal representative of the diocese as a juridical person. There should be a close and mutual understanding between the two. Since the bishop is busy with the pastoral activities of the diocese, he entrusts the administration of the temporal goods to the finance officer. The most important responsibility of the finance officer is to administer the temporal goods under the authority of the bishop (*sub auctoritate Episcopi*). First and foremost he should realize that he exercises his administrative function on behalf of the bishop. While the finance officer administers the temporal goods of the diocese, it is the bishop's responsibility to exercise vigilance over the administration

³¹ CIC c. 1257 § 1 describes ecclesiastical goods as "all temporal goods belonging to the universal Church, to the Apostolic See or to other public juridic persons in the Church." According to CCEO c. 1009 § 2, "all temporal goods which belong to juridic persons are ecclesiastical goods." The goods of a private juridic person are not considered as ecclesiastical goods.

of all ecclesiastical goods. It is to be noted that the finance officer has no role over the temporal goods belonging to other juridic persons such as provinces or houses of religious congregations, societies of apostolic life, etc., as they have their own administrators.

8.1. The Functional Difference in CIC and CCEO

There is a difference in the functions of finance officer in *CIC* and *CCEO*. The latter offers a slightly more detailed job description of the finance officer than does the *CIC*. The finance officer of *CIC*, while exercising his power under the bishop, has to function "*secundum rationem a concilio a rebus oeconomicis definitam*."³² The *Coetus "De Sacra Hierarchia"* in its sixth session considered making the finance officer the president of the finance council ("*Consilium de rebus oeconomicis, cui praeest oekonomus, vere peritus...*"). But it later decided to have the bishop as the council's president and to separate the finance officer from the finance council.³³ He has to function according to the budget determined by the finance council and meet the expenditures authorized by the bishop or the person deputed by him.³⁴ According to *CIC*, he is not even a member of the finance council but merely follows the direction of the council. He functions like an accountant; therefore, his role is limited. On the other hand, *CCEO* does not explicitly state that the finance officer must follow the plan of the finance council. Since he is an *ex officio* member of the finance council, he plays an important role in it and is also involved in its decision making process. Therefore, *CCEO* invests greater responsibility in the finance officer than does *CIC*. He is fundamentally responsible to the bishop and not to the finance council. The bishop has to determine in detail the rights and relationship of the eparchial finance officer to the finance council.

In *CIC*, one of the functions of the finance officer is "to make those payments from diocesan funds which the Bishop or his delegates have lawfully authorized" (*CIC* c. 494 §3). He follows the directives of the bishop and the finance council, and has no freedom to make any payments which the bishop or his delegate has not authorized.

³² Cf. *Communicationes* 13 (1981), 126-127.

³³ Cf. *Communicationes* 24 (1992), 53-54.

³⁴ Cf. Thomas J. Green, "Diocesan and Parish Structures: A Comparison of Selected Canons in the *Codex Iuris Canonici* and *Codex Canonum Ecclesiarum Orientalium*," in *Studia Canonica* 33 (1999), 381.

He has to follow the policy of the diocese. Under *CCEO*, the finance officer has more freedom with regard to this matter since the law does not limit his power as *CIC* does. Therefore, the finance officer in *CCEO* has greater freedom to make use of his discretion and prudence when handling the finance of the diocese.

