i. INTRODUCTION

These policies and procedures are being developed in response to the need to have consistent and clear boundaries in dealing with parishes which fall behind in remitting their monthly stipend, and other invoices from the Diocese. The amount overdue for stipend and allotment from parishes and congregations has grown from an average of approximately $300,000 to $500,000 in recent years. The vast majority of the overdue amounts that concern the Finance Committee results from parishes more than 90 days in arrears.

ii. FRAMEWORK

1. THE TREASURER
   a. It is the responsibility of the Diocesan Treasurer to monitor and collect parish receivables; the Treasurer will use the policies and procedures outlined below in completing this obligation.
   b. The Treasurer will when appropriate report to and consult with the Bishop, Executive Archdeacon, Territorial Archdeacon, Episcopal Council, Diocesan Council, Diocesan Synod and the Finance Committee in regards to:
      i. Providing regular reports of all parish accounts receivables
      ii. Annual reports for individual parishes that demonstrate deterioration in financial well-being as indicated by significant reduction in parish reserves and/or by other accounts.
      iii. Developing strategies for dealing with individual parishes which are behind in their financial obligations to the Diocese.

2. CONGREGATIONS & PARISHES
   The Diocese expects congregations and parishes to be forthcoming with the Treasurer when circumstances make it difficult for them to pay their invoices in a timely manner.

iii. POLICIES & PROCEDURE

1. A congregation or parish whose account is more than 60 days overdue, will be charged interest at Bank of Canada Base lending rate.

2. Once congregations or parishes find themselves over 90 days in arrears to the Diocese, they will be expected to provide the Treasurer, Executive Archdeacon and the Controller with a viable plan for meeting their current financial obligations to the Diocese while addressing the overdue amounts. In consultation with the Finance Committee, the Treasurer may freeze or otherwise
reduce the interest rate on overdue amounts for congregations or parishes once a repayment plan has been submitted and approved.

3. If a congregation or parish does not remain faithful to the plan formulated in (2) above, they shall be considered in arrears, and a new plan will be developed immediately or else they will be considered without a viable plan.

4. Should a congregation or parish remain in a situation of indebtedness to the Diocese for six months without providing a viable plan to the Treasurer, the Treasurer, in consultation with Executive Archdeacon, the Episcopal Council and the Finance Committee, will recommend that the Bishop appoint a parish Administrator as provided for under Canon 35.

5. In some circumstances after 12 months, the Treasurer may deem it appropriate for a congregation or parish to convert their indebtedness into a short or long term credit arrangement. In this situation, the Treasurer will recommend they seek a loan from the Diocese subject to the required diocesan and parish approvals. Because of the possibility of conflict of interest issues, under no circumstances should a congregation or parish embark on a credit arrangement with a parishioner or parishioners.

6. If, after 18 months of indebtedness, a congregation or parish is not engaged in an approved repayment plan, the Treasurer in consultation with the Executive Archdeacon will ask Bishop to consider the advisability of continuing the tenure of the Incumbent in consideration of Canon 14.