Sponsorship and Governance: Complementary Roles

Pre-Assembly Governance Program

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1. What is Sponsorship?
2. Sponsorship and Juridic Persons
3. Sponsorship and the Holy See
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5. The Dimensions of Ministry Governance
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What Is Sponsorship?
The term “sponsorship” is defined in the Code of Canon Law.

False

“The term ‘sponsorship’ is not used in the Code of Canon Law. In a sense, this is very advantageous because it means that the term is not bound by specific parameters.”

Fr. Francis G. Morrisey, OMI, Ph.D., JCD, *Health Progress*, Jan-Feb 2007
Sponsorship: Latin root – “to pledge oneself solemnly”

Health care sponsorship is generally understood as:

The formal **relationship**

between

• an authorized Catholic organization
  (e.g. Franciscan Sisters, Ascension Sponsor, a Catholic Diocese) and

• a legally formed system, hospital, clinic, nursing home, etc.

• entered into for the sake of **promoting and sustaining Christ’s healing ministry** to people in need.

The Catholic Health Association, “Sponsorship Overview,” [www.chausa.org/sponsorship/overview](http://www.chausa.org/sponsorship/overview)
Sponsorship is the link between the Church, through the Holy See, and an established ministry.
Sponsorship entails:

1. The **use of a particular name** and

2. The **exercise of certain ecclesial and internal responsibilities** that arise from this use.

It often entails elements of **“quality control.”**

To a certain extent, sponsorship could be considered somewhat parallel to a *franchise*.

If there is no *accountability*, then there is a serious risk of fraud and deception.

*A person’s good name*—whether the “person” is an individual or group—is of primary importance.

Sponsorship responsibilities are exercised in relation to *what that name stands for*.

“In our [health care’s] case, we are referring to works undertaken in the name of Christ, on behalf of the Catholic Church.”  Morrisey
Listing in the Official Catholic Directory and Tax Exempt Status

USCCB Annual Group Ruling
Sponsorship and Juridic Persons
A Sponsor is a “Juridic Person”

“Juridic persons are constituted either by prescript of or by special grant of competent given through a decree; they are aggregates of or of ordered for a purpose which is in keeping with the mission of the Church and which transcends the purpose of the individuals [that comprise them].”

– Canon 114 §1
A “juridic person” is a creation of canon law that is similar to a corporation, which is recognized in civil law.

Acronyms and Terminology:
1. PJP – public juridic person or private juridic person
2. MJP – ministerial juridic person
3. MPJP – ministerial public juridic person
Juridic Persons

A juridic person “carries out its governance responsibilities through the reservation of some powers that give the Sponsors exclusive canonical control over certain key areas of the sponsored [incorporated apostolate].”

Sponsors manage their accountability to the Church through “reserved powers” or “3 Ps”:


2. **Persons**: appointment of CEO and Board.

3. **Property**: buying, selling (alienation), leasing, mortgages and bond issues.
3 Interrelated Concepts: Sponsorship, Ownership and Control

A. **Sponsorship**: Body under whose name a work is operated. May have sponsorship with or without ownership.

B. **Ownership**: Holding title to property. May have ownership with or without control, or with very little control.

C. **Control**: Refers to internal governance. May have degrees of control with various forms of sponsorship.
Canonical Responsibilities of Juridic Persons

1. Ensure proper stewardship of material resources

and

2. Ensure that the work is carried out consistent with the teachings and values of the Church

Sponsorship is not just a canonical stewardship… it is devising ways to guarantee that the healing and educating mission of Christ continues within the Church through particular ministries, in light of rapidly changing circumstances…”

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<th>TITLE/DATE ESTABLISHED</th>
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<td>Catholic Health Initiatives</td>
<td>Catholic Health Care Federation, 1991</td>
<td>SCL Health</td>
<td>Leaven Ministries, 2008</td>
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<td>SMP Health System</td>
<td>SMP Health Ministry, 2015</td>
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<tr>
<td>Mercy</td>
<td>Mercy Health Ministry, 2008</td>
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Catholic Works v. Works of Catholics

Generally, in order for a work to be considered “Catholic,” the work must be related to a juridic person.

Catholic Works: those of religious congregations, dioceses, and Catholic health care organizations.

Works of Catholics: St. Vincent DePaul Society, Knights of Columbus, and charitable activities of Catholic persons.

Qualities of a Canonically-Sponsored Work

1. **Must Have a Spiritual Purpose:** Works of *piety*, the *apostolate* or *charity*, including visit and care for the sick, feed the hungry, shelter the homeless. (canon 114).

2. **Must Answer a Need:** Work has a useful purpose relevant for its time (canon 114).

3. **Sufficient Means to Achieve its Purpose:** Includes sufficient financial, spiritual and human resources (canons 114, 610).

4. **Perpetuity or Stability:** Lasting, so long as it is relevant and needed.

5. **Stewardship of Work and its Assets:** Stewardship and accountability of temporal goods (canons 116, 1284).

6. **Must Be a Work of Quality:** Those in charge of a Catholic work must ensure it is a work of quality (canons 19 and 806).

7. **Special Preparation:** Those in charge of mission must be duly prepared and informed (canon 227.1)

Sponsorship and The Holy See
Also called the **Apostolic See** or the **See of Rome** is the:

1. The government of the Pope, whose authority is symbolized by his throne as bishop of Rome;
2. Jurisdiction exercised by the papal government over other leaders and the laity; and
3. An independent sovereign entity.

The word *see* is derived from the Latin *sedes*, which denotes the seat or chair that symbolizes the Pope’s/bishop’s authority.