8. 2. Responsibilities in General

The finance officer has to carry out many functions for the benefit of the diocese. The finance officer's responsibility to supervise the administration of temporal goods is not limited to a particular geographical area but extends to the entire diocese (cf. *CIC* c. 494 §3; *CCEO* c. 262 §3). While administering the temporal goods of the diocese, he has to perform his responsibilities with the diligence of a good householder (cf. *CIC* c. 1284 §1; *CCEO* c. 1028 §1). He has to supervise the temporal goods of juridic persons subjected to the bishop.³⁵ He has to exercise vigilance so that no goods entrusted to his care are in any way lost or damaged. If necessary, the finance office can take insurance policies (cf. *CIC* c. 1284 §1, 1°; *CCEO* c. 1028 §2, 1°). He has to ensure that the ownership of the ecclesiastical goods is safeguarded in ways which are valid in civil law (cf. *CIC* c. 1284 §1, 2°). He has to observe the laws, both canon and civil, and laws imposed by the founder, donor or legitimate authority. He has to see that no damage comes to the Church from the non-observance of civil law (cf. *CIC* c. 1284 § 1, 3°; *CCEO* c. 1028 §2, 2°). He has to collect the return of goods and income accurately and on time, preserve what is collected, and use the goods as per the intention of the founder or lawful norms (cf. *CIC* c. 1284 §1, 4°; *CCEO* c. 1028 §2, 3°). He has to see that the interest which is due on a loan or mortgage is paid in time and also the sum of the capital (cf. *CIC* c. 1284 §1, 5°; *CCEO* c. 1028 §2, 4°). With the consent of the bishop, he can profitably invest the money which may be left over after expenses and can be usefully set aside for the purposes of the Church (cf. *CIC* c. 1284 §1, 6°; *CCEO* c. 1028 §2, 5°). He has to maintain accurate records of income and expenditures (cf. *CIC* c. 1284 §1, 7°; *CCEO* c. 1028 §2, 6°). He also has to preserve records and documents of property, and deposit authentic copies of them in the diocesan archive (cf. *CIC* c. 1284 §1, 9°; *CCEO* c. 1028 §2, 8°). He has to observe meticulously, as per Church principles, the civil law pertaining to the

³⁵ Cf. Marie Breitenbeck, "The Requirements for Experts in Church Law", 273.

labour and social policies in the employment of workers (cf. *CIC* c. 1286, 1^o; *CCEO* c. 1030, 1^o). He has to pay a just and decent wage to those who work for the diocese. Their salary must be for their needs and those of their dependents, if they have any (cf. *CIC* c. 1286, 2^o; *CCEO* c. 1030, 2^o). In every diocese there are many juridic persons such as seminaries, parishes, etc. The administrators of ecclesiastical goods, if they are not lawfully withdrawn from the power of governance by the bishop, must make an annual report of their administration to the local ordinary (cf. *CIC* c. 1287 §1; *CCEO* c. 1031 §1). As supervisor of the temporal goods, the finance officer must check these reports and can intervene if he discovers some negligence. He has to write up an accurate inventory of movable and immovable goods with a description and estimate of their values (cf. *CIC* c. 1283, 3^o; *CECO* c. 1026, 2). One copy of it is to be kept in the office of the finance officer and the other copy is to be preserved in the diocesan archive. If there is any change that takes place affecting property or patrimony, it is to be marked on both copies (cf. *CIC* c. 1283, 2^o; *CECO* c. 1026). Having an inventory will help him to function in a systematic way and guide his successors in carrying out the functions of their office.

The finance officer is prohibited from doing certain things while administering the temporal goods. He cannot act validly beyond the limits and procedures of ordinary administration unless the bishop has given his written consent (cf. *CIC* c. 1281 § 1; *CCEO* c. 1024 §1). The limit of the ordinary administration should be specified in diocesan laws. He is also prohibited from making donations from the movable goods that do not belong to the stable patrimony, unless it is for a just cause of piety or charity. These donations must be in moderate amounts and according to legitimate custom (cf. *CIC* c. 1285; *CCEO* c. 1029). He should not initiate or contest a lawsuit in civil court in the name of the diocese without the written permission of the bishop (cf. *CIC* c. 1288; *CCEO* c. 1032).³⁶ This permission is not for validity, but only for liceity. The finance officer shall not sell or lease ecclesiastical goods to himself unless they are of little value, nor shall he sell them to his relatives up to the fourth degree of consanguinity or affinity without the written³⁷ permission of the

³⁶ *CCEO* does not specify the need for written permission of the bishop. Therefore, oral permission is sufficient.

³⁷ *CCEO* does not demand a written permission as in *CIC*.

bishop (cf. *CIC* c. 1298; *CCEO* c. 1041). The purpose of this norm is to safeguard the good reputation of the finance officer. If he sells valuable things to his close relatives, even if sold for a high price, people may misinterpret this. As per the law, he has no authority to make policy for the diocese or authorize expenditures, but he has to just follow the directives of the finance council and of the bishop.

