

**Diocese of San Diego**

**POLICY ON THE PROHIBITION OF PARISH-BASED  
SEPARATELY INCORPORATED ENTITIES**

Pastors and parishes in the Diocese of San Diego may not allow the formation or functioning of any parish-based separately incorporated entities even though their purpose, particularly fundraising, might benefit the parish or a parochial school.

*From a civil law perspective, such entities could jeopardize the tax-exempt status of the diocese as a religious non-profit corporation particularly when these entities use the parish name, when parish members are on the board of directors, parish facilities are used, parish membership is solicited, and the parish or a parochial school financially benefits from them. They could also create civil and quasi-criminal liability for the parish and diocese although neither has oversight over them.*

*From a canon law perspective, the existence and functioning of such entities (1) undermines the authority and responsibility of the pastor and his finance council in the administration of the parish and parochial school; (2) creates a mechanism that could be used as leverage against the parish or diocese; (3) fosters parochialism by raising money in a way that evades the responsibility of parishes to financially support the local Church.*