ASSEMBLY2018

Congregation for Institutes of Consecrated Life and Societies of Apostolic Life.

CICLSAL is a Dicastery—or department—of the Roman Curia, the administration of the Holy See through which the Pope directs the Catholic Church.

It is sometimes referred to as the “Congregation for Religious.”

Because CICLSAL is the Dicastery through which religious communities have historically communicated to the Holy See, it has also become the conduit for communication with PJP’s established by petitions of said religious communities.
A PJP is expected to submit a written report to CICLSAL every 1 – 2 year(s).

Many PJPs also make in-person visits pursuant to a tradition established in the 1990s. PJPs that value in-person meetings send delegations to the Vatican every 2 – 5 years.Ω

Reference: Julie Minda, In-person Vatican meetings prove key to 'friend-raising' for U.S. sponsors, Catholic Health World, Nov 15, 2017,
Vatican Visits

Delegation PeaceHealth 2017

Cardinal João Braz de Aviz
Prefect, CICLSAL
Models of Sponsorship
The Holy See

- Diocese
- Pontifical University
- Archdiocese

Parishes, schools, Catholic charities
The Holy See

Entity A
Entity C

Entity B
Entity D

NEW PUBLIC JURIDIC PERSON
ASCENSION 2018

Ascension Sponsor

The Dimensions of Ministry Governance
The “Why” of Governance

Governance must be formed in the ‘why’ of mission if it is to be an effective force in the culture of Catholic health care.

The ‘why’ of mission is the transcendent purpose, the greater good of God’s love and God’s healing presence that motivates and amplifies these ministries.

When trustees fail to understand the ‘why,’ lesser and more proximate goods will drive the engine of Catholic health care...

• Three Basic Tasks of Governance

1. Fiduciary
2. Strategic
3. Creative Leadership
1. Fiduciary

a. The most basic (and passive) task: “holding in trust”

b. Monitoring systems

c. Value maintained, if not added

d. Getting the ship to the next port
2. Strategic

a. “The first responsibility of the leader is to define reality.”

b. SWOT analysis, enterprise risk management

c. Knowing where you want to go

d. Figuring out how to get there

e. Managing and adjusting the course

f. “Looking at the stars and the storm clouds”
3. Creative Leadership

a. Working collaboratively with management to envision a new destination or a new way to get there.

b. “sense-making,” “reflective practice,” “emergent strategy,” “adaptive leadership”

c. Can result in a whole change of paradigm, a new vision of the way we carry out the mission (e.g., fee-for-service vs. population health)
Added Dimensions of *Ministry* Governance

a. **Understand the Mission Theologically:** the healing ministry of Jesus.

b. **Audit and Compliance:** involves integrity, not just “not getting caught.”

c. **Prophetic:** Where does the Gospel want us to be?

d. **Strategy:** mission, collaboration and cooperation.

e. **Community Benefit:** activity on behalf of the common good.
The Relationship Between Sponsorship, Governance, and Management
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<th>Category</th>
<th>Sponsorship</th>
<th>Governance</th>
<th>Management</th>
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</thead>
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<tr>
<td><strong>Type of Entity</strong></td>
<td>Juridic Person</td>
<td>Corporation</td>
<td>Organization</td>
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<tr>
<td><strong>Primary Legal Accountability</strong></td>
<td>Canon Law/Civil Law</td>
<td>Civil Law/Canon Law</td>
<td>Civil Law/Regulations</td>
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<tr>
<td><strong>Title</strong></td>
<td>Sponsors/Members</td>
<td>Directors/Trustees</td>
<td>Executives</td>
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<td><strong>Primary Responsibilities</strong></td>
<td>Articulation of Mission &amp; Catholic Identity; Accountability to the Church</td>
<td>Oversight and Strategic Direction for Mission, Catholic Identity and Core Operations (e.g., finance, quality)</td>
<td>Implementation of Strategy for Mission, Catholic Identity &amp; Operations</td>
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<tr>
<td><strong>Primary Roles</strong></td>
<td>Prophetic and Fiduciary Identity and Visioning Roles</td>
<td>Fiduciary and Strategic Oversight and Strategic Roles</td>
<td>Fiduciary and Administrative Operational and Compliance Roles</td>
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Reference: CHA Draft Document
Trinity Health: “Mirror Board” Structure

DEFINING ROLES

Catholic Health Ministries Sponsors
- Church/spiritual leadership
- Accountable to church
- Relates to church
- Grounded in theology of church
- Governed by canon law
- Knowledgeable about canon law
- Uses language of church and canon law
- PJM established by church to be ministry sponsor
- Articulates theological underpinnings of sponsorship
- Establishes mission for sponsored works
- Recruits sponsors and assures formation
- Evidences integrated personal spirituality

Sponsorship and Governance Roles
- Fidelity to Catholic teachings
- Leadership
- Accountability
- Personal compatibility with founding principles, mission, values and vision
- Assures ministry response in the spirit of the Gospel
- Stewards ministry for future
- Creates culture to enact founding principles
- Promotes public policy in context of the global community
- Discernment of strategic priorities and direction

Trinity Health Board Governs
- Professional health care leadership
- Accountable to civil law
- Relates to corporate world
- Grounded in profession of health care
- Governed by civil law
- Knowledgeable about business and understands that ministry is more than just business
- Uses language of health care governance
- Administers effective organizational forms
- Develops strategies to carry out mission with focus on quality, safety and financial stewardship
- Participates in recruitment of qualified and diverse leadership
- Exercises fiduciary responsibility and accountability for the civil corporation

Case Study
Questions and Discussion
Bibliography