8. 3. Multiplying the Finance of the Diocese

The finance officer has not only to preserve, protect, and increase the temporal goods of the diocese but also has to take every effort to multiply the funds of the diocese. He has to discover different ways and means to increase these funds. The dioceses in mission countries may need external financial support. Therefore, the finance officer has to take initiatives to approach various funding agencies which support the dioceses financially for evangelization and social developmental works in the diocese. When he receives offerings from different sources, he should apply them for the purpose for which the offering was made. He should never change the purpose of the donor. The intention of the donor must be respected and most carefully observed (cf. *CIC* c. 1267 §3; *CCEO* c. 1016 §1). Once he has received temporal goods from various sources, they become the goods of the diocese.

The finance officer has to make sure that all the resources of the diocese are properly used and should see that the diocese's holdings generate income insofar as possible. For example, if a diocese has agricultural land, it has to be utilized properly for income generation for the diocese. The finance officer has to see that all resources of the diocese are used properly in this regard. In making efforts to increase the diocese's wealth, he should not take imprudent risks with diocesan funds, such as investing them in an unauthorized bank or in share market, etc. There should be an investment policy for the diocese.³⁸ He should not be like the servant in the parable who buried the one talent given to him by the master (cf. Mt 25: 14-30). The diocese should not suffer any financial harm from his negligence.

³⁸ Cf. John D. Faris, *Eastern Catholic Churches: Constitution and Governance*, 537.

8. 4. Taking Care of Public Juridic Persons

The bishop must carefully supervise the administration of all the goods that belong to public juridic persons subject to him. It is the bishop's responsibility to exercise vigilance over the administration of the ecclesiastical goods within the boundaries of his diocese and which have not been removed from his power of governance. The bishop does not administer the temporal goods of public juridic persons, but only supervises their administration. He fulfils his function through pastoral visits and the inspection of public juridic persons.³⁹ The bishop has to ensure that the general principles of administering the goods of the Church are observed according to universal and particular laws (cf. *CIC* c. 1276 §1; *CCEO* c. 1022 §1).⁴⁰ The bishop need not do it by himself, but can entrust his responsibility of vigilance to the finance officer (cf. *CIC* c. 1278). If the finance officer is entrusted with this task, he has to oversee the administration of the temporal goods of public juridic persons subject to the bishop. The bishop can appoint the finance officer as the administrator of a public juridic person, if there is no administrator by law or documents of foundation or by its own statutes (cf. *CIC* c. 1278).⁴¹ In that case, the role of the finance officer must be clearly specified.

In certain dioceses, there may be foundations or other kinds of public juridic persons which were established without having any financial administrators. According to *CCEO*, the finance officer is the administrator of the temporal goods which lack an administrator designated by law (cf. *CCEO* c. 262 §3). He need not have a special appointment for it. This responsibility is not entrusted to the finance officer in *CIC* by law. As per *CIC*, if an administrator is not appointed for a public juridic person by law, by the documents of foundation, or by its own statutes, the ordinary is to intervene and appoint a suitable person as the administrator for a term of three years (cf. *CIC* c. 1279 §2). In this case, the bishop can appoint the

³⁹ Cf. Thomas J. Green, "Shepherding the Patrimony of the Poor: Diocesan and Parish Structures of Financial Administration," 708.

⁴⁰ Cf. Frederick C. Easton, "The Appointment of the Diocesan Finance Officer," 130.

