



# The Unique Role of Sponsor/Owner



**St. Joseph's**  
Health Care Society

## From Sisters to Sponsorship

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Across Canada in the 1990s, the many different Congregations of Sisters who had founded hospitals and other health care organizations had fewer members to serve in health care administration. Therefore if the healing ministry of Jesus was to continue under Catholic sponsorship, the mission could no longer rest solely on their shoulders.

This directly led the Sisters of St. Joseph – our founding Congregation – to make two key decisions. First, they established each of their hospitals as separate corporations and placed their administration in the hands of well-qualified lay women and men. And secondly, they formed the St. Joseph's Health Care Society in 1993 to take up the role of Sponsor. The passing of the torch had begun. Moreover, with these decisions the Sisters fulfilled the decrees of the second Vatican Council which emphasized the call of all the laity to participate in the mission of the Church.

A Sponsor – also known as a “public juridic person” – acts on behalf of the Catholic Church to ensure that the treasure of the Sisters' health care ministry continues to be animated and celebrated, now and into the future. Canon law, which sets norms for the Church's ministries, including health care, describes a public juridic person much in the same way as a corporation is defined in civil law (canons 113-123). A key characteristic however of a sponsor is that it is a group of persons that perform work in the name of the Church, and not merely in its own name.

When considering the unique role of Catholic health care sponsorship it is helpful to explore three key themes: owner, reserved powers and responsibilities and accountability.

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## Sponsor as Owner

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The concept of Sponsor as “owner” is multifaceted and must consider both civil law and canon law. This ensures that each separately incorporated sponsored organization is protected both civilly in matters for the courts, and that it is functioning authentically with Catholic identity as a ministry of the Church in matters under canon law.

Each organization sponsored by the Society is registered as a not-for-profit corporation under either provincial or federal jurisdiction. As such, they each have a Board of Directors accountable for governance and a management team responsible for strategic decisions and ensuring high quality health care delivery.

The Board of Directors for each organization sponsored by the Society is appointed by the Society, in its role as the Members of the corporation.

This is different than most non-faith-based health care organizations where the Members of the corporation and the Directors of the Board are usually the same people. In this sense, the role of the Society as the Members of the corporation is analogous to “owner” or “sole shareholder,” concepts more often used when discussing for-profit ventures.

## Sponsor Reserved Powers & Responsibilities

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The Board of Directors for each organization sponsored by the Society has responsibility for governance oversight of the organization and, as such, has a high degree of autonomy.

Given the unique history of our Catholic health organizations, and expectations of canon law, a few responsibilities are reserved to the Society in its role as the Members of the sponsored organization.

These are known as reserved powers and responsibilities and include the following:

- To approve the appointment of Board Directors, CEOs/Presidents and Executive Directors
- To approve the by-laws of each member organization
- To approve any change to the member organization's mission, values or philosophy
- To approve any integration, merger or dissolution
- To approve any major financial decision or indebtedness
- To ensure access to mission leadership and integration education
- To ensure positive relationships with the Bishop
- To ensure a commitment to ethical integrity with the Health Ethics Guide as the foundation for ethical decision making
- To ensure a commitment to spiritual care services that effectively meet the needs of clients, families & staff
- To provide opportunities and educational resources for mission leadership development



The Society exercises its reserved powers and responsibilities by ensuring a strong relationship and open dialogue with each sponsored organization. Recommendations related to reserve powers and responsibility are brought forward to the Society for consideration, on the advice of the Board of the sponsored organization via a formal motion. This practice is in keeping with the principle of subsidiarity.

It is important to note that each organization sponsored by the Society is the owner of its bank accounts, investments and property under civil law.

In some situations, assets owned by the Catholic Church are used by sponsored organizations in the delivery of its mission. In these situations, such assets are known as “stable patrimony” and are also considered held in trust for the Church. Disposition of stable patrimony assets requires the approval of the Society and, in some cases, the Holy See.



## Sponsor Accountability

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Over time the transition from the Sisters to a Sponsorship model has led to a need for stronger tools to ensure that the underpinning mission and canonical requirements of the Sponsor is sustained, and to give confidence to ecclesial authorities that the health care mission is being carried out as intended.

To address this need, the Catholic Health Alliance of Canada (CHAC), under the guidance of its Governing Council and an ad hoc task group composed of sponsor leaders and bishops, developed a resource titled *Sponsorship Roles, Relationships and Accountabilities* (SRRA).

The document provides guidelines and tools to support standardized reporting and accountability amongst Catholic health sponsors and to assist with their annual reporting to ecclesial authorities regarding adherence to canon law, and specifically in the following three areas - mission focus, promotion and enhancement of identity, heritage and sustainability and attention to community needs with a special focus on efforts towards meeting the needs of the most vulnerable

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