⁴¹ Cf. John A. Renken, "Penal Law and Financial Malfeasance," in *Studia Canonica* 42 (2008), 10-11.

finance officer as the administrator instead of another person when he deems it appropriate (cf. *CIC* c. 1278).⁴²

8. 5. Preparing a Report of His Administration

The finance officer must prepare a report of his administration including a statement of income and expenditures. According to *CIC*, this report is to be submitted at the end of the year to the finance council, to which the finance officer is responsible by law (cf. *CIC* c. 494 §4). The report is to be presented only once a year. *CCEO*, however, says that the finance officer must submit this report to the bishop through the finance council. He has to submit it every year and as often as it is requested by the same bishop (cf. *CCEO* c. 262 §4). Therefore, he is not bound to present the report to the members of the finance council. Likewise, according to *CCEO*, the finance council does not have a right to demand a report from the finance officer nor has the finance officer an obligation to submit any report to the finance council. The bishop has to study this report with the help of the members of the finance council (cf. *CCEO* c. 262 §4). Since the finance officer is an *ex officio* member of the finance council, he is present at the finance council meeting.

8. 6. Presenting the Accounts to the Faithful in the Diocese

In both *CIC* and *CCEO*, finance officers are bound to render an account to the faithful each year. There are some differences between *CIC* and *CCEO* in this regard. We read in *CIC*: “Administrators are to render accounts to the faithful concerning the goods which the faithful have given to the Church, in accordance with the norms to be laid down by particular law” (*CIC* c. 1287 §2). *CCEO* says: “According to the manner determined by the particular law, an administrator of the ecclesiastical goods is to render an account publicly concerning the goods offered to the Church, unless the local hierarch establishes otherwise for a grave reason” (*CCEO* c. 1031 §2). Neither *CIC* nor *CCEO* prescribes the method for publishing this account; both codes leave it to particular law. According to *CIC*, the finance officer must give an account only of the goods given by the faithful. During the revision process there was a discussion about presenting the whole account to the faithful including returns on investment, sales of property, other sources of income, etc. It was

⁴² Cf. John J. Myers, “The Diocesan Fiscal Officer and the Diocesan Finance Council,” 187.

found that in certain cases it would be praiseworthy while in others it could harm the Church. Finally, it was decided not to present the complete account to the faithful, but only an account of what they contribute to the Church.⁴³ Therefore, the bishop can decide the mode of presenting the account to the faithful. As per *CCEO*, the finance officer has to present an account of the temporal goods received by the Church from all sources, that is, not only the offerings made to the Church by the faithful but also the contributions made by non-Christians, donations given by funding agencies, etc. According to Nedungatt, the income from farms, agriculture, investment, etc., does not come under 'goods offered to the Church'⁴⁴ and therefore there is no obligation to present these accounts. As in *CIC*, particular law is to be legislated regarding the manner of publication of the account to the faithful. Even if there is particular law, the local hierarchy need not follow the particular law if there is a grave reason, and he can decide whether to make an exception.⁴⁵ This should be seen only as an exception, in a particular context.

9. Conclusion

The office of Diocesan Finance officer is an ancient office. Bishops are to be free from the temporal administration of the diocese, so that they may have the time and energy for their pastoral functions. Therefore, the law obliges him to appoint a finance officer. Thus, we see the seriousness of the office. It is one of the stable offices in the diocese. The bishop is not completely free to appoint the finance officer of his choice. Before appointing the finance officer, he must consult the college of consultors and the members of the finance council (cf. *CIC* c. 494 §1; *CCEO* c. 262 §1). If he neglects to consult these two bodies, the act of appointment would be invalid. The law demands certain qualifications for the finance officer. The bishop can remove the finance officer, but only for a grave reason. Again, the bishop has to consult the college of consultors and the members of the finance council prior to the removal. The finance officer may

⁴³ Cf. *Communicationes* 12 (1980), 421.

⁴⁴ Cf. George Nedungatt, *Laity and Church Temporalities: Appraisal of a Tradition*, 240.

⁴⁵ Cf. *Ibid.*

resign from the office if he so desires. In resigning, he should see that the diocese does not suffer in any way because of his resignation.

The finance officer has many functions to fulfil. Primarily, he has to administer the temporal goods of the diocese under the authority of the bishop. There is a minor functional difference between *CIC* and *CCEO* regarding the authority to which the finance officer is ultimately responsible. According to *CIC*, the finance officer has to function under the direction of the finance council and is answerable to it (cf. *CIC* c. 494 §3). This is not specified in *CCEO*, which makes the finance officer directly responsible to the bishop.